

**Submission
No 30**

**INQUIRY INTO AGISTMENT OF HORSES AT YARALLA
ESTATE**

Name: Mr John Rosier

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30 July 2013

The Director
Select Committee on the Agistment of Horses at Yaralla Estate
Parliament House
Macquarie St
Sydney NSW 2000

Dear Director,

Inquiry into the Agistment of Horses at Yaralla Estate

I write as a resident of Concord living very close to the Yaralla Estate. My family, including two young children, enjoy the amenity which Yaralla provides and is one of the main reasons we moved here five years ago. We wish to see the entire property maintained and managed properly so my family and future generations can enjoy it.

The horses and schooling of horses and the opportunity to interact with them and their owners was only one of the features we enjoyed, but an important one. It provided an important feeling of community which would not be the same should the private owners be replaced by staff of a government agency in the form of mounted Police, no matter how well intentioned.

On the particular matters in the Terms of Reference for the Inquiry:

a. The actions of the Sydney Local Health District

I must say I am mystified by the actions of SLHD and lean to the view that they have not acted in good faith. I am left with the impression that a decision was made to evict owners and install the police and their subsequent actions were designed to achieve that end.

The engagement of the firm BlueVisions, which claims to be a project management companyⁱ, is a curious one given the nature of the non-compliance with licence conditions which were of concern to SLHD and which BlueVisions was apparently asked to investigate.

It has been reported that the BlueVisions report found that the current arrangement whereby paddocks are sub-let to horse owners was "contrary to the conditions" of the original 1996 licence which specified a single operator of the agistment serviceⁱⁱ. If this was the case why did SLHD allow it to continue for up to 17 years? It is inconceivable that the SLHD was unaware of the sub-letting.

If, in fact, SLHD was aware of the sub-letting and accepted it even though it was contrary to the terms of the licence, then SLHD can hardly use that failure as a reason to terminate the licence. What alternative arrangements were raised with the affected parties?

All in all, the questions around the engagement of the firm to investigate and report, that fact that SLHD seems to have overlooked (or even accepted) non-compliance with the licence conditions but then used that as a reason for terminating without looking for an alternative makes me think that SLHD has not acted in good faith.

b. The eviction of community members whose horses are agisted on the Estate lands

If, as SLHD says, the licensee was failing to address concerns regarding compliance with the terms of the lease, it would seem that a quite reasonable action would be to approach the horse-owners directly and ask them to identify a more suitable licensee to represent them. To my (admittedly limited) knowledge that course of action does not seem to have been contemplated. Again, it would seem to be a case of not dealing with stakeholders in good faith.

c. the “independent audit of the site” referred to in a 19 April 2013 media release issued by the Sydney Local Health District

I assume that the “independent audit” SLHD is referring to is the investigation and report by BlueVisions, in which case I would ask: What professional standards were applied to ensure the audit was independent?

In context of an audit, some guidance on the matter of Independence can be found in APES 110 Code of Ethics for Professional Accountantsⁱⁱⁱ, paragraph 290 and, in particular, 290.124 to 290.127. If the matters reported in the Sydney Morning Herald article of May 25, 2013 regarding the business and personal relationships of BlueVisions is correct, then the company could not be considered independent, and nor could the resulting audit.

d. any other related matter

Lease going to tender

It has been reported that the lease will now go to a tender and will awarded to the best applicant^{iv}. Unless government agencies are excluded from the process it will be a sham tender. It would not be possible to have a commercial (or realistic) tender when one arm of government is tendering to another arm of government, since there is no net cost to the government. From the government’s point of view it would simply be transferring money from one agency to another, with the possibility of adjusting approved budgets such that both agencies end up in the same financial position they would otherwise have enjoyed. Under such circumstances the government can afford to do so in such an amount as will outbid any competing bid.

Trustee arrangements for the Walker Trusts

District chief executive Teresa Anderson has been quoted as saying that the police agreement would have ensured "valuable health dollars were not used for managing a site for private horses". (Sydney Morning Herald, 20 May 2013^v).

I understand that the Walker Trusts Act 1938 set aside an amount of money to be invested, the income from which was to be used for various purposes after allowing for all expenditure incurred in the care, upkeep and maintenance of the lands in the Schedules to this Act described and the buildings thereon^{vi}.

The following questions arise:

1. Why are "health dollars" being used to manage Yaralla?
2. What is the present capital amount in the Walker Trusts?
3. Who is/are the trustees of the Walker Estates?
4. What action are the trustees taking for the care, upkeep and maintenance of the property?
5. What are the long-term arrangements for funding the upkeep of Yaralla?

Finally

Thank you for the opportunity to make a submission. I hope that the Committee finds it useful.

Yours faithfully

J W Rosier

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- i <http://www.bluevisions.com.au/en/About-Us/blueVisions.aspx>
- ii <http://www.smh.com.au/nsw/liberal-party-links-to-study-questioned-as-horse-owners-are-forced-off-property-20130524-2k6mv.html>
- iii <http://www.apesb.org.au/attachments/1-APES%20110%20Code%20of%20Ethics%20for%20Professional%20Accountants%20December%202010%20-%20Final.pdf>
- iv <http://www.smh.com.au/nsw/outcry-forces-backflip-on-mounted-police-deal-20130519-2jutx.html>
- v <http://www.smh.com.au/nsw/outcry-forces-backflip-on-mounted-police-deal-20130519-2jutx.html>
- vi Walker Trusts Act 1938, section 11.