

Template 3

Rural Council Proposal



Section 1: About your council's proposal

Council details

Council name:

Gilgandra Shire Council

Date of Council resolution
endorsing this submission:

24 June 2015

1.1 Executive summary

Provide a summary (up to 500 words) of the key points of your Proposal including current performance, the issues facing your council and how adopting the Rural Council and other options in your Proposal will improve your council's performance against the Fit for the Future measures.

Gilgandra Shire Council welcomes the opportunity to make a submission in support of Council being recognised as Fit for the Future as a rural council within an Orana Joint Organisation (ILGRP recommendation). A detailed description of Council and the extensive range of non-core activities provided and managed is attached to the Template (Council letter).

As detailed in section 2.2 of this submission, Council has improved its performance against a number of the **"Fit for the Future"** ratios over the past four years and will continue to do so over the next three years. Section 4.1 confirms that further improvements are anticipated over coming years.

Council is in a strong financial position with improved results in 2012/13 and 2014/15 and, following the third quarterly review for 2014/15, further improvement is projected. During this period external audit reports have noted Council's strong financial position, ability to borrow for appropriate projects and work undertaken to review accounting practices (see note Section 2.2).

A reduction in "real operating expenditure per capita" creates a real challenge for rural councils servicing large areas with relatively small and static populations. Council will continue to focus on delivering "value for money" in regard to the services it delivers.

Council has also been on a path of continuous improvement in terms of service delivery, maintenance and renewal of infrastructure assets and financial sustainability since 2010 when its first suite of integrated plans was developed. Council has borrowed under the Local Infrastructure Renewal Scheme to replace a bridge (\$1.2m) and provide infrastructure for new subdivisions – residential and industrial (\$1,060,000).

Over the term of this Council, achievements include:

- An updated Community Strategic Plan (CSP) and delivery program that aligns with Council and community objectives;
- The development of detailed infrastructure asset management plans for transport and building assets and commencement of plans for stormwater, water and sewer assets;
- The development of a Local Roads Hierarchy Plan (LRHP);
- An updated Long Term Financial Plan (LTFP) that aligns with the CSP and delivery program.

During the above reviews Council determined that its rating revenue base needed to be increased significantly to address particularly transport asset maintenance and renewal requirements and, after significant community consultation over a two year period, applied for and was successful in achieving a special general rate variation as detailed in the following table.

Table 1.1 IPART's determination on special variation for 2014/15 to 2016/17

Year	Increase approved	Cumulative increase approved	Annual increase in general income	Permissible general income
	(%)	(%)	(\$)	(\$)
Adjusted notional income 30 June 2014				3,602,224
2014/15	9.30	9.30	329,910 ^a	3,932,134
2015/16	10.00	20.23	393,214	4,325,348
2016/17	10.00	32.25	432,534	4,757,882

a The annual increase of \$329,910 in 2014/15 is net of an adjustment of \$5,097 for a prior year excess.

Source: Gilgandra Shire Council, *Section 508A Special Variation Application 2014/15 – Part A* (Gilgandra Application Part A), Worksheet 1 and IPART calculations.

This additional income is committed to maintenance and renewal works on rural transport assets (local roads and timber bridges) from 2014/15 onwards.

Over the past two years Council has also been undertaking a review of its service delivery and operations and this process will continue into the future (refer template).

Issues facing Council

- Ageing Infrastructure assets – Council's commitment to strengthening asset management will, together with the increased revenue from the Special Rate Variation (SRV), help address transport assets (local roads and timber bridges) and completion of asset assessment and plans for water, sewer and stormwater will build on this commitment.
- Population – ageing and gradually declining – Gilgandra's location and Council's commitment to attract employment generating businesses and growing existing business is highlighted in all plans.
- Succession Planning – staff – Council continues to build on efforts to attract and train staff and promoting from within to ensure an experienced and committed local staff.

- Government Policy – with the range of services provided Council aims at ensuring relevant standards and financial arrangements are met to ensure continuation of the various important economic drivers in the Shire.
- Risk to Local Government of changes or restrictions applied to significant grant programs such as FAGs and Roads to Recovery.
- Responding to changes in Local Government Act, State Planning legislation and Roads & Maritime Services (RMS) funding arrangements (Council as a significant contractor).
- Review of all services – to allow Council to deliver appropriate services at a level to meet community expectation within means. Work to date reflected in improved results.
- Stocktake of specialist skills and services – to determine need and then access – aim to assess availability and plan sharing skills to reduce costs and have access to skills locally as needed – improved working at shared cost.
- Commitment to refine Long Term Strategic Plans (IP&R) and Asset Management Plans and practices – ensure Council managing scarce resources to ensure sustainability.
- Continue focus on strategic planning and financial management for all Local Government and non-core activities.
- From the introduction of the Integrated Planning and Reporting framework, Council has consistently engaged the community and has a strong commitment to the process ensuring an informed and supported community (refer section 3.3).

Council did consider the option of a merger with Coonamble Shire Council but resolved not to progress as it was determined it would not be in the best interest of the Gilgandra community or benefit to either of the Councils (refer supporting letter and Section 3.4).

1.2 Scale and capacity

Did the Independent Local Government Review Panel identify the option that your council become a Rural Council?

(i.e. your council was identified in Group C or B of the Panel's final report)

Yes

If the Panel identified an alternative preferred option for your council, have you explored this option?

(Group C Councils should answer 'NA')

NA

1.2 Scale and capacity

Please demonstrate how your council meets the following characteristics of a Rural Council (optional if a Group C council).

