

15 June 2016

Peter Gutwein, Minister for Planning and Local Government

Huon Valley Council gets final chance to improve governance

Following a Board of Inquiry, the Huon Valley Council has been given one final opportunity to bring the Council's governance arrangements to an acceptable level.

A Board of Inquiry was conducted into the Council's governance arrangements and I have considered the Board's Report and submissions to the Report.

The Board of Inquiry's preferred option was to immediately dismiss the Council, however, I have accepted the Board of Inquiry's alternative recommendation to direct the council to undertake a range of actions to improve its governance.

If the Council fails to implement my directions, I can reconsider this matter and seek the Governor's approval to dismiss the Council.

I am supportive of most of the Board's findings and recommendations, but on balance do not accept that the serious governance irregularities identified in the report are sufficient to warrant the immediate dismissal of the Council as a whole.

Local Government plays a vital role in this State and it is the Tasmanian Government's expectation that it is accountable, representative and operates under a proper governance model.

I am prepared to give the Council one more chance to get its act together and I urge Council to accept responsibility and contribute to a workable solution and bring the governance arrangements to an acceptable level.

Directions to the Council include:

- Mediation for the whole Council and between the Mayor and General Manager and the development of a Statement of Expectations.
- Replacement of the portfolio system with a committee system pursuant to the provisions of sections 23 and 24 of the Act.
- Improvements to the Audit Panel Charter.
- Review and implementation of all human resources plans and programs.
- Development of a comprehensive plan to cover all internal and external communications and inclusive consultation processes.

The *Huon Valley Council Board of Inquiry Report to the Minister June 2016* contains 60 findings and 55 recommendations and can be downloaded at http://www.dpac.tas.gov.au/divisions/local_government/board_of_inquiry_-_huon_valley_council