

WHAT IS LOCAL GOVERNMENT?

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The last time local government was this confusing was when American, Charles Downing Lay, befuddled Hitler by winning the first American medal of the 1936 Olympics.

Downing won his Olympic silver medal for town planning!

WHAT IS LOCAL GOVERNMENT?

That crucial and very basic question is not a difficult one to answer, but, to date, no-one in government has been able to answer it correctly and that inability poses another vital question; if those in power do not know what local government is, how can they possibly reform it?

So, let's relieve some tension for our government and answer that first question for them.

Local government is a regulated agent of the state; it is established by law¹ and it is answerable to the state² for its conduct, compliance and governance.

AUTONOMY v REGULATION

Simply put, the local government sector is an integral part of our system of state government, and it is regulated by the state; it is not and (under current constitutional provisions and the current act) cannot be autonomous, it is not a sphere of government³, whatever that may mean, but it is undemocratic.

We will return to the democracy issue later, but its performance demonstrates that the department⁴ (department or DLGSC) does not even understand that they are supposed to oversee and regulate sector. However, because they have been told by many official bodies that it actually is their job, they should understand it. And, while the department just chooses not to regulate properly, their political overlords have emasculated their funding.

Many of the submissions and evidence presented to the Legislative Council's Select Committee into Local Government were correct, causing that committee to report to Parliament⁵ that the department was not adequately supporting the sector.

There is one standout indication that the regulator did not understand its role. And that was the most curious comment from the, then, Director General who submitted evidence to the Committee that the department:

*"...encourages the local government sector to self-regulate as much as possible...."*⁶

That bizarre comment is akin to the WA Police saying they are fighting crime by stopping all patrols and arrests and are now encouraging the public *"...to self-regulate as much as possible"*.

Thankfully, the Committee⁷ found that local governments did not share that view and they posited that the department was just under-resourced and unable to do its job:

¹ WA Local Government Act (1995) - Division 2 s2

² WA Constitution Act (1889) – s52.

³ WA State Government Local Government Partnership Agreement

⁴ Department of Local Government, Sport and Cultural Industries as defined in s1.4 of the Local Government Act (1995)

⁵ Legislative Council Hansard 22 September 2020 - Page 6186

⁶ Select Committee into Local Government Final Report Par 7.92 Page 167

⁷ Ibid - Finding 23

*“Broadly, the DLGSC’s role is to regulate and support the local government sector. The Committee heard that the DLGSC may not be sufficiently resourced to fulfil its regulatory and advisory functions. Evidence to the Committee suggests that the DLGSC and its predecessor departments have been under-resourced for some time.”*⁸

That opinion of under resourcing⁹ was shared by the WA Local Government Association (WALGA)¹⁰ who described the departmental shortcomings as “systemic”, which is the significant budget issue that we will return to later. However, despite those issues, no-one reading the formal submission to the Select Committee from WALGA could possibly consider local government to be autonomous, WALGA submitted:¹¹

“Today, Local Government is constituted and primarily regulated by the Local Government Act 1995 but there are many other legislative instruments which impact the way Local Governments operate in their diverse array of activities.”

The power to regulate and control local governments was further endorsed in Theme 1 of the Government’s formal response to the Select Committee report “*Local Government Reforms – Full Reform Proposals*” which says:

“The Act provides the means to regulate the conduct of local government staff and council members and sets out powers to scrutinise the affairs of local government.”

That formal and considered response clearly shows that the parliamentary and executive arms of government were aware of the considerable powers that are prescribed in the WA Constitution Act (1889) and the WA Local Government Act (1995) (LGA).

Granted by law, including the State’s constitution, these extensive powers require government oversight and regulation of the sector. But even if the government really were unsure of their powers, certainty was provided to them by the Select Committee, and their official partner¹², WALGA, who also recognised that regulation and oversight is necessary. But it appears from its adopted policy¹³ and regulatory approach, that the regulating department holds a different view from almost every other participant in the sector.

This soft and unlawful departmental position has been developing unchecked for years, and these regulatory deficiencies were brought into clear focus by a damning 2021 report from the State’s Auditor General¹⁴ (OAG). The overriding audit conclusion of the OAG said the department was:

“...not providing efficient and effective regulation and support to the LG sector and lacks fundamental aspects of a good regulatory framework.”