Rural Council Characteristic	Your council's response
1. Small and static or declining population spread over a large area	<p>The Gilgandra Shire population has experienced a slight decline</p> <ul style="list-style-type: none"> • 2014 – 4400 • 2011 – 4368 • 2006 – 4519 <p>The Gilgandra Shire area is 4800km²</p> <p>40% of the Shire population live in the rural areas of the shire, outside the township of Gilgandra.</p> <p>SOURCE: REMPLAN</p>
2. Local economies that are based on agricultural or resource industries	<p>The Gilgandra Shire economy is still dominated by agriculture when using nearly all economic measures.</p> <ul style="list-style-type: none"> • Agriculture employs 427 people or 30.43% of 1403 total labour force • Agriculture accounts for \$84 million or 26.97% of \$313 million in regional outputs • Agriculture accounts for \$73.6 million or 60.77% of a total of \$121 million in exports. <p>Enabling agricultural imports and exports to move in and out of the region is essential in supporting the industry. Council is responsible for maintaining 1,226km of rural local roads and infrastructure which is essential in ensuring the viability of the rural economy.</p> <p>SOURCE: REMPLAN</p>
3. High operating costs associated with a dispersed population and limited opportunities for return on investment	<p>Council has 233km of local sealed roads, 42km of town streets and 993km of unsealed roads. There is significant travel required by staff to maintain road assets with up to 80km to the extremity of the Shire area.</p> <p>Council operates facilities such as the swimming pool, sporting ovals, parks and gardens, visitor information centre/ gallery complex and community halls all at substantial cost. This is due to the community's inability to pay and also the lack of commercial opportunities from these facilities. These services are delivered as they are essential to the community's standard of living and sense of community however there is a lack of population to achieve cost recovery or a commercial rate of return.</p>

4. High importance of retaining local identity, social capital and capacity for service delivery	Gilgandra Shire Council has invested significant resources over three decades to develop operations that are essential to the economy and social fabric of the community. Council now employs close to 200 FTE positions across traditional and non-traditional functions. Aged Care and Disability Services are now vital services to our economy and Council's structure provides assurance for funding bodies, governance and stable management and is strongly supported by the community.
5. Low rate base and high grant reliance	Council collects a total \$3.80 million in general rates. Council's total operational budget in 2014/15 is \$26 million. The gap is made up of a mix of grants such as Roads to Recovery and Financial Assistance Grants and contract funding to operate services such as Aged Care and Disability Services and undertake contract civil works for the RMS and neighbouring Councils.
6. Difficulty in attracting and retaining skilled and experienced staff	Council finds it difficult to attract skilled staff and often has to offer a range of incentives to attract qualified staff in technical areas.
7. Challenges in financial sustainability and provision of adequate services and infrastructure	There will always be a challenge to a rural community like Gilgandra in maintaining or achieving financial sustainability. There are large distances, small populations, high percentage of low socio-economic residents and a declining / stagnate ageing population.
8. Long distance to a major or sub-regional centre	The Regional centre for the Gilgandra Shire residents is Dubbo, 65km to the south of Gilgandra township. For some residents of the shire this is as far as 130km. 400km to Newcastle 550km to Sydney
9. Limited options for mergers	<p>Council has reviewed the merger option with Coonamble Shire Council as recommended in the ILGRP's Report.</p> <p>Council resolved not to further explore this option based on the following:</p> <ul style="list-style-type: none"> • The current body of Independent Research that finds limited benefits to the communities of merged small rural councils <p>The key issues such as low rate base, declining population, reliance on grants are present in both Shires. Gilgandra Shire Council believes a merger would just increase the size of the shire without adding strategic direction or opportunity to change these issues.</p> <ul style="list-style-type: none"> • GSC operate substantial non core LG functions with strong community support - merged structure may not have interest nor capabilities to manage • Differences in philosophy may lead to Council losing input to Aged Care & Disability Services – potential to impact on job numbers in the community

Section 2: Your council's current position

2.1 Key challenges and opportunities

Explain the key challenges and opportunities facing your council through a SWOT analysis.

(You should reference your Community Strategic Plan and any relevant demographic data for this section)

<p>Strengths</p> <ul style="list-style-type: none"> • Diversification (Aged Care / Disability Services / Contract roadworks etc) • Location (junction of three major highways and 45 minutes to major centre) assists to maintain viable and sustainable local economy • Volunteerism (Tourism/ Community Services) • Waste Management planning/ practices • Youth participation • Quality health services • Financial sustainability – SRV, low debt, commitment to LTFFP • Focus on heritage/community history • Proud, friendly, supportive community • Strong and stable leadership • Active role in OROC and LMWUA 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Ageing transport assets (timber bridges) and water and sewer • Cultural understanding (aboriginal community) • Co-ordination of government and non-government community services (State and Federal agencies plus NGO's – being addressed through Interagency network and contact) • Succession planning (Council and Agricultural industry)
<p>Opportunities</p> <ul style="list-style-type: none"> • Industry expansion/new industry (associated with agriculture/mining etc) • Sustainable land use and planning • Employment and housing expansion (associated with close proximity to Dubbo) • Further regional co-operation (JOC) • Technological change (NBN etc) Council specific • Increased contracting with RMS and Councils – specialist plant and teams • Build on current planning to ensure sustainability. 	<p>Threats</p> <ul style="list-style-type: none"> • Mining - CSG (impact on agriculture/social impact) • Population decline • Government policy (amalgamations / aged care / disability services/ contract roadworks / community transport / education etc) – withdraw / cap or refine grants • Climate change (agriculture) • Agricultural commodity prices • Loss of/availability of skilled labour (competition with mining industry) • Loss of water and sewer functions to State Government



See Guidance material page 13 for help completing this section.

2.2 Performance against the Fit for the Future benchmarks

Sustainability				
Measure/Benchmark	2010/2011 performance	2011/2012 performance	2012/2013 performance	2013/2014 performance
Operating Performance Ratio (Greater than or equal to break-even average over 3 years)	-4.52	-0.173	-0.025	0.032
Own Source Revenue Ratio (Greater than 60% average over 3 years)	72.98%	68.30%	67.90%	74.60%
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)	35.05%	34.90%	58.70%	79.40%

2.2 Performance against the Fit for the Future benchmarks

Sustainability			
Measure/Benchmark	Achieves FFTF benchmark?	Forecast 2016/2017 performance	Achieves FFTF benchmark?
Operating Performance Ratio (Greater than or equal to break-even average over 3 years)	Yes/No No	<i>Estimate performance</i> 0.96%	Yes/No Yes
Own Source Revenue Ratio (Greater than 60% average over 3 years)	Yes	74.11%	Yes
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)	No	124.35%	Yes

If Fit for the Future benchmarks are not being achieved, please indicate why.

