



Councils are responsible for managing their own operations and driving improvement, and are generally best placed to do so. The Minister for Local Government and the Office of Local Government (OLG) encourage and support councils to voluntarily take action if they become aware they have failed to meet their legal or performance obligations, or are at risk of doing so. Where this fails, performance improvement, compliance and suspension orders may be used.

HOW DOES THE PROCESS WORK?

- Notice of intention to issue a performance improvement order will be given by the Minister for Local Government.
- Councils will be given no less than 7 days to respond.
- The notice of intention and draft order will outline what is required.
- The council will be asked to consider and table the notice of intention at an open council meeting.
- The council should provide its response to the notice of intention by resolution.
- The Minister is required to consider council's submission when making a decision.
- In the event that the Minister decides to issue a Performance Improvement Order (PIO) the council should table that PIO at the next available council meeting.
- The council is also required to publish the PIO on its website. The OLG will also publish the order on its website.
- The OLG will monitor the implementation of the PIO.
- The council will be required to complete one or more compliance reports on its implementation of the PIO.
- If a temporary adviser and/or financial controller is appointed, councillors and council staff are required to co-operate with them. This includes providing any information or assistance they reasonably require to exercise their functions under the PIO.
- If a temporary adviser and/or financial controller is appointed, the council is required to provide them with an opportunity to review any proposed compliance report at least 14 days before it is given to the Minister. A copy of their comments (if any) is to be provided to the Minister. Failure to comply with this process contravenes the legislation.
- When the council has implemented a PIO to the satisfaction of the Minister, it will be advised in writing that no further action is anticipated. A copy of that advice will be published on OLG's website.
- If the council does not comply with the PIO, further intervention options will be considered including, but not limited to, suspension of council and appointment of an interim administrator and/or holding a public inquiry.
- The Minister may also issue a compliance order to an individual councillor if they have failed to take action as required by a PIO.
- A councillor is not entitled to act as a councillor if they are issued with a compliance order.
- Failure of an individual councillor to take action as required by a PIO is misconduct.

Additional information about the process is available at www.olg.nsw.gov.au by searching for "Early Intervention Orders."