⁸ Select Committee into Local Government Final Report – Par 7.2 Page 151

⁹ WALGA Submission to Select Committee into Local Government - Page 29

¹⁰ Local Government Act (1995) - s9.58 of Part 9 Division 5

¹¹ [WALGA submission to the Select Committee into Local Government Page 5](#)

¹² [Partners in Government Agreement dated 20 September 2021](#)

¹³ https://www.dlgsc.wa.gov.au/docs/default-source/local-government/local-government-regulatory-approach---final---dec-2022.pdf?sfvrsn=3a576031_6

¹⁴ <https://audit.wa.gov.au/reports-and-publications/reports/regulation-and-support-of-the-local-government-sector/>

The departmental response to that scathing OAG report was to develop a detailed policy outlining a new regulatory approach. There is a delicious irony in a regulating department developing a policy that pulls the mutually exclusive concepts of autonomy and regulation into one document; but they did that and the consequent departmental policy contains this statement:

“Local governments are autonomous entities and ultimately responsible for their operations through democratic processes.”

We will return to the last part of that statement that refers to democracy later, but it is obvious that the first part of that policy statement conflicts with the State Constitution, the LGA, its regulations and the myriad of departmental guidelines; none of which authorise autonomy for the sector. Local Governments’ general competency powers are acknowledged, but they do not, and cannot ever mean autonomy; but it is worthwhile noting that the use of the general competency powers is still within the purview and controls of the regulator and the relevant minister.

That departmental policy establishes six regulatory principles, and inexplicably none of those principles is compliance with, or enforcement of, the law. Which poses the conundrum of how it is possible for a department charged at law with the responsibility to regulate, can choose not to regulate and then opt for a policy that does not require compliance with laws and its own regulations.

Our entire system of government depends on the rule of law for its very existence,¹⁵ making compliance with laws and regulations obligatory; so how did a policy document that was produced in response to one of the most damning Auditor General reports on record, ever get adopted and implemented without anyone in authority noticing one of its fundamental flaws is that it does not include compliance with the law?

The LGA clearly places this department at the disposal of its minister¹⁶, so when this regulating department simply chooses not to regulate or require compliance with the laws of the land, it is something that demands direct ministerial intervention.

But that has not happened.

And it is not clear that it will happen.

BUDGET CUTS

While taking departmental evidence during the hearings of the Select Committee into Local Government, the Hon Martin Aldridge asked about budget cuts¹⁷:

¹⁵ <https://peo.gov.au/understand-our-parliament/how-parliament-works/system-of-government/rule-of-law>

¹⁶ Local Government Act (1995) s1.4 - **Department** means the department of the Public Service assisting the Minister to administer this Act.

¹⁷ Select Committee into Local Government Hansard 5 August 2019 - Page 13

“Just looking at the 2019–20 Budget Statements, which I am sure you may not have in front of you, but the service summary function in relation to local government is service summary area number 1, “Regulation and Support of Local Government”. In 2017–18 it was approaching \$17 million; in 2018–19, the estimated actual was some \$14 million; in this budget year the estimate is \$13 million; and then the forward estimate is tracking down to around \$10 million.”

The Director General’s answer was largely irrelevant waffle, except for one critical part where he said¹⁸:

“There are a number of matters that due to other legislative changes that might grow the budget in the next couple of years as we respond to legislation that is coming before the house.”

The Director General’s anticipated budget increases which were to enable the department to “...respond to legislation that is coming before the house” simply have not eventuated.

Not only did the budget not grow as the Director General predicted, but the current budget ominously delivers major cuts to funding for the regulation and support of local government; the forward estimates show the departmental allocations as:¹⁹

2022 – 23	\$M21.178
2023 – 24	\$M20.787
2024 – 25	\$M16.879
2025 – 26	\$M12.964
2026 - 27	\$M12.200
2027 – 28	\$M13.012

These significant budget cuts (-\$M8.166) demonstrate that the least likely outcomes in the sector are improvements in local government’s compliance and good governance. And both compliance and governance do need to improve significantly, because I have seen the current system:

- validate and legitimise fraud; and
- endorse the misuse of public funds; and
- ignore CEOs making decisions that are the lawful province of a council; and
- ignore personal abuse of elected members by their CEO; and
- disregard legitimate complaints; and
- harass elected members for complying with the law; and
- adopt powers not permitted by law; and
- act contrary to the law when deciding disciplinary matters; and
- malevolently involve itself in partisan council elections; and

¹⁸ Select Committee into Local Government Hansard – Page 13

¹⁹ WA 2024 – 25 State Budget Paper 2 Volume 2 Page 537

- produce a most damning OAG report; and
- lose a basic case in the supreme court; and
- mislead parliamentary committees.

