

Darebin City Council Submission to the *Municipal Association Act 1907* Review

It could be argued that the Municipal Association of Victoria (**MAV**) does not require their own statute to govern the practices and operations of their organisation. The MAV, like other peak bodies and insurance companies, assists the local government sector in a range of services, one being a mutual liability insurance scheme. Although section 10CB of the *Municipal Association Act 1907* (**the Act**) provides for the MAV to establish public liability and professional indemnity insurance, it is known across the local government sector that this scheme is not mandatory for Council's to participate in, therefore could be seen as only being applicable to the MAV and those Council's who voluntarily subscribe to MAV's insurance scheme. Darebin Council, as an example has recently tendered for an independent insurance broker to act on behalf of Council to source public liability and professional indemnity insurance through the open market independent of a mutual that the MAV offer.

As a comparison, the Victorian Local Governance Association (VLGA) is another peak body that supports councils, councillors and the community. They are not governed by their own statute, rather they established their own rules in accordance with the *Associations Incorporation Reform Act 2012* (**Associations Act**). It could be argued that there is nothing prohibiting the MAV from establishing their own rules for the board, committee and state council and general operations in accordance with the Associations Act or other applicable Acts. There should also be a requirement for the MAV to establish non-adversarial processes in which they can deal with conflict or disputes between themselves and Councils outside the traditional court processes.

There is nothing within the Act that separates the overall functions and responsibilities of the MAV from other peak bodies therefore, Darebin Council seeks that Local Government Victoria gives consideration of the *Municipal Association Act 1907* being abolished and for the MAV to continue to be governed through other means.