

Special Committees

This information bulletin follows a number of audits by the Local Government Investigations and Compliance Inspectorate (Inspectorate) of council operations, including special committee processes, in accordance with the [Local Government Act 1989](#) (Act).

Background

The Inspectorate has now conducted audits at more than half of Victoria's 79 councils and has identified that the management of special committees presents opportunities for improvement across the local government sector.

The Act states that a council may establish one or more special committees of councillors, council staff, other persons or any combination of these.

When a council delegates powers, functions or duties to a special committee, it hands over the power to make decisions on behalf of (or acting in place of) the council itself. This is why the Act subjects special committees to the same statutory procedures and conduct as the council.

Special committees can be a really effective way of spreading council's workload, but it's important that councils make sure they comply with the requirements of the Act.

Considerations for councils

Sections 81, 86, 87 and 98 of the Act outline the requirements council must adhere to when establishing and maintaining special committees.

Some of the key special committee management issues the Inspectorate has found during the compliance audits include:

- Council unaware of the number of special committees in place and/or the names of office bearers on each committee
- Council unaware of the reason each special committee was established, especially those that have been in place for a long period of time
- No register of delegations
- Delegations not reviewed within required timeframes
- No schedule of meetings or terms of reference
- Meeting minutes not sent to council or not signed by the special committee Chair
- Primary and ordinary returns not submitted to the CEO on time or, not submitted at all – primary returns must be completed within 30 days of becoming a special committee member, and subsequent ordinary returns twice a year unless exempt by council
- No documentation of resolutions to exempt committee members from submitting returns
- No funds reconciliation provided to council

Point of no returns

Did you know that if primary and ordinary returns are not submitted to council within the required timeframe, individual special committee members could be fined more than \$7000?

Primary and ordinary returns are designed to promote transparency and are a good tool to prevent conflict of interest issues arising when special committee members are making decisions.

Effective processes work

After a recent visit to Wellington Shire Council in South Eastern Victoria, the Inspectorate was pleased to see a special committee management process in place that works.

After finding many councils need to improve their processes around special committees over the past 18 months the Inspectorate welcomed an example of a council using effective methods to manage special committees and meet statutory requirements.

It's important that councils know the *who*, *what*, *when*, *where* and *why* of each special committee created by council and that all the requirements under the Act are being fulfilled.

Wellington Shire Council

Wellington Shire Council has established a number of systems to effectively manage their special committees. Below are some examples.

- A dedicated resource for coordinating special committees and other community programs
- Centralised records for each special committee
- A uniform approach to keeping records including templates for minutes and delegations
- An up-to-date list of office bearers including current contact details
- Terms of reference detailing the purpose of the special committee and where and when meetings are held
- Up-to-date records of when delegations were last reviewed – the Act states it must be done within 12 months of a general election
- A copy of the returns for each special committee member and a quick reference guide showing when the returns were received
- A copy of any lease agreements that relate to a special committee on file

- Records of how long each special committee member will serve and allocated timeframes for membership review
- Calendar of meetings and corresponding checklist for receiving minutes (if the special committee meeting does not occur, the council coordinator is notified and records are updated to reflect this)
- Regular internal 'desktop audits' to review special committee management processes and ensure all records are up to date

When councils establish systems to manage special committees, the ongoing management is more effective and efficient. It also ensures councils are compliant with special committee requirements under the Act.

Further information

A key role of the Inspectorate is to promote examples of best practice to the local government sector so we can encourage a voluntary compliance culture and good governance.

The Inspectorate is always available to assist councils to develop effective processes and can provide advice to ensure all requirements under the Act are being fulfilled. The Inspectorate can also assist in linking up councils to share knowledge, develop improved practices and improve networks across the local government sector.

[Local Government Victoria](http://www.localgovernment.vic.gov.au) can also provide advice to councils and has developed a number of information guides to improve processes and ensure compliance with the Act.

For any further advice or information, please contact the Inspectorate on 9665 9555 or go to www.dpcd.vic.gov.au/inspectorate.