

Council Improvement Proposal

Wollondilly Shire Council

30/06/15

Date of council resolution endorsing this submission 15th June 2015

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Executive summary

The Minister for Local Government released the State Government's response to the reports of the Independent Local Government Review Panel (ILGRP) and the Local Government Acts Taskforce in September 2014, under the name Fit for the Future (FFTF). Wollondilly Shire Council was identified as a stand alone Council (no change) by the ILGRP and accordingly, Council has prepared this FFTF Improvement Proposal.

Requirements for an improvement proposal

The essential areas of assessment in an improvement proposal are as follows:

- Scale and capacity – based on the ILGRP report, which found that Wollondilly Shire Council meets the required criteria
- Financial benchmarks – these are addressed in sections 2.3 – 2.4
- Improvement strategies – this is addressed in section 3.

Wollondilly Shire Council, like most NSW councils, is faced with the challenge of making sure we have sufficient funds to look after the Shire's infrastructure into the future. The Wollondilly community places a high priority on the maintenance of the Shire's infrastructure, so the current trend of deteriorating infrastructure needs to be reversed.

Following a comprehensive engagement process, which started in June 2014, Wollondilly Shire Council applied to IPART in February 2015 for an increase in rates of 10.8% each year for 4 years. This application was approved in full by IPART in May 2015 and endorsed by Council in June 2015.

This increase in rating revenue has been incorporated into Council's Long Term Financial modelling and consequently our Corporate Business Planning (IP&R) documents, with Council also pursuing increased grants, making use of subsidised

loans (LIRS) and the ongoing organisational efficiency initiatives as part of our Success Management Program (SMP). These strategies will enable Council to maintain and renew infrastructure, and continue to provide required services to the community.

Fit For the Future Financial Ratios

Full details of Wollondilly Shire Council's current and projected performance against the Fit For the Future financial indicators and benchmarks are provided in sections 2.3 and 4 of this document. Wollondilly Shire Council is currently working towards meeting all of the Fit for the Future benchmarks within the required timeframes.

The improvement action plan identified by this proposal is detailed in the adopted Corporate Business Planning documents of Wollondilly Shire Council and does not represent any change of strategic direction for the Shire. Council established the Success Management Program (Business Improvement and Cultural Change Program) in January 2014. The program was initiated for five major reasons:

- to respond to significant growth
- improved customer service
- resource constraints
- working relationships, perceptions and complaints
- performance issues

SMP is Council's program aimed at refocusing on the effectiveness and efficiency of Council's business operations through our people, processes, performance and plans.

1.2 Scale and capacity

Does your council have the scale and capacity broadly consistent with the recommendations of the Independent Local Government Review Panel?

YES

(ie, the Panel did not recommend your council needed to merge or become a Rural Council).

2 Your council's current position

2.1 About your

local government area

Wollondilly Shire is on the south western outskirts of Sydney at the foothills of the Southern Highlands. We are rich in Aboriginal and European history and surrounded by spectacular, natural beauty and rural pastures. Our 2,560 square kilometres stretch from Yanderra in the south, Appin and Menangle in the east, Warragamba in the north and the Nattai wilderness, Yerranderie and Burragorang Valley to the west. About 90% of the Shire is national park, bushland, water catchment or rural land, including gorges, ranges and plains. Most of the rural land is used for agricultural purposes, including market gardens, orchards, dairy farms, poultry farms and grazing.

Wollondilly Shire is served by the Hume Highway and the main southern railway line, with stations at Bargo, Douglas Park, Menangle, Picton and Tahmoor. The key employment sectors in Wollondilly Shire include mining, manufacturing and construction, and to a lesser extent, education, retail trade, health care and agriculture, forestry and fishing.

The estimated resident population of Wollondilly Shire was 47,084 in June 2014. Two-thirds of the population live in our seventeen towns and villages, and one-third in the rural areas. Our peri-urban location provides opportunity and capacity to accommodate Sydney's growth and we expect our population to increase to well over 100,000 over the next 20 years and beyond, especially around the existing centres of Appin, Bargo, Picton, Silverdale, Tahmoor, Thirlmere, Warragamba and Wilton. At present there are 43 planning proposals under consideration by Council. (see Appendix A)

Rural Living Vision

"Rural living" is not just about development issues, but about a wider set of values that reflects the Community's desire to maintain the Shire's rural character together with the sense of belonging to caring communities that has been at its core for generations. Following a community strategic plan workshop held in November 2012, a revised definition of Rural Living comprised of six key characteristics was developed:

- Rural setting and character
- Viable agriculture
- Community lifestyle
- Diverse environment
- Heritage
- Towns and Villages

These six key characteristics are defined in the Wollondilly Community Strategic Plan 2033, page 11.

Community Assets

Council looks after:

- 840 km roads
- 90 parks and reserves
- 78 bridges
- 33 playgrounds
- 13 playing fields
- 19 halls

Wollondilly Economic Profile as of 30 June 2014:

Gross Regional Product	\$1.62 billion
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Local Jobs	12,592
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Largest Industry	Construction
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Local Business	3,719
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Employed Residents	23,513
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Unemployment	2.97%
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Wollondilly People Profile at 2011 census:

Median Age	36
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Median Weekly household income	\$1,478
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Couples with Children	43%
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Couples without children	9%
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Medium to High density housing	5%
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Household with a Mortgage	48%
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Households renting	16%
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2.2 Key challenges and opportunities

Community

The Wollondilly community faces a specific set of challenges that arise from:

Our relatively low population

Our location on the fringe of a city

Our dispersed and varied towns and villages

Our attractiveness as a place to live means that increasing population growth will be an important part of our future

This context means that the Shire has limitations regarding employment opportunities, schools, human services, cultural and recreational opportunities, shopping, leisure and more. There is therefore a very high incidence of people needing to leave the Shire to access all of these kinds of opportunities. This issue is compounded by limited access to public transport and a high reliance on having to travel significant distances. The high incidence of people travelling and commuting also reduces “spare” time limiting the ability to participate in community activities and interactions.

Our biggest long term challenge is therefore to ensure that more of these life opportunities (jobs, schools, shops, professional services, cultural activities, community facilities and services etc) become available and accessible to all, either within our Shire (preferably) or at least regionally. Future population growth is a major opportunity as a larger “critical population mass” will bring real opportunities to our Shire. But by the same token as our population grows our community’s needs will also change and we may need to manage a different set of emerging social issues.

Because of our location on the fringe of Sydney, Wollondilly faces challenges in accessing funding and networking opportunities. This means we are frequently excluded from accessing metropolitan opportunities or, alternatively, the whole of the Wollondilly Shire is classified metropolitan therefore excluding us from rural opportunities.

Human and social services within the Wollondilly Shire provide support for a range of target groups including children, youth,

women, people with a disability and older people and other target groups. Many services are funded on a Macarthur regional basis so they tend to be located outside the Shire, primarily in Campbelltown. It is therefore a constant challenge to improve the outreach of these services into the Shire.

Despite these challenges Wollondilly’s residents are very proud of the Shire and value its rural lifestyle, local village identity, community spirit and friendly atmosphere.

Governance

Our community wants to feel that their interests and aspirations are represented in the decision making process. People are Wollondilly’s greatest asset and they should have a say in the decision making processes that affect their community.

Governance has become an increasingly complex task requiring more attention to ensure that there is accountability, transparency and clear communication. A best practice approach to governance is essential if there is to be effective coordination, communication and conflict resolution between communities, elected representatives, staff in all levels of government, local business and community based organisations.

Wollondilly Council has begun the process to become Fit for the Future and will need to ensure its governance is aligned to meet the changes while still representing the aspirations of the community.

Like all Councils in NSW, Wollondilly Council needs to be financially sustainable, which is an ongoing challenge in a context of restricted funding and rising costs. Council is nevertheless committed to achieving sustainability in its finances by providing strong financial management and a high quality of effective and efficient service delivery. Council’s Success Management Program is an opportunity to continue to look for business improvement opportunities into the future.

Council has a customer service commitment that ensures that our customers and stakeholders receive efficient, responsive and friendly service. Council has in place a Customer Request Management (CRM) System that ensures we operate to established service standards in responding to customer requests and carrying out maintenance on assets such as roads, footpaths and public spaces.

Council staff are essential to the success of the organisation and there is a focus on attracting, retaining and developing the best staff and building both organisational and individual capability.

To be accountable and transparent and to deliver services which are responsive to our community aspirations, we need to engage with Communities using effective communication. This includes the use of innovative technology and media.

Environment

Wollondilly’s natural environment, sensitive water catchment lands, extensive public open spaces and opportunities for rural living are among its greatest assets. National Parks, reserves and protected water catchment lands rich in biodiversity, environmental value and cultural value make up much of the Shire. Our rural lands also play an important role by providing diverse habitat, by contributing to air, water and landscape quality, by providing locally grown food for the Sydney Basin and by serving as a carbon sink for greenhouse gases.

As concern over climate change grows, Council, the community and other stakeholders all need to minimise their ecological footprints. In this context the Wollondilly community needs to be encouraged to live more sustainably and to appreciate, care for and protect their rich and diverse environment. The need to live more sustainably is however challenged by our high dependence on private vehicles and the distances we travel.

Because of the Shire’s location on the fringe of a city, there will always be growth pressures. A balanced approach to development is therefore needed to enable growth while at the same time ensuring protection of our natural environment, retention of our rural lands and the development of highly liveable and sustainable built environments.

Wollondilly’s residents have high expectations regarding the protection of rivers and other water courses and have opposed mining under rivers, coal seam gas extraction and their associated impacts.

As our population grows the interaction between the community and our natural environment needs careful management in order to minimise risks to the environment and also risks to human health, safety and property. Issues such

as bushfire hazard reduction, waste water and catchment management, waste management, illegal clearing, illegal dumping and littering, companion animal management, regulating illegal development and land use, control of weeds and pest animals, flood management, and pool safety are all critical matters for the Shire.

Our built environment also needs to be carefully managed. We value our towns and villages for their rural character, their sense of place, their heritage and the opportunities they provide for living, working, recreation and social interaction. Maintaining high standards of urban design and development control will be required to retain these values, particularly as we experience more development into the future. We are going to be seeing substantial housing growth over the next 20 years and we want these new residential areas to be attractive, healthy, sustainable environments. They need to be developed in accordance with best-practice approaches to urban development and they need to deliver a range of housing types to meet our emerging housing needs into the future.

Economy

The location of Wollondilly on the fringe of Sydney and its attractiveness as a place to live mean that increasing population growth will be an important part of our future. We have an obligation to manage this growth well. This will require well planned and coordinated development and infrastructure and consideration of our unique towns and villages and our rural setting. As we increase our housing we also need to increase local jobs to meet the needs of the growing population.

The lack of local job opportunities within Wollondilly places pressure on people needing to leave and look for work elsewhere. Employment self-containment is low with up to 70% of the workforce leaving the area for work. Most resident workers experience significant travel times because Wollondilly is relatively isolated and public transport is poor. This results in significant economic, social and environmental costs for our residents.

As a result of the Shire's relatively small and dispersed population there is also a high level of expenditure escaping to other local government areas. Reducing this is an important strategy to stimulate local retail and economic growth. Critical to this

challenge is the need to encourage more local business opportunities and this is in turn highly reliant on a growing population. Council has recently invested in a dedicated economic development resource to foster and implement economic development opportunities. This position is linking into regional opportunities and partnerships. As our population grows our town centres will become more economically viable as the markets they serve become larger and stronger. But we also need to make them attractive and enjoyable places in which to live, do business, shop and visit.

So in essence, to enable our Shire to support more businesses and more jobs we need to grow our population. Council is considering a range of options for growth including the concept of having significant new centres for growth such as Wilton Junction.

Wollondilly Shire Council is a recognised industry leader in its proactive approach to the protection of productive rural lands and agriculture in the Sydney Basin. Other key industries in Wollondilly are manufacturing, retailing, tourism and mining. Council will continue to support all of these industries but will also strive for the employment base to be widened.

Council's planning framework, from how we plan for and manage growth, how we rezone land right through to how we manage DAs, can play a significant role in helping to shape and deliver economic growth. Our planning approach is also critical to ensuring future housing and economic growth does not threaten the vision of "Rural Living" in a healthy environment.

Wollondilly has a shortage of knowledge based jobs, lacks strategic educational assets such as a university or TAFE presence and key infrastructure to support economic development (e.g. broadband infrastructure). This impedes innovation, growth of high income jobs and home-based businesses. Council needs to advocate strongly and work in partnership with other key agencies for improvements in these areas. Our future growth prospects provide great opportunities for us in relation to these issues.

Infrastructure

Wollondilly Shire Council, like most NSW councils, is faced with the challenge of making sure we have sufficient funds to look after the Shire's infrastructure into the

future. The Wollondilly community places a high priority on the maintenance of the Shire's infrastructure, so the current trend of deteriorating infrastructure needs to be reversed.

