THE KNIGHTMARE CONTINUES

Revelations in yesterday’s Council of Territory Co-operation continue to paint a picture of the disastrous implementation of Local Government reform in the Northern Territory.

“During evidence at yesterday’s public hearing, Central Desert Shire Deputy CEO, Roydon Robertson, was damning of the reform measures”, says Shadow Minister for Local Government, Willem Westra van Holthe.

“He explained how, on day 1 of the new Super Shires on July 1st 2008, shire staff had no idea of the financial mess they were inheriting.”

Foisted upon them were:

- Completely unknown debt from old councils
- Roads maintenance with no indication as to which roads were included, the kilometre length or their condition
- Plant and equipment which was neither working or registered
- Non-existent or inaccurate and incomplete asset registers
- Discretionary spending consumed by administration costs of running Federal and Territory programs

All this was managed by an Information Technology system that was forced upon the shires by the Labor Government that wasn’t compatible to councils in the Territory.

“Cash from the Community Government Councils and Progress Associations was transferred to new Shire bank accounts on July 1st 2008.

“What the new shire administrators didn’t realise was the extent of unacquitted grants money worth hundreds-of-thousands of dollars included in the ‘windfall’ – and it is only in the last month or so that the quantum of these grants has been realised.

“Shires have had to return some of this unacquitted money to the funding agencies.

“Mr Robertson also indicated he has been unable to locate some assets that were supposed to have been handed over to Central Desert Shire and that the matter had been ‘handed over to the appropriate authorities’ to investigate’.

Mr Westra van Holthe said the MacDonnell Shire had $650,000 in unacquitted grant money in its coffers.

“It has taken 17 months for the audits of some of the old councils to reveal the true extent of their financial position,” Mr Westra van Holthe said.

“Effectively, this meant that the new shires had no idea of their opening financial position until 17 months after they were formed.”
“This situation was wholly unacceptable. Imagine trying to work out a family budget if you don’t know how much money you’ve got in the bank or how much you’re getting paid each week.

“In the context of a $30million budget, the true scale of this appalling situation becomes even clearer.

Mr Westra van Holthe said other serious financial issues were raised during yesterday’s COTC meeting.

“Rob Knight needs to explain why the old Yuendumu Council spent $1.3 million in the 6 weeks prior to the amalgamations,” he said.

“The Minister should explain to Territory taxpayers what that money was spent on and the whereabouts of those assets.

“The shambles could have been avoided if the Minister hadn’t been so bloody-minded in his determination to implement the new shire system on July 1st 2008.

“His decision has cost Territory taxpayers millions of dollars.

“Given that Rob Knight was also at the wheel of SIHIP when it crashed and burnt, we shouldn’t be surprised to learn the extent of the mess the shires are now in.

“Sadly, this Minister remains in Cabinet and while the Labor Government remains in power, Territorians can only wait in fear for the next Knightmare to occur.”

Further comment: Willem Westra van Holthe 0414 778 430