

# **PORTFOLIO COMMITTEE NO. 7 - PLANNING AND ENVIRONMENT**

**Tuesday 8 March 2022**

**Examination of proposed expenditure for the portfolio area**

## **LOCAL GOVERNMENT**

**CORRECTED**

**The Committee met at 9:30.**

### **MEMBERS**

Ms Cate Faehrmann (Chair)

Ms Abigail Boyd

The Hon. Mark Buttigieg

The Hon. Catherine Cusack

The Hon. Rose Jackson

The Hon. Taylor Martin

The Hon. Mark Pearson

Mr David Shoebridge

### **PRESENT**

**The Hon. Wendy Tuckerman, *Minister for Local Government***

## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

**Corrections should be marked on a photocopy of the proof and forwarded to:**

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**



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**The CHAIR:** Welcome to the additional public hearing for the inquiry into budget estimates 2021-2022. It is great that you all managed to get here on this absolutely mad day outside. Before I commence, I acknowledge the Gadigal people, who are the traditional custodians of this land. I pay respect to Elders past, present and emerging of the Eora nation and extend that respect to other Aboriginal people present. I welcome Minister Wendy Tuckerman and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Local Government.

Before I commence, I will make some brief comments about the procedures for today's hearing. Today's proceedings are being broadcast live via the Parliament's website and a transcript will be placed on the Committee's website once it becomes available. In accordance with the broadcasting guidelines, I remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018.

There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take a question on notice and provide the answer within 21 days. If witnesses wish to hand up documents, they should do so through the committee staff. I remind Minister Tuckerman and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. Finally, I ask that everyone please turn their mobile phones to silent for the duration of the hearing. All witnesses will be sworn prior to giving evidence. Minister Tuckerman, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament.

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**Mr MICHAEL CASSEL**, Secretary, Planning and Environment, sworn and examined

**Ms MELANIE HAWYES**, Deputy Secretary, Crown Lands and Local Government, Planning and Environment, affirmed and examined

**Ms ALLY DENCH**, Executive Director, Local Government, Planning and Environment, sworn and examined

**Ms SHARON MOLLOY**, Executive Director, Biodiversity and Conservation, Planning and Environment, on former affirmation

**Ms MICHELLE FLETCHER**, Director, Marine, Coastal, Estuaries and Flood, Planning and Environment, on former affirmation

**The CHAIR:** Today's hearing will be conducted from 9.30 a.m. to 12.45 p.m. with a 15-minute break at 11.00 a.m. We are joined by the Minister in the morning and in the afternoon we will hear from departmental witnesses from 2.00 p.m. to 5.15 p.m. with a 15-minute break at 3.30 p.m. During these sessions there will be questions from the Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of the morning and afternoon sessions for Government questions. We will begin with questions from the Opposition, and Mr Mark Buttigieg.

**The Hon. MARK BUTTIGIEG:** Thank you, Chair. I thank the Minister and all bureaucrats here today for attending. We really appreciate your time under the circumstances. Minister, I wanted to open up by getting your view on developers being allowed to sit on councils and whether or not you are in favour of that?

**Mrs WENDY TUCKERMAN:** Thank you so much for your question, Mr Buttigieg. Clearly, I spoke in Parliament in regards to this very issue last sitting. The New South Wales Government is very committed to ensuring that communities in New South Wales have confidence in the councils they elect to represent them. Of course, the Government is always prepared to consider further options to promote community confidence in councils and council decision-making and ensure the right people are leading our communities. That said, it is vital that any proposed changes to how the integrity of councils and council decision-making is governed are assessed in a measured way, with careful consideration given to ensure that they are non-discriminatory and will not have unintended and perverse consequences on the democratic process.

The integrity measures legislated by the Government in recent years are more proportionate and better targeted at addressing the risks of conflicts of interest, vested interest and bias for all who serve on councils in New South Wales, and an outright ban on certain persons serving on councils. These measures obviously include increased transparency requirements when a property developer or close contact associate stands for election to councils, allowing voters to make their own choice on whether to elect such persons to their local council; the creation of significant disincentives against councillors misusing their civic office for their own personal benefit, with councillors required to surrender to their council any profit gained through the misuse of their office; a requirement for councillors to publicly disclose and appropriately manage the conflict of interest; and a framework for ensuring people who stand for election to councils are fit and proper candidates.

**The Hon. MARK BUTTIGIEG:** Minister, I do not want to be seen to be rude here, but we have got quite a bit to go through, so I will cut to the chase. In summary, the default position of declaration—

**The Hon. CATHERINE CUSACK:** Point of order—

**The Hon. MARK BUTTIGIEG:** —is the position of the Government?

**The CHAIR:** A point of order has been taken by Ms Cusack.

**The Hon. CATHERINE CUSACK:** If he can just not put his own words into the Minister's mouth and just ask questions or supplementary questions it will go much faster—

**The Hon. MARK BUTTIGIEG:** I am not.

**The CHAIR:** I think he was getting there. Let us hear what he has to say first.

**The Hon. MARK BUTTIGIEG:** Chair, I was giving my summary on what my interpretation was and asking the Minister to verify it or not—

**The Hon. CATHERINE CUSACK:** You can give that speech in Parliament later.

**The CHAIR:** Order! It is fine for the Hon. Mark Buttigieg to give an interpretation of what he believes the Minister was saying and ask a question around that. The member will continue.

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**The Hon. MARK BUTTIGIEG:** Minister, the default position is that by and large the Act is functional. What about your view on real estate agents on council? Can I get your view on that?

**Mrs WENDY TUCKERMAN:** It is the same.

**The Hon. MARK BUTTIGIEG:** It is the same. Okay, thanks.

**Mr DAVID SHOEBRIDGE:** Vampires in the blood bank.

**The Hon. MARK BUTTIGIEG:** You will recall that the member for Holsworthy at one stage was a real estate agent and actually served on council. Do you think that those roles should have been performed simultaneously? There was an incident where that same MP was placed on a 15-month good behaviour bond in 2012 for a failure to lodge an electoral donation on time. What do you think the perception is that that creates in the public when those situations occur?

**Mrs WENDY TUCKERMAN:** I think there is a framework in place, and clearly we are also doing a review in regards to that framework. I am looking forward to the review recommendations that are brought forward. But clearly I believe there is sufficient framework in place at the moment for those that are representing in their community to be able to disclose their interests.

**The Hon. MARK BUTTIGIEG:** The disclosure regime is a key thing here, which I will delve into a bit further down the track. When you were Mayor of Boorowa, did you serve with any councillors who were also real estate agents or developers?

**Mrs WENDY TUCKERMAN:** Yes, I did.

**The Hon. MARK BUTTIGIEG:** Did any issues occur with those councillors?

**Mrs WENDY TUCKERMAN:** No, not that I recall.

**The Hon. MARK BUTTIGIEG:** What about when you were administrator of Hilltops? Were there any councillors who were real estate agents when you were the admin of Hilltops?

**Mrs WENDY TUCKERMAN:** I was the administrator. We had local council representatives, so community members representing. They were committee members; they were not actually councillors because it was in administration.

**The Hon. MARK BUTTIGIEG:** But there were people on there?

**Mrs WENDY TUCKERMAN:** I think there were 30 representatives. I am just trying to—yes, there may have been. I can recall one at this stage, a community representative.

**The Hon. MARK BUTTIGIEG:** Minister, you would be well aware there is a bill sitting in the LA now, the Local Government Amendment (Disqualification from Civic Office) Bill 2020, which got through the upper House. You made comments in the second reading debate where you stated:

The kindest thing that I can say about this bill is that it is an improvement on the previous one, but only because of the work the Government has already done to improve the integrity of our electoral system.

Could you specifically identify what work has been done to improve the integrity of the electoral system?

**Mrs WENDY TUCKERMAN:** There were amendments made in regard to tightening up those disclosure laws with the Electoral Commission. That is what I was talking about.

**The Hon. MARK BUTTIGIEG:** In what manner?

**Mrs WENDY TUCKERMAN:** Sorry?

**The Hon. MARK BUTTIGIEG:** When you say "tightening up"—

**Mrs WENDY TUCKERMAN:** In regard to detail, I would probably have to take that on notice, but I am happy to ask the deputy secretary to expand on what those measures were.

**MELANIE HAWYES:** Thanks, Minister, if that is helpful. There were requirements for candidates to disclose whether they are a property developer or a close associate on their candidate information sheet and there were also provisions to enhance deterrence to councillors misusing their office for personal gain. The secretary now has the ability to apply to the Supreme Court for an order requiring a councillor to repay any financial gain they make if it is proven that they have breached their obligations.

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**The Hon. MARK BUTTIGIEG:** Secretary, of those provisions, which ones are the additional ones, the tightening up, because my understanding was that there was a pre-existing requirement for a candidate information sheet. I may be wrong. Is it the recourse of the Supreme Court that has been added in?

**MICHAEL CASSEL:** I would need to take that on notice.

**The Hon. MARK BUTTIGIEG:** Alright, thanks. We have a situation here where, without wanting to sound too polemical, \$250-odd million of taxpayers money given to Coalition electorates and you have got the Government saying that it has already done the heavy lifting in crafting and delivering meaningful reform to the integrity of council elections. Can you see how the average person in New South Wales might look at that and think, "How can we trust this Government on integrity, given what has happened with the council grants, the debacle of the iVote failure last time?", and we are sitting here telling the public that there is no requirement to seriously consider a bill that we think is going to improve the integrity of the electoral system by banning property developers and real estate agents?

**Mrs WENDY TUCKERMAN:** Mr Buttigieg, I think that there are a number of issues there. Obviously, some are related and some are not. Can you probably just throw them to me one at a time?

**The Hon. MARK BUTTIGIEG:** The integrity of the voting system was something that you said that you had improved and a lot of the heavy lifting already had been done, but in the aftermath of the Government grants scheme and the misallocation of those funds and the fact that we have had the iVote system fall apart in the last local government elections and then couple that with the controversy we have had over developers and real estate agents sitting on councils, it appears as though there is a certain—

**The Hon. TAYLOR MARTIN:** You are drawing a real long bow there.

**The Hon. CATHERINE CUSACK:** Point of order: Madam Chair, I do sympathise with the Minister because I am totally lost as to where we are up to. Can I suggest that the member be more pithy with his question?

**Mr DAVID SHOEBRIDGE:** To the point of order: There is no obligation for a question to be pithy, and if a member is lost, that is not really relevant.

**The Hon. CATHERINE CUSACK:** That is why he is in the process of repeating it.

**The CHAIR:** That is fine. The Minister has asked the member to restate the question and I think that the member was getting to that.

**The Hon. MARK BUTTIGIEG:** Let us get back on the track of the developers and real estate agents on council. The matter of Antoine Doueihy was extensively trawled over at previous budget estimates and questioning of your predecessor Shelley Hancock. Have you been briefed on the Doueihy matter and the aftermath of it?

**Mrs WENDY TUCKERMAN:** I am aware that that matter was dealt with by NCAT and there was a decision made in regard to that matter. Clearly, as a Minister I do not have any dealings with investigative matters, but I am more than happy to ask the secretary to discuss the matter with you.

**The Hon. MARK BUTTIGIEG:** When you say NCAT has made a determination, would you like to inform the Committee of what that determination was and what punitive action has been made, if any?

**Mrs WENDY TUCKERMAN:** Sure, if you will just bear with me. The allegations of misconduct against the former councillor were upheld by NCAT. In an order issued earlier this year, 12 January 2022, the NCAT reprimanded Mr Doueihy and ordered that he pay costs. If you would like any further information, I am happy to refer the matter to the deputy secretary.

**The Hon. MARK BUTTIGIEG:** Can I put it to you, Minister, that we had a situation where there was an incorrectly filled out declaration, which Mr Doueihy admitted in light of the NCAT investigation, and we had a situation where, notwithstanding that, he continued to sit on council for a period of almost two years while the OLG investigated internally and then finally referred it to NCAT. NCAT then finally punishes, as you pointed out, in January with costs, but from the voting public's point of view, they were placed in a situation where someone who was clearly conflicted, incorrectly declared, sat on council as a mayor. Do you think the system is, therefore, working? You touched on the declarations before and how the transparency is important and the average member of the public can avail themselves of it, but if that information is incorrect and there is no real—

**The Hon. CATHERINE CUSACK:** Sorry, is that the question: "Do you think the system is working?". Is that your question?

**Mr DAVID SHOEBRIDGE:** Point of order—

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**The Hon. CATHERINE CUSACK:** I am just trying to follow all of this.

**Mr DAVID SHOEBRIDGE:** Chair, I have a point of order.

**The Hon. MARK BUTTIGIEG:** There is a point of order.

**The Hon. CATHERINE CUSACK:** It is "Do you think the system is working?" That is the question.

**Mr DAVID SHOEBRIDGE:** I have a point of order.

**The CHAIR:** Order!

**The Hon. ROSE JACKSON:** If you want to ask a question, go for it.

**The CHAIR:** Order! Let us hear Mr Shoebridge's point of order, please.

**Mr DAVID SHOEBRIDGE:** The Hon. Catherine Cusack continues to interrupt either with points of orders that can never be points of orders or, in this case, without even pretending to have a point of order, trying to put the Hon Mark Buttigieg off his questioning. It is disorderly.

**The Hon. CATHERINE CUSACK:** Nothing is putting him off his questioning.

**The Hon. TAYLOR MARTIN:** That is not what is happening at all, David.

**The Hon. CATHERINE CUSACK:** No, it is not.

**The Hon. TAYLOR MARTIN:** You are being ridiculous.

**Mr DAVID SHOEBRIDGE:** She is now speaking over my point of order and it is disorderly and it is going to make the morning very long if it continues.

**The CHAIR:** I agree with Mr Shoebridge that it will make the morning very long if it continues. I remind members to allow each member to ask their questions. They are allowed to ask long questions; there is no rule on that. I ask Mr Buttigieg to continue. Please, I ask all members to listen to the member's question so that the Minister can hear it and she can answer to the best of her ability. Proceed, Mr Buttigieg.

**The Hon. MARK BUTTIGIEG:** Minister, to summarise, we have a situation where a sitting councillor and mayor incorrectly declares and is allowed to sit on council and influence planning decisions. The public who elected that person is under the misapprehension that the declaration was correct. Because it is under investigation, the investigation is confidential. The investigation finally finds out that the declaration was incorrect and by the time anything is done about it, it is too late because that council contained that person who was conflicted and making decisions on their behalf. My question is: Do you think that system, which is currently in place now, is working?

**Mrs WENDY TUCKERMAN:** Do I think it is working? Yes, I do think it is working. Do I think it is satisfactory, the length of time that it had taken? No, I do not. That is why—

**The Hon. MARK BUTTIGIEG:** On that matter, Minister—

**The Hon. TAYLOR MARTIN:** Hang on, hang on.

**The Hon. MARK BUTTIGIEG:** No, I am asking a follow-up question.

**The CHAIR:** Order!

**The Hon. TAYLOR MARTIN:** The Minister is entitled to answer the question as she sees fit. You have had the longest preamble in history with these bizarre questions.

**The CHAIR:** Order! Is this a point of order, Mr Martin?

**The Hon. TAYLOR MARTIN:** Yes, it is.

**The CHAIR:** Direct it to me, not to Mr Buttigieg. I was just about to say if the Minister could please be given a little bit of time to answer, that would be great. Minister, proceed. Mr Buttigieg, hold back for a second.

**The Hon. MARK BUTTIGIEG:** Sure.

**Mrs WENDY TUCKERMAN:** Thank you. In regard to the process, obviously I do not think that length of time is satisfactory and I have tasked the Office of Local Government to assess and provide advice on options to improving the handling and mismanagement of investigations in the future. I understand that while there are councillors that do not do the right thing, there are lots of councillors that do, and I am determined to ensure



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elective representatives who breach the Model Code of Conduct and community standards are held accountable. In answer to your question, improvements can be made and they are underway.

**The Hon. MARK BUTTIGIEG:** Minister, do you have a time line for that report back in potential reforms?

**Mrs WENDY TUCKERMAN:** Yes. At the moment, we are conducting a misconduct review and that is currently out to consultation, and I invite you all to make a submission to assist in improving the process. That will be closing in March I believe—28 March—and I look forward to recommendations coming out of that review by mid-year.

**The Hon. MARK BUTTIGIEG:** Essentially, the Government's position is that we can work with the parameters of the current system by improving it structurally without having to go down what you would characterise as a drastic path of banning developers and real estate agents on council. Is that essentially the Government's position?

**Mrs WENDY TUCKERMAN:** Yes, it is.

**The Hon. MARK BUTTIGIEG:** In your second reading debate contribution, you said:

A total prohibition of classes of persons from standing for elected office at any level of government is likely to require very significant levels of justification to withstand challenge.

Minister, have you got any legal background on which to base that assessment, that the bill would be subject to challenge?

**Mrs WENDY TUCKERMAN:** I am advised so. I obviously have been in a legal framework in regard to investigations with the Australian Federal Police but, no, I am not a solicitor or a legal—

**The Hon. MARK BUTTIGIEG:** This is one of the Government's arguments against the bill. Has the Government sought formal legal advice to that effect?

**Mrs WENDY TUCKERMAN:** I would have to take that on notice.

**The Hon. MARK BUTTIGIEG:** Minister, are you aware of the legal precedent that has occurred here regarding Mr McCloy? It was upheld that in fact that argument does not hold water because, on balance, the conflict presented by someone in that situation outweighs the interest in freedom of association and running for public office, in summary? Mr Shoebridge might want to elaborate on that ruling, but that was the effect of it. So, in fact, there is no legal basis for what you are arguing.

**Mrs WENDY TUCKERMAN:** As I said, Mr Buttigieg, I will have to take that on notice.

**The Hon. MARK BUTTIGIEG:** You also said that:

The measures contained in the bill are also hard to justify given that electors now have information—  
we touched on this before—

available to them on whether a candidate or councillor is a property developer and can make an informed choice about whether they wish to vote for that person at council elections.

I put it to you that in the emblematic case of Mr Doueihy, the system failed because if someone falsifies their declaration then clearly, even if—I stress "even if"—a member of the voting public goes in and looks at those declarations, if they are false and there is no way of weeding that out quick smart, then the voter is under the misapprehension that there is no conflict. Would you admit that that was the case with Mr Doueihy?

**Mrs WENDY TUCKERMAN:** I am happy to refer that to the deputy secretary to answer.

**MELANIE HAWYES:** I would say it is not appropriate for me to comment on an investigation that is history now and NCAT has made its ruling. The review of the misconduct framework is underway for exactly the reasons we are discussing today, which is to ensure that it meets contemporary community expectations as to councillor conduct.

**The Hon. MARK BUTTIGIEG:** Minister, I am asking you as a Minister of the Crown: That system, which allowed the public to essentially be hoodwinked, is it grossly inadequate, inadequate, satisfactory? I am just interested in your view because we are looking for some reform and you are telling us that the bill is unacceptable, but internally you are going to change it so that thing cannot happen again. Is that the position?

**Mrs WENDY TUCKERMAN:** What I am saying to you is that there is currently a review underway and those issues obviously will be raised—because I am assuming that you will make a submission, Mr Buttigieg, in regard to that—and then those recommendations from that review will be given its due diligence.

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**Mr DAVID SHOEBRIDGE:** Congratulations, Minister.

**Mrs WENDY TUCKERMAN:** Thank you.

**Mr DAVID SHOEBRIDGE:** It is a hell of a time to take the job.

**Mrs WENDY TUCKERMAN:** Indeed.

**Mr DAVID SHOEBRIDGE:** Good luck in it all.

**Mrs WENDY TUCKERMAN:** Thank you.

**Mr DAVID SHOEBRIDGE:** While we are on property developers and councillors, has your department undertaken an investigation of Hassan Awada? He was recently elected to Sutherland council and declared he was not a property developer, despite the fact that his partner was involved—indeed, had an application for a development for some 52 apartments on land that she owned and some adjoining property—and despite the fact that he benefitted substantially from previous rezonings for his property portfolio from Sutherland council. He said he was not a property developer. Have you done anything about it?

**Mrs WENDY TUCKERMAN:** I am not aware of the matter, but I am happy to ask the deputy secretary to respond.

**MELANIE HAWYES:** This one I will take on notice if there is a live investigation underway.

**Mr DAVID SHOEBRIDGE:** Is there a live investigation?

**MELANIE HAWYES:** I am not aware at this point. I will take it on notice.

**Mr DAVID SHOEBRIDGE:** It was notorious. It was the subject of articles in *The Sydney Morning Herald* in the run-up to the local government election. You are telling us that the disclosure regime protects everybody, and no-one has even looked. Is that the evidence: no-one has even looked?

**Mrs WENDY TUCKERMAN:** No.

**MELANIE HAWYES:** No, that is not the evidence. We will take it on notice.

**Mr DAVID SHOEBRIDGE:** What about Sarah Richards, who got elected to Hawkesbury council? Again, she said she was not a property developer and not the spouse or partner of a property developer. Is there an investigation into Sarah Richards?

**Mrs WENDY TUCKERMAN:** As you are aware, I become Minister later after the elections. I am not aware of these individual matters, but I am happy to defer again to the deputy secretary in regard to whether they are aware of these matters.

**Mr DAVID SHOEBRIDGE:** Before we do that, Minister, are you aware that you have to declare whether or not you are a property developer and whether or not someone you are closely associated with is a property developer, including your partner and spouse? You are aware that it extends to that?

**Mrs WENDY TUCKERMAN:** Yes.

**Mr DAVID SHOEBRIDGE:** Alright. Are you aware that Sarah Richards' partner is the co-owner of BCM Property Real Estate and Development? That sort of sounds like a developer, doesn't it, "real estate and development"? Do you agree?

**Mrs WENDY TUCKERMAN:** Mr Shoebridge, I do not know who you are talking about. I obviously do not get involved in individual matters. That is a matter for the department. So that is what I am saying, if you are inquiring about individual cases, I am happy for the deputy secretary to answer your question.

**Mr DAVID SHOEBRIDGE:** Minister, you told us this disclosure regime that your Government has in place is protecting the public interest. You told us—

**Mrs WENDY TUCKERMAN:** And I also—

**Mr DAVID SHOEBRIDGE:** No, let me finish.

**Mrs WENDY TUCKERMAN:** Sorry.

**Mr DAVID SHOEBRIDGE:** You told us it was protecting the public interest. I am telling you now that Councillor Richards disclosed that she was not a property developer and was not in any way associated with a property developer, but her partner is the co-owner of a property development company that says on its website it is developing both minor and major residential and commercial subdivisions.

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**The Hon. CATHERINE CUSACK:** It is International Women's Day today.

**The CHAIR:** Order!

**Mrs WENDY TUCKERMAN:** I acknowledge that, Mr Shoebridge—

**The Hon. ROSE JACKSON:** Outrageous!

**Mrs WENDY TUCKERMAN:** —and I am hoping—

**The CHAIR:** Order!

**The Hon. CATHERINE CUSACK:** She is not defined by her husband anymore.

**The Hon. MARK BUTTIGIEG:** Oh, my god!

**The CHAIR:** Order!

**The Hon. MARK BUTTIGIEG:** Are you seriously running that?

**The Hon. ROSE JACKSON:** It is the law.

**The CHAIR:** Order! If we could just please ignore Ms Cusack's comments. Mr Shoebridge, continue.

**The Hon. TAYLOR MARTIN:** I think the Minister was—

**The CHAIR:** The Minister will continue. Sorry.

**Mr DAVID SHOEBRIDGE:** The Minister was saying that is okay.

**The Hon. TAYLOR MARTIN:** No, David, the Minister was not saying that.

**Mrs WENDY TUCKERMAN:** I was not saying it was okay. What I was saying was, obviously the review is an important review in regard to how these matters are conducted in the future, and I look forward to those recommendations from the review.

**Mr DAVID SHOEBRIDGE:** Has anybody in the department commenced an investigation into Councillor Richards, who made the public disclosure denying any connection with property development in the circumstances I have just put to you?

**Mrs WENDY TUCKERMAN:** I can only defer to the department to answer that question.

**MELANIE HAWYES:** I will take that. The Minister has rightly separated from the conduct matters about individual council laws. It is not appropriate for me to comment on who is or is not under investigation in this setting. The matter of disclosure, it is being conflated with misconduct in this discussion. Disclosures are administered by the Electoral Commissioner.

**Mr DAVID SHOEBRIDGE:** So if there is a failure to disclose under the much-vaunted disclosure regime that the Government has put forward, that is not a matter for the Office of Local Government. Is that your evidence, Ms Hawyes?

**MELANIE HAWYES:** My evidence is we manage misconduct matters. The matter of disclosure is administered by the Electoral Commissioner.

**Mr DAVID SHOEBRIDGE:** Minister, your much-vaunted disclosure regime, you do not even have a part in enforcing. Did you know that?

**Mrs WENDY TUCKERMAN:** Clearly the Government puts forward legislation for any changes that are necessary, so clearly there is a role. But I will take any advice from the deputy secretary.

**Mr DAVID SHOEBRIDGE:** I am going to ask directly: Is there an investigation into Councillor Sarah Richards for the failure to disclose the connection with property development?

**Mrs WENDY TUCKERMAN:** Sorry, I am not aware of any because obviously I do not have any oversight on individual matters.

**Mr DAVID SHOEBRIDGE:** Minister, I am going to ask it of either the secretary or the deputy secretary.

**MICHAEL CASSEL:** I am happy to take that on notice. I am not aware of any investigation at this point in time. If you believe you have some information that you can share with us, I am happy to look at that as well.

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**Mr DAVID SHOEBRIDGE:** It was not hiding under a rock, secretary. It was published in *The Sydney Morning Herald*. Even the most basic level of due diligence in the Office of Local Government could have found this. You could have brought to it the office on the morning.

**MICHAEL CASSEL:** Without being cheeky, Mr Shoebridge, not everything that gets reported in the paper is fact.

**Mr DAVID SHOEBRIDGE:** Well, I have had a look at the—

**MICHAEL CASSEL:** And I am not aware that we have moved forward with an investigation. I will take that on notice.

**Mr DAVID SHOEBRIDGE:** You will be pleased to know I have checked the website for BCM Property and real estate development, or I did at the time, and what was reported about the disclosure of their business was true.

**MICHAEL CASSEL:** Thank you.

**Mr DAVID SHOEBRIDGE:** But you needed to look, did not you, secretary? You needed to actually look. Somebody needed to be proactive and look, and nobody in the Office of Local Government was. Do you accept that?

**MICHAEL CASSEL:** No, I do not accept that. As I said to you, I will take it on notice. For all I know, there could be moves afoot. So I do not want to mislead the committee and I want to take it on notice.

**Mr DAVID SHOEBRIDGE:** What about Councillor Luke Cubis of Lake Macquarie who, at the time he got elected, had an outstanding application to Newcastle council to subdivide some 24 residential lots and a long history of property development? Did that trigger even the slightest alarm bell in the Office of Local Government, because he said he was not a property developer or associated with being a property developer?

**MICHAEL CASSEL:** I am not aware of that matter either. I am happy to take that one on notice.

**Mr DAVID SHOEBRIDGE:** The disclosure regime does not work, does it, Minister? You could drive a truck through it, or you could put a 24 lot subdivision through it, could you not? That is the truth, is it not, Minister?

**Mrs WENDY TUCKERMAN:** No. Well, I am not sure what you are referring to in regards to the individual matters, and that has obviously been taken on notice. We will address those issues as they arise. But also, Mr Shoebridge, you know it is really important that if you have any information to also forward it on for looking at.

**Mr DAVID SHOEBRIDGE:** Minister, I will get your office a subscription to the Herald. Would that help? I am happy to pay for it if it actually means something happens in the Office of Local Government, if it wakes up. Would that help?

**The Hon. CATHERINE CUSACK:** We have you, though, David.

**Mr DAVID SHOEBRIDGE:** Would that help?

**ALLY DENCH:** Mr Shoebridge, if I may be able to respond, please?

**The CHAIR:** Yes, please, Ms Dench. Go ahead.

**ALLY DENCH:** Thank you. The matter for disclosures are for the Electoral Commissioner. Post election it is then a matter for the Office of Local Government.

**Mr DAVID SHOEBRIDGE:** Do you know if any of the councillors Awada, Richards or Cubis have made a disclosure about being covered by the property development provisions of the Act at any time since they have been elected, including when they have dealt with planning matters?

**ALLY DENCH:** I am not aware of that, but I will take it on notice.

**Mr DAVID SHOEBRIDGE:** Minister, Councillor Cubis is an interesting creature because he was the first person that I am aware of who sought to get elected to two councils at the same time. Were you aware of that?

**Mrs WENDY TUCKERMAN:** Yes, I am aware, yes.

**Mr DAVID SHOEBRIDGE:** One because he said he lived somewhere, and one because he owned some property somewhere. I think it was MidCoast and Lake Macquarie. Does that ring a bell?

## CORRECTED

**Mrs WENDY TUCKERMAN:** Yes, yes.

**Mr DAVID SHOEBRIDGE:** Will you bring some legislation urgently to prevent that ever happening again?

**Mrs WENDY TUCKERMAN:** I will take that on notice, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** Let us be clear—

**MELANIE HAWYES:** I can probably respond to that, Minister, if that is helpful.

**Mrs WENDY TUCKERMAN:** Yes.

**MELANIE HAWYES:** We are due to consult with the Electoral Commission this year about that situation. It was quite an anomalous situation and it may well be that there is a recommendation for legislative change.

**Mr DAVID SHOEBRIDGE:** That is promising, Ms Hawyes. Minister, I think you would agree, would you not, that nobody should be able to serve on two councils in two different parts of the State at the same time. Can we agree on that?

**Mrs WENDY TUCKERMAN:** As raised by the deputy secretary, it is something that we can look at. Obviously it is an anomaly in the legislation, so it is something that we are aware of and we will be consulting with the NSW Electoral Commission.

**Mr DAVID SHOEBRIDGE:** Minister, I am trying to build a bridge here.

**The Hon. TAYLOR MARTIN:** Get a DA.

**Mr DAVID SHOEBRIDGE:** Can we agree on this, that somebody should not be able to be elected to two councils at the same time? I would have thought we could have some common ground here, Minister.

**Mrs WENDY TUCKERMAN:** Clearly, the legislation allows for it at this stage.

**Mr DAVID SHOEBRIDGE:** And that is wrong. It is wrong.

**Mrs WENDY TUCKERMAN:** And I do not disagree with you, and it is something that we can actually look at going forward.

**The CHAIR:** Mr Shoebridge, you can go for another 10 minutes of Mr Pearson's allocation, if that suits?

**Mr DAVID SHOEBRIDGE:** That is okay. I will take "do not disagree", if that is as close as we can get to "agree"? Is that as close as we are going to get to "agree"?

**Mrs WENDY TUCKERMAN:** It is the same thing, I am pretty sure.

**Mr DAVID SHOEBRIDGE:** Minister, do you support councillors getting superannuation?

**Mrs WENDY TUCKERMAN:** Yes, I do.

**Mr DAVID SHOEBRIDGE:** What is the Office of Local Government doing to encourage councillors across the State to pass resolutions so that all councillors get access to superannuation come 1 July?

