



Council Improvement Proposal

Attachment 1: Key Elements of Scale and Capacity



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High quality political and managerial leadership	
Council	
Staff	
Together	

1.2 Scale and Capacity

Introduction

Bega Valley has undertaken an assessment of a number of factors in responding to the how we meet the Scale and Capacity requirement of Fit For The Future.

Bega Valley Shire is a large geographical area (6,280km) with 225 km of coastline. It has a relatively small population around 34,000 spread across five towns and 20 villages. 78% of the Shire is National Park, State Forests or Crown Reserve and we have an extensive portfolio of infrastructure with 1,422km of roads, 78 km of footpaths, 227 bridges, a Regional Gallery, four libraries, seven pools, 20 community halls, five childcare/education services, numerous sporting and recreation reserves, 13 cemeteries, three water supply services, 10 sewer services, five waste transfer stations and three landfills.

Independent Local Government Review Panel

The NSW Independent Local Government Review Panel (ILGRP) final report identified that Bega Valley Shire Council has sufficient scale and capacity to operate as a stand alone council in the South East Region. Council was included in Group G, larger rural and regional councils (excluding Hunter, Central Coast and Illawarra). Councils in Group G were deemed likely to be sustainable in their current form for several decades.

Population 2011	Population 2031	TCorp Financial Sustainability rating April 2013	TCorp Outlook April 2013	DLG Infrastructure Audit May 2013	Merger Potential	Options
32,999	37,100	SOUND	NEUTRAL	STRONG	LOW	South East Joint Organisation

Source: ILGRP Final Report 2014

Each council has been asked to look at its current situation and consider the future needs of its community. The starting point for all FFTF proposals is therefore the Independent Panel's final report. For Bega Valley Shire the recommendation from the panel is low merger potential as a stand alone council in the South East Join Organisation. A number of options have been discussed including realigning boundaries, and developing alternative service delivery models in co-operation with neighbouring Councils, these are outlined later in the proposal.

TCorp Financial Sustainability Rating

Bega Valley Shire Council is considered sound by the NSW Treasury Corporation (TCorp) against the Financial Sustainability Rating (FSR) with a neutral outlook.

Bega Valley is one of 31 Councils identified as SOUND in this report.

Source: Financial Sustainability of New South Wales Local Government Sector – Findings, Recommendations and Analysis. TCorp, April 2013.

NSW Local Government Infrastructure Management Assessment 2013

In the NSW Local Government Infrastructure Audit Bega Valley Shire Council was assessed as **STRONG** in the Infrastructure Management Assessment which relates to management practices and processes of councils. Bega Valley is one of 33 councils identified as strong (28) or very strong (5).

Council was identified as having the required asset registers and asset management plans. Bega Valley was also one of 35 councils selected for on-site audits as part of the process. The following rating table was applied to various aspects of the onsite audit:

A	At or near best practice
B	Advanced level of competence
C	Core level of competence
D	Basic level of competence
E	Awareness
F	Nothing/Limited

During the on-site audit BVSC was identified with the following rankings:

C	Asset knowledge/Data
B	Asset Knowledge Processes
C	Strategic Asset Planning Processes
C	Operations and Maintenance Works Practices
C	Information Systems
B	Organisational Context
C	Overall

Source: DLG Local Government Infrastructure Audit, June 2013.

The on-site audit provided excellent insight for the Council in relation to working to improve its asset management position. Since the audit Council has invested in new systems, has created cross organisation asset management team, and in the period 2014/15 totally reviewed its asset management strategy and updated all its asset management plans informing a full review of the Council's Resourcing Strategy and realignment of the long term financial plan.

Boundary Discussions

Early in the FFTF process Council entered into discussions with Bombala Shire Council. Bombala Council were identified, in the recommendations from the ILGRP, to consider merger options with Cooma-Monaro and Snowy Mountains, and had resolved to also consider a merger with Bega Valley Shire and subsequently listed the Bega Valley option as their first priority. Discussions were held and Bombala resolved to commence the process by reviewing the ILGRP option first of the three Monaro communities.

Bega Valley currently provides a number of service supports such a ICT, planning, health and ranger services to Bombala and will continue to do so if required into the future. Bega Valley has the capacity to expand this service provision into the future.

