

# LGPRO RESPONSE



LOCAL GOVERNMENT  
**LGPRO**  
PROFESSIONALS  
THE LEADING VOICE

A project completed by LGPro in response to Local Government Victoria (LGV).  
LGPro is the leading professional association for officers in the Victorian Local Government Sector.

# TABLE OF CONTENTS

---

PRESIDENT FOREWORD .....	2
Context .....	3
Survey Results .....	4
Question 1: .....	4
Question 2: .....	4
Question 3: .....	5
Question 4: .....	6
Question 5: .....	6
Question 6: .....	7
Question 7: .....	8
Question 8: .....	9
Question 9: .....	9
Question 10: .....	10
Question 11: .....	11
Question 12: .....	12
Case Studies .....	12
Case Study A: .....	14
Case Study B: .....	15
Case Study C: .....	16
Case Study D: .....	17
Case Study E: .....	18
Case Study F: .....	19
Case Study G: .....	20
Conclusion .....	22
Attachment A .....	24



## PRESIDENT FOREWORD

**In December 2021, PricewaterhouseCoopers (PwC) released a discussion paper on organisational culture in councils - the Local Government Culture Review Project - commissioned by the Department of Jobs, Precincts and Regions' Local Government Victoria to improve their understanding of the factors that affect Council culture and to develop approaches that could lead to improvements.**

The paper sets out 12 questions, designed to gather information on how Local Government can address issues of culture and conduct that have been identified in the sector. Local Government senior professionals have contributed as a collective voice through LGPro in this report based on these questions, illustrating the impact that poor behaviour can have and has on the performance of individual local governments, the communities they serve, and the wellbeing of their staff.

This report illustrates the professionalism, caring, and willingness to share information and experiences from local government professionals with a view not to demonise but to provide solutions for the sector and the communities it serves. The sector delivers extraordinary outcomes and provides fulfilling roles to its public servants, but there remain issues to be addressed to ensure an even stronger sector.

The responses and related case studies show that our sector is grappling with distinct issues around behaviour, but there are solutions with necessary support. Some people are behaving badly, and some are working in their own self-interest to the detriment of their Council. Suggested solutions include leadership training, mentoring, dedicated and empowered LGV Regional Director, changes to legislation and management practices with a focus on ethics and accountability and the introduction of penalties or sanctions for ongoing malevolent behaviours.

It is the energy, commitment, and collaboration of local government professionals and their State Government counterparts that will improve our councils, along with the good-faith direction and contribution of our Councillors and Mayors. LGPro, as the voice of these professionals, will invest in supporting this collaboration.

I commend this report to you, moderated by participating local governments and reflecting the opinions and lived experiences of its senior officers, and look forward to our working together to achieve the best results for our communities.

Liana Thompson  
President  
LGPro Victoria  
  
Chief Executive Officer  
Northern Grampians Shire Council





## CONTEXT

In December 2021, PricewaterhouseCoopers (PwC) released a discussion paper on organisational culture in Councils, *Local Government Culture Project*<sup>1</sup>. This paper, commissioned by the Department of Jobs, Precincts and Regions (Victoria) aims to improve understanding of the things that affect culture and conduct in local government.

The paper asks 12 questions to gather information on how the local government sector can address the culture and conduct issues that have been identified in their sector.

At an LGPro meeting of council CEOs in late November 2021, it was agreed that LGPro would prepare a response to the PwC Discussion Paper on behalf of its members. LGPro surveyed its members based on the 12 questions posed in the PwC paper.

Formal responses were received from councils covering a range of sizes and locations, and Council composition. Further commentary was also provided by several additional councils in response to this report in its draft form.

A range of disparate views on the topics set out in the Discussion Paper are represented here in good faith to the officers who responded to this survey. However, where LGPro may have a differing view to those expressed by survey participants, this is clarified in each question.

It became apparent, particularly during the collection of case studies, that there is a widespread fear for career or retribution in the sector from speaking out about poor councillor behaviour. For this reason, the information provided in this report is provided on the understanding that any examples used or possible identification of individuals will not be used in a public setting nor encroach on privacy of the subjects of this report or its contributors.

<sup>1</sup> [PwC Local Government Culture Project Discussion Paper Final.pdf](#)

# SURVEY RESULTS

## Question 1:

***The LG Act 2020 defines leadership roles and responsibilities. Does this require further role clarity? If so, which aspects require clarification and how may this be achieved (including legislative non-legislative mechanisms)?***

Most respondents believe the Act is sufficient in defining leadership roles and responsibilities. However, it was suggested that further guidance should be provided on how people can best meet these leadership responsibilities, and to understand what is needed to perform the role of councillor, especially for those people new to local government.

People who are attracted to stand for local government are often interested in doing the best for their community, but they may not have the experience to enable them to take a strategic approach to the decisions they make. People commonly stand for election based on issues relating to roads, potholes, rates, or advocacy on a particular issue that they vow to fix, if elected. When elected, this may mean they focus on ward issues rather than what is best for the council overall.

Suggested solutions included:

- + provide pre-election training to increase understanding for potential candidates about what they can and cannot achieve as a councillor.
- + Mayors may need training on leadership and their role managing councillors and working with the CEO.

## Question 2:

***Given the diversity and experience of candidates' backgrounds, how can the LG sector improve leadership capability and better cultivate an environment of transparency, honesty, integrity, and trust?***

Some responses suggested that the remote work practices related to COVID prevented the development of the strong relationships normally formed between councillors. Some respondents felt that new councillors who campaigned on 'fixing up' issues in their municipality started their relationship with little respect for the role of the CEO. This is a difficult basis on which to build strong working relationships.