**Mrs WENDY TUCKERMAN:** I am happy to refer to the chief executive in regards to that.

**ALLY DENCH:** Thank you, Mr Shoebridge. Councillors' remuneration is independently set each year by the Local Government Remuneration Tribunal, based on the criteria under the Local Government Act. The tribunal is required to review the remuneration categories for councils at least every three years, which is scheduled to occur in 2023. The tribunal is also responsible for ensuring all councils receive fair and level remuneration that reflects their workload. In setting this, the tribunal is required to actually consider size, physical terrain, population and distribution of population in each government area. From July 2022, it will be open to councils to supplement councillor remuneration by making superannuation contribution payments on behalf of councillors at the compulsory superannuation guarantee rate under the Commonwealth legislation. Councils have been provided with the flexibility to choose whether to make superannuation contributions for the councillors or not, based upon their own particular circumstances.

**Mr DAVID SHOEBRIDGE:** Minister, that did not answer my question. What, if anything, is the Office of Local Government doing to encourage councillors to extend superannuation to councillors, knowing that the former Minister—and I endorse her work in this regard—did this in part to provide more support and more encouragement for women to put their hand up as a councillor?

## CORRECTED

**Mrs WENDY TUCKERMAN:** And I take my hat off to the former Minister. It has been very successful, clearly from local government elections past. There was a significant increase in females being elected to council. I will defer again to Ms Dench in regards to what information has been provided to councils.

**Mr DAVID SHOEBRIDGE:** Before we do that, do you think it proper that the Office of Local Government sends the materials to encourage councils to resolve to pay superannuation, given we know it is a pay equity measure? Do you think that is proper?

**Mrs WENDY TUCKERMAN:** Absolutely I think it is proper.

**Mr DAVID SHOEBRIDGE:** Well, what have you done?

**Mrs WENDY TUCKERMAN:** I am just asking the chief executive what has been done.

**MELANIE HAWYES:** I might respond to that, if that is okay. Councils are autonomous and the role of our office is to support their discussions and conversations about matters, including this. So coming into the role—I think it is week five for me—I am going to be engaging with GMs, mayors, councillors and the Local Government and Shires Association, as you would expect, to have these discussions and understand where the sector is at. But they are autonomous entities.

**Mr DAVID SHOEBRIDGE:** Would Local Government NSW endorse and support it—councillor superannuation? In fact it endorsed and supported compulsory councillor superannuation. The sector is on board. Where is the circular and the information and the support going to councils and councillors to encourage them, to give them the information so that between now and 1 July as many councils as possible can resolve to have superannuation paid?

**MELANIE HAWYES:** A range of circulars go out, and I will take on notice what has already gone in the past, if that is of interest to the Committee, and there will be future circulars and suggestions about this matter, as you would expect.

**Mr DAVID SHOEBRIDGE:** Minister, will you be supervising this and getting a running list of how many councils have and how many councils have not resolved to put in superannuation and then take some personal responsibility for trying to get this reform to work?

**Mrs WENDY TUCKERMAN:** Obviously I am very keen to see all councils adopt it but, as previously stated, councils are autonomous in what they do around their finances. I will certainly be getting a list of who has and who has not and encourage all councils to adopt it.

**Mr DAVID SHOEBRIDGE:** Excellent.

**ALLY DENCH:** If I could also answer, Mr Shoebridge: We certainly have a councillor handbook that has gone out to all councillors. We are currently doing webinars with councils, induction sessions, where we are disseminating the information. But the councillor handbook clearly outlines about the superannuation issue.

**Mr DAVID SHOEBRIDGE:** In the seminars, are you setting out the benefits and pay equity and support for superannuation?

**ALLY DENCH:** Yes. We are talking about it at a higher level, but certainly there will be more detail delivered out to councils.

**Mr DAVID SHOEBRIDGE:** In due course?

**ALLY DENCH:** Yes.

**Mr DAVID SHOEBRIDGE:** Minister, do you know how many declared property developers got elected to council?

**Mrs WENDY TUCKERMAN:** No, I am not aware.

**Mr DAVID SHOEBRIDGE:** Does anybody keep a record of that?

**MELANIE HAWYES:** The Electoral Commission would have records of disclosure.

**Mr DAVID SHOEBRIDGE:** Given the additional obligations on property developers to disclose when there is a conflict of interest going forward, do you not think it would be sensible for there to be a register or record held by the office that is responsible for enforcing the code of conduct?

**Mrs WENDY TUCKERMAN:** I am not aware that there is a register, but I am happy to defer to get advice from the Office of Local Government.

## CORRECTED

**ALLY DENCH:** The register is the Electoral Commissioner's responsibility in the lead-up and people making disclosures in that regard.

**Mr DAVID SHOEBRIDGE:** But there is no register there. There is a bunch of PDFs that you have to search one after the other to find out. There is no register there. There is no register anywhere. Are you comfortable with that, Minister?

**Mrs WENDY TUCKERMAN:** I am happy to take that on notice and give it some consideration.

**Mr DAVID SHOEBRIDGE:** Minister, do you know how long the longest outstanding code of conduct complaint is at the moment?

**Mrs WENDY TUCKERMAN:** Just give me a minute to check. That would probably be something that I would ask the Office of Local Government to give some advice on.

**Mr DAVID SHOEBRIDGE:** Ms Hawyes?

**MELANIE HAWYES:** So coming into the role, one of the first things I am doing is getting a sense of the investigation load underway, including the age of matters. I will take that on notice so that I can get an accurate response. The information is being brought to me for the very reason of really having a look at the function of that team and understanding where there are areas that we may be able to improve things going forward.

**Mr DAVID SHOEBRIDGE:** Ms Hawyes, I know you have only been in the job for five weeks. No-one can blame you for the mess that you have inherited. I want to make that clear for the record: No-one is blaming you for the mess you have inherited. But I want to get an understanding of the scale of the mess. Surely you would have some information about the longest outstanding code of conduct complaint?

**MELANIE HAWYES:** I will not respond to your comment about the organisation. My observation is that it is packed full of people who are trying to do a good job. What I would say is that I will again take on notice the matter of how many investigations are underway and their relative age.

**Mr DAVID SHOEBRIDGE:** I just want to know how long the longest is and maybe in your answer you can give some context to this.

**The Hon. CATHERINE CUSACK:** Point of order: This question has been answered twice now. The witness has undertaken to find out the age. I think she has maybe said that three times.

**The CHAIR:** Mr Shoebridge can continue questioning. He is getting to a slightly new one.

**Mr DAVID SHOEBRIDGE:** It probably helps if you wait until the end of the question. Former Mayor Brady of Cobar, who made an extraordinary contribution to local government, died in February of last year, having waited two years for her code of conduct complaint to be resolved by the Office of Local Government. It was not resolved at the time she died. Has it been resolved?

**MELANIE HAWYES:** I will take that one. That is an unacceptable length of time. I will take on notice whether it has been resolved or not, but it would not be going forward given that that person is deceased.

**Mr DAVID SHOEBRIDGE:** I would suggest to you that that is emblematic of the deep, deep problem in the Office of Local Government and with the code of conduct. Mayor Brady waited two years and then, having died, that code of conduct complaint, I assume, was terminated. Nothing was done; no action taken. Minister, can you believe that that is the system in place?

**Mrs WENDY TUCKERMAN:** Mr Shoebridge, I absolutely agree with your angst. I have heard the issue on the length of time for investigations from community, from councils and from my experience as a former councillor. That is why, when I took over this job, I asked for some immediate action and review in regard to what is happening in the investigation space. As you are aware, the review into misconduct is currently underway, which will assist also to have an overhaul of what is actually happening in regard to investigations. I take these matters very seriously and I will ensure that we are getting a better outcome for those issues that are being addressed by the Office of Local Government.

**The Hon. MARK BUTTIGIEG:** Minister, I want to tease out some of these issues that my colleague the Hon. David Shoebridge has raised because there is a view that the Doueihy matter was one rotten apple in the barrel and that we should not throw the baby out with the bathwater and all of the rest of it.

**Mr DAVID SHOEBRIDGE:** You shouldn't mix metaphors.

**The Hon. CATHERINE CUSACK:** I was thinking exactly the same.

**Mr DAVID SHOEBRIDGE:** That would have been a good point of order.

CORRECTED

**The CHAIR:** Order!

**The Hon. MARK BUTTIGIEG:** The matter of Councillor Awada was raised. I have tabled some documents, which include the declaration form—that is, the declaration that he was not a developer. I have also tabled some associated ASIC documents, which give the office holders of the three companies associated with Mr Awada: Invecon Australia Pty Ltd—these are ASIC statements of office holders; Driftwood, which his wife is the sole director of; and K Strong Investments, which the brothers of Mr Awada are directors of. When you look at those documents, Minister, and you will have to take me on faith here but the documents will bear this out, the registered address of all three companies is identical. The wife of Hassan Awada is a director of Invecon and Driftwood, and the brother is a director of K Strong Investments. You have a declaration where Mr Awada says he is not a property developer or a close association, and under the Act, as you know—or I hope you would know—a spouse is determined to be a close associate. I am not sure that the Act specifies brothers, but do you have a view on whether you think a brother would be a close associate of a property developer?

**Mrs WENDY TUCKERMAN:** I am assuming yes.

**The Hon. MARK BUTTIGIEG:** Minister, if I told you that those entities were involved in various property developments, which have been reported on. For example, in 2013 in a newspaper article:

THE Liberal candidate for Sutherland Shire's C Ward, Hassan Awada, has confirmed his development—

This was when he was still a director of the company. He subsequently sold the shares to his wife—

application for a unit block in Seaview Street, Cronulla, was approved by the council in June.

Then another article in the local newspaper, the *Leader*:

Mr Awada's development application to build a three-storey unit block on an amalgamated site at 33-37 Seaview Street, Cronulla, valued at \$4.5 million, was approved under delegated authority as a complying development.

The application was submitted by Invecon Australia Pty Ltd, of Unwin Street, Bexley.

That address is identical to the one I was outlining before. Then you have Mr Hassan Awada's wife, Souad, and her company, Driftwood—

**The Hon. CATHERINE CUSACK:** Point of order: Madam Chair, with respect, it is budget estimates—

**The CHAIR:** Order! I have been listening very carefully. This is a complex question that he is getting on record. It is very important if he can continue, please.

**The Hon. CATHERINE CUSACK:** With respect, the purpose of budget estimates—

**The CHAIR:** I know the point of order. I have been listening to Mr Buttigieg's question. Again, it is very complex. He has handed out documents; he is explaining what they are to the Minister. I am sure he will get to the point and the question soon, but he has to outline—which he is doing—what he is asking the Minister about. It is complex. Continue.

**The Hon. MARK BUTTIGIEG:** Thank you, Chair. I was trying, for the benefit of the Committee, to summarise it so that the Minister did not have to spend the next 20 minutes going through it.

**The Hon. CATHERINE CUSACK:** That was a summary, was it?

**The Hon. MARK BUTTIGIEG:** It is complex, as the Chair has said.

**The Hon. CATHERINE CUSACK:** Maybe this is not the forum.

**The Hon. MARK BUTTIGIEG:** If you read the documents you will see. Mr Hassan Awada's wife, Souad, and her company, Driftwood, purchased a development at 660-662 Princes Highway to construct a multistorey residential block of 56 units. I understand Mr Hassan Awada's brother, Waleed, who is the current director of the Strong Entity, which is in the tabled documents, is involved in the development site at 138-144 Willarong Road, Caringbah. The documents appear to verify, Minister, that there is a direct link between a declaration that should have been made as a property developer or close associate thereof, and entities to which he has close relations—that is, the wife and the brother. Does it concern you that, under the current regime, this Doueihy stuff is still happening?

**Mrs WENDY TUCKERMAN:** Has he told the Electoral Commissioner?

**The Hon. MARK BUTTIGIEG:** No. You will see on the declaration that I have tabled that he says he is not a property developer or a close associate.

**Mrs WENDY TUCKERMAN:** Has it been reported?



## CORRECTED

**The Hon. MARK BUTTIGIEG:** It has been reported in the media, and I am tabling the documents—

**Mrs WENDY TUCKERMAN:** How long have you been aware of it, Mr Buttigieg?

**The Hon. MARK BUTTIGIEG:** I only became aware of it in preparation for budget estimates. You are a Minister of the Crown—

**Mrs WENDY TUCKERMAN:** I have just become aware of it now. It is a matter for the Electoral Commissioner. In regards to disclosures, there is a proper process for disclosures. In regards to planning matters, there are planning panels, which they do not participate in. Complying development is done by the council officials.

**The Hon. MARK BUTTIGIEG:** Minister, this is an important point. On the planning panel issue, the IHAPS, does it concern you that those people are not elected, not accountable to the people, do not have to declare any conflict and they are making planning decisions?

**Mrs WENDY TUCKERMAN:** This is obviously what needs to be weighed up. On one hand you are telling us that they are not suitable—

**The Hon. MARK BUTTIGIEG:** No, I did not say they are not suitable. I am just asking for your opinion on whether or not that is an appropriate system.

**Mrs WENDY TUCKERMAN:** I do think it is an appropriate system because the councillors actually ensure that the framework is in place for those decisions to be made.

**The Hon. MARK BUTTIGIEG:** Minister, I am going to table some more documents associated with another councillor associate of Mr Awada, Councillor Kent Johns. Again, I will summarise for the benefit of the Committee. You will see on the current and historical extract of JHC Infrastructure, which is one of the many entities that Mr Johns is involved with, an entity where a company called Hansen Investment Corporation Pty Ltd, which has been reported in the media—all of this has been reported in the media; I am merely giving you the evidentiary trail now—was a corporation that Mr Johns admitted was a development company.

When he was interviewed by *The Sydney Morning Herald* journalist Kate McClymont on 6 July 2020 about not disclosing his association with Minhgai Zhang, who is a partner on JHC, his response was—and you will see in the documents tabled that Mr Johns declares that he is not a property developer or a close associate, both in 2016 and the recent 2021 elections. Mr Johns' response was, "If I made a mistake, it would be somewhere between genuine and lazy." Mr Johns has admitted that he probably should have declared that he was a property developer. He deregistered the company that caused the issue after the election. Voters have gone into this election in the belief that Mr Johns is not a property developer or a close associate, voted for him and then he deregisters the company after he got elected. Again, I want to get your view on whether or not this system is operating, given those two examples I have just given you.

**The Hon. TAYLOR MARTIN:** He is not a developer.

**Mrs WENDY TUCKERMAN:** Every candidate has obligations to disclose. That is a matter for the Electoral Commission and for the candidate.

**The Hon. MARK BUTTIGIEG:** It is a matter for the Electoral Commission and the candidate, but I am giving you hard evidence here whereby the voting people of New South Wales are actually being misled as to the conflicts of interest. I want to know what you are going to do about it as a Minister of the Crown. Are you going to support the bill that is in the Legislative Assembly?

**Mrs WENDY TUCKERMAN:** I am not going to comment on individual matters, Mr Buttigieg. I honestly would hope, as a member of Parliament, that if you have received any information in regards to these matters, you would have made a report about it.

**The Hon. MARK BUTTIGIEG:** So the remedy is for members of Parliament to go around watching councillors because the regulatory regime is not enforceable, has got no teeth and does not work?

**Mrs WENDY TUCKERMAN:** No, what I am saying to you, Mr Buttigieg, is—

**The Hon. MARK BUTTIGIEG:** Is that your evidence?

**Mrs WENDY TUCKERMAN:** —if you have information in regards to these matters, I would expect that you would bring them forward.

**The Hon. MARK BUTTIGIEG:** With all due respect, Minister, I have just tabled it. I have just done that. I have just given it to you. I am going to table some more documents.

## CORRECTED

**Mrs WENDY TUCKERMAN:** Thank you. I appreciate it. As I said to you, this is a matter for the Electoral Commission and—

**The Hon. MARK BUTTIGIEG:** It is not a matter for the Minister for Local Government? You have no view on fixing the systemic issues? I am going to table—

**Mrs WENDY TUCKERMAN:** As previously discussed, we are looking at and reviewing the system. If there are any changes that need to be made as a result of consultation with the community and with members of Parliament who may make a submission on this matter, we will be making the changes necessary.

**The Hon. MARK BUTTIGIEG:** Minister, I am going to table another suite of documents. They are similar documents in terms of the declaration of Councillor Sarah Richards on Hawkesbury. I will table those now. These are the declarations of Councillor Richards who, again, as my colleague pointed out, declares that she is not a property developer and has no close association. You asked for this to be brought forthwith before, when Mr Shoebridge was questioning. I am now giving you the documentation. The ASIC records will show that that company has a director by the name of Matthew John Bennett, who is the spouse of Sarah Richards. Under the Act, a spouse is a close association.

That company is clearly involved in residential property development, so now this is the third example where we have a false declaration hoodwinking the public into believing there is no conflict of interest, councillors getting elected to council and the system patently failing. Again, Minister, isn't it easier and simpler if we just ban it at the source? In other words, if you are a developer, a close associate or a real estate agent, you cannot run for council. This reactive approach to declarations and relying on people doing the right thing with no punitive action is clearly not working. What we need to do is cut it off at the source, don't we?

**Mrs WENDY TUCKERMAN:** As previously stated, this is a matter for the Electoral Commissioner. The Electoral Commissioner reports to the Premier and, in due course, as we do our review, any issues that are brought forward under the consultation as part of that review will be considered.

**The Hon. MARK BUTTIGIEG:** Minister, I ask you about another case study on Newcastle city council, Councillor John Church. Do you think it would be appropriate for a councillor to be utilising the same ratepayer-funded phone number for both council business and their private business as a real estate agent?

**Mrs WENDY TUCKERMAN:** I am not commenting on individual matters. I am not aware of what you are raising but—

**The Hon. MARK BUTTIGIEG:** This goes to the heart of what we are talking about, doesn't it? One of the aspects of the bill is to ban real estate agents as well as property developers. We have a councillor who was a real estate agent and was using a council-paid mobile phone number on his real estate agent corflutes in the lead-up to an election. On top of that, he had been hosting events for property developers that conveniently coincided with those developers presenting to the elected council. He then votes on DAs relevant to the developer and against the advice of council experts in a way that benefits property developers. I just want to get your view on whether or not you think this is a systemic issue which needs to be addressed or not.

**Mrs WENDY TUCKERMAN:** Mr Buttigieg, that is assuming that your view is correct. I do not know whether what you are saying is actually the truth. I am not going to speculate on individual matters.

**The Hon. MARK BUTTIGIEG:** I can provide you with all of the evidence, Minister. I can table it. On the basis that that is correct—as I said, I have got all of the evidence here. We are not making this stuff up. This is a councillor who is a practising real estate agent using the dual mobile phone paid for by council funds—by ratepayers' money—conducting developer seminars and voting on DAs. The average person would look at this and think, "My god, are we going to deal with this as business as usual?" Why not just ban developers and real estate agents and be done with it?

People are incredulous about this, Minister. I was hopeful that as a new Minister you might actually support this bill or introduce your own bill that bans developers and real estate agents. You are not even considering that because of those issues, which we have raised before and which we have already discussed are invalid.

**Mrs WENDY TUCKERMAN:** Obviously, those issues around mobile phone use is a matter for council. It is a matter for council to determine how they use those mobile phones that are supplied by council. I am not prepared to speculate on matters that you are suggesting have occurred.

**MELANIE HAWYES:** I would add, if you have evidence of potential misconduct, please do table it and we will look into that.

**The Hon. MARK BUTTIGIEG:** Again, Minister, with all due respect, the OLG presumably has some sort of function of oversight. What is its rationale otherwise? You are expecting members of Parliament to go

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around spending their days being vigilant and trawling through councillors' returns and ASIC records to do the job that the Government should be doing to safeguard the integrity of the electoral system.

**The Hon. TAYLOR MARTIN:** Why don't you table that evidence?

**The Hon. MARK BUTTIGIEG:** Is that your evidence?

**The Hon. TAYLOR MARTIN:** The evidence I have is that John Church does not have a council-funded phone and you have just come in here and sledged people.

**The CHAIR:** Order! Mr Martin, if you have got a point of order—Mr Buttigieg is asking questions of the Minister. I am sure he will get to a question soon.

**The Hon. MARK BUTTIGIEG:** I will leave it there, Minister. But I think the point is that the current system clearly is dysfunctional; it is not working. You are saying that it can be fixed up internally with a few tweaks here and there. That is your position.

**Mrs WENDY TUCKERMAN:** That is your opinion, Mr Buttigieg. It is not mine. I will consider things that come to me in regards to the review and through consultation. I would suggest that if there is any evidence of misconduct by any councillor, that matter is reported.

**The Hon. ROSE JACKSON:** I might briefly ask a follow-up question on that. Most of the matters that my colleagues have raised, Mr Buttigieg and Mr Shoebridge, have been publicly reported in the newspaper. Is there any system in which the Office of Local Government has some kind of alert when something is publicly reported in the newspaper that might trigger or automatically triggers an internal note or investigation?

**Mrs WENDY TUCKERMAN:** I will ask the deputy secretary to speak to that.

**MELANIE HAWYES:** Of course, we would look at what is reported in the news. That does not necessarily automatically mean there has been misconduct. There needs to be an appropriate process and all fair due process afforded to the person against whom an allegation is made. We would look at reports. We have relationships with LGNSW, with councillors, and members of the public can also contact us. We have a misconduct framework and people working on misconduct matters. It is distinct from disclosure. If you have evidence of potential misconduct, we will look into this and/or speak with the Electoral Commission about the matters that have been discussed today.

**The Hon. ROSE JACKSON:** I am not necessarily referring to the individual cases that have been raised. They are examples. Hypothetically, a media report that a councillor has misused a mobile phone, has failed a declaration, has done the wrong thing—that appears in the media. Obviously, I accept that is not a fait accompli to guilt, but what is the office's response to that when that happens? If they pick up the newspaper in the morning and they read it, what happens next?

**MELANIE HAWYES:** As you would expect, you look at it and you have a look at how serious it is and ask contacts around the sector whether they are aware of any issues and look into it further, if that is appropriate. At times that might even be about speaking with the person who made the report and/or people mentioned in the report. That would be a normal part of practice, as you would expect.

**The Hon. ROSE JACKSON:** Who makes the decision about whether it is serious or not or whether follow-up action is required or not?

**MELANIE HAWYES:** We have a team that work on investigations. They have a manager. It is escalated—as you would expect, again—to myself, if it is serious. We have a team that works on that.

**The Hon. ROSE JACKSON:** How many current investigations are afoot?

**MELANIE HAWYES:** I undertook to take that on notice when it was raised earlier. My understanding is 13, but I do not want to provide information that is not 100 per cent accurate. In the break I will verify that.

**The Hon. ROSE JACKSON:** Are you able to provide information as to how many reports were received either through the media or members of the public or members of Parliament or anyone where an investigation was decided not to proceed or where they have read it and thought, "No, this is not serious. We will just leave that one"?

**Mr DAVID SHOEBRIDGE:** Con Hindi, for example.

**The Hon. ROSE JACKSON:** How many of those are there?

**MELANIE HAWYES:** I mean, people can ring the OLG at any point in time and there are thousands of calls made that span a range of matters. That is quite a complicated question to answer on the spot. They can

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range from a complaint that somebody does not like someone through to something that is a more serious allegation of misconduct. So that is a little bit of an open-ended question to answer on the spot.

**The Hon. ROSE JACKSON:** But can you see why that is useful information for the public to know? Say, for example, there are 13, but in fact thousands and thousands of complaints have been made. Obviously, that seems like it is not a large number. Whereas if it is a smaller number of serious allegations that have been made then 13 might seem reasonable. It is useful for us to know the scale of the problem of complaints to know whether the number of investigations occurring—

**MELANIE HAWYES:** Yes, I understand. But it goes to the category. What are people complaining about and how is it then triaged into a formal investigation? I understand the question. I am just not able to answer it on the spot.

**The CHAIR:** We will go to the Opposition. The Deputy Chair, Mr Mark Pearson.

**The Hon. MARK PEARSON:** Thank you very much, Minister, and congratulations on your appointment.

**Mrs WENDY TUCKERMAN:** Thank you.

**The Hon. MARK PEARSON:** I would like some clarity. Hopefully Ms Hawyes might be able to give that. If the Electoral Commissioner needs to set up an inquiry into some declarations or conduct which is in question and that inquiry is going on and the person has been elected and they are on council, at what point does the investigation move to your department?

**MELANIE HAWYES:** They are distinct. Being relatively new to the role, I have not yet had an opportunity to meet with the Electoral Commissioner and his team. The misconduct framework is in my remit and that is something under active review and open to the public to make submissions on. Getting into the role further, I will obviously be being briefed by the Electoral Commission on their remit and how the two interact and any opportunities for improvement. If there are allegations of misconduct, they would come into my department—into the OLG.

**The Hon. MARK PEARSON:** So if a person has been elected to the council and there is a complaint of misconduct that is suddenly under investigation and the person is already on the council—they are a councillor—what factors about the inquiry into their conduct trigger them to have to step down and not participate in local council business?

**MELANIE HAWYES:** Me?

**The Hon. MARK PEARSON:** Whoever thinks they might have the answer. Thank you.

**MELANIE HAWYES:** There is not a compulsion to stand aside. It is an integrity matter for the person. Council could insist on that, depending on the nature of the allegation. I do note that with allegations, people are entitled to a fair process. We do not currently have powers to compel someone to stand aside. It may be something that the community wants to put forward in terms of the review of the misconduct framework.

**The Hon. MARK PEARSON:** But can the council compel a councillor to step down during that inquiry?

**MELANIE HAWYES:** Councils are autonomous. They can influence, persuade and make their own decisions. I am not going to comment on how councils go about their business.

**The Hon. MARK PEARSON:** If a councillor is under investigation and they have not stepped down and they have participated, let's say, for a three- to six-month period while the inquiry or investigation is occurring, if they have voted on a development or an issue and it was shown that they did have a conflict or that the allegations were correct and that could have influenced that vote, is there a process where we retrospectively go back and look at that vote again if it is discovered that the councillor was potentially influenced in taking a vote and that vote could have reflected an interest which was not declared?

**MELANIE HAWYES:** There are sanctions and the secretary has the power to compel someone to repay any financial benefits they have gained, if it is determined that they gained them in an unfair manner. The range of sanctions that we have available are under review at the moment. It is an opportunity to think about areas of improvement.

**The Hon. MARK PEARSON:** What about if a development was approved that would not have been approved if the knowledge was there that that councillor should not have voted? Can we go back and vote again?

## CORRECTED

**MELANIE HAWYES:** I think I will take that on notice. It is a process about how councils vote and that is not something that I am probably best qualified to speak on. If I can take it on notice as to what the generic process might be—bearing in mind that councils are autonomous.

**Mr DAVID SHOEBRIDGE:** There are fraud provisions under the planning Act, but I think it is at the level of fraud.

**MELANIE HAWYES:** If there is fraud, that is a criminal offence.

**The Hon. MARK PEARSON:** That clarification would be really appreciated, but particularly to undo a wrong.

**MELANIE HAWYES:** Yes. I note that the local planning panels have carriage of those assessment decisions, not councillors.

**The CHAIR:** We will go to Mr Shoebridge for the rest of the crossbench time.

**Mr DAVID SHOEBRIDGE:** Ms Hawyes, that is the situation for councils in Newcastle, Sydney and Wollongong, but across the rest of the State property developer councillors can go for their life, can they not?

**MELANIE HAWYES:** I would not put it that way, but you are correct that it is metro.

**Mr DAVID SHOEBRIDGE:** Minister, you have been handed now by my colleague four candidate information disclosures from four now elected councillors where there appear to be compelling questions to answer about whether or not they were property developers, in relation to which all of the now councillors have said they are not property developers. You have got those four candidate information sheets, Minister?

**Mrs WENDY TUCKERMAN:** Yes.

**Mr DAVID SHOEBRIDGE:** As I understand it, your position is if there is any problem—if there are any false or untrue claims made in that—it is not your business but the NSW Electoral Commission's business. Is that your position?

**Mrs WENDY TUCKERMAN:** These are a matter for the Electoral Commission, yes, that is correct. If there are any signs of misconduct or false declarations, obviously that is a matter for the Electoral Commission, and any misconduct matters will be a matter for the Office of Local Government.

**Mr DAVID SHOEBRIDGE:** Do you say that on advice? Have you got advice to that effect?

**Mrs WENDY TUCKERMAN:** No, I do not.

**Mr DAVID SHOEBRIDGE:** Why do you say it the Electoral Commission's job?

**Mrs WENDY TUCKERMAN:** Because they are in charge of the declaration.

**Mr DAVID SHOEBRIDGE:** Maybe I will assist by reading onto the record from the current *Candidate handbook*, published by the NSW Electoral Commission, in relation to those sheets. It states:

The candidate information sheet may contain other information, such as date of birth, occupation, qualifications, statements of policy or beliefs and any other relevant information.

The Local Government Act contains provisions which make it an offence to provide false or misleading information. However, neither the Returning Officer nor the NSW Electoral Commission has a role to play in determining whether or not any claims or statements made in a candidate information sheet are factual.

Minister, the NSW Electoral Commission fundamentally disagrees with you, does it not?

**Mrs WENDY TUCKERMAN:** Clearly, if that is the case, I am happy to take that on notice.

**Mr DAVID SHOEBRIDGE:** So we have "not your job, not their job, not anybody's job". It is basically lawless?

**Mrs WENDY TUCKERMAN:** No, that is not correct. If there is an issue around misconduct, it is our job.

**Mr DAVID SHOEBRIDGE:** But that is 180 degrees contrary to what you have been saying for the last 40 minutes. I am happy for the somersault and the backflip and for you to do something, but you cannot say white is black and black is white without acknowledging that there is a problem here.

**MELANIE HAWYES:** That is not the case. The Electoral Commission administers disclosures. If there is evidence that someone has made an incorrect disclosure and it goes to misconduct, that would come to us and there are provisions to investigate and respond to that.

## CORRECTED

**Mr DAVID SHOEBRIDGE:** Ms Hawyes, that is a courageous cover for what has happened. But all of the witnesses here who have had a chance to say have said that any false or misleading statement in the candidate sheet in relation to being a property developer is a matter for the Electoral Commission. I have now put to you in black and white that the Electoral Commission fundamentally disagrees. We are in a situation, Ms Hawyes—you can agree or disagree with this—where it is effectively lawless. They can say whatever they like and get elected however they like with whatever statements; it is not your job, it is not the Electoral Commission's job. We have got a problem, have we not?

**MICHAEL CASSEL:** Mr Shoebridge, I might take that one. I do not agree with the way that has been put forward. We have said if we are made aware that something has been done untoward, we will investigate. We have been made aware today. Documents have been tabled. We need to go through due process on those. We are not saying that the Electoral Commission has to do the investigation. We are saying that when we are made aware of it, we will do the investigation. Thank you for making us aware of it.

**The Hon. ROSE JACKSON:** This is publicly reported.

**MICHAEL CASSEL:** I understand that.

**Mr DAVID SHOEBRIDGE:** Mr Cassel, can you get some understanding of the frustration?

**MICHAEL CASSEL:** Yes, I can.

**Mr DAVID SHOEBRIDGE:** When these matters have been in the paper—they are notorious. The Electoral Commission says they are not investigating, you are not investigating, we get the run-around and, at the end of the day, the public get misled by electing councillors who are falsely declared about not being a property developer. Your office does nothing; no-one does anything. Do you understand the frustration?

