

Lachlan Shire Council – Scale and Capacity

1. More robust revenue base and increased discretionary spending

The following measures to increase financial sustainability have been adopted by Council and agreed by the community after extensive community consultation (series of public meetings and independent survey):

- New fees and charges and increased fees and charges to ensure full cost recovery to a range of services by 2.5% to cemeteries, waste services, sport and leisure etc.
- A Special Rate Variation (SRV) of 33% over 4 years from 2016/17. LSC has not previously applied for a SRV and has a relatively low rate base which can be expanded to maximise own source income.
- Increased water and sewer charges to ensure these Category 1 and 2 businesses are making a profit and a satisfactory return on assets.
- Reduced staff establishment due to revised service levels and efficiencies.
- Introduced a Section 94A Contributions Plan and developer contributions for water and sewer to secure additional funding for necessary infrastructure.
- Reviewed costs including depreciation expense, procurement practices, donations and other policies and subsidies, leaseback vehicle schemes, contractor payments, asset levels held by Council, employee entitlements and work practices to make significant savings.
- Council policy in the past has been to not borrow, however going forward this has now changed with loans being budgeted in both General Fund and Water Fund.
- A new Long Term Financial Plan that will progressively increase profits, expand capacity for discretionary spending and ensure a more robust revenue base by 2020.

2. Scope to undertake new functions and major projects

A feature of the Lachlan Shire is the number of towns and villages which are separated by long distances and which require basic services. There are additional costs of this, perhaps not evident in local government areas which have less population centres and less distance to travel. Due to the lower numbers of staff, the majority of staff have developed the ability to be extremely adaptable to many tasks and multi skilled, particularly when it comes to operating plant.

LSC has a proven record of undertaking new functions and major projects which many metropolitan councils would have little, if any, experience in. These include:

- Provision of medical facilities and residences to house General Practitioners and Allied Health Services staff at Condobolin, Lake Cargelligo and Tottenham.

- Provision of RMS agencies in Condobolin and Lake Cargelligo with expanded functions to meet the ongoing requirements of Service NSW.
- Provision of water and sewer to five population centres including one outside the shire boundaries at Murrin Bridge, an Aboriginal community of some 100 persons..
- Provides and maintains three airstrips two with a sealed runway yet there is no regular passenger service to assist with offsetting maintenance costs.
- Provision of Home and Community Care Services across 15,000 sq kms
- Provision of three swimming centres at different population centres with relatively small populations to financially sustain those facilities.
- Due to the huge area LSC employs four noxious weeds officers to control weeds which, if left unchecked, negatively impact on agricultural production
- Cemeteries are maintained and operated at each of the towns and villages
- Numerous parks, libraries, sportsgrounds and community halls are maintained by staff who must travel long distances to do so.
- To ensure frail elderly people remain close to family and friends LSC owns an eighty bed nursing home in Condobolin which is leased to a specialist operator. The financial profits (if any) are much smaller than larger private coastal and metropolitan centres due to the quantum of bonds people pay from which interest is earned, the smaller catchment area and the higher cost of food, materials and salaries. Since property prices are much lower in rural/remote areas it is difficult to ask people to pay a bond of up to \$550,000 which is the maximum that can be asked in more affluent areas of the State.
- Council owns and operates an indoor sports stadium with gymnasium in Condobolin and financially supports facilities in Lake Cargelligo and Tottenham.
- An outreach pre-school service is provided to remote centres.
- Financial support of over \$275,000 p.a. is provided to two not for profit organisations to undertake youth and other community services.
- Major multi-million dollar projects have and are being undertaken regularly with regards to buildings, roads, bridges, water and sewer infrastructure and dams.
- LSC effectively manages the largest road network of any council in NSW.
- Maintains a fleet of 9 graders, 23 trucks, 19 other large plant, 10 minor plant and 63 light fleet. Our fleet is one of the largest in NSW Local Government.
- Provides tourist accommodation at 3 Caravan Parks and 5 free camping sites across the Shire.
- Is the custodian of the built and natural environment of almost 2 percent of the NSW land mass.
- Manages nationally significant Indigenous Heritage sites.
- Maintains the regionally significant Gumbend Lake which provides recreational opportunities to people from across the region
- Oversees the safety of almost 200 privately owned pools
- Manages illegal dumping on roads and reserves.