Councils Working Together

Bega Valley Shire Council is currently a member of Southern Councils Group (SCG) and has some strategic relationships and undertakes projects with the South East Regional Organisation of Councils (SERO). These organisations have formed over time (30 years for SCG and five years for SEROC) to provide strategic alliances and a range of shared services specific to each region.

Joint Organisations (JO) regions have been proposed in the FFTF documentation with four members of SCG identified as the Illawarra JO (Wollongong, Shoalhaven, Shellharbour and Kiama) with Bega Valley being identified in the South East JO (Bega, Eurobodalla, Bombala, Snowy River, Cooma-Monaro, Queanbeyan and Palerang). The JO model proposed in FFTF does not currently recognise SEROC as a JO in the proposed boundaries with the other current members forming the Tablelands JO with Wingecarribee. OLG led workshops on the pilot JO have commenced and more information will be available for other councils in the near future.

In July 2014 Bega Valley gave notice of its intention to withdraw from SCG at the end of the current financial year as required under the SCG Constitution. Follow up has occurred with the Executive Officer of SCG and the OLG re processes, now that Illawarra Councils have been included in the JO pilot. Advice is that whilst there will be work on the pilot, the current SCG will remain until the end of the financial year (30 June 2015) at which time it is proposed it will wind up, realise its assets with potential return to member councils and then the transition to the Illawarra JO will be formalised.

Bega Valley Shire Council has also advised SEROC of its intention to consider options into the future aligned with the outcomes of the FFTF process and has been attending SEROC meetings with observer status. So as to minimise financial burden, it is recommended Bega Valley approach SEROC about associate membership status, with this to be reviewed in light of the JO process progressing.

Council reviewing and improving its own operations

Prior to the launch of FFTF Bega Valley had resolved to undertake a review of all aspects of its Resourcing Strategy in 2014/15. It was seen as timely to '*ground truth*' the directions set in 2013 and assess improvement in our financial position and particularly asset condition.

Council undertook a very detailed review of assets and financial capacity in 2012 through a consultancy consortium comprising "Review Today". In 2013 Council adopted its Long Term Financial Plan resulting from this review and established its financial triggers to ensure a move to reducing its infrastructure backlog whilst still providing prioritised services.

The extensive review work undertaken by the consultants, council and the community resulted in a series of successful Special Rate Variation Application with the final increase year in 2015/16.

Resourcing strategy review

Council has now completed a detailed review of its Resourcing Strategy. This has involved a detailed review of Council's:

- Financial Strategy
- Asset Management Strategy; and
- Workforce Strategy.

As part of the process, Council's suite of asset management plans (AMPs) have also been fully updated utilising new asset management software and data. This has enabled a full assessment of progress under the adopted long term financial plan and highlighted areas of positive movement and some minor gaps. The updated data has allowed the informed review and update of the Council's long term financial plan.

Asset Management Strategy and Plans

Infrastructure assets represent a huge investment from the community, which has been built up over a long period of time. These are the reasons why management skills must be applied to ensure that our infrastructure networks are resilient and are provided in a sustainable way.

Some of the main drivers of asset management are to ensure Council can

- plan and finance asset renewal
- use available resources effectively, efficiently and sustainably
- reduce network failures and provide infrastructure assets at agreed levels of service.

The total replacement value of infrastructure assets managed by Bega Valley Shire Council is in excess of \$1,000,000,000. The breakdown into asset class is listed below.

- Buildings \$16,000,000
- Recreation \$37,000,000
- Transport \$684,000,000
- Water \$168,000,000
- Sewer \$187,000,000

Asset management requirements for Councils throughout Australia are being steered by the National Frameworks for Asset Management, and implemented in NSW via the Integrated Planning and Reporting Framework.

Under this framework, and in accordance with State Government requirements, Council has prepared its Asset Management Plans to demonstrate responsible management of assets (and services provided from assets); compliance with regulatory requirements and to communicate funding required to provide the required levels of service on a long term basis.

Council's approach to achieving realistic asset management has included:

- Establishment of Community based intervention levels
- Capital expenditure focused on renewals
- Dedicating upgrades to higher hierarchy facilities, linked to growth and;
- Rationalising current assets based on demographics and usage patterns

The Asset Management Plans have been prepared as 'core' plans in accordance with the International Infrastructure Management Manual. They have been prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management planning is a 'top down' approach where analysis is applied at the 'system' or 'network' level.

