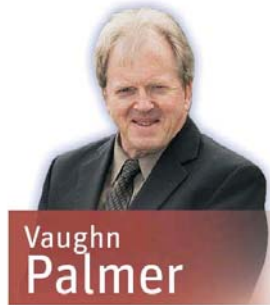


# Premier's 'disappointed,' and aren't we all

**Caught in the act:  
A watchdog  
on local government  
sounded like  
such a good idea  
before all  
the tinkering**



Vaughn  
Palmer

VICTORIA

**W**hen Christy Clark first called for a financial watchdog on local government, she thought the office should be paired with the existing auditor general of B.C.

"The official would be funded by the provincial government and work as part of the auditor general's office," said the January 2011 press release from the Clark campaign for the leadership of the B.C. Liberal party.

But after Clark became leader and premier in March of that year, she tinkered with the original proposal in an effort to quell a backlash from local government leaders.

Gone was her notion that the proposed auditor general for local government would preside over a review of municipal taxation. Gone, too, was the idea of sharing premises, resources and legislative authority with the established auditor general.

Instead, the Auditor General for Local Government Act, introduced in late 2011 and enacted the following spring, established a stand-alone office for value-added auditing on a strictly advisory footing with local government.

While the shift dampened the outcry from mayors and councillors, it came with some negative implications that have been fully on display in the recent controversy over the grossly underperforming office.

The Liberals deliberately avoided the proven model for establishing watchdogs like the ombudsman, the auditor general and other independent officers of the legislature — no statutory independence from the premier's office, ministers and the cabinet, no provision for the office to be filled by unanimous recommendation of an all-party committee of the house.

Instead the legislation provided for

the office to be filled by cabinet order on the recommendation by a government-appointed council. In an effort to maintain a semblance of independence, the legislation provided for the council, not the cabinet, to oversee the performance of the office.

But the actual wording of the act fell short of what was needed, as the Liberals themselves discovered in embarrassing fashion this week.

On Monday, the New Democrats released a leaked report indicating a seriously dysfunctional workplace environment at the office of the auditor general for local government.

Tuesday they followed up with the news of a legal standoff over the audit council's effort to launch a review into why the auditor had managed only one finished audit after spending \$5.2 million in the first two years.

Responding to both sets of accusations, cabinet minister for local government Coralee Oakes fell back on the wording of the legislation.

"The performance evaluation of an auditor general for local government is through an audit council," she told reporters. "It is not my position as a minister politically to intrude in that process and I'm hoping that you're not suggesting today that you want me not to follow legislation."

Unfortunately for her, the followup comments from council chair Anthony Ariganello were scarcely reassuring about the performance of the office or the enabling legislation.

He disclosed what happened when the council, concerned about the lack of results, tried to launch a performance review of the auditor general for local government, Basia Ruta.

"Basically the auditor general for local government, being independent, said, 'Well, I want to ensure the scope and who performs the review is

appropriate,'" he said.

She retained her own lawyer? "Yes, of course, I think that's standard procedure ... it's about interpreting the scope and mandate and who should do the review in terms of independence," he said.

Moreover, as Ariganello conceded, she'd raised a legitimate concern about the lack of clarity in the legislation. "That's the problem," he said. "You have got to go to the act, and it's not really clear 100 per cent. So when you look at the act, someone can interpret that one way and others can interpret another way and that's really what it's all about."

The problem with the legislation could rightly be blamed on the Liberals. Still, Ariganello and the other four members of the council recommended Ruta for the job in the first place. Were they happy with her performance to date?

"I can't speak on behalf of the council," the chair replied. "We have not had that discussion."

That was Tuesday. But after his comments were reported in the news media overnight, there was a significant development in the legal impasse over the review.

"The audit council has stated to the auditor that it wants to initiate a review," a statement delivered to the press gallery Wednesday morning said. "In fact in December 2014 the audit council resolved to initiate a review." Ahem, ahem.

Then the news: "The auditor general for local government has now indicated that it is supportive of such a review."

"Now" meaning three months after the council first tried to launch the review, and two days after the minister was doubly embarrassed on the floor of the legislature. That development provided an opening for Clark to comment on the lack of results from an office that she did so much to create.

"This is something that was really important to me to get done," she told reporters who gathered in her office for a media scrum at mid-afternoon. "I am more disappointed about it than just about anyone in government."

Anyone in government, perhaps. But I expect more than a few taxpayers would rival her sense of dismay at seeing \$5.2 million spent with so little to show for it.

vpalmer@vancouver.sun.com