

Municipal Monitor appointed to Strathbogie Shire Council

Report to the Minister for Local Government

1. Background

1.1 Appointment

I, Peter James Stephenson was appointed on 15 May 2023 by the Hon. Melissa Horne, Minister for Local Government, as Municipal Monitor to Strathbogie Shire Council for a three-month period.

Terms of reference (TOR) of the appointment are as follows:

1. To monitor the Strathbogie Shire Council's (Council) governance functioning, with specific regard to key areas of concern identified in correspondence from the Mayor and other members of the Council dated February and March 2023, including the following matters –
 - (a) The actions taken in response to, and the Council's ability to give effect to, the advice from the former municipal monitor appointed to the Council in 2022;
 - (b) Councillor understanding and performance of their statutory roles and responsibilities;
 - (c) The relationships between councillors and between councillors and Council staff, including councillor behaviour with respect to the Councillor Code of Conduct and processes for resolving disputes between councillors;
 - (d) Council's meeting procedures and decision-making processes, including Council briefings and meetings;
 - (e) the Council's processes and practices in relation to health and safety including any matters that may be creating a serious risk to the health and safety of Councillors, Council staff or other persons; and
 - (f) any other matters that may be affecting the Council's ability to effectively perform its statutory role, including behaviour that may be preventing the Council from performing its functions.
2. To identify the underlying causes of any issues affecting the ability of the Council and / or individual councillors to properly perform their statutory roles, with specific regard to the matters raised in clause 1.
3. To report to the Minister for Local Government, with respect to the matters in clause 1 and 2, 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 for the Council to ensure the proper performance of its statutory role, including in relation to the conduct of councillors and responding to the advice of the former municipal monitor appointed to the Council; and

(c) any recommendations for the Minister, including in relation to the exercise of any Ministerial power under the Act.

1.2 Context for the Shire of Strathbogie

The Shire of Strathbogie is a rural municipality in north central Victoria covering an area of 3,303 square kilometres. The Strathbogie Ranges are located to the east, the Goulburn River to the south and the Hume Freeway runs through the middle of the municipality. Major population centres within the Shire are Avenel, Euroa, Longwood, Nagambie, Strathbogie and Violet Town. The Shire has an approximate population of 11,498¹.

The main economic activities and industries with the Shire include wool, grain and cattle production, extensive vineyards at Nagambie and throughout the Strathbogie Ranges and a wide range of intensive cool climate horticultural enterprises².

The Shire of Strathbogie has total assets of almost \$353 million, total equity of almost \$339 million and income during 2021-2022 of just over \$36 million³. The Shire employs approximately 122 full time equivalent staff.

The Shire of Strathbogie has seven Councillors with a combination of multi-member and single member wards. At the 2020 election, six of the seven Councillors were elected for the first time, with the other having been elected in a by election late in the previous term of Council. That particular Councillor also had experience as a Mayor and Councillor of a metropolitan council in the 1990s.

In September 2021, the resignation of a sitting Councillor in Lake Nagambie Ward led to a countback and the swearing in of a new Councillor. That 'new' Councillor subsequently resigned on 12 June 2023, resulting in a further countback and the swearing in of the present incumbent—a former Councillor within the Shire—on 18 July 2023.

On 26 July 2023, the Chief Executive Officer (CEO) received the resignation of one of two sitting Councillors from the Seven Creeks Ward of the Council. As this is a multi-member Ward, this resignation triggered a countback process. The successful candidate was identified and accepted the role but is yet to be sworn in.

Over the last four elections, competition for the seven council seats has not been intense with a total number across the Shire of 15, 14, 18 and 16 candidates respectively.

1.3 Monitoring activities

On commencing my appointment, I perused Council policies and procedures, agendas and minutes of Council meetings, as well as viewing recordings of previous Council meetings. I attended in person

¹ ABS <https://dbr.abs.gov.au/region.html?lga&rgn=26430>

² <https://www.vic.gov.au/know-your-council-strathbogie-shire-council>

³ https://www.strathbogie.vic.gov.au/wp-content/uploads/2023/04/StrathbogieShire_2021%E2%80%932022_AnnualReport_Screen.pdf

² Municipal Monitor appointed to Strathbogie Shire

each ordinary and extraordinary meeting of Council. I also attended, via video link, a meeting of the Council's Audit and Risk Committee. Further, since my appointment I attended all strategic briefings, strategic discussions, 'Councillor only' discussions and induction sessions for a newly elected Councillor. I also attended a session facilitated by an external consultant about which I will discuss further later in this report.

I continued to meet regularly with the Mayor and the CEO, both together and separately. I also met with individual Councillors at least once and more often by request. Similarly, I met with various staff members and the independent Chair of the CEO Performance Review Committee and responded to letters, telephone calls and emails from various ratepayers and residents including representatives of community and business groups respectively.