**MICHAEL CASSEL:** I understand your frustration, but I just want to clarify one thing there. I think I said thank you for making us aware. I will take on notice whether there is any live investigations into these matters. I did not say we were not investigating. I asked to take it on notice so I could be factual.

**Mr DAVID SHOEBRIDGE:** I bet London to a brick there is no investigation, given the Minister's position and attitude. I bet London to a brick that is not the case. But anyhow, surprise me.

**The CHAIR:** Order! Mr Shoebridge, do you have a question?

**The Hon. CATHERINE CUSACK:** I think it has been taken on notice.

**Mr DAVID SHOEBRIDGE:** Minister, it is awful what is happening at the moment up in Lismore and Ballina. Those two councils have been smashed. How much financial assistance has your Government given to Lismore City Council and how much has it given to Ballina Shire Council?

**Mrs WENDY TUCKERMAN:** Obviously it is absolutely tragic what is happening. I have been in constant contact with Lismore council and Ballina council and all those councils affected by this disaster—and there are a number. I think we are totalling 45 at the moment. I am happy to ask the chief executive in regards to what funding is specifically given to local government councils to go through that. Rest assured, Mr Shoebridge, we as a government are working very, very hard to ensure that we are providing as much assistance as necessary to the people of those communities, and in particular to the councils.

**ALLY DENCH:** Mr Shoebridge, there have been 45 disaster-declared areas and each of those—there is \$45 million, with \$1 million going out to each of those local government areas. There are \$75,000 grants that are demand driven to assist primary producers who have suffered direct damage from the recent flooding. My heart does go out to those communities up there. It is absolutely devastating what has happened. The New South Wales Government estimates this will initially be \$111.5 million. There are also \$50,000 grants to assist small business and not-for-profit organisations that have suffered direct damage from the event, and we estimate this to be initially \$89.7 million.

Some \$210 million is to assist affected communities with the clean-up and removal of flood and storm-related damage, debris and green waste. This is to enable local government areas to work with Resilience NSW and New South Wales government agencies to coordinate clean-up activities. There has also been \$6.5 million to provide community recovery officers to support communities impacted by the event. Further additional support measures under the Disaster Recovery Funding Arrangements categories A and B are also being activated.

**Mr DAVID SHOEBRIDGE:** Minister, I was asking how much has been provided to Lismore council. Having gone through that list, they, like 44 other councils, get \$1 million. That is the only direct funding to Lismore council so far?

## CORRECTED

**Mrs WENDY TUCKERMAN:** No, that is not correct. There are obviously different areas and portfolios when you are talking roads, rubbish, waste and Commonwealth support. There is a—

**Mr DAVID SHOEBRIDGE:** Minister, please tell me, apart from the \$1 million that Lismore got—like 45 other disaster-declared areas—apart from the \$1 million that went to Lismore council, please tell me any additional financial support that your Government has given to Lismore council. You are the Minister responsible. They are suffering dreadfully. What else have you given them?

**MELANIE HAWYES:** I might just add to that answer. Obviously Resilience NSW and others are very active out there. It is very dynamic at the moment. The funding the Minister referred to is funding that has gone. It is the very first tranche. There are other agencies actively administering support and relief right now. A real-life answer of how much exactly has been spent in Lismore is a very dynamic question to ask and answer today.

**Mr DAVID SHOEBRIDGE:** My question is how much has been given to the council? Time after time we see in these dreadful disasters and emergencies that the only authority that is really there with the capacity to deliver is the local council. This local council is suffering appallingly. They are overwhelmed by tasks and needs in their community, and I am asking you how much you have given the council. All you tell me is \$1 million, like 44 other councils. You are the Minister responsible for local government in New South Wales. How much have you given Lismore council, Minister?

**Mrs WENDY TUCKERMAN:** As answer to your questions which highlighted some of the funding, there is also a huge response in regard to recovery. There are evacuation centres—recovery centres—being coordinated and are up and running up there that are providing assistance to local councils. The additional funding is to assist local councils, so it is not coming out of any general fund. We are providing as much support as we can. I am continuing, as part of the crisis cabinet, to ensure that councils are not forgotten, that they are receiving as much funding to assist in that clean-up and recovery, and I will continue to. Obviously, with my experience on council, I understand the importance to ensure that those councils are adequately funded to be able to support their communities through this crisis.

**Mr DAVID SHOEBRIDGE:** Minister, they are words, not funds, not support.

**Mrs WENDY TUCKERMAN:** Obviously—

**Mr DAVID SHOEBRIDGE:** No, let me finish my question. Minister, they are words, not funds, not support. Apart from the \$1 million that Lismore council, like 45 other councils, has received as being part of a disaster declared area, what other financial support have you provided to Lismore council so it can do its job and help its residents recover from this disaster?

**Mrs WENDY TUCKERMAN:** As discussed before—

**Mr DAVID SHOEBRIDGE:** For the council.

**Mrs WENDY TUCKERMAN:** —the recovery is being led by the Minister for Emergency Services, capably supported by Commissioner Fitzsimmons in regard to what is needed. There are constant assessments being made in regard to what funding is needed to assist in that recovery. It is an ongoing crisis that is being managed by the Premier and the crisis cabinet. All Ministers have been touched in some way in their portfolio and all Ministers are working around the clock to ensure that those adequate funds and provisions are made to assist councils. I cannot put a dollar figure on it because it is an evolving situation and it constantly is. Mr Shoebridge, if you want to make an issue out of this, I think you are doing a certain disjustice to the communities up there. We are very aware of the impact that this has had across the State and we are working extremely hard to ensure that we are supporting those communities.

**Mr DAVID SHOEBRIDGE:** Minister, the first formal State Government office opened in Lismore just yesterday, days and days and days after this disaster struck the town. Today you can only identify \$1 million that has gone to the council, despite the extraordinary demands that have been on that council at the moment. I am not really interested in your adjectives; I am interested in why you have not given Lismore council more than \$1 million, and I am giving you the opportunity to explain that.

**Mrs WENDY TUCKERMAN:** I am just saying to you, Mr Shoebridge, that that \$1 million has been identified for the councils. But there is so much other support being given to the communities and to the council in regard to the recovery.

**Mr DAVID SHOEBRIDGE:** Tell me the other financial support given to the council, Minister.

**Mrs WENDY TUCKERMAN:** I cannot put a dollar figure on it, but I am happy to take that on notice so that you are aware of each dollar that has been spent.

## CORRECTED

**Mr DAVID SHOEBRIDGE:** Minister, none of the programs that you outlined were funding going to the council, unless they may make a grant application at some point in the future.

**The Hon. CATHERINE CUSACK:** Point of order—

**Mr DAVID SHOEBRIDGE:** They do not need a grant application; they need money now.

**The CHAIR:** Order! Mr Shoebridge, the Hon. Catherine Cusack has taken a point of order.

**The Hon. CATHERINE CUSACK:** I apologise for interrupting the member and I am not seeking to be political in any way when I say this, but I have been in that region for a week and the councils are crippled—

**Mr DAVID SHOEBRIDGE:** Correct.

**The Hon. CATHERINE CUSACK:** —and they cannot provide service. I just want to—

**Mr DAVID SHOEBRIDGE:** But, Catherine, I agree with you that the councils are crippled. This is not a point of order.

**The CHAIR:** Order!

**The Hon. TAYLOR MARTIN:** David. Let us just hear it, David.

**The CHAIR:** The Hon. Catherine Cusack is taking a point of order and will speak to it through the Chair. It is a very emotional situation. You need to speak through me.

**The Hon. CATHERINE CUSACK:** I understand that. Through you, Madam Chair, their equipment has been destroyed. Their staff have lost their homes. I really would love to continue to hear from the Minister and the department about the service and the boots that have been put on the ground to assist those communities. I just want to clarify that it is not about the money in the bank. The phase that we are in is the service.

**The CHAIR:** It is not quite a point of order. I remind members there will be time for Government questions at the end, if they would like the Minister to put that on the record because, yes, I agree. Mr Shoebridge, if you could continue.

**Mr DAVID SHOEBRIDGE:** I appreciate the interjection and I agree with it. Minister, you have heard from the Hon. Catherine Cusack, who has been up there, and I am sure we have all spoken to friends and colleagues who say the same thing. The council has been knocked sideways. Machinery has been destroyed. Housing for its staff has been destroyed. Its need is so much greater than the \$1 million you have given to the council. Have you picked up the phone and spoken to the mayor and said, "How much do you need? When can I get it to you? How much financial support can I get you?" Have you had that conversation and what did he say?

**Mrs WENDY TUCKERMAN:** Absolutely. I have spoken to many mayors in the same situation. Obviously, it is a process that needs to be assessed and taken through Cabinet and a bid made through the ERC in regard to any extra funding that is needed. We will continue to monitor what is needed, and every Minister responsible for any aspect that supports councils, whether it is roads—we will continue to support them in the best way we can, and that will include additional finance.

**The CHAIR:** We will break for morning tea.

**(Short adjournment)**

**The CHAIR:** We will continue questioning from the Opposition.

**The Hon. ROSE JACKSON:** I am going to try to touch on a few issues in the time I have. I might just start where my colleague Mr Shoebridge left off just in relation to some of the consequences of the floods. Specifically, I want to ask about what options are available to expedite or fast-track DAs on rebuild because pretty quickly, hopefully, we are going to get out of the immediate recovery phase and people are going to want to try to get back into their homes. That is often going to require approval for rebuild or partial rebuild. As I am sure you know, Minister, from your experience in local government, it can take a while. What can you say to people who are anxious that they are going to need council approval to rebuild their property or part of their property and that they may have to wait some time for that?

**Mrs WENDY TUCKERMAN:** Thanks, Ms Jackson. Obviously having lived through the bushfire experience and the Minister for planning at the time ensuring that that very issue was addressed through provisions under the planning Act, I am absolutely certain that we will be doing everything we can to ensure those sorts of provisions are provided to those communities that wish to rebuild and that support will be given. Obviously it is absolutely crucial to the communities to be able to do that. Just like the bushfires, it is a difficult process and a lot of the times people in the community want to take that breather to assess what they are going to do and how they



## CORRECTED

are going to do it. But trust me that that support will be available, and I will certainly be ensuring that the Minister for Planning puts those provisions in place. I am not too sure whether the secretary would also like to add anything further.

**MICHAEL CASSEL:** It is a matter for the Minister for Planning, but I can tell the Committee that discussions on how to assist the councils in those areas have already been undertaken. Prior to the floods, we had just announced \$1 million worth of extra support for regional councils, which these councils predominantly fall into, to assist them with speeding up their approvals or their assessments, I should say, of development applications that were before them—remembering it depends on how badly damaged the homes are, whether they are being fully knocked down. If they are just being refurbished internally, it probably does not put as big a load on council. I think the bigger challenge would probably be the supply chains, with building materials and tradespeople, to be honest.

**The Hon. ROSE JACKSON:** There will be many challenges, I agree. I think, Mr Cassel, you are right that that sort of regional flying squad, or whatever the Minister for Planning announced in relation to assisting local councils with DAs, acknowledged a pre-existing problem. That problem is now going to be massively—

**MICHAEL CASSEL:** Exacerbated.

**The Hon. ROSE JACKSON:** —exacerbated in these areas. Minister, can you give an assurance that if those councils are saying, "We need additional resources because so much of our infrastructure has been smashed," that that will be forthcoming so that people do not have to wait for council to try to get back on track if they are ready to go on rebuilding their homes?

**Mrs WENDY TUCKERMAN:** I will be doing everything in my power to advocate for that exact thing. Obviously, being the Minister for Local Government, that is what my job is—to make sure that I am advocating on their behalf. That is why I am in touch with them every day to offer my assistance and to ensure that that message is loud and clear around the table where the decisions are made. Can I also say obviously the Office of Local Government and councils are one big family, and support from those councils that are not affected is always forthcoming. There is a suitable program that assisted during the bushfires where councils were able to offer skills support in whether it is planning or any other on-the-ground skills that they could provide. They are certainly being able to assist. I thank the Sydney city council for actually suggesting such a program, which was of great support during the bushfires.

**The Hon. ROSE JACKSON:** Some of the rebuild is of infrastructure. I am thinking specifically of telecommunication towers because we know that this has been a major problem on the North Coast, that they are still struggling to get phone and internet access back on the ground. Reconstruction of telecommunication towers where that is required requires approval from the OLG or the Minister. What commitments can you give to expedite those approvals that you are actually responsible for?

**Mrs WENDY TUCKERMAN:** As I said, that is not in my portfolio, but I am happy for the secretary to answer. But rest assured that those things have been identified.

**The Hon. ROSE JACKSON:** My understanding is that approval for telecommunication towers is in your portfolio and does require approval of the Office of Local Government.

**ALLY DENCH:** If I could reply to that, yes, those approvals are and we will be expediting them as quickly as possible. I know that there is some current work being done for mobile towers to assist in the areas as well through Resilience NSW, but certainly the licensing arrangement is through the OLG and not through the Minister, and we will be expediting those as quickly as possible.

**Mrs WENDY TUCKERMAN:** Thank you. I stand corrected.

**The Hon. ROSE JACKSON:** We might come back to some of those issues in a tick. I did just want to move on to the review of animal rehoming practices. My understanding is that that was launched late last year. What is the status of that review?

**Mrs WENDY TUCKERMAN:** The review—I am happy to hand to the chief executive just to update on the status. Obviously I am very keen to ensure that this review is done as quickly as possible. Obviously one of my first jobs was to support the rehoming legislation amendment through the Parliament, which I was extremely pleased to see go through. I am happy now to build on some of those amendments and look forward to the consultation period and clearly the results of the review so we can continue to ensure that we are doing our utmost to ensure that rehoming is taking place. I will pass to the chief executive.

## CORRECTED

**ALLY DENCH:** Thank you, Minister. The animal rehoming review is about to get underway. The review will examine the euthanasia rates in New South Wales pounds and shelters and identify key drivers underpinning the state of play. But, yes, that review is about to get underway—

**The Hon. ROSE JACKSON:** What is the delay then, Ms Dench? It was announced in November last year. It is now March. That is quite a significant period of time between the announcement of the review and its getting underway. It does not seem like it is a particularly high priority.

**ALLY DENCH:** The review is about to get underway. We have engaged—we are about to engage an external consultant to assist us with that particular work, and recommendations will be submitted to Government by October this year.

**The Hon. ROSE JACKSON:** Minister, how does that accord with the comment you just made about this being important to you when this review was announced in November last year and in fact it has not even got underway. It is about to get underway and it is now March. That does not seem like it is of particular importance to Government, if nothing has happened between November and March.

**Mrs WENDY TUCKERMAN:** Well, that is not actually correct. There are things happening in regards to ensuring that the review is underway. The Pet Reference Group obviously will be tasked with that. It is of importance and, clearly, with my support and discussion with our crossbench colleagues in regards to getting the amendment bill passed, it highlights the fact that I do see it as an important priority, and will remain. I am certainly focused on ensuring that we get the review done and underway as quickly as possible.

**The Hon. ROSE JACKSON:** Do you think it is acceptable for council pounds to be located at a tip?

**Mrs WENDY TUCKERMAN:** Well, I am happy to pass that on to—

**The Hon. ROSE JACKSON:** I am asking you. Do you, as the Minister for Local Government, think it is acceptable for councils to locate their pounds at tips—at rubbish tips?

**Mrs WENDY TUCKERMAN:** Well, that is a matter for councils to decide what is appropriate for them.

**The Hon. ROSE JACKSON:** What about next to a sewage plant? Is that acceptable to put homeless animals, homeless dogs, next to a sewage plant?

**Mrs WENDY TUCKERMAN:** As I said, that is a matter for council to determine where they will be putting their pound. Those matters would be best put forward to the council to reply.

**The Hon. ROSE JACKSON:** Do you not think that there may be some need for mandatory minimum standards for the location and upkeep of pounds? Is that not something that might be a role for the Government to deliver, if indeed councils are putting pounds in tips or next to sewage plants?

**Mrs WENDY TUCKERMAN:** Well, I think there are standards already that have been set in legislation in regards to pounds. I think it is important that we ensure that councils are adhering to those standards.

**The Hon. ROSE JACKSON:** But those standards clearly do not involve the location of the pound considering that Wingecarribee shire has their pound at the tip and Dubbo city pound is right next to a sewage plant. You can say on the one hand it is matter for council, but I am asking you, if there are legislated minimum standards, why does that not include not putting homeless dogs or homeless puppies next to a sewage plant or a tip?

**Mrs WENDY TUCKERMAN:** Well, as I suggested, animal welfare is obviously in the hands of the Minister for Agriculture. I would be best to leave those issues for him to determine but, clearly, councils are responsible for their pounds and where they are located, and that is a matter for councils.

**ALLY DENCH:** Also too, if I may, Minister: A full review of standards, guidelines and codes and other supporting material under the existing animal welfare framework is planned to occur after the draft bill is finalised and passed and the supporting regulation is developed and implemented.

**The Hon. ROSE JACKSON:** As Minister, as part of that review, would you be willing to include minimum standards about the location of pounds?

**Mrs WENDY TUCKERMAN:** I am happy to consider anything—any recommendation—that is put forward as part of that review.

**The Hon. ROSE JACKSON:** I might move on, Minister, to the waste levy. What do you understand the purpose of the waste levy to be? That is not something that you are able to answer without a note?

## CORRECTED

**Mrs WENDY TUCKERMAN:** No. Sorry, I will get to it. Obviously the waste levy is there to ensure best practice in regard to what is happening in waste. I am happy to ask the chief executive to further expand on that but, clearly, it is a matter for the Minister in charge of the environment and I am happy to actually defer any issues in regards to the waste levy to the chief executive.

**The Hon. ROSE JACKSON:** No, that is fine. I do not need an explanation of what the waste levy is. I am familiar with what it is. Councils pay it. That is why I am asking you, as the Minister for Local Government. You would be aware, would you not, of the Audit Office report which found that in 2020, of the \$750 million collected from councils, from local government, only one-third of that was actually spent on best practice waste and environmental programs that you articulated the purpose to be. Are you aware of that report?

**Mrs WENDY TUCKERMAN:** I will take that on notice. I have not read the report.

**The Hon. ROSE JACKSON:** Would it concern you to hear that councils are paying hundreds of millions of dollars to the Government as part of the waste levy and only a third of that money is actually being spent on environmental and recycling programs? Does that concern you?

**Mrs WENDY TUCKERMAN:** Obviously, this is a matter for the Minister for Environment and Heritage.

**The Hon. ROSE JACKSON:** It concerns him in relation to the expenditure; he has to answer for that, but you have to answer for the impact this is having on local government.

**Mrs WENDY TUCKERMAN:** Absolutely.

**The Hon. ROSE JACKSON:** They are paying hundreds of millions of dollars. Local Government NSW estimates that 18 per cent of that found its way back to councils.

**Mrs WENDY TUCKERMAN:** And that is a matter for the Minister for Environment and Heritage.

**The Hon. ROSE JACKSON:** Have you raised with him at all the substantial impact this is having?

**Mrs WENDY TUCKERMAN:** I have certainly heard concerns from councils in regard to this and I am happy to continue to advocate on their behalf to the Minister for Environment and Heritage.

**The Hon. MARK BUTTIGIEG:** Minister, the question was, "Have you raised it with the Minister directly?" not whether or not councils have raised it with you.

**The Hon. ROSE JACKSON:** Have you raised it with the Minister?

**Mrs WENDY TUCKERMAN:** I have not had a conversation with the Minister in regards to that expenditure at the moment. Certainly it is something that will be raised with him.

**The Hon. ROSE JACKSON:** As an example, take Newcastle, which has paid a levy to the tune of almost \$200 million over the last few years. That has meant that it is not able to use any of that money to invest in local infrastructure, or waste management, or waste avoidance, or recycling because it has given that money to the Government ostensibly for that purpose, only to find almost none of it is actually being spent. Does that concern you for the City of Newcastle?

**Mrs WENDY TUCKERMAN:** If that is the case, of course it concerns me.

**The Hon. ROSE JACKSON:** And you commit to raising that with the Minister for Environment and Heritage?

**Mrs WENDY TUCKERMAN:** Absolutely. I am happy to advocate to the Minister in regards to those issues.

**The Hon. ROSE JACKSON:** It is just a bit hard, Minister, because when we talk about the disclosure regime, that is for the Electoral Commission; when we talk about dogs being put in tips, that is the Minister for Agriculture; when we talk about councils giving the Government hundreds of millions of dollars and none of it being spent on what it has been collected for, that is the Minister for Environment and Heritage. So are you actually prepared to take responsibility for any of the matters that are impacting Local Government now, whether it is elections, whether it is their animal management strategies, whether it is the waste strategies? Do you take responsibility for any of those issues?

**Mrs WENDY TUCKERMAN:** I have responsibilities in my portfolio. There is no doubt about that, Ms Jackson. I have lived a lot of issues that have been raised with me through local government, not only as a councillor but certainly now as Minister, and I am happy to advocate and support my councils in the best way that I can.

## CORRECTED

**The Hon. ROSE JACKSON:** On the example of Newcastle, I understand they paid \$37 million on the waste levy last year. That is a substantial amount of money, \$37 million.

**Mrs WENDY TUCKERMAN:** Indeed.

**The Hon. ROSE JACKSON:** They got back \$178,000. Would you not accept that that is—this is a big council that has ideas about what it can do about waste avoidance and waste recycling. It has given you \$37 million for that purpose. It has got back \$178,000. Would you accept that that is completely unacceptable?

**Mrs WENDY TUCKERMAN:** I am happy to discuss those matters with Newcastle council and to assist them for advocating how to better spend that money.

**The Hon. ROSE JACKSON:** It is not about how they spend the \$178,000 that they got back; it is about the Government, your Government, that you are a Minister in, actually taking responsibility for the fact that you have taken \$37 million out of their funds for a purpose and then not spent any of that for the purpose for which it was directed. Do you accept that that is an unacceptable—

**Mrs WENDY TUCKERMAN:** I understand the premise of your question. I have told you that I am concerned with what you have raised. I am happy to take it up with the environment Minister.

**The Hon. ROSE JACKSON:** I want to quickly go back to the issue about approval of telecommunication facilities because you have just found out from Ms Dench that in fact the Office of Local Government is responsible for providing authorisation of them. You have said that in relation to—

**Mrs WENDY TUCKERMAN:** For providing licences?

**The Hon. ROSE JACKSON:** Licence authorisation for them. You have said in relation to the North Coast you will be enthusiastic about expediting them, which is obviously good news for them. I am now concerned about residents who live in The Ponds in the north-west growth corridor who have been waiting years for approval for a mobile phone tower in their community. Why has that taken so long?

**Mrs WENDY TUCKERMAN:** It is my understanding that we are waiting on information from council, but I am happy to throw to the chief executive in regards to the progress on that.

**ALLY DENCH:** Yes, for those particular proposals the Office of Local Government was waiting on information from council. There have been some discussions with council and those licences and approval processes have progressed.

**The Hon. ROSE JACKSON:** My understanding is that the former Minister wrote to the council and to local members in December last year indicating that further discussions would be needed and that on two occasions in January this year contact was made with a representative for the Office of Local Government trying to progress that but no response was even received to those emails. Is that acceptable to you, Minister?

**ALLY DENCH:** I can answer that, Ms Jackson. That definitely was not the case. We have responded to the member of Parliament and I have had discussions with the general manager as well. Those issues have been addressed, calls have been returned and issues have been dealt with. We have received the information that we need and those applications have progressed.

**The Hon. ROSE JACKSON:** It is not a particularly good sign for the people on the North Coast, who are obviously anxious to ensure that when they are ready to have their telecommunications towers approved you have given a commitment to expedite it, considering people in The Ponds have been waiting—

**ALLY DENCH:** The issue there, Ms Jackson, was in regards to receiving information back so we could assess the proposals appropriately. That has been resolved and, in future cases, we will certainly be making sure that the appropriate information is received that is needed to assess those issues.

**The Hon. MARK PEARSON:** I have one question before I hand over to my colleague David Shoebridge. I am not sure if you are aware, Minister—because I have had this conversation with the former Minister—but in the review of the greyhound racing legislation there was a requirement that a greyhound must have all-of-life tracking if it enters into the greyhound industry. Then legislation was changed pertaining to that greyhound regulation where, if a greyhound was given or sold to a person who is not involved in the greyhound industry, then it is covered legislatively under the Companion Animals Act.

My question to the former Minister and my question now is about the concern of the all-of-life tracking. Has there been an amendment to the Companion Animals Act, which requires a person who adopts or has a greyhound to continue the all-of-life tracking, so that at any point in time we know where a greyhound is that has come into and out of the industry, and that a person cannot just have the greyhound killed, which we are allowed to do with other companion animals? Do you understand my question? Is the continuance of the all-of-life

## CORRECTED

tracking still in place even though the greyhound is no longer captured by the greyhound racing regulation for tracking?

**Mrs WENDY TUCKERMAN:** Obviously I am happy for the CE to provide some information around the greyhound welfare issue and life tracking.

**ALLY DENCH:** There are tools available to continue to monitor retired greyhounds that are rehomed outside the industry. The Greyhound Welfare Integrity Commission has access to the Companion Animals Register, enabling them to include the details of retired greyhounds that are adopted outside the industry to enable the tracking of these animals for the whole of their lives.

**MELANIE HAWYES:** I would also note that some of these questions may be directed to Minister Anderson tomorrow in his portfolio.

**The Hon. MARK PEARSON:** Yes, I will be, but still the trigger here is when a greyhound is with a person who is not involved in the industry, that condition of knowing where the animal has gone. A person could actually go and have the greyhound put down or shoot it through the head, straight after that greyhound has been given to a person who is not in the industry. The protection that was in the regulation is no longer in place for that animal. That is what the question is about.

**Mrs WENDY TUCKERMAN:** I am happy to take that on notice, Mr Pearson.

**The Hon. MARK PEARSON:** That would be great if you could, please. Mr Shoebridge, you have the whole of the time now, unless I see a question coming.

**Mr DAVID SHOEBRIDGE:** I will be wary of an attack. Minister, do you think councils should have enough income to do the job they need to do to service ratepayers and protect their local area?

**Mrs WENDY TUCKERMAN:** Obviously the sustainability of councils is certainly in the forefront of my mind and I think it is extremely important that we have sustainable councils because they are the ones delivering to communities.

**Mr DAVID SHOEBRIDGE:** What do you say to councils who last year had a rate peg from IPART of 2 per cent and had to cope with 3.5 per cent inflation? What do you say to those councils? "Suck it up"?

**Mrs WENDY TUCKERMAN:** Absolutely not, Mr Shoebridge. I would never say that to councils. Obviously hearing that particular issue around the rate peg, I immediately had conversations with the chair of IPART in regards to how they determined that rate peg. My concerns were certainly relayed to her around the methodology used to determine the rate peg. As a result I have asked IPART to review that methodology.

**Mr DAVID SHOEBRIDGE:** Councils went backwards by tens and tens of millions of dollars last year. Do you accept that? With inflation at 3.5 per cent and a rate peg at 2 per cent they went back by 1.5 per cent last year.

**Mrs WENDY TUCKERMAN:** If you are saying that.

**Mr DAVID SHOEBRIDGE:** You are the Minister, so you tell me. Are those numbers right or wrong?

**Mrs WENDY TUCKERMAN:** I do not know because I do not have them in front of me. I am not sure exactly.

**Mr DAVID SHOEBRIDGE:** Does anybody know?

**Mrs WENDY TUCKERMAN:** Obviously different councils are—

**Mr DAVID SHOEBRIDGE:** Does anybody know? This is one of the most critical factors in Local Government. Does anybody know what IPART gave last year and what the inflation was?

**MELANIE HAWYES:** IPART provided a rate peg and the Minister was incredibly proactive in convening discussions with IPART and tasking—

**Mr DAVID SHOEBRIDGE:** No, we will come to that. I am asking if anybody knows what the IPART rate peg was for last year and what the inflation rate was for last year—a critical issue about financial sustainability and core-base data. We have the five most senior people in Local Government here and I am asking for the most basic facts.

**The Hon. TAYLOR MARTIN:** You are getting an answer and you are interrupting.

**MELANIE HAWYES:** I was in the middle of an answer.

**Mr DAVID SHOEBRIDGE:** Does anybody know those two figures?

## CORRECTED

**MICHAEL CASSEL:** Yes, Mr Shoebridge. You are right, inflation was higher than the rate peg.

**Mr DAVID SHOEBRIDGE:** By what?

**MICHAEL CASSEL:** The rate peg varied because some people got variations. But, based on your figures, 1.5 per cent.

**Mr DAVID SHOEBRIDGE:** The rate peg does not vary; the rate peg is set across and then councils can get special variations.

**MICHAEL CASSEL:** Yes, and some did, is my understanding.

**Mr DAVID SHOEBRIDGE:** Do you know how much councils went backwards collectively last financial year?

**MICHAEL CASSEL:** The collective number? No.

**Mr DAVID SHOEBRIDGE:** Can you take it on notice and provide to us what the gap was?

**MICHAEL CASSEL:** I can.

**Mr DAVID SHOEBRIDGE:** Minister, do you know what the situation is going forward for the next financial year? Do you know what inflation has been forecast by the Reserve Bank for next financial year?

**Mrs WENDY TUCKERMAN:** Mr Shoebridge, I understand what you are trying to achieve. Rest assured that—

**Mr DAVID SHOEBRIDGE:** Just an answer.

**Mrs WENDY TUCKERMAN:** —since coming into this position, I am fully aware of the concerns that councils have raised in regards to the income they receive. I am fully aware of the sustainability issues around local councils. I will be doing all I can to ensure that that is addressed. This is a part of the review that IPART is undertaking. I have not been in the job very long, and I certainly am aware of the issues raised by many councils over many years in regards to the rate peg. I totally understand their issues and concerns. My focus as Minister is to make sure that councils have every opportunity to be sustainable and that they can deliver services and infrastructure to their communities.

**Mr DAVID SHOEBRIDGE:** What is the predicted inflation for the next financial year? What is the Reserve Bank of Australia saying—

**The Hon. TAYLOR MARTIN:** This is not *The Price is Right*. It is 3¼ per cent. Move on.

**The Hon. MARK PEARSON:** If you wish to make a point of order, Mr Martin, do so.

**Mr DAVID SHOEBRIDGE:** —will be the inflation for the next financial year?

**Mrs WENDY TUCKERMAN:** I would have to take that on notice, Mr Shoebridge. I have got a lot of information in my head at the moment. Obviously, taking on the role and getting across every issue, I am doing my best. I will take that on notice.

**Mr DAVID SHOEBRIDGE:** Minister, I am assuming you went and spoke to IPART because you had, I am hoping, concerns about the financial sustainability of the sector?

**Mrs WENDY TUCKERMAN:** Yes, I just said that, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** I assume that, to have an intelligent conversation with IPART, you would have to know the gap between what the IPART rate peg is for the next financial year and what the expected inflation will be for next year. They are the basic fundamentals for that conversation with IPART, aren't they?