Suggested solutions included:

- + Briefing on requirements for being a councillor should be a pre-requisite for standing for election. Training could include how to interact with the community and understanding the limits around their future responsibilities (regulatory obligations, conflict of interest, financial accountability, relationship with the CEO and Council staff).
- + Once elected, all councillors should complete an induction program. Induction programs can be tailored to the experience of the councillors with more detailed training for those new to the role, a refresher for returning councillors and an update for those that have been a councillor before but not in the last term.
- + Mayors and Deputy Mayors should be provided with leadership training, which should be mandatory before being able to accept these roles. This training should focus on developing leadership skills, conflict resolution and building understanding of the management roles of

- council Executive and staff. Training should also address the legislative obligations around conflicts of interest, probity, work health and safety and supporting a diverse workforce.
- + Mentoring programs could be established to have experienced councillors, executives or other professionals assist new councillors to understand their governance obligations.
  - + Once in their roles, councillors could be kept abreast of good governance and examples of poor governance with regular updates from across the state providing practical and real examples.
  - + An independent monitor could sit in on at least one council meeting a year (unannounced) in every council across the State providing feedback on the behaviour and processes observed at that meeting – this was not a widely endorsed suggestion due to potentially impacting the flow of conversation and proceedings at council meetings, as well as being cost prohibitive.
  - + CEOs new to their roles could be supported with mentoring. Without support, the sector will continue to lose talented people.
  - + Improve the efficacy and efficiency of complaints processes to ensure that issues relating to conflict of interest, code of conduct, and workplace behaviours of elected councillors, Executive and staff are dealt with quickly.

### Question 3:

***How successful have any existing initiatives been to promote strong leadership and build trust? Please provide case studies or examples of good practice that have worked well and could be considered for broader implementation.***

Respondents identified several initiatives that have successfully promoted strong leadership:

- + Some councils have initiated reviews of practice and health checks to improve standards of behaviour and to support safe challenges of breaches of the Code of Conduct. These sometimes go hand in hand with an annual induction program.
- + Workshops run by the Municipal Association of Victoria (MAV) and the Victorian Local Government Association (VLGA) aim to improve understanding of acceptable standards of behaviour. These organisations regularly provide updated information to councils
- + CEOs investing time and effort into supporting Mayors and individual councillors to build their leadership capabilities and understanding of roles.
- + External facilitators have been used to help councillors build skills in working collaboratively and to understand the regulatory framework. This has been a positive experience where it has been used but as with any training its success relies on the willingness of individuals to learn and improve.
- + CEOs having one-on-one time with each Councillor to provide support and help build their leadership skills and avoid poor behaviours.
- + Offsite workshops to build relationships between councillors and the Executive have also been useful but these have been constrained by the pandemic and sometimes by cost.
- + One council also used a psychologist to assist the Mayor in dealing with a difficult councillor. Another strategy has been to focus councillors on the future, learning from mistakes, moving on in a constructive way and stop blaming previous councils. This has helped build the relationship between councillors and officers. Signing the Code of Conduct (once reviewed)

annually and reciting the declaration of office at the start of formal council meetings can also be a prompt to behave well.

- + One respondent suggested that councils remove the 'us and them' approach between councillors and officers, with councils becoming a whole entity, fully embraced, and supported by councillors and staff and where accountability is accepted, and mistakes are opportunities for learning rather than blame.

#### Question 4:

***Mention is made through consultation of local government being a 'parliament of opposition as opposed to a diverse board of the community'. What needs to change to better align Councillors and Mayors to effectively achieve community-based objectives and better operate as a diverse board of the community? Would formal Director training be desirable (or should it be potentially mandatory) for Councillors?***

Many respondents felt that a modified Directors course tailored to local government would be beneficial in improving councillors' understanding of governance, the councillor's personal legal liability, financial literacy, judgement in decision making, ethics, risk management and the need to take a whole-of-council approach to decision making. It would also help clarify the difference between councillors setting the strategic direction and letting officers manage the operational side.

One suggestion was to mandate that the training had to be successfully completed within the first two years of office. Another respondent thought the course should be completed before a person could stand for election. However, this approach may be costly and may create an unintentional barrier for entry to local government. On balance LGPro does not support making this course mandatory for councillors as it may create a barrier for full participation by all members of the community.

It was also noted that the Australian Institute of Company Directors (AICD) program in its current form would not be appropriate as councils are not like Boards and councillors are not Company Directors. Subject matter experts in the organisation should be skilled enough to do the heavy lifting and provide frank and fearless advice, so it is not essential for councillors to have Board Director skills.

Other comments included:

- + An alternative to the AICD program may be a minimum number of Continuing Professional Development (CPD) hours per councillor per year.
- + Any course would need to cater for the variation in experience and capacity of participants to undertake training.
- + Respondents also noted that professional training as suggested will not address the behavioural problems which impact of professional relationships and interpersonal issues that result from poor behaviours such as bullying and intimidation.
- + Focus on creating a shared culture through workshops and discussions, not just training.

#### Question 5:

***How could the candidate and induction training support be improved to ensure genuine engagement and sustained understanding of the role and responsibilities of Councillors? Do you think there should be more compulsory training and development before***

***candidates can stand for Council? Why or why not? Does an element of gender and diversity need to be addressed (or enhanced) in such training?***

Responses around training ranged from an introductory program to an extensive program with a formal exam at the end with only 'qualified' candidates being able to stand for election. LGPro does not endorse the proposition for a formal exam before 'qualified' candidates could stand for election, but agrees that a range of formal briefings would be feasible.

A minimum, introductory training/briefing may help potential candidates understand what they are signing up for. Over two thirds of the respondents believed that there should be some form of compulsory training/briefing before candidates stand for council, acknowledging that most candidates do not have a good sense of the range of roles and responsibilities of a councillor.

Other responses wanted greater training once candidates were elected to council, enabling a diverse range of candidates to stand to represent their communities.