For example, historical constraints/context, one-off adjustments/factors, council policies and trade-offs between criteria.

Operating Performance Ratio

As a result of an increased revenue base following a successful application for a special variation for the period 2014/15 to 2016/17 and an ongoing review of operations and service delivery, this ratio is expected to meet the benchmark consistently in coming years.

Own Source Revenue

In calculating own source revenue, Financial Assistance Grants and Roads to recovery grants have been excluded – these would substantially increase the ratio.

FAGs for 2014/15 \$3.2m and R2R \$616k

Building and Infrastructure Asset Renewal Ratio

Internal accounting processes to capture financial data on building and infrastructure, (particularly transport infrastructure) maintenance and renewals has been less than adequate in the past. Council has been reviewing these processes. This review, along with improvements to and regular review of Council's Building and Transport Infrastructure Asset Plans, will lead to more accurate assessments of this ratio into the future.

A recent independent valuation and condition assessment of Council's buildings indicates that renewals are being carried out at much greater levels than previously being recorded. This is also the case for transport infrastructure assets.

Council is also committed to utilising its increased revenue base (as a result of the special variation) to increase transport asset renewals and, in particular, renewals associated with its local road network.

As financial data becomes more reliable and the impact of additional expenditure is measured, this ratio is expected to improve to the point where the benchmark is consistently met.

2.2 Performance against the Fit for the Future benchmarks

Infrastructure and service management				
Measure/Benchmark	2010/2011 performance	2011/2012 performance	2012/2013 performance	2013/2014 performance
Infrastructure Backlog Ratio (Less than 2%)	<i>Calculate using Self - Assessment Tool</i> 0.89%	1.35%	1.29%	1.43%
Asset Maintenance Ratio (Greater than 100% average over 3 years)	101.54%	70.30%	75.80%	77.80%
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)	1.73%	2.52%	2.41%	2.88%

2.2 Performance against the Fit for the Future benchmarks

Infrastructure and service management			
Measure/Benchmark	Achieves FFTF benchmark?	Forecast 2016/2017 performance	Achieves FFTF benchmark?
	<i>Yes/No</i>	<i>Estimate performance</i>	<i>Yes/No</i>
Infrastructure Backlog Ratio (Less than 2%)	Yes	1.38%	Yes
Asset Maintenance Ratio (Greater than 100% average over 3 years)	No	93.72%	No
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)	Yes	3.60%	Yes

If Fit for the Future benchmarks are not being achieved, please indicate why.

Asset Maintenance Ratio

(See explanation above in relation to Building and Infrastructure Asset Renewal Ratio)

Council has identified that its transport infrastructure assets (particularly rural roads) require an increase in annual maintenance expenditure. This is being addressed progressively as revenue increases as a result of the special rate variation detailed in Executive Summary.

Our longer term planning is working towards this benchmark being met on a consistent basis.

2.2 Performance against the Fit for the Future benchmarks

Efficiency				
Measure/Benchmark	2010/2011 performance	2011/2012 performance	2012/2013 performance	2013/2014 performance
Real Operating Expenditure per capita (A decrease in Real Operating Expenditure per capita over time)	<i>Calculate using Self - Assessment Tool</i> 4.44	5.08	4.42	4.12

2.2 Performance against the Fit for the Future benchmarks

Efficiency				
Measure/Benchmark	2013/2014 performance	Achieves FFTF benchmark?	Forecast 2016/2017 performance	Achieves FFTF benchmark?
Real Operating Expenditure per capita (A decrease in Real Operating Expenditure per capita over time)	<i>Calculate using Self - Assessment Tool</i> 4.12	Yes/No Yes	<i>Estimate performance</i> 5.35	Yes/No No

If Fit for the Future benchmarks are not being achieved, please indicate why.

Real Operating Expenditure Per Capita

Council commenced a structured review of its operations and service delivery shortly after the previous local government elections in September 2012. To date Council has reviewed nine of its services (refer section 3.1 option 6) resulting in a number of changes to service delivery and associated operational savings. Council is committed to an ongoing review process to ensure its operating expenditure across all areas delivers “value for money” and the services being delivered address any changes in community priorities identified through a regular community consultation process.

Council has also committed to increasing the level of maintenance to its transport assets, particularly rural roads, following an increase in rating revenue as a result of the Special Variation detailed in the executive summary. This additional expenditure has an impact on this ratio.

2.3 Water utility performance

NB: This section should only be completed by councils who have direct responsibility for water supply and sewerage management.

Does your council currently achieve the requirements of the NSW Government Best Practice Management of Water Supply and Sewerage Framework?

No

If no, please explain the factors that influence your performance against the Framework.

Council's current pricing structures are in line with the requirements of the NSW Government Best Practice Management of Water Supply and Sewerage Framework. Council has recently become a member of the Lower Macquarie Water Utility Alliance (LMWUA) to assist in ensuring the requirements of the NSW Government Best Practice Management of Water Supply and Sewerage Framework are met in the short term.

How much is your council's current (2013/14) water and sewerage infrastructure backlog?

\$500,000*

* In the 2013/14 annual statements of account (special schedule 7), Council indicated that there was no backlog for water and a \$3m backlog in sewer for replacement of our sewer treatment works. However preliminary investigations indicate that the extent of required renewal works is significantly less than initially forecast.

2.3 Water utility performance

Identify any significant capital works (>\$1m) proposed for your council's water and sewer operations during the 2016-17 to 2019-20 period and any known grants or external funding to support these works.

Capital works			
Proposed works	Timeframe	Cost	Grants or external funding
New Water Supply Bore	2015/16	\$1.25m	\$1.11m

2.3 Water utility performance

Does your council currently manage its water and sewerage operations on at least a break-even basis?

Yes

If no, please explain the factors that influence your performance.

2.3 Water utility performance

Identify some of your council's strategies to improve the performance of its water and sewer operations in the 2016/17 to 2019/20 period.

These may take account of the Rural Council Options in Section 3.

