

5 September 2025

Sarah Connolly MP
Chair
Public Accounts and Estimates Committee
Parliament House, Spring Street
EAST MELBOURNE VIC 3002

Dear Committee Members,

RE: Response to further questions – Parliamentary Inquiry into Fraud & Corruption in Local Government

In response to your request for further information from the City of Whittlesea, we provide the answers below. Please note that the responses to questions 1-4 have been compiled by the Chief Executive Officer, the remaining answers are individual answers from Councillors that elected to respond to your request.

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

We believe that further standardisation across the Local Government Sector of policies, procedures and assessments could be useful, however it must be noted that this is only of benefit if the standardisation adopts best practice, and incorporates good governance principals. For example, standardisation of Grant Assessment Guidelines could enforce the separation of duties and ensure that individual Councillors are not able to influence the awarding of individual grants. However, standardisation also needs to be considered in the context of the scale and type of grants being awarded to reflect local priorities, the size of the Council and community, and ensure that application processes do not become so cumbersome that community groups are unable to navigate the process.

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

Annually, Council's Audit and Risk Committee (ARC) develop an Annual Work Plan [REDACTED] component to ARC's regulatory obligations and outlines their schedule and reporting on various financial, risk, compliance, and performance activities. Any emerging risks or trends across the private or public sectors are reported quarterly to ARC by Council's internal auditors to ensure Council and ARC can monitor or action, if necessary. A summary of the ARC meeting minutes is presented at the next scheduled meeting of Council and made available on Council's website.

Council Offices

25 Ferres Boulevard, South Morang VIC 3752
Mail to: Locked Bag 1, Bundoora MDC VIC 3083

Phone: 9217 2170

National Relay Service: 133 677 (ask for 9217 2170)

Email: info@whittlesea.vic.gov.au

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 131 450

Additionally, the ARC Chair presents a biannual report on the Committee's progress against the Annual Work Plan to the Council.

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?

The current penalties, we believe, are sufficient. The deficit is in the ability of the agencies tasked with investigating reports of breaches of the Local Government Act, or matters of fraud or corruption. Currently it appears that these agencies are insufficiently resourced to manage the volumes of reports in a timely manner, and in some cases, such as the Local Government Inspectorate, do not have sufficient powers to complete thorough investigations.

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

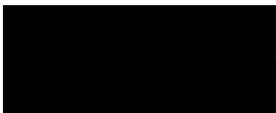
We believe the current whistleblower protections are adequate when applied consistently by IBAC. Where a potential Public Interest Disclosure (PID) complaint is submitted by Council to IBAC and IBAC subsequently determine the complaint to be a Public Interest Disclosure (PID), issues arise when IBAC refer the PID complaint back to Council to investigate. Where this occurs, Council does not have the same powers or protections as defined under the Public Interest Disclosure Act 2012 therefore, improvements could be made to extend the same protections afforded to IBAC or their nominated investigators to Councils and their independent investigators.

Councillor Questions

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

Cr Lawrie Cox – “Despite the claims that confidentiality is overused I suggest that the protections are there to protect either 'Commercial in Confidence' or individual reputational damage. Better balance would be achieved by the stopping of misinformation and slur 'trial by media' approach which is used way too often”.

Cr Blair Colwell – “Council balances its requirement for confidentiality in an appropriate manner. The confidential item and associated report is made publicly available through the published agenda with the confidential elements such as tender pricing not disclosed”.

 Council can allocate a confidential Briefing prior to any training or Officer on the latest confidential matters”.

Cr Christine Stow – “Not comfortable. My view is that people get upset when they don't understand how something works or why it is so. More education would be one way to mitigate such issues”.

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Cr David Lenberg – “Culture and conduct are important elements of council as the elected group comes from diverse backgrounds (Culture). Ongoing guidance on ethical boundaries is an important aspect including social media conduct which I feel still needs work, especially when a Councillor assumes the role and responsibilities of Mayor (Policy). The marking of confidential briefs has helped, and I feel that confidential papers should require MFA to access. The current process for publishing meeting discussions is sound and this can be validated through low Freedom of Information requests.”

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

Cr Lawrie Cox – “No integrity agencies are under resourced to carry out thorough and timely investigations. Equally far too often it is used as a political or grievance tool against either councils, councillors or officers”.

Cr Blair Colwell – “No I do not. Integrity agencies need the resources to investigate allegations of misconduct quickly and appropriately. This is so Misconduct is detected and dealt with early and does not escalate. Vexatious and frivolous allegations can be dealt with quickly maintaining procedural fairness and natural justice for the effected parties. The public can have faith their institutions are working in the best interest of the community and are free of fraud and corruption”.

Cr Daniela Zinni – “I don’t believe that the integrity agency are well equipped. They need a triage system to allocate incidents based on urgency rather than when lodged”.

Cr Christine Stow – “No. I don’t have any confidence”.

Cr David Lenberg – “Yes, I feel that agencies are there for support but should be used as a last resort. The council culture needs to develop to support openness and transparency. Unfortunately, it only takes one bad actor to bring the whole group into disrepute as it takes energy and effort to try to resolve any performance issues. This is particularly important in the early stages of council development post the elections. More should be done to ensure the appropriate levels of knowledge exist within the collective (mandatory external training and compliance) which will help with awareness of what fraud and corruption might look like.”

Please also note the attachment which is an individual submission from Mayor Cr Martin Taylor.

Yours sincerely



Craig Lloyd
Chief Executive Officer

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