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Subject: New Submission to Inquiry into the Sustainability and Operational Challenges of Victoria's Rural and Regional Councils
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Inquiry Name: Inquiry into the Sustainability and Operational Challenges of Victoria's Rural and Regional Councils

Ms Andrea Richards




SUBMISSION CONTENT:

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Local Councils services continue to grow, without adequate levels of funding. Every council has a core set of services that have the potential to be merged and run at a regional level. In essence councils currently outsource a number of services to private industry who utilise economy of scale to run a profitable regional business. Waste Management is an example of this, with two or three national/multinationals successful with many council contracts. I believe it is time for a review of what is councils core business and which of these services have potential to be provided at a regional level with the potential to use the economy of scale to look at innovation and use the larger budget in a more sustainable way. Waste Management is an obvious service with potential for innovative environmentally outcomes, such as anaerobic digesters for heat and electricity. Other services like roads could also benefit from centralised regional management; this is how it is managed via VicRoads. These types of core service fees could then be managed by the ESC and thus could remain within rates, however with greater transparency of the true costs.

Overall I believe there is a lack of transparency of costs and use of funds at the Council level. This 3rd tier of government is in a unique situation when compared to industry; the key stakeholders (rate payers) have little or no voice, and even less influence in how a council manages its services, or outsourcing of services. This leads to the perception of mismanagement when rates continually increase each year. Over the past 5 years Strathbogie Shire Council have had rate rises in the order of 12 to 15%, this does make one wonder if the council is being managed sustainably and making good business decisions that don't add to a growing base cost just to maintain the shire and its infrastructure.

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File1:

File2:

File3: