

local government integrity matters



Message from the Chief Municipal Inspector

Welcome to the latest edition of local government integrity matters, which contains a summary of our work over the recent months. As you will see, the Inspectorate team have been exceptionally busy finalising some key pieces of work, connecting with the sector and local communities and also preparing for some coming events.

We recently published a report following our investigation related to Central Goldfields Shire Council. The report shines a light on many failings by council to achieve the best outcomes for the local community and provide leadership and good governance for the municipality.

It is important that the learnings from this report are shared across the sector and in this and future editions of our newsletter, we will focus on an important element. In this edition we have looked at the very important role councils undertake and the laws to protect community interests when councils decide to sell public assets, specifically land.

In the coming weeks we will finalise and publish our report following the investigation into the 2016 City of Wyndham election and also concentrate our resources on the City of Greater Geelong election in late October.

David Wolf
Chief Municipal Inspector

Sale and transfer of land: guidance for councils

A recently-completed major investigation of a council by the Inspectorate revealed mismanagement of assets as a key area of concern.

Managing public assets including land is an important function of councils. Decisions to sell assets is part of that function but there are laws in place to ensure community members are informed and have an opportunity to have input.

The sale or transfer of land is governed by [section 189](#) of the Local Government Act 1989 and, as with all aspects of the Act, must be strictly adhered to by councils.

Several examples have been uncovered by the Inspectorate of a council failing to obtain valuations on land (no more than six months before the sale) and failing to notify the community of their intent to sell to a specific buyer prior to the planned sale.

This was also in contravention of [section 223](#) of the Act, which provides residents with an opportunity to make a submission to council on a proposed asset sale.

After these issues were made public, other councils contacted the Inspectorate for advice on the procedure of publicly communicating planned sales of public land.

The intention of the relevant sections of the Act is to ensure the council is aware of the value of the land before deciding to sell and that the community is advised of the sale details at least four weeks before the transaction to allow adequate time for public submissions.

Of paramount importance in councils' adherence to sections 189 and 223 of the Act is the transparency of council decisions to the community.

In an example of best practice for compliance with the legislation, Maroondah City Council recently published a public notice (pictured) on its plan to sell a small parcel of land in Croydon to a specific buyer.

PUBLIC NOTICE
MAROONDAH CITY COUNCIL
NOTICE OF INTENTION TO SELL LAND

Maroondah City Council (Council), gives notice under section 189 of the *Local Government Act 1989 (Act)* of its intention to sell the land abutting 7 Joffre Street, Croydon, being the land contained in certificate of title volume 11159 folio 191 and shown as lot 3 on the plan below (Land).

The proposal is that Council sell the Land to the owner of 7 Joffre Street, Croydon, for a purchase price of \$18,500 plus GST.

Any person may make a submission on the proposal.

Any person wishing to make a submission must do so in writing by 4 October 2017. All submissions will be considered in accordance with section 223 of the Act.

Submissions should be addressed to the Chief Executive Officer and can be hand delivered to Council's Service Centre at Braeside Avenue, Ringwood, or posted to the following address:

Steve Kozlowski
Chief Executive Officer
Maroondah City Council
PO Box 156
RINGWOOD VIC 3134

Any person requesting to be heard in support of his or her submission is entitled to be heard before Council (or its committee established by Council for this purpose), or represented by a person acting on his or her behalf, and will be notified of the time and date of the hearing.

Further information regarding the proposal may be obtained from Council's Property Advisor on 1300 862 233.

Steve Kozlowski
Chief Executive Officer
Maroondah City Council

Public notice of a planned land sale by Maroondah City Council

The advertisement clearly set out the location of the land and purchase price, and a closing date and contact details for any submission to be made.

More information and advice on these legislative requirements is available by contacting the Inspectorate by email at inspectorate@lgici.vic.gov.au or by phone on 1800 469 359.

Panel decision serves as warning on confidential information breaches

"Confidentiality is one of the most fundamental aspects of the governance framework... No one individual has the right to interpret and determine how to apply the law on a case by case basis." – Councillor Conduct Panel finding against East Gippsland Shire councillor Ben Buckley

A Councillor Conduct panel has made a finding of serious misconduct against East Gippsland Shire councillor Ben Buckley, suspending the councillor for four months.