**Mrs WENDY TUCKERMAN:** Indeed.

**Mr DAVID SHOEBRIDGE:** So I am asking you what is the gap between the IPART rate peg and the inflation for next year, which you have agreed must have been the fundamentals of your discussion with IPART.

**Mrs WENDY TUCKERMAN:** The IPART rate peg varies between councils because, obviously, they—

**Mr DAVID SHOEBRIDGE:** No, it does not.

**Mrs WENDY TUCKERMAN:** Some councils have received population additions to the rate peg, so there is obviously a lot of variance in that.

## CORRECTED

**Mr DAVID SHOEBRIDGE:** Some councils get things in addition to the rate peg, but the rate peg itself is set across the State. There are variations sometimes for populations and variations sometimes for special applications that are made, but the rate peg that we start with is the same across the State. Do you know that, Minister? What is it for the next financial year?

**Mrs WENDY TUCKERMAN:** It is 0.7 per cent.

**Mr DAVID SHOEBRIDGE:** I am asking you now again, what is the anticipated inflation for next year?

**Mrs WENDY TUCKERMAN:** I do not have that number. I have just told you that I will take that on notice.

**Mr DAVID SHOEBRIDGE:** The Reserve Bank is predicting inflation in the December quarter at 3¼ per cent. The better part of 2 per cent—that is an over 2 per cent gap between the costs that councils will have to pay and the income they are going to get from rate increases. That is unacceptable, isn't it?

**Mrs WENDY TUCKERMAN:** That is a determinant by the IPART. They are obviously an independent body that determines the rate peg. My issue in regards to the review has determined that methodology is there to best support the councils going forward.

**Mr DAVID SHOEBRIDGE:** Minister, you getting a review of the methodology that may have an impact sometime in the middle of 2023 at best is not going to help councils survive the next 18 months, is it?

**Mrs WENDY TUCKERMAN:** It is a damn good start, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** It is not for the next 18 months. It has no impact at all on their finances for the next 18 months. It is not a damn good start at all, Minister. It does not help at all for the next 18 months.

**Mrs WENDY TUCKERMAN:** Obviously, as a government, we are there to support them in any way we can, and we have been supporting them financially.

**Mr DAVID SHOEBRIDGE:** Given how grossly unsustainable that rate peg is, the Government has the capacity, if it chooses, to put forward a legislative increase over and above what IPART delivered. Will you do that in order to stop local councils effectively going insolvent?

**Mrs WENDY TUCKERMAN:** As a part of that review, I have also had conversations with the chair as to what can be done in the here and now. I am waiting for her response in regards to that.

**ALLY DENCH:** If I could, Mr Shoebridge, answer that.

**Mr DAVID SHOEBRIDGE:** Yes, Ms Dench.

**ALLY DENCH:** We have had discussions with IPART. We have also sent out a circular to councils in regards to the here and now in regards to the 0.7 per cent. There is a provision in the guidelines to apply for a special variation. We are working with councils with some guidelines around applying for what they have budgeted for in relation to their long-term financial plans in this coming year to be able to apply for a special variation to match that. IPART is looking at extending their application process, and we are working together with IPART on how we can streamline that so councils can put in a special variation for the here and now this year.

**Mr DAVID SHOEBRIDGE:** Ms Dench, that cannot be the answer, to have the local government sector make 128 special variation applications, with the countless hours of staff time—

**ALLY DENCH:** We are working—

**Mr DAVID SHOEBRIDGE:** No, let me finish. The hundreds of thousands of dollars of resources that councils have to put into a discretionary special variation—that cannot be your answer, can it?

**ALLY DENCH:** We are working closely with IPART to make a streamlined application process for those councils that are in need of between that 0.7 per cent and what they were budgeting for. We are putting in place a streamlined process to assist councils. Guidelines have gone out and a circular has gone out to councils to assist them in that particular process.

**Mr DAVID SHOEBRIDGE:** I ask you to table the circular, if you could, and the guidelines. I know Ms Hawyes had something to add to this. Ms Hawyes, did you have something to add?

**MELANIE HAWYES:** No, the Minister has addressed it, which was a sense of immediately engaging with IPART about the long-term method, an amenity to review that and also opening the door for dialogue about something we can do in the here and now.

## CORRECTED

**Mr DAVID SHOEBRIDGE:** Minister, do you accept that an answer to what will be an inevitable financial crisis in the local government sector in the next financial year—do you accept that it is inadequate to suggest that 128 councils across the State each put in a special rate variation which is at the discretion of IPART? Do you accept that is inadequate?

**Mrs WENDY TUCKERMAN:** No, I do not. I think what IPART has put forward in regards to streamlining the application by councils is acceptable. There will be an opportunity for any consultation in regards to those issues. I am more than happy that the IPART has come to the table to address the concerns that I have raised.

**Mr DAVID SHOEBRIDGE:** What will you do when, inevitably, the Reserve Bank raises its inflation forecast in the next few weeks because of the price inflation impacts of both the war and floods? Will you just give a collective shrug and say that councils will just have to suck that up too?

**The Hon. TAYLOR MARTIN:** What a bizarre hypothetical.

**Mrs WENDY TUCKERMAN:** No. Obviously, as a government, we are supporting councils as much as we can.

**Mr DAVID SHOEBRIDGE:** So what will you do?

**Mrs WENDY TUCKERMAN:** Any financial assistance, whether it be in regards to infrastructure or whether it be in regards to maintenance—there are programs that we are able to assist councils to be able to make sure that they are trying to do what they can. We will continue to do that.

**Mr DAVID SHOEBRIDGE:** Minister, what will you do—you have not answered me—when, inevitably, the Reserve Bank lifts its inflation forecast because of the now extremely predictable price impacts of war and floods? What will you do to those councils that will be driven even further—

**Mrs WENDY TUCKERMAN:** That is the issue in regards to the current methodology that the IPART is using. It is inadequate. I have asked IPART to review that methodology.

**Mr DAVID SHOEBRIDGE:** That will not put a single cent in a single council until, at best, the middle of 2023. We are here in March 2022. Do you accept that is woefully inadequate?

**Mrs WENDY TUCKERMAN:** I understand what you are saying, Mr Shoebridge. I am doing everything in my power to assist councils to be able to be sustainable. This is the first step. Obviously, the issue with IPART addressing the here and now is the next step. I will continue to ensure that councils are supported going forward. Everything in my power, I will do.

**Mr DAVID SHOEBRIDGE:** I think Ms Dench had something to add.

**ALLY DENCH:** I was just going to say, Mr Shoebridge, that we are having productive discussions with IPART so we can make sure local councils have the resources they need to service their communities while ensuring that we minimise the burden placed on our State ratepayers.

**Mr DAVID SHOEBRIDGE:** Ms Dench, you cannot pretend that a chat with IPART is going to fix the fact that 128 councils across the State, after having had their real income slashed last year, are going to have it slashed again by about triple the impact next year. A chat with IPART has not fixed that, has it?

**ALLY DENCH:** It is not the case of a chat, Mr Shoebridge. We are working very closely with IPART to look at methodology. Going forward, we have a process in place for the here and now to try to support councils in that regard with a special variation. We are making that process as streamlined as possible, to enable councils to access the support that they need. We will continue to work—it is not just chats, Mr Shoebridge. We are definitely working with IPART to do as best as we can to ensure that councils are supported whilst ensuring we minimise the burden placed upon our State ratepayers.

**Mr DAVID SHOEBRIDGE:** Minister, would you be troubled that North Sydney Council spent heaven knows how much in ratepayers' funds, including briefing senior counsel Bret Walker, to unsuccessfully try to defeat a complaint in NCAT about the inappropriate release of personal information for a North Sydney councillor?

**Mrs WENDY TUCKERMAN:** Mr Shoebridge, as you are aware, as a Minister I do not have any control over what decisions councils make.

**Mr DAVID SHOEBRIDGE:** Do you think it is a reasonable expenditure of ratepayers' money to brief—

**Mrs WENDY TUCKERMAN:** I am not—



## CORRECTED

**Mr DAVID SHOEBRIDGE:** Let me finish the question and then you will be able to answer it, Minister. Do you think it is a reasonable expenditure of North Sydney ratepayers' money to brief Bret Walker, SC, with heaven knows what additional resources in a proceeding in the NSW Civil and Administrative Tribunal to try to defend the unlawful disclosure of a councillor's personal information via the same general manager of the council who authorised the briefing of Mr Walker? Do you think that is an appropriate use of ratepayers money?

**Mrs WENDY TUCKERMAN:** I am not going to speculate on whether a decision made by council is right or wrong. It is a decision for council.

**Mr DAVID SHOEBRIDGE:** Do you know that there have now been multiple findings of privacy breaches by the council and the general manager of North Sydney Council inappropriately and unlawfully disclosing the personal information of a councillor there? Are you aware of that?

**Mrs WENDY TUCKERMAN:** Mr Shoebidge, again, these matters are matters for council. I am not going to speculate on whether things are right or wrong in regards to the decision they are making.

**Mr DAVID SHOEBRIDGE:** Minister, when does it become a problem for you? It is not a problem when councillors get elected after falsely disclosing they were not property developers, and it is not a problem when ratepayers get whacked with tens of thousands of dollars to brief a senior counsel in an NCAT proceeding in a failed effort to defend breaches of personal information. When does it become a problem for you?

**Mrs WENDY TUCKERMAN:** As I said before, Mr Shoebidge, these are matters for council.

**Mr DAVID SHOEBRIDGE:** So when there is a repeated pattern of appalling behaviour by North Sydney Council, including by their highly paid general manager repeatedly breaching the personal information of a councillor, the pattern of conduct is not a matter for the Office of Local Government. It is just a matter for council. They can abuse ratepayers' funds and abuse their positions of authority and monster their own councillors and it is just a matter for council.

**MELANIE HAWYES:** No. Anyone is able to make a complaint and we will investigate an allegation of misconduct.

**Mr DAVID SHOEBRIDGE:** I am complaining. Consider this a complaint.

**MELANIE HAWYES:** Okay. Considered.

**The Hon. MARK BUTTIGIEG:** Get parliamentarians to do it.

**The Hon. ROSE JACKSON:** At budget estimates.

**The Hon. MARK BUTTIGIEG:** Minister, I just want to take you to the hoary chestnut of mergers and the aftermath thereof, particularly in respect of the Central Coast Council. There was an independent review into the Central Coast Council's financial situation. Can you tell us where that is up to?

**Mrs WENDY TUCKERMAN:** Yes. I have received the review and I am doing my due diligence around the recommendations.

**The Hon. MARK BUTTIGIEG:** What is the time line for something coming out of that? Do we have one?

**Mrs WENDY TUCKERMAN:** Obviously, as I said, I have received the report and I cannot give you a time line at this point as to how long it will take to do my due diligence around the recommendations.

**The Hon. MARK BUTTIGIEG:** Do you think, Minister, that the ratepayers of the Central Coast deserve some answers, given the higher rates, service cuts and massive redundancies they have been facing—a timely answer?

**Mrs WENDY TUCKERMAN:** Absolutely. I will be making sure that I am giving a timely answer with those considerations in place.

**The Hon. MARK BUTTIGIEG:** But you have not been able to give me a time line, so how can it be timely?

**Mrs WENDY TUCKERMAN:** As I said, Mr Buttigieg, I am considering the recommendations.

**The Hon. MARK BUTTIGIEG:** Can I take you to those 2016 forced amalgamations policies? Do you think, in retrospect, as the new Minister, that was a success or a failure?

**Mrs WENDY TUCKERMAN:** I think there are some mergers that have been very successful.

## CORRECTED

**The Hon. MARK BUTTIGIEG:** In terms of a macro analysis of the whole thing, was it generally a success? Obviously there are always going to be individual cases we can point to, but overall?

**Mrs WENDY TUCKERMAN:** As I said, I think in merger policy there have been successes and there have been some councils that have not successfully transitioned, and they have been receiving a lot of support from the Government in regards to that. But I can refer to a number of councils that have actually performed well and truly above expectations.

**The Hon. MARK BUTTIGIEG:** In terms of the shortcomings, are there any processes or decisions regarding the mergers that you would change? I know you have only been relatively newly minted, but you must have started to form a view about this by now, surely. I presume you have had briefings on this and you have got a bit of a perspective on the shortcomings. If so, what are they?

**Mrs WENDY TUCKERMAN:** I think, obviously, each individual council—I think they are all different on how they have performed and how they have managed the merger. I do not think there is one true issue. Obviously, they manage their own performance metrics, their own challenges and their own opportunities. They need to address those as individual councils.

**The Hon. MARK BUTTIGIEG:** Let us just go to one of those metrics. Are you familiar with the metric known as OPR, which is the operating performance ratio?

**Mrs WENDY TUCKERMAN:** Yes.

**The Hon. MARK BUTTIGIEG:** Can you tell us what that measures?

**Mrs WENDY TUCKERMAN:** It measures their operational performance.

**The Hon. MARK BUTTIGIEG:** Yes, but those are a set of words which are relatively meaningless to a person listening in on this. What does it actually mean in a financial sense?

**Mrs WENDY TUCKERMAN:** I am happy to defer to the chief executive in regards to what it exactly means.

**ALLY DENCH:** It is virtually their profit and loss.

**The Hon. MARK BUTTIGIEG:** So would it be fair to say that it is a measure of a surplus or a deficit in an operating income context?

**ALLY DENCH:** Yes.

**The Hon. MARK BUTTIGIEG:** Minister, in 2019-20 the council's operating performance ratio, which we have just defined, ranged from negative 35.3 per cent to positive 28.4 per cent. If you go through those OLG statistics—your department's statistics—they show that eight of the top 20 worst performing councils, in terms of operating performance ratio, were merged councils. Does that concern you that almost half of those top 20 worst performers are merged councils?

**Mrs WENDY TUCKERMAN:** Obviously it does concern me, but I am suggesting to you that each council has their own responsibilities in regards to how they manage the merger. There are obviously issues on how they actually conducted the merge.

**The Hon. MARK BUTTIGIEG:** Sure. But you just said in your earlier evidence that you thought that there were some bright spots and that you did not want to make commentary on the overall success. I am now putting to you that the statistics say that almost half of the 20 worst performers are merged councils, and you are telling me that the OLG does not have an oversight coordination role on how to deal with that and ameliorate it, and it is up to the individual councils to pull themselves out of the mess that was forced upon them. Is that your evidence?

**Mrs WENDY TUCKERMAN:** I am not saying that at all, Mr Buttigieg. You are just putting words into my mouth.

**The Hon. MARK BUTTIGIEG:** You tell me, Minister. This is why we have got you here. You put your interpretation on it.

**Mrs WENDY TUCKERMAN:** What you are saying is not right. We have been supporting and the Office of Local Government have been supporting councils to implement the merger. When you say that there are councils that have not been performing as well as expected, there are individual issues around those performances, which are being addressed by the Office of Local Government. I am happy to ask the chief executive to expand on those issues.

## CORRECTED

**ALLY DENCH:** What we do is focus on all councils, not just merged councils. Which merged councils are—

**The Hon. ROSE JACKSON:** But you forced some councils to merge against their will.

**ALLY DENCH:** We focus on councils. They are individual, self-governing entities. Many merged councils are still reporting to their communities the benefits of the mergers. We continue working with councils to guide how they measure their performance and how, together, we can provide the community and sector with more transparency about that particular performance. The Government is also supporting councils financially and otherwise to be really high-performing entities. There has been, over the last 10 years, significant funding provided to councils to support their financial sustainability and governance delivery of infrastructure.

We certainly are looking at the performance of those councils. We are also measuring performance metrics, looking at the challenges and opportunities. We are also keeping community profiles. The Office of Local Government is also working with councils to improve the transparency of performance through the Your Council NSW website. The website really helps the community to understand the performance of their councils across a vast array of measures. You can immediately see important demographic information, average rates, performance across key financial benchmarks, asset management, staffing levels and—

**The Hon. MARK BUTTIGIEG:** With all due respect, Ms Dench, that is all well and good. But the ability of a ratepayer to jump on a website and trawl through financial statistics is not necessarily going to solve the problem. Can I—

**ALLY DENCH:** It is the first step towards improving transparency. It is the first step.

**The Hon. MARK BUTTIGIEG:** Minister, I imagine you would have heard from several councils since you have had your feet under the chair as the new Minister regarding some of the financial distress of these merged councils. Would that be correct? Have you had any dialogue with those councils?

**Mrs WENDY TUCKERMAN:** Obviously I have had dialogue with a number of councils that have been merged and heard some of the issues they are facing. As a government, we are there to support them to get through those issues and we will continue to do so.

**The Hon. MARK BUTTIGIEG:** Okay, let us go through some of those eight of the top 20. These are the OPRs, right, and these are all 2019-20 statistics: Hilltops, negative 21.4 per cent; Cootamundra Gundagai, negative 19.5 per cent; Central Coast, negative 15.9 per cent; Murray River, negative 14.2 per cent; Snowy Valleys, negative 11.1 per cent; Federation, negative 10.4 per cent; Murrumbidgee, negative 9.1 per cent; and Georges River, negative 8.2 per cent. When you say you have put in place measures to ameliorate that financial stress, can you outline some of those measures with respect to those eight councils?

**Mrs WENDY TUCKERMAN:** Obviously, having just become the Minister, I am aware that there was financial support given to every merged council to assist them in that merger process. Obviously it has been a significant time since that progress began and there have been varying reasons why some councils have not performed or transitioned as liked. Those issues are being addressed by the Office of Local Government. We are supporting councils as best we can. Obviously their own decisions have to be made on how they realise the metrics that they need to, but rest assured that we are supporting them in the best way we can going forward.

**The Hon. MARK BUTTIGIEG:** But what is the tangible manifestation of that support? I am hearing that you are supporting them, but how?

**Mrs WENDY TUCKERMAN:** I am happy to pass over to the Office of Local Government, who will deal directly with councils in regard to the support that they are supplying.

**ALLY DENCH:** Thanks, Minister. I think you are talking about financial performance primarily and the sustainability of councils. The Minister previously outlined a very proactive undertaking in terms of engaging with IPART about the long-term way that the rate peg is set, which is a primary tool to ensure that councils are sustainable. There is a plethora of other grants funding and programs that support councils. With a new leadership team here, we are all very willing and keen to sit down with LGNSW and councils to hear from them what would be the most effective way of supporting them going forward.

**The Hon. ROSE JACKSON:** On those grants, what assurances can you give that we will not see a repeat of \$90 million of a fund intended to support merged councils through these very financial difficulties instead going to a council that in fact was not merged, being Hornsby? What assurances can you give that we will not see a repeat of that program which, I am sure you are aware, has been roundly criticised both by parliamentary inquiries and the Audit Office?

**MELANIE HAWYES:** Is that directed to me, the Minister or—

## CORRECTED

**The Hon. ROSE JACKSON:** Perhaps you want to answer, Minister. What assurances can you give that we will not see a repeat of that?

**Mrs WENDY TUCKERMAN:** Obviously as a result of the Auditor-General's report and the concerns around the guidelines, the Premier has asked the department to review and to look at all funding streams and how they are managed. I am happy to pass to the secretary to give us an update on where that is at.

**The Hon. ROSE JACKSON:** That would be useful. Just before he does that though, Minister, do you accept, having been part of this conversation about some of the financial difficulties that some councils were under, that it was completely unacceptable that \$90 million of a \$250 million fund was given to a council that was not merged? Do you accept that that was completely unacceptable?

**Mrs WENDY TUCKERMAN:** I am happy to accept the report from the Auditor-General in regard to those issues.

**The Hon. ROSE JACKSON:** Mr Cassel, what assurances can you give that the department is taking this seriously, ensuring it does not happen again?

**MICHAEL CASSEL:** Thank you for the question. As you know, that report came out in December 2021 from the Auditor-General. We are reviewing that and looking at how we create greater transparency and guidelines. Most of the feedback from that report was about providing that transparency, open decision-making and making sure the accountabilities for each of the key steps were available. We have also got a two-phase review that has commenced inside the Department of Planning and Environment. The second phase of that commenced in February 2022 and is still ongoing. The commitment I can give is there will be full transparency on how we administer and hand out funds through any grant program.

**The Hon. ROSE JACKSON:** That commitment is applicable from now? Obviously, as you said, there are reviews going on and works in progress. I do not need to remind anyone here there is an election in 12 months. There is obviously concern that in the lead-up to elections is when we see funds being allocated in a way that is not consistent with community expectations. From today, even though it is still under review, can you give a commitment that there will be full transparency and proper process followed in relation to all grants?

**MICHAEL CASSEL:** I can give a commitment that under my leadership we will be transparent in how we administer funds, and we will administer those funds in accordance with the rules of those funds.

**The Hon. MARK BUTTIGIEG:** On that question of the grants as part of the assistance—and the integrity of the grants is obviously an important matter, in how they are handed out—has there been any thought or conversations with Treasury about appropriation of funds to assist those merged councils that are drowning?

**MICHAEL CASSEL:** I have not had any discussions with Treasury on that fact, if that question was for me.

**The Hon. MARK BUTTIGIEG:** Minister?

**Mrs WENDY TUCKERMAN:** No, I have not had that discussion with the Treasurer as yet.

**The Hon. MARK BUTTIGIEG:** Again, another stat for you: All up there are 13 merged councils that recorded negative operating performance ratios in 2019-20. I want to press you on this again, Minister: Do you think, given those statistics, that this policy has been a failure?

**Mrs WENDY TUCKERMAN:** No, because—

**The Hon. MARK BUTTIGIEG:** Was it not meant to save money for councils? If you have got negative operating performance ratios it is actually costing them money.

**Mrs WENDY TUCKERMAN:** In fact, I think there are another 10 that actually have saved money for their communities, Mr Buttigieg. I take on notice your issues around the ones that have not performed. As the new Minister, I will be doing what I can to support them to get on the right track and ensure that they will meet the expectations of their community.

**The Hon. ROSE JACKSON:** Does that include supporting them where there is clear community will to demerge?

**Mrs WENDY TUCKERMAN:** Obviously there is a legislative process in regard to a demerger and that will be followed. Obviously councils have to make a decision on whether they wish to demerge. If they do, they will give me a business case, which I will forward on to the boundaries commission to consider.

**The Hon. ROSE JACKSON:** Just to be clear, that happened in relation to Snowy Valleys. The commission said, "Yes, they should be allowed to demerge," and the former Minister said no. Do you give a

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commitment to actually follow the recommendations of the boundaries commission? It is fine to have that process, but at the end of the day you have got to make a decision. Are you going to follow those recommendations? Is that the commitment you can give today? Or is it a maybe?

**Mrs WENDY TUCKERMAN:** I cannot give that commitment until I see what the recommendations are and I see what the IPART has given me to assess. I will look at each individual matter before me and do my due diligence around it, and we will then make a decision around those recommendations.

**The Hon. ROSE JACKSON:** Lucky for you, Minister, that in relation to Snowy Valleys, all of that work has already been done and the recommendation has been given to allow them to proceed to a demerger, and the former Minister rejected that recommendation after all that work. Will you review that decision? Will you look at all that information again and maybe come to a different conclusion and actually accept it? In response to my question, you said there is a process. That process was followed. It made a recommendation. The recommendation was rejected by the former Minister. Will you accept it?

**Mrs WENDY TUCKERMAN:** The boundaries commission will review the business case put forward by each individual council and that review will be forwarded to me and recommendations will be made, which I will assess. I am not going to speculate on what I will do until I have seen the report and the review that has been given to me.

**The Hon. ROSE JACKSON:** You do not give a commitment.

**Mrs WENDY TUCKERMAN:** I am not going to speculate at all.

**The Hon. ROSE JACKSON:** I am asking you, will you look again at Snowy Valleys?

**Mrs WENDY TUCKERMAN:** Clearly. It is my role to look. There is a process that is in place and clearly—

**The Hon. ROSE JACKSON:** You are going to ask them to go back to step one. They have done all that work. Will you look again?

**Mrs WENDY TUCKERMAN:** There is a process in place. There was a decision made by the former Minister. There is a process in place that will be considered.

**The Hon. MARK BUTTIGIEG:** Minister, you mentioned that councils could put forward a business case if they believed there was a case for a demerger. Has there been any follow-up correspondence or guides to councils as to how they would put in that submission?

**Mrs WENDY TUCKERMAN:** I refer that to the chief executive.

**ALLY DENCH:** No, there has not.

**The Hon. MARK BUTTIGIEG:** How are councils supposed to put in a submission or a business case if they are not sure what the guidelines are, Minister?

**Mrs WENDY TUCKERMAN:** I refer to the chief executive.

**ALLY DENCH:** There are no provisions under the Act in regard to guidelines in regard to demergers at this stage.

**The Hon. MARK BUTTIGIEG:** They have to put their best foot forward and hope for the best.

**ALLY DENCH:** They make a business case proposal and the boundaries commission is the one that reviews it.

**The Hon. MARK BUTTIGIEG:** Minister, can I take you to the IPART report into the mergers for Young and Boorowa with analysis showing that a three-way merger with Harden would improve the operating performance ratio from negative 3.7 per cent in 2014-15 to positive 6.5 per cent by 2019-20. Data provided by the OLG showed Hilltops OPR in 2019-20 was negative 21.4 per cent, the third worst in the State. What do you make of that?

**Mrs WENDY TUCKERMAN:** Clearly the transition has not been as successful as touted, and there are obviously reasons for that. Each individual council, of course, is responsible for that transition, and obviously as the local government Minister, I will be trying to assist those councils. I know that there are councils making decisions to try to correct those concerns and we will continue to support in any way we can.

**Ms ABIGAIL BOYD:** Congratulations on your recent appointment.

**Mrs WENDY TUCKERMAN:** Thank you.

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**Ms ABIGAIL BOYD:** I wanted to ask you a few questions about council pounds and shelters. As you likely know, there has been a lot of focus on this in the past little while, with a bill being passed the week before last—was it last week? It was last week—in relation to the rehoming of animals instead of killing them after the terrible shootings that we saw in Bourke. Can you tell me, are you actively involved in the updating of the code of practice for pounds?

**Mrs WENDY TUCKERMAN:** As a Minister?

**Ms ABIGAIL BOYD:** Yes.

**Mrs WENDY TUCKERMAN:** I will pass that on to the chief executive in regard to what is going on with regard to pounds.

**ALLY DENCH:** That is the Minister for Agriculture.

**Ms ABIGAIL BOYD:** On pounds?

**ALLY DENCH:** Sorry, no. My apologies.

**Ms ABIGAIL BOYD:** That is alright.

**ALLY DENCH:** I am sorry. My apologies. Yes, we are.

**Ms ABIGAIL BOYD:** You are. I am just looking at my phone to look at the transcript of the last estimates. Minister Hancock at the time said that she has a companion animals reference group that was looking actively at it. I want to know whether that is continuing.

**ALLY DENCH:** Yes, it is.

**Ms ABIGAIL BOYD:** Is that working alongside the Minister for Agriculture in updating the—

**ALLY DENCH:** POCTA.

**Ms ABIGAIL BOYD:** Updating POCTA?

**ALLY DENCH:** Yes.

**Ms ABIGAIL BOYD:** When would we be looking then at seeing an exposure draft of that new code of practice for pounds?

**ALLY DENCH:** I need to take that on notice.

**Ms ABIGAIL BOYD:** I understand that being killed in a pound or shelter is still the leading cause of death for companion animals in New South Wales, which is pretty shocking. In addition to the focus on reducing the number of animals being killed in pounds and shelters, there has been an increasing focus on the lack of accountability and transparency of what is happening to animals in those pounds. As a separate matter from the code of practice, will you be regulating or looking to regulate councils more effectively on the information that they provide in relation to what is going on in those pounds?

**Mrs WENDY TUCKERMAN:** Obviously the amendment bill put forward the responsibilities for councils to ensure that records are kept up to date, which is a great outcome. Obviously with the review taking place, we will be continuing to provide better outcomes and I will be looking forward to seeing what the review puts forward as recommendations and we will be working towards ensuring that those better outcomes are achieved.

**Ms ABIGAIL BOYD:** In relation to the Companion Animals Act, for which you are responsible, at the moment companion animals are only cats and dogs, whereas many pounds and shelters are actually taking animals such as birds and other companion animals and pets. Will you be looking at extending out that responsibility under the Companion Animals Act?

**Mrs WENDY TUCKERMAN:** Again, obviously there is a review into that and I am more than happy to take on any further suggestions on what that covers and happy to encourage anyone to make a submission in regard to that review.

**Ms ABIGAIL BOYD:** How are council pounds and animal shelters being supported during the current floods?

**Mrs WENDY TUCKERMAN:** Thank you for that question. Obviously it is extremely concerning, obviously with the disaster and the impact that it is having on animals. DPI, LLS and other partner agencies—Animal Welfare League, RSPCA—are responding jointly to the flood emergency impacting the New South Wales coast. So far we have had 334 requests for assistance; 24 per cent are complete and 76 are in progress. With the

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evacuation centres and the recovery centres, there are a number of centres that are caring for animals that have been displaced and assisting with either their rehoming or finding their owners. It is a significant response. It is tragic what is happening, but we are doing all we can. I know that the Minister for Agriculture, who is responsible for these issues, has been up on the ground and he is doing all he can to ensure that the animal welfare issues are addressed as a priority. Obviously as we go through this disaster, how we can best support and further support those issues will be addressed as we address the disaster.

**Ms ABIGAIL BOYD:** I guess there are two aspects here. There is the immediate response to the floods, but then there is also what is anticipated to be a long-term increasing demand on council pounds as people are displaced, they are not in their permanent homes and they are not able to look after their cats and dogs and birds and mice and everything else.

**The Hon. MARK PEARSON:** Rats.

**Ms ABIGAIL BOYD:** And rats; I love rats. Are there plans to provide greater funding to those council pounds in this time of need?

**Mrs WENDY TUCKERMAN:** Yes. Obviously, in response to that, assessments need to be made on how best as a government we can support councils in that regard. We will continue to make that assessment and put forward any funding bids that are necessary to achieve the outcomes that we need.

**Ms ABIGAIL BOYD:** Are there plans to isolate some funding for the pounds as opposed to generalised council funding, given the state of many of these pounds at the moment and given that we know that it is often a neglected part of council operations?

**Mrs WENDY TUCKERMAN:** Obviously I am in discussions with Minister Saunders in regard to these issues, and we will continue to work through and best support as we can.

**The Hon. MARK PEARSON:** Have any animals in pounds perished during these floods, do we know?

**Mrs WENDY TUCKERMAN:** I am not absolutely certain. That is obviously a question that I can take on notice and ask Minister Saunders of any updates in regard to that. Clearly it is devastating what has happened. We are trying to do all we can to ensure that animal welfare is a priority.

**The Hon. MARK PEARSON:** My understanding is that most have been able to be evacuated, but I am sure will be looking at all these issues relating to evacuation protocols after the review.

**Mrs WENDY TUCKERMAN:** Indeed.

**The CHAIR:** What we will do now is divide the remaining time between the Opposition and the crossbench.

**The Hon. MARK BUTTIGIEG:** Minister, I want to go back to that three-way merger that you—I do not want to put words into your mouth—you admitted was not a great success in terms of the outcomes of OPR. Given those figures and you pushed for this as mayor, do you think it has been a failure?

