

DRAFT SECOND READING SPEECH

HON. PETER GUTWEIN MP

Glenorchy City Council (Dismissal of Councillors) Bill 2017

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Mr Speaker, I move that the Bill now be read a second time.

The objective of this Bill is to provide certainty for the ratepayers and residents of Glenorchy. It seeks Parliament's approval to dismiss the currently suspended Glenorchy City councillors, and to set the date for a new council election.

Mr Speaker, the Glenorchy City Council Board of Inquiry was established on 14 October 2015 and has now been in train for just over two years.

On 8 February this year I made the decision, in the interests of the Glenorchy community, to suspend all ten councillors for six months and appoint a Commissioner. I extended this suspension for a further six months in August 2017.

My decision to suspend councillors was taken in response to a number of concerns that the Council was not acting in the interests of the community, including:

- an attempt to amend the General Manager's contract of employment with variations that went beyond the scope of those sought and authorised by resolution of the Council at its 26 September 2016 meeting, and which included proposed variations that had the potential to impose a significant financial burden on the community;
- complaints lodged with the Director of Local Government regarding alleged non-compliance or breaches of the *Local Government Act 1993*;
- the alleged disclosure of confidential information which related to a closed session of Council held on 5 December 2016;
- events and circumstances of the Council's 12 December 2016 Annual General Meeting (AGM), including concerns of ratepayers who attended the AGM;
- evidence of hostility at council meetings and in communications between aldermen and senior staff members; and
- reports regarding police being called to council meetings and abusive behaviour from members of the community towards certain aldermen.

Since that time the Auditor-General has submitted a report resulting from an investigation into the Council's procurement of goods and services from CT Management Pty Ltd. These findings are of great concern as they show material non-compliance with the law, and the Auditor-General observed that overall the process adopted in expending over \$1 million lacked transparency, independent review, reporting and good governance.

The Glenorchy community has been awaiting the findings of the Board of Inquiry to understand the causes of the reported dysfunction within the Council, and to see what changes might be put in place to restore their confidence in the governance of their municipality.

The Board had sought to conclude its formal investigations earlier this year but it has not been able to finalise its work and deliver its findings and recommendations to the Minister due to a series of legal challenges.

Under the *Local Government Act 1993*, the Minister must receive, consider, and invite submissions from councillors on the findings and recommendations of a Board of Inquiry before directions can be issued to Council or the councillors dismissed.

The Council's General Manager, Mr Peter Brooks, is currently appealing the Chief Justice's 11 September 2017 judgment in the matter of *Peter Francis Thomas Brooks v Barry Maxwell Easter and Norma Lynn Mason*, in which the Chief Justice dismissed in its entirety Mr Brooks' application with respect to the Board of Inquiry process.

With this latest appeal yet to be decided by the Full Court of the Supreme Court, it is possible that the Inquiry process could now extend well into the New Year.

It is of course a fundamental right for individuals to pursue their grievances through the courts. However, Glenorchy ratepayers and residents are nonetheless frustrated that the Board of Inquiry process has not yet been finalised and that, as a result, any action that may be necessary in response to its findings is being stymied.

Mr Speaker, this Bill will provide immediate clarity and certainty to Glenorchy ratepayers and residents about the future of their Council.

It is this Government's preference that an elected council is put in place as soon as practicable. The ongoing delays in the Board of Inquiry process have gone on for too long and are frustrating rather than serving the best interests of the community.

The Auditor General's report released on Tuesday 17 October in respect of procurement practices at the council will only increase concern in the community. The Government accepts that we have a responsibility to act and we are now seeking the Parliament's approval to do so through this Bill.

Mr Speaker, I would like to reassure the House that the Bill has been carefully constructed so as to limit the application of the proposed dismissal power to a single, highly specific instance.

I can advise the House that:

- The Bill applies only to the Glenorchy City Council. No other council or councillors are in any way affected;
- The Bill is a stand-alone piece of special purpose legislation, and does not operate to amend any other piece of legislation, including the *Local Government Act 1993*; and
- The entire Bill has a sunset clause of 1 December 2018.

It is also crucial that I emphasise that the Government does not, through this Bill or by any other means, wish to subvert or interfere with the Board of Inquiry process itself, or any pending legal proceedings in relation to that process.

To this end, the Bill specifically provides for the completion of the Board's work, including the delivery of findings and recommendations, as and when appropriate, in accordance with the ordinary provisions of the *Local Government Act 1993*.

The Bill simply dismisses the Glenorchy City councillors and sets 16 January 2018 as the closing date for a subsequent council election, *irrespective* of any ongoing or new legal challenges to the Board of Inquiry.

If the Parliament passes the Bill and it receives Royal Assent on or before 23 November 2017, the standard electoral provisions in the *Local Government Act 1993* will apply with respect to the timeframes for conducting an election with a closing date of 16 January 2018.

It is time to allow the Glenorchy community to look to the future and elect a new Council at the earliest opportunity.

Mr Speaker, the Glenorchy community deserves the assurance that issues with their Council can and will be addressed within a reasonable timeframe.

The Government is seeking Parliament's approval to give residents and ratepayers this assurance.

The ratepayers of Glenorchy will with the passing of this Bill, receive both the opportunity and the responsibility to elect the council they want to guide the future of the City of Glenorchy.

It is time to take decisive action.

I commend the Bill to the House.