

# Municipal Monitors appointed to Casey City Council

## Final Report to the Minister for Local Government

### 1. Background

#### 1.1 Appointment

The Minister for Local Government appointed us, Peter Stephenson and Cameron Boardman under Section 179(1) of the Local Government Act 2020 (the Act) as municipal monitors to Casey City Council. Our appointment was to help to support good governance as the new Councillor group established themselves in their roles; and to assist in preventing a recurrence of governance issues that led to the dismissal of the previous Council.

Our appointments commenced on 6 November 2024 (Peter Stephenson) and 20 November 2024 (Cameron Boardman) respectively, with both of our terms concluding on 6 November 2025. The terms of reference (TOR) for these appointments is provided below:

1. To monitor the governance processes and practices of the Council, with specific regard to the following matters –
  - a. the adequacy of Council policies, processes and practices to address the findings and recommendations of the Operation Sandon Special Report, particularly as they relate to reducing corruption risks and ensuring planning decisions follow proper council processes;
  - b. any outstanding actions and recommendations to improve good governance as identified in the final report from the panel of administrators appointed to Casey City Council;
  - c. the Councillors' understanding and performance of their statutory roles and responsibilities, including in relation to conflict of interest, confidentiality and land use planning obligations;
  - d. the adequacy of the Council's Councillor induction training program and professional development training, including councillor participation;
  - e. the Council's meeting procedures and decision-making processes, including attendance at briefings, the adequacy of the Council's Governance Rules and Councillor adherence to the Governance Rules;
  - f. the relationships between Councillors, including Councillor behaviour with respect to the Model Councillor Code of Conduct and processes for resolving disputes between councillors;
  - g. Councillor adherence to the Council's policies, processes and practices in relation to communication and the management of interactions between Councillors and Council staff and contractors, and compliance with those policies and practices;

1 Report for the Minister for Local Government - Municipal Monitors appointed to Casey City Council

h. the establishment of an effective working relationship between the Chief Executive Officer and the Councillors;

i. any other matters that may affect the Council's ability to effectively perform its functions, including Councillor behaviour that is creating a serious risk to health and safety or preventing the Council from performing its functions.

2. To advise, and provide any relevant assistance and support to the Council to ensure good governance, with specific regard to the matters raised in clause 1.

3. To assist the Council to develop an Action Plan and progress updates for any necessary governance improvements, with specific regard to the matters raised in clause 1.

4. To report to the Minister for Local Government, with respect to the matters in clause 1, on:

a. any steps or actions taken by the Council to improve its governance and the effectiveness of those steps or actions;

b. any recommendations in relation to the exercise of any Ministerial power under the Act.

## 1.2 Context for the City of Casey

The City of Casey is located approximately 35 kilometres southeast of Melbourne's CBD and covers almost 410 sq kilometres. With an ABS estimated population of 405,000 people in 2024, Casey is one of the fastest growing municipalities in Victoria. Major industries within Casey include health care and social assistance, manufacturing, construction, retail trade, and; transport, postal and warehousing.

The Council has a 2025/26 operating budget of \$540.2 million, with a further \$124 million allocated to infrastructure and community spaces. The Council continues to be in a strong financial position with appropriate levels of liquid assets and a positive working capital ratio.

During 2017, the Independent Broad-based Anti-corruption Commission (IBAC) commenced Operation Sandon which was an investigation into serious corruption relating to planning matters in the municipality. The investigation expanded in 2018 and held public hearings in 2019 and 2020. As a result of the investigation, a municipal monitor was appointed to Casey City Council in November 2019. In response to the monitor's findings and recommendations—which cited governance failures—the elected Council was dismissed in February 2020. Administrators then replaced the elected Council until the Council election of 26 October 2024. At that election, Councillors were elected in twelve single member wards. Of the twelve new Councillors, just two have previous councillor experience.

The Council is led by an experienced Chief Executive Officer (CEO) who has been in his role since 2018. The Executive Leadership Team (ELT) was stable during the period of administration and for the return of elected councillors, however the Director City Planning resigned his position in September 2025 to take up the role of CEO at Cardinia Shire.

We observed that the resources provided by the organisation to support the transition to councillors was adequate, noting that there was a period of adjustment for many council

staff as over 50% of the staff had not previously worked with elected councillors. We further noted that the support provided to Councillors through the Office of Council was initially criticised by Councillors, however, the CEO and ELT have been responsive to Councillor concerns and made a number of changes—including to staffing and processes—to better support the Councillor team.

Overall, our view is that the organisation has an appropriate balance of experienced and capable leadership with a good mix of skills evident amongst the senior staff. There exists a strong willingness for the organisation to support Councillors, resulting in improved trust levels and more effective relationships over the course of our appointment.

