



Councillor disregards code of conduct

A complaint is made about an elected representative of a municipal city council. Even if the allegations are not substantiated, what lessons can be learned?

The story

In February 2016, the Victorian Independent Broad-based Anti-corruption Commission (IBAC) received a complaint concerning allegations a councillor was involved in serious corrupt conduct while an elected representative of a municipal city council. It was alleged the councillor received gifts and benefits in exchange for awarding council grants to a local business person.

IBAC undertook an investigation, Operation Charnley. As part of the investigation, IBAC obtained relevant documents and policies from the council and interviewed relevant witnesses. IBAC assessed the evidence acquired during the investigation in conjunction with the council's policies and procedures and the *IBAC Act* of Victoria.

While the allegations could not be substantiated, IBAC identified concerns regarding the conduct of councillors in public office, as well as broader issues that caused the council to be vulnerable to corruption, including:

- ▼ conflicts of interest not being reported and a lack of knowledge about when a conflict of interest or perceived conflict of interest exists, and
- ▼ behaviours inconsistent with the councillor code of conduct.

IBAC's investigation provided the council with the opportunity to address compliance issues regarding policies and processes and improve councillor awareness of behaviours expected of people in public office. IBAC recommended that the Minister for Local Government consider providing the council with advice that it thoroughly review its policies, procedures and training to ensure that the vulnerabilities identified in Operation Charnley were addressed and that councillors fully understood their obligations concerning:

- ▼ councillor code of conduct
- ▼ conflict of interest, and
- ▼ gifts, benefits and hospitality.

In response to the issues raised in Operation Charnley, the council provided the Minister with key actions the council would take to address the issue.

With thanks to IBAC, Victoria

Questions – Facilitator copy

1. What vulnerabilities or misconduct risks did this investigation uncover?
 - ▽ Undeclared and poorly managed conflicts of interest
 - ▽ Undeclared gifts, benefits and hospitality can influence funding decisions
 - ▽ Abrogation of leadership responsibilities and a “culture of entitlement” (including non-compliance with policies and procedures) discourages staff from challenging improper behaviour
 - ▽ Inappropriate and unprofessional conduct inconsistent with standards and behaviours expected of councillors

2. What prevention measures could be put in place to prevent this from recurring?
 - ▽ COI:
 - Clear policies that identify what constitutes a perceived, potential and actual conflict of interest and how it is to be managed and reviewed by councillors, and staff
 - Regular training and awareness-raising to be conducted for councillors and staff
 - Require councillors and staff to identify, declare and manage declarable associations per policy
 - Conduct regular audits to look for trends and patterns in the awarding of funds, such as community grants
 - ▽ Gifts and benefits:
 - Clear policies and procedures in place regarding gifts, benefits and hospitality
 - Gifts, benefits and hospitality to be discouraged from current and prospective grant applicants
 - Ensure councillors and staff are aware of – and understand – relevant policies
 - ▽ Leadership:
 - Mechanisms to encourage and support councillors and staff to speak up and report suspected misconduct and corrupt conduct
 - Clear accountability mechanisms around compliance with policies and procedures are in place
 - Councillors receive regular training on the councillor code of conduct, standards of conduct and requirements of the Local Government Act
 - Introduce leadership and management programs to ensure councillors and senior managers are accountable for modelling integrity and public sector values



The Commission can help

We are available to provide support and assistance with identifying, reporting, investigating, managing and preventing misconduct: prevention@integrity.tas.gov.au or 1300 720 289.

For more Misconduct Prevention resources go to www.integrity.tas.gov.au/resources