**Mrs WENDY TUCKERMAN:** No. Again, I repeat myself—I think I have done it twice now—but it is not a failure.

**The Hon. MARK BUTTIGIEG:** I thought in your previous evidence you said that those figures were not great and we need to—

**Mrs WENDY TUCKERMAN:** Clearly there have been issues with individual councils that have not met their metrics. Those issues need to be addressed by those individual councils, and I will do what I can to assist them to be able to maintain financial sustainability.

**The Hon. MARK BUTTIGIEG:** But we are talking about three specific councils that were merged. The metric by which we measure them is the OPR. We have a bad OPR and you are conceding, I think, that that is a given but you will not say that it is problematic; it is a failure.

**Mrs WENDY TUCKERMAN:** I am not saying that it is a failure. If you are referring to Hilltops in particular—

**The Hon. MARK BUTTIGIEG:** Yes, that is what I am referring to.

**Mrs WENDY TUCKERMAN:** Obviously since the administrator finished, which was myself, there was a report tabled as the administrator, and I can tell you now that report showed that things were on track in regard to transitions. Since that happened, I think there have been five, six general managers appointed to that particular council, which obviously is not fantastic, but that is a matter for the individual council in regard to how

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they appoint their general manager. I know that Hilltops council are addressing those issues. Clearly a transition plan was not followed and they are now addressing the issues that were obviously quite particular to how that transition was managed. Each individual council needs to address those issues pertinent to their own responsibilities.

**The Hon. MARK BUTTIGIEG:** Minister, you are in a unique position because you were the mayor of Boorowa and then administrator of Hilltops. Young and Boorowa have been dragged backwards, and now Harden, which was identified as a Fit for the Future council, has been dragged backwards. You are saying it is up to the councils to dig themselves out of this mess. What do you say to the people of Harden, who have probably suffered most out of all this?

**Mrs WENDY TUCKERMAN:** There was an agreement with the three councils that that was the best way to go forward.

**The Hon. MARK BUTTIGIEG:** So Harden agreed to merge, did they?

**Mrs WENDY TUCKERMAN:** Originally they did, and then at the twelfth hour they pulled out and they wanted to merge with Cootamundra-Gundagai.

**The Hon. MARK BUTTIGIEG:** Presumably that decision was based on their final analysis that it was not beneficial?

**Mrs WENDY TUCKERMAN:** I am not sure why they made that decision. That is a matter for them.

**The Hon. MARK BUTTIGIEG:** You were a councillor at the former Boorowa council for just over 12 years, nine of those years as mayor from 2007 to 2018. Then in May 2016, as we have said, you became the administrator of the new Hilltops council, which was a result of the merger of Young, Boorowa and Harden. Did it occur to you at the time that that might be a conflict of interest, being the mayor of one council area and then becoming the administrator of the subsequently forcibly merged three?

**Mrs WENDY TUCKERMAN:** No, I was appointed by the Government to do the role of the administrator.

**The Hon. MARK BUTTIGIEG:** I understand you were appointed by the Government, but if you are a mayor for a particular LGA with particular sectional interests and then presiding over a forcibly merged troika against the wishes of one of those LGAs, did that not occur to you to be a conflict?

**Mrs WENDY TUCKERMAN:** No.

**The Hon. MARK BUTTIGIEG:** Okay.

**The Hon. CATHERINE CUSACK:** What conflict?

**The Hon. MARK BUTTIGIEG:** Did you encounter any resentment from—

**Mrs WENDY TUCKERMAN:** Why would it be a conflict?

**The Hon. MARK BUTTIGIEG:** Simply because you would be advocating—presumably some of your advocacy would be for the old council area that you presided over as mayor.

**Mrs WENDY TUCKERMAN:** Are you questioning my integrity, Mr Buttigieg?

**The Hon. MARK BUTTIGIEG:** No.

**The Hon. TAYLOR MARTIN:** Point of order: It goes to the terms of reference of budget estimates. This has nothing to do with the Minister's role as Minister for Local Government; it actually goes into the history of what the Minister did in a past life, so to speak.

**The Hon. MARK BUTTIGIEG:** Is this a serious point of order?

**The Hon. TAYLOR MARTIN:** Yes, it is.

**The Hon. MARK BUTTIGIEG:** We have the Minister for Local Government, who was the ex-administrator and mayor, and now it has got nothing to do with it?

**The CHAIR:** I will rule on the point of order. Budget estimates is the time and the space for members to ask questions that are reasonably broad within the Minister's work within her history. I will allow the question. That is where the member was going.

**The Hon. MARK BUTTIGIEG:** Minister, to the conflict or the perceived conflict, did you encounter any resentment from the residents or former councillors in Harden and Young following your appointment?



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**Mrs WENDY TUCKERMAN:** Not to my knowledge, no.

**The Hon. MARK BUTTIGIEG:** You did not get any feedback about the fact that you were the administrator for those three councils?

**Mrs WENDY TUCKERMAN:** I am sure there must have been social commentary on Facebook but none directly, no.

**The Hon. MARK BUTTIGIEG:** Okay.

**Mrs WENDY TUCKERMAN:** That I can recall.

**The Hon. MARK BUTTIGIEG:** Okay. You are on the record of opposing a two-way merger between Young and Boorowa but were supportive of a three-way merger between Young, Boorowa and Harden. Can you just outline why that was the case?

**Mrs WENDY TUCKERMAN:** Clearly it was in regard to the fact that three councils had been working together previously. It was obviously a better result to have the three together than the two, and my community did not support having just a merger with Young and Boorowa.

**The Hon. MARK BUTTIGIEG:** In a *Twin Town Times* article on 28 January 2016 it was very clear that the councils and residents of Harden opposed the merger with Young and Boorowa, but you persisted in that advocacy. Was there an overarching reason as to why you would not have gone down the dual merger?

**Mrs WENDY TUCKERMAN:** Obviously there was consultation with the community at Boorowa, and that was the outcome that they wanted. Obviously, as the mayor of Boorowa at the time, that is the outcome that I focused on.

**The Hon. MARK BUTTIGIEG:** There was a comment from the Harden mayor at the time, Horton, "We are fighting for the future of Harden," when referring to his opposition to the merger. That is an obvious piece of feedback from the mayor of that council about the negative impacts. What were your reactions to that?

**Mrs WENDY TUCKERMAN:** That is a matter for the mayor to say that. You will probably have to ask him.

**The Hon. MARK BUTTIGIEG:** Yes. You knew better?

**Mrs WENDY TUCKERMAN:** No. What I am saying to you is that as a mayor you represent your community, and my community suggested that the merger of the three councils was a better outcome than the two.

**The Hon. MARK BUTTIGIEG:** Back to the—

**Mrs WENDY TUCKERMAN:** I am not sure how this is relevant to—

**The Hon. MARK BUTTIGIEG:** It is relevant because we have got a merged council that is not performing well, as I outlined in the OPRs. You are now the Minister for Local Government, so I would have thought it was incumbent on you to do something about a forced merger that was foisted on Harden, to try and fix up the mess that they are in, to be blunt.

**Mrs WENDY TUCKERMAN:** As the Minister for Local Government, we are doing what we can to support each and every council across the State to meet their sustainability milestones and I will continue to do that.

**The Hon. MARK BUTTIGIEG:** But is it not—

**Mrs WENDY TUCKERMAN:** I know that Hilltops Council are working on their financial sustainability as we speak.

**The Hon. MARK BUTTIGIEG:** But isn't this emblematic, Minister, of a number of LGAs which were forcibly merged, whereby one council which is ostensibly financially fit is deemed to have to bail out other councils who were not performing well? This is the core of the problem, isn't it? Would you be prepared to admit that that is an issue?

**Mrs WENDY TUCKERMAN:** I think you have to look at each individual council merger and not as a whole. Obviously, there are different circumstances surrounding the merger process and it is all a matter for those each individual councils.

**The Hon. MARK BUTTIGIEG:** But it is not, is it?

**Mrs WENDY TUCKERMAN:** Well, it is now.

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**The Hon. MARK BUTTIGIEG:** What does it mean to be the Minister for Local Government if you cannot do anything to influence the sector you are the Minister for?

**Mrs WENDY TUCKERMAN:** You are suggesting that I am not doing anything. Well, I—

**The Hon. MARK BUTTIGIEG:** Well, no, but you just said it is a matter for each individual council.

**Mrs WENDY TUCKERMAN:** Well, obviously, they ostensibly are in charge of their financial budgets and how they run the councils. I, as a Minister, have my department and support them in that.

**The Hon. MARK BUTTIGIEG:** Yes, but, Minister, here is the thing: You have got an electorate, the electorate of Harden, the electorate of Boorowa, the electorate of Young—

**Mrs WENDY TUCKERMAN:** It is a local government area.

**The Hon. MARK BUTTIGIEG:** Yes, it is an electorate which elects councillors to represent them.

**Mrs WENDY TUCKERMAN:** Correct.

**The Hon. MARK BUTTIGIEG:** Against their will, by government edict, they are forced together. This causes a negative financial impact, which they had no say over, via that transition of democracy, and you as the local government Minister say, "It is up to them to sort their mess out, which we created." That is your evidence.

**Mrs WENDY TUCKERMAN:** I am saying we are there to support them, to assist them, in making that merger a success and we will continue to do that.

**The Hon. MARK BUTTIGIEG:** Can I ask you, Minister: Was the Premier made aware of this history regarding your administration of those councils before he appointed you to the role?

**Mrs WENDY TUCKERMAN:** I am absolutely certain he was aware of that.

**The Hon. MARK BUTTIGIEG:** Okay. In mid-2017, your time as an administrator of Hilltops Council came to an end. Do you think you left the council in better state than it was in when it was first merged?

**Mrs WENDY TUCKERMAN:** I understand, as a council, a councillor, that it has been challenging—the merger—and for specific reasons there have been challenges, as the council was elected in 2017. There is no doubt that it has been challenging. But I, as the administrator, left the council in a very good state. I had a transition plan in place to ensure that the transition was there for council to operate.

**The Hon. MARK BUTTIGIEG:** Notwithstanding the negative OPR?

**The CHAIR:** Order! That is your last question, Mr Buttigieg.

**The Hon. CATHERINE CUSACK:** Just let her finish.

**The CHAIR:** Are you done?

**Mrs WENDY TUCKERMAN:** Yes.

**The CHAIR:** We will go to questions from the crossbench now. Mr David Shoebridge, you have the rest of the time.

**Mr DAVID SHOEBRIDGE:** Minister, when your predecessor rejected the demerger proposal for Gundagai-Cootamundra—first of all, you recall when the previous Minister rejected the demerger proposal?

**Mrs WENDY TUCKERMAN:** Correct.

**Mr DAVID SHOEBRIDGE:** The Minister then referred a review of the entire amalgamation process to the Boundaries Commission for a review. Can you give me an update on the review?

**Mrs WENDY TUCKERMAN:** I am happy to ask the dep sec to report on that review.

**MELANIE HAWYES:** Yes, happy to, Minister. There was a review previously committed to, as you know, and the Minister recently appointed Dr Juliet Lucy, who is a practising barrister, to conduct the review. We are expecting an initial draft report in mid to late 2022.

**Mr DAVID SHOEBRIDGE:** Sorry. The announcement of the review was in July of 2021.

**MELANIE HAWYES:** Yes.

**Mr DAVID SHOEBRIDGE:** When was Ms Lucy referred the review?

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**MELANIE HAWYES:** The Minister made that decision coming in. I cannot speak to the past. We have been through a Cabinet reshuffle, changes of leadership, and one of the Minister's first actions was to appoint Judith—Juliette Lucy. Sorry.

**The Hon. TAYLOR MARTIN:** Not Judith Lucy.

**MELANIE HAWYES:** Although it would make for a great review!

**Mr DAVID SHOEBRIDGE:** No, no. Not Judith Lucy. I would support a co-team, if that is what you are thinking, Minister—get them both on the job, and I would love to read the report.

**The Hon. TAYLOR MARTIN:** Hilarious.

**Mr DAVID SHOEBRIDGE:** No, but when did you appoint Ms Lucy?

**Mrs WENDY TUCKERMAN:** It was last—

**ALLY DENCH:** Very recently.

**Mrs WENDY TUCKERMAN:** It was very recently.

**MELANIE HAWYES:** Two weeks.

**Mrs WENDY TUCKERMAN:** I cannot give you the exact date, Mr Shoebridge.

**ALLY DENCH:** End of February.

**Mrs WENDY TUCKERMAN:** End of February, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** End of February. Well done, Minister: I am glad to see that happening. Was it all explained to you why the announcement was made in July but nothing has been done for seven months?

**Mrs WENDY TUCKERMAN:** Certainly. I asked the question as to the purpose of the review and I was given the terms of reference in regard to that. I did not get a succinct answer but I am happy to ask the chief executive now why it was being delayed.

**ALLY DENCH:** I only came on board in October last year, Mr Shoebridge, and it was one of the first things I was tasked to look at—getting somebody on board—and definitely with the change in the leadership we have done it as quickly as we possibly can to find an appropriate barrister to assist with that particular review.

**Mr DAVID SHOEBRIDGE:** It cannot seriously have taken five months to find a barrister. They are just down the road. There is a whole bunch of them. They are just over the road. There are 1,700 of them.

**ALLY DENCH:** Mr Shoebridge, there were a couple of false starts with a couple of barristers that we were talking to in relation to the review and we have now found Juliet Lucy, who is quite well versed in this area, and she was engaged in February. The terms of reference were reviewed by the department and it has been put in place.

**Mr DAVID SHOEBRIDGE:** Can you table the terms of reference?

**ALLY DENCH:** Yes, we can. I will certainly take them on notice.

**Mr DAVID SHOEBRIDGE:** If possible, could you table them today?

**ALLY DENCH:** We will get them for you, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** Is there is a time frame on the terms of reference? Is there a reporting date?

**ALLY DENCH:** Yes, there is a time frame.

**Mr DAVID SHOEBRIDGE:** What is the reporting date?

**ALLY DENCH:** It will be July this year.

**Mr DAVID SHOEBRIDGE:** Minister, will you commit to making that report public when you receive it?

**Mrs WENDY TUCKERMAN:** Yes, absolutely.

**Mr DAVID SHOEBRIDGE:** All right. Within how long of receiving it? I say this, Minister: I am not reflecting upon you. You only have just got in the job. But the Minister before the Minister before you was known

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to have an inbox that was an occupational hazard, and sometimes things took three years to find themselves published.

**Mrs WENDY TUCKERMAN:** Well, I can guarantee you it will not take three years.

**Mr DAVID SHOEBRIDGE:** That is cold comfort. Can you commit to publishing it within a month of receiving it—I accept you might have to read it and form a position, but within a month of receiving it?

**Mrs WENDY TUCKERMAN:** Yes. Obviously I will have to do my due diligence but I will make every effort to do it as quickly as possible.

**Mr DAVID SHOEBRIDGE:** And would that be within a month?

**Mrs WENDY TUCKERMAN:** Well, let's hope so, yes.

**Mr DAVID SHOEBRIDGE:** All right. Minister, you would be aware that at the recent election, the local government election, a proposal was passed by a significant majority of residents in the inner west to support the demerger of the Inner West Council?

**Mrs WENDY TUCKERMAN:** Yes.

**Mr DAVID SHOEBRIDGE:** What has the Office of Local Government done to assist the Inner West Council in implementing that resolution?

**Mrs WENDY TUCKERMAN:** So, I have met with the Inner West Council with regards to what they are proposing to do and they are currently working on their business case.

**Mr DAVID SHOEBRIDGE:** Who did you meet with at the Inner West Council?

**Mrs WENDY TUCKERMAN:** I met with the mayor and the general manager.

**Mr DAVID SHOEBRIDGE:** When was that?

**Mrs WENDY TUCKERMAN:** Last week or this week. What day is it today—Wednesday?

**Mr DAVID SHOEBRIDGE:** No, it is not, but that is okay.

**Mrs WENDY TUCKERMAN:** No, it is Tuesday.

**Mr DAVID SHOEBRIDGE:** We are all in that sort of post-COVID-flooding blur. No-one is going to hold you to that.

**Mrs WENDY TUCKERMAN:** It was Tuesday.

**Mr DAVID SHOEBRIDGE:** No-one is going to hold you to that, Minister. We are all in the same blur.

**Mrs WENDY TUCKERMAN:** Sorry. It was last week that I met with them.

**Mr DAVID SHOEBRIDGE:** Okay. Last Tuesday?

**Mrs WENDY TUCKERMAN:** Yes, last Tuesday.

**Mr DAVID SHOEBRIDGE:** We have all made that mistake in the last two years.

**Mrs WENDY TUCKERMAN:** Sorry. There is a lot going on at the moment, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** It is really okay. That is immaterial.

**Mrs WENDY TUCKERMAN:** I am doing my best to get around to each council that has requested a meeting with me. Once they are done, I will be meeting with every council.

**Mr DAVID SHOEBRIDGE:** What did the mayor and general manager indicate about the time frame for the Inner West Council and their process?

**Mrs WENDY TUCKERMAN:** They did not indicate a time frame, just that they were working on that business case.

**Mr DAVID SHOEBRIDGE:** All right. And the intention was to present a business case under those new provisions in the Local Government Act.

**Mrs WENDY TUCKERMAN:** Correct.

**Mr DAVID SHOEBRIDGE:** Did you ask about a time frame?

**Mrs WENDY TUCKERMAN:** I am trying to remember. I do not think I did, no.

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**Mr DAVID SHOEBRIDGE:** If there is a demerger recommendation that you are required to implement, will the State Government commit to some financial assistance to unwind what was obviously a grossly unpopular amalgamation proposal?

**Mrs WENDY TUCKERMAN:** I think that is actually in the legislation now, Mr Shoebridge.

**Mr DAVID SHOEBRIDGE:** So you accept that there is a requirement to fund it?

**ALLY DENCH:** If the Minister accepts the proposal, there is a requirement to fund it.

**Mr DAVID SHOEBRIDGE:** Minister, if the de-amalgamation proposal has been accepted by a majority of residents and is then supported by a business case from the council, would you commit to supporting it?

**Mrs WENDY TUCKERMAN:** I am not going to make any commitment at this stage until I have received the report from the Boundaries Commission.

**Mr DAVID SHOEBRIDGE:** Given that you will not have the review done about the Boundaries Commission until July, how can we be confident that the processes in the Boundaries Commission will do anything better than their previous recommendations, which the previous Minister rejected?

**Mrs WENDY TUCKERMAN:** The Boundaries Commission will continue to operate as is, despite the review being held. I will await the report from the Boundaries Commission and find out what they are recommending, basically.

**Mr DAVID SHOEBRIDGE:** The previous Minister rejected the proposals that came out of the Boundaries Commission. I assume that is in part what led to the review?

**Mrs WENDY TUCKERMAN:** The terms of reference are obviously outlined for the reasons of the review. That will obviously go to support the Boundaries Commission in their review around the business case.

**Mr DAVID SHOEBRIDGE:** Minister, finally, you would know that councils across the State are furious with the Government's proposed changes on developer contributions and strongly oppose the bill that the Government introduced in that regard. You would be aware of that?

**Mrs WENDY TUCKERMAN:** Yes.

**Mr DAVID SHOEBRIDGE:** Is that bill dead, dusted and buried?

**Mrs WENDY TUCKERMAN:** That is a matter for the Minister for Planning. I am happy to defer to the secretary, who is in charge of that department.

**Mr DAVID SHOEBRIDGE:** Secretary, is that bill dead, buried and never to be resurrected or is it going to come back like a zombie at some point?

**MICHAEL CASSEL:** That is a matter for the Minister. What I know at this point is he has extended the consultation to the end of March, I believe, for councils to put submissions through. Then that is a matter for him to consider.

**Mr DAVID SHOEBRIDGE:** Secretary, you know that it is loathed by the entire local government sector, don't you? There is not a single council that would go anywhere near it with a barge pole—or whatever it is you take to fight off zombies.

**MICHAEL CASSEL:** I am not sure what you take to fight off zombies. No, I am not aware that it is rejected by all councils. I am aware that we are open for consultation and we have received feedback from some councils to say they are unhappy with it. I am also aware that, under the previous Minister, there was a commitment made that no council would be worse off. The Minister is right: That is really a question for budget estimates on Friday.

**Mr DAVID SHOEBRIDGE:** Are you aware of a single council that supports the proposal?

**MICHAEL CASSEL:** I have not spoken to all councils.

**Mr DAVID SHOEBRIDGE:** Are you aware of a single council, of those you have spoken to, that supports the proposal? If so, name them.

**MICHAEL CASSEL:** No, I am not aware. I have not gone out and spoken to each of the individual councils. As I said, the consultation period—

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**Mr DAVID SHOEBRIDGE:** No, but you have spoken to councils. I am not asking you about every council. I am asking about the ones you have spoken to. That is a very different answer, and it is a simple question to answer. Has a single council that you have spoken to about this supported the proposal on infrastructure?

**MICHAEL CASSEL:** No.

**The CHAIR:** Do Government members have any questions for the remaining 15 minutes?

**The Hon. TAYLOR MARTIN:** Yes. It is not an extensive list. Minister, congratulations on your appointment. It is certainly a great responsibility. A whole lot of issues have been covered this morning. Is there anything in particular that you would like to revisit?

**Mrs WENDY TUCKERMAN:** I just wanted to particularly raise my concerns on some of the issues that were raised by Mr Buttigieg and Mr Shoebridge in regards to property developers and real estate. I encourage anyone that has any information in regards to those issues, whether there is any suggestion of corruption or of any criminal acts in regards to purporting to sign declarations that are not true, that they certainly make sure that they are making the relevant bodies aware of those matters to ensure that due process is underway.

**Mr DAVID SHOEBRIDGE:** Minister, you cannot tell us who the relevant bodies are.

**The Hon. TAYLOR MARTIN:** It is Government time, David.

**The CHAIR:** Order!

**Mr DAVID SHOEBRIDGE:** Throw it in the air and hope that someone finds it.

**The CHAIR:** Mr Shoebridge, that is out of line and you know it. Let us go back to Mr Martin.

**Mr DAVID SHOEBRIDGE:** Sorry, Cate. I apologise.

**The CHAIR:** That is very cheeky.

**Mrs WENDY TUCKERMAN:** At the end of the day, it needs to be reported as soon as possible, not just waiting for an estimates committee to be able to produce those documents. That is what I am saying. The other thing is that I just want to assure you that, as a government, we are doing our utmost to support the communities that have been devastated by flood. As a government, we are very aware of the challenges facing not only councils but individuals. Every Minister in this Government is working around the clock to identify what the issues are and to support in the best way that we can, whether it is communities, individuals or animals. We are doing what we can day in, day out. The Premier is committed to ensuring that funding is hitting the necessary parts of all communities across this State. There are plenty of areas that are facing trauma, and I just wanted to reassure the community and you here present that we are doing our utmost to ensure that we are serving the community as best we can and supporting them through this terrible disaster.

**The Hon. TAYLOR MARTIN:** Thank you, Minister. I make the same offer to any of the witnesses, if there are any issues that were covered that you would like to touch on.

**MELANIE HAWYES:** Merely to reiterate that we would like to accept any information and that, if there is an allegation of misconduct, to bring that forward as soon as possible.

**The CHAIR:** Thank you, Minister, for appearing. We will come back in the afternoon with the officials. We will see you all at two o'clock.

**(The Minister withdrew.)**

**(Luncheon adjournment)**

**The CHAIR:** Welcome back. We will commence our next round of questioning for the afternoon session. I will start with the Opposition.

**The Hon. ROSE JACKSON:** I will traverse a range of areas and try not to jump around too much but we will see how we go. Is it preferred if I direct questions through you, Mr Cassel?

**MICHAEL CASSEL:** I am fine for you to ask me questions.

**The Hon. ROSE JACKSON:** Just let me know if it needs to go somewhere else. I might start with the local government elections and the issues with iVote. From the department's point of view, or from the view of the Office of Local Government, have you been briefed about what occurred with the crash of iVote in the December elections last year?

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**MELANIE HAWYES:** Yes, I can take that. We are certainly aware of the issues with iVote. Again it is a matter for the Electoral Commissioner and that matter is at hand. But we are aware that there were issues with iVote.

**The Hon. ROSE JACKSON:** Yes, that is right. They are in the Supreme Court. You have been briefed in relation to that by the Electoral Commissioner. Is that correct?

**MELANIE HAWYES:** I am aware that there were issues. I have not had a formal briefing from the Electoral Commissioner, no.

**ALLY DENCH:** Yes, we had a briefing the day after it occurred from the Electoral Commissioner. Yes.

**The Hon. ROSE JACKSON:** As part of that briefing, what were you told was the cause of the issue?

**MELANIE HAWYES:** There was a large traffic amount of people trying to access the platform at one time and it was not stable to be able to take that amount of traffic through.

**The Hon. ROSE JACKSON:** To be clear, in terms of resolving that issue going forward, is that strictly within the remit of the Electoral Commissioner? Is that who is responsible for ensuring that that does not happen again?

**MELANIE HAWYES:** Yes, that is correct. Questions about the iVote system really are a matter for the Department of Premier and Cabinet.

**The Hon. ROSE JACKSON:** To be clear, in the lead-up to the elections, had you been engaging at all with the commissioner in relation to those matters or was that up to them?

**MELANIE HAWYES:** Yes, we had discussions with the commissioner in that regard. We had regular meetings and briefings with the Electoral Commissioner.

**The Hon. ROSE JACKSON:** Presumably you received assurances that everything was in hand?

**MELANIE HAWYES:** Correct, yes. Actually on the day of the election I was in contact with the commissioner frequently because of the COVID issue. We were extremely concerned as to how that was being implemented so, yes, we had regular contact throughout the day as well.

**The Hon. ROSE JACKSON:** Obviously we now have the situation where the Electoral Commission is in the Supreme Court in relation to some of those results. Is the Office of Local Government or the department playing any role in relation to that legal matter?

**MELANIE HAWYES:** No, we are not a party to the proceedings before the Supreme Court.

**The Hon. ROSE JACKSON:** If it is the case that elections need to be re-conducted, who is going to fund the cost of those re-run elections in those areas if that is the eventuality?

**MELANIE HAWYES:** The Electoral Commissioner has identified that the cost will be covered in the funding that he has in the budget.

**The Hon. ROSE JACKSON:** From the Electoral Commission's budget? Yes. Finally, have you sought any reassurances from the Electoral Commissioner or others that people who were unable to vote will not be fined?

**MELANIE HAWYES:** Yes, that is my understanding.

**The Hon. ROSE JACKSON:** In terms of the conduct of the elections overall—obviously the issues with iVote, the matters in relation to COVID procedures, the fact that some councils used the Electoral Commission and a couple of councils used private operators—

**ALLY DENCH:** It was two.

**The Hon. ROSE JACKSON:** —does the Office of Local Government have any process in terms of debriefing, lessons learnt, to facilitate a process where councils share knowledge, share experiences and identify improvements for next time?

**MELANIE HAWYES:** There will be opportunities for that to happen.

**The Hon. ROSE JACKSON:** Is that run by the Electoral Commission or the Office of Local Government?

**MELANIE HAWYES:** The Electoral Commission.

**The Hon. ROSE JACKSON:** Will you play a role promoting that to councils—

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**MELANIE HAWYES:** Yes, we will.

**The Hon. ROSE JACKSON:** —in terms of encouraging participation? Is that something that you would play a role in?

**MELANIE HAWYES:** Definitely. In the Office of Local Government, we have a section of our community engagement managers and council engagement managers, who are quite frequently involved and supporting councils. Those issues are fed back through our engagement managers.

**The Hon. ROSE JACKSON:** I might ask a couple of follow-up questions in relation to the questions I was asking about pounds this morning. The review of the animal rehoming practices will commence imminently, in the near future?

**ALLY DENCH:** Yes, correct.

**The Hon. ROSE JACKSON:** Do you have available any additional information about how that review will be conducted, which stakeholders will be invited to participate and how that stakeholder participation will occur and those sorts of matters?

**ALLY DENCH:** We have a responsible pet ownership group that we are consulting with and also the terms of reference of that have been consulted with that group as well. There will be wide consultation in regards to the study.

**The Hon. ROSE JACKSON:** What was the time frame for completion of that review?

**ALLY DENCH:** By October this year we are aiming for it to be completed.

**The Hon. ROSE JACKSON:** In relation to the amendments that were recently passed in relation to council pounds and euthanising animals—a recent legislative process—other States provide funding to groups other than the RSPCA and the Animal Welfare League to assist with rehoming. Is that something that has been considered in New South Wales?

**ALLY DENCH:** I will need to take that on notice.

**MELANIE HAWYES:** If I could just add to that question. I think this review is an opportunity to hear from the community about their expectations around that. I know that the pet registry funding is cycled back to councils to assist in their management of pounds. The review is an excellent opportunity for people to bring forward ideas and suggestions for improving practice.

**The Hon. ROSE JACKSON:** Are you aware of any funding that has been made available to councils to improve or upgrade pounds? Is that something that has been made available in the past?

**MELANIE HAWYES:** As I mentioned, the pet registry funding cycles back to councils and we can provide the details of the amounts. This review is an excellent opportunity to look at all options to enhance not only the way that pounds are managed but also rehoming practice.

**The Hon. ROSE JACKSON:** You may need to take this element on notice as well. I am also interested in any funding that has been made available for desexing programs. Are you able to provide that now?

**MELANIE HAWYES:** Yes, we will take it on notice.

**The Hon. ROSE JACKSON:** I appreciate the review is occurring but I am obviously interested in what programs are available now to support councils to pursue initiatives other than euthanising the animals.

**MELANIE HAWYES:** We can take that on notice but incentives are in place to encourage pet owners to have their animals desexed. But we will take on notice the question about whether there is specific funding for programs.

**ALLY DENCH:** I could add to that. I can give you some figures in regards to what was received in 2020-21 in regards to the registration fees. In 2020-21 we received \$10,239,970 in companion animal registration fees, of which \$8,191,976, which is 80 per cent of that, was returned to local councils to assist the companion animal management, including maintenance of their pounds. The remaining 20 per cent, which is \$2,047,994, was used by OLG to fund the operation of the pet registry and also to provide online and in-school education opportunities.

**The Hon. ROSE JACKSON:** Thank you, that is useful. I have a couple more questions about what we touched on this morning, the impact of the floods. We had information about \$1 million that has been made available specifically more recently for 45 councils. Has there been any support available to councils for flood mitigation work prior to an emergency situation? For a number of these local government areas, Lismore



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specifically, this is not the first time it has had a major flooding event. In fact, there was one quite recently. I am interested in what support has been made available outside of a natural disaster to help them prepare for this sort of thing.

**MELANIE HAWYES:** I think both Sharon and I can make some comments on this.

**SHARON MOLLOY:** Yes, I can talk a little bit about the Floodplain Management Program, which is primarily under the portfolio of Minister Griffin. I can certainly get you more details on that, but there is roughly between \$10 million and \$11 million per annum given to councils to assist with flood mitigation works, flood planning and flood risk planning.