### 1.3 Monitoring activities

During the period of appointment, we attended each ordinary meeting of Council and each special meeting of Council. We also have been represented at each meeting of the CEO Employment and Remuneration Committee and the Audit and Risk Committee. Further, we attended strategic briefings, strategic discussions and mandatory and follow up induction sessions for new Councillors following their election in late 2024. We met regularly with the Mayor —sometimes accompanied by the Deputy Mayor — and provided advice and feedback as required. Similarly, we regularly met with the CEO and Executive leadership team (ELT); and separately with the Council’s governance team. Further, we conducted sessions with the Mayor and Councillors to provide feedback on their performance and to clarify aspects of their roles. On request, we also met with individual councillors and responded to telephone and email requests for advice from Councillors.

## 2. Governance at the Council

### 2.1 Assessment against TOR

This section of the report addresses observations regarding the key terms of reference of our appointment.

***TOR 1a: ... the adequacy of Council policies, processes and practices to address the findings and recommendations of the Operation Sandon Special Report, particularly as they relate to reducing corruption risks and ensuring planning decisions follow proper council processes***

The Council administration introduced a comprehensive *Return to Elected Council* program to prepare the organisation for the return of councillors following the October 24 elections. This preparation included ensuring that policies, processes and practices were adequate to address the findings and recommendations of the Operation Sandon Special Report into corruption risks. As part of this program, revised delegations were introduced in relation to statutory planning which sought to concentrate the focus of the elected Council on the development and adoption of strategic policy and direction, while leaving officers to consider planning applications against the complex requirements of the planning scheme. Under these policy settings, Councillors still retain the capacity to consider operational planning matters only if a test of broader community interest can be met; for example, a decision that may have statewide, regional or whole of municipality impact. Council's *PROTOCOLS FOR COUNCILLORS LAND USE PLANNING* policy defines broader community interest as "...matters which impact the state, south

east Melbourne region or the Casey municipality. It does not include matters that have a discreet, localised or neighbourhood catchment, where there is clear direction and guidance in the Casey Planning Scheme and/or Victorian Civil and Administrative Tribunal (VCAT)". This policy enables Councillors to 'call in' a statutory planning application— where they become the decision makers on that application—and decide that matter in a public meeting of the Council.

It was clear that prior to the commencement of the Councillors' term, the organisation designed the induction program specifically around the Operation Sandon recommendations. This ensured that the starting point of the induction program was the context which led to the dismissal of the previous Council and the basis of the 2024 legislative reforms.

Despite the work undertaken by the organisation; and the preparation and the delivery of numerous training and other sessions and presentations (including from IBAC and Maddocks lawyers) where the concerns of Operation Sandon were raised, Councillors initially struggled to understand the importance of that investigation and its relevance to their role and functions. Councillors appeared to consider that 'matter' was in the past and should have little bearing on how they operated. Indeed, it became clear that for some time, most — if not all Councillors — had not read the Operation Sandon report. This was despite being encouraged to do so on numerous occasions, including in feedback sessions from both of the monitors. During a feedback session early in their term, some Councillors claimed they had limited time to read everything they may be expected to read. We continued to provide strong advice to the Council in relation the importance of reading relevant materials, and it appears that this advice is now being heeded by the majority of Councillors.

Although the Council has experienced senior leadership, it must be noted that the organisation—specifically the CEO— missed the deadline to comply with s307 of the Local Government Act 2020 insofar as the statutory time period to lodge election campaign donation returns, and to publish those returns on the council's website.

This was particularly noteworthy in the context of the heightened scrutiny placed on the Council as a consequence of the Operation Sandon Special Report.

We were alerted to this oversight by Local Government Victoria in July 2025 and subsequently investigated the issue. Casey's Governance Team advised that the full Campaign Donation Register was uploaded to Casey's website on 3 January 2025, although it was incorreced uploaded to the 'Elections 2024' webpage and not the 'Publicly Available Documents webpage. Furthermore, the 'Elections 2024' webpage was mistakenly deactivated on 27 March 2025, although the correct file was still available on the website, albeit without a direct link.

Our investigation concluded that there was staff turnover in the team tasked with lodging the return which coincided with lodgement deadlines. Immediately following concurrent notifications from us and the Local Government Inspectorate, the organisation took immediate steps to rectify the matter. Although and considering the heightened scrutiny applied to Casey, it appears that the matter was human error and an oversight and one which the organisation is regretful for.

