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To: PAEC
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Subject: Further information in response to PAEC"s Inquiry into Fraud and Corruption in Local Government
Date: Thursday, 4 September 2025 9:10:50 AM
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Good morning,

Following the Public Accounts and Estimates Committee's Inquiry into Fraud and Corruption in Local Government, witnesses were asked to supply further information.

With Mayor Daria Kellander on leave, the administration has prepared responses to the following four questions.

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

   Standardisation would be beneficial, considering that many functions Council's are required to carry out do not greatly differ between each of the 79 Council's. Aspects such as standard governance rules, community grant programs policies/guidelines, constitution/frameworks for audit and risk committee, framework for internal audit programs, policies for CEO recruitment and remuneration, procurement and contract management framework and risk management frameworks should not be significantly different between Council's and mandated standards would be of benefit. This would result in significant cost savings, improved consistency across the sector and improved community outcomes.

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 currently has an Audit and Risk Committee Charter which outlines all these aspects. Council is in the process of reconstituting this committee and reviewing its Charter for improved outcomes. This will seek to provide greater transparency, greater accountability, and improved outcomes in organisational performance. Minutes of the Audit and Risk Committee are also submitted to open Council meetings as soon as practicable following the meeting.

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 consequences under the Local Government Act are limited for breaches and the threshold for a breach is very high. Review of this aspect would be a strong deterrent for non-compliance. The Local Government Inspectorate is also significantly under resourced, and this is not a good thing for the sector. Review of resourcing to implement its powers is recommended regardless of any review of the Act. Most issues relating to fraud and corruption are investigated by IBAC. Having these powers retained under IBAC is appropriate, however it is recommended that this body also receive increased resourcing.

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

Whistle-blower protections are more than likely adequate; the concern relates to resourcing to ensure appropriate investigation and resolution of issues is provided for complainants. If any review of this aspect is to occur, the framework for which protections are provided and associated resourcing to implement this framework should be considered.

Regards

HOBSONS BAY CITY COUNCIL

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