Future revisions of the Asset Management Plans over the next two years will move towards 'advanced' plans using a 'bottom up' approach for gathering asset information for individual assets to support the optimisation of activities and programs to meet agreed service levels, through both community engagement and technical advice.

The comprehensively revised and adopted Asset Management Plans are available on Council's website.

Service Reviews

Council has also completed a full, cross organisation service review utilising templates applied in other councils and best practice methodology (Australian Centre for Excellence in Local Government Service Delivery Review Manual June 2014), and has participated in a number of audit, benchmarking and comparison processes. Council also engaged consultants to undertake external reviews in a number of priority areas over the 2014/15 year.

This process has included a full internal review across all areas utilising a framework developed and implemented by Port Stephens Council. Staff worked with Councillors to develop a Bega Valley specific template which was workshopped with staff and applied using independent staff facilitation. The reviews considered:

- The current position of each service reflecting back to Council's adopted level of service – source of funding, expenditure, current level of service, current staffing, and why the service is delivered;
- Resources required to deliver the service
- Assessment of statutory reporting
- Emerging trends relating to the service area
- Efficiency opportunities internal, funding procedures; impacts on service, budget, staffing resources
- Alternative service delivery options
- Options for considered service – continue at same level of service; change level of service; outsource options; cease activity
- Implications of service recommendation options – financial, service, staffing, assets.
- Link to the relevant theme and objective of the community strategic plan
- Description of the service
- Asset value (where relevant)
- Assessment of the level of service eg number of clients serviced, number of venues, patrons etc
- Staff FTE
- Resources, contracts, materials
- Operating expenses in 2014 \$s
- Sources of funding and operating expenditure

Work on this process was completed in March 2015 and an initial assessment has been undertaken of key service improvement areas which are being included in the adopted Operational Plan for action in 2015-16. The full data set will be used to inform management options for future service profiles and options under FFTF and a full review of Council's Community Strategic Plan and level of service commitment over the coming 12 months.

It was also identified that there were several service areas requiring independent, external review. Staff assessed the cost of some of the consultant organisations listed on the OLG panel to assist councils determine their FFTF status against the adopted benchmarks. Appropriate consultants with specific expertise were engaged.

Over the last 12 month period there have been a number of targeted internally/externally conducted reviews of services. These have included:

- Civil assets (survey, design, asset management) review undertaken to achieve key asset management outcome focus for the Council resulted in an organisation restructure which established a AMP section with a project focus (INTERNAL)
- Review of urban works to allow for flexibility and agility in responding to works needs in town areas resulted in establishment of “flying squad” to deal with targeted delivery of service across the Shire (INTERNAL)
- Ranger Services - undertaken as a targeted review utilising internal staff (INTERNAL)
- Review of ITC with resulting restructuring, creation of a Process Improvement role reporting to the Group Manager Strategic and Business Services and implementation of a range of ITC services and processes (INTERNAL AND EXTERNAL)
- Library Service - full service review utilising external consultants and resulting in a full service refocus (EXTERNAL)
- Procurement - full function and service review relating to risk and exposure (EXTERNAL)
- Employee support services – an internal service review following on from the organisation structure review (INTERNAL)
- Ageing and Disability Services – external review prompted by need to understand the impact and future options relating to the move to NDIS (EXTERNAL)
- Business Growth/Economic Development (EXTERNAL)
- Community services and move to establishment of place based response staff aligned with town team areas (INTERNAL)
- Communications and community engagement (EXTERNAL)
- Internal audit external reviews (EXTERNAL)
 - Tendering
 - Contract management
 - Delegations

Council has also participated in a number of other service reviews utilising external consultants and targeted reviews and aimed at gaining a better understanding of how these services could be better provided. This has included discussions with SEROC and SCG in relation to a range of shared services or partner models.

Procurement procedures will be totally revamped following the external review. This included structure of the procurement team; implementation of new services and processes and an improved reporting and monitoring system. The implementation will be overseen by a cross organisation team and will report through the Leadership team to the General Manager. Progress against the change implementation model will be externally audited quarterly. Significant savings have been identified through this process.