It is that culture of bad governance, non-compliance, poor oversight, sheer laziness and incompetence that has caused most, if not all the problems in local government. Simply put, the local government sector operates under a completely corrupted system that lacks most, if not all, of the normal public sector checks, balances and accountability measures, most of which have been recommended by various royal commissions, inquiries and court cases.

Critics, please note that I said the system is corrupt and I am not alleging that it is the individuals in that system who are corrupt, although some may well be.

Many royal commissions and formal inquiries have told us that corruption, soft oversight and poor regulation are the inevitable outcome of regulators getting too close to those they are supposed to be regulating and no-one said it better than Banking Royal Commissioner Haynes, who said:

“And it is well-established that ‘an unconditional preference for negotiated compliance renders an agency susceptible to capture’ by those whom it is bound to regulate. As one leading American scholar has written, ‘corporate behavior’^(sic) moves quickly to take advantage of any perceived softening. Social norms act less upon complex organizations than upon individuals.”

All of these considerations show that improving compliance with financial services laws cannot be achieved by focusing only on negotiation and persuasion. Compliance with the law is not a matter of choice. The law is, in that sense, coercive and its coercive character can be neither hidden nor ignored. Negotiation and persuasion, without enforcement, all too readily leads to the perception that compliance is voluntary. It is not.”²⁰

Because similar comments were made about its cosiness with those it was supposed to be overseeing and regulating at the Perth Casino, this department should fully understand that principle. But that seems not to be the case since the current policy and system of regulating local government has ongoing official cosiness with the sector as a central plank of its policy.

Whilst it is not the total answer, without appropriate funding, no beneficial change in the sector is likely. And because the current budget tells us, we know that under the current system, “...actions were taken in support of compliance with the legislative framework...” in over a third of local governments. The budget’s forward estimates show that this level of departmental intervention is going to continue, but it does not tell us who is going to pay for it after these budget cuts.²¹

Nevertheless, the government is pushing on with further changes to the LGA and their official partner, WALGA has advised them that the very changes the government is proposing need annual funding of \$3.5M to be successful.²²

²⁰ Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry Final Report - Page 424

²¹ WA 2024 – 25 State Budget Paper 2 - Volume 2 Page 538

²² WALGA [2024 – 25 Budget Submission](#) Page 43

WALGA will be surprised to find out that their official partner's (i.e., the government's) budget for this year not only fell \$2.78M short of the \$3.5M that WALGA said is required every year, but there is no ongoing funding.

As none of their post budget reports²³ comment on them, WALGA also seems not to have noticed that substantial and ongoing cuts to the operating budget of the department that are being delivered by the current State Budget.

However, in those reports, WALGA do refer to the one-off budget allocation of \$702,000 in the 2024 – 25 budget year. This is the funding for the establishment of the office of the yet to be legislated, Local Government Inspectorate.²⁴

The silliness of this allocation is that the government itself does not yet know what this position will do, but somehow, they do know the undefined position will cost \$702,000 to establish, and then having been established, it is magically going to operate without any ongoing funding. It is not necessary to speculate about that lack of funding because there is no budget allocation for it. WALGA's post budget comments²⁵ draw attention to this issue and they go on to say:

“While it is pleasing that the Government has provided funding for the implementation of its Local Government Reform agenda, WALGA would prefer the Chief Inspector of Local Government and the Office of the Local Government Inspector function to act as an independent office that reports directly to the Minister for Local Government. Once planning for the Inspectorate has been finalised, it is important that sufficient funding is provided in the forward estimates for the ongoing operating costs associated with this office.”

If WALGA are successful in getting this yet unlegislated position to report directly to the Minister for Local Government, they will have created an oxymoronic non-independent, independent office.

WALGA is also advocating for sufficient ongoing funding to be provided for this non-independent, independent inspectors' position; but again, they have been disappointed. The budget's forward estimates show there is no funding for any ongoing operations of the new body. Let me reiterate that over the forward estimates period these newly created positions are entirely unfunded, and over the same period, the department suffers ongoing multimillion dollar cuts to its operating budget.

