

WCC leasing deals: a wall of silence...and a shiny new shed



The council-owned residence at the Archie Graham Centre is part of a former bank building.

By Carol Altmann

The Warrnambool City Council has pulled down the shutters on its leasing rules that have allowed a senior staff member to rent a council-owned apartment for more than 30 years.

It is two weeks [since the story broke](#) about a senior staff member renting a central apartment at the Archie Graham Centre for 31 years (@ \$190 per week) and another staff member renting a beachside house for 14 years (@ \$221 per week), with no end date for either lease.

Despite an enormous response to the story from people wanting to know more, the person in charge of such things, Revenue and Property Manager Glendon Dickinson, has declined to be interviewed.

A whole series of questions I sent to both him and the WCC media manager, Nick Higgins, have been left hanging.

These questions include basic things like who sets the rent? How often is the lease renewed? How were the tenants selected? How is the rent paid? Does the rent include utility bills?

After several days, the only comment forthcoming was this:

“Our leases are guided by State legislation including the Residential Tenancies Act.”

Do you find that answer satisfying? I find it insulting: not to me, but to all WCC ratepayers, who actually *own* these buildings.

The public service has very different rules around transparency, compared to a private company, but what we are seeing at WCC is not transparency, but secrecy.

One thing that is impossible for the WCC to ignore, however, is the new garage and sealed driveway that has appeared behind the apartment in question at the Archie Graham complex and has cost ratepayers \$43,000.

The single garage was built by council to replace a dilapidated three-bay garage (two bays of which were used to store council junk) that was demolished to make way for new works at Heatherlie homes.

I understand the single garage was budgeted at \$12,000. The project came in “around” \$43,000.

Mr Higgins said the final cost included the garage (\$11,638), rebuilding a collapsed retaining wall, restoring a garden bed and “the sealing of a previously gravel laneway”.

This laneway, which is the expensive part, is not used by Archie Graham clients, but, according to Mr Higgins, only “used by neighbouring tenants and the residential tenant at

Archie Graham”.

The \$43,000 was pulled from the capital works budget for the Archie Graham Centre, the managers of which must be either scratching their heads, or beating it against a wall, at such an expense.

In explaining the cost, Mr Higgins said the council had received more rent from the “flat” over the years than it had spent on maintaining it.

You would hope so.

The rental income from the “flat” had also helped subsidise the maintenance of Archie Graham, he said.

Again, you would hope so. Paying rent, after all, is part of the deal when leasing a property.

But both of these things, really, are beside the point.

The point is that we still don’t know the full details of this lease agreement and how it came about.

The WCC – unlike dozens of councils I have looked at – does not have a property leasing policy which is designed to keep things transparent.

The only way WCC ratepayers would know these leases exist is to visit the council offices and ask for a physical document that very few people know is there.

So why does any of this matter? What is the public interest?

Well, first, the properties are owned by Warrnambool ratepayers. They are the “landlords” here and I think they deserve to know what is going on.

Second, these two leases are *unlike any* of the WCC’s other residential leases. Every other WCC residential lease either

provides public housing for disadvantaged tenants, or short-term accommodation for new staff.

Thirdly, the leases are not part of a salary package and are not required as part of a job description, such as a caretaker at a caravan park.

So, combining all of these factors, the crux of this issue is twofold:

1. *How did two council staff, out of more than 350 staff, manage to secure leases in prime-location, council-owned and maintained houses, that have lasted for decades?*
2. *Do these arrangements breach the Local Government Act?*

I still don't know the answer to #1 and I may never know.

But I do know that under the Local Government Act, if a council lease is to be for more than 10 years, the details must be publicly advertised. This is to allow people to a) know about it and b) have a say.

So how does an ongoing lease of 30-plus years slip under the radar?

Simple.

Break the lease into, say, five year lots – and keep renewing that lease each time. Presto, you have a lease that stretches for decades, with very few people knowing about it, and nobody having a say.

Something doesn't add up here and until it does, we need to keep asking the questions, no matter how uncomfortable. And this is what I plan to do.

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