Improvement strategies		
Strategy	Timeframe	Anticipated outcome
1. Input into development of Regional Strategic Business Plan through LMWUA	2014/15	Clear long term strategies/objectives to assist in meeting NSW Government Best Practice Management of Water Supply and Sewerage Framework
2. Develop Strategic Business Plan for Council's Water & Sewerage functions <ul style="list-style-type: none"> • Total asset management plan • Financial plan with typical residential bill • Drought management plan 	2016/17	Clear long term strategies/objectives to assist in meeting NSW Government Best Practice Management of Water Supply and Sewerage Framework
3. Thirty Year Integrated Water Cycle Management Strategic Plan including water conservation measures	2016/17	Compliance with NSW best practice management of water supply and sewerage framework
4. Review and update Liquid Trade Waste Policy	2016/17	Compliance with best practice management framework and effective management sewer assets and expand the life span of the assets
5. Drinking water management system and monitoring and evaluation program	2016/17	Achieve water quality requirements of department of health and mandatory requests of NSW Office of Water to manage drinking water guidelines
6. Reservoir integrity and safety of drinking water supplies	2016/17	Comply with circular 18 of Office of Water and project integration of drinking water and various barriers to stop water quality issues
7. Upgrade and recalibration of Telemetry	2017/18	Provide effective warning and detection system for water and sewer assets to manage effectively and reduce the maintenance costs and expand the lifespan of water and sewer assets
8. Water treatment plant and sewer treatment plant audits	2017/18	Investigate effectiveness of water and sewer treatment plants and find cost effective methods to extend asset renewal ratio and upgrades

Section 3: Towards Fit for the Future

3.1 How will your council become/remain Fit for the Future?

Outline your council's key strategies to improve performance against the benchmarks in the 2016-20 period, considering the six options available to Rural Councils and any additional options.

Option 1: Resource sharing				
Proposal	Implementation	Proposed milestones	Costs	Risks
Proposed objectives and strategies	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.
<ul style="list-style-type: none"> Road Safety Officer 	<ul style="list-style-type: none"> Council currently shares a Road Safety Officer with Dubbo City Council 	<ul style="list-style-type: none"> Implemented in 2012/13 	<ul style="list-style-type: none"> Cost savings through shared costs 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> North West Library 	<ul style="list-style-type: none"> Council is a member of the North West Library Co-Operative and shares resources and management expertise with fellow member Councils of Warren, Coonamble and Bogan 	<ul style="list-style-type: none"> In place for many years 	<ul style="list-style-type: none"> Cost savings through shared costs 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Road Maintenance Council Contract 	<ul style="list-style-type: none"> Council contracts the services of its Manager Classified Roads to Warren Shire Council to oversee RMS road maintenance contracts in the two shires 	<ul style="list-style-type: none"> In place for a number of years 	<ul style="list-style-type: none"> Cost savings through shared costs 	<ul style="list-style-type: none"> Nil

<ul style="list-style-type: none"> Internal Audit Function 	<ul style="list-style-type: none"> Council has been the co-ordinating Council in developing a shared internal audit function with Warren, Coonamble, Narromine, Walgett and Warrumbungle Councils 	<ul style="list-style-type: none"> In place since 2012/13 	<ul style="list-style-type: none"> Cost savings through shared costs 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Energy & Management Services(E21) 	<ul style="list-style-type: none"> Council is a party to an OROC Councils' contract to manage electricity charges 	<ul style="list-style-type: none"> A number of years 	<ul style="list-style-type: none"> Costs savings through bulk purchase, monitoring of accounts and management expertise 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> RMS Asset Inspection Officer 	<ul style="list-style-type: none"> Council contracts the services of its RMS Asset Inspection Officer to Warren Shire Council 	<ul style="list-style-type: none"> In place 2012/13 	<ul style="list-style-type: none"> Cost savings through shared costs and shared expertise 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Lower Macquarie Water Utility Alliance (LMWUA) 	<ul style="list-style-type: none"> Council has recently joined the LMWUA 	<ul style="list-style-type: none"> Refer to section 2.3 	<ul style="list-style-type: none"> Membership contribution costs. Cost savings through shared costs and joint initiatives and shared expertise. 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> OROC Economic Development Officer Network 	<ul style="list-style-type: none"> Council is part of this network which includes all OROC councils and Mid Western Councils. Council's Economic Development Manager is the chair of this group 	<ul style="list-style-type: none"> In place for a number of years 	<ul style="list-style-type: none"> Cost savings through joint initiatives and shared expertise 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Castlereagh Macquarie County Council 	<ul style="list-style-type: none"> Council is a member of this County Council which has the responsibility for weed management and control across the shires of Walgett Coonamble Warren Gilgandra and Warrumbungle 	<ul style="list-style-type: none"> In place for some 35 years 	<ul style="list-style-type: none"> Cost savings through economies of scale and bulk purchase 	<ul style="list-style-type: none"> Nil

• Orana Arts	• Arts NSW Initiative which is supported by Gilgandra, Dubbo, Mid Western, Narromine and Warrumbungle Councils	• In place for a number of years -from 2005/06	• Cost savings through joint initiatives	• Nil
• Gilgandra Interagency Group	• Invitation to all Local State and Federal Agencies and Non Government Agencies that service Gilgandra Shire	• In place since 2013	• Nil • Provides Council with opportunity to work with and assist agencies in servicing community	• Nil
• Hunter Regional Procurement	• Bulk purchase initiatives on behalf of the eleven OROC Councils – extensive lists	• In place for a number of years	• Cost savings through bulk purchase • Shared expertise	• Nil
• Castlereagh Bush Fire Management Committee	• State initiative involving Gilgandra and Warrumbungle Shire Council areas	• In place for a number of years	• Cost savings through shared administration	• Nil
• Netwaste	• Collaborative waste management venture between 28 NSW Councils	• In place for a number of years	• Cost savings through joint initiatives • Shared expertise • Grant source	• Nil
• Finance Managers Group	• OROC Councils group	• In place for a number of years	• Nil – but benefit of shared knowledge	• Nil