As a footnote to this matter, following a councillor death and a formal inquiry into Moira Council;²⁶ Victoria, (which is where this inspectorate position is being copied from) has recently introduced legislation increasing ministerial powers and oversight by making their local government monitor position answerable to Parliament. Victoria's constitution Act creates local government as a “...distinct and essential tier of government...”²⁷; WA's does not.²⁸

²³ <https://walga.asn.au/policy-and-advocacy/state-and-federal-budgets/state-budget>

²⁴ <https://walga.asn.au/policy-and-advocacy/state-and-federal-budgets/state-budget/better-governance>

²⁵ <https://walga.asn.au/policy-and-advocacy/state-and-federal-budgets/state-budget/better-governance>

²⁶ <https://www.localgovernment.vic.gov.au/council-governance/independent-reports/commission-of-inquiry-into-moira-shire-council>

²⁷ Victorian Constitution Act 1975 – s74A

²⁸ WA Constitution Act (1889) – s52

Where the money to operate this new WA system is coming from is unknown, but a fair comparison to determine what is likely to be required are the costings for the Office of the Independent Monitor that was established to oversee the aftereffects of the Perth Casino Royal Commission.²⁹

Crown Casino employs about 5500 people³⁰ and in 2023 had revenue of \$854 million.³¹ Between 2023 and 2025 that economic input into WA of 5500 jobs and under a billion dollars attracted government funding of \$M14.589³² to implement a Royal Commission recommendation for an independent monitor.

By comparison, local government employs 22,000 people, spends \$4.1 billion per year and manages assets worth more than \$48 billion³³ but it only warrants a one-off payment of \$702,000 for a similar independent monitoring process as the casino got for around \$15 million.

Under this government, regulatory monitoring of the behaviour of a privately owned company gets around twenty times more funding than monitoring a system of local government that the State is responsible for and which employs four times more Western Australians than the private company.

Maybe someone can explain that corporate welfare, but I cannot; however, the “expert” panel appointed by the Government told us who is most likely to meet these costs:

“The Panel recommends that there should be an early intervention framework of monitoring to support local governments. The department should have additional powers to appoint and support the monitor with councils responsible for the direct costs of the monitor.”³⁴

This is the only indicator of a direct shift of the cost of regulation away from government and onto ratepayers, so it is probably best if the last words on local government funding go to WALGA³⁵ and the Select Committee, who said:

“WALGA does not seek to criticise or impugn the commitment and dedication of officers or executives of the Department of Local Government; the issues are systemic and relate to the broader State Government’s commitment to appropriately funding the Department to fulfil its capacity building, regulatory, compliance and early intervention mandate.”

AND

“Cost shifting from the State to local governments is a long standing and ongoing issue.”³⁶

AND

²⁹ https://www.wa.gov.au/system/files/2022-03/PCRC_Final_Report_Digital_FINAL_%28Master%29_0.pdf

³⁰ Perth Casino Royal Commission Final Report - Page 199

³¹ <https://gamblingindustrynews.com/news/australia/crown-fy-2023-report/>

³² 2024 – 25 State Budget Paper 2 - Volume 2 Page 537

³³ [WALGA Final Submission to the Select Committee into Local Government - Page 7](#)

³⁴ Local Government Review Panel – Recommendation 57

³⁵ [WALGA Final Submission to the Select Committee into Local Government - Page 32](#)

³⁶ Select Committee into Local Government – Finding 3

“Cost shifting to local governments is a serious issue that deserves Parliament’s ongoing attention.”³⁷

AND

“The Government ensure that the Department of Local Government, Sport and Cultural Industries is sufficiently resourced to be a strong source of advice and support for the local government sector.”³⁸

AND

“The Government ensure that the Department of Local Government, Sport and Cultural Industries is sufficiently resourced to be a strong source of advice and support for individual council members.”³⁹

However, despite all those expressed concerns and recommendations, these budget cuts prevailed, and a major cost shifting exercise is indicated; however, I really do look forward to someone demonstrating how reducing expenditure on policing and regulation improves compliance and governance. It has never done so in any other field of public life, so an explanation of how it will work in local government would be both appropriate and intriguing.

DEMOCRACY

You will recall that the department policy document referred to earlier put democratic processes at the centre of accountability of local governments, it said:

“Local governments are autonomous entities and ultimately responsible for their operations through democratic processes.”
(Emphasis added)

To demonstrate how that nonsensical statement is completely negated by the law and the recent changes to the local government electoral processes, let me set a scene.