**The Hon. ROSE JACKSON:** And presumably that is not per council.

**SHARON MOLLOY:** No, it is not; it is statewide.

**The Hon. ROSE JACKSON:** What do councils need to do if they are interested in accessing some of that funding?

**SHARON MOLLOY:** It is an annual grants program. It is probably going to be announced—I will double-check this, but I think it might be sort of mid-year that it is usually announced. Councils apply and we have got regional staff for each of the calls to branches, and my team will assist councils in providing technical advice around those grants. But it is Minister Griffin's portfolio, not Minister Tuckerman's.

**The Hon. ROSE JACKSON:** You may need to take this on notice. In last year's grant round, for example, do you have information about how many councils submitted applications?

**SHARON MOLLOY:** Not with me because, as I said, it is part of Minister Griffin's portfolio. I probably would have had that information with me last Tuesday, but I can certainly—

**The Hon. ROSE JACKSON:** Apologies, it is hard for us because we look at grants programs for local government and we think it is a local government matter. It is not deliberate on our part.

**SHARON MOLLOY:** Yes, that is perfectly fine, and I can certainly get that information for you. Just a correction, thanks to my colleague behind me: The grant round is currently open now and closes on 7 April.

**The Hon. ROSE JACKSON:** That is just this year.

**SHARON MOLLOY:** That is just this year, yes, and there would have been grants announced earlier this year or late last year from the previous year.

**The Hon. ROSE JACKSON:** It would be useful to know what applications were made and also what projects were successful.

**The Hon. CATHERINE CUSACK:** I do not mean to be rude, but can I just suggest that you direct them to the Environment portfolio?

**The Hon. ROSE JACKSON:** Yes. As I just mentioned, it is not a deliberate effort on our part to ask questions for which people are unprepared. But it is challenging when you cannot ask questions at a Local Government estimates about a local government grant program.

**SHARON MOLLOY:** And that is okay, because that is one of my team's responsibilities for Minister Griffin and we are all in the one department together. I am happy, as Ms Cusack said, to redirect that if you want to redirect that to the environment Minister.

**The Hon. ROSE JACKSON:** Yes.

**MICHAEL CASSEL:** I do think it is unfair, without the Minister responsible here, that we delve into his portfolio. We are here for Local Government. I do not want to create any expectations that we will branch into other Ministers' portfolios.

**The CHAIR:** There is no expectation that you need to, just to be clear.

**MICHAEL CASSEL:** I do understand the point.

**The CHAIR:** If you cannot answer a question, you cannot answer a question. You can also take questions on notice, of course, if there is something that you think you can take on notice. But if it is not within your portfolio, just say so.

**The Hon. ROSE JACKSON:** In the Office for Local Government and the silo that we are in today—because we could not possibly go into another silo—what work is being done, if any, to encourage, engage or

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support councils to access programs even if they are funded outside? That could include the promotion of them, assisting them to get their submissions ready or ensuring that they are ticking the right boxes.

**ALLY DENCH:** As I was saying before, our engagement managers are very closely linked to councils; they are engaged with the GMs there. As grant opportunities arise, we do send out circulars and all-council emails. We have an all-council email list to whom we send out opportunities that arise. We raise awareness all the time. We are also in constant contact with Local Government NSW and Local Government Professionals, and we work very closely together to ensure that information is disseminated out to all our councils. I have regular contact with GMs directly, as well, and discussions in different forums that we have and conferences I go to. Definitely, as things arise, we certainly do network; we certainly do liaise and work very closely together to disseminate information.

One thing I am very proud of that the Office of Local Government is doing at the moment is a 12-week webinar series called Hit the Ground Running for our newly elected and returning councillors. Every Saturday for 12 weeks, we are engaging for two hours online with councillors to look at specific issues and raise the profile of OLG. You can connect with us, and we will certainly be helping with dissemination of information and helping to build capacity and capability.

**The Hon. ROSE JACKSON:** For local government areas that are flood prone or fire prone and are looking to do more to shore up their resilience and mitigate potential future impacts, are there any programs that the Office of Local Government runs where they can put their hand up and say "Hey, we're keen to do more for our community to mitigate these potential impacts to which we know we are exposed"? Is there any capacity for them to proactively reach out to government and receive direction and support in that area?

**MELANIE HAWYES:** I think this goes to the role of OLG as a conduit of advocacy and advice to and fro within the rest of government. We have open dialogue with LGNSW, GMs and councils. If we are hearing that there is demand for certain things, we will brief the Minister to have those discussions with her colleagues and vice versa. As Ally described, we put out circulars to inform councils about government decisions.

**The Hon. MARK BUTTIGIEG:** Can I ask a quick follow-up to that? This goes to the earlier subject that was raised this morning about process improvement in the wake of the grants debacle last year. Am I right in saying that this is still largely a reactive program, as opposed to proactive? In the wake of what happened, I would have thought there would be a lens put over who needs what, when and how much based on the need, as my colleague said, particularly in times of crisis like this. Does the OLG not do an analysis on that and say, "These people are suffering proportionally more; let's reach out to them and tell them that there is help on offer"?

**The Hon. CATHERINE CUSACK:** Madam Chair, it has been said many times that the Floodplain Management Program is in the Environment portfolio. Opposition members have tried many times to refer their questions to that portfolio.

**The Hon. ROSE JACKSON:** I am not sure if that was a point of order, but that was a very general question about outreach from the department to areas that are prone to natural disasters.

**The Hon. CATHERINE CUSACK:** Following up in relation to floodplain management. The department does not manage those programs.

**The CHAIR:** The member was asking the question. I have advised witnesses how they can answer questions if it is not within their remit, so I will leave the witnesses to answer the question.

**MELANIE HAWYES:** I think we just did answer it in terms of explaining the role of OLG: listening to what the sector needs and reporting that back across government and vice versa.

**The Hon. MARK BUTTIGIEG:** But I am just trying to understand if I am interpreting it properly. Is it up to the councils to reach out to the OLG, who then provide support, rather than the other way around?

**ALLY DENCH:** No.

**MELANIE HAWYES:** It is two ways.

**ALLY DENCH:** It is two ways. That is what I was saying about our engagement managers. It is a whole team that reaches out, connects with councils and networks—not only our engagement team, but other officers within OLG are also networking all the time. We very closely liaise with Resilience NSW. We closely liaise with other agencies to send out information, to be aware of what is going on and to connect and link.

**The Hon. MARK BUTTIGIEG:** Does anyone do an overall analysis of a needs-based program of grant funding? Does anyone do a desktop analysis of "Okay, this LGA is in greater need because of X, Y or Z"? Does that happen, or is it just kind of haphazard?

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**MELANIE HAWYES:** Not in the way that you just described.

**The Hon. MARK BUTTIGIEG:** That is why I ask the question.

**MELANIE HAWYES:** We have the dialogue with council to understand where they are at.

**Mr DAVID SHOEBRIDGE:** Mr Cassel, have you read the audit report entitled the *Integrity of grant program administration* of February this year?

**MICHAEL CASSEL:** Not from cover to cover. I read the executive summary when we inquired on where we had got up to as far as implementing things.

**Mr DAVID SHOEBRIDGE:** Ms Dench, have you read it?

**ALLY DENCH:** I have read it, yes.

**Mr DAVID SHOEBRIDGE:** Ms Hawyes, have you read it?

**MELANIE HAWYES:** I have read the report and I have read briefings as to where the department's grants improvements are up to. I could not quote it though, if that is where you are going to go.

**ALLY DENCH:** No. I was going to say—

**Mr DAVID SHOEBRIDGE:** What did it say on page 2, line 4? No, I am not going to do that.

**ALLY DENCH:** Thank you.

**Mr DAVID SHOEBRIDGE:** It would have to be one of the strongest critiques of a grants program or, indeed, of public administration that I have seen. Do you agree, Mr Cassel? It is a pretty brutal read for the way in which the Office of Local Government administered \$252 million of public money.

**MICHAEL CASSEL:** I think that it is well documented and has been discussed at length. We have got some improving to do, and I gave a commitment earlier today to make sure we do improve in line with that report.

**Mr DAVID SHOEBRIDGE:** Why did nobody in local government push back when the Premier at the time made the decision about allocating the remaining local council merger funds? The former Premier's words were, "We propose not to compensate councils that were subject to a merger proposal and then sued us." Why did nobody in the Office of Local Government push back and say, "Allocating funds to our sector on that basis is venal, political and wrong."

**MICHAEL CASSEL:** I think, to be honest, in that question, you are asking us to comment on what people may or may not have done. So I cannot give you an answer. The leadership team at this table was not here at that point in time.

**Mr DAVID SHOEBRIDGE:** You are experienced in the public sector, Mr Cassel?

**MICHAEL CASSEL:** I hope so.

**Mr DAVID SHOEBRIDGE:** Have you ever seen a government state in black and white that they would administer grant funding only on the basis of such a proposition like that? I will quote from the then Premier, "We propose not to compensate councils that were subject to a merger proposal and then sued us." Have you ever seen that kind of vindictive political position being the basis for any grant funding by a State government?

**MICHAEL CASSEL:** We administer the grants after the decisions are taken. In regard to that question, I have seen a lot of things written down over my 35-year career and I think that is a very specific statement that you have made.

**Mr DAVID SHOEBRIDGE:** It was the Premier's statement.

**MICHAEL CASSEL:** That you have recited back to us. I will just let that rest at that.

**Mr DAVID SHOEBRIDGE:** Do you think there is sufficient strength in your department to push back if you see such a direction like that being put to your department from the Premier or your Minister?

**MICHAEL CASSEL:** Under my leadership there is the approval to provide frank and fearless advice and push back when we think things are not right. Ultimately, sometimes we are not the final decision-makers and we go about implementing the government of the day's directions.

**Mr DAVID SHOEBRIDGE:** Surely we are not going to return to Mr Hurst's evidence, are we, when he denied—

**MICHAEL CASSEL:** I am not.

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**Mr DAVID SHOEBRIDGE:** —that he was the decision-maker and then the Premier denied they were the decision-maker and we could not find out who was the decision-maker for the Stronger Communities Fund? Are you saying that the Office of Local Government was not the decision-maker?

**MICHAEL CASSEL:** I cannot comment on those components. All I can say to you is that I answered the question you asked me in that the leadership team is empowered to provide frank and fearless advice and push back on decisions that they feel are not appropriate.

**Mr DAVID SHOEBRIDGE:** I am happy for you to take this on notice because none of you were there at the time. Did anybody push back against the Premier at the time when that direction was given?

**MICHAEL CASSEL:** I will take it on notice.

**Mr DAVID SHOEBRIDGE:** Ms Dench, the Auditor-General found that the Office of Local Government did not even keep a record of who made the decision about the allocation of \$252 million. Have you looked at the processes that were in place at that time?

**ALLY DENCH:** I have looked at the processes that are in place at the moment. I welcome the Auditor-General's performance audit into grants administration, and I really support the recommendations that have been made. In August last year, which was before I came on board, I know the department commenced a whole-of-cluster grants management review. The initial outcomes of that review indicate that many of the recommendations in the performance audit are already being implemented.

I am looking at the way in which we do things internally. Since we have made some sound improvements, we are actually using—in October we commenced the use of SmartyGrants, which is an industrial standard grants management software system and also enables a transparent and case-based approach to grant management. Under my leadership and while I am there, I certainly will be keeping an eye upon how they are implemented, how guidelines and criteria are developed and I certainly will be ensuring that the grants management and Government's framework will consider and implement the findings of the Audit Office.

**Mr DAVID SHOEBRIDGE:** Ms Dench, you say that a number of recommendations have already been implemented. As I understand, that is your evidence. Is that right?

**ALLY DENCH:** Yes, correct.

**Mr DAVID SHOEBRIDGE:** Why do we not go through them then. The first recommendation is to "develop a model for grant administration that must be used for all grant programs administered in New South Wales that has the following features"—I will ask you which of them have been implemented under SmartyGrants. The first states:

... is based on ethical principles outlined in the *Government Sector Employee Act (2013)* such as impartiality, equity and transparency.

Are those principles mandatory under your new SmartyGrants system?

**ALLY DENCH:** They certainly will be implemented under that system, yes.

**Mr DAVID SHOEBRIDGE:** No, you said that they have been implemented already. I am not asking about the future; I am testing your evidence about those that have been implemented to date. That sounds to me like that has not been implemented.

**ALLY DENCH:** It has been implemented.

**Mr DAVID SHOEBRIDGE:** Can you tell me where in policy or otherwise that has been implemented as a mandatory provision under your new SmartyGrants proposal?

**ALLY DENCH:** We are looking at the way in which our grants are being administered through the SmartyGrants program, which actually enables a transparent and case-based approach to the grant management system. Transparency is part of that particular system. In any implementation of grants that we are implementing now, that certainly will be in place.

**Mr DAVID SHOEBRIDGE:** You see, Ms Dench, you said "looking at". Your evidence was that they have been implemented.

**ALLY DENCH:** We are implementing them at the moment with any grants that we will be disseminating out.

**Mr DAVID SHOEBRIDGE:** Can you table for me the policy direction, the memorandum and whatever it is that has made that mandatory for grants inside your department?

**ALLY DENCH:** I will take that on notice.

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**Mr DAVID SHOEBRIDGE:** Is there one?

**ALLY DENCH:** I will take that on notice.

**Mr DAVID SHOEBRIDGE:** Mr Cassel, is there one?

**MICHAEL CASSEL:** I believe in July 2022, from a cluster perspective, the whole of DPIE will operate under a governance framework. I understand the Office of Local Government has implemented SmartyGrants. I do not believe there is a policy in place at this point in time for OLG, but I will take that on notice.

**Mr DAVID SHOEBRIDGE:** Working our way through these recommendations, Ms Dench, the next one is for all grants programs to be administered so that it "ensures assessments and decisions can be made against clear eligibility criteria, and limits politically-biased outcomes". Has that been implemented?

**ALLY DENCH:** That will be implemented, definitely.

**Mr DAVID SHOEBRIDGE:** How are you going to avoid politically-biased outcomes?

**ALLY DENCH:** By giving fierce and frank-less advice. Sorry, fierce and frank advice. I would not want you to pull me up on my pronunciation again.

**Mr DAVID SHOEBRIDGE:** It was not pronunciation, but we can go back to that.

**ALLY DENCH:** It was before.

**Mr DAVID SHOEBRIDGE:** They are different words. It was not about pronunciation; they are different words with different meanings, but we do not need to go back there—

**MELANIE HAWYES:** All of OLG's grants programs in the future will be a part of the DPE-consistent approach to the way grants are managed. SmartyGrants is more the software that you use to monitor how grants are working.

**Mr DAVID SHOEBRIDGE:** It sounds to me, and I could be wrong, that that recommendation "Ensures assessments and decisions can be made against clear eligibility criteria, and limits politically biased outcomes" has not been implemented so far. Would we agree with that, Mr Cassel?

**MICHAEL CASSEL:** I would suggest we are talking about two parts and I think that is where possibly we are going backwards and forwards. The administration of the grant is after the grant is awarded. The awarding of the grant is what I think you are getting to. Am I correct in that?

**Mr DAVID SHOEBRIDGE:** No, I am testing Ms Dench's evidence that the recommendations of the Auditor-General have been implemented in part by her office. That is all I am doing and I am going through them one by one. That is all I am doing.

**MICHAEL CASSEL:** Righto. What was your question again?

**Mr DAVID SHOEBRIDGE:** The first one has not been implemented. The second one I am asking you—my understanding of Ms Dench's evidence is that it has not been implemented. You do not have a grants system that ensures assessments and decisions can be made against clear eligibility criteria and that limits politically biased outcomes. That is not yet implemented.

**MICHAEL CASSEL:** In the allocation of grants, no. In the assessments of claims under the grants, I would say the SmartyGrants system does that.

**Mr DAVID SHOEBRIDGE:** So there is a provision in there that, for example, prevents the Minister's advisers from contacting the department about grants while they are under assessment? Does that include it?

**MICHAEL CASSEL:** I do not know how you prevent somebody contacting you, but—

**Mr DAVID SHOEBRIDGE:** You have a direction that it is not lawful while a grant is being assessed.

**MICHAEL CASSEL:** The way that the grant is being assessed follows a clear set of criteria.

**Mr DAVID SHOEBRIDGE:** Is there a prohibition on the Minister directly communicating with the delegated officers who are making decisions? Is there a prohibition on the Minister's staff communicating with delegated officers making decisions to prevent or limit politically biased outcomes? Is any of that implemented?

**MICHAEL CASSEL:** I am not aware of the prohibition but I will take that on notice.

**Mr DAVID SHOEBRIDGE:** It is because there isn't one, Mr Cassel.

**MICHAEL CASSEL:** Okay. Thank you.

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**Mr DAVID SHOEBRIDGE:** It is your department, right?

**MICHAEL CASSEL:** I understand that.

**Mr DAVID SHOEBRIDGE:** And Ms Dench has said that these have been implemented in part. Ms Dench, there is no such prohibition, is there, and there is nothing to limit politically biased outcomes?

**MICHAEL CASSEL:** As I said, I will take that on notice.

**Mr DAVID SHOEBRIDGE:** All right. "Not implemented," I will write down here. "Not implemented." The next recommendation, Ms Dench: You said that these have been implemented in part. What about having measures so that all grants programs ensure accountability for decisions and actions of all those who are involved in the program, including public servants, elected representatives and political staff? Has that been implemented? Does SmartyGrants capture all the communications and all the actions of public servants, elected representatives and political staff in relation to the grants?

**ALLY DENCH:** I will need to take that on notice in regards to the SmartyGrants platform itself. But I do know that that platform provides greater transparency.

**Mr DAVID SHOEBRIDGE:** If not SmartyGrants, does any part of the grants system in your department implement that recommendation?

**ALLY DENCH:** Yes.

**Mr DAVID SHOEBRIDGE:** Which?

**ALLY DENCH:** My performance and program area.

**Mr DAVID SHOEBRIDGE:** Sorry, that ensures accountability for decisions and actions of elected representatives and political staff? Is that what you are telling me?

**MELANIE HAWYES:** I think here the whole of the grants program review that is underway is going to answer a lot of your questions, and we will implement all of the Audit Office recommendations across the department.

**Mr DAVID SHOEBRIDGE:** I am asking these questions because one of the most frustrating outcomes when there is a report like this with a series of recommendations is the statement often made by Ministers and senior officials that, "Oh, by the time they've come out we've already implemented them in part"—and indeed that was your evidence, Ms Dench, which I am testing. I am now asking you whether that been implemented in part or at all. I am asking for some evidence of it and I am giving you a further opportunity to actually back in your assertion. Ms Dench?

**MICHAEL CASSEL:** I might take that question. I think where we have got ourselves to is that the SmartyGrants program has been implemented and that, in part, starts to try to resolve some of these issues. We have not implemented the policy yet, which will not be ready until July 2022. Picking apart the system when we have already explained we have not fully implemented things seems to be leading us back to the same question, which I have said we will take on notice.

**Mr DAVID SHOEBRIDGE:** Ms Dench, do you want to retract your earlier statement that the recommendations have already been partly implemented?

**ALLY DENCH:** We have started to implement, through the SmartyGrants program, principles such as transparency. While I am in this position, with any future grants we will certainly be implementing the outcomes of the Auditor-General's report. We will certainly be looking at the policy once it is implemented in July 2022 and be implementing that throughout the OLG.

**Mr DAVID SHOEBRIDGE:** What, if any, engagement have you had with the Productivity Commission and Treasury on their review of grants?

**MELANIE HAWYES:** I can take that. I was recently interviewed by Mr Achterstraat about the review that he is undertaking. I would note the Audit Office report only came through in February, so Ms Dench is talking to steps the department has taken to improve things without the benefit of the Audit Office's findings. Now we have that, and I have also been interviewed by Mr Achterstraat I think about two weeks ago.

**Mr DAVID SHOEBRIDGE:** Ms Cassel, can you at least give us the comfort that there are mandatory systems in place so that records are kept of who approves grants in the Office of Local Government and, if the Office of Local Government is implementing approvals from an external agency, that records of those are kept? Has there been a memorandum go out since 8 February to state, "This is mandatory. You have to record these things at a minimum and we want to see the records"?

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**MICHAEL CASSEL:** There is legislation in place that requires us to keep records of all those material matters. My response to you is, yes, there is a requirement to keep records. Have I sent a memorandum out since 8 February? No, I have not.

**Mr DAVID SHOEBRIDGE:** Are you referencing the State Records Act 1998?

**MICHAEL CASSEL:** Yes, I am.

**Mr DAVID SHOEBRIDGE:** Mr Cassel, I recommend you read the report in full, not the executive summary. I strongly recommend you read it in full and not the executive summary. The State Records Act would not have fixed what happened in the Office of Local Government. I am surprised, given the nature of the conclusions, that you have not read it because it would prevent those kinds of answers being given to these questions, Mr Cassel.

**MICHAEL CASSEL:** We are required to keep every document that has a material impact or relevance, yes? And we do that.

**Mr DAVID SHOEBRIDGE:** Will you refer these papers, then, to the New South Wales State records to consider whether or not a prosecution is appropriate?

**MICHAEL CASSEL:** I will take that on notice.

**Mr DAVID SHOEBRIDGE:** Is there a clear, written mandatory obligation in the grants administration procedures or manuals or any part of the grants administration framework within your department that expressly says in black and white, "There must be a record of who the decision-maker is and why the decision was reached on a grant"?

**MICHAEL CASSEL:** I will take that on notice.

**Mr DAVID SHOEBRIDGE:** Who has given the time frame for the reform being July 2022 for grants? Where has that time frame come from?

**MICHAEL CASSEL:** That was a commitment given under the previous secretary which I have honoured and will continue to push ahead with.

**Mr DAVID SHOEBRIDGE:** Can I just have one minute?

**The CHAIR:** Yes.

**Mr DAVID SHOEBRIDGE:** Have you consulted with the Productivity Commissioner and Treasury as to how that timetable fits with its grants review?

**MICHAEL CASSEL:** I have a meeting scheduled with the Productivity Commission. No, I have not had a discussion with the Treasury Secretary about that.

**Mr DAVID SHOEBRIDGE:** Have you reviewed the most recent report of the Public Accountability Committee into grants administration and the recommendations put forward?

**MICHAEL CASSEL:** I do not believe so, no.

**Mr DAVID SHOEBRIDGE:** You do not think that might be prudent?

**MICHAEL CASSEL:** There are a lot of reports to get through and, yes, I do think it would be prudent. Can I do it all on your timetable? Probably not.

**Mr DAVID SHOEBRIDGE:** I just want it done before you hand out another \$250 million on a grossly partisan political basis without recording any of the information, Mr Cassel. Do you think you can do it in that time frame?

**MICHAEL CASSEL:** I do not know whether I did do that previously, but, yes.

**The Hon. ROSE JACKSON:** I want to briefly follow-up on some things that Mr Shoebidge talked about. I am specifically interested in asking about discussions that are had, or decisions that are directed that are not in writing, so I am talking about phone calls and face-to-face meetings. To be really clear, what assurances can you give this Committee that if a grants program is being administered, and a phone call is received or a face-to-face conversation occurs and its content is direction, pressure or encouragement from Ministers or their staff to you and your staff that certain projects should be funded and others should not, what process is there to record that? Is there a positive obligation to record that and pass that on to a superior?

**MICHAEL CASSEL:** Without, I guess, trying to dream up those scenarios I would expect everybody in a leadership position within the cluster to act with integrity. If they felt that those discussions were

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inappropriate, and as you have just pointed out they are inappropriate, I would expect them to follow our internal processes and have a discussion with their superior around what action should be taken.

**The Hon. ROSE JACKSON:** To be clear, the internal process in that circumstance—and I appreciate we are talking about a hypothetical, but I hope that the department would have discussed hypothetical arrangements in which they could be put in a difficult position. In fact, if they have not discussed those hypothetical scenarios that is a concern as well. This is not coming out of nowhere; it is coming out of a specific incident that occurred. So in that hypothetical, a phone call is received or a conversation is had. The department's internal procedures are that the departmental official is required to report it to a superior? That has occurred; that is the process?

**MICHAEL CASSEL:** If there is any behaviour that is unethical or illegal then they are to report that activity, yes.

**The Hon. ROSE JACKSON:** Do you consider a conversation such as "The Minister really likes this project and not that project" to be unethical? Is that captured within—

**MICHAEL CASSEL:** I do not want to hypothesise on those types of questions. That can be very misleading.

**The Hon. MARK BUTTIGIEG:** Mr Cassel, can I just ask a quick-fire question because it is pertinent.

**MICHAEL CASSEL:** Hang on, can I finish answering the question?

**The CHAIR:** Allow the witness to finish his answer.

**MICHAEL CASSEL:** I do not want to hypothesise on those types of discussions. There could be a throw-away comment that that project would be great, as opposed to what I think you are implying where we are given a direction to approve something. Two totally different scenarios could be captured under your question. I really do not want to answer hypotheticals. If you believe something has occurred within the leadership team where we have been directed to do something, I am happy to hear about that and look at that.

**The Hon. MARK BUTTIGIEG:** I want to zero in on this hypothetical sort of vacuum that we are allegedly operating within. My understanding was that the \$90 million that went to Hornsby Council just turned up in a bank account after conversations. We are not talking about hypotheticals, are we? We are trying to fix a process which was obviously denuded and needs to be transparent and robust. That is what we are getting at. The other one was Monaro Farming Systems. We are not talking hypotheticals, with all due respect. We are talking about things that happened in the last round.

**MICHAEL CASSEL:** The team sitting here today was not involved in those. They do not know those discussions.

**The Hon. MARK BUTTIGIEG:** No, but you are aware of the process that led to the problems, are you not? Surely.

**MICHAEL CASSEL:** The team sitting here today was not involved in those. We have a rigorous process in place. I have already said today that I fully support and back a full transparent process. I cannot talk about things that I was not involved and which occurred some time ago.

**The Hon. ROSE JACKSON:** Mr Cassel, I actually do not expect you to answer for the decisions that were previously made.

**MICHAEL CASSEL:** Thank you.

**The Hon. ROSE JACKSON:** But I do expect you to answer for future possibilities. They must be phrased in the context of hypotheticals. These are things that have not happened yet, so obviously I cannot ask you about things that might happen in the future. But I can ask you—back to your answer to my question—obviously if a direction is given, "Fund this, not this," I appreciate goes into the process. A suggestion, an implication of "The Minister really like this one" or "So and so raised that would be important". Departmental officials are trying to do their job. They understand "Well, gee, if that is the nudge that I am getting"—how clear have you been with all of the staff who are working on grants that they are not to be following those nudges or encouragements? This is not necessarily about a formal direction. It is about the implication that can come from comments that end up, when you see the final list, with 80 per cent of projects in certain areas and 20 per cent of the projects in others.

**MICHAEL CASSEL:** All I can assure you is, under my leadership I have been very direct with people that we follow the rules. From my personal behaviour, I model that behaviour. If I am in a situation where



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something like that is discussed, I am quite open to say it needs to be assessed in accordance with the rules. Full stop.

**The Hon. ROSE JACKSON:** That is excellent. The follow-on, though, is there are often scenarios where a number of projects tick the boxes and follow the rules. You have a set pot of money and you get far too many applications because you are running a great grants program and people want to be a part of it—happy days. Decisions do have to be made amongst a number of equally eligible projects. It is not necessarily about pulling a swiftie and getting one in that did not qualify—that has happened in the past but I do not expect you to answer for that. It is about saying, "Wow. We have 20 projects here that are all great. They all tick all the boxes. We can only fund 10." The phone call comes in, or the conversation happens, "Gee, the Minister really likes these ones" or "That one looks good, does it not?" or "So and so called me about that one". What assurances can you give the Committee that the department has proper processes in place so that those decisions are not being influenced by the politics of the government of the day and are being made impartially, transparently by officials who just want to spend public money well?

**MICHAEL CASSEL:** All I can really say is, we do have that standard of behaviour and ethical standard. We do follow a process. I am always available to all staff to have a discussion around any of those situations where they believe they may be pressured.

**The Hon. MARK BUTTIGIEG:** Mr Cassel, if I were to—

**MICHAEL CASSEL:** Did you want me to finish?

**The Hon. MARK BUTTIGIEG:** No. If I were a member of the public hearing this, in the aftermath of what happened, I would be thinking it is one thing for the leader of that department to inculcate a culture by talking to staff and saying, "This is what we have got to do," but it is a qualitatively different thing to document a procedure whereby if those sort of things are done in conversations, it needs to be documented so that there is full transparency. Can you see what my colleague is getting at?

**MICHAEL CASSEL:** I can see we developed another hypothetical where all of a sudden we have a large number that pass all the criteria. All of a sudden we need to choose between, say, 10 out of the 20 that are on the table. I can hear the implied assumption that people are going to act dishonestly rather than honestly. I can hear all of that in the question, and what I am saying to you is, under my leadership, I do everything I can to make sure the right decisions are made. I cannot guarantee you that in the future somebody does not act within that realm.

**The Hon. MARK BUTTIGIEG:** Will that include a process whereby the bureaucrat making the decision documents the conversations that were had if they think anything was untoward?

**MICHAEL CASSEL:** Again, I am not beside everybody every day and I cannot make that guarantee. Do I encourage that behaviour? Yes. Do I insist on that type of behaviour? Yes.

**The Hon. MARK BUTTIGIEG:** Again, will you encourage it in a formal policy or process, or will it just be verbal conversations in the office?

**MICHAEL CASSEL:** I want to go back and actually have a look at what our policies are in that regard. This is a very specific thing that you have raised here through a bunch of hypotheticals, all on the basis of something that occurred under previous leadership. I want to go back and have a look, so I will take that on notice.

**The Hon. MARK BUTTIGIEG:** With all due respect, Mr Cassel, you keep trying to reduce the credibility of the questioning by putting up the word "hypotheticals". If something has happened in the past that could potentially happen in the future, then that is a valid question for us to ask, is it not?

**MICHAEL CASSEL:** You have asked the question and I have given you my answer. You do not like my answer, so you keep asking the question in a different way.

**The Hon. MARK BUTTIGIEG:** No, you keep saying it is hypothetical and therefore it is too hard to answer.

**MICHAEL CASSEL:** I do not know how to satisfy you.

**The Hon. ROSE JACKSON:** I appreciate that you have taken it on notice to check the policies, but it would not be unreasonable, Mr Cassel, to have a policy that if a staff member felt as though they were given encouragement or a suggestion was made in relation to how grants might be allocated, then there would be a requirement to make a file note of that. You cannot assure us that happens in every instance because, of course, you are not in every conversation. But it may not be unreasonable for at least the policy to be that in that circumstance it is a requirement to make a written, contemporaneous note of that conversation.

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**MICHAEL CASSEL:** Yes, and if it is not in the policy or it is not clear that people need to follow the rules and document those types of conversations if they come up, then I will move to put it into the policy.

**The Hon. ROSE JACKSON:** Thank you. Central Darling Shire Council is still in administration. It has been in administration since 2014. Is there any update on when it may be able to move back to a democratically elected local government? Is there any update on where the conversations about the issues that they may need to resolve are up to?

