

Local Council Representation Review

Final Report



**HEPBURN SHIRE
COUNCIL**

March 2020

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Recommendation

The Victorian Electoral Commission recommends that Hepburn Shire Council continue to consist of seven councillors elected from five wards with adjustments to the current ward boundaries (two two-councillor wards and three single-councillor wards).

This recommendation is submitted to the Minister for Local Government as required by the *Local Government Act 1989*.

Please see Appendix 2 for a detailed map of this recommended structure.

Executive summary

The *Local Government Act 1989* (the Act) requires the Victorian Electoral Commission (VEC) to conduct an electoral representation review of each local council in Victoria before every third council general election.

The purpose of an electoral representation review is to recommend the number of councillors and the electoral structure that provides ‘fair and equitable representation for the persons who are entitled to vote at a general election of the Council.’¹ The matters considered by a review are:

- the number of councillors
- the electoral structure of the council (whether the council should be unsubdivided or divided into wards and, if subdivided, the details of the ward boundaries and the number of councillors per ward).

The VEC conducts all reviews based on three main principles:

1. taking a consistent, State-wide approach to the total number of councillors
2. if subdivided, ensuring the number of voters represented by each councillor is within plus-or-minus 10% of the average number of voters per councillor for that local council
3. ensuring communities of interest are as fairly represented as possible.

Current number of councillors and electoral structure

Hepburn Shire Council currently comprises seven councillors elected from five wards (two two-councillor wards and three single-councillor wards). Prior to the representation review in 2007, Hepburn Shire Council was comprised of five councillors elected from single-councillor wards.

Visit the VEC website at vec.vic.gov.au for more information on the Hepburn Shire Council and to access copies of the 2007 representation review final report.

Preliminary submissions

Preliminary submissions opened at the commencement of the current review on Wednesday 30 October 2019. The VEC received five submissions for the representation

¹ Section 219D of the *Local Government Act 1989*.

review of Hepburn Shire Council by the deadline of 5.00 pm on Wednesday 27 November 2019.

Preliminary report

A preliminary report was released on Wednesday 29 January 2020 with the following options for consideration:

- Option A (preferred option)
Hepburn Shire Council consist of seven councillors elected from five wards, retaining the current electoral structure and ward boundaries (two two-councillor wards and three single-councillor wards).
- Option B (alternative option)
Hepburn Shire Council consist of seven councillors elected from five wards, with adjustments to the current ward boundaries (two two-councillor wards and three single-councillor wards).
- Option C (alternative option)
Hepburn Shire Council consist of seven councillors elected from three wards (one three-councillor ward and two two-councillor wards).

Response submissions

The VEC received seven submissions responding to the preliminary report by the deadline of 5.00 pm on Wednesday 26 February 2020.

Public hearing

The VEC scheduled a public hearing for those wishing to speak about their response submission at 5.30 pm on Tuesday 3 March 2020. There were no requests to speak so the hearing was not held.

Recommendation

The Victorian Electoral Commission recommends that Hepburn Shire Council continue to consist of seven councillors elected from five wards with adjustments to the current ward boundaries (two two-councillor wards and three single-councillor wards).

This electoral structure was designated as Option B in the preliminary report. Please see Appendix 2 for a detailed map of this recommended structure.

Background

Legislative basis

The Act requires the VEC to conduct a representation review of each local council in Victoria before every third general council election, or earlier if gazetted by the Minister for Local Government.

The Act states that the purpose of a representation review is to recommend the number of councillors and the electoral structure that provides 'fair and equitable representation for the persons who are entitled to vote at a general election of the Council.'²

The Act requires the VEC to consider:

- the number of councillors in a local council
- whether a local council should be unsubdivided or subdivided.

If a local council is subdivided, the VEC must ensure that the number of voters represented by each councillor is within plus-or-minus 10% of the average number of voters per councillor for that local council.³ On this basis, the review must consider the:

- number of wards
- ward boundaries
- number of councillors to be elected for each ward.

Public engagement

Public information program

The VEC conducted a public information program to inform the community of the representation review, including:

- public notices printed in local and State-wide papers
- public information sessions to outline the review process and respond to questions from the community
- media releases announcing the commencement of the review and the release of the preliminary report

² Section 219D of the *Local Government Act 1989*.

³ *Ibid.*

- a submission guide to explain the review process and provide background information on the scope of the review
- an information email campaign targeted at known community groups and communities of interest in the local council area
- sponsored social media advertising geo-targeted to users within the local council area
- ongoing information updates and publication of submissions on the VEC website.

More information on the VEC's public information program for the representation review of Hepburn Shire Council can be found at Appendix 3.

Public consultation

Public input was encouraged by the VEC via:

- preliminary submissions at the start of the review
- response submissions to the preliminary report

Public submissions are an important part of the review process but are not the only consideration. The VEC ensures its recommendations comply with the Act and are formed through careful consideration of public submissions, independent research, and analysis of all relevant factors.

The VEC's principles

Three main principles underlie all the VEC's work on representation reviews:

1. Taking a consistent, State-wide approach to the total number of councillors.

The VEC is guided by its comparisons of local councils of a similar size and category to the council under review. The VEC also considers any special circumstances that may warrant the local council having more or fewer councillors than similar local councils.

2. If subdivided, ensuring the number of voters represented by each councillor is within plus-or-minus 10% of the average number of voters per councillor for that local council.

This is the principle of 'one vote, one value', which is enshrined in the Act and is common across all three levels of government: local, state and federal. This means that every person's vote counts equally.

3. Ensuring communities of interest are as fairly represented as possible.

Each local council contains a number of communities of interest. Where practicable, the electoral structure should be designed to ensure they are fairly represented, and that geographic communities of interest are not split by ward boundaries. This allows elected councillors to be more effective representatives of the people and interests in their particular local council or ward.