Other suggestions included:

- + a councillor's sphere of influence should be one of the main topics covered in training/briefing to ensure they understand that decisions need to be made in a whole-of-council context.
- + the use of leadership profiles or tests to give candidates a sense of their strengths and weaknesses in standing for this position. Confidentiality of results would need to be ensured.
- + gender equity and diversity training are a necessary part of induction training or even for pre-candidate training. This was particularly required in councils with a majority of male, generally older councillors. The training should build their understanding and tolerance of a diverse workforce and councillor cohort. Accessibility to this training was an issue particularly for Aboriginal and Torres Strait Islander and Culturally and Linguistically Diverse candidates. However, this training should not come at the expense of training in conduct standards and councillor roles and responsibilities as councillors have a limited amount of time for their roles.

It was noted that the success of compulsory training relies on the receptiveness of the audience. Motivations and values can be fundamentally different between candidates and unless they are open to learning they will not be able to be a truly independent councillor.

Criticism was also levelled at the role councillors play in determining their own standards of behaviour in formulating a Code of Conduct. This can be a bare minimum standard with no scrutiny by any external authority and at odds with the sometimes overly prescriptive policies, guidelines and supervision required of council staff. Enforcing these minimum standard Codes can be difficult.

**Question 6:**

***How can the local government sector work to formalise a structured professional development pathway for Councillors and Mayors? Would such structured professional development training need to include appointed representatives (such as Administrators)?***

Responses offered broad support for professional development for Councillors and Mayors which would help build consistency in the standards and approaches applied across local government areas. Similarly, there was support for development training for appointed representatives, but it was noted that these positions (administrators) are usually given to people with significant experience so training should be optional for these roles.



The Municipal Association of Victoria (MAV) was suggested as the lead organisation for programs for Mayors and Councillors with CPD points being applied to these programs. However, it was noted that training should not become onerous for councillors still in the workforce or with carer responsibilities. The outcome should be focussed on achieving better informed and more responsible councillors.

It was noted that this professional development training should relate to the roles of elected councillors with care to be taken not to blur the lines of accountability between training for elected roles and those of Executive appointments e.g. CEO.

#### Question 7:

***How can awareness be raised on the best ways to harness social media to ensure a consistent management approach – covering monitoring, appropriate usage, and the consequences of negative usage?***

Most respondents suggested a standardised sector-wide approach for this question and/or mandatory training or information sessions on the subject, both pre-election and at mandatory induction training.

As it stands now, CEOs have little or no authority to manage social media related issues, especially where Council Codes of Conduct exclude officers from lodging complaints even when a clear breach has occurred. Some councillors are also likely to react to provocative social media posts made by other councillors resulting in an escalation the situation, leaving the CEO with little power to control or moderate.

Of particular concern is the micro aggressions (small negative comments on a frequent basis) by some councillors using social media, that are difficult to monitor and on a whole are significant. These micro aggressions can also build to a response point from other councillors that can look out of proportion to the triggering incident. Staff are also not immune from these micro aggressions.

Suggestions included:

- + Local Government Victoria (LGV) develop a standard policy and procedures on social media use which is applied consistently across councils.
- + This standard should include best practice guidelines, case studies and real-life examples of appropriate use.
- + the Municipal Association of Victoria (MAV) or LGV should develop and provide training on social media use which should be included in the councillor induction program and repeated on a regular basis for existing councillors.
- + Conduct standards should include significant and swift consequences for social abuse or misuse, especially for repeat offenders.

Some respondents felt that some councillors have already misused these tools so any policy change is too late, suggesting that banning social media use would be the only solution, or alternatively allow minimal social media use for information sharing only. However, as the problem is increasing significantly, some measures at a state-wide level are needed to manage social media use and the harm it can do to council culture. There are also good examples of the problems of social media misuse that already in the public realm such as the Bendigo case about a tweet that ended up at VCAT.

#### Question 8:

***Do you think that any amendments to the Local Government Act 2020 are required to deal with the usage of social media? How should social media harassment be defined and what mechanisms could be introduced into the Act?***

It was widely agreed that the use of social media is becoming a contentious issue for councillors. It is also a difficult environment to monitor and control. Some councils are spending a significant amount of time and resources on managing and monitoring social media accounts of councillors to the potential detriment of the community.

Many respondents thought that the Act should be amended to cover these issues and potentially include them under serious misconduct. The Act should cover situations where councillors can be offenders or victims. Some insights are provided in the Queensland Guidelines for Councillors on social media<sup>2</sup>.

Any amendment to the Act would need to cover posts that are harassing, abusive or offensive and there should be automatic penalties that do not require the lengthy panel evaluation process (noting the implications for natural justice and procedural rights).

Defining harassment is a critical part of regulating social media activity. There are varying views on this. Some councillors hide behind the excuse that they did not mean it or that their colleagues are too soft skinned. This is particularly true for councillors that believe they have a democratic right to free speech that then spills into their right to take a different position to Council's adopted decision because they voted against it. These individuals refuse to be gagged by officers and they believe they have a right to their own individual political views. This also has implications for how council meets its work health and safety obligations as these views might be considered harassment of staff, other councillors, clients, or members of the community.

Some respondents did not agree that this should be legislated in the Local Government Act but rather be covered under an updated Telecommunications Act which deals with digital abuse. Alternatively, it could be treated simply as a new form of communication that is covered by existing legislation or via an enhanced Code of Conduct that has remedies for breaching the Code.

Other difficulties with including these breaches in the Act are that harassment often does not occur on Council-managed social media channels and this is difficult to control on third party related sites. The harassment may also be instigated by community members who harass or degrade elected representatives on social media, and this is difficult for councils to control. Further difficulties lie in policing social media given inadequate resourcing in some councils and the very limited extent for CEOs to manage this without proper powers over councillor behaviour. This was an important point for LGPro as CEOs have responsibility for health and safety but limited means to enforce this with councillors.