**MELANIE HAWYES:** I can provide an overview. You are absolutely right; it is under administration, and there are reasons for that. But over the past five years, certainly, their financial position has improved to a break-even position. That is a great sign of strength in terms of being able to move forward in this particular area. We are currently working with the Central Darling community and intend to consult with them about how to move forward. As I say, there are signs of improvement, and we will be working to look at how to continue that progress.

**The Hon. ROSE JACKSON:** Obviously, it is good news that their financial position has improved. Can you give me a sense of any of the other outstanding issues that they may be required to address before they could take a significant step towards exiting administration?

**MELANIE HAWYES:** I might take that on notice to get you the full range. But, obviously, a key metric is how they are going financially, given how they ended up in administration. Ally, did you want to add anything?

**ALLY DENCH:** Yes, I could add that council has addressed a lot of the financial concerns, including the ability to manage its planned budget. It is now debt-free after paying off the loan, which is fantastic. It has also delivered its draft community and town plans and is seeking feedback at the moment on those. However, the COVID outbreak in the past year has exposed many of the issues that the Central Darling community continues to face on a daily basis as well. Yes, a detailed business case on the potential governance options for Central Darling shire is currently being developed, and there has been consultation with the council's administrator, the general manager and a range of State government agencies.

**The Hon. ROSE JACKSON:** So the next step is the business case. Is there a time frame on that at all?

**ALLY DENCH:** Yes, it is going to be provided to the Government for consideration in mid-2022. Community consultation will also be undertaken once it has been considered, and the costs and benefits and a range of potential options for change have also been considered. We do intend to consult on this plan with the Central Darling communities in the second half of 2022.

**The Hon. ROSE JACKSON:** Is there a time frame for when they may be able to elect a council again? It does not seem as though that will be possible this year.

**MELANIE HAWYES:** We are not going to set that date here. What we are saying is we are working with the council to help lift their performance across a range of areas, but it is really encouraging to see that they have made much progress in such challenging times.

**The Hon. ROSE JACKSON:** It is encouraging. People in that community who have not been able to have elected local representatives for some time and who feel like progress has been made are obviously keen to have some sense of when they may be able to stand for election to represent their communities and have a vote about who represents them at that local level. That is obviously why I am asking if there is any sense of when that might be possible for them again.

**MELANIE HAWYES:** I completely understand that, but we need to keep this progress going to make sure that we are in the best possible place to do that, and I cannot give you a concrete date today.

**ALLY DENCH:** What I can assure you of is that the consultation that we plan to do with the community is going to be driven by a communication strategy to make sure there is a broad and appropriate array of voices being heard throughout that. We certainly will be doing that in the second half of 2022.

**The Hon. ROSE JACKSON:** I suppose it goes without saying, but just to clarify specifically, that will include specific programs to reach out to First Nations groups and Indigenous groups in that shire who may have other barriers.

**ALLY DENCH:** It goes without saying.

**The Hon. ROSE JACKSON:** If you are having a webinar and inviting people, maybe that is not necessarily the best format for some of those groups.

**ALLY DENCH:** Correct.

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**The Hon. ROSE JACKSON:** I know other parts of DPIE have some experience with how that may not work so well.

**ALLY DENCH:** Definitely.

**The Hon. ROSE JACKSON:** Is that something that is really clear in the minds of OLG in relation to that consultation?

**ALLY DENCH:** Yes. The beauty about us now being in the Crown Lands group is we are closely aligned with the Aboriginal strategy and outcomes division of the unit. That is definitely top of mind for the communities out in Central Darling.

**The Hon. ROSE JACKSON:** That is good. What about Balranald Shire Council? Is there any sense of when they might anticipate moving out of administration?

**MELANIE HAWYES:** I need to take that one on notice, if that is okay.

**The Hon. ROSE JACKSON:** Okay.

**The Hon. MARK BUTTIGIEG:** We might just traverse some of the code of conduct issues. In November of last year, 2021, the OLG released a consultation paper on improving the councillor code of conduct. It identified that in the most recent reporting year, which was 2019-20, a total of just two complaints were referred to the OLG for further disciplinary action under the misconduct provisions of the Local Government Act. What is the current backlog of code of conduct matters awaiting assessment and action by the OLG under the misconduct provisions of the Local Government Act? Do you have a list of outstanding issues that have been raised from councils under the Act that are still pending?

**MELANIE HAWYES:** Yes, I have some statistics as to what is on foot and what has been referred in for initial assessment. We have 10 investigations on foot and 20 misconduct referrals have been made, which are going through that initial assessment phase.

**The Hon. MARK BUTTIGIEG:** Sorry, 10 investigations afoot and—

**MELANIE HAWYES:** Twenty referrals in of potential misconduct matters that require assessment and determination.

**The Hon. MARK BUTTIGIEG:** The consultation paper, I think, identifies that the OLG has a team of seven staff working on complaint handling, intervention, general investigations and councillor misconduct.

**MELANIE HAWYES:** There are seven investigators and there is also a manager and, I believe, at least one legal support officer.

**The Hon. MARK BUTTIGIEG:** Would it be unreasonable to suggest that with seven staff and that number of outstanding matters things need to be moved on a bit?

**MELANIE HAWYES:** I do not necessarily agree with that premise. We have a team. Every investigation is different. Some are relatively straightforward and some are more complex. I think that we have just advised you that there are 10 investigations underway and 20 referrals in and that we have a team dedicated to working on that load.

**The Hon. MARK BUTTIGIEG:** This morning we had referred to the lengthy delay in the Doueihi matter, which actually materially affected the public debate and the integrity of the whole process. You may recall that there was another issue with a Newcastle councillor by the name of Allan Robinson in July 2019, where he made a series of highly offensive homophobic and sexist slurs. There were various complaints made, particularly by the United Services Union on 15 August 2019. The matter was also raised directly with the former Minister in Parliament in July 2019, and again in budget estimates. It has now been almost 1,000 days, I think, since this complaint was first lodged. Despite that clear evidence of a very serious breach, to my understanding, there has been no action taken by the OLG. Are you aware of this?

**MELANIE HAWYES:** I am aware that, as the Minister said this morning, we are committed to having a look at the timeliness of investigations. Obviously, it is critical that they are responsive and done in the most effective and efficient way possible, and that needs to be timely. I am also cognisant that some investigations take longer because they are more complicated. There is no one set time frame for an investigation, but overall our timeliness needs to improve. The Minister has had direct conversations about that with myself coming into the role, and I know with Ally previously in the role, to have a look at the way that part of the department is functioning and working.

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**The Hon. MARK BUTTIGIEG:** It is 1,000 days. That is almost three years. I do not want to labour the point, but in my previous life when I was privy to some of these internal investigations from a union official's point of view—at a bigger scale in terms of ICAC and NCAT and things like that, and this is both from the defendant and the complainants perspective—I know that it actually ruins lives the longer it goes on. I really do think that if there is a resourcing issue there then the Minister needs to understand, and if it is an efficiency issue then the Minister needs to understand that. But we cannot just keep coming back each round of budget estimates and asking the same question and getting the same sorts of delays. Do you accept that there is a systemic and endemic problem here?

**MELANIE HAWYES:** My evidence is that the Minister has asked me to have a look at the way that function takes place and its effectiveness. I completely agree with you that all parties are entitled to a fair process in an investigative matter and that it needs to be timely for the very reasons that you have outlined. It is something that has been in conversations with the Minister. She has asked me to pay particular attention to this and to give her advice about what is impacting the timeliness of investigations.

**The Hon. MARK BUTTIGIEG:** Did the Minister express a view that there was a systemic failure or did she just say, "Have a look and let me know if it is okay"?

**MELANIE HAWYES:** The Minister expressed a view that from her experience in council she had experienced this and that she was hearing this feedback from councils and therefore she was taking it incredibly seriously and expected the same from me, and I gave that commitment.

**The Hon. MARK BUTTIGIEG:** I appreciate the frankness of the answer. In terms of the Councillor Robinson investigation, can you tell us where that is up to?

**ALLY DENCH:** With all due respect, to ensure that all parties involved are really accorded due process and they are afforded procedural fairness, it is really not the practice to comment on matters that are under investigation.

**The Hon. MARK BUTTIGIEG:** No, Ms Dench, let us be clear. I am not asking about the detail of the investigation or the wrongs or rights or culpability. I am simply asking about the time line of the investigation and where it is up to and whether we are likely to see any light at the end of the tunnel. It has been 1,000 days.

**ALLY DENCH:** As I said, I am not going to comment on individual investigations. It is a complex process, as Ms Hawyes has just said. Certainly, particularly in certain issues, we do not comment on current investigations, including time lines.

**The Hon. MARK BUTTIGIEG:** So, Ms Dench, your evidence to the Committee here today is that you are refusing to tell the Committee what sort of time line, if any, there is on this investigation.

**ALLY DENCH:** No, that is not my evidence.

**MELANIE HAWYES:** No, that is not our evidence today. We have given evidence that we are looking to—

**The Hon. MARK BUTTIGIEG:** Surely you must have a time line for this.

**MELANIE HAWYES:** You cannot always set a time frame on when something will finish. We can take on notice what is appropriate to communicate in terms of where it is up to, but we cannot comment on specific investigations because it is not fair on the parties under investigation.

**The Hon. MARK BUTTIGIEG:** I would suggest that it would be very fair and settling if both parties knew when this was coming to a close.

**ALLY DENCH:** I can give you this guarantee that things are underway and it certainly has the attention of senior staff. We will certainly be making sure it is closed out in a timely manner.

**The Hon. MARK BUTTIGIEG:** Can I ask will you be requesting an investigation into the time that it has taken to address the matter?

**ALLY DENCH:** That is what the review of the misconduct framework is all about. It is part of that review. We will certainly be looking at the outcomes of that review to make some improvements in regards to the framework.

**The Hon. MARK BUTTIGIEG:** That is a review into the overall delayed nature of investigations in general. But with respect to this particular investigation, will there be inquiries made into why it has taken over 1,000 days now?

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**ALLY DENCH:** It will be part of that misconduct review and we will be looking at certain issues and seeing where we can make improvements.

**The Hon. MARK BUTTIGIEG:** In the event that there is a finding against Mr Robinson, would you be prepared to apologise to the victims?

**MELANIE HAWYES:** I am prepared to take accountability and have any kind of conversations with people impacted by poor behaviour. Our job is to investigate the matter and come to a conclusion, and we will do that. If there are lessons to be learned from the way the investigation occurred, we will learn those lessons. As Ally and the Minister have given evidence today, the whole misconduct framework is under review presently as well.

**The Hon. ROSE JACKSON:** Can I ask, just to be clear, the review was initiated by the Minister. She approached you or the office and said, "Look, this is something that I am concerned about and I'd like you to do that."

**MELANIE HAWYES:** There are two matters—the misconduct review of the framework, which is a public process. The Minister has given me direct instructions to pay particular attention to the investigations function and have a look at opportunities for improvement. Ally was already taking steps to do that before I took this role.

**The Hon. ROSE JACKSON:** Ms Dench, was that from the initiative of the former Minister, or where did this come from?

**ALLY DENCH:** It came from concerns. We listened to what the community was saying and concerns had been raised. I totally agree that the length of time is not good. It is not good at all. We need to do something about it, and that is what we are going to do. We are going to be reviewing it and have discussions with the Minister. That is why the review is in place.

**The Hon. MARK BUTTIGIEG:** Is part of the issue that the code of conduct is so vague and loose that there is no real impetus or effect given to councils or the OLG to step in and do something? Are you looking at amending codes of conduct to make councillors accountable during their term, rather than the current situation where they are democratically elected and therefore we cannot do much about it?

**ALLY DENCH:** I am sorry, Mr Buttigieg. I am trying to understand the point of your question.

**The Hon. MARK BUTTIGIEG:** Will you be looking at amending the code of conduct to ensure that councillors are held to account for their behaviour whilst they are in elected office, regardless of whether or not they are holding it?

**ALLY DENCH:** Yes.

**The Hon. MARK BUTTIGIEG:** You will be looking at that?

**ALLY DENCH:** Yes.

**MELANIE HAWYES:** I think that one of the things to consider here is that this is something that evolves with community expectations, and that is what the public review of the misconduct framework is designed to do—to make sure that we have the suite of tools you need to keep pace with contemporary expectations for councillor conduct. It is entirely appropriate that that is a public process.

**The Hon. MARK BUTTIGIEG:** I bring your attention to a freedom of information request that was lodged by the member for Campbelltown, and shadow Minister for Local Government. There was a letter to Mr Warren from Alice Beasley, governance officer, which stated:

I refer to your application under the Government Information (Public Access) Act 2009 to the Office of Local Government.

This was 3 December 2021 that the application was made. The shadow Minister was seeking a list compiled in an Excel spreadsheet of code of conduct complaints made to the Office of Local Government from 1 December 2019 to 1 December 2021—a two-year period—detailing what council was the subject of the complaint, was/is a member of, what date the complaint was lodged with the OLG, what date the complaint was completed and whether the complaint was upheld or dismissed. In other words, he sought a list of complaints, how quickly they were dealt with and which council they came from. The application was refused on the basis that under the Act it was considered to be excluded information and was not necessary to give over. Could you give me your view on why something that would help the transparency and accountability of the department on the sorts of issues we have been discussing—delays, amounts of complaints—was not handed over under the GIPA Act? Is it just because you do not have to or you do not want to?

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**MELANIE HAWYES:** No. There are reasons to not identify people for obvious reasons of potential breaches of privacy. I cannot really comment on a past GIPAA application, so I think that is the answer. If it was held back, it would have been on the grounds of not identifying people unduly. But I cannot really comment on something that happened in the past. To go back to your previous comments about the misconduct review, those terms of reference are publicly available and we would be happy to table them here too.

**The Hon. MARK BUTTIGIEG:** I take you to some other issues concerning questions that were raised in the last round of budget estimates. The former Minister Hancock had expressed concerns about waste collection workers.

**The Hon. CATHERINE CUSACK:** Can I clarify: Do you mean last year?

**The Hon. MARK BUTTIGIEG:** The last round of budget estimates, meaning the October round, yes.

**The Hon. CATHERINE CUSACK:** Yes, but in this portfolio?

**The Hon. MARK BUTTIGIEG:** Yes, correct.

**The Hon. CATHERINE CUSACK:** Thank you.

**The Hon. MARK BUTTIGIEG:** Minister Hancock raised concerns about waste collection workers potentially losing pay and conditions or losing their jobs altogether when a council contracts out its waste collection services or changes from one contract to another. This is when you get this situation where the insourced permanent workforce for waste collection is outsourced to a private company and then you have this two-tiered system set-up. The Minister was very strong on her response, saying she was very concerned about setting up that two-tiered, undercutting system and was keen to do something about it. Have you had any briefings on that or any future direction on where the OLG might go with this sort of problem?

**MELANIE HAWYES:** I have not had a briefing on this matter and it has not been raised with me directly. That does not mean to say that it will not be, and if it is then I will obviously look into it. But it has not been raised directly with me from a council or LGNSW at this point.

**The Hon. MARK BUTTIGIEG:** There are two unions that have coverage in that area. There is the United Services Union, which largely covers the internal workforce, and then there is the Transport Workers' Union, which covers the outsourced, contracted work. Have any discussions been had with either of those unions by the Minister to date?

**ALLY DENCH:** Not that I am aware of.

**MICHAEL CASSEL:** Can I just clarify, are you talking about the contracts that councils enter into to have the waste removed? We cannot comment on that. That is a matter for individual councils. They operate as individual—

**The Hon. MARK BUTTIGIEG:** Well, the Minister certainly commented. If you go through the transcript of the October budget estimates, Minister Hancock was very vocal about it and said she would meet with the unions and try to do something about it.

**MICHAEL CASSEL:** I am saying that we cannot comment on it. I cannot comment on what the previous Minister said. But they are arms-length contracts from OLG. They are contracts that are entered into by the individual councils, if I am understanding you correctly.

**The Hon. MARK BUTTIGIEG:** The OLG has no oversight of those contractual arrangements, or a template approach as to how those are structured, or guidelines or anything like that?

**MICHAEL CASSEL:** I do not believe so but I will take that on notice. Again, as we talked about earlier today, councils operate as individual businesses. How they choose to collect their waste—

**ALLY DENCH:** We have guidelines on procurement.

**MICHAEL CASSEL:** But we do have guidelines on procurement, as Ally has just said.

**The Hon. MARK BUTTIGIEG:** But some of those—

**MICHAEL CASSEL:** But that does not preclude insourcing versus outsourcing.

**The Hon. MARK BUTTIGIEG:** No, but it is not inconceivable that they could include them, given some of those procurement guidelines have local content, for example. Is that correct?

**MICHAEL CASSEL:** I would rather take that on notice to have a look at what we actually do have in place. But I do not think we would get to that level of detail because councils operate as individual entities.

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**The Hon. MARK BUTTIGIEG:** It is not within the OLG's remit to develop an umbrella guideline policy on those sorts of things?

**MICHAEL CASSEL:** For work to be insourced or outsourced? Is that the question?

**The Hon. MARK BUTTIGIEG:** For example, my recollection is that when I was on Sutherland council there were various weighting factors that the council would apply when administering or letting out contracts. Council would have a degree of discretion within to work with depending on things like, for example, local contact versus bottom-line costs and all that sort of thing. My question is, would the OLG get involved in an overarching template approach to those sorts of things given the concern I have raised? For example, I give you Eurobodalla council. They issued a contract to Cleanaway. As a result of that decision, the workers face a pay cut of more than 16 per cent, which is about \$220 a week, not including overtime. These are people collecting the same bins on the same streets they have worked for over a decade. They are moved from one employer to another and their conditions and rates of pay freefall overnight.

**MICHAEL CASSEL:** I cannot comment on why they made that decision. Obviously, as I have talked about, we have procurement guidelines in place. How the councils wish to do their weightings I think is a decision for the individual councils on whether they insource or outsource, but I am happy to take the question on notice and come back and provide you with a copy of that guidance.

**The Hon. MARK BUTTIGIEG:** I appreciate that it is a little bit unfair with the Minister not here, but my point is that the previous Minister indicated she would have potential interest and influence over that. I am wondering whether or not the current Minister has expressed a similar view.

**MICHAEL CASSEL:** I think both my colleagues have been firm in saying, no, it has not been raised with them at this point of time. Will she raise it in the future? I do not know. I am also happy to go back and look at those previous comments from the previous Minister to try to understand what was being said there.

**The Hon. MARK BUTTIGIEG:** Okay.

**The Hon. ROSE JACKSON:** What is the current budget of the Office of Local Government?

**The Hon. CATHERINE CUSACK:** That sounds like an estimates question!

**MICHAEL CASSEL:** This year's budget has an opex of \$118 million. Some \$104½ million of that is grants and subsidies that flow through; \$3.8 million is general; \$1.22 million is depreciation; about just over \$8 million is labour expense; and then a capex budget of nearly \$1.4 million.

**The Hon. ROSE JACKSON:** Taking the staff, the general and, I suppose, the capex, it is around \$14 million? A substantial amount of that is obviously grant flowthrough.

**MICHAEL CASSEL:** Roughly, yes.

**The Hon. ROSE JACKSON:** In terms of the actual office—yes. How does that compare then to this time last year?

**MICHAEL CASSEL:** I do not have that comparison in front of me at this point in time.

**MELANIE HAWYES:** The staffing has been pretty consistent since last year.

**The Hon. ROSE JACKSON:** My next question was, what is the current FTE in the office?

**ALLY DENCH:** I have got that here. The headcount or the FTE?

**The Hon. ROSE JACKSON:** I will have both, if that is fine.

**ALLY DENCH:** The current head count is 55. The total—

**MICHAEL CASSEL:** That was at December.

**ALLY DENCH:** That is December, and the total FTE is 46.31.

**The Hon. ROSE JACKSON:** At this time last year, is that stable? Have we seen the staff increase? Have we seen the staff decrease?

**ALLY DENCH:** It is stable. A slight decrease.

**MICHAEL CASSEL:** From June.

**ALLY DENCH:** From June.

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**MICHAEL CASSEL:** We do not have projected figures back from 10 years. We have not seen any reduction, really, in staff. It is pretty close.

**The Hon. ROSE JACKSON:** Roughly, seven of those people are working on the complaints issues that we discussed. What are the other primary groups of staff within the office?

**ALLY DENCH:** We have a sector performance area that does the analysis of all the financial statements, the annual reports, the CAPEX issues. We also have the pet registry and the pet helpline also. A significant amount of officers are working in that section. We have our policy area that looks at all the development around regulations, legislation. We also have our community engagement managers in our engagement section.

**The Hon. ROSE JACKSON:** How many people are in that group, Ms Dench?

**ALLY DENCH:** I do not have those exact figures in front of me. I can get that for you. I will take that on notice. We are working on the disaster recovery and emergency relief area, which I have staff working in that particular area as well.

**The Hon. ROSE JACKSON:** Perhaps you might need take it on notice but it would be useful to know how many staff work in that area as well.

**ALLY DENCH:** Yes, definitely.

**The Hon. ROSE JACKSON:** Are all those staff based in Nowra? Is that still the arrangement?

**ALLY DENCH:** Not all staff are based in Nowra. If anything, COVID has taught us that location agnostic is the way to go. But staff certainly do come together to collaborate. COVID has prevented that from happening. Not all staff are based in Nowra.

**The Hon. ROSE JACKSON:** You still have the premises in Nowra?

**ALLY DENCH:** Yes, we do.

**The Hon. ROSE JACKSON:** How many staff are based in Nowra?

**ALLY DENCH:** It is accommodated for 59 staff. We have got plenty of space for everybody to come in.

**The Hon. ROSE JACKSON:** I appreciate people can work there but how many people are working there? Is it zero? Are no staff going into the office?

**MELANIE HAWYES:** For the last couple of years we have had work-from-home arrangements. We have been pretty dynamic.

**The Hon. ROSE JACKSON:** Is that still in place?

**MELANIE HAWYES:** We are starting to transition back, but it is a hybrid model now based on local context, staff wanting to come together to collaborate, so there is no one-size-fits-all rule anymore. COVID has fundamentally changed some of those aspects about the way that we work.

**The Hon. ROSE JACKSON:** I appreciate that, of course; it is the same with us. How many of the 55-head count are based in Nowra and go into the office in Nowra? If they are going into the office, they are going into the Nowra office?

**MELANIE HAWYES:** It would be the majority.

**ALLY DENCH:** Yes, majority.

**MELANIE HAWYES:** It is their office. It has been for some time.

**The Hon. ROSE JACKSON:** It would be useful to know how many people are employed who do not live in Nowra.

**ALLY DENCH:** I do not know everyone's addresses, I am sorry.

**MELANIE HAWYES:** There are two right here. We can provide that on notice. There is an office in Nowra and staff have been accustomed in the past to working there. It was their base. COVID has changed things. Going back, I guess everyone will evolve to the new context and for some people there will be ongoing hybrid arrangements when they do not go into their office every single day.

**MICHAEL CASSEL:** Can we be clear on that. You want to know how many people have Nowra as their base?



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**The Hon. ROSE JACKSON:** Yes, that is right.

**The Hon. CATHERINE CUSACK:** Not as their address.

**The Hon. ROSE JACKSON:** Sorry, that is right. They might live in Jervis Bay. It is not about where people live.

**MELANIE HAWYES:** It would be the majority and we can get you a more specific count.

**The Hon. ROSE JACKSON:** Sorry, if I was not clear. The future intent is to keep Nowra as the base, to keep that building as the base. There is no intention or consideration or kind of preliminary work on changing that or relocating, selling that building, anything like that?

**MICHAEL CASSEL:** Nothing has been brought to my attention. We are moving to, obviously, continue with flexible working arrangements that we have had in place during COVID. We are obviously always reviewing how much accommodation we need and the best location for that. I do not believe anyone has raised Nowra.

**ALLY DENCH:** I am certainly looking at the office space to be more a collaborative space because that is the role of the Office of Local Government. It is a facilitator for State agencies to connect with local councils. I am looking at how we can use the space for more collaborative approaches with other agencies to land there as well, like a hub-style. But there have been some preliminary views since I have been on board to have a look at how the work space is being used and looking at how we can develop a space that is more collaborative rather than offices. As I said, the way COVID has taught us, when people are coming back into the office, it is more for that collaboration, that teamwork, working on projects together and definitely how we work and facilitate with other agencies. Regional NSW uses the space. We have got other agencies that use the building down there now as well.

**The Hon. ROSE JACKSON:** That makes sense to me. To be honest, it is useful to know that that is the model. I was more concerned that as we do have more hybrid work models and more people are working from home, as the potential footprint necessary and office space reduces, that that office may be off-loaded. I just wanted to clarify if there was any intention in relation to that, but it does not sound like there is.

**ALLY DENCH:** No.

**The Hon. ROSE JACKSON:** That is useful to know. I refer to the Coastal and Estuary Grants Program. I understand it was an \$83.6 million program. How much of the fund has now been spent?

**SHARON MOLLOY:** I can answer that. That would \$83.6 million that was announced in 2016. I can probably work backwards—I just might need a calculator. There is 17.7 left in that bucket; the rest has been expended or committed. What I mean by that is there may be projects that were funded last year that might have a three-year life span, so they may run from last year to next year and the year after.

**The Hon. ROSE JACKSON:** You may need to take on notice how much has been expended and how much is committed but has not been expended? Do you have that figure?

**SHARON MOLLOY:** Not on me at the moment because that would quite a lot of detail. Since 2016, about 247 grants have been approved and are currently either fully expended or underway to being expended. I can certainly get you that information, but I do not have all that specific detail here with me currently.

**The Hon. ROSE JACKSON:** I think there is still \$17 million available there. There was previously information that a number of applications had been rejected. I think it was even potentially up to one-quarter of applications had been rejected. Is there any program to try to engage with people who potentially put in unsuccessful applications to resolve the issues in their applications?

**SHARON MOLLOY:** Yes, absolutely.

**The Hon. ROSE JACKSON:** What does that look like?

**SHARON MOLLOY:** That is part of our assessment process. We go through quite a rigorous assessment process, so it is widely advertised. We have experts on hand in each of the regions to provide advice to council as they go through the process. The grant guidelines are reviewed and updated regularly. The grants are then initially assessed by the grants team, which are a specific independent team within the environment, energy and science group to check against eligibility. Some of them might get knocked out then if they are not eligible. Some of the things that may knock them out at that particular point are have they got a certified course on management plan or a course to management program which are certified by the Minister. If they do not, sometimes they are not eligible for grants.

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Then a technical assessment is done of the technical merit of the projects by regional staff. Then there is a State assessment panel that has independent experts on it, so it goes through that process. It is quite rigorous. We have quite a few criteria to go through, as well: value for money, technical merit, time frames and feasibility. We will then have a list of grants that are approved. We will have some that are not approved, for a whole range of assessment criteria. Then there are some that are put on a reserve list. At that particular point in time, if there are things that need to be discussed with the council we have a period of time that we can do that with the ones that are on the reserve list. If they are not eligible for funding we encourage them to apply the following year. It is important to note that those grants are approved by the coordinator general of EES, not the Minister.

**(Short adjournment)**

**The CHAIR:** Welcome back. We will now continue with questions from the Opposition.

**MICHAEL CASSEL:** Excuse me, Chair. Before we do, can we table some of those documents that we wanted to bring up?

**The CHAIR:** Of course, yes.

**MICHAEL CASSEL:** The terms of reference for the review—

**ALLY DENCH:** Of the boundaries commission is the first one, and also the circular that went out to councils in regard the special variation.

**MICHAEL CASSEL:** I can also clear up one of those questions on notice. There are 50 people in the Nowra office that call it their base office.

**The Hon. MARK BUTTIGIEG:** On that, while it occurs to me, that premises that you say there have been no discussions about in terms of moving on—

**MICHAEL CASSEL:** Not with me.

**The Hon. MARK BUTTIGIEG:** No, but I think that was the evidence from some of the others as well. Are there any structural issues with that building that you know of?

**MICHAEL CASSEL:** Not that I am aware of, but if that is some information you have got, I will be happy to look into it.

**ALLY DENCH:** One thing that has happened with the offices in Nowra is we have just had all the air conditioning and everything fixed up throughout the building, so that might be the works.

**The Hon. MARK BUTTIGIEG:** So there has been a bit of capital investment in there.

**ALLY DENCH:** Just some works.

**The Hon. MARK BUTTIGIEG:** Okay. I want to touch on some of the governance around the OLG. The former Minister said in a series of budget estimates questions around the Doueihi incident that she had the power to intervene in code of conduct complaints. Is that correct? We did touch on that earlier, and the perception we had was that if there is a code of conduct complaint being investigated by the council and the OLG then the Minister had no power to actually intervene in that investigation. Is that correct?

**MELANIE HAWYES:** There is a separation of powers, which is fairly self-explanatory in many respects. The Minister holds a political office, so it is not appropriate for her to intervene in matters involving investigations of others in political office. Matters of individual council conduct are determined by the department, but the Minister has accountability for the performance of councils.

**The Hon. MARK BUTTIGIEG:** Okay, so the OLG is a vehicle by which that accountability function can be achieved, but what legislative provision prevents the Minister intervening in investigations or having oversight?

**MELANIE HAWYES:** It is more the delegations of function, so matters about individual council conduct are referred to the department for investigation. Of course, we would make the Minister aware of matters as they came to a close, but we conduct the investigations. The Minister does not have a direct role in that.

**The Hon. MARK BUTTIGIEG:** But in the examples of Doueihi and this Robinson fellow and things that appear to be out of control, to use a colloquial term, the Minister has no power to intervene. If that is the case, what legislative provision prevents the Minister doing that? Is it actually written down anywhere, or is it just a policy of the OLG?

**MELANIE HAWYES:** We can send you the provisions of the legislation and regulation. My evidence here is that, for good reason, the department conducts matters relating to individual council conduct. Also, NCAT

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clearly has a role, but the department conducts the investigative functions. The Minister does not have a direct role in investigating allegations of councillor misconduct.

**The Hon. MARK BUTTIGIEG:** No, I understand that is the practical manifestation of it, but does the legislation prevent the Minister from being involved?

**MICHAEL CASSEL:** Can we take that one on notice, because I do not want to mislead the Committee. We are not legal experts, and in those cases we would probably get legal involved. I want to be really detailed in that response.

**The Hon. MARK BUTTIGIEG:** Yes, I would be interested to know because it goes to the nub of who is ultimately accountable under a ministerial system of Government. Those questions were raised in previous rounds regarding the emblematic cases that we have discussed at length today, so it is an important answer to get on the record.

**The Hon. ROSE JACKSON:** To finish up, I have a couple of questions on the Coastal and Estuary Grant Program. I understand Claudine Lyons Consulting was tasked with doing a report on the program in 2019.

**SHARON MOLLOY:** I will have to take that on notice. It might have been just before I started in this role. I am not aware of it, but I can certainly find out for you.

**The Hon. ROSE JACKSON:** Yes, it would be useful. My understanding is that there was a report done in 2019 to look at improving the performance of the fund.

**SHARON MOLLOY:** Yes.

**The Hon. ROSE JACKSON:** Based on the figures that you have provided, Ms Molloy, it looks like it has done so. There were 38 recommendations in that report, and it would be useful to know what happened with those—where they went and whether they were implemented.