2. Governance at the Council

2.1 Summary of findings

It is my view that the Council has failed to conform with the following requirements of the Local Government Act 2020 (the Act) and *Local Government (Governance and Integrity) Regulations 2020* (the Regulations):

- Section 9 (2) (b); (c) and (g) of the Act: Overarching Governance Principles and Supporting Principles
- Section 28 (2) of the Act: Role of a Councillor
- Section 28 (3) of the Act: Role of a Councillor
- Schedule 1 of the Regulations: Standards of Conduct, particularly (c)

2.2 Former Municipal Monitor's 10 Point Plan

The previous monitor introduced a '10 Point Plan' (The Plan) in 2022 to assist the councillors in focussing on their role. This Plan is a useful framework to begin to assess the conduct and performance of the elected Council as the plan refers to several elements of my TOR; particularly 1 (a) through to (e) inclusive. 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

Based on my observations, my assessment is that the Council has failed to demonstrate adherence to the following elements of the 10 Point Plan:

Understanding the role of a Councillor

The former Municipal Monitor had identified that the transition from being a community member with specific interests to members of a governing body was challenging for some Councillors. After three months in my appointment, my assessment is that some Councillors still do not understand

their role— or choose to be selective on which elements of the role they will focus their attention. Some appear to focus on their ward issues and ignore the broader requirement under the *Local Government Act 2020* (the Act) to consider the diversity of interests and needs of the municipal community.

This behaviour is a failure of good governance in that it is not consistent with the requirements of the Act as specified in Section 9 (2) (b) of the Overarching Governance Principles and Supporting Principles that “priority is to be given to achieving the best outcomes for the municipal community, including future generations; and “Section 28 (2) (a) “...to consider the diversity of interests and needs of the municipal community”.

Some Councillors have demonstrated a lack of understanding of the commitment required to adequately perform their duties. More than one Councillor suggested that because section 35(1) (e) of the Act stated that a Councillor ceases to hold office if “...absent from Council meetings for a period of 4 consecutive months without leave obtained from the Council”, then that equated to Councillors being able to have four months ‘off’, given the Council usually met monthly. My response was that it was a perverse way of looking at the Act and that if a Councillor was considering four months off because they could, they perhaps should reconsider their position on Council. Similarly, a Councillor at one point advised that they would not be attending briefings for a month because they were too busy.

This behaviour is a failure of good governance in that it is not consistent with the requirements of the Regulations as specified in Schedule 1 (2) A Councillor must, in performing the role of a Councillor, do everything reasonably necessary to ensure that the Councillor performs the role of a Councillor effectively and responsibly, including by ensuring that the Councillor— (b) diligently uses Council processes to become informed about matters which are subject to Council decisions.

Understand the role of the CEO

In my first meeting with the group of Councillors I discussed the importance of the relationship between the CEO and the Council, and how this relationship is critical for organisational success. I suggested that when Council works closely with the CEO and their team, the organisation is best placed to succeed. I also reiterated that the Councillor and CEO/administration roles are different which is reflected in the Act. What I observed however, is that some Councillors still seek to involve themselves in matters which are the responsibility of the CEO and their team. Whether or not it is because they don’t understand the CEO role, some Councillors have demonstrated by both their words and actions that they do not respect the current CEO and have sought to undermine the role of the CEO.

Councillors involving themselves in matters which are the responsibility of the Chief Executive Officer is a failure of good governance. Section 28 (3) of the Act: Role of a Councillor makes it explicit that “the role of a Councillor does not include the performance of any responsibilities or functions of the Chief Executive Officer”.

Read agendas and briefing materials

The previous monitor identified that Councillors did not recall or had not read relevant materials provided for briefings. Reading of briefing papers continues to be inconsistent, which extends to some Councillors regularly not reading their meeting papers. Councillors are provided with access to a portal where documents are provided for them to download. The portal records the date and time which individual Councillors first open each particular document. An examination of access logs to this online portal shows that several Councillors consistently do not open briefing papers, Council meeting agendas, and particularly confidential attachments to these agendas. The logs also show

occasions where the first time a Councillor has viewed agenda papers is during the particular Council meeting to which the papers relate. A failure to read these documents to inform their decision-making means that critical oversight of officer reports, including —for example— tender documents, is not occurring.

Failure to read relevant papers is a governance failure and a failure to perform a fundamental part of the role; Section 28 (2) of the Act and Schedule 1 (2) (b) of the Regulations which requires that a Councillor “diligently uses Council processes to become informed about matters which are subject to Council decisions”.

Respect each other and staff

Respectful relationships between Councillors and its administration are critical for the good functioning of a Council. The Council administration is responsible for implementing Council decisions. A demonstrable lack of respect for the administration by Councillors can create an adversarial culture and behaviour characterised by a lack of trust and poor staff engagement. This can affect the impartiality of advice provided to the Council and adversely impact the administration’s ability to give effect to Council decisions, both of which can undermine the effectiveness and efficiency of the Council’s decision-making.