In the ICT area a range of improvements identified have already commenced. These include:

- A full upgrade of Council’s phone system (hardware) and a retendering for telephone services
- A full network review with enhancements implemented
- Upgrade of transmission of data between Council office and depot utilising fibre optics
- Introduction of online induction; a new e-recruitment service which will be piloted in April

The community engagement and communications external review was undertaken by consultants with oversight provided by a community reference group established solely for this purpose. Council has now adopted the community engagement and communications tool kit *Listen Talk Action* and training for staff will commence this year.

Council has participated in the NSW local government operational and management effectiveness program conducted by Price Waterhouse Coopers (PwC) Analytics Department and hosted by NSW Local Government Professionals. 72 Councils participated in the program aimed at benchmarking NSW councils against NSW and Australian local government bodies and business.

The benefits from participating in this project allow council to:

- Evaluate our practices to understand current operational and management performance
- Identify areas for focus when striving to optimise operational excellence
- Understand how Australian businesses – and in some cases international businesses and Australian Federal agencies – perform in the areas of workforce, operations and finance using results from similar surveys conducted by PwC in Australia and globally.

Council has a very active Internal Audit function and committee.

The three year audit plan has been adopted for the period 2015-2018. The following areas totalling 349 audit days are planned for review in that timeframe and the scope for each adopted.

Cash handling and receipting
Corporate information
Developer contributions including VPAs, works in kind and conditions of consent
Environmental preparedness
Environmental management
Financial management
Flood plan management
Fraud and corruption risk assessment
Human resources strategy
IT strategy
Major projects
Plant and fleet
Procurement
Closed recommendation follow-up
Rezoning's
Sponsorship arrangements
Audit software implementation
Advisory activities
Education activities
Internal Audit Committee
Audit follow-up normal
Management meetings
Professional outreach
Audit planning and performance measurement
Contingency

All these aspects have contributed to Council being in a position to finalise this CIP and commence preparing its timeframe for a full Community Strategic Plan review early in the term of the new Council following the 2016 elections.

The above processes also provide input to future discussions with other local government bodies about shared service opportunities and reviewed models of service profiles.

1.2.1 Addressing the Scale and Capacity Key Elements

More robust revenue base and increased discretionary spending

Since 2002 Council has been progressively addressing its own source revenue and capacity to deliver core services and address infrastructure through a sustainable financial model. Council has focussed on its own source revenues particular rates and has been successful in presenting a case of a series of Special Rate Variation applications aimed at improving infrastructure and sustaining service delivery in line with community priorities. Rates, fees and charges account for 66% of Council's General Fund Revenue.

Whilst Council has been successful in attracting grant funding for a wide range of projects (30% of General Fund Revenue) these are clearly linked to specific projects whether in services or infrastructure and reported accordingly.

The following processes have contributed to Council being reviewed as sound in the TCorp financial sustainability rating in 2013.

Review Today Recommendations 2012

The scene for addressing Council's infrastructure gap was set following the 2012 recommendations from the Review Today consultancy which stated that Council should:

- spend an extra \$1.5m a year on expanding its infrastructure to meet the needs of population, business and tourism growth in addition to closing the infrastructure renewal gap of \$4.2 million a year;
- plan for a moderate operating surplus rather than allow its finances to fall into an operating deficit;
- slow the growth of service spending to an affordable pace;
- borrow more to fund infrastructure renewal and expenditure - this could be done without jeopardising its excellent credit standing;

To do these things, Council would need to increase the average rates, fees and charges per property in the Shire by about 1.1 per cent more than the inflation rate for each of the next 10 years. After allowing for population and property growth, this would be an increase in total general rate income of 2.3 per cent a year in real terms over the next decade.

2013 Long Term Financial Plan

Council adopted a “Responsible Scenario” by modifying the above recommendation and scoped its 2013 Long Term Financial Plan with the following Targets and Levers:

Targets

- Infrastructure backlog < 2%
- Nett Financial Liability ratio < 80%
- Operating surplus ratio > 2.5%;

Levers

- General rates increase 2.2% above CPI each year over 10 years
- Water and Sewer charges increase 2.6% above CPI each year over 10 years
- General fees and charges increase 2.6% above CPI each year over 10 years
- Maintain peak borrowings of \$18m over 10 years
- Enhance infrastructure @ half population growth (0.5%pa)
- Grow non-infrastructure services @ population growth (1.3%pa)
- Grants grow in real terms only, but increases above CPI matched by matched growth in services attributed to those grants

Service area efficiencies and savings were identified and allocated to infrastructure renewals.