Developing recommendations

The VEC bases its recommendations for the number of councillors and electoral structure on the following information:

- internal research specifically relating to the local council under review, including data from the Australian Bureau of Statistics and .id⁴; voter statistics from the Victorian electoral roll; and other State and local government data sets
- small area forecasts provided by .id for relevant local council areas
- the VEC's experience conducting previous electoral representation reviews of local councils and similar reviews for State elections
- the VEC's expertise in mapping, demography and local government
- consideration of all input from the public in written submissions received during the review
- advice from consultants with extensive experience in local government.

Deciding on the number of councillors

The Act allows for a local council to have between five and 12 councillors but does not specify how to decide the appropriate number.⁵ In considering the number of councillors for a local council, the VEC is guided by the Victorian Parliament's intention for fairness and equity in the local representation of voters under the Act.

The starting point in deciding the appropriate number of councillors for a local council is comparing the local council under review to other local councils of a similar size and type (Principle 1). Generally, local councils that have a larger number of voters will have a higher number of councillors. Often large populations are more likely to be diverse,

⁴ .id is a consulting company specialising in population and demographic analysis and prediction information products in most jurisdictions in Australia and New Zealand.

⁵ Section 5B(1) of the *Local Government Act 1989*.

both in the nature and number of their communities of interest and the issues of representation.

However, the VEC also considers the particular circumstances of each local council which could justify fewer or more councillors, such as:

- the nature and complexity of services provided by the Council
- geographic size and topography
- population growth or decline
- the social diversity of the local council.

Deciding the electoral structure

The Act allows for a local council ward structure to be unsubdivided—with all councillors elected 'at-large' by all voters—or subdivided into a number of wards.

If the local council is to be subdivided into wards, there are three options available:

1. single-councillor wards
2. multi-councillor wards
3. a combination of single-councillor and multi-councillor wards.

A subdivided electoral structure must be developed with internal ward boundaries that provide for a fair and equitable division of the local council.

The Act allows for wards with different numbers of councillors, as long as the number of voters represented by each councillor is within plus-or-minus 10% of the average number of voters per councillor for that local council (Principle 2). For example, a local council may have one

three-councillor ward with 15,000 voters and two single-councillor wards each with 5,000 voters. In this case, the average number of voters per councillor would be 5,000.

Over time, population changes can lead to some wards in subdivided local councils having larger or smaller numbers of voters. As part of the review, the VEC corrects any imbalances and considers likely population changes to ensure ward boundaries provide equitable representation for as long as possible.

In determining the most appropriate electoral structure, the VEC considers the following matters:

- the VEC's recommendation at the previous representation review and the reasons for that recommendation
- the longevity of the structure, with the aim of keeping voter numbers per councillor within the 10% tolerance for as long as possible (Principle 2)
- communities of interest, consisting of people who share a range of common concerns, such as geographic, economic or cultural associations (Principle 3)
- the number of candidates in previous elections, as outcomes from previous elections indicate that large numbers of candidates can lead to an increase in the number of informal (invalid) votes
- geographic factors, such as size and topography
- clear ward boundaries.

Hepburn Shire Council representation review

Profile of Hepburn Shire Council

Hepburn Shire Council is in Victoria's Central Highlands Region, about one hour and 15 minutes' drive north-west of Melbourne's CBD. The Shire is also within commutable distance to Ballarat and Bendigo. Covering about 1,470 square kilometres, Hepburn Shire is known for its mineral springs and its natural landscapes, which consist of plains and volcanic peaks in the northern and western areas as well as significant native forests in the central area. While the central and eastern areas are hilly, with higher rainfall, the west has medium-to-low rainfall and generally more broad-acre farming.⁶ The Dja Dja Wurrung people of the Kulin Nation are the Traditional Owners of the land known as the Shire of Hepburn.⁷

Hepburn Shire had a population of 15,330 at the 2016 Census.⁸ The Shire's service centres include Daylesford (with a population of 2,548). Daylesford is closely connected to nearby Hepburn Springs (329) and Hepburn (599). The other service centres include Creswick (3,170), Clunes (1,728) and Trentham (1,180).⁹ There are also many small rural towns and settlements across the Shire.¹⁰

The Shire's median age is 50 years old, which is older than the median age for rural and regional Victoria at 42 years.¹¹

⁶ Know your councils, 'Hepburn Shire', State Government of Victoria, accessed 4 March 2020, <https://knowyourcouncil.vic.gov.au/councils/hepburn>. See also, Department of Environment, Land, Water and Planning (DELWP), Hepburn Planning Scheme, (last updated 3 February 2020), pp. 146-9. Available at DELWP, 'Hepburn Planning Scheme', accessed 5 February 2020, <https://planning-schemes.delwp.vic.gov.au/schemes/hepburn>.

⁷ Hepburn Shire Council, 'Cultural Diversity and Heritage', accessed 5 February 2020, <https://www.hepburn.vic.gov.au/cultural-diversity-and-heritage/>.

⁸ Australian Bureau of Statistics (ABS), '2016 Census Quickstats: Hepburn (S)', accessed 4 March 2020, https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/LGA22910?opendocument.

⁹ Population figures are drawn from the 2016 Census Quickstats for these localities.

¹⁰ Hepburn Shire Council, Council Plan 2013-2017, Hepburn Shire Council, p. 8. Available at, <https://www.hepburn.vic.gov.au/hepburn/wp-content/uploads/2015/02/HepburnShireCouncilPlan-2013-2017-V12.pdf>.

¹¹ ABS, 'Data by Region: Hepburn (S) (LGA) (22910)'. ABS, 'Data by Region: Rest of Vic. (GCSSA) (2RVIC)', accessed 4 March 2020, https://itt.abs.gov.au/itt/r.jsp?RegionSummary®ion=2RVIC&dataset=ABS_REGIONAL_ASGS2016&geoconcept=ASGS_2016&measure=MEASURE&datasetASGS=ABS_REGIONAL_ASGS2016&datasetLGA=ABS_REGIONAL_LGA2018®ionLGA=LGA_2018®ionASGS=ASGS_2016.