A lack of respect and goodwill between individual councillors and other councillors; and between some councillors and officers is apparent. Some Councillors cannot move past previous conflict and seek to repair relationships, despite public declarations that they would do so.

Interaction between Councillors and officers is minimal and limited to the CEO and the senior executive team in accordance with the adopted policy and a directive from the Mayor and CEO in February 2021. Briefings are quite formal and attended only by the CEO, Executive Leadership Team (ELT) and officers presenting at briefings. Some of the Councillors are dismissive of the advice of Council staff, particularly when provided by the CEO. These Councillors indicate they do not trust the officers and were instrumental in ending the practice of Councillors, CEO and ELT members sharing a light meal at lunchtime during briefings or between afternoon briefings and evening formal meetings. On those days where Council meetings follow briefings, ELT members and the CEO are required to wait in their respective offices after such briefings in case they are called in to answer Councillor questions. During my appointment I cannot recall the Councillors seeking officer advice at these times.

The lack of respect and goodwill observed between individual councillors and other councillors; and between some councillors and officers is a governance failure in that it limits their combined capacity to achieve elements of Section 9 of the Act: the Overarching Governance Principles, particularly (9) (b) priority is to be given to achieving the best outcomes for the municipal community, including future generations; and (c) the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted.

Also, this lack of respect and goodwill observed between some councillors and officers limits briefings to a bare minimum; making it difficult for Councillors to comply with Conduct principles as described in Schedule 1 (2) of the Regulations: A Councillor must, in performing the role of a Councillor, do everything reasonably necessary to ensure that the Councillor performs the role of a Councillor effectively and responsibly, including by ensuring that the Councillor— (b) diligently uses Council processes to become informed about matters which are subject to Council decisions.

Further, this lack of respect and goodwill observed between some councillors and officers is inconsistent with the Standards of Conduct in the Regulations: 1 Treatment of others in that “A Councillor must, in performing the role of a Councillor, treat other Councillors, members of Council

staff, the municipal community and members of the public with dignity, fairness, objectivity, courtesy and respect, including by ensuring that the Councillor... (b) does not engage in abusive, obscene or threatening behaviour in their dealings with members of the public, Council staff and Councillors..."

Maintain strategic outlook

Based on my observations, this group of Councillors lacks the strategic focus required to face the challenges they confront. They appear to be focussed more on community 'wants' than current and future needs. For example, Strathbogie Shire has ageing and failing civic infrastructure—including the main offices which are not fit for purpose— and faces challenges with adequately maintaining its roads and drainage infrastructure. These challenges are compounded by the recent floods and damage to two major historical bridges. While the organisation has a long-term asset management plan, Councillors appear to have a shorter-term view.

The depth of strategic engagement varies among councillors, with some Councillors focussed on ward-based issues rather than whole of municipality issues. When tasked with reviewing key strategic documents, some contribute by suggesting changes to a word or two, with little or no input relating to the strategic intent of the document/s.

Councillors have weekly 'Councillor Only' time scheduled at which they discuss individual issues they wish to raise. In my presence, these discussions have rarely been strategic. Instead, they are 'solutions focussed' and usually about matters which are of interest to individual Councillors or ward based. On the rare occasion when they discuss broader issues, Councillors try to solve the 'problem' before seeking officer advice. After the session, the Mayor (or Deputy if the Mayor is not present), then raises the issues with the CEO. I have suggested numerous times that they should limit the Councillor only sessions and bring the CEO in when they are looking for solutions to identified issues. Having the CEO in the room will ensure that any solutions proposed are compliant with the Act and achievable, as well as communicating Councillor concerns directly to the CEO. The provision of advice to Councillors is a key function of the CEO. The response by some Councillors to my suggestion has been that they simply don't agree and the remaining Councillors have not wanted to challenge that response.

A failure to maintain a strategic focus is a good governance failure against Section 9 Overarching governance principles and supporting principles; particularly 2 (b) priority is to be given to achieving the best outcomes for the municipal community, including future generations; (c) the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted; and (g) the ongoing financial viability of the Council is to be ensured.

Keep out of operational issues

I understand that investigations are underway in relation to Councillors inappropriately involving themselves in operational issues prior to my appointment and so will not comment further on these matters. However, some Councillors still seek to immerse themselves in operational matters which are the responsibility of the administration. Recent examples of this kind of behaviour have been observed including one instance where a Councillor provided incorrect information to community partners which had the potential to damage relations with those partners and the reputation of the Council.

Councillors involving themselves in matters which are the responsibility of the Chief Executive Officer is a failure of good governance. Section 28 (3) of the Act: Role of a Councillor, makes it

explicit that “the role of a Councillor does not include the performance of any responsibilities or functions of the Chief Executive Officer”.

