

Municipal Monitor appointed to Strathbogie Shire Council

Report to the Minister for Local Government

1. Background

The Monitor appointment commenced in March 2022 for a three-month term following a six-month Monitor appointment that recommended a further term to ensure improvements were embedded.

During the first appointment considerable progress was made on improving respectful interactions between Councillors and between Councillors and Council officers. There was also good progress with revising policies and practices in accordance with the *Local Government Act 2020*. There was however a continuing tendency for Councillors to delve into operational business within the CEO accountabilities.

The terms of reference were as follows:

1. To monitor the governance processes and practices of Strathbogie Shire Council (Council), with specific regard to the key areas of concern identified in the letter from the Mayor and Chief Executive Officer of the Council, dated 8 July 2021, including –
 - a. the Council's meeting proceedings and decision making, and councillor attendance at Council briefings, meetings and training and development sessions
 - b. the Councillors' understanding and performance of their statutory roles and responsibilities, including the adequacy of the Council's councillor induction training program and any ongoing professional development opportunities
 - c. the Council's Councillor Code of Conduct, councillor behaviour with respect to the Councillor Code of Conduct and processes for resolving disputes between councillors
 - d. the Chief Executive Officer's policies and practices that manage the interactions between councillors and council staff and contractors, and compliance with those policies and practices
 - e. the Council policies, processes, and practices in relation to the health and safety of councillors and council staff, and
 - f. any other Council governance policies, processes, and practices.
2. To advise on, provide assistance to, and support the Council in relation to the Council's governance processes and practices, with specific regard to the matters raised in clause 1; and

3. To report to the Minister for Local Government, with respect to the matters in clause 1, on:
 - a. any steps or actions taken by the Council to improve its governance and the effectiveness of those steps or actions; and
 - b. any recommendations in relation to the exercise of any Ministerial power under the Act.

2. Monitoring activities

In the first Monitor term it was clear that the role clarity of an elected Councillor was a major concern. This was confirmed in the first session with Councillors which demonstrated some mistrust between Councillors and between Councillors and officers. [REDACTED]

It was clear that many Councillors were focussed on their Ward, not the whole municipality, and on their representative, rather than governance role. Some Councillors expressed a willingness to learn and admitted they had felt overwhelmed by the induction process, the preparation of the Council Plan and the annual budget all in the first few months of their term.

All Council meetings, briefings and information sessions were attended as well as discussions with individual Councillors. Meetings were held with the CEO and with the executive team during the first six months.

In the second term a hybrid approach (virtual and face to face) for attendance at Council meetings was undertaken and, due to the progress made by the Council and administration over the previous six months, was less time intensive.

Meetings were conducted in accordance with the Council's governance rules and participation by Councillors has been generally at a strategic level including productive discussions at briefing sessions. However, there is still poor understanding of Councillor responsibilities, particularly in distinguishing between the representative and governance roles referred to above. The community pressure on some Councillors has reinforced a focus on their Ward rather than considering the interests of the whole municipality above localised ward-based concerns.

This is understandable from a community perspective because changes to the legislation are not widely understood, nor are they apparently explained by Councillors when meeting with community members. [REDACTED]

Training and development opportunities have been offered to Councillors with poor take-up except for one or two of them. It would certainly be useful for more reinforcement of the strategic emphasis of their role under the Local Government Act 2020 and help the CEO and leadership team to operate effectively.

3. Governance Issues

Council officers continue to improve their reporting to Council and were less defensive in their responses to Councillors.

[REDACTED]

The level of preparedness for both briefings and meetings varied considerably between Councillors and has been discussed with both the group and individuals to improve their contribution in both briefing discussions and formal Council meetings.

Further specific comments on issues are discussed under the Terms of Reference headings:

a. Meetings, decisions, training

Formal meetings have generally been conducted appropriately and respectfully with generally good chairing by the previous and current Mayor, but there have been instances of late changes to resolutions and reactivity to community input. Whilst detailed briefings and reviews of agenda material are conducted there is a tendency to ask about and discuss matters in those forums with limited debate in the public meetings.

