

Response to Parliamentary Inquiry Follow-Up Questions

1. Further Australian Research on gender equality and its relationship to corruption prevention

The VLGA has provided research to PAEC on the connection between gender equality and corruption prevention and further requests were made by the committee to draw its attention to research in Australia. We refer the committee to the following further materials:

- Bowman, D.M., & Giligan, G. *Australian women and corruption: The gender dimension in perceptions of corruption*, JOAAG, Vol. 3. No. 1
- Vivi Alatas & Ors, *Gender, Culture, and Corruption: Insights from an Experimental Analysis* (Southern Economic Association, 2009, Volume 75, Issue 3) pp 663-680
- *Women's Representation, Accountability and Corruption in Democracies*, Cambridge University Press: 26 January 2017

Further, we draw PAEC's attention to our award-winning, gender-based ARC research collaboration with LaTrobe University, University of Melbourne and QDOS Research, [Breaking Barriers: A study of women's participation and representation in local government](#), which provides insights into gender-based challenges for women local government representatives, including managing poor conduct and behaviour in local government.

2. CEO-Councillor Employment Relationship

The VLGA acknowledges that the question of the CEO-Councillor relationship is complex and requires careful consideration and management at both an individual council level and at a systemic and legislative level.

Although Operation Sandon and the PWC Local Government Culture Review Insights Report (May 2022) recommended alternative mechanisms for CEO Recruitment that removed responsibility from councillors in part or fully, there remains strong support amongst current and former councillors for the job to remain the responsibility of elected officials.

While there are inherent conflicts in the relationship between CEO-Councillors that may make it particularly challenging for CEOs to provide legislated oversight over councillor compliance under codes of conduct and mandatory training requirements, there is, unsurprisingly, little support amongst elected officials for change.

The VLGA supports democratic participation in the selection of CEO's and acknowledges councillor representatives in their desire to retain control of this crucial aspect of decision making. However, we also recognise there may be benefits for councils if external, non-elected members of CEO selection committees were mandated by the State of Victoria.

The VLGA would welcome further opportunities to consult more deeply with its members on this issue, exploring opportunities that preserve democratic decision making and strengthen the CEO's role monitoring councillor accountabilities.

In the meantime, the VLGA recommends that CEO recruitment continue to be undertaken by councillors, but informed by training and development, such as the module being offered during VLGA's FastTrack Conference on Friday 2 May 2025.

Fostering a Strong Councillor-CEO Relationship

This panel will focus on CEO employment in local government across Victoria, covering legal, operational, and governance frameworks. Topics include CEO recruitment and selection, performance management, contracts, and employment terms, as well as separation and succession planning. The session will also explore governance, accountability, and the balance between council oversight and CEO autonomy. Local government professionals will share insights on best practices for effective leadership, helping councillors understand the CEO's role and addressing contemporary challenges. Councillors will gain strategies for ensuring stability, accountability, and good governance in CEO employment matters.

Panellists include:

- Noelene Duff PSM, former Chair of Administrators, City of Casey
- Jim Magee OAM, former Mayor and Councillor of Glen Eira City Council
- Kerry Ellis, Executive Director Corporate Services, Victorian Ombudsman and former CEO, South Gippsland Shire Council

Further, the VLGA once again calls for investment in a dedicated advice line for councillors seeking support in managing difficult relationships and complex ethical dilemmas within councils, including in their management of the CEO-Councillor relationship

The VLGA frequently receives phone calls from councillors and council staff seeking information and advice on how to manage breakdowns in relationships between councillors and CEOs, as well as addressing poor performance or impropriety.

A free, independent and confidential advice and support line to assist in discussing complex ethical dilemmas in the relationship is essential for good governance.

The VLGA has submitted proposals to the State of Victoria to enable it to expand its services to provide an on-call governance advice and dispute resolution hotline, as a means of intervening early in potentially protracted and complex council tensions and disputes.

As our submission to the Local Government Culture Review explained:

“The VLGA believes that providing councils with access to such a service may reduce the frequency of disputes playing out in the council chamber, distracting the council from the business at hand and potentially creating a culture within the councillor group that is fractious.”

3. The VLGA supports greater transparency in the distribution of grants for fraud and corruption.

The VLGA and its members support increased transparency and corruption prevention interventions to promote good governance. Our members have not been specifically canvassed about the level of review required to increase transparency and accountability for the distribution of grants so we are unable to provide further evidence to the committee at this time.

4. Results of the 2025 Inaugural VLGA Councillor Census

The VLGA conducted its inaugural Councillor Census in 2024, publishing results earlier this year. Please follow this link for the findings of the [Councillor Census](#).

Additional Questions

1. Municipal Association of Victoria (MAV)’s submission notes that ‘the scale and complexity of required training [for areas] like fraud prevention, cyber risks and governance best practice...exceeds available resources’.
 - a. Should training in fraud prevention be mandatory under legislation to maintain consistent learning outcomes across all councils?
 - b. What role could peak bodies and integrity agencies play in supporting councils to undertake best practice training? What can be learned from other jurisdictions?
 - c. How can performance be tracked to determine if training is resulting in effective improvements or outcomes?