#### Question 9:

***In the context of leadership, what needs to change to empower elected representatives, CEOs, and Council staff, to call out poor councillor behaviour and misconduct without fear of retribution? Councillors may have access to legal counsel (making or defending a misconduct or behaviour claim), which is currently subsidised by LG. Should this continue or be to an individual's own account and why?***

---

<sup>2</sup> [Your Social Media and You: A guide for elected council members in Queensland](#)

Most respondents agreed that this is a tricky situation and possibly not the role of officers to solve. CEOs may spend a lot of energy, time, emotion, and resources on these issues, potentially to their personal detriment. The Mayor plays a pivotal role, but this role can be complicated with the annual election of the Mayor by their peers. A person's candidacy for Mayor can be unsuccessful if there are resentful councillors, or a CEO's contract may not be renewed depending on their role in calling out poor councillor behaviour. This fear of retribution and ongoing impact on careers is a major issue for officers and LGPro who represents their interests.

The solutions lie in councillors developing a better understanding of what constitutes inappropriate behaviour and misconduct. Mayors need to be trained and supported to manage these issues potentially with some outside assistance such as an organisational psychologist.

Further investment is required in speeding up current dispute mechanisms which respondents found to be slow, cumbersome, expensive, and generally ineffective, and as a result do not deter poor behaviour. This could be achieved through a dedicated and empowered LGV Regional Director position that provides independent and 'arm's length' oversight of these issues where councillors are involved. This independent person should be able to investigate complaints and respond to them quickly. LGPro supports any practical actions such as this, that could assist in dealing with some of these issues promptly.

Penalties for poor councillor behaviour also need to be given some teeth, possibly through a standard Code of Conduct for all councils which provides for quick arbitration and stand down provisions. One month's suspension from attending meetings is not a deterrent. The Mayor and Council need to have greater authority to impose penalties for serious and repeated misconduct and this will only happen if there is a council-wide culture of speaking out and feeling safe in calling out bad behaviour.

Staff need to feel there is a guarantee that they will be protected and indemnified from belligerent actions by councillors.

In relation to legal costs, most respondents thought that councillors should fund their own legal costs rather than be funded by rate payers. If the claim is found for the councillor, then council may reimburse costs.

Some respondents thought that both parties to a legal action should have equitable access to council funding unless the claim was found to be frivolous or vexatious. In that case, financial penalties such as legal costs should be applied to discourage further misconduct. Whichever side loses should pick up their own legal costs.

If a dispute is resolved early and amicably there would be no need for legal funding. However, if disputes escalate and become harder to manage then CEOs may be required to make a 'no win' decision about allocation of costs. Other types of support such as emotional support could also be provided and funded by council.

#### Question 10:

***What can be done to better support dispute resolution at Councils?***

***Does the Act require more accountability and consequences for actions in it?***

***How can the process for misconduct and/or inappropriate behaviour claims be improved, or more adequate penalties be incorporated?***

Most respondents stated that the Act should require more accountability for poor or conflicted behaviour by councillors, noting that recalcitrant councillors know that they will face few

consequences. There is not sufficient scope to effectively stop poor or conflicted behaviours. There is an over-reliance on the powers and skills of the Mayor to rein in these councillors, and this may be problematic if the Mayor is part-time or new to this leadership role.

One respondent suggested that a state-wide Code of Conduct would be more effective than each council developing its own code. CEOs currently have responsibility for the work health and safety of councillors and their organisation. While the CEO has control over the organisation, there is no practical avenue to ensure the health and safety of councillors, particularly from harassment or bullying by their colleagues. LGPro supports practical solutions that could address this issue immediately.

Respondents overwhelmingly thought that misconduct processes and penalties are inadequate, stating that the process is unsatisfactory and stressful for all participants. It was reported that there is genuine fear that deters officers or fellow councillors reporting poor behaviour of councillors. The current system of sending the complaint to the respondent before it is accepted and assessed by the registrar leaves the complainant vulnerable to public disclosure of their identity and possible retaliation for their complaint. LGPro strongly endorses changes to this part of the process to ensure officers and their privacy are protected in any disputes.

The system does not allow for patterns of behaviour to be recognised, as each claim is dealt with separately, often with different arbiters (these arbiters could be appointed by LGV). Lengthy timeframes leave the complainant potentially dealing with the councillor before the claim is dealt with, sometimes at great personal cost.

Even for serious misconduct such as harassment or bullying, there is no provision for standing down the alleged offender. This is not the case in other sectors (private and public) where the risk to the victim appears to be taken more seriously. As such there is the potential for serious harm to individuals and to organisational culture. Respondents stated that their experience is that councillors rarely receive a reprimand, penalty, or are required to offer an apology. On the other side, lodging a claim by an officer can be career limiting. LGPro supports changing this part of the process to ensure victims are not exposed to further risk due to lengthy timeframes.

One suggested solution is to create a dedicated and empowered LGV Regional Director) who can conduct investigations, act, and administer penalties in a timely manner. Speedy outcomes such as warnings, censure and suspension should be able to be managed by the CEO with oversight by the Inspectorate to prevent some councillors seeing this as a game. Poor behaviour is currently costing the sector, councillors, and officers financially and emotionally.

Prescriptive Codes of Conduct and consistent processes for internal arbitration including clear timelines and escalation processes are required across all local governments. Penalties need to be scalable and include the capacity to remove councillors and prevent them from standing again for election. Zero tolerance combined with early intervention and a consistent quick approach is required. However, it was noted that these measures alone will not guarantee a healthy organisational culture.

#### Question 11:

***What types of early intervention mechanisms can be formulated and when? What do you think is an acceptable duration or timeframe for this intervention to fairly resolve a matter?***

Respondents agreed that early intervention was desirable in all cases.