Wollondilly Shire Council is faced with an \$80 million funding deficit after 10 years and needs to address this shortfall. A comprehensive engagement process with our community informed our recent Special Rate Variation application which was approved by IPART in full. This SRV will give us the capacity to generate the funds required to sustainably address the infrastructure backlog over time and will support the maintenance and renewal of the community's roads, footpaths, parks and community buildings.

Road safety is also a major community issue, with higher than average crash rates across the Shire, particularly for our younger drivers.

Public and alternate transport arrangements are poor, with limited bus services and diesel train services that terminate at Campbelltown, along with only a slowly developing cycleway and footpath network.

Access to services such as health by elderly residents is an issue, with outreach services being poorly targeted to our community, which places greater reliance of some areas of the community on our limited transport network.

Wollondilly Shire, through its significant bushland areas and remote towns and villages, faces a significant bushfire threat not only in our rural areas, but also in many of our residential areas. This is in addition to the risk of storms, flooding, building fires and significant transport incidents with both the Hume Freeway and Sydney/Melbourne Rail Corridor crossing almost the entire length of our Shire.

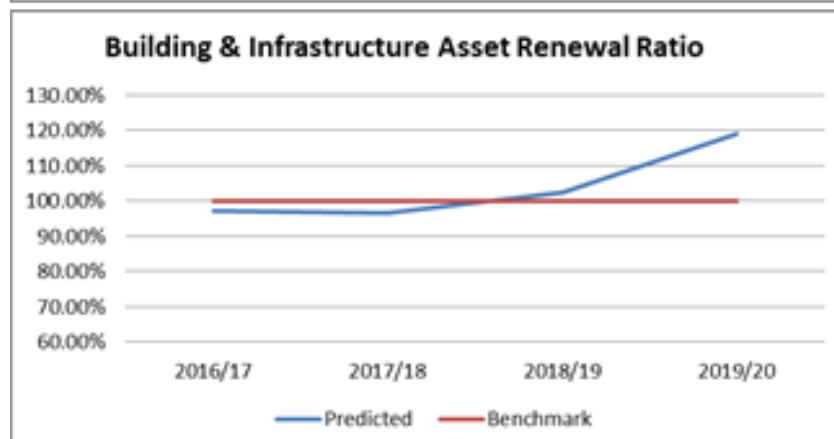
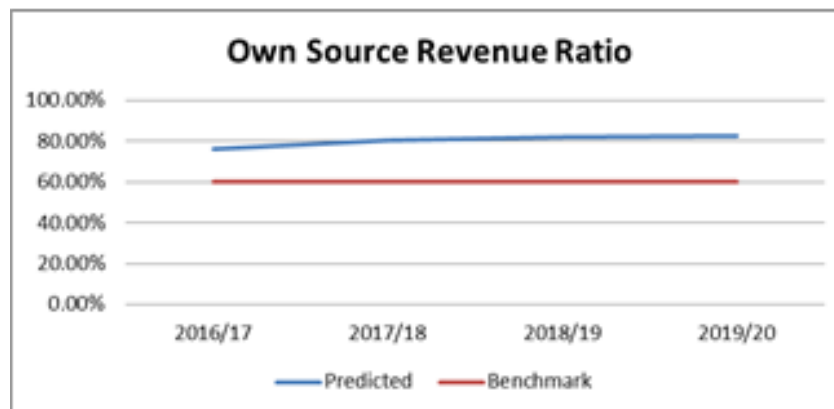
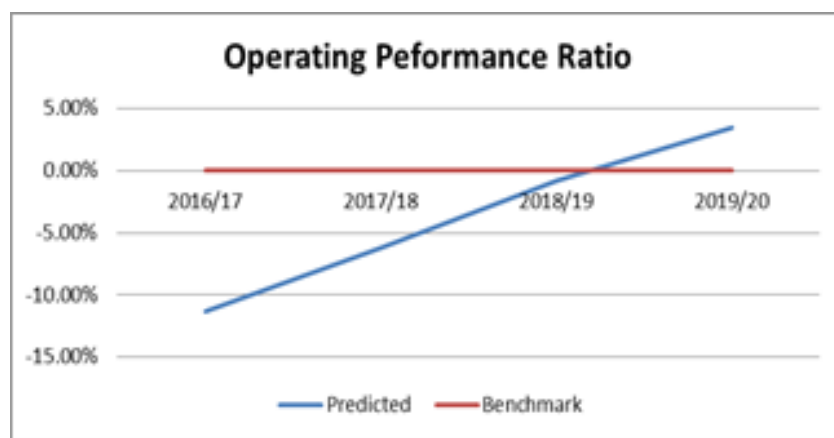
Other infrastructure elements such as sewer, water and telecommunications are managed by other tiers of government or private companies. Ongoing lobbying over a number of years has resulted in significant improvements to sewer coverage, while the future rollout of the NBN will also improve access to high quality communications.

2.3 Performance

against the Fit for the Future benchmarks

Sustainability

Measure/ benchmark	2013 / 2014 performance	Achieves FFTF benchmark?	Forecast 2016 / 2017 performance	Achieves FFTF benchmark?
Operating Performance Ratio (Greater than or equal to break-even average over 3 years)	-12.3%	No	-11.4%	No
Own Source Revenue Ratio (Greater than 60% average over 3 years)	73.6%	Yes	76.5%	Yes
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)	77.5%	No	97.3%	No

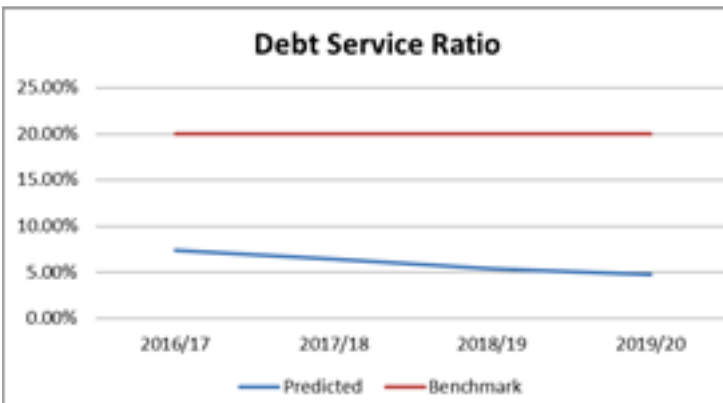
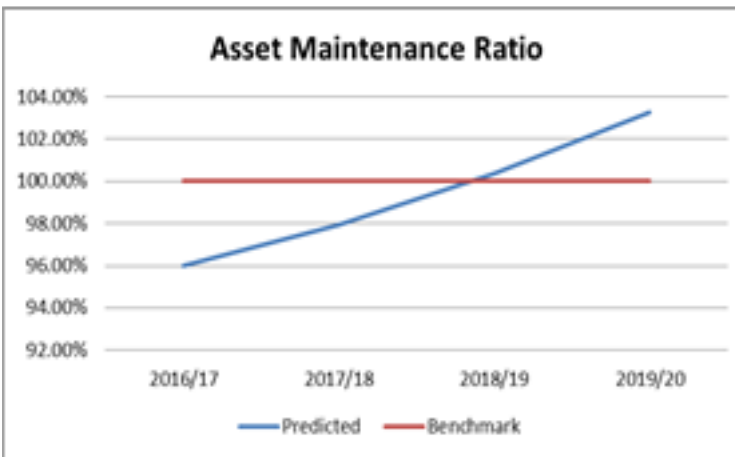
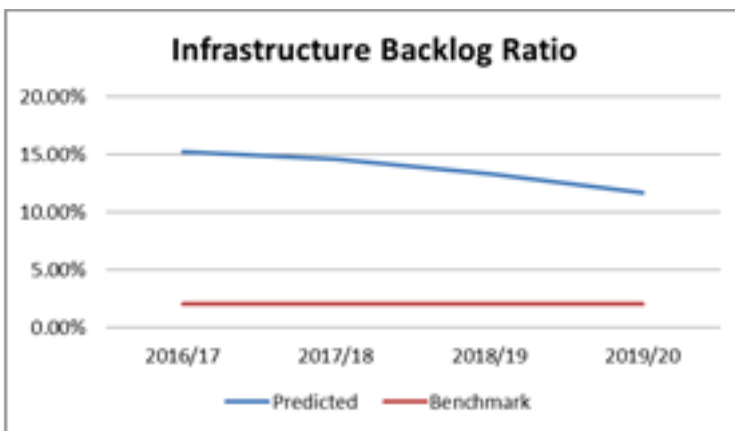


If the Fit for the Future benchmarks are not being achieved, please indicate why.

The “Operating Performance” and “Building & Infrastructure Asset Renewal” ratios are currently not meeting the required benchmarks due to Council’s significant depreciation charges and insufficient funds being available to address its asset maintenance and renewal requirements. Council has successfully applied for a four year x 10.8%pa special rate variation for the purpose of addressing the infrastructure issue. With the additional rate revenue generated from the special rate variation, Council’s long term financial plan indicates that the Operating Performance Ratio and the Building & Infrastructure Asset Renewal Ratio will both achieve their respective benchmarks in the final year of the special rate variation (ie: 2018/19). Both ratios are predicted to continually achieve the benchmark thereafter.

Infrastructure and service management

Measure/ benchmark	2013 / 2014 performance	Achieves FFTF benchmark?	Forecast 2016 / 2017 performance	Achieves FFTF benchmark?
Infrastructure Backlog Ratio (Less than 2%)	15.8%	No	15.2%	No
Asset Maintenance Ratio (Greater than 100% average over 3 years)	108.3%	Yes	96.0%	No
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)	4.0%	Yes	7.4%	Yes



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

The "Infrastructure Backlog" and "Asset Maintenance" ratios are currently not meeting the required benchmarks due to insufficient funds being available to address its asset maintenance and renewal requirements. In order to address this issue, Council has successfully applied for a four year x 10.8%pa special rate variation. With the additional rate revenue generated from the special rate variation, Council's long term financial plan indicates that the Infrastructure Backlog Ratio will immediately see improvement in results and Council is expected to achieve the benchmark by 2024/25. The special rate variation will enable Council to significantly increase its asset maintenance and renewal program and by 2018/19 will be achieving an Asset Maintenance Ratio of greater than 100%. Projections show that this ratio will continue to increase each year.

2.3 Performance

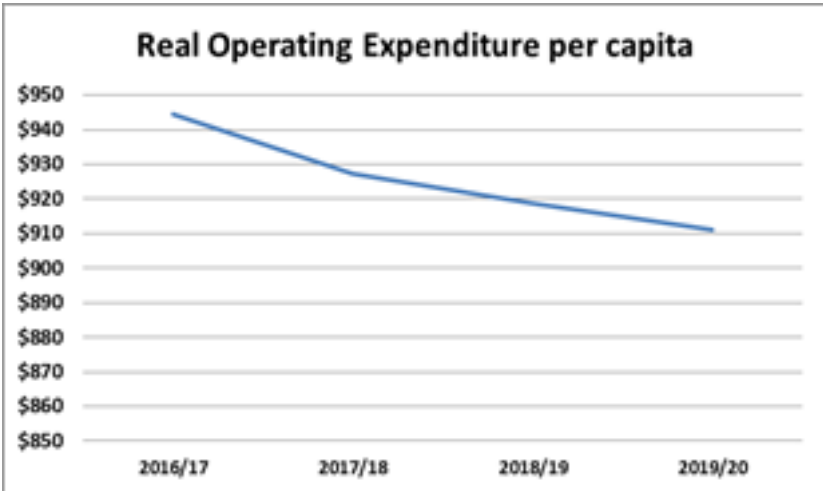
against the Fit

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	Increasing	No	Decreasing	Yes



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

The improvement action plan identified by this proposal is detailed in the adopted Corporate Business Planning documents and is directly referenced in GO5.4 of the current Operational Plan. This Fit for the Future improvement plan is consistent with the current strategic direction for the Shire.

Nevertheless Council will always endeavour to identify new efficiencies and cost containment strategies as required. As these opportunities are identified they will be implemented as part of Council's Corporate Business Planning documents and ongoing cost saving and efficiency actions. Appendix B is a detailed list of efficiencies and cost saving initiatives implemented and realised by Council currently and over the past four years. Council will continue to investigate and implement efficiencies and cost saving initiatives through its ongoing Success Management Program.

Council's Corporate Business Planning documents include:

- Wollondilly Community Strategic Plan 2033
- Wollondilly Resourcing Strategy 2013/14 - 2022/23
- Wollondilly Delivery Program 2013/14 - 2016/17 & Annual Operational Plan
- Wollondilly Reporting – Quarterly & Annual

Council's driving strategic document is the Community Strategic Plan (CSP). Council uses the CSP to develop its Delivery Program and Operational Plans. The council plans focus on five themes and related outcomes:

Looking after the Community

- Access to a range of activities, services and facilities
- A connected and supported Community

Accountable and Transparent Governance

- Government, Community and business talking and working together
- A Council that demonstrates good business management and ethical conduct

Caring for the Environment

- Our local environment is valued and protected
- A Community that interacts with and cares for their environment

Building a strong local Economy

- A strong local economy providing employment and other opportunities

Management and Provision of Infrastructure

- Safe, maintained and effective infrastructure
- Access to a range of transport options

3.1 Sustainability

Summarise your council's key strategies to improve performance against the sustainability benchmarks in the 2016-20 period, including the outcomes you expect to achieve.