Work together

Despite private and public declarations that they would be ‘resetting’ relationships, little evidence exists that Councillors are working together. While public meetings appear cordial, behind closed doors there is little cohesion across the Council. In my observations, two ‘loose’ groupings exist and there is little or no trust between those groups. Some Councillors have described to me that there exists genuine fear of other Councillors. That said—and while I have observed disrespectful behaviour between Councillors— I have not directly observed behaviour I would describe as unsafe.

I have seen no evidence that these relationships will improve. A number of Councillors will not accept they are part of the problem and appear unable to put the past behind them in order to repair relationships. Previous use of the councillor conduct framework to address alleged infringements of the Councillor Code of Conduct has deepened the rift between some Councillors.

The Council has demonstrated a failure of good governance in not being able to meet the requirements of the Standards of Conduct, particularly 1. Treatment of Others, “A Councillor must, in performing the role of a Councillor, treat other Councillors, members of Council staff, the municipal community and members of the public with dignity, fairness, objectivity, courtesy and respect...”

2.3 Other matters

The following matters further respond to elements of my TOR, as well as discussing additional concerns observed during my appointment.

Actions taken by Council in response to former Municipal Monitor report and 10-point plan

In a letter addressed to the Minister, the Mayor wrote on behalf of Councillors advising of work that was underway to develop a Statement of Intent “...that will guide and direct behaviour between Councillors as a group, and Councillors and Council staff”.

The Mayor further advised that whilst the statement was intended to have been signed by all Councillors and delivered to me as the current Municipal Monitor on July 20, 2023, and that they have been unable to meet this deadline. The Mayor noted that “We are finalising the Statement of Intent document, along with a working document that creates actions associated with the Municipal Monitor’s 10 Point Plan, including a timeline of actions and all councillors will have a further conversation on Tuesday 25th July” and “We are currently looking at adopting the Statement of Intent at an Extraordinary Council Meeting on Tuesday 8 August, or at the very latest at our Ordinary Council Meeting of Tuesday 15 August.” The Statement of Intent was signed by those Councillors present at the Ordinary Council Meeting of Tuesday 15 August.

The following section details the process undertaken towards developing that statement of intent and outcomes to date.

Facilitated ‘governance’ training session

Discussion of the genesis, delivery and aftermath of an externally facilitated ‘governance’ training session will highlight several issues which concerned me as Municipal Monitor. At the Council meeting of 16 May 2023, my first following my appointment the day before, a notice of motion (NOM) entitled Request for Tailored Training and Development Program for Councillors was presented by a councillor. That motion was in four parts including part 1 which noted “... that this

Motion supports the recommendations from the Municipal Monitor final report tabled at the 21 February 2023 Council meeting” and part 2 which asked Councillors to “Endorse this Motion to strengthen good governance practice through a tailored training and development program delivered by...” and named a particular individual. The Mover and Secunder of the NOM noted that they had both been impressed with a presentation by the individual named in the NOM at a recent conference. The Mover of the Nomination also noted they had spoken with the presenter about the possibility of presenting to the Councillors at Strathbogie Shire. That motion passed unanimously.

While the appointment of the presenter via the notice of motion was outside of Council’s procurement process, I was advised that there were no policy levers for the Notice of Motion to be rejected and it proceeded. Council’s Governance Rules have since been amended to state that Councillor Notices of Motion must—amongst other considerations— align with Council policy.

As the session planning developed, it became clear from my point of view that what was being considered was not going to address the issues which divided individual Councillors, and Councillors and officers. The session also did not look at all like governance training. Instead, it was a process intended to result in a written agreement aimed at creating a collaborative and safe working environment. I raised concerns with the CEO that this would simply become another document which Councillors will sign to say they will do better, with nothing to demonstrate that anything has changed. I also discussed with the CEO how they may positively influence the program so it would support a genuine improvement in Council governance. A few days before the session, I emailed the Councillors and informed them that in the “...interest of fairness and transparency...” I was concerned that the upcoming session appeared unlikely to give me confidence in providing advice to the Minister that things had improved. I informed them that it appeared to me to be an exercise in creating just another document. In response to my email, and during a Councillor only session a few days later, some Councillors expressed the view that my email to them was overly negative. I responded that I was simply being honest with them.

On the day of the session conducted on 18 July—which was shifted at least twice to accommodate the needs of all Councillors— I was an observer. While the presenter delivered a skilled presentation, there was no attempt to explore the issues which are at the heart of conflict between Councillors and between councillors and staff. Rather, it was a presentation which referred to conflict in an abstract way without exploring and resolving the very real conflict which exists among the Councillor group and beyond.

The development of the agreement document intended as an output of the session was meant to include officers; despite the CEO and staff not being involved in the process or development. However, at the last minute, officers were not included. So, while Councillors have agreed to a set of behaviours that they say they will abide by, they determined not to share the details of that agreement and how it would work with the CEO or members of the ELT. This leaves the CEO and ELT concerned about a lack of clarity towards a path to a more collaborative and safe working environment for officers, the Mayor and Councillors; and they are unclear on how they are meant to engage with the Councillors as outlined in the draft agreement.