2015 Long Term Financial Plan

The 2015 review of the Resourcing Strategy has found that the approach commenced in 2012 has resulted in improvements in Council’s position and the reviewed documents reset the process in a ‘Sustainable’ model for the new Long Term Financial Plan.

(See Attachment 6 Long Term Financial Plan)

Scope to undertake new functions and major projects

Council has a long history of identifying, scoping, planning and delivering major projects and implementing new services. Recent major projects include:

- Bega to Yellowpinch Water pipeline (\$23m)
- Merimbula Airport runway renewal (\$6.5m)
- Merimbula Bypass (\$5.5m)
- Bega Civic and Cultural Centre including Fit Out (\$7m)
- Purchase of and upgrade of the Tura community centre (\$2m)
- Pretty Point Bridge (\$1.2m)
- Central Waste Facility (\$4.3m)
- Bega Depot renewal and upgrade (\$3m)
- Eden mainstreet program (\$1.5m)

Council has also partnered with the NSW Government on several significant projects including:

- Eden Port (\$25m of which Council is contributing \$2m)
- Bega ByPass with the NSW Roads and Maritime Service
- South East Regional Hospital services with NSW Health Infrastructure

Council has partnered with the community on a number of significant projects including:

- Sapphire Aquatic Centre
- Tathra Sewer solar farm
- Energy Efficient Community Pools program expanded to cover children's services, libraries and other community facilities
- Effluent reuse programs in Pambula, Tathra, Bermagui, Merimbula, Tura, Wolumla, Cobargo ranking us as the highest NSW water utility for the percentage of recycled water use
- Community recreation and sports facilities including skate parks and Bermagui clubhouse changerooms
- Surf Life Saving clubs at Bermagui and Pambula

New services which have been developed and provided include:

- Live Life Bega Valley – health and well being program
- Love Food – Hate Waste
- Every Home a Farm
- Children's Services expanded and including a new \$500,000 Aboriginal Inclusion program funded by the Federal Government
- Renew the Valley a program to set up new, creative businesses in vacant shops
- Love Our Lakes – winner of the NSW Coastal Conference Local Government Award for best practice in coastal management

In 2015 Council's capital works program is valued at \$27 million.

Ability to employ a wider range of skilled staff

Council is a major employer in the Shire, second only to Bega Cheese and employing 371 equivalent full time staff (includes fulltime, part-time and casual positions). Council's headcount has increased 5% between 2013 and 2014 years however there was a 4% decline in employee costs.

The Council recently adopted an updated Workforce Strategy, as part of the Resourcing Strategy, which builds on the initial workforce strategy. The focus of the Strategy is to have the right people in the right jobs at the right time and to have an adaptive and flexible approach to embrace opportunities.

The Strategy focuses on three themes

- A responsive and flexible workforce of choice
- Right people in the right jobs
- Wellbeing and safety

Attracting high calibre people to work for Council has been a target of the past four years as has been getting the balance right between addressing the ageing workforce and undertaking succession planning, growing our own talent through traineeships and cadetships, and making sure that there is opportunity for new ideas and refreshing the workforce. Currently the Council has four apprentices, seven trainees (including five indigenous trainee positions), nine cadets with 18 staff undertaking specific training or upskilling.

A whole of organisation restructure was approved by Council in May 2014 with the final roll out of refocussed teams being implemented to be completed for 1 July 2015. The service reviews were used to inform the restructure and significant staffing redeployment and redundancies have resulted in a new focus for the organisation.

Recruitment to new positions to the organisation over the past year has seen a significant increase in the number of tertiary qualified staff and the numbers of suitable applicants for positions has increased providing an excellent pool for selection. Current staff are also being encouraged to look at appropriate training and development options.

Leadership and moving to improve employee culture are two key projects implemented in 2014 and 2015 years. Recognising a constantly changing environment with a new General Manager, local government reform and a new organisational structure have been key aspects of our workforce focus.