- There is a controversial planning issue in a local government area.
- This controversy attracts two candidates seeking election as councillors. One is strongly in favour of the proposal, and the other is equally strongly opposed to it.
- In the election, the candidate favouring the proposal wins 90% of the vote, and is elected.
- Shortly after the election, that councillor resigns.

Under the electoral system introduced⁴⁰ by Minister Carey, the opposing candidate who was soundly defeated in the election would be appointed as a councillor into the vacancy created by the resignation of the person elected holding the directly opposing views. That systemically required outcome removes any democratic accountability from local government by completely reversing the expressed will of the people.

³⁷ Select Committee into Local Government – Finding 6

³⁸ Ibid – Recommendation 18

³⁹ Ibid – Recommendation 19

⁴⁰ Minister Carey – Hansard 23 March 2023 Page 1452

This is the same undemocratic backfilling process that was the root cause of the 1975 Constitutional Crisis. That process was deemed so egregious and undemocratic, that in 1977 it was reversed with the unanimous support of all political parties and an overwhelmingly positive national vote in one of the very few successful referenda⁴¹ held in this nation.

Inexplicably, this thoroughly undemocratic backfilling provision is now the law creating the accountability measure by which WA local governments are allegedly to be “...*ultimately responsible for their operations...*”

Then there are the incomprehensible provisions⁴² that require only half a council to be elected at any single election. These provisions entrench division and make it impossible for citizens to ever vote a council out of office and are the antithesis of democratic responsibility and/or accountability.

When these failings are combined with non-compulsory voting (the lack of which conflicts with ALP policy), no serious claim can be made that democracy plays any meaningful role in local government, and that is because it does not.

But still, for reasons that defy logic and the facts, the State Government policy claims democracy is the tool by which local governments are “...*ultimately responsible for their operations...*”

Would that this were so.

This departmental policy is a nonsensical and undemocratic proposition that is devoid of intellectual, legal or moral justification; and it can be easily fixed with the introduction of compulsory voting and the same voting system and processes used in State and Federal elections.

But the government has chosen not to do any of that and one can only wonder why complying with their own party policy is an anathema to them.

THE RULE OF LAW

The precise purpose of this paper was to highlight critical policy flaws and serious budget cuts in the local government sector and while doing this, it was always intended to draw attention to the obvious, i.e., that regulation and compliance with the law are not optional anywhere in our society, and this is particularly so in the public sector (which includes local government).

Every time a regulating department chooses not to require those it regulates to act correctly; bad behaviour and practises are validated and legitimised.

No capable minister should allow a department under their control to just choose to not do its job, but the high turnover of ministers in the local government portfolio has meant that ministerial direction and oversight of this department, and its policy processes, the associated consideration of public input and the subsequent legislative changes have all been substandard.

⁴¹ <https://handbook.apf.gov.au/Referendums/477>

⁴² Local Government Act (1995) – s4.78(2) and s1 Schedule 4.2

From 2017 to now, which is a period the government claims it is dealing with what are the “...most extensive local government reforms in more than 25 years...”⁴³ there has been turbulence at the ministerial level.

The Burke Government (1983 – 1988) had only one local government minister, (Jeff Carr) as did the Richard Court Government (1993 – 2001) (Paul Omodei). The Court government comparison is very valid because that was the time when the current LGA was designed, drafted, introduced and implemented; for the entire eight years of that process, only one minister was in charge and a very good law was the result.

More recently, in the entire period of the Barnett government (2008 – 2017) there were only three ministers for local government. (Castrilli, Simpson and Miles), but under McGowan and Cook (2017 – present) there have been four. (Templeman, Carey, Michael and Beazley).⁴⁴

The constant ministerial reshuffles have affected how the change process is being managed because the first initiative of any engaged and competent minister should have been to direct the department to revisit its policy and processes to ensure that the law is fully complied with; but this has not happened.

That major policy failing is also one that any semi-competent shadow minister would pursue, but that also has not happened. However, this political lapse is understandable because, even as someone who has been closely involved, I cannot even recall the names of the plethora of shadows. What I am certain of is that, since the review process started, none of those shadows has ever fired a political shot.

The other concerning failure is that the Public Accounts Committee should have also pursued and evaluated the pathetic departmental response to that damning OAG report, but that committee has also chosen not to do its job.

