

Media Release

Councillors to face stronger penalties and faster hearings under proposed laws

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Councillors accused of significant misconduct will have proceedings commenced against them in the Land and Environment Court under planned changes by the Minns Labor Government as part of the overhaul of the broken councillor conduct framework.

The proposed reforms will cut through red tape, enable quicker action and stronger penalties against misbehaving councillors which has been sorely missing under current processes.

Currently, councillor misconduct matters are heard by the NSW Civil and Administrative Tribunal (NCAT). This involves a slow statutory and bureaucratic process which historically can take years to resolve matters that need to be dealt with quickly to preserve public trust in local government.

The proposed move to the Land and Environment Court would provide a more streamlined process to deal with rogue councillors whose behaviour presents a risk to other councillors, council staff and the community.

The Land and Environment Court is a Superior Court, has substantial expertise in local government matters and already deals with most of the Local Government Act litigation.

The Government's proposed changes include that:

- A Minister or a government body, or any other person with leave of the Court can commence proceedings alleging misconduct. If, after hearing the matter, the Court may determine misconduct has been established. Should misconduct be established, and it is in the public interest to do so, the Court may disqualify the councillor for a period of up to 5 years, suspend the councillor, fine the councillor and order restitution.
- The Court will have the power to immediately suspend a councillor pending final hearing of the proceedings, if the Court considers it to be in the public interest.
- The Court will have the power to order costs including indemnity costs, should proceedings be commenced vexatiously.

The change of jurisdiction complements a suite of changes, including:

- A new Model Code of Meeting Practice to increase transparency and accountability within council meetings and strengthen the powers of mayors to take action against bad behaviour.
- An updated Code of Conduct that is designed to be an easier and simpler code, with a separate Code of Conduct for council staff.
- A new regulation which will be an expansion of the interests that councillors need to declare, similar to the new regulations that will govern NSW Members of Parliament.
- Free speech guidance for councils to support fair and open debate.
- Significant ongoing investment in the Office of Local Government to increase its capacity and ability to fulfil its role a regulator of the sector.

Legislation to enable the change of jurisdiction to the Land and Environment Court will be introduced to Parliament in this parliamentary session.

Minister for Local Government Ron Hoenig said:

“The process for holding councillors to account for serious misconduct is too weak and is hamstrung by procedural complexity.

“Currently, a councillor can only be suspended after a bureaucrat in the Office of Local Government has written a report. The system is long, slow, and ineffective.

“I believe that elected councillors who have committed serious misconduct should only be suspended from office by a judge of a superior court who has heard from both sides.

“Preventing and delaying action to address misconduct in councils has eroded public trust in local government.

“The Court will deal with serious matters, ending the misuse of the code of conduct framework as a means to settle political squabbles.

“I have consulted with the Attorney General and Chief Judge of the Land and Environment Court, and further consultation will be undertaken with key stakeholders on the legislation to amend the Local Government Act.

“Misbehaviour that threatens the safety of councillors, council staff and the community has no place in local government and will not be tolerated.”

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