The presenter suggested that the session conducted with Councillors was a first step in a process of improving relationships and that Council might consider engaging other individuals for mentoring of Councillors for a period of 3 months or longer. I understand that the presenter also suggested a mentor for ELT members. This was a surprising suggestion given ELT members have not been involved in any level of the process, except for the CEO supporting the Mayor in enabling the session to be conducted. My advice to the Mayor was not to repeat the process that engaged the facilitator of that session. That advice was expanded by the CEO that should the process proceed, it should at least be a selected tender process where they would invite several capable people— within budget parameters— to quote a price for the work in accordance with Council’s procurement policy.

Since that session —at which all Councillors agreed to ‘call out’ bad behaviours and work better together—I have observed such behaviours in the chamber during briefings and Councillor only time. I understand that further matters under the councillor conduct framework may result.

In summary, the session and its aftermath provide little comfort that the interpersonal issues between Councillors have been resolved or that the relationship between Councillors and officers will improve. I understand the total cost of the session and preparatory work was just over \$41,000.

Staff wellbeing

I have been advised from a number of sources that staff morale is low and individuals are considering their future employment options. Council has already lost staff, including senior staff members. Incidents and behaviours which allegedly occurred prior to my appointment—including rumours circulating about council staff in local towns as I understand it— have contributed to staff resignations and senior staff taking extended leave. While I haven’t observed behaviour which I would view as a risk to health and safety, it has been reported to me that staff are feeling fatigued with the current situation, they are wondering how the organisation will heal and ‘be strong’ again, and concerned about what happens when my appointment ends, in terms of their health and safety. Further, and as discussed in the section above, there has been no feedback to the staff team in relation to the outcome of the Councillor’s session on 18 July 2023. I am concerned about the impacts of a continued and/or prolonged period of uncertainty for the CEO and the staff team.

CEO performance review

At the Extraordinary Council meeting held on 23 May 2023, the CEO’s performance review was debated in a meeting open to the public and which was being live streamed. While the CEO was not in the room during deliberations, subordinate staff members were. Much of the information relating to the review was contained in a confidential attachment and not shared with the public. However, there was discussion about the CEO’s performance including recommendations for professional development and a recommendation for a salary increase (by percentage). At no point during or prior to the meeting did the Council resolve that this information should be publicly available under section 125(2) of the Act. Debating the CEO’s performance review in a public forum and live streaming with a permanent video record—and with subordinate staff in attendance—has the potential to undermine the CEO’s authority and reputation, both internally and externally.

Prior to the meeting I had discussed the rationale for having the agenda item debated in ‘open council’ with the CEO, who advised that it was in the spirit of providing as much information to the public as possible. While a noble goal, my advice was that to do so on this matter opens the door for point scoring. Arguably, the discussion around the CEO’s performance may be categorised as personal information under the definition of confidential information in the Act; “...which if released would result in the unreasonable disclosure of information about any person or their personal affairs”. The usual process for a Council to receive a performance review report relating to their CEO would be that the item would be discussed “in camera”; that is that the meeting is closed to the public under section 66(2) of the Act, to debate confidential items. After the debate, the usual practice would be that the Councillors resolve that the resolution be made public but that the report/s remain confidential.

Further inquiries, including a review of past agendas and minutes; viewing of recordings of past meetings and conversations with key staff appear to show that the Council has adopted— as custom and practice— a process of debating the CEO’s performance review in a meeting open to the public; without any formal consideration of confidentiality provisions.

Discussing the CEO performance review in a public Council meeting is a failure of governance as the meeting should have been closed to the public under section 66(2) of the Act; given it was to discuss personal information including recommendations for the CEO's professional development and salary increases. At no point did the Council resolve that this information should be publicly available under section 125(2) of the Act.

Councillor Resignations

Three Councillors have resigned during this term of Council. Two of these have been from Nagambie Ward. The candidate who was successful in the most recent countback declined the opportunity to become a Councillor and that person indicated changed personal circumstances as largely behind their decision. The last available candidate in that Ward has now been 'sworn in'. A resignation from a Seven Creeks Ward Councillor means that a countback has been undertaken for that Ward. The successful candidate was identified and accepted the role but is yet to be sworn in.

While the reasons for individual resignations may be varied and perhaps unrelated to the current issues at the Council, the number of resignations which have occurred suggests a period of instability ahead. If we accept that the Councillors who have been together since 2020 are yet to build productive relationships among themselves—before even considering Councillor/Officer relationships— it is hard to see how the group dynamics will improve with the addition of new Councillors for Council to function at the level required.

2.4 Conclusion and Recommendations

Many of the issues identified by the previous monitor appointed have continued and appeared to be resistant to change during my term of appointment. Other matters have been identified during my appointment that are also of concern.