Most residents in the Shire were born in Australia (76.1%).¹² Other than Australia, the Shire's top five countries of birth are England, New Zealand, Netherlands, Germany and Scotland. About 6.6% of households spoke a language other than English in 2016, which was below the average for rural and regional Victoria generally at 11%. The top five languages other than English spoken in Hepburn Shire are Italian, German, Greek, Mandarin and Serbian. English proficiency is high for residents (at 97.7%).

According to the SEIFA Index of Relative Socio-Economic Disadvantage (IRSD), Hepburn Shire's score of 995 placed it above about 50% of Victorian local council areas.¹³

Hepburn Shire's score was slightly higher compared to the local council areas in Victoria's Central Highlands Region, which had an overall SEIFA IRSD score of 986.¹⁴

Hepburn Shire's economic base is in agriculture, forestry, manufacturing and tourism. Rural land is mainly used for sheep and cattle grazing, and potato and crop growing. The top five industries of employment are health care and social assistance (14.7%), accommodation and food services (9.8%), construction (8.8%), retail trade (also at 8.8%) and education and training (8.5%). Agriculture, forestry and fishing employed about 7.2% of the Shire's workers in 2016.¹⁵ There are also distinct differences in common occupations and industries across the Shire, with the tourism industry being most prominent in the Daylesford and Hepburn Springs mineral springs area.¹⁶

Over 30% of Hepburn Shire's residents are in professional occupations, compared with 15.8% technicians and trades workers, 12.2% community and personal service workers and 11.8% labourers.¹⁷ In Daylesford, Hepburn Springs and Trentham, about 20% of

¹² ABS '2016 Census Quickstats: Hepburn (S)'.

¹³ Socio-Economic Indexes for Areas (SEIFA) rank areas in Australia according to relative socio-economic advantage and disadvantage. The rankings use variables, such as income, education, employment, occupation and housing, derived from Census data to indicate relative socio-economic advantage and disadvantage for particular areas, including Local Government Areas. For more, see ABS, 'Socio-Economic Indexes for Areas', accessed 4 March 2020, <https://www.abs.gov.au/websitedbs/censushome.nsf/home/seifa>.

¹⁴ The Central Highlands Region consists of Hepburn Shire Council, Ararat Shire Council, Ballarat City Council, Golden Plains Shire Council, Moorabool Shire Council and Pyrenees Shire Council. SEIFA IRSD scores accessed from: ABS, Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016, 2033.0.55.001. Available at: <https://www.abs.gov.au/ausstats/abs@.nsf/mf/2033.0.55.001>.

¹⁵ ABS, 'Data by Region: Hepburn (S) (LGA) (22910)', accessed 4 March 2020, https://itt.abs.gov.au/itt/r.jsp?RegionSummary®ion=22910&dataset=ABS_REGIONAL_LGA2018&geoconcept=LGA_2018&maplayerid=LGA2018&measure=MEASURE&datasetASGS=ABS_REGIONAL_ASGS2016&datasetLGA=ABS_REGIONAL_LGA2018®ionLGA=LGA_2018®ionASGS=ASGS_2016.

¹⁶ Know your councils, 'Hepburn Shire', State Government of Victoria, accessed 4 March 2020, <https://knowyourcouncil.vic.gov.au/councils/hepburn>.

¹⁷ ABS, 'Data by Region: Hepburn (S) (LGA) (22910)'.

resident workers are professionals. In Creswick about 20% of resident workers are technicians and trades workers, while about 14% are in professional occupations. In Clunes, about 19% are technicians and trades workers and about 18% are professionals. There is higher unemployment in Clunes (at 9.4%) compared with the average for Hepburn Shire at 5.2%

Hepburn Shire is home to a mix of people, including traditional farming communities, long-term residents in established towns, a growing population that commutes to Melbourne, Ballarat or Bendigo for work, 'tree changers' (or those seeking a rural lifestyle), new-age and LGBTIQ communities, as well as holiday makers and weekenders establishing "retreat" homes in the Shire.¹⁸

Hepburn Shire's population is expected to grow at an average annual rate of 0.6% to reach 17,700 by 2036, representing an additional 1,890 people in the next 15 to 20 years. Most of the population growth is expected to occur in the Daylesford-Hepburn Springs and Trentham areas. The Shire's overall growth rate is slow-to-moderate for Victorian rural and regional local council areas.¹⁹

Current number of councillors and electoral structure

Hepburn Shire Council currently comprises seven councillors elected from five wards (two two-councillor wards and three single-councillor wards). Prior to the representation review in 2007, Hepburn Shire Council was comprised of five councillors elected from single-councillor wards.

Visit the VEC website at vec.vic.gov.au for more information on the Hepburn Shire Council and to access copies of the 2007 representation review final report.

Preliminary submissions

At the close of submissions on Wednesday 27 November 2019, the VEC had received five submissions for the representation review of Hepburn Shire Council. A list of people who made a preliminary submission can be found in Appendix 1.

Number of councillors

Most submitters (three out of five submitters) supported seven councillors, with little discussion about the merits of their preferred number of councillors.

¹⁸ DELWP, *Hepburn Planning Scheme*, p. 149.

¹⁹ Department of Environment, Land, Water and Planning (Victoria), *Victoria in Future: population projections, 2016 to 2056*, State Government of Victoria: Melbourne, 2019, p.13.

One submitter (Adam Newman) supported seven councillors based on the number of voters in Hepburn Shire and the forecast population growth over the next decade.

The Proportional Representation Society of Australia (Victoria-Tasmania) Inc. (PRSA) supported seven or nine councillors to minimise the chance of tied votes during council decision making.

Another submitter (Sebastian Klein) supported nine councillors in relation to a preferred electoral structure of three three-councillor wards.

Electoral structure

Each submitter supported a different electoral structure.