- All senior staff have now attended the Australian School of Applied Management Colloquium
- A facilitator has worked with the senior team to support their leadership development
- A Commitment Statement has been developed to guide behaviours of senior staff in challenging them to work together to lead change, encourage innovation and challenge the status quo
- The Managers Team have all participated in core units training focussing on performance management, financial management, project management. They have also been supported through development of a Commitment statement
- Quarterly performance against the behaviours outlined in the Commitment statements are surveyed
- Employee performance management and remuneration is currently being reviewed
- Awards for innovation, customer service and improving practice have been initiated
- Contracts of employment for specific skill sets are being used where appropriate aiming at bringing in new skills and expertise as required.
- Contracts of employment for specific skill sets are being used, where appropriate, aiming at bringing in new skills and expertise as required

Knowledge, creativity and innovation

The community of the Bega Valley is committed to being a creative, connected community into the future. Council has been working with local small business and community organisations and groups to grow new business, projects and infrastructure.

Within the community Council has worked with the following:

- A consortium of IT start-up businesses and assisted them with a co-working space and projects. The ICT creative hub works across the region and promotes new business start ups, hosts forums and camps. This group has assisted Council with the development of Apps and websites.
- Sapphire Coast Tourism, Council's supported tourism marketing body, Council and a local start-up business have developed the Killer Whale Trail App
- Local community groups developing new and innovative projects including Four Winds at Barraga Bay connecting the south east to the world through an international music festival and onsite web connectivity to performances around the world
- Clean Energy for Eternity in developing Australia's first community owned solar farm and possibly the world's first solar sculpture used to power the Council's Tathra sewer treatment plant
- Essential Energy to place solar panels on the Bega Library to create "the most intelligent library under the sun"
- With other local government bodies Bega was a founding member of the Southern Phone Company which now provides dividends to Council to allocate to the community. In 2014 Council received \$195,000 as well as a \$25,000 Mayor's Grant Program.
- Wireless NBN towers now operational in six locations

Key to working smarter and engaging more meaningfully with our community Council has embarked on the following internal new and innovative projects and upgrades:

- Development of a new community engagement toolkit – Listen, Talk, Action
- Development of a new website with increased accessibility and available on mobile and tablet devices
- Development of a specific Integrated Planning and Reporting website designed by a local community member and hosting all Council's discussions, plans and progress reports. It is a highly interactive site and goes live on 1 July 2015
- The creation of Place Based Officers to work locally in four zones across the Shire to support and develop local initiatives
- Introduction Weed Tracer a GPS based satellite imagery technology aiding our weeds staff to achieve better outcomes
- "Snap Send Solve" an app which enables community members to identify issues, photograph them on their mobile device and send them to Council with the exact GPS coordinates
- Digital Economy Strategy developed in 2012 and which is now being reviewed
- Development of a new economic development strategy focussing on supporting and driving innovation
- Introduction of a new telephone system with increased functionality and teleconferencing capacity allowing remote staff full access to meetings and workshops
- In the new Civic Centre Council will introduce online streaming of Council meetings and with this new technology will be available to community and education and training groups.

Council is committed to working smarter and integrating services in the following areas:

- E-planning
- online recruitment
- online enterprise risk management processes

- Business Continuity Planning
- Business systems and technology in the field covering roads, water, sewer, recreation facilities
- Support for emergency services in response and recovery in major events

Advanced skills in strategic planning and policy development

Council began its progression to more strategic long term planning engaging the community in 2006 with the adoption of its first 20 year plan. This Plan resulted from extensive community consultation and provided an excellent framework for the move to the Integrated Planning and Reporting Framework.

Councillors, the community and staff are engaged in creating the project framework for the Council's community strategic planning. A range of professional and skilled staff and consultants are involved in facilitating the process and critically community engagement has been a core plank for the work done.

Council also has a very progressive policy management framework utilised by the Office of Local Government as a model in their better practice work. Council has highly skilled and passionate staff in key governance, organisational development, enterprise risk management, corporate strategic planning, strategic land use planning, environmental, social and economic development strategic planning that have expert skills and importantly passion and commitment to doing things differently.