Which indicates that at every level, our political oversight measures have failed, as has the now collapsed legislative review process; while the promised Green Bill has been jettisoned and the government has returned to a system of patchwork legislative tinkering. Of concern is the direction being proposed for the all-powerful monitors and inspectors which is at odds with the law that makes councils the sole governing body of a local government.⁴⁵

The regulating department has a propensity to:

- overlook lawful requirements of the Act and its regulations; and
- invent alternative and innovative outcomes; and
- formally suggest that legal interpretations are arguable; and
- ignore its regulatory responsibilities.

⁴³ <https://www.wa.gov.au/government/media-statements/McGowan-Labor-Government/Local-Government-reforms-introduced-to-WA-Parliament-20230223>

⁴⁴ [https://www.parliament.wa.gov.au/intranet/libpages.nsf/WebFiles/Fact+Sheets+Ministers+Local+Government+Updated+12+January+2022/\\$FILE/Fact+Sheets+Ministers+Local+Government+Updated+12+January+2022.pdf](https://www.parliament.wa.gov.au/intranet/libpages.nsf/WebFiles/Fact+Sheets+Ministers+Local+Government+Updated+12+January+2022/$FILE/Fact+Sheets+Ministers+Local+Government+Updated+12+January+2022.pdf)

⁴⁵ Local Government Act (1995) – Division 2 s2.6

And while the department operates in that way, the responsible minister to whom the department is directly responsible⁴⁶ just pretends to have no role, which is not correct. Under the LGA, local government ministers, the department and the Departmental CEO have a vast array of wide ranging, discretionary and enforceable powers that they are simply choosing not to use. Incongruously, from what little is known of it, the proposed inspectorate will be granted similar powers as those currently granted to the minister and the department under the LGA, but these new positions will have less oversight than the current provisions.

It is a matter of fact that local government in WA is not autonomous and that is because the law and the constitution say so and if the government wished to change this, they can; but firstly, there needs to be a totally different public discussion taking place, which is just not happening.

Until such public discussion take place, the only lawful option open to the government, its department and local governments, is to comply with the current laws and regulations.

But they do not do so.

SUMMATION

It is my view that the public interest would be far better served if:

- All the amendments made to the 1995 LGA were removed; and
- we reverted to the original 1995 LGA; and
- an informed minister produced a Green Bill to enable the public and the sector to contextualise and have meaningful input into detailed proposals; and
- the regulating department was properly funded and trained, thereby allowing it to operate ethically, competently, and in compliance with the LGA and State Constitution.

But the current budget shows that none of this is going happen and not only is systemic ignorance and incompetence making effective reform impossible; ministerial turbidity has rendered oversight, regulation, and compliance in the sector ineffectual, and it has done this at the same time as it has wrecked any pretences of democratic participation in local government.

I used to think all of this has happened because those in government who, for all the right reasons, set out to review the LGA had been nobbled by their official partners in the Local Government Club who were protecting their own interests; but I now discount that view.

While I do not rule out that view, it is discounted because not even the local government club agrees with the autonomy nonsense being promoted by departmental policy, and to this end these bodies have formally submitted that the department can and should regulate the sector more effectively.

However, the government's ineptitude in the local government sector demonstrates the hallmarks of either kowtowing to vested interest or institutionalised and weaponised incompetence.⁴⁷

You can choose which fits; but what does all this mean?

⁴⁶ Local Government Act (1995) - s1.4.

⁴⁷ <https://www.psychologytoday.com/us/basics/weaponized-incompetence>

First and foremost, it means that local government's public responsibilities are not being correctly and competently overseen thereby reducing the benefit to the public from the sector and increasing costs to ratepayers.

It also means that the reform process has collapsed; the promised Green Bill is dead, the department clearly does not understand what local government is, or how to regulate it; the government has no idea what it is doing either and the massive budget cuts mean that there can only be less oversight and regulation of local governments.

Given those budget cuts, it is most likely that the costs associated with these changes will shift directly to ratepayers through higher rates. As pointed out earlier in this paper, such a cost shifting outcome was forecast by the report of the Local Government Review Panel. Which is amazing because in all the submissions to all the various public consultations over the last four years, not one of them argued for higher rates, major budget cuts and less oversight of the sector.

I repeat and reinforce that no-one asked for this outcome.

If there was a competent shadow minister, they would find out who proposed these changes and why they did so, but that has not happened. One reasonable conclusion would be systemic incompetence. And guess what? That is pretty much what the Auditor General said three years ago but the department will argue that they have turned the corner; and I guess they have.