The organisation has put the following mitigations in place as a consequence of this issue:

- A new process has been implemented requiring Manager/Head of level approval before the amending, deactivation or removal of legislative required website information;
- The Governance Team is developing a process for future team members to refer to and follow up on campaign donation registers, and;
- A review is being conducted to determine website content specific to legislatively required information and to ensure that pages are managed under the new process and are easily locatable on the broader City of Casey website.

***TOR 1b. ... any outstanding actions and recommendations to improve good governance as identified in the final report from the panel of administrators appointed to Casey City Council***

In its final report at the conclusion of their term, the panel of administrators highlighted work undertaken in reviewing governance and integrity systems at the Council and outlined a clear governance audit and action plan. Importantly, this work included the new protocol and policy for councillors and their role in land-use planning, the development of a new policy to guide strategic planning scheme amendment requests from proponents and developers; the review of delegations to ensure they were appropriate; and embedded conflict of interest obligations in revised Governance Rules.

We observed that all recommendations made in the Administrators' final report, consistent with their TORs, have been implemented.

***TOR 1c. ... the Councillors' understanding and performance of their statutory roles and responsibilities, including in relation to conflict of interest, confidentiality and land use planning obligations***

As ten of the new Councillors had no previous council experience, Councillors initially struggled to understand the strategic nature of their role and displayed a tendency to focus on local operational issues or acquitting their election promises, rather than strategic matters. While this has improved over the term for some Councillors, there are others who are yet to develop a 'big picture' or strategic focus.

Dealing with potential conflicts of interest was the subject of numerous discussions during the early part of the term. Councillors have been provided with advice from various sources—including us — on how to 'think through' a potential conflict of interest and if still unsure to seek further advice from Council's governance team. On the matters in question, Councillors chose to declare a conflict.

In the early part of the term, there were occasions where information shared at Council briefing sessions was reported in local news publications. These matters should not have been in the public domain until listed on the agenda of a public Council meeting debated at such a meeting. While it is not confirmed that Councillors had leaked information, this practice no longer appears to be of concern.

We observed substantial variation between interest levels and the strategic skills and understanding of individuals within the Councillor group. Whilst we observed that some Councillors have a strong preference to pursue their specific ward or individual priority projects, especially at the start of their term, the group remains a 'work in progress' when considering its capacity to work together and make decisions in the broader interest of the municipality.

Land use planning has been discussed at TOR 1a. and 1b. above.

***TOR 1d. ... the adequacy of the Council's Councillor induction training program and professional development training, including councillor participation***

Councillors could not have been better served in the provision of appropriate training and induction for their role. In addition to all the required mandatory training in accordance with the Act, Councillors were provided with numerous 'in house' sessions conducted by council staff and external facilitators. Further, Councillors were able to access training through the Municipal Association of Victoria (MAV) and the Victorian Local Governance Association (VLGA) and some have commenced Australian Institute of Company Directors (AICD) training.

We note that the induction period was quite intensive in order to meet the mandatory requirements prescribed under the Act. This intensity was exacerbated by the timing of the election and the December to January holiday period which likely contributed to the need for some repetition of sessions and/or delivery of information. All Councillors completed the induction program including the mandatory requirements of the Act and the majority of them appear to be engaged in their ongoing education as Councillors.

Notwithstanding that all Councillors completed the program, due to the uniqueness of the Operation Sandon Special Report and the scrutiny applied to the City of Casey, a number of training sessions additional to the mandatory training were provided. This included the following sessions:

- Specific presentation on the Operation Sandon Special Report presented by IBAC
- Council meeting procedures and mock council presented by Maddocks lawyers
- Relationship Building externally facilitated
- Communications, public speaking and social media workshop externally facilitated
- Council's role as a planning authority and planning system overview internally delivered
- Introduction to Cybersecurity internally delivered
- Financial sustainability workshop internally delivered
- Overview of customer experience internally delivered
- Community local laws workshop(s) externally and internally delivered
- Leadership group training externally facilitated
- Infringements process (externally delivered)

In addition to the Council delivered induction training, the Mayor and Deputy Mayor attended the respective training appropriate to their roles delivered by both the MAV and the VLGA.

Whilst it was observed that the substance of the induction program was of high quality and the investment made by the organisation to meet Councillor's requirements was considerable, we provide further observations in this regard:

- Given the timing of council elections and duration of council terms are fixed, there is limited flexibility as to the timing of the induction program. Casey Councillors were genuinely surprised by the intensity and content of the induction program and feedback we received confirmed that amongst the group, there existed a feeling of

'information overload'. This may have diluted the effectiveness and intended outcomes of the program. With this in mind, we would suggest that official information distributed to prospective candidates during election campaigns should clearly inform newly elected councillors of the potential intensity and commitment that may be required, particularly during the statutory induction period.

