

Responsible and Effective Councils

Key Issues Raised

- Include good governance principles in legislation to highlight their importance.
- Elected members should undertake training on roles and responsibilities.
- Improve the process for the recruitment, performance management and termination of general managers.
- Review internal council mechanisms for handling complaints related to operational matters and administrative decisions.
- Lack of a governance framework for council staff behaviour.
- As a form of tax, the principles of taxation should be considered when setting and raising rates.
- Councils need to budget expenditure prudently, and be transparent in their rate setting.
- More consultation and transparency on how fees and charges are raised and spent.
- Community consultation on council revenue raising and expenditure activities of councils.
- Consider external oversight of rates increases to ensure increases are justified.
- Greater consistency in rating methodology across councils.
- Clarify how and why councils operate significant business activities. Greater transparency of, and access to, council meetings.
- Simplify conflicts of interest, including non-pecuniary interests.
- Ensure councils are accountable for how they exercise their statutory authority powers.
- Provide assistance to councils to build capacity and capability where issues have been identified.
- Clarify the roles and responsibilities of the local government oversight and investigatory bodies in Tasmania.
- Introduce early intervention options that can be actioned quickly to respond to non-compliance and serious issues within a council.
- Introduce stricter penalties for breaches of the Act. The consequences of poor management should be serious and dealt with swiftly.
- The Minister should have power to dismiss a council that is not performing or where there is serious dysfunction.
- Better access to meaningful and clear information on the services councils deliver.
- Councils should be accountable to the community for progress against their long-term plans.

See over for **Proposed Reform Directions** >



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Proposed Reform Directions

- Legislate the principles in the *Good Governance Guide*.
- Establish core capability requirements for elected members on their roles and responsibilities (eg: ethical decision-making, financial fundamentals and meeting procedures). Require councils to publicly report this training on an annual basis.
- Require elected members to undertake mandatory planning authority training.
- Prescribe minimum standards for general manager recruitment, contracts, performance management and termination.
- Include principles on complaints management for councils.
- Establish principles for all council staff that set minimum standards of behaviour.
- Ensure council rating policies consider taxation principles and align with their budget and financial planning documents.
- Set high-level financial management principles that encourage efficiency and value for money in council service delivery.
- Introduce more flexibility for councils to easily transition from one rating approach to another, to manage rating impacts on ratepayers.
- Establish an independent rates oversight mechanism to provide independent expertise and oversight only on proposed rates increases that deviate from councils' Long-Term Financial Management Plan and are significantly greater than the Consumer Price Index.
- Set principles or guidelines for setting fees and charges.
- Provide for a more autonomous and less prescriptive budget process.
- Clarify a 'significant business activity' so that commercial operations of councils are transparently reported.
- Require electronic recording of council meetings to be made publicly available.
- Simplify what is a conflict of interest.
- Enhance the integrity of council decisions made when exercising statutory powers (for example, by requiring them to refer their own development applications to another council or a private planner for assessment).
- Strengthen the information gathering powers of the Director of Local Government (for example, to request Audit Panel reports).
- Create a power for the Director of Local Government to require an undertaking from a council as a measure to address compliance issues.
- Establish a Monitor/Advisor role to provide guidance to elected members and senior staff, and make recommendations to the council.
- Establish a Financial Controller role to manage serious, demonstrated financial challenges in a council, without putting it into administration.
- Provide for the Minister to dismiss a council or individual councillor.
- Create a maladministration offence to address poor governance and mismanagement in councils.
- Simplify the complaints framework – for example, remove overlap between the Director of Local Government and the Integrity Commission.
- Introduce a local government performance reporting framework to improve public access to information and reduce the reporting burden for councils.
- Require councils to publish a compliance statement in their council annual reports, as a formal attestation that compliance obligations have been met.
- Remove prescription around annual reports.