Some **major projects** undertaken by LSC include:

- \$3.9m Condobolin Bore Fields II – restart NSW funding due to commence design in late 2015 & construction in 2016
- \$1.064m MR347 Dandaloo Road (50% Federal HVSP Grant)

- \$1.1m 2014/15 MR231 Wyalong Rd reconstruct and widen
- \$1.28 Melrose Medical Centre Condobolin built
- \$19m for the Merri Abba Scheme – construction of 3 bores, a high lift pumping station, mid point reservoir, 29km of pressure pipe and electricity supply
- \$2.1m for 2ML Concrete reservoir and 50kL steel backwash tank for Lake Cargelligo (remainder of Merri Abba funds from NSW Funding)
- \$1.5m to complete sealing of 57N Fifield Road between Fifield and Tullamore
- \$3.5m Dec 2010 Flood Damage Local Road works program
- \$1m Mar 2011 Flood Damage Local Road works program
- \$1.2m SR15 Moira Vale Road combined reconstruct & widen with flood repairs.
- \$2m Feb/Mar 2012 Flood Damage regional Road works program

3. Ability to employ a wider range of skilled staff

Council employs a wide range of skilled staff including engineers, accountants, town planners, pre-school teachers, food inspectors, noxious weed staff, personal fitness instructors, ranger, mechanics, welders, plumbers, librarians, child care director, IT staff, GIS officer, horticulturalists, human resource officers, records officer, environmental officer, accredited certifier, architect, WH&S officer, painter, building services officer and the various clerical, plant operators and general hand staff. Council has an Enterprise Agreement which has a retention allowance clause to help attract and retain staff.

4. Knowledge, creativity and innovation

LSC has won a number of awards for knowledge, innovation and creativity across a number of Council functions as shown below:

DATE	DESCRIPTION
2008	Institute of Public Works Engineering Australasia Local Government Excellence in Road Safety Awards Winner 'Catch Ya Later Condo'
2010	Local Government Shires Association (NSW) Excellence in the Environment Awards 2009/2010 Goulburn- Mulwaree Council and Lachlan Shire Council Division B – Waste Avoidance Award Highly Commended - Groundswell City to Soil Community Engagement Strategy
2010	Statewide Mutual Risk Management Excellence Awards Commendation - Development, Implementation and Management of an Events Management Policy
2010	Heart Foundation Go Red for Women Leadership Award Amy Johnson (Strudwick) Young Parents Program Coordinator, Widening the Circle
2010	National Awards for Local Government Strengthening Indigenous Communities (Small Council under 15,000 rateable properties) Category Winner - Widening the Circle

2012	Statewide Mutual Risk Management Excellence Awards Winner - Emergency Management – 2012 March Flood Event
2014	Statewide Mutual Risk Management Excellence Awards Commendation – Merri Abba Bore Pipeline
2014	Local Government NSW Excellence in the Environment Awards 2013/2014 - Weed Management Award Winner - Red Guide Posts – Riverina and Central Western NSW
2015	Local Government Professionals Local Government Excellence Awards Special Project Initiative (Population under 15,000) Winner - Road Asset Capture Program
2015	Local Government Professionals Local Government Excellence Awards Road Safety Category 'Free Cuppa for the Driver' Scheme – (Parkes/Forbes/Lachlan)

Working across the Central West Joint Organisation and with alliance partners such as Penrith City Council LSC is looking to build its capacity for innovation and creativity through staff visits and collaborative work.

As a member of the pilot Central West Joint Organisation of Councils; Mid Lachlan Alliance (Lachlan, Parkes, Forbes Shires) and alliance with Penrith City Council LSC has increased scope for development of innovation.

5. Advanced skills in strategic planning and policy development

In 2014 LSC developed a Management of Change Plan which was seen as best practice by the OLG and which has since been refined in an effort to both comply with the Fit for the Future criteria and further improve governance within LSC.

The introduction of Integrated Planning and Reporting has been an evolving process for LSC however our plans are being expanded and matured each year following greater engagement with the community. An example has been the development of the Condobolin Medical Centre by LSC to become a modern multipurpose facility with General Practitioners and allied health services such as private ultrasound services. Many of these services demanded by the community are new, however it has been LSC that has had to provide the service due to lack of other Government and private enterprise intervention. Another example is that Council provides a premise to Condobolin's only Dentist.

The Council manages 8 waste facilities across the shire. The last two years has seen much work and money spent on rationalisation of these facilities in order to ameliorate significant environmental and WHS risks. Three of these village facilities are to be closed with a kerbside collection services to be provided to the village for the first time. Waste is to be centralised to Condobolin where it can be appropriately managed. This will result in significantly better outcomes for the environment, and supervision of the remaining facilities will keep our residents safe. Investigations are also underway to better utilise domestic organics which are also collected from the kerbside.

6. Effective regional collaboration

Council is a member of LGNSW which represents the views of councils to the NSW and Australian Governments; undertakes research and advocacy on behalf of councils; provides industrial relations, procurement, training and other specialist services to councils; organises relevant conferences and events; and promotes NSW councils to the community.

Council is a founding member of the CENTROC pilot Joint Regional Organisation. The Lachlan General Manager is the sponsoring GM on Health issues in the region. LSC staff participate in the following sub-committees - CENTROC General Managers' Committee, Planners Group, Water Utilities Alliance, Procurement Group, HR Group, Work Health & Safety/Risk Group, Finance Group, DCS Group, IT Group and contributed to the Transport and Water Infrastructure Priority Plans. Membership of a Central West JO is anticipated to save LSC operational costs of about 5% p.a. – refer Attachment 7 for letter from CENTROC.