Council currently meets 1 of the 3 sustainability benchmarks – the Own Source Revenue Ratio.

The following strategies demonstrate how Council will improve and meet all three benchmarks within the required timeframes.

After years of rate-pegging, cost shifting, ever increasing community expectations and the complexities of being a peri-urban Council, Wollondilly has, by necessity, needed to constantly improve its efficiency. Council has implemented a series of cost containment strategies, efficiency strategies (Appendix B), continuous quality improvement and a “best-practice” approach which keeps Council abreast of new knowledge, techniques and developments related to our industry. We continually review the ways our services are conducted and we have implemented a wide range of initiatives to ensure that we are progressing towards achieving and improving the benchmark ratios.

The current Delivery Program 2013/14 – 2016/17 and Operational Plan 2015/16 which was adopted by Council on the 15 June 2015 details the following key objectives:

Key Objective	Strategies	Key Milestones	Outcome	Impact on other Measures
GO5 – Maintain Council in a strong and sustainable financial position	Deliver short and long term financial processes	Budget finalised Quarterly Reviews of Budget completed and reported to Council and community	Budget adopted Budgets scrutinised and adhered to	
	Investigate alternative options to address future funding options	Implement IPART approved SRV	Increased revenue Report to OLG and community on SRV funds spent	
		Optimise Developer Contributions System	Increased revenue	
GO6 – Be efficient and effective in the use of Council resources and provide value for money in the delivery of services	Continue to manage and support the success management program	Success Management Program – GO6.4 see Appendix B and service review	2 new projects per annum (Refer Appendix B Page 2 for current projects)	
	Continue to manage and monitor internal audit processes. Integration of audit and risk management systems	See Appendix B for audit reviews	Audit recommendations completed	
CO3 – Undertake strategic social planning and research regarding community needs and issues	Undertake strategic social planning and research to identify current and future community needs and issues, particularly in relation to future growth	Social planning strategy to be completed by March 2016	Social Planning Strategy adopted by June 2016	
C02 – Work with other agencies and service providers to deliver community programmes, services and facilities which compliment and enhance Council's provision	Develop and implement new and existing Strategic partnerships and relationships with Councils in the region, government agencies and the private sector.	MACROC, Wollondilly Heath Alliance, SPUN, Spoils Network.	Continue to strengthen relationships and continually seek and identify new opportunities for collaboration and resource sharing	
G06 Be efficient and effective in the use of Council resources and provide value for Money in the Delivery of Services				

3.2 Infrastructure and service management

Summarise your council's key strategies to improve performance against the Infrastructure and service management benchmarks in the 2016-20 period, including the outcomes you expect to achieve

A major asset review in 2014 had found a substantial and ongoing shortfall in the funding required to maintain our assets to a satisfactory condition. Council's Long Term Financial Plan and Asset Management

Strategy have identified a funding gap of \$80 million primarily due to our infrastructure maintenance backlog over the next ten years.

Following a comprehensive engagement process, which started in June 2014, and with the support of our community (evidenced by an independently conducted, randomly selected survey), Wollondilly Shire Council applied to IPART in February 2015 for an increase in rates of 10.8% each year for 4 years. This application was approved in full by IPART in May 2015.

Key Objective	Strategies	Key Milestones	Outcome	Impact on other Measures
GO5 – Maintain Council in a strong and sustainable financial position	Deliver short and long term financial processes	SRV IPART Approval and adoption by Council	Securing long term financial sustainability of Council	
IN1 - Ensure that the road network is maintained to a standard that is achievable within resources available	Develop programs for road network maintenance and renewal from Asset Management Plan (including outcomes of the SRV)	Major programs developed for 2015/16 by Quarter 1	Major Works program published Asset Management Plans (refer Resourcing Strategy)	
		Develop geospatial defects reporting and repair tracking program by Quarter 4	Report annually to Council and community	
	Maintain and improve road infrastructure including repairs, pavement repairs, road reconstruction, drainage, bridge repairs, footpath, kerb and gutter, signs and linemarking	Works Program completed	Report quarterly via Quarterly Review to Council and community	
IN3 - Provide a range of infrastructure and Community facilities to meet the needs of the Community	Planning for new and improved community and recreational facilities	Open Space Strategy review by Quarter 4	Open Space Strategy adopted 2016	
	Management and maintenance of community facilities and public buildings	Conduct Customer Satisfaction survey	Report Annually	
	Deliver new and improved community and recreational facilities	Priority Works Program Quarter 4	Complete Program	

3.3 Efficiency

Summarise your council's key strategies to improve performance against the Efficiency measures in the 2016-20 period, including the outcomes you expect to achieve.

Although the approval of Council's SRV application meets our financial goals, Council is committed to a process of continuous review of service levels and standards, and to report back to the Community regularly to ensure accountable and transparent governance.

Being an efficient and effective Council is a core focus of Wollondilly Shire Council and will continue to be central to the way we do business given our financial challenges ahead. Efficiency is about doing more for less and effectiveness is about working smarter, so you can think of efficiency as "doing the thing right" and effectiveness as "doing the right thing".

Key Objective	Strategies	Key Milestones	Outcome	Impact on other Measures
GO6 – Be efficient and effective in the use of Council resources and provide value for money in the delivery of services	Continue to document strengths based performance through the SEE Change project	Review with CSP	Published	
	Continue to manage and support the "Success Management Program"	2 new projects per annum	Projects completed and reported annually	
GO1 - Provide an attractive employment choice for talented people	Update the Workforce Planning Strategy	Review complete by Quarter 3	Complete Work Force Planning Strategy	
		Undertake staff survey Quarter 3		
GO5 – Maintain Council in a strong and sustainable financial position	Maintain and improve financial management systems and processes – GO5.3	Continue to improve Procurement practices	Annual review of procurement policies and processes	

3.4 Improvement Action Plan

Summarise the key improvement actions that will be achieved in the first year of your plan.

Action plan	Milestones
1. Strategic Partnerships and Alliances	<p>Macarthur Regional Organisations of Council (MACROC) Wollondilly, Camden & Campbelltown Council</p> <p>Joint training initiatives and regional training sub-committee</p> <p>Asset management collaboration Sub-committee</p> <p>Regional Spoils Sub-committee and Business Unit scoping</p> <p>Local & NSW Chambers of Commerce</p> <p>Sydney PeriUrban Network of Councils (SPUN)</p> <p>The Wollondilly Health Alliance (WHA)</p> <p>The Dilly Wanderer - Community development and resource sharing outreach service</p>
2. Success Management Program	<p>Deliver 2 SMP projects per year</p> <p>Completion of outstanding projects</p> <p>Staff Well-Being program to continue</p>
3. Special Rate Variation Application Process	<p>Approved by IPART</p> <p>Adopted by Council</p> <p>Quarterly reporting to Council and community</p> <p>Annual reporting to Council and community</p>
4. Asset Management Plan implementation	<p>Major programs developed for 2015/16 by Quarter 1</p> <p>Develop geospatial defects reporting and repair tracking program by Quarter 4</p> <p>Works Program completed</p>
5. Review budget processes	<p>Budget adopted and reported</p> <p>Quarterly Reviews reported to Council and community</p> <p>Annual reporting to Council and community</p>
6. Procurement processes and policies review	<p>Reviewed annually</p> <p>Induction and refresher training developed and implemented</p> <p>Compliance reporting developed</p>
7. Optimising Developer Contributions System	<p>Commence Review of Section 94/94A plan</p> <p>Complete Planning Agreements Policy</p> <p>Update web page for Developer contributions</p> <p>Complete and Maintain Planning Agreements Register</p>
8. Social Planning Strategy	<p>Adopted by Council Quarter 4</p>
9. Internal Audit	<p>Audit recommendations completed in set timeframes</p>
10. Workforce Strategy	<p>Review completed by Quarter 3</p> <p>Survey undertaken by Quarter 3</p>

Refer to appendix C for further details on Action Plan items.

3.5 Other Actions Considered

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

For example, neighbouring council did not want to pursue a merger, unable to increase rates or increase borrowing, changes in policy or service standards

Council considered a number of alternative funding sources in preparing its improvement plan. These sources include:

- Rates
- Fees and Charges
- Grants and Contributions (including Developer Contributions)
- Interest from Investments
- Asset Sales
- Borrowings
- Developer Contributions

After years of rate-pegging, cost shifting, ever increasing community expectations and the complexities of being a peri-urban Council Wollondilly has, by necessity, thoroughly explored opportunities to increase revenue through the above mentioned sources. Council will nevertheless continue to investigate opportunities to increase revenue through these sources even though they are not priority strategies of this improvement plan. It is noted that to increase reliance on some of these sources of revenue may reduce Council's ability to remain Fit for the Future.

Following is a brief explanation of Council's approach to each of these revenue sources:

Rates

Rates provide the largest single portion of total overall revenue (estimated to be 57% of Council's total revenue in 2014/15). This means that rates fund just over half the cost of delivering Council services and facilities. So while additional housing lots bring additional rates revenue, that revenue only covers just over half of the cost of providing services to new residents.

Fees and Charges

Each year the Council sets fees and charges for services that are linked to users, rather than the broader community. These fees and charges are based on a partial recovery of the cost of the service, rather than a full recovery of the costs involved. All fees and charges are continually reviewed to establish an appropriate level of cost recovery and ensure that the wider community is not unreasonably subsidising services.

Grants and Contributions

Council receives specific grants from the Federal and State Governments to support the funding of a range of services and major capital projects, including environmental projects, community service programs, road safety programs, public library operations and road construction works. Whilst all grants are at the discretion of the higher levels of government, they remain a key source of revenue for Council and one which is continuously and actively pursued.

Investments

At any point in time, Council can hold a significant amount of cash as a result of grant monies paid, development contributions paid by the development industry and general income from rates, fees and charges. Whilst the money is committed to expenditure on various works and services through Council's annual budget, there is often a period of time between the receipt of the money and its expenditure. Council therefore invests the cash it does not need immediately to generate additional income through the interest received from these cash investments. Income from these investments varies depending on the interest rates and the amount invested, but is generally in the vicinity of \$1.5 million per year.

Asset Sales

Council has a significant asset base, with the written down value of all assets at 30 June 2014 totalling \$349 million. Council continually reviews its operational holdings, for both land and buildings, to assist in identifying opportunities to dispose of assets no longer needed for service delivery. Any asset that can be sold, generates revenue from the sale, but also reduces the maintenance cost associated with continued ownership of the asset.

4. How will your plan improve performance?

4.1 Expected improvement in performance

Measure/ benchmark	2016/17	2017/18	2018/19	2019/20	Achieves FFTF benchmark?
Operating Performance Ratio (Greater than or equal to break-even average over 3 years)	-11.4%	-6.2%	-0.8%	3.5%	Yes
Own Source Revenue Ratio (Greater than 60% average over 3 years)	76.5%	80.3%	82.0%	82.8%	Yes
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)	97.3%	96.4%	102.4%	119.2%	Yes
Infrastructure Backlog Ratio (Less than 2%)	15.2%	14.6%	13.4%	11.7%	No
Asset Maintenance Ratio (Greater than 100% average over 3 years)	96.0%	97.9%	100.4%	103.3%	Yes
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)	7.4%	6.4%	5.4%	4.8%	Yes
Real Operating Expenditure per capita A decrease in Real Operating Expenditure per capita over time	\$944.44	\$927.30	\$918.80	\$910.90	Yes

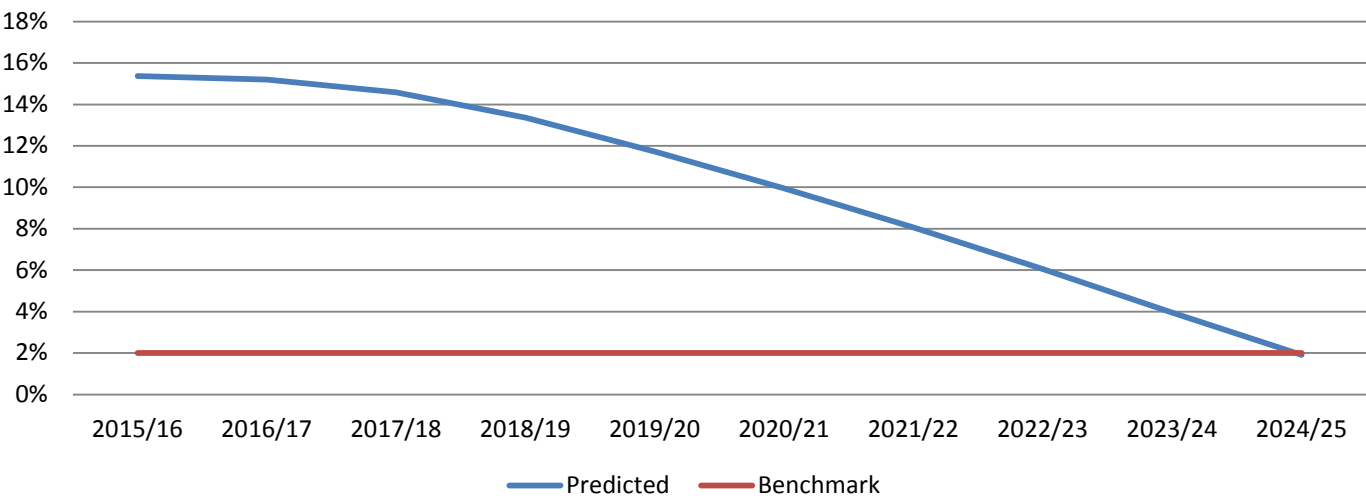
4.1 Expected improvement in performance

If, after implementing your plan, your council may still not achieve all of the Fit for the Future benchmarks, please explain the likely reasons why.

