



Community Update

Reference: 101; 102; 103/6
Report Author: Interim Administrator

In view of the importance of my report to the Minister, in relation to the suspension of Council until 10 September I am limiting the Community Update to that topic today.

Late yesterday I submitted a report under s438N of the Local Government Act to the Minister for Local Government and now formally table same. Based on the evidence, I have formed the view that the suspended Council has failed the community in the exercise of its functions, provision of core services, decision making, community participation, financial management and its responsibilities in relation to integrated planning and reporting.

As such I formally recommended to the Minister that:

1. A Public Inquiry under s438U of the Local Government Act into Wingecarribee Shire Council be held.
2. The Inquiry have concise Terms of Reference.
3. The Inquiry report within 6 months, with the view to facilitating the return of local democracy to the Shire.

The reviews and audits that have been commissioned speak for themselves. My letter advises the Minister that they provide the evidence that the suspended councillors and former staff had scant regard to statutory obligations or the community they were elected or appointed to serve.

It is clear, that the Performance Order issued in September last year failed.

Even though predating the Order, a good example of how out of touch Councillors were with their constituency, was when a resident made their views known to a Councillor about the Station Street matter, the reply stated... "and I am the one with the VOTE so u don't count". This is indicative of the manner in which the Council considered the views of its community.

In coming to my conclusion, I thank the over 230 individuals I have met with together with the 37 community groups.

The most poignant examples I have given in much greater detail to the Minister include:

Wingecarribee Shire Council Bushfire Response and Recovery Review 2021

The report contains 44 recommendations and is highly critical not only of Council's response but preparedness.

24% of the Shire was subject to Burnscar, 68 residents were destroyed and 18 damaged. 197 outbuildings destroyed and 69 damaged.



A total of 72 community submissions were made to the review and 48 community members registered to attend online meetings in Penrose and Balmoral. 17 submissions were received from Council employees. Of concern is the fact that Mr Owens has advised that 15 were confidential as some employees were in fear of retribution.

Righting the Wrongs – Second report on Planning, Development and Regulatory Services

Where do you start with the report of Earnest Consulting. Add to this report the scathing assessment of the Small Business Commissioner and his further 20 recommendations.

Consideration of the Housing Strategy has led to more evidence of political games and interference.

Compliance with the law

These reviews detail a disregard of Councils statutory obligations in some areas of the organisation. This appears to be the result of the disregard and / or knowledge of legislation and delegated authority.

There are a myriad of challenges that confront the organisation and the opportunity for the suspended Councillors to again meddle must not be allowed.

Defacto Council Meetings

It is clear, that Councillor briefings, workshops and advisory committees have, on some occasions, taken informal decisions that have been acted on by staff.

Residents and ratepayers are rightly concerned that a return of the suspended Councillors will impact on the work done to date.

Civic Centre Refurbishment Project

Apart from engaging Finch Consulting to review expenditure on the Civic Centre, time did not permit for me to look at concerns of some employees and residents as to whether the Council got value for its money.

New information that's come to hand appears to show that Council misled the OLG in the submission of its Capital Expenditure Review. The contract was signed before OLG acknowledgement was given.

Council accepted a contract of \$6.8m and the now allocated funds are \$10.8m – nearly 60% more. Why and how have contract variations been handled?

The project is still not completed and while it appears in some areas to have achieved its objective I can only say that the newly constructed meeting rooms and areas for the Mayor and General Manager are extravagant. The Council Chamber where we meet today appears to have a 'them and us' design.

The library reconfiguration delivers an outcome that does not meet State Library population/size benchmarks which limits Councils ability to attract capital funding from the State Library of NSW.

While I have asked the General Manager for a detailed report in relation to this project it is not possible to interview former or suspended Councillors or former staff and reference to a Public Inquiry may be the only way to the truth.

Ombudsman Report

The fact that the Ombudsman found that Council acted unreasonably has not been accepted by the suspended Council.

Temporary Staff

Over the past 4 years Council has reported expenditure of just under \$4m in payments to an external consultancy for temporary staff with an average of approximately \$800k per annum in the development and planning assessment area.

This is significant expenditure resulting in false economies and community concerns around perceptions of consultants working for Council as well as providing advice and professional services for applicants dealing with the Council.

While I have no evidence of impropriety the matter of perception and subsequent destabilising of community confidence in the Council is of great concern. I have asked the General Manager as part of her Organisational Structure Review to pay particular attention to this matter.

Staffing Matters other than Senior Staff

A toxic workplace with substantiated allegations that bullying, preferential treatment and an organisation structure built on personality not community is what confronted the senior people I brought into the organisation. The General Manager has advised me that in view of the confidential nature of a number of matters she will be making a submission to the OLG under separate cover.

Prior to finalising my report yesterday yet another matter was brought to my attention.

While in no way questioning the merit of the projects involved, concern has been expressed by the General Manager on the legality of loans to Community and Sporting Organisations of approximately \$900k. One of the so called loans is for \$220k and has no legal or written obligation for repayment and appears to be interest free. Another safety net funding agreement has been identified for an amount of \$470k payable over 10 years to construct a clubhouse and carpark. There are no details in the Council resolution in relation to surety, obligations for repayment or interest payable and I have asked the General Manager for an urgent report.

When originally giving notice of suspension the Minister for Local Government noted that the earlier Performance Improvement Order had been unsuccessful in effecting cultural change and the behaviour of some Councillors and in improving relationships at the Council.

AGENDA FOR THE EXTRAORDINARY MEETING OF COUNCIL

Wednesday 11 August 2021

INTERIM ADMINISTRATOR MINUTE



What has been identified in the past 5 months clearly goes way beyond that view.

The evidence is in, and in my view a public inquiry is the only way forward having regard to the current extraordinary circumstances.

Any person appointed to hold an inquiry has considerable powers, authorities, protections and immunities.

Witnesses or persons summoned by, or appearing at, an inquiry have strict obligations. It is the only way to the truth on many matters that remain of concern to the Wingecarribee Shire Council community.

Viv May PSM

Interim Administrator