Staff are also represented on a number of State groups assisting develop better practice in:

- Integrated Planning and Reporting
- Local Leadership
- Enterprise Risk Management
- Health, Building and Food Regulation
- Children's Services

Effective regional collaboration

Bega Valley provides services to Bombala Council in health, building and regulation and provides water and sewer to Akolele in Eurobodalla. Bega Valley has also hosted the secretariat for Australia's Coastal Wilderness for three years.

Council participates in the following regional collaborations:

- Southern Councils Group (SCG) as a member since inception to 30 June 2015
 - Regional Panel of Conduct Reviewers
 - Coastal Weeds Project
 - Procurement Roadmap
 - Integrated Transport Planning
- South East Regional Organisation of Councils (as an observer and participant in some regional projects)
 - Current collaboration discussions relate to procurement, training and risk management
- Canberra Region economic development and tourism initiative of SEROC
- Australia's Coastal Wilderness – an initiative of Tourism Australia and Parks Australia involving Bega Valley, East Gippsland, Bombala and Eurobodalla Councils and State agencies in NSW and Victoria to promote the area as one of the 15 National Landscapes projects
- Cross border meetings with East Gippsland Shire Council
- Quarterly senior management team meetings with Eurobodalla Shire Council
- Sydney Melbourne Coastal Drive
- South East Arts Inc (SEA) a group of five local councils providing arts and cultural programs across the region. SEA is located in Bega Valley and is actively supported by Council
- South East Regional Academy of Sport (SERAS) covering 12 local government areas working together to support young athletes in the region
- South East Australia Transport Strategy group (SEATS)
- South Coast Councils Mayors Group (commencing June 2015)
- Local Government Procurement
 - Rebate offer
 - Vendor Panel Initiative
- South East Resource Recovery Group
- South Coast Regional Development Australia
- Police Community Youth Club with Eurobodalla Shire Council and NSW Police
- South East Australian Transport Strategy Inc (SEATS)
- South Coast Regional Tourism Organisation (SCRTO)
- Southern Regional Illegal Dumping (RID) project with SCG

Broader collaborations have seen Council as an active member/participant in:

- Australia's Coastal Councils with the Mayor a member of the Executive
- NSW local government operational and management effectiveness project operated through Local Government Professionals
- LGNSW
- ALGA

Credibility for more effective advocacy

Council, through Councillors and senior staff, have been strong advocates to the NSW and Federal governments both directly and through regional, NSW and Australia wide organisations for improved infrastructure and services to drive business growth, environmental protection, and social and community outcomes.

Council has clearly articulated its role in relation to a range of projects and services

- Leader - providing direction through planning/policy
- Provider – providing services and infrastructure
- Regulator – of development, community health and safety and the environment
- Partner – with the community, government and private organisations
- Facilitator – bringing together local State and Federal Government, private and community objectives to achieve the best outcomes
- Advocate – on behalf of the community
- Promoter – of the Bega Valley and or services, infrastructure and activities within the Shire
- Purchaser – or buyer of services or products
- Broker – sourcing public or private funds to provide services and infrastructure

Council advocates strategically on a regional basis through

- Regional Development Australia South Coast
- SEATS
- NSW Premiers through the Premiers Coordinators
- Council's local members The Hon Andrew Constance and The Hon Dr Peter Hendy
- Local Government NSW
- NSW Roads and Transport Directorate (RTD) and the Institute of Public Works
- Engineering Australasia (IPWEA)
- NSW Local Government Finance Professions
- NSW Water Directorate
- Other agencies including Family and Community Services, Department of Planning, Office of Environment and Heritage

At an Australian level, Council works actively in supporting the Australian Local Government Association (ALGA) including contributing to the National Assembly, the National Roads Congress and a wide range of Federal Agencies.

Capable partner for State and Federal agencies

Council has clearly identified how it determines its role in key community priorities and community required services and projects. Council has actively contributed to the development of the following major plans covering the area:

- Regional Development Australia South Coast Regional Action Plan
- NSW Government's South East NSW Regional Action Plan
- The State of the Environment Report
- South Coast Regional Tourism Organisation's Destination Management Plan (DMP)
- Sapphire Coast Tourism Destination Management Plan

Council is frequently successful in receiving State and Federal grant funds across a range of service and infrastructure areas demonstrating that Council has the necessary structures, systems, resources and capability to deliver key initiatives and infrastructure projects for the community.