Mr Newman supported the current structure with an adjustment to the boundary between Cameron and Creswick Wards. His proposed boundary adjustment considered the slower population growth in Cameron Ward, relative to the other wards, and addressed its greater deviation from the average voter-to-councillor ratio in the Shire.

Mr Klein advocated for three three-councillor wards, arguing that it would deliver fairer decision-making by giving fuller hearing to the issues presented by the councillors of the single-councillor wards.

Adrian Tusek supported dividing the current two-councillor Birch Ward in half and separating Hepburn from the Daylesford township. He similarly supported dividing the current Creswick Ward to provide more 'equal' treatment of the rural areas related to the town of Kingston outside of the urban centre of Creswick. As a result, Mr Tusek's preference was for a single-councillor ward structure.

The PRSA supported either an unsubdivided structure or a structure consisting of three three-councillor wards, because these electoral structures would mean candidates across all wards would need to reach the same quota of votes in their favour to be elected. The PRSA considered that the current electoral structure made it easier for candidates in some wards to be elected compared to other wards in the Council. The PRSA did not support single-councillor wards.

Richard Evans did not provide a clear indication of the number of councillors or electoral structure that he supported, instead stating that the areas west of Blampied and north of Kingston had not received adequate representation.

A list of people who made a preliminary submission can be found in Appendix 1.

Preliminary report

A preliminary report was released on Wednesday 29 January 2020. The VEC considered public submissions and research findings when formulating the options presented in the preliminary report.

Number of councillors

The VEC considered that seven councillors would continue to be appropriate for Hepburn Shire Council. Hepburn Shire remains comfortably within the range of seven-councillor rural local council areas and the Shire's overall forecast population growth (at an annual average rate of 0.6% to 2036) will be slow-to-moderate for Victorian rural and regional council areas overall (at 1.2%).²⁰ Based on the current and projected population growth, there was no justification for more councillors.

The VEC also considered whether there were any special circumstances in the local council area that would warrant more councillors. While Hepburn Shire's population is ageing, the demographic information indicated little cultural and linguistic diversity in the population and the Shire's SEIFA Index of Relative Disadvantage score did not indicate a high level of social complexity, which would make a special case for more councillors.²¹

Correspondingly, the VEC did not consider a smaller number of councillors appropriate. It acknowledged that Hepburn Shire's communities are separated geographically. The spread of the Shire's population and the presence of heavily forested areas in the local council area indicated that seven councillors remained necessary for councillors to develop an understanding of a broad range of policy issues across the local council area and remain accessible to their communities.

Electoral structure

At the preliminary stage of the review the VEC explored a range of models, which are summarised in the table on page 15. The VEC found that the current structure reflected and recognised Hepburn Shire's geographic communities of interest, which were centred on its key service centres (Daylesford and Hepburn Springs, Creswick, Clunes

²⁰ Based on a calculation of the average rate of growth for Victoria's regions from 2018 to 2036, drawn from DELWP's Victoria in Future database. Data available from DELWP, 'Victoria in Future', accessed 4 March 2020, <https://www.planning.vic.gov.au/land-use-and-populationresearch/victoria-in-future>.

²¹ For background information on the SEIFA IRSD: ABS, '2033.0.55.001 – Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016', accessed 12 March 2020, <https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/2033.0.55.001~2016~Main%20Features~IRSD~19>.

and Trentham), and the rural area north of Trentham. For these reasons, the VEC presented the current structure as Option A.

The VEC also considered the Shire's uneven population distribution and growth, and ward boundary adjustments that could provide greater balance to the numbers of voters for each ward in the current structure. This model was presented as Option B in the preliminary report.

In developing the options, the VEC had also considered the recent election statistics for Hepburn Shire Council. It found that there had been a low percentage of informal votes overall (at an average of just under 2%) and a reasonably high voter turnout (at an average of 76%) over the Council's past three general elections. These statistics indicated to the VEC that there was a healthy democracy at the Shire's elections.

However, the VEC observed that there had been several uncontested wards and a few wards had just enough candidates for a contest at these elections. Based on the uncontested wards and the submissions received, the VEC presented a three-ward structure as Option C. The VEC reasoned that Option C would reduce the chances of uncontested wards and respond to the desire for larger wards expressed by one preliminary submitter (Mr Klein) and possibly address the concerns raised by two other submitters who were dissatisfied with the current structure. Due to the number of councillors recommended, Option C necessarily consisted of one three-councillor ward and two two-councillor wards.

In the preliminary stage, the VEC considered two other possible electoral structures: an unsubdivided structure and a single-councillor ward structure. It recognised the potential merits of an unsubdivided structure, which would remove the uncontested wards and provide all voters with the maximum choice of candidates at elections. The VEC reasoned, however, that an unsubdivided structure presented significant change without a strong call for change from the submissions. The VEC also reasoned that Hepburn Shire's communities of interest appeared to be grouped geographically, which suited retaining a subdivided structure.

The VEC also considered that a single-councillor ward structure did not offer any distinct advantages over its three options. Having modelled possible single-councillor ward structures, the VEC found that it would divide geographic communities of interest. In a single-councillor ward structure, Daylesford and Hepburn Springs—which rely on the same industries and are socially similar—would be divided. Similarly, Creswick and its hinterland are a single community of interest, but under a single-councillor ward

structure Creswick would be divided from its hinterland. In another version of single-councillor wards, Creswick itself would have to be split, creating two mixed urban and rural wards. For these reasons, the VEC did not present a single-councillor ward structure as a preliminary option.

The key considerations for Options A, B and C, as well as the models explored at the preliminary stage of the review were summarised in the following table.

