WELLINGTON
SHIRE COUNCIL

29 August 2025

Ms Sarah Connolly, MP
Chair
Public Accounts and Estimates Committee
Via email: paec@parliament.vic.gov.au

Dear Ms Connolly

PARLIAMENTARY INQUIRY INTO FRAUD AND CORRUPTION CONTROL IN LOCAL GOVERNMENT

I write in response to your letter of 22 August 2025 seeking further information about particular issues raised at the hearing.

The following responses are provided for your information:

1. **Would standardisation across councils be beneficial? What things would you like to have standardised (e.g. policies, processes, reporting, grant assessment criteria)?**

   Yes, standardisation across councils would be highly beneficial, particularly in areas where consistency supports transparency, accountability, and efficiency. While councils operate in diverse contexts, a shared foundation can streamline compliance, reduce duplication of effort, and support better community outcomes.

   Rather than mandating uniformity, councils should be provided with a suite of standardised templates and frameworks that they can adapt. This approach respects local autonomy while promoting consistency and best practice.

   For example, a standardised suite of templates for mandatory policies such as Conflict of Interest and Election Period policies would ensure a consistent baseline across councils. These templates should be adaptable, allowing councils to incorporate local context while maintaining core compliance and ethical standards. A similar approach could also be applied to grant assessment criteria.

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2. **How does your council ensure that its Audit and Risk Committee is contributing to best practice controls? For example, how your ARC prioritises its work and meeting agendas and maintains transparency.**

   Council's Audit and Risk Committee (ARC) follows an annual Work Plan which outlines the items to be considered at each meeting. This structured approach ensures that the ARC can focus on key areas and prioritise its agenda effectively throughout the year. Additionally, the Committee diligently reviews the Fraud and Corruption Control Policy annually, reinforcing our commitment to best practice controls.

   To maintain transparency and accountability, a record of the Committee meeting is presented to the Council during meetings open to the public. This practice ensures that the Committee's activities and decisions are accessible and clear to all stakeholders.

3. **How adequate do you believe the current consequences/penalties for breaches to the Local Government Act or instances of fraud and corruption are? What would you like to see changed?**

   While there are appropriate mechanisms for imposing penalties, a key concern is the delay between the occurrence of misconduct and the enforcement of those penalties. This lag can allow inappropriate behaviour to persist longer than it should. To address this, investigative and enforcement processes should be streamlined to ensure timely action. Faster resolution would enhance accountability and serve as a more effective deterrent against future misconduct.

4. **How adequate do you believe current whistleblower protections in the local government sector and how could these protections be improved?**

   The requirement for councils to appoint a Public Interest Disclosure (PID) Coordinator plays a vital role in safeguarding confidentiality and ensuring protections for individuals reporting misconduct. However, improvements are needed to make the PID Act more accessible and easier to navigate for potential whistleblowers.

   Enhancing the framework to allow individuals making disclosures to access a broader range of professional support and assistance such as legal or psychological services would further strengthen protections and encourage reporting.

The following responses are provided by our elected members:

1. **How comfortable are you with the current use of confidentiality in meetings within your Councils?**

   Mayor Scott Rossetti: Quite comfortable

   Cr Garry Stephens: I have no issue with the amount of time we spend in Camera.

   a. **How could the need for confidentiality be better balanced with the requirement for Council decisions to be reported transparently?**

      No comment.

2. **What have been the barriers and enablers to your council having a culture that makes councillors and council staff feel safe to 'speak up' when they identify fraud or corruption (both internally and formally through Public Interest Disclosures)?**

   Mayor Scott Rossetti: Constant respectful discourse assists

   Cr Garry Stephens: Since we have effective policies in place and ongoing respectful relations between Councillors and Officers, discussing fraud or other related matters is not an issue for our Council in my opinion

   a. **Do you feel confident that integrity agencies are willing and able to investigate suspected fraud and corruption incidents in an appropriate and timely manner?**

      No comment.

Yours sincerely

[redacted]

DAVID MORCOM
Chief Executive Officer

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CM: D25/91455