Cr Buckley appeared before the panel in June on three charges of serious misconduct related to releases of confidential information and the [decision was handed down](#) on 28 August. Cr Buckley was given 28 days to appeal the decision at the Victorian Civil and Administrative Tribunal (VCAT).

Chief Municipal Inspector David Wolf said, "The actions of a councillor to release confidential information destabilises the operations of the council and damages the reputation of councillors across the state."

While breaching confidentiality constitutes an offence under [section 77](#) of the Act, the Inspectorate elected in this case to refer Cr Buckley to a councillor conduct panel. Councillors are bound by law to adhere to all aspects of the Councillor Conduct Principles and the Local Government Act 1989.

The Act covers various circumstances in which information should be deemed confidential includes that the information was provided to the council or a special committee in a closed meeting; or that a resolution of council or committee was made, or a written edict from the CEO given, to designate material as confidential. In these situations, the material remains confidential unless council passes a resolution revoking its confidential status.

Planned work around City of Greater Geelong election

Leading up to and throughout the City of Greater Geelong council election in late October, the Inspectorate will deliver a program of work to protect the integrity of the election.

The proactive work has already commenced with a review of the election period policy to set out the way council will operate through this election period. The Inspectorate will also review the eligibility of candidates and monitor the access and use of the voters roll to ensure legislative compliance.

As experienced during the 2016 general elections for Victorian councils, the Inspectorate is expecting a rise in election related complaints and has processes in place to assess and resolve matters as soon as practicable.

As part of its regular guidance and education program, the Inspectorate will also provide information to candidates, council and the community to assist in understanding of the local government electoral laws.

Spreading the integrity message

Ratepayer groups, councillors and public sector staff gained a greater understanding of the role of the Inspectorate through presentations and panel discussions by staff over the past five months.

Along with visiting many municipalities, the Inspectorate was also represented at events hosted by the Victorian Local Governance Association (VLGA), Institute of Public Affairs Australia (IPAA) Victorian chapter, and a forum on corruption prevention and integrity hosted by the City of Wangaratta and the Independent Broad-based Anti-corruption Commission (IBAC).

David Wolf, who led the majority of Inspectorate presentations, said the key themes remained constant this year: discussing what the Inspectorate does, what other integrity agencies do, and future challenges and opportunities.

Mr Wolf will lead a plenary session and workshop at the upcoming [IBAC Corruption Prevention and Integrity Conference](#) on 3-4 October.

Major planning and infrastructure projects that were generating significant community interest proved to be common themes observed at regional and rural councils.

Concerns about development activity featured strongly in a 'town hall' style meeting with Moreland ratepayer groups in early September.

What's on

Events

3-4 October 2017

Corruption Prevention and Integrity Conference (two Inspectorate sessions)

15-16 November 2017

Australian Public Sector Anti-Corruption Conference, Sydney (Inspectorate presentation)

7 December 2017

Corruption Prevention and Integrity Insights forum, Warrnambool

City of Greater Geelong election

21-26 September

Candidate nomination period

28 October 2017

Election day (voting closes 6pm on 27 October)

25 November 2017

Primary interest returns due for councillors (no more than 30 days after election day)

5 December 2017

Campaign donation returns due for all candidates (no more than 40 days after election day)

Reminders

9 February 2017

Ordinary returns of interest for councillors, members of special committees or nominated officers to be lodged with council CEO



City of Wangaratta CEO Brendan McGrath, IBAC CEO Alistair Maclean and LGICI Investigations and Compliance Manager Ross Millard at the Wangaratta forum

Questions or comments on this newsletter or our website? Please fill out our feedback survey at <http://svy.mk/2ckfkCo> or email media.comms@lgici.vic.gov.au (please note: this form is only for feedback on the newsletter or website – we cannot accept complaints about local government on this survey form).

Should you wish to submit a complaint via our online form, visit the 'Complaints' page on our website.

For more information about our work: www.lgici.vic.gov.au



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Encouraging higher standards of integrity, accountability and transparency in local government