Overview of models considered		
Electoral structure	Option in preliminary report	Key Considerations
Current structure	Option A	<ul style="list-style-type: none"> • Projected elector population estimates indicate that this electoral structure will be viable until the next scheduled review in 2031 • No change
Current structure with boundary adjustments	Option B	<ul style="list-style-type: none"> • The number of voters-to-councillors in each ward is closer to the average voter-to-councillor ratio across the local council • The ward boundary between Cameron Ward and Creswick Ward no longer splits the town of Smeaton • The ward boundary between Holcombe Ward and Birch Ward is placed so that Franklinford is in Holcombe Ward • Minimal change
2 x two-councillor wards 1 x three councillor ward	Option C	<ul style="list-style-type: none"> • The rural community of interest is less divided across wards • History of uncontested elections in single-councillor wards
3 x three-councillor wards	✗	<ul style="list-style-type: none"> • Additional councillors are not required based on comparisons to similar councils • The ward boundaries are not easily identifiable
7 x single-councillor wards	✗	<ul style="list-style-type: none"> • Hepburn Springs and Daylesford would be split between two wards and the Creswick community of interest would be split between two wards
Unsubdivided	✗	<ul style="list-style-type: none"> • Substantial change from current electoral structure

Options

After careful consideration, the VEC put forward the following options:

- Option A (preferred option)
Hepburn Shire Council consist of seven councillors elected from five wards, retaining the current electoral structure and ward boundaries (two two-councillor wards and three single-councillor wards).
- Option B (alternative option)
Hepburn Shire Council consist of seven councillors elected from five wards, with adjustments to the current ward boundaries (two two-councillor wards and three single-councillor wards).
- Option C (alternative option)
Hepburn Shire Council consist of seven councillors elected from three wards (one three-councillor ward and two two-councillor wards).

Public response

Response submissions

The VEC accepted submissions responding to the preliminary report from Wednesday 29 January 2020 until 5.00 pm on Wednesday 26 February 2020. The VEC received seven response submissions. A list of people who made a response submission can be found in Appendix 1. The table below indicates the level of support for each option.

Preferences expressed in response submissions

Option A	Option B	Option C	Other
1	2	3	2*

*The PRSA supported Option C but also preferred other electoral structures.

Number of councillors

All response submissions commented directly on the VEC's options, which recommended seven councillors. None of the response submissions made a case for a different number of councillors.

Electoral structure

Support for Option A

One response submission supported Option A. The Creswick and District Residents Association Inc. (CADRA) considered Option A to be the most appropriate option for the Shire but advised a change to the ward boundary between Birch and Creswick Wards. This would mean Eganstown in Creswick Ward would become a part of Birch Ward. CADRA considered that the residents of Eganstown were geographically closer to Daylesford, identified more with the Daylesford community, and had almost 'nil synergy' with Creswick.

Support for Option B

Two response submissions supported Option B. Adam Newman of Wollert preferred Option B because it would address the declining voter-to-councillor ratio in Cameron Ward and it would unite the town of Smeaton in Cameron Ward. Further, the boundaries in Option B used more easily recognised features. While the VEC noted that Option B's boundary adjustments would impact 210 voters or 1.3% of the total Shire enrolment, Mr Newman considered this to be a small 'sacrifice' for addressing Cameron Ward's lower voter-to-councillor ratio and for improved ward boundaries.

Madeline Fernbach of Creswick also preferred Option B. Ms Fernbach considered Option B superior because it would better reflect population changes in the Shire since the last representation review. Option B would also better align the voter-to-councillor ratio in Cameron and Holcombe Wards to the average voter-to-councillor ratio in the Shire and ensure Smeaton would not be divided across two wards. Ms Fernbach stated that Option B would do more to 'future-proof' the electoral structure and ensure that each individual voter of Hepburn Shire Council had a 'relatively similar voting power through to the next review'.

In their respective submissions, Mr Newman and Ms Fernbach opposed Option C. Mr Newman considered Option C would inappropriately 'conjoin together regions that have markedly different interests'. Ms Fernbach commented that Option C offered no additional value to Options A and B, with no further explanation on the potential disadvantages of Option C.

Support for Option C

Three response submissions supported Option C. In a submission, John C. Goudie of Trentham supported Option C, without providing any explanation.

Ian MacBean of Trentham provided 'qualified support' for Option C. Mr MacBean preferred five single-councillor wards, but he kept his response submission to the VEC's options.²² He explained that Option C was superior to Options A and B because it had an 'underlying biogeographic and community of interest logic'. He explained that the proposed East Ward had significance as a water catchment area for the Coliban-Campaspe and Loddon Rivers. Mr MacBean stated that Option C's East Ward would also reflect the 'social, historical and economic connections' to the Calder Freeway and the rail links in the area.

The Proportional Representation Society of Australia (Victoria-Tasmania) Inc. (PRSA) provided qualified support for Option C as well. It explained that Option C was 'better' than the first two options, which included two two-councillor and three single-councillor wards and presented an 'inconsistent and arbitrary' mix of quota percentages which candidates in the two and single-councillor wards would need to meet. Under Option C, the Shire's elections only use the proportional representation vote counting system, which the PRSA considered to be an advantage over the first two options. However, for

²² Ian Macbean had not made a preliminary submission and so his response submission focused on the VEC's three options. As such, he had followed the VEC's guideline for response submissions.

the PRSA, Option C was not entirely ideal because it would not comply with best practice proportional representation. The PRSA also considered that Option C could lead to the three-councillor ward becoming a 'kingmaker' if the two two-councillor wards were to be 'stalemated'.

While providing support for Option C, the PRSA ultimately preferred electoral structures where each ward would elect the same odd number of councillors – or an unsubdivided structure. These two types of electoral structures would mean all candidates would need to reach the same quota of votes for election.

Other

Brian Hood of Trentham opposed Options A and B. He commented that the current structure of two two-councillor wards and three single-councillor wards had 'significantly disadvantaged' Coliban Ward over a long period of time. Mr Hood urged the VEC to implement changes that would allow for the 'proper representation' of Coliban Ward 'so as to ensure council resources are allocated on a responsible and equitable basis' in Hepburn Shire. It was unclear whether Mr Hood supported Option C or another model.