I consider the problems I have observed as resting predominantly with the Councillors. The ongoing lack of respect and goodwill between individual councillors and between some councillors and officers, is affecting the Council's ability to perform its statutory role. Some councillors have demonstrated that they cannot move past previous conflict and repair relationships, have little trust in the administration and are unable and sometimes unwilling to perform the role of councillor in accordance with the Act. As this report notes in previous sections, this has had an impact on the administration's ability and to provide the advice needed to ensure good governance."

The current Council has had ample opportunity to address the issues raised by the previous monitor during two appointments and has failed to demonstrate an understanding of the implications of their individual and collective behaviour and what constitutes good governance and good government. In my view, the Council does not have the ability to address the issues raised in this report and to function effectively without further Ministerial intervention.



Peter Stephenson

Municipal Monitor

Appendices

1. Former Monitor's 10-point Plan
2. Councillors' draft response to 10 Point Plan
3. Councillors' Statement of Intent (SOI) re behaviours
4. Councillors' draft public statement re SOI
5. Councillors' draft Transition Plan

MUNICIPAL MONITOR 10 POINT PLAN

1. Understand the role of a Councillor
 - a. (LGAct & Code of Conduct)
2. Understand the role of the CEO
 - a. (LGAct)
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

Strathbogie Shire Councillors

10 Point Plan

Strategic Practice Guidelines

Internal Document

Municipal Monitor 10 Point Plan

In 2022 Municipal Monitor Janet Dore worked with Strathbogie Shire Council to provide invaluable learnings and support. Ms Dore provided a 10 Point Plan to ensure Council's commitment to good governance and learning continued. The following is the Councillors response and commitment to this plan.

1. Understand the role of a Councillor (Local Gov. Act and Code of Conduct)

- Commit to a strategic agenda for Councillor Only Time.
This may include:
Councillors sharing the job of leading monthly discussions on a section of the act, learnings from shared observations of other councils and the sharing of resources and deliberate training experiences described below.
- Seek and participate in a mentorship program with experienced Councillors.
- Observe other Council Meetings. Group and/or in-person attendance of up to four meetings each year. Can be completed online. Critical issues to be shared with learnings. Examining both rural and metro-looking at opportunities for mutual learning and possible future commercial collaboration.
- Listen to the VLGA podcast which is also a useful learning tool.

2. Understand the role of the Chief Executive Officer (CEO)

- Attend the New-Councillor induction session on the role of CEO by expert presenters, Maddocks.
- Attend a debrief with CEO following this session.
- Develop a learning experience dealing with a case study examining the division of responsibilities between council and the executive in order to ground learning under the expert tuition from Maddocks

3. Understand the Governance Rules

- On a monthly basis look at a specific governance issue arising from the past month's briefings and council meetings. Dig deep, seek support from the executive as to what the best practice is. Arrange every two months expert speakers on Local Government Governance issues. These presentations to include topics like:
 - a. Meeting procedure and motions
 - b. The role of councillors and the executive i.e., strategy vs operations
 - c. Developing strategic plans and measuring success
 - d. Conflicts of interest
 - e. The Code of Conduct/Mutual Respect Charter and the tension between debate and misconduct
 - f. CEO remuneration and performance policy and how to do manage it
 - g. Dealing with complex planning issues

- h. Freedom of Information requests (s125)
- i. The making of local laws
- j. What is legal and what is not? The role of the councillor and the extent of their duties and powers

4. Read agendas and briefing materials

- Allocate 10 minutes at the end of each meeting to examine the SOI and our compliance with the 10 point plan. Discuss and learn how to heal any breach. Set aside 30 minutes after a public council meeting for a cup of tea to enhance collegiality, facilitate discussion, aide our ability to dealing with issues and enable healing.
- Allocate two hours during the weekend to reading papers and conduct research.
- Be available to attend a Monday group meeting (in-person or online) – to discuss briefing materials.
- Any questions for clarification ought to be provided to the CEO in advance of Tuesday briefings to ensure that officers can provide the best possible information.
- Be across key issues in the community and be prepared and able to respond in line with Council decisions using publicly available information provided through Project Alerts and the eBulletin. If in doubt councillors should seek clarification from Mayor, CEO or relevant Director.
- Distinguish between anecdotal ratepayer feedback and evidence. Consider how to act on both?

5. Respect each other and staff

- Providing questions and motions in advance (see above), to help officers understand the information we are seeking and ensure motions and evidence collection does not become a weapon, rather a fact finding exercise.
- Seek to understand both sides of any issue, before making a judgement.
- Commit to Tuesday lunches with Councillors and the Executive Leadership Team.
- Politely call out poor behaviour as it's occurring. Identify how each individual prefers to be reminded and make a commitment to reflect on behaviour when called upon.
- Model the Code of Conduct and Mutual Respect Charter.

