

29 August 2025



Public Accounts and Estimates Committee
Sarah Connelly MP – Committee Chair

By Email: PAEC@parliament.vic.gov.au | localgovfraudcorruption@parliament.vic.gov.au | [REDACTED]

Cc Mayor Cr Jack Kowarzik
[REDACTED]

Dear Sarah,

Parliamentary Inquiry into Fraud and Corruption Control in Local Government

Thank you for the request to provide further information to the committee on this important matter. You will find responses to the points in your letter of 22 August, outlined below.

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

Standard polices and processes are always welcomed by Council. They create efficiencies and confidence that Council is following accepted and best practice.

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

The ARC's role, responsibilities and meeting agendas are directly driven by its Charter. An annual work plan is developed and each ARC meeting agenda includes a report of activities which reflect the areas of the Charter being met. The ARC reports to Council on a six-monthly basis with the report included in the public Council Meeting agenda.

- **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?**

The Act is adequate in relation to consequences/penalties. It is noted that in relation to fraud and corruption the Act is largely untested.

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

Cardinia believes the protections are adequate, but possibly not well understood. There is misunderstanding, or a lack of confidence, in relation to privacy and confidentiality. Gathering of information in support of a report can also require third parties to be involved, or particularly onerous on the complainant, which makes it more difficult to progress.

The Committee requested the following two questions be reviewed and answered by all elected members of your Council. These have been provided to Councillors and a collation of responses is included below.

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

There are mixed views on this matter, statistically Cardinia has performed well in regard to the low number of confidential items in Council meeting agendas.

There are some Councillors that are not comfortable with confidential items, particularly where commercial-in-confidence information needs to be kept from the public. This includes where tendering for public works or settling a legal matter, where the view is that sums of money should be made public and be fully transparent.

The more commonly held view received from Councillors is that our Council is good at not overusing confidentiality. With a view shared that in-camera items should be at the start of meeting and if practical release that information to the public when re-opening the meeting as they are often important matters. When agendas are long confidential items can then fall at the end when Councillors may not be as attentive due to length of meeting fatigue and public can no longer be provided information.

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

Increasing the thresholds for the number of decisions made in-camera, particularly as VCAT Planning Matters need to be confidential decisions. Generally, the view from Councillors provided no concerns around the current process with a view that the balance is acceptable.

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)?

Councillors consider that there are enough enablers and access to several independent bodies and support mechanisms designed to uphold governance standards and assist with complex or challenging issues. Additional Councillor training would always be good. A barrier would be in relation to timeliness which due to the length of time for resolution can prevent people from speaking up.

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?

Delays in investigations which hamper the level of confidence was the most common feedback received from Councillors. Once quote which reflects this view; 'I'm not confident that an issue would be resolved within the same Council term and then it really lacks the meaning it should have – ie Baw Baw Mayor suspension in different year.' Councillors are confident that agencies are willing to investigate and have the expertise required to do so. They state additional resources to ensure matters are investigated more quickly as time delays do impact on reputation.

Yours sincerely



Peter Benazic
Interim Chief Executive Officer
Cardinia Shire Council