For example, historical constraints, trade-offs between criteria, longer time required.

Council has demonstrated improvement in the projected performance against the Infrastructure Backlog Ratio. This improvement is primarily due to the successful application for a special rate variation that was sought specifically to address the infrastructure backlog issue. When calculating the size of the rate increase that Council was intending to apply for, consideration was given to the ratepayers' capacity to pay the proposed increases, as well as Council's desire to fully address the backlog within a reasonable time frame (determined to be ten years).

Infrastructure Backlog Ratio



5. Putting your plan into action

How will your council implement your Improvement Action Plan?

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

Wollondilly Shire Council will continue to pursue and perform against its adopted strategic direction to become Fit for the Future to remain a viable and sustainable local council. The improvement plan detailed in this proposal is in keeping with policy setting and with Council's adopted Corporate Business Planning documents. The improvement plan lists all of our initiatives as detailed in Council's existing adopted strategies and as reflected in its Integrated Planning and Reporting framework documents. The next review of our Corporate Business Planning documents in 2017 may incorporate new strategies to continue the focus on the criteria to become Fit for the Future.

Council's adopted Delivery Program 2013/14 – 2016/17 and Operational Plan 2015/16 identifies the responsibility of Council officer's for each strategy listed in the FFTF improvement plan and the FFTF criteria.

The importance and significance of the Fit for the Future process is clearly reflected as a Delivery Program and Operational Plan strategy in the adopted Delivery Program 2013/14 – 2016/17 and Operational Plan 2015/16 as follows:

Strategy: Maintain Council in a strong and sustainable financial position

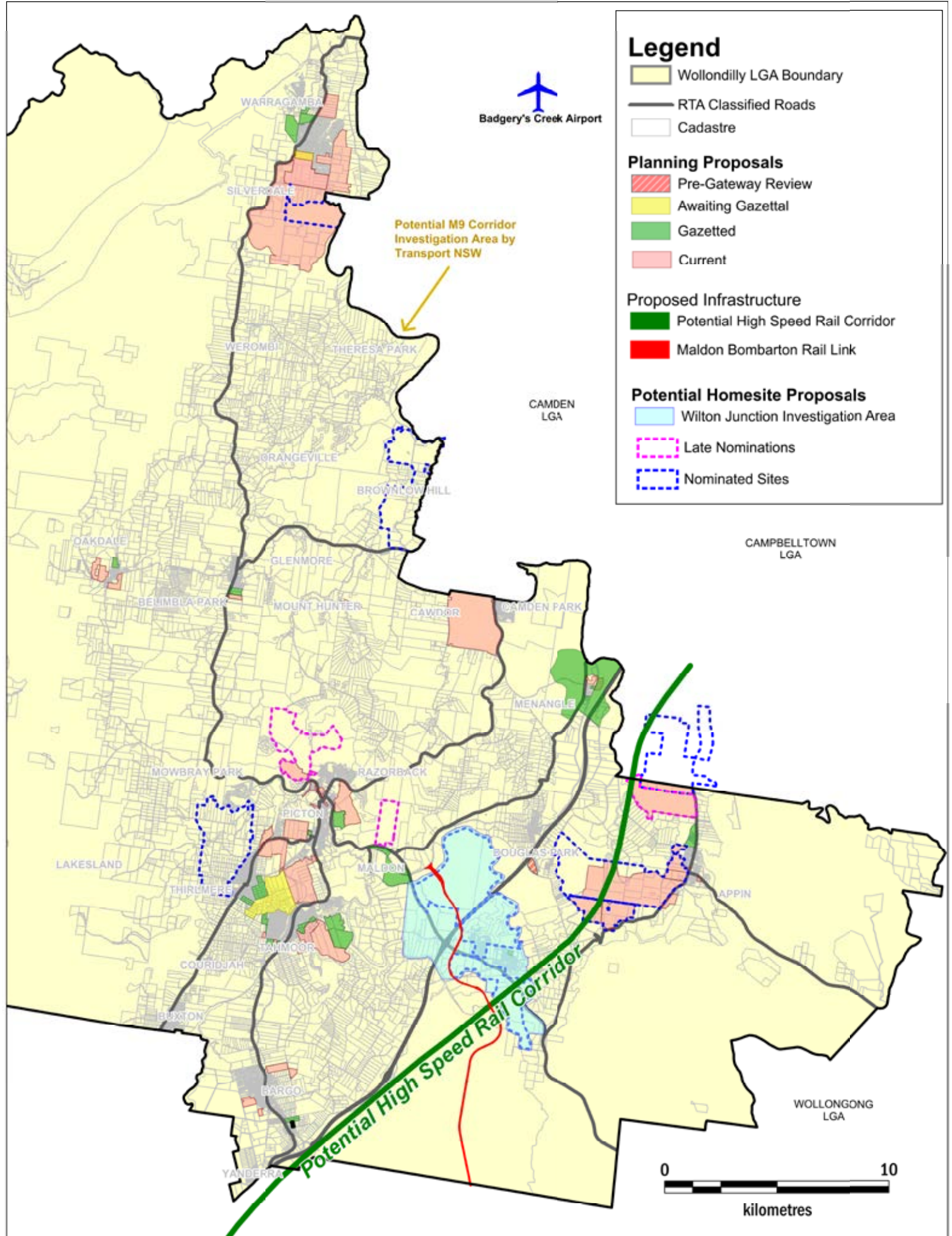
Action: GO5.4 – Report annually on Council's FFTF performance

Outcome/

Measure: Achievement of each of the 7 FFTF benchmark ratios

This action will be reported to the whole of Council and the community through Council's Quarterly and Annual Reporting process.

Appendix A



Current Status of Planning Proposals and Projects – Detailed Information (as of 22 June 2015)

Legend  Preliminary Assessment  Awaiting Gateway Determination  Studies / Public Exhibition / Review  Awaiting Gazetteal  Internal Referral Comments Required  Refused Amend

No. of P.P	Planning Proposal (Gateway Determination Department Ref. #)	Location of Proposal	Proposed Lots / (Pop.)	Submitted to Council	First Council Resolution	Gateway Determination	Public Exhibition	Final Council Resolution	Detail of Proposal
1	Macquariedale Road (PP_2011_WOLLY_014_00)	Appin	280 / (812)	Apr 2011	Aug 2011	Oct 2011	20 Aug - 26 Sept 2014		Rezoning approximately 62.8 hectares of rural land to protect environmentally sensitive areas, preserve land for the proposed Appin Bypass and enable residential development for approximately 280 dwellings
2	Clearview (PP_2011_WOLLY_007_00)	Picton	350 / (1015)	Apr 2010	Apr 2011	Aug 2011	23 July - 27 Aug 2014		Proposal to allow housing on 450m ² and 4000m ² lots and to protect sensitive vegetation and the landscape character
3	Abbotsford (PP_2011_WOLLY_017_00)	Picton	40 / (116)	Aug 2011	Dec 2011	Apr 2012			Rezoning 70.87 hectares of land zoned RU2 Rural Landscape to designate land for public recreation and to protect sensitive land while allowing some large lot residential development
4	Queen Victoria Memorial Home (PP_2013_WOLLY_003_00)	Picton	N/A	Oct 2011	Jun 2011	Mar 2013			Proposal to allow seniors housing in addition to the current aged care facilities
5	North Silverdale Commercial, Industrial & Residential Lands (PP_2013_WOLLY_005_00)	Silverdale	400 / (1160)	Oct 2011	November 2012 / May 2013	Jul 2013			Rezone the site to allow for low and medium density residential development, commercial development, light industrial development and environmental conservation
6	Bulli-Appin Road (PP_2013_WOLLY_013_00)	Appin	20 / (58)	Nov 2011	Sep 2013	Jan 2014			Seeks to rezone approximately 2.9 hectares of rural zoned land to enable low density residential development
7	Land Adjoining Oakdale Public School (PP_2013_WOLLY_004_00)	Oakdale	142 / (411.8)	Dec 2011	Jul 2012	Apr 2013			Rezone the site to permit future subdivision for low density residential, environmental living and commercial purposes
8	Bronzewing Street (PP_2012_WOLLY_008_00)	Tahmoor	60 / (174)	Jan 2012	Nov 2012	Feb 2013			Rezone the subject site to allow future subdivision for low density residential purposes
9	Eltons & Taylors Roads (PP_2012_WOLLY_010_00)	Silverdale	193 / (559.7)	Feb 2012	Nov 2012	Jun 2013			Rezone the subject site to allow for future subdivision for large lot residential purposes
10	Land Adjoining Bargo Sportsground (PP_2012_WOLLY_009_00)	Bargo	22 / (65)	Feb 2012	Jul 2012	Feb 2013			Rezone the subject site to allow for future subdivision for large lot residential purposes
11	Station Street, Menangle (PP_2013_WOLLY_011_00)	Menangle	400 / (1160)	Apr 2012	Deferred Dec 2012 Pre- Gateway Review request Jan 2013	Dec 2013			Rezone land for residential and business purposes
12	Picton East (PP_2013_WOLLY_002_00)	Picton	385 / (1116.5)	May 2012	Dec 2012	Mar 2013			Proposal on part of the site to allow housing on a range of lot sizes while protecting the environment and landscape character
13	LEP Housekeeping	Shire Wide	N/A	Apr 2012	Apr 2012				Review of Wollondilly Local Environmental Plan 2011
14	Animal Boarding and Training Establishments in R2 and R5 Zones	Shire Wide	N/A	Apr 2012	Apr 2012				Permitting "Animal boarding and training establishments" with consent in Zone R2 and Zone R5
15	SLWCA Review of Catchment Lands	Shire Wide	N/A	Apr 2012	Apr 2012				Review of Land Zoning, Lot Size and Land uses within catchment lands under Wollondilly Local Environmental Plan 2011