Suggestions for early intervention included:



- + providing annual training for Mayors and councillors on how to deal with issues and to act ensuring that everyone understands the approach, conflict resolution strategies, and the consequences of poor behaviour.
- + providing a coach or access to a psychologist to address any inappropriate behaviour - this would be a supportive rather than punitive approach.
- + providing the CEO with authority to act immediately by censuring or suspending the councillor. Such a decision would be reviewed by the Inspectorate when possible – but any risk is removed immediately. Added into this process could be a clause about detrimental action that is currently part of the Protected Disclosures legislation. The process should also be graduated depending on the severity of the behaviour with the capacity to skip steps for wilful behaviour.
- + professional mediation
- + substantial penalties that can be imposed by the council or the Mayor

If internal processes do not work, then matters should be able to be referred to an independent body (not the Inspectorate unless **resourced appropriately**) that acts as an independent facilitator who can accept confidential disclosures by Councillors or staff and compel solutions in a timely way. If this method is used it must be timely, fast, and overseen by LGV or the Inspectorate.

#### Question 12:

***How can the process for misconduct and/or poor behaviour claims be improved, or more adequate penalties for misconduct and poor behaviour be incorporated in a more effective way? Is there an argument for fines as well as sanctions? Why or why not?***

General misconduct is often poorly managed generating no consequences for the offender other requiring an apology, often felt to be ingenuine.

Many respondents felt that sanctions and fines were appropriate for significant breaches of the Code of Conduct i.e., repeated misconduct and bad behaviour that is more damaging to council's culture and reputation.

Fines can change behaviour in other workplaces particularly for fraud or corruption. In local government, it was suggested that fines could be applied by docking allowances or by the courts or Victorian Civil and Administrative Tribunal (VCAT). However, agreement would be needed on the type of investigation and inquiry that would decide fines. Some respondents thought that fines for councillors would be ineffective and merely thought of as a 'slap on the wrist'.

For some councillors the only true deterrents are serious sanctions such as being deemed ineligible to remain as a councillor. It was also suggested that any sanctions against a councillor, and the reasons for those sanctions, should be reported on council's website.



## CASE STUDIES

---

The councils that responded to this survey provided case studies to demonstrate the range of issues they are facing. Those case studies that were not current and/or easily recognised (potentially identifying participant) have been included here. It should be noted that some case studies were provided and then withdrawn due to concerns in the sector about retribution for disclosing issues about organisational culture – even where those issues had been the subject of media attention.

# CASE STUDY A

---

## **Issue/Background:**

This issue relates to a decision whether to extend or conclude their CEO's employment contract. The final decision was to cancel the contract, but this case study is not about the final decision, but rather about the behaviour of councillors while making that decision, their treatment of staff and the governance processes used during this process.

Three Councillors (including the Mayor) made public comments blaming the CEO for issues relating to Council's decisions and questioning the CEO's mental health and fitness for the role. Details of their performance review were made public, including some very critical feedback they had received from a small number of Councillors. Prior to this, the CEO had provided regular performance reports to Council with no issues raised.

When it came to the decision process for the conclusion of the CEO's contract, the independent committee Chair recommended that the decision should be made 'in camera'. This advice was not followed, and the decision was discussed and taken in a public meeting.

Further, council held discussions on recruitment of an interim CEO in public, again against the advice of the independent Chair to have the discussions confidentially 'in camera'.

## **Involvement of external parties:**

Council had appointed an experienced former CEO to the Independent Chair position of the CEO Recruitment and Performance Committee. This Chair provided sound governance advice to the Mayor and councillors about the process that should be followed, but this advice was not followed.

## **Outcome:**

This process had a severe impact on the culture and confidence of staff and on the capacity of council. Some councillors were aware that there was a real possibility of council being sacked at the time, but they did not understand the issues or lack of governance processes that were leading to that decision. Council was eventually dismissed on this issue. There has also been a negative impact on staff wellbeing which in turn increased staff turnover.

## **Impact on organisational culture – Councillors and/or Organisation:**

This situation has had a long-term impact on organisational culture. Staff feel unsafe to raise to issues and lack confidence that their personal matters will remain private and confidential. However, a newly elected group of councillors recognise this impact and are working hard to building trust and confidence with staff. No former councillors were elected in the latest elections.

## **Preferred/desired outcome and why:**

It is important for staff to trust that councillors will take their governance and work health and safety obligations seriously. It is expected that professional and experienced advice on governance and proper process is followed by councillors for the good of the organisation, sound staff/councillor relationships based in trust, and good governance outcomes for the community.

## **Lasting effects:**

This Council's reputation has impacted its ability to attract and retain good staff. There has also been significant loss of community trust and confidence in the Council.

**Desirable legislative/policy/directions or changes to remedy this situation:**

The Act should be strengthened regarding the Councillor Code of Conduct to avoid future situations such as this one.

Unfortunately, some community segments and in some cases the local media applaud this type of poor behaviour, and this behaviour can sometimes be rewarded at the ballot box.

## CASE STUDY B

---

**Issue/Background:**

The Mayor initiated and led the process (with input from council officers) to deal with inappropriate behaviour by a councillor. The Mayor spoke with each councillor individually (by phone) to outline the key stages of the process. This improved councillors' understanding of the issue, allowed councillors to air their views (positive and negative) about the issue and enabled the Mayor to effectively lead the internal process to manage the behaviour effectively. The Mayor met with the councillor in question and was able to provide feedback from all councillors. There were also meetings of the whole council group (without officers).

Whilst the Mayor did have a personal view that the councillor behaviour was unacceptable, the Mayor did not impose that view in her dealings with the individual councillor, rather was able to convey the broader view of councillors.

**Number of Councillors involved:**

All Councillors

**Involvement of external parties:**

An external mediator was engaged but was not involved in the first stage of the matter

**Outcome:**

The Mayor's process was inclusive and highlighted the value of a Mayor being involved in dispute management. It also reinforced to all councillors, the importance of their role in moderating disruptive behaviours by their colleagues.

