



**LOCAL GOVERNMENT AND OTHER LEGISLATION AMENDMENT (COUNCILLOR CONDUCT) BILL 2025**

**Statement of Public Interest**  
Tabled by... *Ms Moriarty*  
*[Signature]*  
for  
**Clerk of the Parliaments**  
*14 10 2025*

**STATEMENT OF PUBLIC INTEREST**

**Need: Why is the policy needed based on factual evidence and stakeholder input?**

The *Local Government and Other Legislation Amendment (Councillor Conduct) Bill 2025* (Bill) addresses systemic issues under the current legislative framework that inhibit efficient and appropriate action to be taken against councillors accused of serious misconduct.

Currently, councillor misconduct matters are heard by the NSW Civil and Administrative Tribunal (NCAT), which involves an inefficient statutory process with inconsistent penalties that fail community expectations. The shift in jurisdiction to the Land and Environment Court (LEC) provides a more procedurally robust process to deal with rogue councillors whose behaviour and actions present a risk to other councillors, council staff and the community.

The NSW Government consulted extensively with the sector, including through the 2024 release of the discussion paper titled *Councillor Conduct and Meeting Practices – A New Framework* (Discussion Paper), where there was broad support from community members, the local government sector and other interested parties for the reforms outlined in the discussion paper, which have been the basis of the reforms proposed by this Bill.

**Objectives: What is the policy's objective couched in terms of the public interest?**

The Bill forms part of the NSW Government's broader suite of the reforms to the councillor conduct framework to strengthen local decision-making, improve transparency, and ensure accountability across NSW local government.

The jurisdictional shift to the LEC and new public interest provisions will support a more rigorous, transparent, and procedurally robust decision-making process and enable stronger penalties against misbehaving councillors. The LEC is a superior court which has substantial expertise in local government matters and already deals with most of the *Local Government Act 1993* (LG Act) litigation.

Public interest provisions introduced through this Bill provide for a new type of proceedings to be commenced against a current or former councillor where there has been a breach of any law, or code adopted under section 440 of the LG Act, when the LEC considers it to be in the public interest, and for the LEC to consider the councillors immediate suspension until determination of proceedings. The Bill provides for protections against vexatious complaints, with the LEC able to order costs including indemnity costs, should proceedings be commenced vexatiously.

**Options: What alternative policies and mechanisms were considered in advance of the Bill?**

The jurisdictional shift to LEC supports reforms to the broader councillor conduct framework which includes the future establishment of committees to address behavioural matters, and serious misconduct dealt with under a more prosecutorial approach.

Consideration was given to reform to the NCAT, Industrial Relations Commission and the Local and District Courts. However, these options did not achieve elements, or had significant impacts on reform objectives to the broader councillor conduct framework.

**Analysis: What were the pros/cons and benefits/costs of each option considered?**

Under the broader reforms to the councillor conduct framework including the move to a more prosecutorial approach for OLG, with a wider range of sanctions for serious misconduct, LEC was considered the most appropriate jurisdiction. This is based on LEC's capacity, expertise and legal authority as a specialist superior court of record, particularly as penalties include potential suspension and disqualification of democratically elected councillors.

In its published decisions on councillor conduct the NCAT has self-identified as a protective jurisdiction and not necessarily well placed to offer punitive sanctions. However, it is becoming clearer there is a need for a stronger deterrence role which can only come from stronger sanctions, requiring a more prosecutorial approach.

The Department considers LEC a more appropriate forum to deal with serious councillor misconduct due to the following factors:

- An existing knowledge and understanding of the local government sector – particularly with the role of elected officials and the LG Act (Class 2, Class 3 and Class 4 matters from the LG Act are already considered by the LEC)
- Stronger and consistent rules of evidence and procedure reflecting a more prosecutorial setting
- Significant penalties, particularly those that might result in suspension or disqualification of a democratically elected representative are better imposed by a judicial officer.

**Pathway: What are the timetable and steps for the policy's rollout and who will administer it?**

The proposed change of jurisdiction is a component of broader councillor conduct framework reforms with further legislative amendments to be introduced to Parliament through a separate, future Bill. Parts of the councillor conduct framework, such as the changed model code of meeting practice and the free speech guidelines have already been completed. Other changes to create a more effective means of dealing with poor councillor behaviour will follow.

The proposed Bill will work within the framework for these broader changes, but is not dependent on them. If the Bill is passed, the jurisdictional change will transfer councillor misconduct matters to the LEC on proclamation following the completion of new LEC rules. The Bill also provides transitional arrangements where current matters before NCAT may be transferred to LEC at the Minister's discretion, noting there may not be any matters by the time the new provisions commence.

**Consultation: Were the views of affected stakeholders sought and considered in making the policy?**

Consultation has occurred with agencies and significant stakeholders including the Department of Communities and Justice, the Chief Judge of the LEC, the Attorney General, NCAT, the NSW Law Society and the NSW Bar Association. Consultation on broader reforms to the councillor conduct framework has been undertaken including through the release of the Discussion Paper in September 2024, with broad support for reform.