16	Land Adjoining Oakdale Sportsfields (PP_2013_WOLLY_006_00)	Oakdale	200	Jun 2012	Mar 2013	May 2013			Rezoned the subject land to allow for low density residential development and environmental conservation purposes
17	Montpelier Drive Residential Land (PP_2013_WOLLY_008_00)	The Oaks	110 / (319)	Nov 2012	Apr 2013	Jul 2013	25 March - 24 April 2015	15 June 2015	Proposal to allow housing on 975m2 lots and maintain the rural character and water quality
18	Stonequarry Commercial (PP_2013_WOLLY_010_00)	Picton	N/A	May 2012	Feb 2013	Aug 2013			Proposal to allow for housing and a shopping centre
19	Brooks Point Road	Appin	228/ (661)	Jun 2012					Seeks to rezone 60 hectares of rural land to protect environmentally sensitive areas, preserve land for the proposed Appin Bypass and enable residential development for approximately 340 dwellings
20	Stilton Lane	Picton	619 / (1795.1)	Oct 2012					Rezoning proposal incorporates a concept plan for the 180 ha site. The creation of an integrated village with a commercial centre and a diversity of housing types
21	Argyle Street Business Development Lands (PP_2013_WOLLY_007_00)	Picton	N/A	Nov 2012	Mar 2013	Jun 2013			Rezoned land for the purposes of bulky goods retail (specialist commercial/retail) and light/service industrial (employment generating) activities
22	Cawdor	Cawdor	4000 / (11600)	Nov 2012					Seeks to rezone 530 hectares of rural zoned land to allow for residential development and the protection of environmentally sensitive land involving approximately 4,000 dwellings and associated commercial, recreation and community facilities
23	Noongah and Gwynn Hughes Streets	Bargo	60-80 (174-232)	Jan 2013	Sep 2014	Jan 2015			Rezoned the subject site to permit future subdivision of land for large lot residential and environmental management purposes
24	Stargard Crescent (PP_2013_WOLLY_012_00)	Picton	TBA	May 2013	Sep 2013	Dec 2013	July - Aug 2014	13 Oct 2014	Proposal to change the zone to large lot residential with a 4000m ² lot size in keeping with adjoining land
25	Burraborang & Steveys Forest Roads (PP_2013_WOLLY_014_00)	Oakdale	30-40	May 2013	Sep 2013	Feb 2014			Rezoned the subject site to allow future subdivision of land for low density residential and large lot residential purposes and also for environmental management purposes
26	Government Road (PP_2014_WOLLY_006_00)	Bargo	5 (15)	Jul 2013	Deferral Dec 2013 Resolved to support in Sep 2014	Nov 2014			Rezoned the subject site to permit future subdivision for environmental living purposes
27	Great Southern Road (PP_2014_WOLLY_005_00)	Bargo	130-150 (377-435)	Aug 2013	December 2013 Report back to February 2014 (deferred) Resolved to proceed in July 2014	Oct 2014			Rezoned the subject site to allow future subdivision of land for low density residential purposes, with a variety of minimum lot sizes
28	South Tahmoor & East Tahmoor Revised Precincts (PP_2014_WOLLY_002_00)	Tahmoor	645 (1890)	Council Initiated	Nov 2013	Aug 2014	12 Nov - 19 Dec 2014		Revision of current boundaries within the South and East Tahmoor precincts to incorporate additional lands for rezoning to allow low density residential development
29	Eltondale Release Area	Silverdale	9860	Dec 2013					Rezoning of land for Residential, Commercial, Industrial, Schools, Open Space & Recreation, and Environmental lots
30	Heritage Housekeeping (PP_2014_WOLLY_001_00)	Shire Wide	N/A	Council Initiated		Feb 2014			To correct the Wollondilly LEP Heritage Maps
31	Cross Street (PP_2014_WOLLY_003_00)	Tahmoor		Dec 2013		Jul 2014			Proposal to allow housing on a range of lot sizes while conserving the environment and protecting the Bargo Gorge
32	Appin Vale	Appin	4000	Feb 2014					Rezoning of 584 hectares of land zoned RU2 Rural Landscape to allow for a new urban release area with 4,000 homes adjoining the existing Appin village. A plan that delivers infrastructure, employment, affordability, social and community facilities as well as benefits to the existing residents of Appin
33	Star Street Former Road Reserve (PP_2014_WOLLY_004_00)	Picton	5 (14)	Feb 2014	Jun 2014	Aug 2014			Proposal to allow road reserves to be used for housing in association with adjoining land
34	North Appin	Appin	4000	Feb 2014					Rezoning of 368 hectares of land zoned RU2 Rural Landscape to allow for residential development involving approximately 4,000 dwellings and associated commercial, recreation and community facilities

35	Brooks Point	Appin	3500	Feb 2014		Rezoning of 244 hectares of land zoned RU2 Rural Landscape to allow for residential development involving approximately 3,500 dwellings and associated commercial, recreation and community facilities
36	Coull Street (PP_2015_WOLLY_002_00)	Picton	Dec-20	Apr 2014	15 Sept 2014	Seeks to rezone 2.1 hectares of industrial zoned land for medium density development involving approximately 20-30 units and land for private recreation purposes
37	Land Adjacent Mushroom Tunnel	Picton	32 (92.8)	Apr 2014	Oct 2014	Seeks to rezone approximately 4.1 hectares of rural zoned land for residential development involving approximately 32 dwellings
38	North Appin Roads	Appin	N/A	Sep 2014		Correct Lot Size Map for special uses road zone
39	Original Holdings Housekeeping Amendment	Shire Wide	N/A	Sep 2014		Correct error in original holdings Map which omitted some original holdings
40	Dual Occupancy in Rural and Environmental Zones Housekeeping	Shire Wide	N/A	Sep 2014		To review Clause 7.1 as it relates to E4 zone dual occupancies and to review the permissibility of dual occupancies in rural zones
41	Tourism related Housekeeping	Shire Wide	N/A			An LEP amendment to encourage tourism by allowing eco-tourist facilities and reviewing other tourism related matters
42	Penny Lane Acquisition Release	Thirlmere				An LEP amendment to remove parcels of land from the Council's Land Reservation Acquisition layer
43	Housekeeping Amendment Review of Clause 4.1 of LEP - Insert 4.1AA	Shire Wide	N/A			Adoption of Clause 4.1AA of the standard instrument principal LEP
	Wilton Junction Master Plan	Wilton	TBA			Part of NSW Government's Review of Potential Housing Opportunities initiated by Minister for Planning & Infrastructure A new residential community and town centre is proposed that will provide approx. 10,000 – 12,000 homes for 30,000 – 35,000 people and create more than 11,000 jobs in Wollondilly Shire
	Silverdale & Warragamba Master Plan	Silverdale / Warragamba	TBA			A joint Master Planning process in partnership with Department of Planning & Infrastructure. It is proposed that all future planning proposals in Silverdale, Warragamba be informed by this process
	DCP Review - Commercial Bingara Gorge	Shire Wide	N/A	N/A		Review of Wollondilly Development Control Plans
	GMS Review	Shire Wide	TBA			Review of Wollondilly Growth Management Strategy

Appendix B

PRODUCTIVITY IMPROVEMENTS & COST CONTAINMENT STRATEGIES

If Council is seeking higher rate payments from our community, it is understandable that our community expects in return from us to be as efficient and effective as possible – to use our resources wisely. Being an efficient and effective Council is a core focus of Council and will continue to be central to the way we do business given our financial challenges ahead.

Efficiency is about doing more for less and effectiveness is about working smarter, so you can think of efficiency as “doing the thing right” and effectiveness as “doing the right thing”.

After years of rate-pegging Wollondilly has, by necessity, needed to constantly improve its efficiency. To achieve continuous quality improvement and a “best-practice” approach to all of our operations, Council keeps abreast of new knowledge, techniques and developments related to our industry. We continually review the ways our services are conducted and we have implemented a wide range of initiatives to ensure we use resources wisely. These include:

BUDGET PROCESS

Council’s annual budget process places a high level of focus on minimising increases to expenditure budgets for existing services. This has been the case for a number of years and has compelled budget managers to continually identify savings within their areas of control in order to maintain service levels.

PROCUREMENT PRACTICES

Electricity Contract

Entered cooperative contracts with other Councils (through Local Government Procurement) for energy supply for large and small sites and street lighting, which delivered energy cost savings. Entering a further round of new energy contracts, which on preliminary assessments will further reduce future costs (additional to any carbon price reductions).

Insurance Premium Saving

Reduced Property and Public Liability insurance premiums through a Request for Proposal (RFP) process with some savings being kept to cover under excess claim costs and the balance being available as organisational savings

Panel Contracts

The works department has created and built strong relationships with suppliers. We operate several panel contracts including: plant hire, material supply, civil works (kerb & gutter, footpath, asphalt, spray seal). The creation of these formal panel contracts has resulted in substantial time efficiencies for people delivering projects. Under Council adopted policy for works over \$5000 it

is necessary to obtain at least three written quotations. Under the panel contracts, potential contractors offer legally binding rates which cover a period of up to 2 years. Therefore Council meets its responsibilities under probity regulations and also has an efficient way of getting work done.

Council’s current panel contracts have been written and administered internally by the Works department. To ensure that the supply contracts offer both cost and time savings, we have benchmarked these panel contracts against other Councils and also purchasing organisations (such as MACROC). In these reviews it was found that the way in which we have written and administer our contracts led to rates that were either comparable or better than those offered to other organisations.

AUDIT COMMITTEE

Council established an Audit Committee in 2010.

The membership of the committee comprises of two external representatives and two Councillors. The chair of the committee is an external representative.

The Audit Committee works with the Internal Auditor to develop a risk based strategic audit plan.

The plan targets areas of high risk to examine processes and the controls implemented to reduce risk.

The risk types considered in the plan include:

- Financial - Risks that impact revenue, expenses, assets, liabilities, reserves
- Legal and Regulatory - Risks that impact compliance with or enforcement of various legislation and regulatory requirements
- Human - Risks that impact staff wellbeing, working conditions and the working environment
- Business Disruption - Risks that impact on Council’s ability to deliver services to the community
- Environment - Risks that impact the natural environment
- Reputation – Risks that have an impact on Council’s reputation
- Strategic - Risks that impact the development and execution of mid to long term plans

The Audit committee in addition to considering the audit plan also carries out a regular review of the Special Rate Variation outcomes monitoring both the financial and physical progress, probity planning, relevant policies, business continuity planning and testing as well as reviewing Council’s financial reporting.

The range of matters the committee considers will assist Council in responding to recommendations as outlined in the Independent Local Government Review Panels recommendation for internal and performance auditing.

ENERGY EFFICIENCIES

Replacement of the Administration Centre air conditioning plant (at the end of its useful life) with a new energy efficient system with reduced operating costs.

Installed solar tube lighting and 60,000 litre water tanks at the Community Nursery = reduced water use fees and power costs.

Undertaken Power and water use audits of Council buildings = Baseline information for Council infrastructure projects to improve power and water efficiency and develop Water and energy Use Plans.

Including sustainability principles into new building design eg Library refurbishment = reduced power and water usage in new or retrofitted facilities.

Reviewed irrigation systems and operations at Council sportsgrounds = reduced water usage at Council facilities.

INFORMATION TECHNOLOGY

- Energy efficiency and environmental impact now have significant weighting in the selection of new technologies. During a recent PC replacement, ultra small form factor units were chosen due to the very low power consumption of each device. For the data centre refresh, blade technology was chosen due to the significant power saving and reduced ongoing costs.
- A pull print system has been implemented across the entire organisation requiring each user to manually release print jobs at the printer with any unreleased jobs cleared at the end of each day. This has had a massive reduction in wasted paper and costs associated with toner and servicing.
- Wollondilly Shire Council has enabled online development application enquiries. This enables improved access for our customers as well as reducing the volume of people visiting the customer service area in the administration building. By reducing this traffic we have reduced the time demands on our customer service staff.
- We have begun work on connecting into the NBN Co fibre network. Upon completion this will enable WSC to have access to drastically improved Internet access at a fraction of the current internet costs. NBN Co Fibre also allows WSC to investigate online hosted services which could enable further savings.
- Working closely with our governance department, we have implemented an online delegations register system to replace the old manual excel based register. The online system requires far less maintenance and is less reliant on one individual to update the system. Being an online system it also provides simplified access to information when required.
- Working with our partners, WSC is progressing to replacing paper based systems with mobile electronic devices. This shift greatly reduces the time taken for paperwork and administration as well as providing access to relevant information on demand. As technology improves we will be able to provide greater access to data at less cost.
- With the implementation of the State Government's Electronic Housing Code project, WSC has enabled our community to lodge complying development certificates online. This provides easier access to Council for the public as well as reduces demand on Council resources and staff.

SERVICE REVIEW + PROCESS IMPROVEMENTS

Over the past 4 years Wollondilly Shire Council has continually reviewed the services it provides and looked for ways to improve the processes which deliver the services. The process improvements and identified efficiencies have been listed under each of the Five Focus areas contained in Council's Community Strategic Plan.

Community

Committees review

Council undertook a comprehensive review of all of its advisory committees in late 2013 and early 2014. This resulted in a reduced number of committees and a more streamlined approach to the coordination and reporting of those committees. The frequency of many committees was reduced from monthly to quarterly

Mobile Library

Council launched its new mobile library service in November 2013. The service has been nominated as a finalist in the South West Sydney Business Chamber Awards under the category of "Excellence in Innovation". Compared to our previous service, the new service reaches more villages, attracts more patrons and has seen an increase in loans/borrowings. And all this has been achieved without having to increase the operating costs of the service.

Community engagement through social media

Council is increasingly engaging with our community through social media and online surveys and online engagement processes. The avenues of communication are highly effective and cost efficient.

Actively seeking grant funding

Council's Community Services Team actively pursues grant funding opportunities and continues to be very successful at attracting grants to fund a wide range of community projects and programmes

Governance

Land dealings

Council actively source options that would benefit the Council in land dealings:- acquisitions, land dedication, disposal, easements, development and or value added activities, investments, public partnerships, care and control, lease and licence.

Council monitors internal processes when dealing with land to ensure Council activities are in accordance with Acts, Regulations, Policies, Procedures and the Code of Conduct.

A data base has been created to record and track property items presented to the Land Property Panel for the Minutes and Agenda.

149 Certificates

Council has seen an increase in income for applications for 149 Certificates. The additional demand has been achieved without an increase in staff. It is perceived that the number of applications will increase largely due to the proposed population expansion. WSC

will be moving towards Online 149 Certificates and is working with its software provider to complete the upgrade of their current online system; envisaged by the end of 2014. This will assist with the increased number of 149 certificates Council are currently receiving and will provide more efficient customer service

GIPAA Access

Since 2010/11 there has been an increase in Formal GIPAA requests. This increased workload has been achieved with no additional staffing.