<ul style="list-style-type: none"> Human Resource Managers Group 	<ul style="list-style-type: none"> OROC Councils' group 	<ul style="list-style-type: none"> In place for a number of years 	<ul style="list-style-type: none"> Nil but benefit of shared knowledge 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Orana Risk and Safety Management Group 	<ul style="list-style-type: none"> Wider Orana group of Councils 	<ul style="list-style-type: none"> In place for a number of years 	<ul style="list-style-type: none"> Nil but benefit of shared knowledge 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> GMAC 	<ul style="list-style-type: none"> OROC Councils' group 	<ul style="list-style-type: none"> In place for a number of years 	<ul style="list-style-type: none"> Cost savings through joint initiatives Regional approach 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Synergy Soft User Group 	<ul style="list-style-type: none"> Financial Software User Group consisting of IT Visions NSW Council users 	<ul style="list-style-type: none"> In place since 2012 	<ul style="list-style-type: none"> Nil 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Continue to pursue opportunities for resource sharing with surrounding councils 	<ul style="list-style-type: none"> Through the proposed Joint Organisation 	<ul style="list-style-type: none"> To be determined 	<ul style="list-style-type: none"> To be considered as proposals are developed 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Take advantage of opportunity to source expertise from JOC rather than employing private consultants 	<ul style="list-style-type: none"> Identify costs of private consultants and key areas in which they have been engaged Discuss opportunity with surrounding Councils for joint engagements 	<ul style="list-style-type: none"> Potential cost savings through joint initiatives 	<ul style="list-style-type: none"> Nil 	<ul style="list-style-type: none"> Nil

How will your proposal allow your council to become/remain Fit for the Future against the criteria?		
Efficiency	Infrastructure and Service Management	Sustainability
<ul style="list-style-type: none"> • Cost Savings 	<ul style="list-style-type: none"> • Availability of expertise assists in quality of service delivery and staff training • Shared expertise • Regional approach 	<ul style="list-style-type: none"> • Benefits operating ratio through overall cost reduction and frees up funds for spending in other areas

3.1 How will your council become/remain Fit for the Future?

Option 2: Shared administration				
Proposal	Implementation	Proposed milestones	Costs	Risks
Proposed objectives and strategies	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.
<p>Council Management</p> <ul style="list-style-type: none"> • Not considered practical due to a number of factors including <ul style="list-style-type: none"> - Distance between communities - Inconsistent and unreliable technology in terms of mobile coverage and internet access across our wide expanses - The General Manager and senior managers in smaller rural councils play a hands-on role in both the Council and the community they serve. - Council considers its current senior management structure to be both effective and efficient 		<ul style="list-style-type: none"> • The costs of implementing a shared administration are believed to outweigh the benefits derived 		<ul style="list-style-type: none"> • The risk of sharing an administration would be that one or more of the Councils involved would not get the service that they require when needed
<p>Current Arrangements</p> <ul style="list-style-type: none"> • North Western Library Co-operative • Castlereagh Zone NSW RFS 				

How will your proposal allow your council to become/remain Fit for the Future against the criteria?		
Efficiency	Infrastructure and Service Management	Sustainability
<ul style="list-style-type: none"> • Nil 	<ul style="list-style-type: none"> • Nil 	<ul style="list-style-type: none"> • Nil

3.1 How will your council become/remain Fit for the Future?

Option 3: Speciality services				
Proposal	Implementation	Proposed milestones	Costs	Risks
Proposed objectives and strategies	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.
<ul style="list-style-type: none"> • Offer Council's expertise in Ranger Services 	<ul style="list-style-type: none"> • Have previously had sharing arrangements in place with Coonamble and Warrumbungle Shire Councils. See the JOC as a forum to pursue further 	<ul style="list-style-type: none"> • December 2016 	<ul style="list-style-type: none"> • Potential cost savings / shared costs 	<ul style="list-style-type: none"> • Ability to forward plan to meet requirements across a number of Councils
<ul style="list-style-type: none"> • Offer Council's expertise in H/R Services 	<ul style="list-style-type: none"> • Pursue opportunity through JOC 	<ul style="list-style-type: none"> • December 2016 	<ul style="list-style-type: none"> • Potential cost savings / shared cost 	<ul style="list-style-type: none"> • Ability to forward plan to meet requirements across a number of Councils
<ul style="list-style-type: none"> • Offer Council's expertise in Asset Management 	<ul style="list-style-type: none"> • Pursue opportunity through JOC 	<ul style="list-style-type: none"> • December 2016 	<ul style="list-style-type: none"> • Potential cost savings 	<ul style="list-style-type: none"> • Ability to forward plan to meet requirements across a number of Councils
<ul style="list-style-type: none"> • Offer Council's expertise in Aged Care and Disability Services Management 	<ul style="list-style-type: none"> • Pursue opportunity through JOC 	<ul style="list-style-type: none"> • December 2016 	<ul style="list-style-type: none"> • Potential cost savings 	<ul style="list-style-type: none"> • Ability to forward plan to meet requirements across a number of Councils

<ul style="list-style-type: none"> • Offer Council's expertise in RMS Road Maintenance Engineer & Gang 	<ul style="list-style-type: none"> • Current arrangement in place with Warren Shire Council. Potential to expand. 	<ul style="list-style-type: none"> • December 2016 	<ul style="list-style-type: none"> • Potential cost savings / 	<ul style="list-style-type: none"> • Ability to forward plan to meet requirements across a number of Councils
<ul style="list-style-type: none"> • Project to stocktake speciality service potential across all Councils in the ORANA JOC 	<ul style="list-style-type: none"> • Work jointly with other Councils in ORANA JOC to identify existing areas of expertise and develop data base • Consider capacity for offering this expertise to other Councils 	<ul style="list-style-type: none"> • June 2016 • December 2016 	<ul style="list-style-type: none"> • Potential cost savings • Opportunity to access innovation fund to assist with implementation 	<ul style="list-style-type: none"> • Ability to forward plan to meet requirements across a number of Councils

How will your proposal allow your council to become/remain Fit for the Future against the criteria?

