Better local government for all Victorians

The Local Government Bill 2019 is the most ambitious reform of local government in Victoria in 30 years. It will deliver on the Victorian Government’s commitment to modernise how local government works in our state through reforms in five key areas:

- Allow councils to improve the services they deliver for communities through better financial management and engagement with the community;
- Provide stronger local democracy with direct accountability to the community;
- Improve councillor conduct with clear standards of behaviour and stronger mechanisms to address poor conduct;
- Give the community confidence by making reforms to election processes and candidate requirements; and
- Provide a new relationship between State and local government and the community.

Improved conduct

The Bill will introduce reforms to ensure councillor conduct meets the standards expected of elected representatives.

New mandatory standards of conduct

A state-wide uniform code of conduct will set out expected behaviour for all councillors. This code of conduct will set out clear standards of behaviour and mechanisms to address conduct that does not meet these standards.

Why change?

Victorians should be confident their councillors will behave with integrity and treat people with respect. Councillors should be focused on serving their communities and if disputes arise they need to be able to resolve them rapidly.

Standards of conduct applied across the state will bring much-needed clarity, ensure councillors know what is expected in their role and this will be backed by consequences for breaches.

New investigation process

An independent arbitration process will ensure misconduct is addressed and swift action taken on breaches of the standards of conduct.

The independent arbiter will have the power to directly impose penalties including a one-month suspension from office.

Why change?

The small minority of councillors who don’t live up to expected standards should be held to account.

An independent process reinforces integrity and frees up council resources to get on with the business of serving their community.

New penalties for serious misconduct

The definition of serious misconduct has been expanded and an independent Councillor Conduct
Panel will investigate and hear cases of serious misconduct.

Councillors will be disqualified from holding office for four years if two or more findings of serious misconduct are made against them in an eight-year period.

Gross misconduct is also clearly defined and is heard and managed through VCAT.

**Why change?**

There should be strong penalties for councillors who disregard their obligations as elected representatives.

**Powers to stand down an individual councillor**

Extended powers will allow the Minister to stand down an individual councillor if:

- An application has been made alleging serious misconduct or gross misconduct, the Minister has appointed a Commission of Inquiry or an application has been made to the Supreme Court for the ouster from the office of councillor; and

- The CMI or municipal monitor has submitted a report to the Minister advising that the councillor is creating a serious risk to health and safety or is preventing the council from performing its functions.

The Chief Municipal Inspector (CMI) can apply to Victorian Civil and Administrative Tribunal (VCAT) to stand down councillors charged with offences that would result in them no longer being qualified as councillors.

**Why change?**

Victorians have the right to expect that councillors are working for the best interests of the community. Councillors and council staff are also entitled to a safe work environment. These new powers will allow action to be taken to uphold the functioning and integrity of the council as well as ensuring they are safe places to work.

**Minister may appoint a Commission of Inquiry**

The Minister for Local Government will have the authority to appoint a Commission of Inquiry to conduct an inquiry into any matter relating to the affairs of a council.

Commission powers will be aligned to the Inquiries Act. The Commission of Inquiry can make a finding that a councillor has significantly caused or contributed to:

- A failure by the council to provide good governance
- A failure by the council to comply with a governance direction

The Minister can then take action to have the council suspended or dismissed.

**Why change?**

There should be consequences for councils that don’t perform to the standards expected by their communities.