The VLGA, as the membership-based peak body supporting councils and councillors in good governance, has a long history of delivering low-cost, fee for service training and development in governance best practice, including fraud and corruption prevention, to its members. Internal research conducted by the VLGA has established that VLGA members are less likely to be subject to Commissions of Inquiry or Administration than non-VLGA Members.

Further, many councils that have been subject to Administration or Commissions of Inquiry choose to become members of VLGA to strengthen their governance frameworks once democracy is returned to the council.

The VLGA agrees that councils are under-resourced in the provision of training in fraud prevention and governance best practice.

While there is extensive expertise in the Victorian sector, including within the VLGA's Faculty of Facilitators, to provide councils with the required training, the cost of delivering this expert training to councils, especially rural, regional and remote councils, can be a challenge.

The VLGA would welcome the State of Victoria supporting its members and non-members with subsidizing the costs of fraud and corruption training modules.

2. **IBAC's submission noted that council 'employees...look to utilise internal channels in the first instance when reporting corruption of misconduct'.**
 - a. **How are peak bodies supporting an internal culture of reporting within councils and ensuring managers understand their role in receiving and responding to reports?**
 - b. **Have these support activities been proven effective or could they be improved? How?**

The VLGA repeats its observations above.

Further, the VLGA manages a Governance Advisory Network (GAN), a Community of Practice of governance officers, encouraging peer-led sharing of best practice information.

3. **The *Local Government Act 2020* (Vic) was approved on 24 March 2020, with further changes adopted under the *Local Government (Government and Integrity) Amendment Act 2024* (Vic).**
 - a. **How have councils responded to changes within the Act?**
 - b. **What implementation challenges have been observed and how have they been addressed by peak bodies?**

The VLGA's members are responding with enthusiasm to the changes to the Local Government Act, particularly mandatory training and development for Councillors.

The VLGA has supported both members and non-members with meeting their new learning and development obligations, by providing a full prospectus of training modules as follows:

[Councillor Readiness and Induction Training](#) (5 modules).

[Mayoral Leadership Training](#) (One day Conference with six modules)

[Councillor Professional Development Training](#) (17 modules with 6 intensives scheduled for August/September 2025)

In addition, the VLGA offered 6 pre-candidate training modules prior to the election in 2024, including three Local Women Leading Change modules.

The VLGA has a faculty of facilitators that includes former CEOs of Local Councils, experienced finance and strategic planning executives, leaders in communications, conflict resolution and governance management amongst many others.

At present, the VLGA is the only organization offering a full suite of councillor training to the sector.

At a recent meeting of our Governance Advisory Network, members informed us that:

- The VLGA's support was vital to its delivery of L&D to councillors
- New councillors were appreciative of training but found finding time for training in their busy calendars challenging. Council staff informed us that some planned training believed to be of high benefit to councillors needed to be scaled back due to councillor lack of availability and pushback.
- Costs of training were a barrier for councils, especially in rural, regional and remote locations.

The VLGA has also developed a model Professional Development Policy for its member councils to encourage councillor professional development to be embedded across councils.

- 4. MAV's submission notes collaborative work with integrity agencies like the Local Government Inspectorate and Independent Broad-based Anti-Corruption Commission to assist councils with implementing mandated governance and integrity measures.**
 - a. What engagement do peak bodies have with VAGO and council Audit and Risk Committees in implementing sector-wide recommendations?**
 - b. How are improvements tracked and what more could be done?**

The VLGA engages with and advocates to several statutory bodies responsible for monitoring and intervening in incidents of local government corruption and complaints.

The VLGA CEO regularly meets with Local Government Victoria, the Local Government Inspectorate and IBAC to brief on developments and activities and to assist in developing useful policies and supports for members.

The VLGA hosts opportunities for senior officials within these bodies to address our members, providing expertise and insight. Our FastTrack Conference scheduled for 2 May 2025, will be attended by:

- Victorian Ombudsman
- CEO IBAC includes the Ombudsman
- Deputy Assistant Auditor-General
- Former Council Administrators
- Minister for Local Government

The VLGA delivers its learning and development program on a fee for service basis but would welcome investment from the State of Victoria in the expansion and subsidization of its training program to councils.

5. What more can be done to limit fraud and corruption risks prior to election?

The VLGA recommends that fraud and corruption training modules form part of mandatory candidate training, prior to election.

6. What impact could gender-based fraud and corruption training in councils have?

The VLGA would welcome the opportunity to be funded to develop its interest and expertise in gender-based fraud and corruption training for councillors and governance staff within councils, drawing a connection between obligations under the *Gender Equality Act 2020* and the *Local Government Act*.

The funding for research would enable us to build on our focus on the impact of gender equality in local government, including our Local Women Leading Change training program, Women's Charter and our award-winning ARC research in collaboration with LaTrobe University, University of Melbourne, QDOS Research, [*Breaking Barriers: A study of women's participation and representation in local government*](#).