- As previously mentioned, the organisation was meticulous in structuring the program specifically around the Operation Sandon recommendations. Whilst this was appropriate in the circumstances, we suggest that subsequent induction program design is based on the statutory context of the Act and the 2024 Governance and Integrity Act. A focus on the legislation may help future councillors with understanding the connection between Operation Sandon and the legislative environment in which they operate, rather than the situation which occurred at the Council, where some Councillors initially held—and stated— 'Sandon doesn't apply to me'.

***TOR 1e. ... the Council's meeting procedures and decision-making processes, including attendance at briefings, the adequacy of the Council's Governance Rules and Councillor adherence to the Governance Rules***

With the limited experience of the majority of Councillors in any form of formal decision-making processes prior to their election, understanding Council's meeting procedures and decision-making processes has taken some time. Briefings are generally well attended and Councillors adhere to the Governance Rules. These Rules are currently working effectively and while a review of them was scheduled for the latter part of 2025, this review has sensibly been put 'on hold' until such time as the sector - wide process currently underway to develop a set of 'Model Rules' is complete.

As the need has presented, we have been consistent with providing ongoing encouragement for Councillors to read all briefing materials and participate in briefing sessions. There have been examples where Councillors had not been reading relevant materials, leading to the need for additional work by the organisation to meet individual preferences which disrupted the flow of the briefing schedule. This is further discussed in 2.2 below.

***TOR 1f. ... the relationships between councillors, including councillor behaviour with respect to the Model Councillor Code of Conduct and processes for resolving disputes between councillors***

To the credit of the group, Councillors appear to work together harmoniously and any disagreements that may occur between individuals appear to be dealt with respectfully. The organisation has invested in a number of externally facilitated group development sessions which generally have been well attended and received positive feedback from the Council group.

Consistent feedback is that the inclusive nature of the externally facilitated sessions combined with the experienced of the facilitator and that the sessions are provided for Councillors only allowing them to be less 'guarded' more open with their colleagues had added to the effectiveness of the sessions. It is of note that a number of Councillors either

have not previously worked in team environments or have not been privy to team situations for some years. This added to the structure of these sessions by allowing for all levels of individual and team interaction whilst ensuring that participation was tailored to the group's overall ability.

***TOR 1g. ... Councillor adherence to the Council's policies, processes and practices in relation to communication and the management of interactions between Councillors and Council staff and contractors, and compliance with those policies and practices***

Council has established policies and practices in relation to communication and the management of interactions between Councillors and Council staff and contractors. While the CEO, ELT and Office of Council staff provided advice to Councillors consistent with these policies and practices, some Councillors sought to engage with council staff outside of these processes. We also provided strong feedback to the council group on this matter and improvement has been noted in this area.

***TOR 1h. ... the establishment of an effective working relationship between the Chief Executive Officer and the councillors***

The relationship between the CEO and Councillors should be one of mutual respect and is vital for the effective delivery of the Council plan and services to the community. There should also be a high level of mutual trust. It is understandable that the Councillors would want to demonstrate to their community that elected representatives are "back in charge" at the Council after a lengthy period of administration. However, at times Councillors have perpetuated the idea that the CEO and administration are barriers to — rather than enablers of — effective community representation by the Council. If the Councillors wish to adopt the mentality that they have been elected by their community to usher in a "new era" at the Council, they should keep in mind the need to focus on preventing a recurrence of the issues that resulted in the previous Council's dismissal, rather than undermining the staff who have statutory obligations to support them.

The CEO meets regularly with the Councillor group (at least weekly with just the CEO and the group), is responsive to their legitimate needs, and continues to seek every opportunity to develop trust in the ELT and the organisation. It is therefore expected that trust in the CEO and the broader organisation by Councillors will build over time.

We note that the CEO Recruitment and Remuneration Committee has a very experienced independent Chair who has worked diligently with the committee members by informing them of the committee's role and obligations and good practice relating to CEO performance management.

Recently we have been impressed with the manner in which the Committee has sought and taken advice from the independent Chair and the monitors to further refine the performance indicators of the CEO and to work constructively with the CEO on his reporting obligations to the Committee and the broader group. This has resulted in further improvement of the relationship between the CEO and the Councillor group and has set the basis of greater understanding and reporting against strategic objectives, rather than simple activity-based reporting.

***TOR 1i. ... any other matters that may affect the Council's ability to effectively perform its functions, including councillor behaviour that is creating a serious risk to health and safety or preventing the Council from performing its functions.***

To the credit of the Councillor group, we have not observed any particular behaviour that creates a serious health or safety risk, or may prevent the Council from performing its functions. Whilst disagreements do occur in briefings, they do not lead to open conflict of a kind that would lead to concern. Disagreements are generally resolved respectfully. This may be attributed in part to the work they have undertaken in developing shared group norms and values; and the general maturity of the group.

