

**ORDINARY MEETING OF COUNCIL
23 MARCH 2009**

ORDER OF THE DAY

ORDER 3	COUNCIL GOVERNANCE PROGRAM
LOCATION/ADDRESS:	
PREPARED BY:	DARRELL TRELOAR, CHIEF EXECUTIVE OFFICER (INTERIM)
FILE NO.:	
ATTACHMENTS:	ATTACHMENT 1: COUNCIL OF CITY OF PORT PHILLIP: REPORT TO MAYOR AND COUNCILLORS – GOVERNANCE SUPPORT CONSULTANCY ATTACHMENT 2: CITY OF PORT PHILLIP – OUR GOVERNANCE STATEMENT

PURPOSE

- This report presents the work of PJ Governance Pty Ltd ('Johnstone Report') relating to the implementation of an enhanced governance program for the City of Port Phillip.

RECOMMENDATION

- That the Johnstone Report be received.
- That Council notes that the actions set out in the report have been considered and employed as a primary reference when developing the Strategic Actions for inclusion in the section on "*Engaging and Governing the City*" in Council's draft Council Plan 2009-13.
- That "Our Governance Statement" (Attachment 2) be adopted and applied to:
 - Drive the continuous improvement of Council's governance standards and practices;
 - Help resolve governance dilemmas; and
 - Assess the performance of Council and the organisation

BACKGROUND AND CONTEXT

- Council at its meeting held on 8 December resolved to appoint a governance consultant to investigate and report on opportunities for strengthened governance to ensure performance at local government best practice having regard to Council's commitment to promoting good governance practices.

- In particular, the brief required the consultant:

“Reporting directly to the Council (to):

- 1. Generally facilitate and support the transition of the Council and enable effective planning for the introduction of the newly elected Council’s strategies, principles and policies;*
- 2. Assist the Councillors and CEO in working with the organisation in the adoption of strategies, principles and policies to guide the new Council, based on the policy platforms on which the Councillors were elected; and*
- 3. Undertake an examination of current governance practices and advise the Council on any changes that should be implemented in accordance with local government best practice.”*

PJ Governance Pty Ltd was subsequently engaged to undertake the work. This has now been completed and a copy of the final Johnstone Report is attached (Attachment 1).

CONSULTATION AND STAKEHOLDERS

- Councillors consulted widely with the community in the lead up to the November 2008 Council election and the decision to commission PJ Governance Pty Ltd to undertake this work was in direct response to feedback received at that time. This consultation guided the formulation of Councillors’ election policies and in particular, the community has made it known that it expects its Council to adopt good governance practices.
- Over the past months since the Council election, Council has been working on the development of its Council Plan 2009-2013. This work included six public meetings (“community conversations”) held at various locations throughout the city and three “conversation tents” at weekend markets. Council’s initial thoughts were tested during this process and opportunities were provided for residents to give feedback and make further suggestions.
- Council’s draft Council Plan 2009-2013 will be released for review by the community pursuant to Sections 125(3) and 123 of the Local Government Act 1989 in May. Written submissions will be invited and submitters will be afforded an opportunity to be heard in support of their submission. In addition, Council will hold further public meetings to assist the formal consultation process.

DISCUSSION

- The Johnstone Report sets out a good governance model, drawing principally on the governance election policies of the Councillors and informed by ongoing discussions with them since the election. It references a governance framework being developed by Council in conjunction with preparation of its Council Plan 2009-2013 and presents a number of proposals, including recommended actions, under the following headings:
 - *Governance principles*
 - *Council Plan*
 - *Community engagement*
 - *Other relationships*
 - *Council business*
 - *Statutory compliance*
 - *Council Communications*
- It also includes a suggested governance statement at Attachment 1 and a review of Councils Audit Committee at Attachment 3.
- One of the key Strategic Objectives identified in the new Council Plan is “*Engaging and Governing the City*”. All of the initiatives and actions listed in the Johnstone Report have been considered by the Council in conjunction with this planning process and most are reflected in the Strategic Actions included in the draft Council Plan which will be released for public comment in May.
- The proposed governance statement has been reviewed and is presented as Attachment 2 to this report, for adoption by Council.
- The review of Council’s Audit Committee is the subject of a separate report included in the agenda papers for consideration at this Council meeting.

CONCLUSION

- The implementation of the actions identified in the Johnstone Report and committed to in Council’s new Council Plan 2009-13, will result in the highest standards of governance being observed by the City of Port Phillip. It will result in effective and strong democratic processes based on engaging with a well informed community, listening to community concerns and decision making within an accountable and transparent framework.