

Submission to the Essential Services Commission on Local Government

By Leigh Barrett Colac 24 August, 2015

A CEO who runs to the state govt bleating about the fact that they can't manage their corporation that does the business of local govt, on an income that is pegged to CPI, shows that they are inept and not competent for the job and should immediately be sacked.

The defence force let go 1000 people and said they would do a better job, the federal govt has let go 17,500, too many, the Ballieu govt let go 4000. Dairy farmers in NZ have had their income halved, they are not topping themselves, they will ride it out. Local dairy producer Bulla recently sacked about 30 employees from middle management. Not good but it is the real world.

Our local govt corporation has gradually increased employee numbers over recent years from 180 to over 220, this current financial year an increase of 8 f/t employees, the pop'n increase of the shire is 1% in the last 10 years. \$18m goes on salaries out of \$26m supplied by ratepayers and council income, over 2/3.

At last night's Ratepayers Assoc meeting, 2 concepts were put forward to bring a greater accountability to local govt corporations.

- 1) That a ratio of local govt corp employees per head of pop'n be set by the state govt to gain adequate state funding, if employee numbers rose and the ratio of employees per head of pop'n fell, so would the state govt funding and if employee numbers fell, funding available for capital works would increase.
- 2) The 50/50 manifesto means that 50% of funds are for admin and 50% for capital works and maintenance. The state govt could sack the corporation as the Kennet govt did and all employees apply for their jobs on the basis of their argument for the implementation of the 50/50 manifesto. A separate general manager should be appointed to manage state or federal govt projects on a stand alone basis – not subsidised by ratepayers.

There is no incentive for our local govt corporation to be accountable in terms of productivity.

The Pirron Yallock Recreational Reserve club rooms renovation/replacement is a good example of our council's competence or otherwise, briefly outlined below.

Council officers estimate on renovation of original club rooms \$600k
Private estimate from experience builder developer and architect (both local and each with 40 years experience) \$150k include septic system estimated time for completion 6 months.

Council decided not to renovate the club rooms because of the above council officers estimate of \$600k, but buy and place 2 relocatable buildings adjacent and fit them out for \$300k, they applied and received \$100k of state govt funding.

Council time for completion over 3 years, not yet finished

Council estimate 4x private Cost 2x private Time for completion over 6x private

Rubbish bins have been replaced when not needed \$386,630 because they had a beauraucratic life of 15 years, but in the ratepayers world 30 years.

Carpet in COPACC replaced by inferior type that is difficult to keep clean. The carpet that was replaced was very good quality, a special one off design and only showed a small amount of wear in particular areas. No public consultation and cost \$200k.

An extraordinary rate rise for the 2014/15 draft budget for 376 ratepayers of 15-25%, they were given 8 weeks notice, 120 submissions on the draft budget brought about no change no change other than to spread it over 2 years, some would have had an increase of up to 40% with increase of valuation about a 70% increase in rates over the last 7 years. The 120 submissions were 500% more than the previous year, but at the council meeting for submissions on this years draft budget there were only 3 or 4 submissions opposing anything, the public is almost completely disengaged with the council.

This is a local govt corporation has no concept of public service or the public good, it has a toxic punitive culture. It is a can't do local govt corporation, it is too hard, too expensive, it is risk averse, last year \$1.6m was spent on consultants while there are approx 100 graduates employed. They are afraid of making mistakes which kills any creativity and therefore they achieve almost nothing.

This council in my mind is the greatest impediment to the progress and development of the shire and it also my belief that it is the greatest threat to the civil liberties of the people of this shire since the threat of Japanese invasion over 70 years ago. People are angry, frustrated and feel pwerless and betrayed.

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