We have observed that the group has at times had respectful disagreements on some matters. Whilst there is variance amongst the group regarding communication and interpersonal abilities, there have been no issues or circumstances which give rise to concerns that the group cannot continue to work through a process to manage disagreements respectfully. The externally facilitated team building sessions did provide training around conflict resolution and effectively working in teams. We observed improvement and progress from the group following these sessions.

However, it cannot be ruled out that some conflict may present in the future, especially as it relates to more topical and volatile community issues. Overall, the majority of Councillors appear to be committed to working as a team and we have recently noted a willingness of the Mayor and Deputy Mayor to work more closely with some Councillors on their interpersonal and communication skills.

Notwithstanding the above, it would be remiss to not discuss the widely publicised events leading up to, and which occurred at the February 2025 Council meeting. Separate to any other review of the meeting— which resulted in a large, hostile crowd threatening the Councillor group and causing the meeting to be rescheduled— we conducted our own review of what occurred.

We found that information regarding the applicability of the Council's Local Law as contained on the relevant Casey Council webpages was unclear, although there were no previous public concerns or other reasons to question the effectiveness of the Local Law until a sustained online and social meeting campaign by local community members (and others from beyond the City of Casey) prior to the February meeting.

Exacerbating the issue was that this campaign began between Christmas and New Year 2024, a time when the CEO and members of the ELT were on previously approved leave. Councillors had only been in their roles for a matter of weeks, and internal systems and processes were still developing.

We provided immediate communications support to the Mayor, Deputy Mayor and Councillors on the matter and assisted with the provision of additional communication resources. In our view, the organisation did everything they could to support the Councillors to manage and respond to the issue however, due to sustained and deliberate misinformation by some antagonists, the initial response to the issue was ineffective and resulted in the disruption to the February meeting.

The subsequent response by the organisation has resulted in no evidence of further significant community concern. While changes to the Local Law proposed as a

consequence of the Councillor instigated review are relatively minor in nature, the deliberative consultation and engagement process undertaken with the community appears to have addressed previous concerns.

## **2.2 Councillor '10 Point Plan'**

Given the complexity of local government as a sector, the size of Casey in terms of population, budgets and its multitude of programs and services, as well as the relative inexperience of the newly elected group of Councillors, it shouldn't be expected that the new Council would demonstrate peak performance from the outset. To assist Councillors on focusing on their roles and responsibilities, early in the term we introduced a '10 Point Plan' to the Councillor group and has reminded the council group and individuals of aspects of the Plan as required. This Plan was developed by a monitor previously appointed to another council and is a useful framework to assess conduct and performance issues and form the basis for improvement. The Plan suggests that Councillors collectively and individually should:

1. Understand the role of a Councillor
2. Understand the role of the CEO
3. Understand governance rules
4. Read agendas and briefing materials
5. Respect each other and staff
6. Avoid last minute input
7. Maintain strategic outlook
8. Understand Council policies
9. Keep out of operational issues
10. Work together

While it is clear that the current Councillor group is still developing, a commitment of each elected Councillor to continually developing in the role should assist the Council reach future success. Regular reflection both individually and as a group against this Plan may be useful to improve overall performance. This may take the form of a regular debrief in the week following their monthly Council meeting.

We have discussed with the Mayor how the utilisation of the above Plan could be used as a basis for individual and group reflection. Whilst it is acknowledged that there are challenges to formalising such a process, our recommendation (below) is for the group to use the above following each council meeting and for the group to offer considered and fair feedback. There are signs that there is a willingness to do this, and we are confident that there are a majority of Councillors who are committed to self-improvement and the utilisation of the Plan above to achieve same.

## **3. Recommendations**

### **3.1 Recommendations to Casey City Council**

We recommend with respect to Casey City Council that:

1. Regardless of whether the proposed Model Governance Rules are mandated by the Minister, Casey City Council adopts those Rules
2. Councillors determine and agree to a process of regular reflection on their individual and collective performance, including against the elements of the Ten Point Plan as provided to Councillors.

### **3.2 We recommend that the Minister for Local Government:**

1. Consider future monitor appointments should the capacity of the organisation to deliver to its community be impacted by major events, for example an exodus of experienced senior leaders.
2. Consider the monitors observations regarding the induction program as a basis for further refinements to that program leading up to the 2028 election period.



**Peter Stephenson**  
**Municipal monitor**



**Cameron Boardman**  
**Municipal monitor**