Efficiency	Infrastructure and Service Management	Sustainability
<ul style="list-style-type: none"> • More efficient use of existing resources and potential to create new opportunities for efficiency where a number of Councils currently have a specialist services gap to fill 	<ul style="list-style-type: none"> • Potential increase in available revenue to fund asset maintenance and renewals 	<ul style="list-style-type: none"> • Savings generated by sharing of specialty services will assist with long term financial sustainability

3.1 How will your council become/remain Fit for the Future?

Option 4: Streamlined governance				
Proposal	Implementation	Proposed milestones	Costs	Risks
Proposed objectives and strategies	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.
<ul style="list-style-type: none"> Move to tablet technology for Councillors and Senior Staff 	<ul style="list-style-type: none"> In place 		<ul style="list-style-type: none"> Significant reduction in administration costs and easier and direct contact with Councillors 	
<ul style="list-style-type: none"> Review of Committee numbers and structure 	<ul style="list-style-type: none"> Likely reduction in committee numbers 	<ul style="list-style-type: none"> December 2015 	<ul style="list-style-type: none"> Potential cost savings 	<ul style="list-style-type: none"> Less consultation/representation leads to less effective decision making
<ul style="list-style-type: none"> Review of the number of Committee / Council Meetings 	<ul style="list-style-type: none"> Likely reduction in number of meetings 	<ul style="list-style-type: none"> December 2015 	<ul style="list-style-type: none"> Potential cost savings 	<ul style="list-style-type: none"> Less consultation/representation leads to less effective decision making
<ul style="list-style-type: none"> No appetite to alter Councillor numbers. Considered that current number works well and there are only small savings to be made with the danger that representation and workability are reduced 				

How will your proposal allow your council to become/remain Fit for the Future against the criteria?		
Efficiency	Infrastructure and Service Management	Sustainability
<ul style="list-style-type: none"> Potential for more efficient decision making processes 	<ul style="list-style-type: none"> Nil 	<ul style="list-style-type: none"> Modest cost reductions associated with governance and administration of meetings

3.1 How will your council become/remain Fit for the Future?

Option 5: Streamlined planning, regulation and reporting				
Proposal	Implementation	Proposed milestones	Costs	Risks
Proposed objectives and strategies	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.
<ul style="list-style-type: none"> The requirements of the new Local Government Act and particularly any reduction in “red tape” requirements will be welcomed 	<ul style="list-style-type: none"> Consider opportunity for streamlining processes as advice of changes to requirement is received 	<ul style="list-style-type: none"> Following review of LG Act 	<ul style="list-style-type: none"> Not known at this point 	<ul style="list-style-type: none"> Not known
<ul style="list-style-type: none"> Streamlining of financial reporting requirements would be welcomed 	<ul style="list-style-type: none"> Consider opportunity for streamlining processes as advice of changes to requirement is received 	<ul style="list-style-type: none"> Following review of Legislation 	<ul style="list-style-type: none"> Not known at this point 	<ul style="list-style-type: none"> Not known
<ul style="list-style-type: none"> A regional approach to land use plans and State of Environment Reporting would be welcomed 	<ul style="list-style-type: none"> Work with surrounding Councils through JOC / previously developed strategic land use strategy and new LEP on regional basis 	<ul style="list-style-type: none"> December 2016 	<ul style="list-style-type: none"> Potential cost savings 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Implementation of joint planning panels for development control and oversight would be welcomed 	<ul style="list-style-type: none"> Work with surrounding Councils through JOC 	<ul style="list-style-type: none"> December 2016 	<ul style="list-style-type: none"> Potential cost savings 	<ul style="list-style-type: none"> Nil

How will your proposal allow your council to become/remain Fit for the Future against the criteria?

Efficiency	Infrastructure and Service Management	Sustainability
<ul style="list-style-type: none"> Potential cost savings 	<ul style="list-style-type: none"> Potential increase in available revenue to fund asset maintenance and renewals 	<ul style="list-style-type: none"> Savings generated by reduced red tape and sharing of costs in planning etc will assist with long term financial sustainability

3.1 How will your council become/remain Fit for the Future?

Option 6: Service review				
Proposal	Implementation	Proposed milestones	Costs	Risks
Proposed objectives and strategies	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.
<ul style="list-style-type: none"> Review of road maintenance and renewal practices 	<ul style="list-style-type: none"> Local Roads Hierarchy Plan 	<ul style="list-style-type: none"> Assessment of local road network Community consultation Implemented 2013 	<ul style="list-style-type: none"> Rationalising of expenditure to meet asset management and needs 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Review of support services including administration, information technology and human resources 	<ul style="list-style-type: none"> Review carried out in 2013/14 	<ul style="list-style-type: none"> Structural review Implemented in 2013/14 	<ul style="list-style-type: none"> Significant cost savings – 2 positions 	<ul style="list-style-type: none"> Reduction in service level to internal customers
<ul style="list-style-type: none"> Review of urban services 	<ul style="list-style-type: none"> Changes in service delivery and outsourcing of some tasks 	<ul style="list-style-type: none"> Structural review Implemented 2014 	<ul style="list-style-type: none"> Cost savings – approximately half position 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Review of swimming pool hours of operation 	<ul style="list-style-type: none"> Review of peak demand times for facility Community consultation 	<ul style="list-style-type: none"> Implemented 2013 	<ul style="list-style-type: none"> Cost savings through reduced opening times 	<ul style="list-style-type: none"> Nil
<ul style="list-style-type: none"> Review of tourism and cultural services 	<ul style="list-style-type: none"> Review currently in progress 	<ul style="list-style-type: none"> December 2015 	<ul style="list-style-type: none"> Potential cost savings 	<ul style="list-style-type: none"> Nil

