

### Item 3.

#### Adoption - Councillor Meetings with Registered Lobbyists and Property Developers Policy

File No: X103625

#### Summary

On 19 February 2024, via a Notice of Motion, Council requested that the Chief Executive Officer develop a procedure by which City of Sydney Councillors be required to publicly disclose their meetings with registered lobbyists and property developers on the City's website in the same fashion as state parliamentarians and report back to Council with a process and timeline for commencing.

The NSW Independent Commission Against Corruption (ICAC) has made a number of recommendations (as a result of investigations into local government) regarding corruption risks associated with the lobbying of councillors. While the Office of Local Government has indicated that they are intending to introduce some guidelines on these issues they have not done so at this stage.

The report recommends that Council adopt the Councillor Meetings with Registered Lobbyists and Property Developers Policy, which requires City of Sydney Councillors to record and submit details of meetings with registered lobbyists and property developers. These records will be published on the City's website.

#### Recommendation

It is resolved that:

- (A) Council adopt the draft Councillor Meetings with Registered Lobbyists and Property Developers Policy, as shown at Attachment A to the subject report;
- (B) authority be delegated to the Chief Executive Officer to make amendments to the Councillor Meetings with Registered Lobbyists and Property Developers Policy in order to correct any minor drafting errors, update the form from time to time as required and to finalise design and accessible formats for publication; and
- (C) Council note that the Office of Local Government may publish guidelines on these matters and a further report will be brought to Council if required.

#### Attachments

**Attachment A.** Councillor Meetings with Registered Lobbyists and Property Developers Policy

## Background

1. On 19 February 2024, via a Notice of Motion, Council requested that the Chief Executive Officer develop a procedure by which City of Sydney Councillors be required to publicly disclose their meetings with registered lobbyists and property developers on the City's website in the same fashion as state parliamentarians and report back to Council with a process and timeline for commencing.
2. The Local Government Act 1993 contains the framework for regulating conduct, honesty, disclosures of interest, misconduct, and corruption. Section 439 imposes a statutory duty on a councillor to "act honestly and exercise a reasonable degree of care and diligence in carrying out his or her functions".
3. The Lobbying of Government Officials Act 2011 covers lobbyists, ensuring that lobbyists comply with ethical standards of conduct and other requirements set out in the Lobbyists Code. However, this Act does not apply to local government officials.
4. The NSW Independent Commission Against Corruption (ICAC) has made a number of recommendations (as a result of investigations into local government) regarding corruption risks associated with the lobbying of councillors. Operations Dasha (2021), Eclipse (2021) and Witney (2022) specifically considered and made recommendations regarding corruption risks associated with the lobbying of councillors.
5. The definition of government official states that it does not include local government officials 'except in Parts 5 and 6' which relate to the ban on success fees for lobbying and a cooling-off period for former Ministers and Parliamentary Secretaries.
6. ICAC has made recommendations to amend the Lobbying of Government Officials Act 2011 to ensure all provisions apply to local government. In response to ICAC's recommendations the Office of Local Government has advised that it is developing guidelines to enhance transparency around the lobbying of councillors and a model policy on lobbying (to supplement the provisions in the code of conduct).
7. The OLG website currently states that they will be 'issuing a Model Councillor Lobbying Policy'.
8. On 4 March 2024 the Chief Executive Officer wrote to the Office of Local Government expressing Council's support for the development of the model policy and guidelines and requesting an update on progress. No timeframe has been given at this time for the publication of any guidelines on these matters. Further reports will be brought to Council if required.
9. In accordance with Council's resolution, a Councillor Meetings with Registered Lobbyists and Property Developers Policy, which requires City of Sydney Councillors to publish details of meetings with registered lobbyists and property developers has been developed.

## Councillor Meetings with Registered Lobbyists and Property Developers Policy

10. Lobbying is an integral and legitimate activity for the functioning of a democratic system.
11. Lobbying also carries inherent risks of corruption, undue influence, unfair access and biased decision-making that are detrimental to the public interest and effective local governance.

12. It is in the public interest that lobbying is fair and does not undermine public confidence in impartial decision-making. This policy aims to ensure community expectations are met in relation to ethical and transparent lobbying of Councillors.
13. Councillors will be required to record all meetings with registered lobbyists and property developers, and the topic of discussions. Councillors will be required to complete a form disclosing all meetings with registered lobbyists and property developers and submit it to the Office of the CEO every three months.
14. It is the responsibility of Councillors to undertake the required due diligence to ensure that any meetings held with registered lobbyists and property developers are recorded.
15. The Office of the CEO will publish the forms on the City's website within three weeks of the end of the relevant reporting period. The forms will remain on the website for 12 months. Where a Councillor does not submit a form for a relevant period this will be recorded on the City's website.

## **Key Implications**

### **Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision**

16. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. It includes 10 strategic directions to guide the future of the city, as well as 10 targets against which to measure progress. This policy is aligned with the following strategic directions and objectives:
  - (a) Direction 1 - Responsible governance and stewardship – the Policy will improve transparency for the community as to the nature of meetings held by Councillors with registered lobbyists and property developers.

### **Organisational Impact**

17. Councillors will need to record meetings with registered lobbyists and property developers on a form and provide it quarterly to the Office of the CEO. The Office of the CEO will publish these forms quarterly on the City's website.
18. Councillors will be trained in the Policy as part of the induction process following each election.

### **Relevant Legislation**

19. Local Government Act 1993.
20. Lobbying of Government Officials Act 2011.
21. Electoral Funding Act 2018.

**Critical Dates / Time Frames**

22. If endorsed by Council, the policy will come into effect from 1 April 2024. The first quarterly reporting period will be from 1 April 2024 to 30 June 2024.
23. The Policy will be reviewed and put to Council for endorsement following every Council election, in conjunction with the Code of Conduct.

**Public Consultation**

24. City staff contacted the Office of Local Government to seek advice on the status of the Model Policy and guidelines. No public consultation is required in relation to this policy.

**KIRSTEN MORRIN**

Director Legal and Governance

Nellette Kettle, Manager Risk and Governance