Lachlan Shire was a foundation member of the CENTROC Water Utility Alliance (CWUA) which merges the skills and abilities of the local water utilities in the Central West. The CWUA have run a number of combined contracts to engage contractors to work together on a number of the plans and documents required to Best Practice compliant with NSW Office of Water. These plans include:

- Drought management Plan
- Integrated water Cycle management plan
- Strategic Business plan for water and sewer

LSC is an associate member of the Western Division Councils (Lachlan Shire Deputy Mayor is currently the Chair of the Organisation) and is a member of the Mid-Lachlan Alliance comprising Parkes, Forbes and Lachlan Shire Councils.

7. Credibility for more effective advocacy

As a member of the aforementioned organisations any advocacy is usually done through those organisations. Advocacy from a single Council is less effective than organisations with member councils unless the issue is specific to the single council.

Council does advocate for services to be enhanced by other levels of Government such as increased police numbers in specific towns, increased health service provision and in instances where local service provision is being removed or transferred.

8. Capable partner for State and Federal agencies

LSC has proven to be a very capable partner for the State and Federal agencies. Examples include:

- Provision of Home and Community Care services across an area of 15,000 sq kms
- Support medical facilities and allied health services including dental services by providing medical centres, surgeries and residential accommodation for General Practitioners.
- LSC provides agency services for the RMS and Service NSW in Condobolin and Lake Cargelligo
- Heavy vehicle inspection station provided to RMS
- Ranger assists local police with search warrants where guard/dangerous dogs are present at premises
- Provide input into Regional Growth Plans developed by Department of Planning and Environment
- Provision of recreational facilities for Condobolin High School – gymnasium and indoor sports courts
- Assist Local Land Services with straying stock and feral pests on Crown land
- Provide support to NSW EPA to address environmental incidents
- Provide facilities and funding for Rural Fire Services, Fire and Rescue NSW and State Emergency Services
- Maintain and service RFS Appliances as well as processing purchase orders and invoices for capital works.
- Provided in-kind support for the design of a helipad at the Condobolin hospital
- Museum and Galleries NSW provide 50% funding towards the engagement of a Museums Advisor
- Heritage Office provide 50% funding for local heritage advisory services
- Member of the Local Land Services Local Government Reference Group
- Member of Local Traffic Committee comprising police and RMS and which is also facilitated by LSC.
- Member of Local Emergency Management Committee comprising SES, RFS, Fire and Rescue, Police and Ambulance. Council is a capable partner during natural disasters such as floods and droughts and has significant experience in preparing for natural disasters and in the administration of recovery from natural disaster
- Member of Central West Salinity and Water Quality Alliance
- Member of Regional Weeds Action Group
- Member of regional waste Group, Netwaste (DEP is on Steering Committee)
- Work with NSW Food Authority to maintain food shop standards
- Work with RMNS to maintain and provide capital upgrades to state road network within the shire.
- Collaborated with Federal Government to build the Melrose Street Medical Centre
- Provision of a nursing home and retirement home operated by an independent operator.
- Work with NSW Public Health Unit to maintain safe and reliable potable water supply
- Partner with the NSW Food Authority to ensure safe food for residents and visitors to the shire.

9. Resources to cope with complex and unexpected change

Refer to Point 1 regarding the increase in financial resources to cope with any unexpected fall in revenue or increase in expenditure.

In times of emergency/natural disaster Council is a lead agency through our Local Emergency Management Committee which plays a leading role in emergency preparedness within the Shire. To this end, Council hosts regular meetings of FRNSWW, NSW Police Force, NSW Ambulance, SES, RFS and local mines rescue squads. Council coordinates the Local Emergency Operations Centre based at LSC Offices which is enacted during times of emergency.

This has included the following natural disasters in recent years

Date	Category
9 January 2013	Bushfire
February/March 2012	Floods
November 2011	Floods
March 2011	Storm and Floods
29 November 2010	Floods
13 February 2010	Floods
From 24 December 2009	Floods
21 to 22 December 2007	Severe Weather

As a result of the 2011 and 2012 floods Council received considerable natural disaster funding to repair roads that were damaged during these events. The water and sewer networks were also impacted upon with some localised flooding occurring within urban areas.

Council staff have also been exposed to many contractors completing various works right across the Shire and have developed skills learned from this exposure.

10. High quality political and managerial leadership

LSC has 10 Councillors who contribute as members on a wide range of Boards and Committees. LSC supports the provision of ongoing training for Councillors to assist them in effectively undertaking their duties.

LSC will be taking every opportunity to encourage a more equitable representation of the local population and in particular potential female, young and indigenous candidates at the next Local Government elections. It will do this through community meetings, social media, website and bi-monthly Council newsletters.

LSC's management executive team have a combined local and state government management experience in excess of 100 years. Each Director and the GM is degree qualified with additional post graduate qualifications. There are currently some 23 staff members with Degree qualifications or studying a degree which indicates that Council can attract and/or grow appropriately qualified staff.