• Review of parks gardens and sporting grounds	• Service reviewed and found to be delivering a cost effective service	• Review completed 2014	• Nil	• Nil
• Review of youth services	• Service reviewed and found to be delivering a cost effective service	• Review completed 2014	• Nil	• Nil
• Review of depot/plant workshop operations	• Improve plant workshop facilities and equipment	• Review completed 2014	<ul style="list-style-type: none"> • Initial extra costs to upgrade facilities and workshop equipment • Expected ongoing cost savings through more effective service delivery 	• Nil
• Review of building maintenance & renewal practices	• Building Asset Management Plan drafted	• Review completed 2014	• Anticipated cost savings through more effective service delivery	• Nil
• Continue with process of reviewing all Council delivered services over this term of Council	Continue with review in terms of: <ul style="list-style-type: none"> • What is the service we provide • Why do we provide this service • Who uses this service (stakeholders) • How much does it cost to deliver this service • Source of funding for this service • Current Issues • Suggested modifications to improve service delivery • Opportunities to reduce cost of service • Likely Impact of changes 	• All services reviewed over this term of Council September 2016	• Potential cost savings	• Nil

How will your proposal allow your council to become/remain Fit for the Future against the criteria?		
Efficiency	Infrastructure and Service management	Sustainability
<ul style="list-style-type: none"> Through streamlined service delivery in line with community priorities 	<ul style="list-style-type: none"> By identifying and addressing areas where current practices need modifications / improvement 	<ul style="list-style-type: none"> By ensuring service delivery is affordable

3.1 How will your council become/remain Fit for the Future?

Option 7: Additional options identified by the council				
Proposal	How will it be achieved /Implemented	Proposed milestones	Costs	Risks
Proposed objectives and strategies	How will your council implement the option?	Milestones for implementation	Costs of implementation. Potential to consider Innovation Fund	Known risks of implementing your proposal.
• Nil				

How will your proposal allow your council to become/remain Fit for the Future against the criteria?		
Efficiency	Infrastructure and Service management	Sustainability

3.2 Rural Council Action Plan

Giving consideration to the Rural Council options, summarise the key actions that will be achieved in the first year of your plan.

Action plan	
Actions	Milestones
1. Continuing review of all Council Services	Initial service review for all services completed in this term of Council by September 2016
2. Stocktake of specialist skills/services that Council may be able to offer/share with surrounding councils	December 2016
3. Review Council's committee structure	June 2016
4. Review number of Council / Committee Meetings	June 2016
5. Continue to explore opportunities to streamline Council's governance functions	Ongoing
6. Continue to explore resource sharing opportunities with other Councils	December 2016 and ongoing
7. Review changes to the Local Government Act and take advantage of any opportunities to reduce "red tape" and stream line planning and reporting processes as a result of these changes	Within 12 months of the release of the new Local Government Act
8. Continue to refine Council's Long Term Strategic Plans (IP&R)	Ongoing
9. Continue to improve Council's Asset Management Plans and associated processes	Updated Stormwater Asset Management Plan by September 2015. Updated Water and Sewer Plans by June 2016
10. Consider borrowing capacity for major renewal projects with intergenerational benefits	Ongoing
11. Become an active member of JOC	From inception

**Please attach detailed action plan and supporting financial modelling.*

Outline the process that underpinned the development of your action plan.

Council's action plan has been developed following three years of detailed review of operations and finances by Councillors and management and extensive consultation with the community and consideration of actions required to ensure Council continues to deliver services to the local community in line with identified community needs and in a financially sustainable manner.

In Section 3.3 Community Involvement - The steps taken to develop Council's action plan are highlighted and reflect an ownership of Council and its plans by the Gilgandra Shire community.

The position on Council as a stand alone entity was developed in the Community Strategic Plan and has been maintained in all consultations since.

3.3 Community involvement

Outline how you have consulted with your community on the challenges facing your council, performance against the benchmarks and the proposed solutions.

The following is a potted history of Council's consultation with our community on the challenges facing Council and the proposed solutions:

- October 2011 – Community survey in relation to Council's Long Term Financial Plan / Service Provision / Proposal to apply for Special Rate Variation
- November 2011 – Decision to apply for rate increase of 3.2% above rate pegging over a seven year period commencing 2012/13
- December 2011 – Community newsletter outlining Council's planned actions
- January 2012- Community information sessions in relation to the above
- February 2012 – Call for submissions in relation to the above
- March 2012- Submission to IPART
- June 2012 – Special Rate Variation of 3.2% above rate pegging approved for one year only
- September 2012 – Local Government Elections
- October 12 to May 2013 – Council reviewed its Integrated Planning and Reporting (IP&R) documents
- November 2012 – Council considered the opportunity to make application for a single year special variation under transitional arrangements for the 2013/14 rating year
- December 2012 – Council resolved not to proceed with an application for a single year special variation due to the review of its Strategic Plans (IP&R) not being finalised at that point in time and the importance of the recently elected Council agreeing on a clear strategic direction and associated financing requirements
- May 2013 – Council developed a Local Roads Hierarchy Plan (LRHP) to assist in the application of appropriate standards for maintenance and renewal of roads in Gilgandra Shire
- May/June 2013 – Community newsletter sessions on Council's reviewed Community Strategic Plan, Delivery Program, Operational Plan and Long Term Financial Plan.
- May/June 2013 – Community consultation sessions on Council's reviewed Community Strategic Plan, Delivery Program, Operational Plan and Long Term Financial Plan.

- July 2013 – Council considered submissions received and formally adopted the above plans and confirmed a commitment to:
 - Reviewing service levels
 - Reviewing infrastructure, particularly transport assets
 - Improving rural roads
 - Improving operating results / achieving long term financial sustainability
- July 2013 – Council formally adopted a Local Roads Hierarchy Plan (LRHP) emphasising its commitment to addressing the maintenance and renewal requirements for these assets
- September 2013 – Council resolved in line with its LTFP modelling to apply to IPART for a special variation of 7% per annum above rate pegging for 3 years from 2014/15 to 2016/17
- November 2013 – Community newsletter confirming Council's reasons for applying to IPART for a special variation
- December 2013 – Council adopted a reviewed Transport Asset Management Plan
- December 2013 – Community consultation sessions on the special rate variation as it relates to Council's long term financial sustainability
- June 2014 – Advice from IPART of the success of Council's special variation application
- June / July 2014 – Public exhibition and advertising of Council's 2014/15 Operational Plan and Council's reviewed Community Strategic Plan
- September 2014 – "Fit for the Future" announced
- November 2014 to February 2015 – Council workshops to consider our position
- February 2015 – Council resolution to complete template 3
- April 2015 – Community newsletter confirming Council's direction since being elected in 2012 and its reasons for completing template 3

3.4 Other strategies considered

In preparing your Action Plan, you may have considered other strategies or actions but decided not to adopt them. Please identify what these strategies/actions were and explain why you chose not to pursue them.