**Impact on organisational culture – Councillors and/or Organisation:**

The Mayor's roles in resolving this matter was valued, increasing understanding of the important role played by the Mayor in council dispute management. In the end the external mediator was never directly involved in the matter, so there was a sense that the council had managed the issue for themselves - to the point of resolution.

**Preferred/desired outcome and why:**

Ultimately the councillor resigned.

**Lasting effects:**

The role of the Mayor was more highly regarded because of the way the issue was handled. Expectations of the Mayor's role grew, and later councillor behaviour issues were better handled.

**Desirable legislative/policy/directions or change to remedy this situation:**

The capability of the specific Mayor was important in this scenario. The Mayor had a background in management and had the capability to work through the issue with officer guidance, and then to carry out the process independently.



This emphasises the importance of appropriate and ongoing councillor education / development opportunities. Pre-qualification processes that expose councillors to the reality of the role, and ongoing training is necessary to enable them to fulfil their statutory role effectively.

## CASE STUDY C

---

### **Issue/Background:**

This issue relates to the behaviour of one councillor that felt like harassment.

The councillor asked a Director, who was new to the organisation, to attend an onsite meeting with them about a roads issue. Unknown to the Director, the councillor had invited several community members to the meeting. At the meeting the Director was abused by a community member. The councillor did not intervene. The member of the public is well known for abuse of Council staff and is flagged internally as a potential risk to staff health and safety.

The Councillor, who is a multiple term councillor, has garnered support in parts of the community and the local press for criticising the work of Council and the professionalism of council officers.

### **Number of Councillors involved:**

This incident relates to the behaviour of one councillor.

### **Involvement of external parties:**

None at this stage.

### **Outcome:**

The outcome of any process related to this incident should be awareness of the roles and responsibilities of a councillor, and adherence to councillor values, particularly respect, that are outlined in the Code of Conduct. As well as the OH&S responsibilities of employers.

### **Impact on organisational culture – Councillors and/or Organisation:**

There will be lasting impacts of this type of behaviour on organisational culture. Staff members are wary of any dealings with this councillor and the potential for it to happen to them. The councillor involved believes that they have the right to act in this way towards staff members and that a certain section of the community expects it of them to 'keep the organisation honest' and that they are feted by the local press.

There is also the possibility that the new Director, who has expressed surprise and dismay at this behaviour from a fellow leader of the organisation, may look for work outside council adding to the issues of attracting and retaining good staff.

### **Preferred/desired outcome and why:**

It would be desirable if the CEO could bring forward conduct breaches under the Code of Conduct, particularly in matters relating to councillors' treatment of staff.

### **Lasting effects:**

The potential loss of good employees or difficulty in attracting new employees based on the reputation of this Council in the local government sector. Health and safety of staff in the workplace. Time, energy, and cost of dealing with these issues.

### **Desirable legislative/policy/directions or changes to remedy this situation:**

The Councillor Code of Conduct needs to have real ‘teeth’ in being able to deal with councillor behaviour. Potentially being able to sanction a councillor and preventing them from undertaking council duties for three to six months (assigned to the sin bin) with a potential re-assessment of their suitability as a councillor at the end of this ‘stand down’ period.

This councillor believes they can act with impunity to inflict damage on the organisation that they represent and that the Code of Conduct and LGV are powerless to stop them.

While the Code of Conduct is signed willingly, if a councillor ignores its guidance on respect, fairness, and behaviour toward others, it is ineffective. Councillors in any local government who have used the Code as a way of expressing their concerns about behaviour would see it as an abject failure. Even worse, they would be highly unlikely to use it again. Therefore, the bullying and harassing behaviours continue probably emboldened.

Council CEOs are hamstrung in dealing with councillors who reject the normal expectations of a healthy and safe workplace. There are real impediments for CEOs in dealing with or confronting damaging councillor behaviour in this respect.

CEOs can feel very isolated and unsupported in these situations. When the CEO tries to deal with these behaviours, the councillor concerned may run a vendetta against the CEO. Pursuit of legal sanctions is costly and not very effective in addressing these matters.

This CEO supports the idea of a Regional Director to support CEOs and councillors who are impacted by difficult behaviours of their colleagues. Perhaps as an arm of Local Government Victoria (LGV) and with a strong link to the Inspectorate. These Directors could provide some external and immediate assessment of some of these issues and prevent the processes from dragging on and further damaging workplace relationships. LGPro is supportive of this suggestion.

## CASE STUDY D

---

### **Issue/Background:**

This case study relates to a newly elected councillor that was an endorsed candidate of a political party. Council had not had a politically endorsed councillor in the past. The influence of the party was strong in this councillor’s dealings with other councillors and council Executive. This person tended to grandstand in council meetings and sought advantage for their political party sometimes at the expense of council and the community. Their primary motivation seemed to be to disparage the State Government at every opportunity via council meetings or through heavy use of social media.

### **Number of Councillors involved:**

One councillor

### **Involvement of external parties:**

The primary ‘other party’ involved was the political wing of the party that endorsed this councillor.

### **Outcome:**

The councillor’s behaviour was destructive to the culture of the organisation. It also damaged relations with the State Government to the detriment of the Council and the community.

### **Impact on organisational culture – Councillors and/or Organisation:**

This issue was not able to be managed by the Code of Conduct and was damaging to the culture of the organisation both for councillors and staff.

**Preferred/desired outcome and why:**

It would be desirable for no party affiliation to be brought into a councillor role. However, if that is not possible then any potential conflict of interest should be declared, and an elected councillor should always consider the best interests of the community not their affiliated political party in their decision making. However, this is already a principle of many Councillor Codes of Conduct, and these are often not followed.

Another suggestion would be to stop or reduce the financial support from political parties to candidates at local elections or to require that political parties have a role in managing the behaviour and standards of their endorsed councillors.