**SHARON MOLLOY:** I have just got a note from my colleague here. That was the grants review. Was that Claudine Lyons?

**The Hon. ROSE JACKSON:** Yes, as I understand.

**SHARON MOLLOY:** The agency response is on the website, apparently.

**The Hon. ROSE JACKSON:** Okay, I will have a look at that.

**SHARON MOLLOY:** My apologies, I was not across the detail there. If there is not enough detail on the web on how those actions are being implemented, we can certainly get back to you and give you some more information.

**The Hon. ROSE JACKSON:** Thank you. Obviously, we are seeing right now that there are already some issues with erosion. We know coastal erosion is going to be a problem going forward.

**SHARON MOLLOY:** Absolutely.

**The Hon. ROSE JACKSON:** There is some money left over in this fund, but not a lot at this stage. A lot of it has been spent or is committed.

**SHARON MOLLOY:** Yes.

**The Hon. ROSE JACKSON:** Is there any intention to renew the program or look at other opportunities for councils to do mitigation work around coastal erosion?

**SHARON MOLLOY:** In terms of renewing the funds, it obviously will be a matter for government to consider continuing. We do have some money into the future, but it will obviously be a matter for government whether they want to increase the funding. It was for five years originally, back in 2016, but had a bit of a delayed start due to the delayed commencement of the Act. But there is a lot of work happening under that framework that was initiated in 2016 and a lot of support for councils. The framework allows councils to develop coastal management programs, and we had an amendment to the Coastal Management Act late last year to allow councils a bit of leeway: They have another two years to prepare those coastal management programs. The department provides a lot of technical assistance outside of the grants program to those councils to develop those plans.

**The Hon. ROSE JACKSON:** How many councils have now developed their plans?

**SHARON MOLLOY:** So far we have had four. They need to be certified by the Minister as well. We have had four certified, and there are approximately 50 underway at the moment. We are hoping that we get quite a few of those in to be submitted to be certified this year, but they have got two years and a lot of them are well

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progressed. I think we have got an interactive website that shows where the individual councils are up to in the development of those programs. Within those programs, they deal with all of the hazards such as you mentioned—coastal erosion and various issues like that.

**The Hon. ROSE JACKSON:** Just to be clear, you do not think it will be realistic to have all of the 50 outstanding plans done by the end of the year. Is that a goal that you are working towards?

**SHARON MOLLOY:** I would say it is unrealistic to have all 50, but they have got two years to get there. We would be hoping for and supporting councils to try to get as many of them done over the next two years as possible. In the transitional period they have coastal zone management plans, but they need to transition to these programs. A lot have existing plans there; they should be able to fast-track through the process to develop those programs. We are encouraging them. It is obviously councils' responsibility to complete those programs, but we are supporting them as best we can.

**The Hon. ROSE JACKSON:** How many people are in that team working with the councils to do that work?

**SHARON MOLLOY:** I might need to get back to you with an exact figure, but we have four coastal branches and then there is a central marine coast, estuary and flood team. I am not going to give you a guess. There are probably teams of five or six in each of those branches and then maybe 10 to 12 in that central team, but I will get you a more accurate figure. I can take that bit on notice.

**The Hon. ROSE JACKSON:** I appreciate you said that obviously it is a decision for government about whether there are additional funds available under the grants. Have you made any recommendations along those lines? You are operating on the assumption that—the time frame is essentially already expired. As you said, there is a bit of leeway, but the five years is essentially already up. The funds are essentially almost already spent. The Government needs to make a decision about what to do going forward, but is there any engagement that you have had on whether that might be in the works?

**SHARON MOLLOY:** There certainly have been conversations internally because we have got all those plans coming online and there will be actions in there that need to be implemented. But the decision around whether the program is funded into the future obviously is not mine individually. It needs to be made either centrally in the department and then obviously with government committing funds.

**The Hon. MARK BUTTIGIEG:** I just want to traverse some of the developer contributions ground that I think my colleague, David Shoebridge, touched on earlier. Has there been any engagement from the OLG and/or the Minister with councils on the proposed changes to developer contributions?

**ALLY DENCH:** We have had some discussions in that regard. We have had some discussions with Planning with regards to developer contributions—awareness of it, yes.

**The Hon. MARK BUTTIGIEG:** Ms Dench, has that been a product of largely councils reaching out to the OLG or vice versa or a combination? Or is there a formal process of consulting?

**MELANIE HAWYES:** My understanding is that contributions reforms are under consultation. I am obviously forming relationships with councillors, GMs and LGNSW and if they want to raise that with me then I will obviously speak with colleagues in Planning. But there is a formal consultation process under way.

**The Hon. MARK BUTTIGIEG:** Is that being conducted by the OLG or the department of planning or both?

**MICHAEL CASSEL:** No, it is the Minister for Planning and Homes' portfolio area. It is fair to say that councils will reach out to the Minister for Planning and Homes directly as opposed to reaching out to the Office of Local Government because it is something that was put out on exhibition for comment by him—by the previous Minister, actually.

**The Hon. MARK BUTTIGIEG:** Given the potential effect that this has on council funding models, does the OLG see themselves as playing a role or are you just going to stay out of it?

**MELANIE HAWYES:** There is a formal process already in place. As I said, if people raise it with us then we will convey that within the department. But there is an appropriate formal process—

**The Hon. MARK BUTTIGIEG:** Sorry, Ms Hawyes, within which department?

**MELANIE HAWYES:** Planning—the broader cluster of Planning agencies, which OLG is part of.

**The Hon. MARK BUTTIGIEG:** From an OLG perspective, if a council raises an issue with you then you pass that onto the department of planning.

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**MELANIE HAWYES:** If a council raised it with me, I would let them know about the process that is underway to formally make their views count. If I heard consistently the same sort of feedback, I would engage with colleagues in Planning who are running that process to say, "I am hearing this sort of feedback."

**The Hon. MARK BUTTIGIEG:** On that point, has there been a consistent theme coming through that is developed into—

**MELANIE HAWYES:** Not to me in my role. I have no line of sight of the submissions coming back in the process that is already underway, because colleagues in Planning are running that process. They would be better placed to answer that than me.

**The Hon. MARK BUTTIGIEG:** So there are quite a few councils, as I assume you would be aware, who have been on the record as quite vehemently opposing some of the proposals. What you are saying is that the majority of that formal feedback must have gone to Planning, because OLG is not privy to it.

**MICHAEL CASSEL:** They are using the mechanism that they have been asked to use through the consultation process that the department of planning are running, and providing the feedback through that avenue. As I said earlier this morning, the Minister for Planning has extended that consultation until the end of March, I believe, and has made a commitment. There will be no implementation of any change until he is comfortable that there is no impact on housing supply and councils are no worse off. That, I think, is something that the previous Minister had made the commitment to.

**The Hon. MARK BUTTIGIEG:** So you would be aware that this proposed bill was referred to this Committee, actually, for report. Have any of you read the report of the Committee?

**MICHAEL CASSEL:** No, I have not read the report. I am waiting for the consultation to close and for that to be summarised.

**The Hon. MARK BUTTIGIEG:** I will just take you to an extract of the report, which I—

**MICHAEL CASSEL:** I think we are branching over into the Minister for Planning's realm, and I really do not want to answer those questions until Friday.

**The Hon. CATHERINE CUSACK:** Can I just say to assist the member that the planning Minister is coming on Friday.

**The CHAIR:** Is it a point of order that you are taking, Ms Cusack?

**The Hon. CATHERINE CUSACK:** I suppose I will take a point of order that the question is not being correctly addressed. I thought it would assist them to know that the Minister is coming here on Friday. All those questions can be directed then.

**The Hon. MARK BUTTIGIEG:** To the point of order: This particular Committee is Portfolio Committee No. 7, which deals with Local Government. It actually did a report into the proposed bill and I am referring to that report, which the OLG is accounting for today to this Committee. So I think it is directly relevant.

**The CHAIR:** I will remind the member to make sure that your questions are relevant to the Office of Local Government and, indeed, if they are not, we will soon find out and the witnesses can say so and we can make a ruling then. I did not hear the question.

**The Hon. MARK BUTTIGIEG:** Let me bring you back to the nub of the issue. The Office of Local Government—the office responsible for airing issues of concern from the local government sector, presumably, and advocating on their behalf and the functionality of it—is, surely, forming a view on this proposed bill. This idea that you have ministerial responsibility that is rigidly separated and nothing passes between those walls, I find incredulous. The idea that those conversations would not be cross fertilised—is that what we are saying? There is no dialogue?

**MICHAEL CASSEL:** At a ministerial level, I cannot say yes or no. I am not privy to those discussions. There may be discussions going on with Ministers. I am not sure. We have put into evidence that we are not aware of any local council approaching the Office of Local Government to raise any issues about the RIC. They are submitting their feedback and have been in constant contact with the department of planning through that because it is a Planning matter. On top of that, it does not affect every council in New South Wales. It only affects those in the Greater Sydney area. I think, if you want the full answer, the people with the technical detail who can talk you through all the levels of concern will be here on Friday.

**The Hon. MARK BUTTIGIEG:** It is a very simple and straightforward question. Has the OLG formed a view on council's concerns with respect to this bill? Yes or no? If you have not, that is fine.

## CORRECTED

**MELANIE HAWYES:** No, because councils are being directed to provide those views direct to the Planning arm of the cluster that is handling that process. If I do become aware of it in the role I am in now then of course I will communicate that.

**The Hon. MARK BUTTIGIEG:** So your collective evidence here today is that you are unaware of any issues that the bill creates on behalf of your sector and you are not prepared—

**MELANIE HAWYES:** No, that is not what I just said.

**The Hon. MARK BUTTIGIEG:** You just told me that the OLG has not formed a view.

**MELANIE HAWYES:** I told you that there is an open process for councils to engage with on this topic that is being handled by a different part of Planning, and the secretary also advised that they will be here on Friday in front of this Committee.

**The Hon. MARK BUTTIGIEG:** So when a council comes to you—council X, Y, Z, A, B or C—and says that this deferral of developer contributions for values over \$10 million is a real problem because it means we are going to have to borrow money at a high interest rate—

**The Hon. CATHERINE CUSACK:** Madam Chair, sorry, I need to take another point of order. The member has already been told on at least three occasions that no council has come and said that to them. It is nonsensical.

**The Hon. MARK BUTTIGIEG:** That is not what was said.

**The CHAIR:** He did start the question, which I was listening carefully to, with "if the council comes to you with a question". I was actually very keen to hear what the end of it was. It sounded like it was council related because he started with "local council".

**The Hon. CATHERINE CUSACK:** So it is a hypothetical.

**The CHAIR:** Let us just hear what the question is.

**The Hon. CATHERINE CUSACK:** We had the answer earlier, Madam Chair, but that is okay.

**The Hon. MARK BUTTIGIEG:** The implication from the earlier evidence is that there has been some level of dialogue, even though it is informal, because of the direct consultations with the department of planning. My question is very simple: If those concerns have been relayed to you, have you formed a view on the negative or positive impacts of the bill as a result of that?

**MELANIE HAWYES:** Personally I have not, but to be fair I have not been in the role for that long. I would be open to listening to anyone who wanted to talk to me about that, and I would convey that to colleagues who are handling the process if that happened. But it is hypothetical at this point.

**MICHAEL CASSEL:** Can I just clarify? I think you suggested that we had possibly implied that councils had approached the Office of Local Government with the issue. I want to be clear: none of us, unless you have got a different view—

**The Hon. MARK BUTTIGIEG:** No-one has reached out to the OLG?

**ALLY DENCH:** There has been—

**The Hon. CATHERINE CUSACK:** No, because it is a Planning issue.

**The Hon. MARK BUTTIGIEG:** No, I did not ask you.

**The CHAIR:** Order!

**The Hon. MARK BUTTIGIEG:** I did not ask you, Catherine. I asked the witnesses—

**The Hon. CATHERINE CUSACK:** I do not understand what you do not understand about this.

**The CHAIR:** Order! Ms Dench was about to—

**The Hon. MARK BUTTIGIEG:** Point of order: I specifically asked the question to the witnesses, not to the member.

**The Hon. CATHERINE CUSACK:** Okay, alright. We will keep doing this—

**The CHAIR:** I am aware of that, Mr Buttigieg, which is why I am trying to ensure that Ms Dench can respond.

## CORRECTED

**MELANIE HAWYES:** No-one has approached me, informally or formally. I will ask Ally.

**ALLY DENCH:** Informally I have been approached around the issues. I have not formed an opinion. The Office of Local Government does not form an opinion on it. We direct the councils to the process of where they can put their point of view. I have informal discussions with colleagues in Planning and relay some of the concerns that are raised. It does not necessarily mean it is the formal view of OLG.

**The Hon. MARK BUTTIGIEG:** I will wind up by asking this final question. Do you, as a matter of policy and role, see that part of the role of the OLG is to advocate, on behalf of those councils coming to you, to the planning department? Or is it just "Look, our opinion doesn't really matter because the formal process is between the councils and the department of planning"?

**ALLY DENCH:** Our role is to advocate on behalf of councils and to ensure their voices are heard with the other areas of the department of planning.

**The Hon. MARK BUTTIGIEG:** That implies that a consultation process should be put in place with the councils so that you can advocate on their behalf.

**ALLY DENCH:** Informally we advocate on their behalf. There is a process in which councils can have their voices heard through the department of planning by making a submission. We have informal discussions and I have informal discussions with my colleagues in Planning about that to ensure the issues are being heard.

**MICHAEL CASSEL:** I think their issues are being seriously—well, I know their issues are being taken seriously. We are working closely to understand where the key areas of concern are.

**The Hon. MARK BUTTIGIEG:** But you see, if I were a council and this bill hit the deck, and there is a certain desire on behalf of the department of planning and that Minister to implement this bill, I would feel as though one of my recourses is to the department that is backing me, which is the OLG. I would perhaps go to you and say—and if this is a collective drumbeat then presumably that becomes something which you pick up and take to the department of planning and advocate for. Would that be a fair enough statement?

**MICHAEL CASSEL:** Yes.

**ALLY DENCH:** Yes, definitely.

**The Hon. MARK BUTTIGIEG:** Okay.

**MICHAEL CASSEL:** It has not occurred formally. I want to be clear that I believe there is a very open, transparent way for them to put their information forward.

**The Hon. MARK BUTTIGIEG:** Okay, that is fine. Thank you.

**The Hon. ROSE JACKSON:** I will ask a couple of questions about the WestInvest Fund. Is the Office of Local Government involved in that at all?

**MICHAEL CASSEL:** I do not think the criteria have been fully documented on how it is going to be administered at this stage, has it?

**The Hon. ROSE JACKSON:** No. It is in development at the moment, although as I am sure you are aware, it is a fund in which councils can make applications for shovel-ready projects.

**MICHAEL CASSEL:** I think that is really a question for Minister Ayres.

**The Hon. ROSE JACKSON:** The answer is, no, you are not involved at all? I guess it goes back to this question: As councils are the organisations which submit applications, is there any process for the Office of Local Government to support them to best engage with that fund if they have ideas about projects that they might think are possibly eligible but they want some support to work that up?

**MELANIE HAWYES:** I probably just refer to Minister Kean's comments about the fund and Dr Grimes' comments about him governing the establishment of that fund. At this point I have not had any discussions with Treasury counterparts about a potential role for OLG or not.

**The Hon. ROSE JACKSON:** As I said, it is this issue of—I know that you do not have the \$5 billion. I know that you are not giving it out. But councils are the ones that can put their hand up. Presumably, I think there are 15 local government areas that are eligible. Some of them are bigger and some of them are smaller. You compare a Blacktown to a Strathfield: One is a massive council and one is really small. Maybe they do not have the same level of capacity to engage and put their hand up. Does the office provide support to get them best engaging?

## CORRECTED

**ALLY DENCH:** As I spoke to before, we have an engagement team. We have engagement managers who go around and talk to councils. We have our social media newsletter that we send out with information. WestInvest will more than likely be one of those things that—

**The Hon. ROSE JACKSON:** That has not happened yet, but it would potentially be something that you would support those councils—

**ALLY DENCH:** Yes, we would.

**The Hon. ROSE JACKSON:** —to get the best out of it?

**ALLY DENCH:** Raise their awareness and talk with them about it, definitely. Make sure they are referred to the right people. That is our role.

**The Hon. ROSE JACKSON:** Ms Hawyes, I appreciate you have not had that engagement yet but would that be something that you might expect, that there would be some engagement with Treasury about how you and your team over at DPIE can support the applicant bodies, which are councils, to best participate?

**MELANIE HAWYES:** Absolutely. I would also speak with LGNSW because they are ears on the ground, too. If they are hearing that certain councils require support, we would respond to that. But this scheme is still in development so we have not yet seen how it formally works.

**MICHAEL CASSEL:** My experience suggests that councils are very good at identifying funds.

**The Hon. ROSE JACKSON:** They are very enthusiastic, Mr Cassel. But there is a difference between—I appreciate what you are saying. Yes, they are keen.

**MICHAEL CASSEL:** Normally they tell us it is coming, rather than the other way around.

**The Hon. ROSE JACKSON:** I might ask a couple of questions about cemeteries. I am not sure if you are aware of the issue in relation to rural and regional councils who have expressed some concern in relation to the new cemeteries proposals. Is that something that has come up from your end?

**MELANIE HAWYES:** Not to me yet, but as we have talked about here today, I have not been in the role for that long. If it comes up, I would listen to those concerns. I cannot really comment at this point.

**The Hon. ROSE JACKSON:** Ms Dench, is it something that you are aware of?

**ALLY DENCH:** I am aware of the issues of cemeteries in rural and regional areas from the perspective of my previous role to this one, having been in a peri-urban council in Wollondilly, which is where I was before. Yes, I am aware of the issues generally, but it has not been raised with me in my current role.

**The Hon. ROSE JACKSON:** My understanding is that some of the rural and regional councils that operate smaller cemeteries are concerned that the Government's reforms in those areas will force them to push up burial charges. As those reforms to cemeteries progress, is engaging with those rural and regional councils that have those concerns something that you would be willing to do?

**MELANIE HAWYES:** Yes, absolutely.

**ALLY DENCH:** In the new group that we are in, my colleagues in Cemeteries & Crematoria NSW would be where I would be collaborating with as well.

**The Hon. ROSE JACKSON:** We might ask some questions about that tomorrow, but I thought I would just check in from the council perspective today. On the domestic waste management review that is being done by IPART—I appreciate IPART is doing this work and not DPIE or the Office for Local Government. But the review has been going on—as I understand it, they have extended the closing date for submissions again. It has been going on since November 2019. Have you engaged at all with IPART in relation to trying to expedite, wrap up or get some conclusion on that review?

**MELANIE HAWYES:** No, I have not engaged with IPART about the way they conduct their business and I would not normally do that. But obviously when they have completed their review—

**The Hon. ROSE JACKSON:** It is more concerns from the local government sector that it has been going on—the first concern is that it has been going on for a while. It is not about telling IPART what to have as the substance of their review but encouraging them, perhaps, or checking in, in relation to the time frames, is one of the issues. Ms Dench?

**ALLY DENCH:** We have been having discussions with IPART in relation to that and been doing some work with them in regards to their review. Discussions around time frames have not been had, but we can.



CORRECTED

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**MELANIE HAWYES:** We can raise that.

**The Hon. ROSE JACKSON:** Yes. My understanding is that the review commenced in November 2019 and, as you know, it is still ongoing. So, obviously, timeliness is one concern. Another concern is, I think, in the draft report the proposal is to peg the increase in charges at 1.1 per cent and the actual cost increase that councils have reported is closer to 4½ per cent every year. So, obviously, we are back to that issue of a little bit of discrepancy between what councils are reporting their cost increases are and what IPART, in a draft report, has suggested the increase might be. Again, is that something that you might engage with IPART on, on behalf of local governments, to try to work through to get back to a better landing from the councils' point of view?

**ALLY DENCH:** We have been raising those concerns with IPART. Certainly they have been listening. We will continue to raise their concerns.

**The Hon. ROSE JACKSON:** What form does that take? Do you meet with IPART?

**ALLY DENCH:** Yes.

**The Hon. ROSE JACKSON:** Have you, for example, written to IPART about that? As I said, is there a formal letter or submission that you have made? Or have you just met with them?

**ALLY DENCH:** I have not, as executive director, but I know my team members have. I can take that on notice and find out.

**The Hon. ROSE JACKSON:** It would also be useful to find out—you said you had not raised the time frames, but maybe just checking if that had been raised and any update that you can provide in relation to that would be useful.

**ALLY DENCH:** Definitely.

**The Hon. MARK BUTTIGIEG:** I might just traverse some of this code of conduct review that we have touched on. Are you able to tell me whether it was the Minister, her office or the OLG that suggested the independent review? I think it was announced late last year.

**ALLY DENCH:** I believe the previous Minister was the one that—

**The Hon. MARK BUTTIGIEG:** Came up with it?

**ALLY DENCH:** Yes.

**The Hon. MARK BUTTIGIEG:** The submissions closed on 28 March, I think. From an OLG perspective, is the current model effective, grossly deficient or sort of—

**ALLY DENCH:** We have heard concerns from the sector in regards to the model code of conduct framework. There have been concerns raised in regards to time frames. And the review is going to assist us with any improvements that can happen in regards to the framework.

**The Hon. MARK BUTTIGIEG:** Do you have a feel for what areas we can improve upon to date? It is subject to review, I understand, but are we getting a flavour based on the complaints?

**ALLY DENCH:** As I just said, we have heard the concerns around timeliness, which we will look at as part of the review, definitely.

**The Hon. MARK BUTTIGIEG:** What about recourse? Timeliness is one thing; but, once someone is found to have breached the code of conduct, are we going to look at what punitive actions can be implemented as a result?

**ALLY DENCH:** Certainly the review will be looking at robust investigations, fair process, timeliness and effective action to be taken in circumstances of substantiated misconduct. That is what the reviewers will be looking at.

**The Hon. MARK BUTTIGIEG:** Are you able to give us a feel for the volume of complaints of the ineffectiveness of the current system, the current model?

**ALLY DENCH:** At this stage I am going to wait for the report. I do not have those figures of who has submitted—

**The Hon. MARK BUTTIGIEG:** Will you take that on notice?

**ALLY DENCH:** Yes, I will.

## CORRECTED

**The Hon. MARK BUTTIGIEG:** How were the terms of reference developed? In other words, were stakeholders asked for input or was it largely driven from the OLG?

**MICHAEL CASSEL:** Sorry, I missed that.

**The Hon. MARK BUTTIGIEG:** Were the terms of reference for the code of conduct review largely a creature of the OLG or were they based on consultation with stakeholders like councils?

**MICHAEL CASSEL:** We would have to take that on notice. Sorry, that is just a bit of detail that we do not have. And the recourse question that you raised, I think, depends on what the misconduct was to where that recourse would go. An abuse of public position, obviously, can have potential to be an ICAC or a criminal matter, all the way down to, potentially, a criminal matter for deliberately filling out a statutory declaration incorrectly. So it just depends on where or what the misconduct is to where that will head, if it is proven.

**The Hon. MARK BUTTIGIEG:** On that point, there is a potential, is there not, for a situation where—let's use the emblematic example we have been discussing all day, which is incorrect completion of the candidate information sheet, which was previously in the Doueih example referred to NCAT, which then prevaricated for quite a while and we still have not got an outcome. He had been found guilty. Is that the sort of thing that could be looked at in terms of the jurisdiction that the OLG could refer to?

**MICHAEL CASSEL:** I am not sure, because I am not 100 per cent across the level of detail in that case. As you said, it has been referred to NCAT. I think if there is criminal behaviour, it is quite clear where that would go. I do not think that OLG should be involved in that. Is that answering the question that you are trying to get to?

**The Hon. MARK BUTTIGIEG:** If the answer is that, depending on the severity of the breach, then we could look at the jurisdiction that it could be enforced in, I guess, yes. An incorrect completion of a statutory declaration is a pretty serious thing, I would have thought, and flicking it off to NCAT did not really do much.

**MICHAEL CASSEL:** I cannot respond to what NCAT should or should not have done in that situation.

**ALLY DENCH:** I can assure you that the review will make recommendations for any legislative, policy and operational changes that may be required to ensure that we have a robust system.

**The Hon. MARK BUTTIGIEG:** In terms of that consultation, we do not know how the terms of reference were developed.

**ALLY DENCH:** We said we would take that on notice and get you that information.

**The Hon. MARK BUTTIGIEG:** I just want to walk through some of the actual terms of reference. Paragraph 1.a. states:

The standards of conduct set out in the Model Code of Conduct and the way these are applied.

That is one of the terms of reference. Has the OLG encountered issues with the way that standards of conduct are actually applied?

**ALLY DENCH:** Is there a particular case that you are referring to?

**The Hon. MARK BUTTIGIEG:** If it is a term of reference for the review, presumably the OLG has some intelligence on those standards not being applied properly.

**MICHAEL CASSEL:** We cannot be sure about how those terms of reference were brought about. So that we do not mislead the Committee, I would rather take that question on notice and come back with that first answer on where the terms of reference were drafted.

**The Hon. MARK BUTTIGIEG:** So there is a whole series of terms of references that I was going to ask about, but your evidence is that you do not really know how they were formed up so you cannot answer the question.

**MICHAEL CASSEL:** We do not have that information.

**The CHAIR:** With respect, Mr Buttigieg, that has been Mr Cassel's response for the last few questions. Maybe you could move on from the terms of reference. The witnesses have been very clear that they are taking all of it on notice.

**The Hon. MARK BUTTIGIEG:** Do investigators have any training on how to conduct investigations in an effective and efficient manner?

**ALLY DENCH:** Our investigators are qualified and training is identified as needed.

## CORRECTED

**The Hon. MARK BUTTIGIEG:** In terms of the volume of investigators historically, have they increased in the 10-year period from 2011 to 2021?

**ALLY DENCH:** I do not have the figures in front of me. I only have the figures from June last year to December. They have stayed the same for that period of time. I do not have the last 10 years' figures. I can take that on notice.

**The Hon. MARK BUTTIGIEG:** If you could. Is anyone able to explain to me the trigger process for when the OLG investigates a breach and then refers it to NCAT? What is the escalation process there? Once the OLG thinks that a council has breached the code, do they then refer it to NCAT or do they not necessarily have to refer it to NCAT?

**MICHAEL CASSEL:** I am not sure of the exact steps, to be honest. I might just take that one on notice; I would hate to slip up.

**The Hon. MARK BUTTIGIEG:** Okay. In 2019-20, your own data shows that councils spent more than \$1.5 million investigating code of conduct complaints. Is that a concern? The figure jumped \$635,000 from the previous year.

**MICHAEL CASSEL:** As a general statement, whenever we are investing code of conduct issues, it would be of concern for us. An increase in them, yes, would obviously be a concern, but we are investigating the people who are doing things wrong.

**The Hon. MARK BUTTIGIEG:** That is a 100 per cent jump. The same data shows that there were almost 400 complaints in 2019-20, which is 150 more than the previous year. Is that a concern?

**MELANIE HAWYES:** I might take that. It is not necessarily a concern. It could mean that people are more vigilant and reporting more and that investigations are being done entirely appropriately, so it is not necessarily something that you can qualify as good or bad. It may simply be that people are more aware of how they can take things forward if there are concerns about councillor conduct.

**The Hon. TAYLOR MARTIN:** Or more allegations being made because there is an election coming up.

**The Hon. CATHERINE CUSACK:** Yes, some of them may be vexatious.

**The Hon. MARK BUTTIGIEG:** Clearly not, from the evidence this morning. Anyway, that will do me.

**The Hon. ROSE JACKSON:** I have one last question. In relation to the adoption of smart parking meters and Park'nPay technology, did the Office of Local Government have any role promoting that to councils or engaging with councils on that, or was that done exclusively by the Department of Customer Service?

**MELANIE HAWYES:** I might take that on notice unless Ally has some more specific information. Obviously, it is the Department of Customer Service that developed the app. We do know councils that are using it, and some of those councils report that they are very happy with the app. I do not know with any depth of detail here today how much of a role we had in promoting the app when it first became available, but we can take that on notice.

**The Hon. ROSE JACKSON:** Yes, and that is what I am interested in. I know which councils are using it, and I am aware that feedback is generally positive. Ms Dench, do you have any knowledge about what process was undertaken to engage with councils, promote its use to them and encourage them to get on board? Do you have any information here about what that looked like?

**ALLY DENCH:** No more than what Ms Hawyes has just said.

**The Hon. ROSE JACKSON:** Okay, so you will take that on notice?

**MELANIE HAWYES:** We can take that on notice, yes.

**The Hon. ROSE JACKSON:** Thank you. That is all from me.

**The CHAIR:** Now it is time for the Government to fill the remaining hour, if you wish.

**The Hon. TAYLOR MARTIN:** Is there anything that has been covered here this afternoon that you would like to touch back on?

**MICHAEL CASSEL:** No.

**The Hon. TAYLOR MARTIN:** Anything you would like to cover off or revisit?

CORRECTED

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**SHARON MOLLOY:** I would like to table the report of the Government response to that review of the Coastal and Estuary Grants Program that Ms Jackson—

**The Hon. ROSE JACKSON:** Thanks.

**SHARON MOLLOY:** We printed off a copy; it is on the website.

**The CHAIR:** Thank you very much. Now, it is probably a relief, given it will probably be tricky for some of us to get home this afternoon—

**The Hon. CATHERINE CUSACK:** Can I ask one very quick question?

**The CHAIR:** Yes, of course you can.

**The Hon. CATHERINE CUSACK:** Which are the four councils that have completed their coastal management plans?

**SHARON MOLLOY:** I do have that. The four that have been certified to date are Ballina, which was Lake Ainsworth; Shellharbour and Wollongong, which was Lake Illawarra—sometimes the coastal management program areas cross two council boundaries—City of Newcastle, Stockton Beach; and Coffs Harbour, which is Bonville and Pine Creek.

**The Hon. CATHERINE CUSACK:** Thank you. That does not mean that those councils have completed their work, though, does it?

**SHARON MOLLOY:** No, absolutely not. Do not forget they will be transitioning from the old plans to the new program, so some of the work will be done but still lots to do.

**The Hon. CATHERINE CUSACK:** But after doing Stockton, for example, Newcastle still has more areas of coast.

**SHARON MOLLOY:** Yes. They split their coastal management program into two areas: dealing with Stockton because of the issues there, and then they are going to do south of Newcastle and the rest of the Newcastle coastline.

**The Hon. CATHERINE CUSACK:** Is that the same for Ballina as well?

**SHARON MOLLOY:** I think Ballina is in two as well, but I can clarify that for you.

**The Hon. CATHERINE CUSACK:** Yes, sounds like it is. Thank you.

**The CHAIR:** Thank you. They were very interesting questions at the end, Catherine—very timely and pertinent. Thank you all for appearing. The secretariat will get back to you with the questions you have taken on notice and any other supplementary questions, if there are any. Travel safely, and that is the end of our session this afternoon.

**(The witnesses withdrew.)**

**The Committee proceeded to deliberate.**