Eg. Council sought to pursue a merger but could not reach agreement.

Council considered the advantages and disadvantages of a merger with Coonamble Shire Council as follows:

Advantages of Merger

- Potential reduction in senior staff costs (G/M & Directors)
- Potentially more efficient back-of-house operations (H/R, IT, payroll, admin etc)
- Reduction in Councillor numbers / costs
- Ability to undertake larger infrastructure projects
- Other savings associated with economies of scale
- Increased potential to advocate, lobby, obtain grants and funding from State and Federal Governments
- Initial Office of Local Government \$s on offer as part of Fit for the Future incentive

Disadvantages of Merger

- Increased size of the area to be serviced (travel times and costs)
- Distance between Gilgandra and Coonamble (travel costs)
- Unreliable communication – IT and mobile coverage
- Restrictions on ability to reduce employment costs (Local Government Act and Award)
- Loss of local Council identity / community of interest
- Reduced community voice / representation
- No evidence of savings / increased service delivery from previous rural council amalgamations
- Still below levels indicated to be sustainable – population financial capacity
- GSC operates substantial non-core Local Government functions with strong community support; merged structure may not have interest nor capabilities to manage
- Differences in community philosophy may lead to Council losing input to Aged Care and Disability Services – potential to impact on job numbers in Community
- Reduced control/management of existing & potential new sources of own source revenue
- No significant additional resources for either community
- Potential increased competition for resources / funding etc.
- Concern regarding reduced commitment to services and perhaps loss of services (eg aged care)
- Coonamble more isolated with greater challenge to attract staff

Council also discussed the community profiles of Gilgandra and Coonamble in detail. These profiles flagged significant differences in the priorities and focus of the two communities

After careful consideration it was resolved that Gilgandra Shire Council not support any amalgamation with Coonamble Shire Council.

Council also noted that Coonamble Shire Council had considered their position at their February 2015 meeting and had resolved to pursue a Council Improvement Proposal (template 2). Coonamble have subsequently revisited their decision and have now resolved to pursue a rural council proposal (template 3).

Section 4: Expected outcomes

4.1 Expected improvement in performance

Measure/ benchmark	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total improvement over period?
Operating Performance Ratio (Greater than or equal to break-even average over 3 years)	0.89%	-0.93%	0.96%	1.60%	2.21%	2.75%	Also complete years 2020/21 – 2024/25 on following page
Own Source Revenue Ratio (Greater than 60% average over 3 years)	70.91%	73.46%	74.11%	74.05%	73.96%	73.98%	Also complete years 2020/21 – 2024/25 on following page
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)	102.41%	106.48%	124.35%	98.79%	101.80%	100.07%	% change -4.86%
Infrastructure Backlog Ratio (Greater than 2%)	1.52%	1.55%	1.38%	1.23%	1.07%	0.92%	% change -80.92%
Asset Maintenance Ratio (Greater than 100% average over 3 years)	89.08%	88.18%	93.72%	95.27%	96.83%	98.38%	% change 17.42%
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)	2.83%	3.29%	3.60%	3.12%	3.37%	3.07%	% change -40.63%
Real Operating Expenditure per capita A decrease in Real Operating Expenditure per capita over time	4.77	5.41	5.35	5.28	5.17	5.02	% change 0.83%

4.1 Expected improvement in performance*

Measure/ benchmark	2020/21	2021/22	2022/23	2023/24	2024/25	Total improvement over period
Operating Performance Ratio (Greater than or equal to break-even average over 3 years)	2.91%	3.72%	4.13%	4.69%	5.15%	% change 82.71%
Own Source Revenue Ratio (Greater than 60% average over 3 years)	74.00%	74.01%	74.03%	74.04%	74.04%	% change 4.22%

4.2 Factors influencing performance

Outline the factors that you consider are influencing your council's performance against the Fit for the Future benchmarks, including any constraints that may be preventing improvement.

- Gilgandra Shire Councillors have, as a group, shown great commitment to the process of Integrated Planning & Reporting and this commitment is having a significant impact on the financial performance of Council. The process of reviewing and developing the Long Term Strategic and Financial Plans has focused Council and resulted in better than planned results over the past three financial years.
- A stable management team also strongly committed to IP&R and review of all services.
- The development of asset management plans and protocols for transport and building assets and commitment to complete plans for water, sewer and stormwater by June 2016.
- Council is confident it is moving in the right direction in regard to long term financial sustainability with the Special Rate Variation and extensive borrowing for asset renewal and upgrades under the LIRS highlighting progress. This is reflected in the forecast short, medium and long term improvements in performance against the Fit for the Future benchmarks.
- The Real Operating Expenditure per capita benchmark remains the greatest challenge to our Council due to our relatively small population and large area. However Council considers its commitment to ongoing reviews of service delivery and regular community consultation will ensure that this benchmark is at a level that delivers value for money to the Gilgandra Shire community.
- Extensive consultation with the community over the past four years.

Section 5: Implementation

5.1 Putting your plan into action

How will your council implement your Rural Council proposal?

For example, who is responsible, how the council will monitor and report progress against achieving the key strategies listed under Section 3.

Our Councillors (board of directors) and senior staff will monitor and report progress through our Integrated Planning and Reporting processes. This will include:

- Ensuring key strategies are included in future CSP's and DP's and where appropriate catered for in annual OP and LTFP;
- Reporting to community action taken to progress these strategies through six monthly and annual reviews of Delivery Program;
- Providing an end of Council term report highlighting progress with key strategies over the term of Council;
- Reviewing key strategies on an annual basis and at the commencement of each new term of Council;
- Playing an active role in our Joint Organisation of Councils.