Ward names

In their respective submissions, Mr Newman and Ms Fernbach supported different ward names to those proposed in Option C. Mr Newman preferred keeping 'Birch Ward' instead of Central Ward. He also suggested 'Wombat Ward' for East Ward, with reference to the Wombat State Forest.

Ms Fernbach stated that the proposed ward names (East, Central and West Wards) would 'standardise and homogenise' different regions in the Shire. She felt further work was required to choose more suitable names, if Option C was adopted.

Public hearing

The VEC scheduled a public hearing for those wishing to speak about their response submission at 5.30 pm on Tuesday 3 March 2020 at the Daylesford Senior Citizens Hall, 76 Vincent Street, Daylesford. There were no requests to speak so the hearing was not held.

Findings and recommendation

The VEC's findings

The VEC proposed three options in its preliminary report. All three options would provide fair and equitable representation in accordance with the Act. Each option had potential advantages and disadvantages, which were discussed in the preliminary report. At the final stage of the review, the VEC considered its options in relation to its research, and the submissions received. On balance, the VEC considered that Option B provided more potential advantages and fewer possible drawbacks and it recommends this option for Hepburn Shire Council.

Numbers of councillors

Determining the number of councillors was not a substantially disputed element of this review and was, in fact, undisputed in the response submissions. The VEC recommends continuing with seven councillors. Hepburn Shire Council is comfortably within the range of seven-councillor rural local council areas in Victoria. The VEC's analysis and the submissions received also did not identify any special circumstances that would warrant changing the number of councillors.

Electoral structure

The VEC acknowledged the submissions (mainly from Trentham) that supported changing the Shire's electoral structure. The VEC understands that Trentham and its surrounding areas are geographically closer to Melbourne than other parts of the Shire and are therefore likely to be experiencing a distinct set of issues. However, the VEC considered that Option B, the current structure with boundary adjustments, is the most appropriate option for Hepburn Shire for several reasons.

While the VEC does not make its recommendations based on a 'straw poll', it noted that there had been a small number of preliminary and response submissions overall. This did not indicate a 'groundswell' in the community in support of a substantial change to Hepburn Shire's electoral structure presented in Option C.

While Option C had several potential merits, including voter-to-councillor ratios in its wards that were closer to the average voter-to-councillor ratio for the Shire, it was unclear whether the option, which consisted of three larger-sized wards would appropriately reflect the known geographic communities of interest in the Shire.

At the final stage of the review, the VEC concluded that this option, which combined Cameron and Creswick Wards into a proposed West Ward, and Holcombe and Coliban Wards into a proposed East Ward would not reflect the Shire's geographic communities of interest. The VEC's research indicates that there continues to be demographic differences across the Shire's key service centres: Daylesford-Hepburn Springs, Creswick, Clunes and Trentham, as well as the rural area north of Trentham in Holcombe Ward in the current structure. Census and council information about the towns convey their distinct character.²³

Creswick and Clunes share some common features. They are located in the Shire's west, closer to Ballarat and Maryborough. There are larger percentages of technicians and trades workers in both towns compared with the Daylesford-Hepburn Springs area. However, there are also distinct differences between the two towns, for example, in relation to industry and level of unemployment.

Clunes is the central town for the farming communities in the north-west of the Shire and the most geographically isolated from Daylesford and Hepburn Springs. Clunes also has a slightly older median age compared to Creswick and a distinctly high unemployment rate at 9.4% (the unemployment rate in Creswick is 6.7%).²⁴ While both towns are significant service centres in the Shire's west with schools, health services, retail and heritage-listed buildings and sites from the gold rush, Creswick has a distinctly larger population, is a larger service centre and is also distinguished by its location on the edge of the Creswick State Forest. Creswick is the 'home of forestry' due to the presence of the University of Melbourne's School of Forest and Ecosystem Science – one of only two universities that offer forestry within Australia.²⁵

²³ See for example, ABS, '2016 Census Quickstats: Daylesford', accessed 4 March 2020, https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/SSC20716?opendocument. ABS '2016 Census Quickstats: Creswick', accessed 4 March 2020, https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/SSC20667?opendocument. ABS '2016 Census Quickstats: Clunes', accessed 4 March 2020, https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/SSC20577?opendocument. ABS '2016 Census Quickstats: Trentham', accessed 4 March 2020, https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/SSC22564?opendocument. And Hepburn Shire Council, 'Hepburn Shire', accessed 4 March 2020, <https://www.hepburn.vic.gov.au/our-council/hepburn-shire/>.

²⁴ The unemployment rate across Hepburn Shire is about 5.2%, based on the 2016 Census. See ABS, '2016 Census Quickstats Hepburn (S)'. See also, 'ABS, '2016 Census Quickstats: Creswick'; ABS, '2016 Census Quickstats Clunes (Vic.)'.

²⁵ Department of Environment, Land, Water and Planning (DELWP) (Victoria), 'Hepburn Planning Scheme', last updated 11 March 2020, pp. 148-149. Available at, https://planning-schemes.delwp.vic.gov.au/_data/assets/pdf_file/0003/463953/Hepburn_PS_Ordinance.pdf

Similarly, both Holcombe and Coliban Wards are in the east of the Shire but there are distinct differences in the areas and towns in these wards. Coliban Ward contains Trentham, which is distinctly more urban than the smaller and more dispersed rural townships that characterise Holcombe Ward. Trentham is closest to Melbourne and about an hour's commute from Melbourne's CBD. It is close to the Calder Freeway, and is a popular destination for people from Melbourne looking to move to a Victorian country town.²⁶ It has a high percentage of workers who commute to Melbourne for work and it is connected by main roads to nearby Woodend and Kyneton in the neighbouring Shire of Macedon Ranges. Holcombe Ward, on the other hand, contains more small rural communities, and is connected by the Midland Highway to Daylesford and further north to Castlemaine and Bendigo, outside of the Shire.