**Lasting effects:**

There is a wariness in the community and the organisation about any further potential politically affiliated candidates for election to Council. The Executive and organisation have always strived to maintain good relationships with all sides of politics.

**Desirable legislative/policy/directions or changes to remedy this situation:**

Political affiliation may not be desirable for an elected councillor. It may be necessary to ban political party donations to candidate's election campaigns through legislation. Alternatively political parties could be training and encouraging potential candidates in the importance of a good culture in an organisation and the practical ramifications of them agreeing to sign a Code of Conduct that may not be in the parties' best interests but that puts the community first.

## CASE STUDY E

---

**Issue/Background:**

This case study relates to the strong position of some councillors that they only represent their Wards and have no responsibility for whole-of Council outcomes. Some councillors are keeping track of money spent by Council in other wards and wanting to ensure that there is an even distribution of funding across each ward, irrespective of whether this is in the best interests of council or whether the community moves across the municipality to use council facilities.

In this case study one councillor asked through a Notice of Motion for council to calculate and share the resources going into a community hub which has several community facilities and services including parkland and recreational facilities that was not in their ward. The councillor insisted that the information be shared publicly.

The calculation of this request including Capital Works funding, maintenance and service provision funding took a huge effort by council staff. This request was absorbed by the staff concerned but it meant that this extra work put back other priorities.

**Number of Councillors involved:**

One councillor is moving down this path but this position on their single ward is influencing the behaviour of some of the other councillors as well.

**Involvement of external parties:**

There has been no involvement of external parties to this point.

**Outcome:**

The councillor elected to the ward which was the subject of the Notice of Motion was very upset about this incident and they view it as victimisation.

**Impact on organisational culture – Councillors and/or Organisation:**

This incident is having a lasting impact on the organisation with real animosity and competition between councillors preventing good governance for the whole community. The Governance Manager is trying to be a peacekeeper in this situation, but it is having an impact on them as well.

The over reliance of some councillors on 'Notice of Motions' is also creating low morale and low trust in senior officer ranks that is now contributing to a breakdown in relationships with officers.

**Preferred/desired outcome and why:**

These situations take up a lot of officers' time. The 'ward only' blinkers of some councillors are detrimental to good governance and productive outcomes for the whole of council.

**Lasting effects:**

Some councillors are re-considering any decision to stand for re-election.

**Desirable legislative/policy/directions or changes to remedy this situation:**

It would be desirable for Mayors to have leadership training. It may also be desirable for them to have an external mentor - perhaps a previously successful councillor who would have the best interests of council at heart. A modified version of the AICD program specifically for councillors could be good as this shows how to run meetings and what good governance involves. The current Mayor has this qualification, and it is very evident in how they handle council business in a positive way.

Regional Directors that assist CEOs to handle disputes and poor behaviour before it progresses too far may also be a good idea.

Social media training should also be considered as mandatory for newly elected councillors.

## CASE STUDY F

---

**Issue/Background:**

This case study relates to a former councillor that, when elected, looked good on paper. They had good community connections and appeared to be committed to doing the best for the community in their new role. However, it became evident early in their term that this was not the case. After initial contact it was evident that they were pursuing an agenda of conflict with the Executive and other councillors and this councillor came to dominate council briefings and meetings in a disruptive way. They were also well connected in the local media and used social media heavily but not in a positive way.

**Number of Councillors involved:**

One with poor behaviour and all councillor colleagues who felt threatened by them

**Involvement of external parties:**



An Organisational Psychologist was engaged by the Executive and was able to support this group with the development of some strategies to deal with the behaviour they were experiencing from this one councillor.

**Outcome:**

Initially, informal meetings were sought with the councillor by the Mayor to try and resolve issues at the lowest possible level in the organisation. The councillor refused to attend these informal meetings and instructed council to send all correspondence about the meetings to their lawyers. Further, they mentioned that if any disparaging remarks were made by councillor colleagues or the Executive that they would be taking defamation action. This was very intimidating for the other councillors and the Executive. After the four-year term this councillor did not seek re-election.

**Impact on organisational culture – Councillors and/or Organisation:**

This individual councillor had a major impact on the culture of the organisation. . The psychologist strategised that acknowledgement of their effort and affirmation of them as an individual could lessen the impact of this behaviour and this proved to be the case. Not responding to provocation and adopting a transactional approach to issues were also effective strategies. The situation moved from a crisis to dealing with a difficult person, which was much more manageable for all involved.

**Preferred/desired outcome and why:**

One of the premises in the discussion paper is that all councillors come to their role with the best interests of the organisation and their community at the heart of what they do and how they behave. This is not the case, as not all councillors are rational or are able to put self-interest second in their role as a councillor. It is disappointing that this is not mentioned in the discussion paper at all.

**Lasting effects:**

Some of the councillors that experienced the behaviour of this councillor were traumatised and will not be re-standing at the next election.

**Desirable legislative/policy/directions or changes to remedy this situation:**

This is a very difficult situation to deal with through legislation.

## CASE STUDY G

**Issue/Background:**

This issue relates to the management of a conflict-of-interest matter by council and the behaviour of two councillors during a planning application process.

Two councillors had significant planning applications before Council. They tried to influence the staff involved in the planning application process and stated to the CEO that they would approve the granting of a new employment contract for them if these applications were approved. The applications were not approved on merit.

These two councillors then launched attacks on staff at council, via IBAC claiming corruption in the decision-making process and via VCAT. These multiple forums involved a huge impost on time and resources for council and involved critical and abusive allegations about staff. At no time did either

of the councillors involved declare a Conflict of Interest or understand that there was personal gain involved in the processes that they initiated.

