



Fact sheet: Our powers and responsibilities

Our jurisdiction

The Local Government Inspectorate is the dedicated integrity agency for Victorian councils.

We are responsible for investigating offences and breaches under the *Local Government Act 2020* or examining any matter relating to a council or council operations, including electoral offences and activities.

As part of our role, we:

- accept and investigate complaints about some council operations, including councillors and council staff
- monitor governance and compliance with the Act
- provide guidance and education for councils
- encourage transparency and accountability across the sector.

The Chief Municipal Inspector heads the Inspectorate and is accountable to the Attorney-General. This statutory position allows for the delegation of powers to Inspectors of Municipal Administration (primarily investigators and compliance staff at the Inspectorate).

Powers available to us

The law gives us a range of powers to allow us to conduct investigations into council matters.

We can:

- require people and organisations to provide us with material or information we ask for – even if it is confidential¹
- require people to give all reasonable assistance (such as submit to an interview) during an examination or investigation
- require people to be interviewed under oath or affirmation
- inspect personal interests returns
- receive referrals and investigate matters from other integrity agencies such as the Independent Broad-based Anti-corruption Commission (IBAC), Victorian Ombudsman, and the Minister for Local Government

- investigate failures by council staff or committee members to comply duties such as disclosing conflicts of interest investigate allegations of serious or gross misconduct by a councillor
- make an application to the Supreme Court to order a witness to answer questions or provide material relevant to an investigation or review.

A person who fails to comply with a requirement of the Chief Municipal Inspector to provide information or reasonable assistance, or who provides false or misleading information, will have committed an offence and may be prosecuted.

Investigating council matters

We can investigate matters relating to some council operations, possible breaches and offences under the Act.

To start an investigation, we need to have sufficient information to reasonably suspect that a breach of the Act has occurred, which means conduct that would constitute a relevant offence.

Offences under the Act may involve:

- councillors
- senior council officers including the Chief Executive Officer
- a person subject to the conflict-of-interest provisions within the Act
- any individual where the matter relates to electoral provisions within the Act.

Once we receive a complaint, it is assessed by our team to determine if it can be investigated.

We will refer complaints to other agencies if they are out of our jurisdiction. The IBAC investigates serious and systematic corruption and misconduct. Meanwhile, the Victorian Ombudsman investigates maladministration about the actions and decisions of councils.

¹ This may include written documents, photographs or witness accounts which may prove wrongdoing by an individual.

In conjunction with other Victorian integrity agencies, we have created guides to what we can and can't investigate, and the [agencies who can deal with specific types of complaints](#). These are available on our website.

We also conduct governance examinations to assess Victorian local councils and their compliance with the Act. We use examinations to make recommendations to councils for future improvements.

The examination program gives council staff skills to improve compliance, best practice and transparency in governance.

We can also investigate concerns found during the council audit process or start an own motion investigation, without receiving a complaint.

However, by law, we cannot investigate matters which are outside our jurisdiction.

Due to the large number of complaints we receive and the complex nature of our investigations, the process can take some time to complete.

While most of these matters are resolved confidentially, we may issue a media release or issue a report if it is in the public interest.

Investigation outcomes

As part of our remit, we can provide outcomes including:

- official warnings for a range of breaches of the Act
- referral to Councillor Conduct Panels
- prosecutions in the Magistrates' Court.
- make an application to the Victorian Civil and Administrative Tribunal for a finding of gross misconduct by a councillor.

The Chief Municipal Inspector can initiate a prosecution of any possible offences under the Act as a result of an investigation. The Act has a range of offences with penalties of up to 600 penalty units (about \$110,000) as of 1 July 2021 or five years jail.

Public Interest Disclosures

Under *The Public Interest Disclosures Act 2012* ('PID Act'), we assess every complaint to see if it includes corrupt conduct. These complaints are then sent to IBAC for further assessment. IBAC can refer this complaint back to us to deal with or refer it to a different agency.

Public interest disclosures were previously known as protected disclosures or 'whistleblower' complaints.

This ensures that people who report improper conduct and corruption in the Victorian public sector can do so in the knowledge that they will be afforded certain protections. The Chief Municipal Inspector is required to report on the findings of an investigation of a public interest complaint to (i) the relevant council and (ii) the Minister for Local Government.

The protections under the PID Act include keeping the identity of the person reporting improper conduct confidential and protecting them from reprisals including bullying, harassment or legal action. IBAC's website has [more information on public interest disclosures](#).

Even when a complaint is not assessed as a public interest disclosure, the identity of the complainant will remain confidential.

Responsible use of powers

To ensure we use our powers appropriately, the Chief Municipal Inspector must approve the use of powers by Inspectors of Municipal Administration. The use of powers is reported to the Attorney-General and Department of Justice and Community Safety, and in our [annual reports](#).

We are also subject to scrutiny. Concerns regarding our [use of powers](#) can be directed to the [Victorian Ombudsman](#).