Geographic Information System (GIS) and Land Information System (LIS)

Efficiencies have been gained in the cadastral updates by leveraging Electronic Eplans to produce the new proposed subdivision layer. Through the Eplan process we allocated provisional addresses for new lots in subdivisions to prepare for a seamless plan registration process. The Draft Planning Proposal Attributes Code process was streamlined resulting in a fifty per cent reduction of time required to complete the task. An automated data update process has been implemented with Land & Property Information to provide the organisation with the most current spatial information. This is important as the area experiences continuous change in road reserve and property boundaries. This is also a step toward integrated data at the local government and state level.

Environment

Reviewed and updated Domestic Waste Collection invoicing system = reduction in accounting discrepancies due to daily changes in bin services.

Reviewed and changed illegal dumping collection processes = reduced costs of collection, increased recycling therefore reduced landfilling and decreased interruptions to plant and machinery work schedules.

Reviewed and updated landfill fees, particularly commercial disposal fees = a more equitable and resident focussed fee system and increased landfill life.

Developed a Sustainable Procurement Plan for Council = increased emphasis on products with regard to resource use, longevity and disposal options.

Continued initiatives of Team Leaders Connect and Sustainably Team to improve Council's sustainability practices = Cross section sustainability initiatives reduce Council's carbon footprint, power costs, waste costs and water usage Including sustainability principles into new building design e.g. Library refurbishment = reduced power and water usage in new or retrofitted facilities.

Produced digital bushfire risk mapping for the shire including Council roadsides and reserves and placed these maps on Council's website = reduced phone or personal enquiries regarding bushfire risk and easy access for residents to that information.

Commenced using new tree assessment tool / process when

assessing trees for safety and health = quicker, more efficient and effective assessment of trees in the field.

Simplified Tree Removal Request process to allow conforming trees to be removed with minimum Council processing e.g. electronic applications = quicker, more efficient and effective tree removal process for residents and staff.

Instigation of multi inspections and Trimble GPS system regarding vegetation management = more effective use of site visits and inspections by Council staff with digital information capture.

Secured external funding to undertake Council projects in bushland management, weed control, bushfire hazard reduction, environmental education and waste minimisation = Increasing external contributions for resources for projects by around \$500,000 for environmental projects.

Reviewed irrigation systems and operations at Council sportsgrounds = reduced water usage at Council facilities.

Reviewed and rescheduled areas of Council's village maintenance activities = more efficient use of Council resources and better outcomes of works

Economy

Improvements to software to increase efficiency in the processing of applications including commencement of Electronic Housing Code which enables the receipt, processing, stamping and sending of complying development applications electronically. Provision of a 'drop box' facility to reduce time and increase efficiency in the referral of application process to external bodies; Installation of trapeze program, improvements in mapping e.g. swimming pool and fire safety layers and installation of dual monitors;

A Success Management Program has commenced which has included consultation with a variety of external stakeholders including developers and government agencies on ways to refine the development assessment processes. There have been changes to streamline the subdivision certificate release process;

Proposed Future Improvements:

Review of current information technology to progressively improve delivery of services in order to assist with the improvement of efficient development assessment and strategic planning services; A review of policies including 'Application Determination Policy' and Council's policy framework in general to identify key issues of policy contents that represent significant gaps or are out-dated and/or not capable of implementation, thereby providing more efficient development assessment processes and judgements;

Review and documentation of a process of case/project management responsibilities of planning and building surveyor staff to ensure that applications assigned to a particular officer proceed when a staff member is on leave;

Review and development of documentation and procedures on the lodgement of development applications to improve the quality of applications received and reducing the need to request additional information. These improvements to include the development of a model development application for particular types of applications and a policy for pre lodgement meetings; Review of standard letters and re-cast into plain English and more 'customer friendly' language.

Infrastructure

Since 2010, Council has progressively improved its asset information (inventory and condition data) to make better decisions on relative priorities and ensuring that Council's limited funds were allocated more efficiently and ensuring that future maintenance costs are minimised by undertaking preventative maintenance, rather than just undertaking reactive maintenance. This also ensured that the assets that the community uses, such as playgrounds, footpaths and community facilities, were safer and provided a better experience for the users.

Asset information is now collected at subdivision stage in a standard electronic format to make it easier for this information to be collected and to be uploaded into Council's asset system. This improves the quality of the information, reduces staff time in processing the information, and enables Council to better cope with future growth.

Council has completed its Open Space, Recreation and Community Facilities strategy to better identify community priorities for improved facilities.

Council now has improved processes for the acceptance of new open space lands to ensure that they are better suited for community use, are not encumbered by constraints such as flooding, and maintenance costs into the future are contained.

Proposed future improvements:

Council has commenced the second stage of its asset management improvement program by undertaking additional condition assessments on various assets, and preparing and updating its asset management plans, to further improve how Council's limited asset maintenance funds are allocated.

A Success Management Process is in progress within the IP section to improve its performance in the services it provides to its customers, both internal and external.

Maintenance Budget

The maintenance budget for all Roads Infrastructure for the last 4 years is as follows

Year	Budget	Change from Previous Year	CPI
2011-2012	\$3,718,633	13%	3.5%
2012-2013	\$3,442,726	-7%	1.2%

2013-2014	\$3,304,706	-4%	2.4%
2014-2015	\$3,321,097	0.5%	Estimated 2.9%

CPI source: ABS

The above table shows that with the exception of 2011-2012 the road Maintenance budget has not increased or kept pace with inflation. Despite this lack of growth, the CRM's completion rate has remained at a constant 90% per annum. In addition, the staff number within the division has remained constant.

Change to Staff Roles

The number of staff in the works department has remained relatively constant (at approx. 65). However, staff roles and jobs within the department have changed.

Reach Arm Crew

The reach arm mower crew was created from a general maintenance crew. Although there is a significant need for general maintenance across the shire, the creation of a crew predominantly undertaking reach arm activities has addressed a significant amount of vegetation issues across the shire. In addition, much of this work is funded through RFS grants which frees up Council maintenance funds for other items (plant, materials).

Civil Construction Crews

Prior to 2009 the works department used contractors to undertake the majority of Council's drainage and concrete construction. However, as staff have retired we have used these vacancies to obtain additional skills and abilities within the section. This has included two crews that can undertake both drainage and concrete work. Since having these two crews, Works is able to undertake all of our concrete works internally. This has resulted in a substantial cost saving.

Resource Flexibility/Succession Planning

As existing staff members have retired or left Wollondilly Shire Council, we have been actively seeking to change positions to better share skills and abilities and also sharing resources. For example:

- Roller Operator – Roller Operator/Trainee Grader Operator (2 positions)
- Assistant Surveillance Officer – Assistant Surveillance & Signage Officer (position shared between 2 crews)

New Plant and Machinery

Works has actively been trialling, investigating and implementing new technologies and plant items that have resulted in greater productivity and or lower costs.

Paveliner

Council operates a pave liner truck to undertake repairs on Council's extensive road network. This machine is purpose built to fill potholes, correct road surface defects and respond to maintenance requests. Prior to the introduction of this machine, potholes and road defects were corrected by hand, a considerably slower process – up to 4 times slower. The average cost to address

an average pothole with the pave liner is between \$10-\$15. The cost to fill a pothole by hand would be \$40 and would place staff at considerably more risk from traffic. In 2013/14 Council spent \$598,000 on bitumen patching across the shire. This equates to around 39,400 potholes being repaired.

New Technology

Council and the Works Department (with assistance from IT) has implemented several new technologies to improve efficiencies. This has included:

- Introduction of iPads for Superintendents in field: Provides access to email, camera, internet
- Introduction of new Signage Work Management System: Custom App used to track and monitor signage work in the field.

Facebook (Free Social Media/Advertising/Notification)

To show the community the projects which the Works Department is involved in, we post daily updates to Council's facebook page. In addition to letting the community know what we achieve, we also use this medium to advise the community of issues such as the closure of roads (flooding etc) and limit their inconvenience. As the community becomes more involved with social media, the use of facebook may replace paid notifications such as printed paper etc.

Heavy Patching

Prior to 2011 Heavy Patch repairs were undertaken in an ad hoc manner with varying degrees of success. Since 2011, we have implemented a documented and recorded program for this work across the shire. This includes:

- A standard/specification of the work
- A record of all the outstanding patches detailing cost to complete
- A record of all of the completed works

This record of work allows us to complete the highest priority works and because the work has been standardised the success rate has increased dramatically. Since implementing the standardised heavy patch we have not had to undertake rework on the same patch.

Geotechnical Investigations

With the assistance of Infrastructure Planning, we have been obtaining accurate geotechnical investigations before we reconstruct/build roads. These investigations are undertaken by a qualified geotechnical engineer whom recommends the best and most efficient method of completing the project.

SUCCESS MANAGEMENT PROGRAM

Success Management Program for "Continual Improvement" Wollondilly Shire Council (through the Executive Team) has been proactive with the Success Management Program (SMP). SMP is Council's program aimed at refocusing on our values, culture and effectiveness of Council's business operations through our people, processes, performance and plans.

Council has initiated SMP for the following major reasons:

- Respond to significant growth – a projected population increase from 45,000 to potentially as high as 140,000 is anticipated over

the next 25 to 30 years. Wollondilly Shire is a major growth sector in the Sydney metropolitan region and therefore the Council has consequent high level responsibilities.

- Customer Service - drive to improve organisational values and management to underpin on-going improvement in the delivery of customer service; external and internal.
- Resource constraints - human and financial. Quality systems and processes are crucial to maximise efficiency, effectiveness, flexibility and performance.
- Working relationships, perceptions and complaints – as with many Councils, improved working relationships with applicants, the community and other Council sections are needed.
- Performance issues – looking at staff workloads, prioritisation of work and the use of current resources to achieve outcomes.

Success Management Programs commenced from January 2014:

Project 1 – Planning Services, Seeking to:

- improve upon development application assessment timeframes
- enhance the communication between applicants and professional staff
- improve the understanding of environmental planning instruments, Council's Development Control Plan, contributions plan and policies
- simplify Council's Development Control Plan and correspondence relating to Development Applications
- ensure staff have less frustration with their day to day work

Project 2 – Infrastructure Planning, Seeking to:

Responsibly manage and enhance the Community's Built Environment (Roads, Drainage, Traffic, Buildings, Parks and Recreation) through teamwork, technical knowledge and communication, focusing on current and future customer needs.

Project 3 – General Manager, Seeking to:

Develop our staff and resources to deliver fast, accurate and positive services for our customers.

Sub -Project 3.18 – Council's Guidelines for Development Applications and Complying Development Certificates.

Seeking to:

Comprehensively review and increase promotion of Council's guidelines for lodgement of DAs & CDC and improved procedures to be established for pre-lodgement consultation.

Project 4 – Professional Leadership, Seeking to:

- achieve high performance leadership
- lead as a cultural change coach
- be effective & efficient in professional management

Success Management Staff Well-Being Program

Seeking to:

Offer staff a range of activities for staff well-being

* Recent 6 Week Program included stretch & move classes and Yoga classes.

Project 5 – New – Corporate Communication Space

Appendix C

1. Strategic Partnerships and Alliances

For Council to achieve the outcomes set out in the Community Strategic Plan 2033, we need to actively work with all levels of Government, Councils in and outside our region, Non-Government Organisations, service providers and community groups. The Key to collaboration and cooperation is the ability of agencies to share resources. This is an approach Wollondilly Shire Council is committed to as it enables us to strengthen our position, explore new opportunities and implement cutting edge initiatives and outcomes for the benefit of our community.

For many years Council has been building on our existing relationships at all levels of government and non-Government agencies through strategic alliances, resource sharing opportunities, interest groups, sub-committees, associations etc. Council continually seeks and identify new opportunities for collaboration and resource sharing to provide better outcomes for the Community and Council now and into the future.