At the preliminary stage of the review, the VEC had noted that one of Option C's potential advantages was that it would reduce the likelihood of uncontested wards at the Council's elections. While the VEC remains concerned about the potential for uncontested elections, there was not mention or opposition to this issue in submissions. The VEC therefore considered that this is unlikely to be a significant issue in this review.

Having found insufficient evidence to support the substantial change presented in Option C, the VEC turned to consider the relative merits of Options A and B. It noted that Option A had several advantages. All wards were within the legislated plus-or-minus 10% deviation from the average voter-to-councillor ratio in the Shire. The current electoral structure would continue to reflect and recognise the known geographic communities of interest. In addition, no voters would be affected, because there would be no changes to the existing ward boundaries.

However, the VEC found that Option B, with its minor boundary adjustments, improved the current structure. While all wards in Option A are within the legislated plus-or-minus 10% tolerance, all wards in Option B are closer to the average voter-to-councillor ratio for the Shire now and to 2028. Although Option B will affect 210 voters (or approximately 1.3% of the enrolment), the VEC reasoned that this was a minor drawback compared to

²⁶ See, *Trentham...on the way!! Trentham and District Community Plan*, available at Hepburn Shire Council, 'Community Planning', accessed 4 March 2020, <https://www.hepburn.vic.gov.au/community-planning/>. See also, Jenny Brown, 'Trentham holds the line on overdevelopment', *Domain*, 22 December 2015, accessed 4 March 2020, <https://www.domain.com.au/news/trentham-holds-the-line-on-overdevelopment-20151221-gl6z6/>.

Option B's greater assurance that the principle of 'one vote, one value' is adhered to in the Shire's electoral structure.

The VEC further reasoned that the boundaries in Option B will continue to reflect and recognise the known geographic communities of interest. This option will also provide a small improvement to the current structure by uniting the town of Smeaton in Cameron Ward, which is currently divided between Creswick and Cameron Wards.

At the preliminary stage, the VEC considered whether the boundary adjustment between Birch and Holcombe Wards, which affects the rural township of Franklindford, would disadvantage voters in this area. At the final stage, the VEC noted it had not received any response submissions that commented on this aspect of Option B and concluded that it is unlikely to be a significant issue.

In addition, the boundary adjustments follow easily identifiable features, where possible, to help voters recognise their new ward boundaries. In this option, the adjusted ward boundary between Cameron and Creswick Wards uses Hepburn Lagoon as a marker. The adjusted part of the boundary between Holcombe and Birch Wards uses a natural feature, Jim Crow Creek, before returning to the existing boundary. While changes to the current ward boundaries can increase confusion for voters in these areas who will vote in different wards, the VEC reasoned that this drawback is offset by the clear boundaries presented in Option B.

In summary, the VEC considered that the improvements to the current structure in Option B outweighed the potential drawback of affecting a small number of voters. It is not always possible to create wards with more balanced voter-to-councillor ratios, consider geographic communities of interest, and provide clear ward boundaries. Option B meets the representation review's principles and key considerations while keeping the potential impact to the Shire's voters at a minimum. On balance, the VEC recommends retaining the current electoral structure with minor boundary adjustments (Option B).

Eganstown

The VEC acknowledges the submission from the Creswick and District Resident Association Inc. (CADRA), which commented that Eganstown did not share a community of interest with Creswick. The VEC recognises that Eganstown is geographically closer to Daylesford than Creswick. In its modelling, however, it found that the proposed boundary adjustment would place more voters into Birch Ward and

exacerbate the existing uneven distribution of population and voters in the current structure. The VEC further noted that the forest border around Eganstown—which has been in place since the last review in 2007—remains a clear and easily identifiable boundary. For these reasons, the VEC has retained this part of the boundary as illustrated in the map (see Appendix 2).

The VEC's recommendation

The Victorian Electoral Commission recommends that Hepburn Shire Council continue to consist of seven councillors elected from five wards with adjustments to the current ward boundaries (two two-councillor wards and three single-councillor wards).

This recommendation is submitted to the Minister for Local Government as required by the *Local Government Act 1989*. The model was designated as Option B in the VEC's preliminary report for this review.

If this recommendation is accepted, any changes to the number of councillors and electoral structure will apply at the October 2020 general election.

Please see Appendix 2 for a detailed map of this recommended structure.

Appendix 1: Public involvement

Preliminary submissions

Preliminary submissions were made by:

Evans, Richard

Klein, Sebastian

Newman, Adam

Proportional Representation Society of Australia (Victoria-Tasmania) Inc.

Tusek, Adrian

Response submissions

Response submissions were made by:

Creswick and District Residents Association Inc.

