

From: [susanne](#)
To: [Committee, RDIT \(REPS\)](#)
Subject: local government inquiry submission
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local government inquiry submission

dear committee

thank you for inviting submissions

i will use my local council as examples where suitable

a reversal of state and federal government cost shifting to councils is required
-this is an indirect tax on ratepayers and takes funds away from traditional areas of council responsibility as grants do not cover the total costs

sharing services has not reduced expenditure nor increased service delivery as was expected
-examples can be found in SSROC contracts and the poor financial performance and service delivery of inner west council since amalgamation

infrastructure works have been unnecessarily delayed with political party pet projects' taking priority over backlogs
-these delayed works for sometimes years have resulted in major increases in estimated costs to address poor and failed infrastructure
-backlogs are not being adequately addressed even after the backlog calculation was changed from 100% of gross replacement value for renewal to 20% of condition 4 and 50% of condition 5 assets
-budgets based on these new calculations are inadequate to appropriately attend to our poor and failed infrastructure
-even these reduced budgets are not spent in total nor sometimes within cooee of the reduced amounts required
-grants received are not being spent in a timely manner eg operational grants \$13.8m available in YE23 \$5.2m unspent ie less than half
-the bulking up of budgets each year with capex that will not be spent in that current year may look good in media releases but seriously misleads the community as to what the realistic spend will be
-iwc is carrying \$99.5m works in progress at YE23 (ever increasing since amalgamation) compared to \$21.9m in YE16 (the 3 previous councils consolidated)

staff retention and recruitment problems may be arising from toxic 'corporate cultures' within senior and line management
--the increase of casual positions and reduction in full time positions may have made iwc a less desirable employer

staff	YE21	YE22	YE23
full time	928	892	898
part time	151	120	123
casual	343	407	504
fixed term		44	56
	1,422	1,463	1,581

-inner west council may be a prime example as turnover is high and termination payments over YE22 and YE23 are very low revealing that new staff are not staying long and that longer term employees may be exhausting leave entitlements just prior to resigning

-council's problematic reputation as an employer may be a reason for poor success in recruitment and retention

Financial Statements >	Note 4 p33	Note 4 p25	Note 4 p22	Note 5 p25	note B3-1 p24	note B3-1 p24	Note B3-1 p25
Employee Costs ('000)	YE17	YE18	YE19	YE20	YE21	YE22	YE23
Employee termination costs	2,103	2,236	2,086	5,640	2,234	182	745

-the use of agency staff has been increasing over the last 3 years from 5.2m in YE21 to \$9.6m in YE23 illustrating that staff recruitment and retention is sadly lacking and the building of local knowledge is not happening which is costly indeed

iwc service delivery has declined over the years and changes to services has been poorly implemented

-the fogo rollout is an exemplar of an ongoing debacle

-perhaps iwc recognises this itself as they advertised for a change manager prior to the fogo rollout

-over the years many submissions and complaints have been sent to iwc about services with no improvements made

structural impediments are numerous eg

-the monthly reports often do not reconcile with quarterly review reported expenditure with one example being nearly 3/4 of \$1m out

-the IT system iwc uses has reconciliation functions however these imbalances keep occurring from time to time

-the costly yet limited internal auditing functions that allows these discrepancies in reported cash expenditure to go unnoticed

-the costly yet limited internal auditing functions that allowed fraud to continue for years - see icac case

-since amalgamation the council meetings are now held in a place that most of the community can not access by public transport thus reducing our ability to make representation to councillors at meetings

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22mar24