This is a matter of balance and confidence between officers' time, extensiveness of briefings and the confidence of Councillors to participate in public discussion. It has been identified as something to improve and the Mayor is very open to feedback and suggestions for improvement. Over the last few months there has been better public debate at Council meetings. Briefings can still be problematic because some Councillors do not recall or have not read relevant materials.

b. Councillors' understanding of roles, responsibilities, induction program

The single biggest challenge for the seven new Councillors continues to be the requirements of the Local Government Act 2020 for strategic governance and the representative obligations to, and expectations of, Ward based communities. It was clear that an intensive induction program over five months was overwhelming for some Councillors and the transition from being a community member with specific interests to members of a governing body was challenging.

While some progress has been made a recent example of implementation is illustrative of the difficulty for the CEO and executive.

Both Council and the Executive Team have made good progress in improving interactions and preparing for Council meetings, however tensions can arise when officers proceed to implement actions in which Councillors believe they should be involved. An example of this was the re-branding of Council signage which was referred to in the Council Plan as "Prepare and adopt a Strathbogie Shire Brand Strategy".

This issue is an example of misunderstanding or misinterpretation of the role of a Councillor and of a Council as defined in the *Local Government Act 2020* because the requirement to govern for the whole of the municipality brings with it the need for Councillors to inform their community of those roles.

This is likely to be an ongoing challenge due to the inter-personal challenges involved in informing community members that their interests cannot always be satisfied because decisions are made with the whole Shire in mind.

To focus Councillors on their roles under the *Local Government Act 2020* a 10-point Plan was produced by the Monitor:

MUNICIPAL MONITOR 10 POINT PLAN

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

This was discussed with Councillors and broadly accepted as supporting good governance but was not consistently followed by councillors. Local issues continue to emerge and deflect from the required strategic focus and importance of the Council Plan.

The CEO and Executive Team have reiterated their responsibilities and the role of a Councillor, with support from the Monitor, and it is important and legitimate that they maintain that approach.

The progress on revising and adopting policies, reporting and communications, has been maintained by the administration and Council. Meetings and briefings are conducted appropriately.

d. CEO policies on interactions of Councillors and staff

Interactions with Council staff are 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. Councillors would prefer greater access to staff and in a small community may interact in other situations. Monitor advice has been clear that the current arrangements are appropriate and necessary to ensure the administration can operate effectively.

e. Council policies on health and safety

Council operates in accordance with the *Occupational Health and Safety Act 2004* and senior staff have shown leadership in supporting leave periods for mental health reasons. The CEO issued a directive to staff in March 2019 on the appropriate ways to ensure a safe working environment. This has been replaced by the Mutual Respect Charter, adopted on 21 September 2021.

At the time of the first appointment of the Monitor it was evident that both Councillors and officers were frustrated and reluctant to build trust. Although some improvement in respecting CEO accountabilities and understanding Councillor responsibilities has been apparent, the distinction between CEO responsibilities for implementing Council approved matters remains unclear to Councillors when advocating on behalf of the community.

f. Other policies, processes and practices

Progress has been made on revising and adopting policies, particularly where required by the new Local Government Act 2020 and the process will continue although resources are stretched for various reasons, including staff shortages, COVID related absences and performance management actions.

The CEO and her team have a common commitment to implementing the Council Plan and focussing on strategic discussions with the Council group, but some Councillors hold meetings for constituents “in their patch”. This is a manifestation of the Ward system of representation and needs to be put in context for both the community member and the Councillor to understand the requirement of the *Local Government Act 2020* for Councillors to **govern for the whole municipality** rather than just their ward.

Councillors are making good individual efforts to improve their contributions and formal meetings are conducted in a civil manner.

There is a need to shorten times for briefing sessions so that more discussion and debate happens in the Council meeting.

The progress made by Council over the last few months has been encouraging in the context of so many virtual meetings and initial hesitancy to adopt a team-based approach to governing the whole Shire, however more reinforcement of roles and responsibilities would be helpful.

RECOMMENDATIONS

- 1. That the Minister considers improvements to ongoing learning and educational opportunities for Councillors across the sector.**
- 2. That the Minister considers further reinforcement of CEO responsibilities through misconduct provisions which can be applied by CEOs where repeated instances of interference occur.**

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Municipal Monitor

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