- Conduct panels were eventually set up to examine the behaviour of these two councillors. Issues examined by the Conduct Panels included: Conflicts of interest
- Unsubstantiated claims of corruption
- Bullying
- Legacy impact on organisational culture

**Desirable legislative/policy/directions or changes to remedy this situation:**

This case demonstrated clearly that there are some major anomalies with legislation covering this situation. Currently, CEOs have clear accountability for providing a safe workplace for staff and councillors. However, they can discipline, sack, or demote an employee but have no authority to act regarding unsafe work practices of councillors. The fact that CEOs are personally liable for this risk is incongruous with the fact that they are accountable in all other respects to councillors and their employment is dependent on them as well. This leaves no room for enforcement of safe working environments particularly when it relates to councillors.

CEOs need more support and authority to act in this space. And this would best be provided by a well-resourced and knowledgeable Directorate for Local Government. LGV need more 'teeth' and the fact that there is no understanding of the sector below the Director level (with local government specialists rather than State public servants) is disappointing and at times counterproductive for good outcomes in the sector.

Currently there are no significant or prompt penalties for breaches of the Councillor Code of Conduct and this needs to be redressed. The system is broken and requires urgent attention in this space.

# CONCLUSION

---

Local Government is, by definition, the level of government that is closest to the community. While it operates under the regulatory, policy and financial frameworks of the Federal and State Governments, local governments are responsible for the functionality and amenity of our towns and regions.

We are represented by the councillors we elect. Councillors vary in their background, experience, gender, ethnicity, language skills, education levels and many other attributes that make them human. However, as councillors they are expected to contribute to the leadership of our community through strategic thinking, planning, financial management, business acumen, ethical behaviour, effective communication, and people management while ensuring the council delivers on the functions that are essential to safety, comfort, and economic well-being of their communities.

The case studies illustrate the broad range of issues that emerge in councils, the lived experiences of senior officers and councillors, and the long-term impacts these situations can have on organisational culture and ultimately the success of the council.

The case studies and responses also referred to poor behaviour such as bullying and harassment that impacts not only organisational culture but the health, safety and wellbeing of the people directly experiencing or witnessing such behaviours. Responses identified the inadequacies of formal processes to manage such poor behaviour particularly where it is in the form of micro aggressions that can add up to substantial harm but individually look harmless. The case studies report retribution for people making complaints with few significant or timely ramifications for people behaving badly.

Councils agree that improvements to organisational culture (behaviours) need to be made.

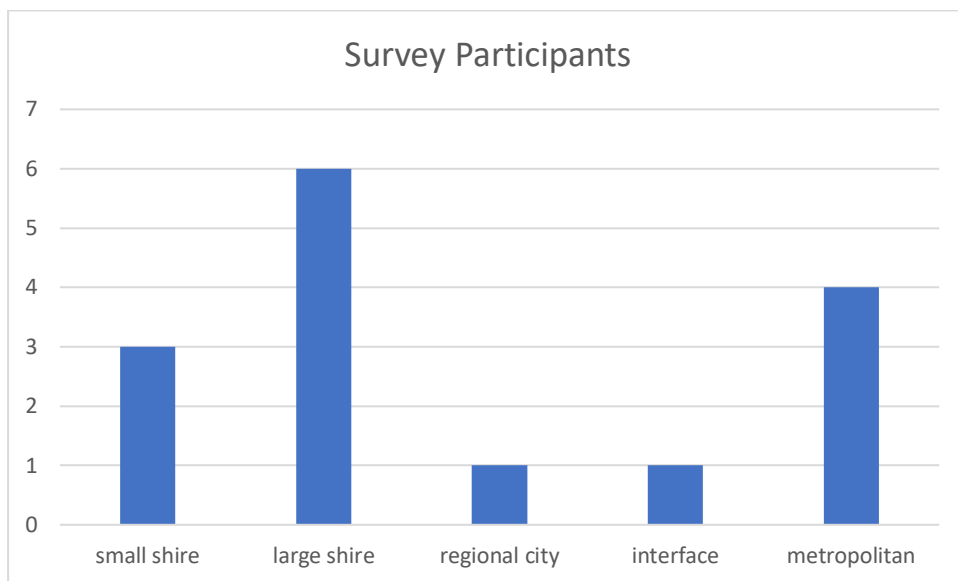
The Department of Jobs, Precincts and Regions commissioned PricewaterhouseCooper (PwC) to prepare a discussion paper on organisational culture in Councils (specifically as it relates to elected representatives). The paper sought responses to 12 questions.

This report summarises the responses received from a survey of LGPro member councils. The responses identified some alarming examples of poor behaviour by Councillors and provided many suggestions for improvement:

- + Pre-election advice to candidates so they understand their roles, responsibilities and accountabilities should they be elected
- + Support for councillors to understand the extent of their role providing strategic decisions for the benefit of their whole community served by their Council
  - Induction programs – including WHS obligations, and gender equity and diversity training
  - Ongoing professional development and training
- + Improved systems to stop and prevent harmful behaviours in councils
- + Systems to stop abuse to or from councillors on social media
- + Mentoring and professional development for Mayors and councillors
- + Adopting best practices to build leaderships skills that enhance trust, respect, and collaboration within council
- + Re-considering the single ward election process as it contributes to myopia for some councillors.

This is an important issue that needs to be tackled at the state level with improvements needed in systems and processes to enhance the operation and effectiveness of local government in Victoria. LGPro stands ready to assist in managing this important issue for the sector.

## Attachment A



Each of the responding councils had either 7 or 9 councillors in their councils. There were 6 councils with 9 councillors and 9 councils with 7 councillors.

Of these, six councils had a female majority of councillors and nine had a male majority. Two of the male majority councils had only one female councillor colleague.

The tenure of councillors was varied with each council having a mix of experienced and new councillors. In three councils most councillors (6/7, 7/9 and 8/9 councillors) who were new to local government.

A minority of councillors had a political party affiliation and only 12 were endorsed or had declared their affiliation out of 117 councillors in the participating councils.

Three of the surveys were completed anonymously.