Fernbach, Madeline

Goudie, John C

Hood, Brian

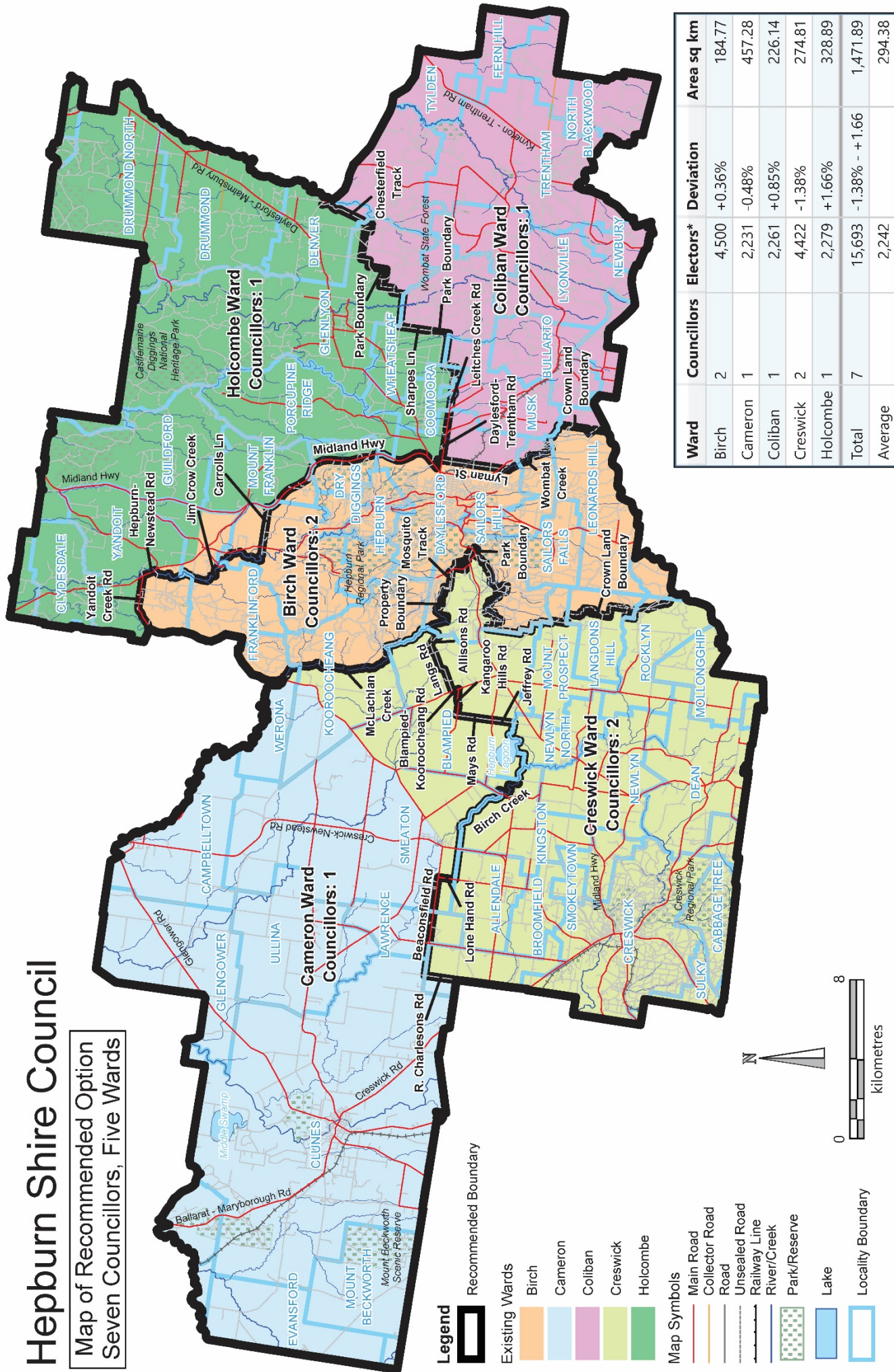
MacBean, Ian

Newman, Adam

Proportional Representation Society of Australia (Victoria-Tasmania) Inc.

Hepburn Shire Council

Map of Recommended Option
Seven Councillors, Five Wards



Ward	Councillors	Electors*	Deviation	Area sq km
Birch	2	4,500	+0.36%	184.77
Cameron	1	2,231	-0.48%	457.28
Coliban	1	2,261	+0.85%	226.14
Creswick	2	4,422	-1.38%	274.81
Holcombe	1	2,279	+1.66%	328.89
Total	7	15,693	-1.38% - +1.66%	1,471.89
Average		2,242		294.38

*Elector numbers at 20th May 2019

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Planning

Data use:

Map prepared by:
Victorian Electoral Commission

Appendix 3: Public information program

Advertising

In accordance with the Act, public notices of the review and the release of the preliminary report were placed in the following newspapers:

Newspaper	Notice of review	Notice of preliminary report
<i>Herald Sun</i>	Thursday 24 October 2019	Wednesday 29 January 2020
<i>Maryborough Advertiser</i>	Friday 18 October 2019	Friday 24 January 2020
<i>Daylesford Advocate</i>	Wednesday 23 October	Wednesday 29 January 2020
<i>Ballarat Courier</i>	Wednesday 23 October	Wednesday 29 January 2020
<i>The Local News</i>		Monday 27 January 2020

Media releases

A media release was prepared and distributed to local media to promote the commencement of the review on Monday 21 October 2019. A further release was distributed with the publication of the preliminary report on Wednesday 29 January 2020. A final media advisory was circulated on the publication date of this final report.

Public information sessions

Public information sessions for people interested in the review process were held on:

- Monday 28 October 2019 at the Doug Lindsay Reserve Pavilion, Victoria Street, Creswick
- Monday 28 October 2019 at the Victoria Park Pavilion, Cnr Burrall and Ballan-Daylesford Road, Daylesford

Submissions guide

A submission guide was developed and made available on the VEC website, or in hardcopy on request, throughout the review timeline. The submission guide provided information about the review, the review timeline and how to make submissions to the review.

Online submission tool

An online submission tool was developed and made available during the submission periods of the review. The tool allowed people to make a submission from the VEC

website. During the preliminary submission stage, users also had the opportunity to map out their preferred subdivisions through the online submission tool using Boundary Builder. Boundary Builder included real elector numbers so that users could see if their preferred structures and numbers of councillors met the plus-or-minus 10% rule.

VEC website

The VEC website delivered up-to-date information to provide transparency and facilitate public participation during the review process. All public submissions were published on the website.

Email and social media engagement

The VEC delivered an information email campaign targeted at known community groups and communities of interest in the local council area. This included a reminder email at each milestone of the representation review process.

The VEC also published sponsored social media advertising that was geo-targeted to users within the local council area. This included advertising at both the preliminary submission and response submission stages. The total reach of these posts was 1,576 during the preliminary submission stage and 1,816 during the response submission stage.

Council communication resources

The VEC provided the Council with a communication pack that included information on the review in various formats. While the council is encouraged to distribute this information and raise awareness about the review, the VEC is an independent reviewer and all communications resources include reference and links to the VEC website and core materials.

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March 2020

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Level 11, 530 Collins Street
Melbourne Victoria 3000
T 131 832
info@vec.vic.gov.au
vec.vic.gov.au



@electionsvic