These collaborations include but are not limited to:

Macarthur Regional Organisations of Council (MACROC), the association of the Macarthur Region's three local government authorities, has been in operation since 1986. Wollondilly, Camden & Campbelltown Council

Joint training initiatives and regional training sub-committee

Asset management collaboration

Regional Spoils Sub-committee and Business Unit scoping

Local & NSW Chambers of Commerce

Sydney PeriUrban Network of Councils (SPUN)

The Wollondilly Health Alliance

The Dilly Wanderer - Community development and resource sharing outreach service

Following are other Collaboration and Resource Sharing initiatives currently being implemented by Wollondilly Shire Council

Manager	Collaboration with Others
Economic Development & Tourism	Local Chambers of Commerce - Picton, Appin, Tahmoor
	Wollondilly Tourism Association Inc (WTAI)
	Campbelltown Council (Jeff Lawrence – Director of Planning and Michael Hinckley), if there are any projects/issues that are run through MACROC (Christine Winning)
	State Government on the Agglomeration project
	NSW Business Chamber (Michelle Caruso) Attend meetings and assist in promotion of Chamber events/projects. Current project they are beginning to look at is Apprenticeships and training. This will then be the catalyst for WSC to work with our local business sector on this aspect once details are finalised
	Camden Council (Debbie Roberts – Economic Development Officer).
	Old Hume Highway 31 Project (Frank Burke) – project is to get the Old Hume Highway – mapped and publicised to encourage drivers back on to the road to revitalise towns and villages along that route and also to get drivers off New Hume to alleviate tiredness etc. Project is to run from Liverpool through to Victoria taking in all council LGAs along the route. I Am a Director of the company that has been formed to enable grant funding applications and also of the Steering Committee (as agreed with Luke Johnson).
	A number of local businesses on various projects – mainly in the arena of training facilitation

Manager	Collaboration with Others
Planning	Camden, Campbelltown, Fairfield and Liverpool Councils in workshops arrange by the NSW Department of Planning and Environment in regard to a new Sub-Regional Plan for the South West Sydney Sub-region
	Campbelltown Council and the Department of Planning and Environment in regard to the Greater Macarthur Land Release Investigation Area
	WSROC Planners Group
	Authority Special Interest Group for the Applications/Registers module working with a range of other Councils that use the Authority system
Compliance	Council's from Blacktown, Campbelltown, Sutherland re Department of Primary Industry legislation review regarding animal shelters and pounds
	Informal interaction regularly occurs with adjoining Council's regarding interpretation and implantation of legislation and matter of process, procedures and policy
Community Services	<p>The Wollondilly Health Alliance</p> <p>Wollondilly Shire Council, together with the South Western Sydney Local Health and South Western Sydney Medicare Local formed the Wollondilly Health Alliance in early 2014 to consider integrated solutions for health care needs in the Wollondilly Shire. The Wollondilly Health Alliance has begun discussions with key health providers; Non-Government Organisations and community groups in Wollondilly to work out the best way to enhance community based services and integrated care.</p> <p>In 2014, the NSW Government announced the NSW Integrated Care Strategy, which provides \$120 million over four years to implement new, innovative locally-led models of integrated care across the State. Integrated care involves providing seamless, effective and efficient care that responds to all of a person's needs, across physical and mental health, in partnership with the individual, their carers and family. Local Health Districts in NSW had the opportunity to apply for funding through the Planning and Innovation Fund.</p> <p>The Wollondilly Health Alliance has been successful in obtaining access to funding through this programme and is currently in the process of addressing health priorities and service gaps as identified by the Wollondilly community. Wollondilly Health Working Groups with representatives from health and community services, the Wollondilly Shire Council, general practitioners and consumers have been formed to develop, plan and implement improvement strategies for identified health priorities.</p>
Technology, Information & Corporate Strategy	<p>Regional IT Manager Network – Camden, Campbelltown, Wingaribee</p> <p>As a group we discuss opportunities to collaborate and resource share with the following initiative being look into :</p> <p>Investigate volume discount for group pc purchase</p> <p>Disaster Recovery (DR) Site Space sharing and/or MOU to allocate PC's and space in DR scenario</p> <p>Records and Scanning – Share a resource to scan incoming mail</p> <p>White Labelled website that Councils share</p> <p>- Share the Development of Council branded smartphone APP</p>
Executive Services	MACROC training sub-committee
Governance	Rights to Information/ Privacy Practitioners Network – attend multi-agency meetings to discuss common issues and developments surrounding Privacy, Information access and new and changing legislation and technology
	Rights to Information/ Privacy Practitioners Network Consultative Group – represent local government on this multi-agency group regarding Privacy and Information Access issues
	Governance/GIPPA Special Interest Group – sharing ideas and knowledge about GIPAA and Governance matters
	NSW Property Special Interest Group – Discuss future development of Authority system and ensure we are utilising the system to its capacity
	LPI NORNS System Testing Group (NSW Online Road Naming System) – WSC were invited to assist LPI in testing the new system prior to its release
	LPI CPAS (Comprehensive Property Addressing Systems) – Continual improvements

Manager	Collaboration with Others
Financial Services	<p>Revenue Special Interest Group – Discuss system developments and functionality requirements for cross-module receipting and invoicing</p> <p>Finance Special Interest Group – Discuss future development of Authority system to meet financial reporting needs</p> <p>BIS Special Interest Group – Discuss current and future reporting needs and develop user friendly budget tools</p>
Infrastructure Planning	MACROC for asset management collaboration
Environmental Services	<p>Waste Services</p> <p>South West Sydney Regional Waste Disposal Group – joint contract with waste contractor and Camden, Campbelltown and Wingecarribee Councils</p> <p>Macarthur Regional Waste Group- developed and implemented a joint waste strategy for Camden, Campbelltown and Wollondilly Councils</p> <p>Vegetation</p> <p>Bushfire Risk Management Committee – partnership between Wing and Wollondilly Councils and emergency service agencies</p> <p>Bushfire Awareness working Group – Wing and Wollondilly joint group re bushfire prepares within the community</p> <p>Southern Sydney Regional Weeds Group</p> <p>South west Sydney Regional Weeds Committee (southwest Councils and other land managers).</p> <p>Sydney Weeds Committees (Sydney Basin/blue mountains/lower central coast Councils and other Land Management Agencies)</p> <p>UNRRAAP (Upper Nepean River Regional Acer Action Partnership) – weed control partnership with Camden and Campbelltown Councils</p> <p>Nepean River Aquatic weed control project with Camden and Campbelltown Councils</p> <p>Cumberland Restoration Network – Group of councils and other land managers responsible for managing Cumberland Plain Woodland</p> <p>Other</p> <p>Association of mining related councils – numerous Councils partnering in lobbying for financial assistance for LG areas impacted by mining</p> <p>Greater Metropolitan Sydney Local land Services</p> <p>Local Government Advisory Group- numerous Sydney Councils lobby group for improved agricultural and natural resource management in the Sydney basin</p> <p>Georges River Combined Councils Committee- Georges river Councils lobby group for improved natural resource outcomes along the Georges River</p> <p>Sydney Catchment Authority Local government Reference Panel – Councils containing areas of Sydney’s Drinking water catchment lobby group to improve water quality outcomes</p> <p>South Western Sydney koala Management group, Wollondilly, Wingecarribee and Campbelltown Council, Local Land Services, Greening Australia, OEH, Science For Wildlife, University of Sydney, Conservation Volunteer Australia.</p> <p>Wollondilly Foodbank – Community Links, Wollondilly Council, Macarthur Disability Services, and Macarthur Diversity Services, Tahmoor Uniting Garden, Fairy Wren Food Co-op.</p> <p>Macarthur Councils, Threatened Species Art Competition in schools and Macarthur Nature Photography Competition</p> <p>Local Government Bushfire Awareness Group – state-wide</p> <p>Food Authority Committee (State-wide) as part of LGMA</p> <p>Cemeteries</p> <p>Cemeteries Networking Group – provides industry knowledge, discussion and support over a range of issues with Cemeteries managed/operated by Local Government. Wollondilly, Camden , Shoalhaven, Wingecarribee, Wollongong, Penrith, Goulburn, Bega Valley Councils</p> <p>Waste</p> <p>Western Sydney Waste Managers Group</p> <p>Waste Management Association of Australia – membership</p> <p>Keep Australia Beautiful Council (NSW) – membership</p> <p>Waste Contractors and Recyclers Association – membership</p>

2. Success Management Program for “Continual Improvement”

Wollondilly Shire Council (through the Executive Team) has been proactive with the Success Management Program (SMP). SMP is Council's program aimed at refocusing on our values, culture and effectiveness of council's business operations.

Council has initiated SMP for the following major reasons:

- ✓ Respond to significant growth – a projected population increase from 45,000 to potentially well over 100,000 is anticipated over the next 25 to 30 years. Wollondilly Shire is a major growth sector in the Sydney metropolitan region and therefore the Council has consequent high level responsibilities.
- ✓ Customer Service - drive to improve organisational values and management to underpin on-going improvement in the delivery of customer service; external and internal.
- ✓ Resource constraints - human and financial. Quality systems and processes are crucial to maximise efficiency, effectiveness, flexibility and performance.
- ✓ Working relationships, perceptions and complaints – as with many councils, improved working relationships with applicants, the community and other council sections are needed.
- ✓ Performance issues – looking at staff workloads, prioritisation of work and the use of current resources to achieve outcomes.

Project One – Planning Services

The Planning Services Project Plan

Achievements:

- Revised procedures and standard consent conditions
- Policy for determination of inadequate applications
- Enhanced communication with applicants including agreed case management responsibilities
- Enhanced communication between expert staff and planning staff and consistent standard of referrals
- Formal agreed meeting regime between relevant managers
- Revised customer friendly, plain English standard letters
- Revised DCP for single dwellings including a revised list of applications notified
- Program for review of all DCP sections
- Training to increase the skills and experience of individual staff
- Preparation of a model Development Application
- Revision of information provided for applicants and objectors on Council's website
- Review of IT Services to deliver efficient development assessment
- Review of the reward system for assessment staff
- Review of staffing arrangements for the provision of planning, building and sewage management advice at the front counter
- Review of protocols for communication between executive, managers and assessment staff
- Review of protocols for communication between Councillors and staff within the Code of Conduct
- Attempt to arrange a forum(s) with relevant state government agencies to assist with improving responsiveness to application referrals

Project Two – Infrastructure Planning

The Infrastructure Planning Project Plan was made up of three separate reviews, each with their own suggested outcomes (although some of these cross over).

- Internal Audit Outcomes – 90% of outcomes completed
- Asset Management Directions Report – 100% completed
- Success Management Program – 93% Completed

The main outcomes can be grouped and summarised as follows;

Achievements:

- Asset Management system adopted
- Asset Management better aligned with CSP and LTFP
- Asset condition data increased in priority
- Asset Management Plans – Draft complete for Open Space, Transport and Buildings
- Asset Management Plans linked to capital Works Programs
- Asset Management Steering Committee formed

Underway/Ongoing:

- Commenced the process of adopting the ADAC system for receipt of new assets
- Integrated project management system to be developed
- Capital Works co-ordination needs to be developed and assigned below Manager level in long term
- Understanding & defining Roles and Responsibilities and Service Level Agreements

In summary, Infrastructure Planning has made significant advancements during the Project, particularly in relation to Asset Management. This has been crucial for the successful Special Rate Variation application and will continue to play a pivotal role in Council's ability to deliver upon effective asset management, supported by the increase in funding.

Project Three – General Manager

The General Manager Project was initiated with his appointment in August 2014. The Project goal was to transform council into being more efficient and effective in the use of Council resources and provide value for money in the delivery of services.

The General Manager strategic direction was clear and concise with the following key objectives:

- Build stronger strategic partnerships and alliances
- Continue to promote and support the Success Management Program (Program was developed when he was Deputy General Manager)
- Financial Sustainability
- Implementation of Asset Management Plan
- Process Reviews - Budget processes, Procurement processes
- Policies review

Achievements to date:

- Revise Organisational Structure to align the organisation with community priorities
- Strategic Financial Management including successful application for a Special Rate Variation
- Commence a process of re-writing our stock letters in Plain English
- Revise Manager Performance Appraisal process for Managers
- Strategies to enhance collaboration with neighbouring Councils
- Improve Contract Management

3. Special Rate Variation (SRV)

Wollondilly Shire Council, like most NSW councils, is faced with the challenge of making sure we have sufficient funds to look after the Shire's infrastructure into the future. The Wollondilly community places a high priority on the maintenance of the Shire's infrastructure, so the current trend of deteriorating infrastructure needs to be reversed.

Following a comprehensive engagement process, which started in June 2014, and with the support of our community (evidenced by an independently conducted, randomly selected survey), Wollondilly Shire Council successfully applied for and received from IPART a rates revenue increase by 10.8% each year for 4 years.

This increase in rating revenue is part of Council's Long Term Financial Sustainability Strategy and Corporate Business Planning (IP&R), with Council also pursuing increased grants, making use of subsidised loans (LIRS) and the ongoing organisational efficiency initiatives as part of our Success Management Program. The strategy will enable Council to maintain and renew infrastructure, and continue to provide required services to the community.

Wollondilly Shire Council is faced with an \$80 million funding deficit after 10 years and needs to address this shortfall. Without the Special Rate Variation Council does not have the capacity to generate the funds required to sustainably address the infrastructure backlog over time. This application and associated strategies developed by Council will address this issue and support the maintenance and renewal of the community's roads, footpaths, parks and community buildings.

The funding deficit faced by Council is the result of several complex and inter-related factors. Our Shire is made up of 17 towns and villages and is vast (at 2,560 km² or 256,000 ha) in relation to our low population of approximately 46,000 people which results in high infrastructure maintenance costs, particularly on roads, relative to a small rate base. Additionally, our Shire will experience significant growth with our population expected to grow substantially over the next 30 years and beyond.

