

Town council's red grade fuels debate

Aljunied-Hougang Town Council targets PAP town councils' use of IT system

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WHEN Aljunied-Hougang Town Council (AHTC) got a red score for collection of service and conservancy charges arrears during the latest Town Council Management Review, it blamed the company managing the council's computer and financial system – Action Information Management (AIM).

Instead of addressing the red score, AHTC released a statement yesterday questioning how the 14 town councils could have seen it fit to sell away their rights to a system developed with public funds.

In response, Dr Teo Ho Pin, coordinating chairman of the 14 PAP town councils, said that AHTC's chairman Sylvia Lim did not answer key questions.

Ms Lim had said that extensions to the contract with AIM had to be "fought for".

The Workers' Party has been running AHTC since Aug 1 last year after it won Aljunied GRC in the General Election in May.

Not accurate, said Dr Teo. He said the contract ended because AHTC had written in on June 10, 2011, to say that it wanted to develop its own system.

The contract was terminated with "mutual agreement" on Sept 9 last year, after two extensions had been given at AHTC's request, Dr Teo said, adding that AHTC had thanked AIM for the extensions.

"Ms Lim should come clean on the facts. Why state that AIM wanted to terminate, while suppressing the fact that AHTC had on June 10, 2011, written to say that it wanted to develop its own software?"

"The question has not been answered by her," Dr Teo said.

New issues

Dr Teo noted that Ms Lim had raised several new issues relating to allegations of conflict of interest in her statement and said that the town councils will go through the latest allegations and "deal with them openly" over the next few days.

So is this an issue of a bad grade been turned into politicking by AHTC?

Yes, said National Solidarity Party's former secretary-general Goh Meng Seng.

He said: "Earlier, Sylvia Lim had said that Aljunied was going through a smooth handover, so why raise this now?"

"At that time, the WP said they did not find any problems, but now that they have a bad report card, (then) they bring this up?"

"If the handover was that smooth, why are they using this matter as ammunition?"

Agreeing, Singapore Management University law lecturer Eugene Tan said AHTC "deflected questions" about its system not being up and running and shifted the focus to the PAP and AIM.

But he said there were legitimate questions about whether there is a conflict of interest – given that AIM is owned by ex-PAP MPs.

"This in turn raised questions whether residents were getting the best price, whether there was any related party transaction, whether all this should have been made known," said Assistant Professor Tan, who is also a Nominated MP.



Aljunied-Hougang Town Council chairman Sylvia Lim.

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Dr Teo Ho Pin, coordinating chairman of the 14 PAP town councils.

Mr Inderjit Singh, an MP for Ang Mo Kio GRC, also felt that the matter was being politicised and pointed out that the "real issue here is the performance of the town council".

Former MP Ho Geok Choo told The New Paper that it made sense for the town councils to centralise their computing and financial systems and reap economies of scale.

"The core job of MPs and town councils is not IT and it would be more efficient to outsource this role," she said.

As for AIM being the only vendor which submitted the tender, Madam Ho said: "I suppose the other parties were savvy in that there was not much money to be made."

Good business model

Prof Tan agreed that the town councils' outsourcing of the software at a monthly fee of \$785 per town council is a good business model compared to using the product and services of a commercial vendor, but the transaction still raises legitimate questions of whether the 14 PAP town councils have secured the best deal.

"What is problematic now is that conspiracy theories abound on the PAP-WP rivalry and on the related-party transaction between AIM and the PAP town councils," he said.

"AIM and the PAP could have avoided this had the related-party transaction been made known from the outset.

"In short, better disclosure, more transparency and greater attention to concerns of accountability would have avoided petty politics taking over and casting a doubt on the PAP town councils' use of town council management service."

All this means little to taxi driver B.K. Tan, who pays monthly conservancy charges of \$84.60 to Jurong Town Council.

Said the cabbie: "I care that my estate is clean, well-managed and maintained."

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