6. Avoid last minute input

- If it is known or capable of being known beforehand then share it. Do not use information to ambush
- By committing to the sharing of information relationships will improve.
- Develop proposed alternative or amended motions with Officers and share these with fellow Councillors at the Monday meeting. Remember objective evidence is king! If there is not time to collect it, it will be impressionistic, and we will fail in our duty to act in the best interests of the community as a whole.

7. Maintain strategic outlook

- Proactively input into Council Plan and Budget Updates, which focus on our priorities under the Local Government Act. Priorities must be identified around evidence. The debate should not be around what the individual wants, but what is right and legal based on correct and reliable evidence.
- Bring strategic community issues to Councillor-Only Time, then work with ELT to determine how best to respond. Community issues are not to be used to attack

others-they are issues where the correct answer must be adduced from the law and the best evidence and then communicated back to the community member or group in a respectful and reasoned way. Not following or shortcutting this process causes harm in the community and internal distrust between councillors and the executive.

8. Understand Council policies

- Have our own updated copies of policy on our laptops or a hard copy and be familiar with them.
- Commit to a strategic agenda for Councillor Only Time. This includes: specialist training, lead mentoring, reviewing operations of other councils and podcasts. This may also include Councillors sharing the job of leading a monthly discussion on a Council policy. Deliberately select a policy, read it alongside the Code of Conduct and Mutual Respect Charter and identify what is the best behaviour to be leading and driving policy within council.

9. Keep out of operational issues

- Carry and provide 'log an issue' cards (digital or hard copy) for the community to lodge their requests via the 'Submit a Request' button on www.strathbogie.vic.gov.au
- Commit to a strategic agenda for Councillor Only Time. This includes: Determining if community issues are strategic or operational.
- Share any issues with ELT and invite their feedback before taking action.

10. Work together

- Commit to twice yearly Councillor team building exercises. These should be used as opportunities to celebrate success and learning
- Invite ELT as appropriate.
- We are here for our community. Together means not just as a group and with the ELT, but also ensuring our decision making looks at the needs of the community as a whole. Check on any actual and unconscious bias. We represent the community as a whole in decision making and behaviour.

Signed and Dated by Strathbogie Shire Councillors

Cr Laura Binks, Mayor

Date

Cr Paul Murray, Deputy Mayor

Date



Cr Reg Dickinson

Date

Cr Sally Hayes-Burke

Date

Cr Chris Raeburn

Date

Cr Robin Weatherald

Date

Strathbogie Shire Councillors

Statement of Intent

Internal Document

Introduction

This Statement of Intent (SOI) does not seek to over-ride or alter the Charter of Mutual Respect and Councillor Code of Conduct. It is a deliberate action taken by all councillors to restore and enhance respect, courtesy, and collegiality into the Council room and in dealings with the CEO and Council staff. The SOI is a compact between the councillors to act in accordance with the SOI between each other and with employees of the Council. It is not, and never has been designed, to be weaponised for the execution of codes of conduct. At the heart of the SOI is an expectation and desire by all councillors that their colleague councillors and staff's workplace is physically and psychologically safe.

SOI

We, the councillors, agree to commit to the below behaviours in how we deal with each other in all our interactions.

1. **Councillors' role:** As councillors we recognise and agree to be responsible for the strategic policy and direction, review of strategic implementation and budget of the Council based on objective evidence and in the best interests of the Council as a whole. Although we are advocates for our community and own aspirations when the time comes to make a decision, we will exclusively consider the best interests of the community and act in a lawful manner with good governance.
2. **Executive Role:** As Councillors we recognise and respect that members of the executive are charged with supplying the councillors with the best evidence for decision making and executing the council strategy. Each member of the executive brings specific knowledge and skills to any council forum, and it is legitimate and reasonable for that executive member to be respectfully questioned on their specific responsibilities within the matrix of organisational relevance and responsibility and to be allowed to respond fully.
3. **Councillor Conduct:**
It is recognised that councillors are elected representatives of the Council and hold important positions to agitate policy, hold the council to account and be advocates for the best interests of the council as a whole. By the very nature of council, processes will at times involve disagreement and conflicting views and necessarily this may cause personal and community disappointment. It is not an easy environment to maintain respect and generosity and the lines of councillor and executive responsibility can at times be grey - not black and white. Therefore, there is a constant need to reflect, be mindful and forgiving

and to speak with this in mind when the possibility of hurt is obvious. The key behaviours are:

- a. Respect the chair even if you feel you are getting the wrong end of the stick.
- b. Respect the decision of Council - never go out to criticise the council or individual councillors.
- c. Be aware of each other's disabilities and difficulties and be generous and supportive of each other.
- d. Be mature, i.e no face pulling, nasty side comments, finger pointing, or other actions designed to anger, hurt, intimidate or ridicule another person.
- e. Let people finish what they have to say without interjecting (so long as they are entitled to speak and with respect to the chair to manage the situation)
- f. Be a community leader - be what your community would expect you to be when dealing with their money and their community. Always be respectful, prudent, thoughtful, careful, generous and driven by the best evidence (not by an anecdote of community members)
- g. Listen carefully. Show you are listening and allow everyone, when they are permitted to speak, to be heard.
- h. Treat people fairly, respectfully and generously even if you disagree with them, be they of a different gender, race or other attribute. Be aware that this will make them feel that they are respected, safe, valued and important.
- i. Work collegially to make the Council function as best as it can.
- j. Put a stop to personal attacks, vitriol, hurtful commentary, or any other behaviour that would have the effect of hurting, humiliating or intimidating another person.
- k. Ensure that Councillors respect the roles of the executive as employees and as persons and undertake to provide a safe working environment for the executive and staff of the council.

History and Roll Out

1. Councillors acknowledge that it has been a difficult year. Our collective ability to ensure a safe and respectful workplace and to demonstrate good governance has not been constantly successful. Councillors acknowledge that they hold an important role in setting the tone, ensuring they uphold their commitments to the Local Government Act 2020, the Councillor Code of Conduct and, the Charter of Mutual Respect. We understand that our inability to do so consistently means we are failing in our duty of care. We accept that we can demonstrate the behaviour and leadership expected of us by following our Councillor Code of Conduct, our Charter of Mutual Respect, and the Municipal Monitor's 10 Point Plan. We believe that It is vital for our community, the organisation and our democratic institution that we succeed as a Council.

2. At the heart of our problem is the hurt and anger that has damaged our goodwill and collegiality over time. This means that some of us have struggled to function properly and that some feel the deep hurt that is exacerbated by continued failure to address the underlying problems of distrust.
3. This lack of cohesion is not what our community expects from us - it expects a mature, cohesive policy development body that oversees the monies and responsibilities of the community in a fair, respectful and careful way. We need to work more closely together to achieve this.
4. We recognise as Councillors the urgent need to work together to revitalize the council and create a better future for our community. We recognise our election was a precious gift of trust we must honour and fight to maintain. So, we sponsor and support this SOI, and are committed to it. If we all commit, we can more effectively deliver the social program our community elected us to do.
5. We recognise this is a personal compact between councillors which will be reinforced as we drive further improvements in our conduct and behaviours.
6. We the undersigned councillors adopt and commit to complying with this SOI.
7. For the first month of its operation, we will internally manage any breaches of the SOI in order to build trust, respect, and safety between us as councillors. We commit to calling out breaches, listening to any call out, reflecting and solving the issues before they spiral into misconduct. Thereafter we will invite the executive to feel free to raise breaches with us and to work with them in how we would like it managed so that we create a respectful environment lead by councillors.
8. The SOI will be fully reviewed three months after it commences operation.

Signed and Dated by Strathbogie Shire Councillors

Cr Laura Binks, Mayor

Date



Cr Paul Murray, Deputy Mayor

Date

Cr Reg Dickinson

Date

Cr Sally Hayes-Burke

Date

Cr Chris Raeburn

Date

Cr Robin Weatherald

Date



Strathbogie Shire Councillors

Statement of Intent

External Document

We, the Strathbogie Shire Councillors, have reflected upon the successes and challenges of the Council. We have considered how we can improve the quality of representative work we undertake through a lens of collaboration, respect and ensuring both our, and the Council's employee working environments are safe, respectful, collegiate, and innovative. As the leaders within Council, we understand that the leadership role is ours to embrace. As we work together to recommit to our obligations, we do so with a strong commitment to follow good governance, reflect on difference and diversity and embrace and support it. We ask you, the community, and employees of Council, to be proud of the debate we undertake to create a better present and future for Strathbogie Shire and we commit do so in a generous, respectful, forgiving and wise manner. As councillors we will be accountable to this aspiration between ourselves, Council employees and the community of Strathbogie Shire.

Strathbogie Shire Council
Councillors and ELT
Transition Plan
Internal Document

Once we as councillors have signed up and committed to the SOI and the MM 10 Point Plan Guidelines, We need to come together with the CEO and ELT to re-establish a trusting, respectful and productive working relationship.

1. Knowledge transfer and relationship reset.

Within 28 days of the acceptance of the SOI and the 10 Point Plan Guidelines a professional will facilitate a session between the Councillors and the ELT.

This will be a chance to reset this critical relationship by each having a chance to express their needs and wants, and understanding what each party needs from the other to regain trust.

It will be a chance to reset how the Councillors and the Executive work together to ensure we are providing a safe, respectful and enjoyable workplace environment that ensures good governance is maintained between the two parties.

Rules of engagement are to be developed and agreed upon.

2. Transition and build on good will.

For next 6 months after 1. Is completed, Councillors and ELT will participate in monthly mentoring – facilitated conversations that tackle the key risks for council.

This period will be used to strengthen our rules of engagement.

3. Steady State

Together we have a better chance of success.