Although the rates from new residential growth (as much as +100,000 people under the highest growth forecasts) will significantly fund future infrastructure, it will not fund the maintenance and renewal costs of our existing infrastructure.

Council has faced the challenge head-on, having difficult but honest conversations with our residents about being Fit For the Future. All contributing factors have been explored, and potential solutions examined. The SRV is therefore necessary to maintain and manage our current and future infrastructure, and to enable Council to continue to deliver quality services in line with the expectations of our growing community.

4. Wollondilly Shire Council Asset Management Plans

Council's Resourcing Strategy 2012-2022 provides information to the community on how Wollondilly Shire Council will deliver on the Community Strategic Plan.

The Asset Management Strategy, as contained in the Resourcing Strategy, informs our decisions by identifying assets that are critical to Council's operations. It outlines the risk management strategies for those assets and includes specific actions required to improve our asset management capabilities, projected resource requirements and timeframes.

Key outcomes of the Asset Management Strategy include;

1. Achieve the Asset Management Improvement Plan by formulating an appropriate program of:
 - a. asset management governance,
 - b. service level reporting
 - c. risk management reporting
 - d. statutory compliance
2. Reviewing processes and providing direction on the development and implementation of an asset knowledge management strategy to ensure optimum benefit / cost / risk for technology systems, information management, business processes and reporting.
3. Developing, implementing and monitoring key performance indicators that link the resourcing strategy to the Community Strategic Plan (CSP)
4. Developing appropriate policies to ensure effective Asset Management across the organisation that demonstrate value for money whilst controlling risk and loss.
5. Informing Council's Executive Management of progress; and
6. Recommending to the Executive organisational change as required.

Key improvement actions to be implemented in the first year of the plan include;

- Oversight of the Asset Management Improvement Plan by the Asset Management Steering Committee - with representation from areas of Council responsible for strategic, technical and operational planning and management of our assets.
- Development of the Civic Asset Management system
- Review of data collection processes, systems and resources
- Development of Asset Management Plans and works programs

5. Budget Development and Review Process

Wollondilly Shire Council's Budget Development and Review Process is a rigorous set of procedures which continuously monitor and report on year-to-date expenditure, cost containment measures and income projections. One of the main focusses is to either ensure no overruns in Council expenditure or where overruns can't be avoided, then to identify alternative/additional funding sources. Council's budget is set annually and then periodically reviewed as part of Council's quarterly review of the Operational Plan.

One of our key financial targets is to deliver all projects and services within the adopted annual budget. Each section of Council is tasked at managing its budget and providing services within the constraints of the current budget. Council's budget review process is also closely tied to the recruitment of new and the replacement of existing positions, informing the decisions of whether or not to recruit.

Council has a long standing cost containment strategy around its budget process methodology which includes but is not limited to the following key strategies:

General Operational Budget setting

No net increase to annual operational budgets

Any variations to recurrent budget items must be considered/endorsed by the

Executive and then approved by Council through the adoption of the annual Operational Plan

Budget Variations and Reporting on Performance

Any proposed variations must be funded via realised savings or available budget funding transferred (reallocated) from other services or projects

Monthly budget performance reports are prepared by Council's Manager Finance for presentation to the Executive Committee and includes :

- Proposed budget variations
- Cost benefit analyses on budget proposals
- Costing for all staff recruitment\ replacement requests
- Detailed financial reporting on all major projects
- Detailed report on outstanding rates and debtor accounts
- Update on status of actions/ recommendations from Council's Audit committee

Council adoption of all budget adjustments via the Quarterly Budget Review process

- Council approves budget variations as part of the adoption of each Quarterly Budget Review Statement
- The respective Council Reports and Quarterly Budget Review Statements are publicly available on Council's website

Budget process for Recruitment\ Replacement of new and existing positions

Any vacant positions requiring replacement must be reported to the Executive for approval and include a full costing and needs analysis prior to approval for the replacement of that position

This process includes detailed analysis of financial implications undertaken by the Finance section and also requires efficiencies to be investigated within the requesting section to confirm the continued need for the position

6. Procurement processes and policies review

Wollondilly Shire Council recognises that adopting appropriate best practice purchasing principles, policies and procedures for all goods and services will enable Council to achieve its objectives of sustainable and socially responsible procurement; bottom line cost savings, and better service for communities. Council's adopted purchasing policy's key objective is to ensure persons engaged in purchasing goods and services for Council at all times pursue value for money, promote open and effective competition and conduct themselves in an impartial, fair and equitable manner.

The policy directs Council staff to follow the principles:

- Value for money
- Professional integrity and probity
- Management of Risk
- Accountability

Council's purchasing policy and tendering guidelines are reviewed annually to ensure that they continue to be appropriate and meet all legislative requirements. As part of this review, all procedure documentation is updated to reflect current best practice, including ICAC recommendations, OLG advice and other industry guidelines.

In the 2015 year, Council is developing training courses to assist with the induction of new employees and refresher courses for existing employees. These courses have a focus on compliance with the requirements of Council's purchasing policy whilst also striving to create efficiencies in day to day operations.

Improved compliance reporting is also being developed to assist with reducing the risk to Council of processes being overlooked or incorrectly performed. A series of internal reports will identify the areas of non-compliance and will help us in targeting specific areas for further education in the appropriate procedures (or disciplinary action if deliberate non-compliance is identified).

7. Optimising Council's Developer Contributions System

Wollondilly Council collects contributions (known as Section 94 Contributions) from developers to help pay for services and infrastructure for the community that is required as a result of development. With the anticipated future growth of Wollondilly, it is likely that the need for services and infrastructure required for the future population will increase both in terms of the range of facilities that will be needed, and in their capacity to serve greater numbers of people. The location of the any new services and facilities is also important, as some are likely to be required on a precinct basis to serve the local population, and others on a more centralised basis to serve the population of the whole local government area.

Council collects its developer contributions through 3 main means:

- A Section 94 Plan that applies to residential development;
- A Section 94A Plan that applies to non-residential development;
- Planning Agreements, that can also be negotiated to provide public benefits.

It will be important to ensure that Councils developer contribution system will be able to meet the needs of its future population in a way that is fair, effective, transparent and legislatively compliant. This will be done by the following means:

1. Reviewing the Section 94 and Section 94A plans

Important aspects of the Review will be as follows

- Ensuring that it is based on the most current population projections and studies to determine the service and infrastructure requirements
- Reference to IPART's "Local Infrastructure Benchmark Costs Report" in preparing the revised new cost schedules;
- For Section 94 contributions, striking a rate per dwelling that will allow developers to pay a reasonable cost for the infrastructure and services that are needed

- Ensure regular review of the Works schedule included in the Plan, as well as the population projections on which the Plan is based

2. Preparing Planning Agreements through a sound policy basis

This will be done by the following

Complete a Planning Agreements Policy to provide an objective basis for preparing planning agreements;

Ensure that probity considerations are observed in preparing planning agreements

Ensuring that the planning agreements process allows for public participation;

3. Ensuring Transparency and Probity

This is important given the large sums of money involved in developer contributions, and will be done by:

Publishing Section 94 rates on Councils web site;

Maintaining a web page for developer contributions;

Maintain accessible Planning Agreements Register in electronic form and in hard copy;

Reporting of developer contributions information in annual and other reports.

8. Wollondilly Social Planning Strategy

The Wollondilly Social Planning Strategy (SPS) will detail current and emerging social trends for the Shire as well as outline a range of key community related strategies and actions. The document will provide Council and the community with a valuable tool/evidence base to ensure we are well-equipped to support our current and future communities.

The Social Planning Strategy will be used to:

- identify opportunities to respond to community needs
- advocate for additional services
- develop partnerships to respond to social issues

The Social Planning Strategy will incorporate:

- Demographic information/other relevant data
- Current issues/themes/opportunities
- Current Government policy/planning position
- Relevant research/data including any relevant findings from the Wollondilly Health Needs Assessment.
- Implications of future growth
- Emerging Challenges/Themes/Key Priorities

The Social Planning Strategy format:

Information will be presented in a user friendly format to meet the needs of a range of audiences including students, community groups/organisations, residents and businesses. This will include:

- A set of Shire Wide Theme Chapters that will look at issues such as Health, Housing, Transport and Community Safety etc.
- A set of Snap-shot Documents that contain information on key target groups including young people, older people and people with a disability
- A 4-6 page Executive Summary Document that will capture the key points, strategies and actions outlined in

each of the more detailed chapters

- A series of Place Profiles each containing a brief summary of demographic information as well as information about the history and heritage of the place, local attractions/assets and local champions/valued citizens

The Social Planning Strategy will support Council to be more effective and efficient by:

Providing an evidence based document to assist in advocating and lobbying for additional services and facilities for the Shire

Providing a set of targeted strategies and actions to guide current and future decision-making around community projects and initiatives.

Identifying a range of opportunities to work in partnership with key stakeholders to respond to community needs

9. Internal Audit

Prior to 2010, Wollondilly Shire Council did not have an internal audit function, relying on management to identify existing risks and to review current processes. In response to the DLG's (now the OLG) Internal Audit Guidelines issued in late 2010, Council formed an Audit Committee and engaged an external firm to provide internal audit services.

One of the first tasks for the internal auditor (and the Audit Committee) was to develop a risk register, identifying all risks facing Council and then prioritise them according to their likelihood of occurrence and the consequence to Council should the risk eventuate. From this analysis, a priority list of areas/processes requiring review was put together and an internal audit plan was developed.

Reviews undertaken to date include the following:

- Compliance & Building Assessment (2011/12)
- Waste (2011/12)
- Procurement / Supply (2012/13)
- Emergency Planning and Management (2012/13)
- Transport (Road) Infrastructure

Construction & Maintenance (2013/14)

- Development Assessment & Strategic Land Use Planning (2013/14)
- Parks & Building Maintenance (2014/15)
- Development Engineering (2014/15)

Council has recently reviewed the risk register to ensure the identified risks and priorities are still relevant. Recognising the importance of internal audit in minimising risk and identifying improvement opportunities, in 2014/15 Council chose to increase the number of major internal audits/reviews from two to four (and increase the internal audit budget accordingly).

The revised internal audit plan has identified the following items for review in 2015/16:

- Developer Contributions (Section 94 and Voluntary Planning Agreements)
- On-site Sewage Management
- Development Engineering
- Recruitment

Council has also consciously recognised the need for the Audit Committee to maintain a high level of independence (and perceived independence). Accordingly, the Audit Committee Charter has been amended such that the independent members are now appointed for a 4 year tenure and at the end of the tenure, expressions of interest are again sought. The respective tenures for each independent member are staggered to ensure continuity of knowledge of ongoing matters. Also recognising the need for an appropriate spread of skills across the Audit Committee, Council has just appointed an additional independent member (extending the number of independent members from two to three).

10. Workforce Management Planning

Wollondilly Shire Council's Workforce Management Planning is part of the Wollondilly Resourcing Strategy 2013/14 – 2022/23. The Plan provides Council and the Community with a roadmap to manage its workforce from 2013 to 2017. The roadmap provides information on how to manage Council's workforce ensuring that we have the right number of people with the right skills, in the right job, at the right time. This plan focuses on retaining staff, professional development of Managers and leaders, and providing appropriate learning and participation opportunities in order to achieve the Wollondilly Delivery Program 2013/14 – 2016/17.

Council faces the challenges of retaining and attracting suitably qualified employees amidst a relatively tight labour market whilst managing the demographic realities of an ageing workforce.

At the same time, public expectations around timely and quality service delivery place increasing demands on Council's workforce to go about their business in ever more efficient and innovative ways.

The Plan is designed to enable ongoing professional development and bring staff into the organisation with the right skill sets and to identify strategies to manage the human resources within Council. Our major challenge is how to build a capable and resilient workforce that is able to face the demands of a constantly changing environment.

Reporting

The Plan has measurable targets and identifies specific responsibilities against the various initiatives and are reported in the Wollondilly Annual Report.

Importantly there is a process in place for the development of policies and programs to ensure a discrimination and harassment free workplace. We seek to promote equal employment opportunity for all and support a commitment to building a diverse and vibrant workplace.

Workforce Planning 2013/14 – 2016/17

It is intended for this Plan to be a living document that helps to guide the activities and decision making of the organisation into the future. The initiatives will be reviewed on a regular basis to ensure applicability in the changing environment and to also incorporate feedback from employees.

In order for Council to meet its obligations to the community, Council is committed to focus on the following:

Health, Wellbeing and Diversity

Work Health & Safety

Skills Development

Employee Engagement

Succession Planning

Workforce Planning 2015/16

As well as the above Council is committed and focussed on the following as detailed in the Wollondilly Operational Plan 2015/16:

Review the Workforce Planning Strategy

Provide personal and professional development opportunities for all staff including educational assistance

Continue to implement and improve staff Performance Management System

Provide Employee Relation Services including attraction and retention of quality staff, payroll services and risk management services

Provide flexible working options for staff

Continue to support gender diversity