These projects range over community, economic, environmental and infrastructure projects. A list of examples is provided below:

- Brighter Futures early intervention program with Bega Valley being the only local government body offering this program funded through NSW Family and Community Services
- Australia's Coastal Wilderness funded through Tourism Australia and established as a pilot for the entire program
- Energy Efficiency Programs
- Environment Programs
- Waste Programs

An example of best practice collaboration includes:

- Eden Port where Bega Valley was the applicant and developed the project for significant upgrades in the Port area to service cruise ship and boating. The Port is State infrastructure however Council scoped the project, undertook all research and major consultancy projects to inform the funding application to the Federal Government and lodged the application. Funding was raised through \$10m from the Federal Government, \$13m from the State government. The total project commitment at this time is \$25m with Bega Valley providing \$2m and sitting on planning panels for the project. The State are now the infrastructure deliverer freeing up Council staff resources to assist develop the economic benefit projects to the area by working with the cruise industry, boating groups etc

Resources to cope with complex and unexpected change

Council has a strong history of effective collaboration with emergency services and other providers to respond to natural disaster events. This includes effective participation at both a local and regional level including:

- Local Emergency Management Committee
- Regional Emergency Management Committee
- Bushfire Management Committee

Council effectively responded to declared natural flood disasters during 2010, 2011, 2012 and 2014 and a significant fire event in 2012 working collaboratively through the emergency management arrangements. The resulting works were effectively managed including where necessary, reprioritisation of projects to respond to matters of public safety, access and infrastructure sustainability.

Council has adopted a comprehensive and integrated approach to the development of its Business Continuity Plan. The purpose of this plan is to build organisational capabilities to support the continued achievement of critical business objectives in the face of uncertainty or disruption. The Business Continuity Plan identifies the required actions, facilities, technical infrastructure, key responsibilities, and processes that will be required to allow Council to effectively respond to and recover from a business interruption event.

Adjustments in our workforce strategy to address to ageing workforce and required skill shortage has seen us be responsive and flexible.

Managing and maintaining a wide range of community facilities into the future and working with volunteers to address this utilise our well skilled and experienced retirees. This will be critical into the future as we need to enable volunteering in different models for younger demographics in the community.

High quality political and managerial leadership

Leadership from councillors and senior staff has been identified as a key focus for the Council and will be critical over the coming period of restructure and refocus.

Council

Council has nine Councillors. The Mayor is elected by the Councillors annually. An annual professional development program is adopted by Council and since the 2012 election Councillors have had training in:

- Financial Management
- Leadership
- Code of Conduct
- Governance
- Risk Management
- Community Leadership
- Councillors as change initiators
- Engaging with the community
- Roles and responsibilities of Councillors, Mayor and General Manager
- Complaints Making Procedure
- Respect, Equity and Diversity
- Good Governance
- Meeting Procedures

Councillors represent Bega Valley on the following external organisations:

- South East Australian Transport Strategy (SEATS)
- Mumbulla Foundation
- Biamanga National Park Board of Management
- Executive member of Australia's Coastal Councils
- Far South Coast Regional Development Australia (RDA)
- South East Arts
- South East Regional Academy of Sport
- Country Public Libraries
- Bushfire Management Committee
- Bega Business Forum
- Batemans Marine Park
- Southern Joint Regional Planning Panel

Conferences attended include tourism, women in local government, coastal issues, climate risk, LG NSW state conference, ALGA National Assembly and libraries, governance and risk and the International Cities, Town Center and Communities Conference.

Staff

In early 2014 Council appointed a new General Manager. At that time it was identified that significant change and progress was facing the sector and Council specifically identified significant projects which they required delivered. As part of the appointment package Council supported funding for leadership development, training and mentoring for the new General Manager. Since that time, senior staff at Bega Valley have been involved in developing a new leadership approach focussing on driving change and achieving outcomes and moving towards becoming a values based organisation.

The General Manager and five senior staff having attended leadership activities facilitated by the Australian School of Applied Management (ASAM) through the Colloquium supported by scholarships provided for local government attendance. The ASAM also hold the Australian Local Government Leadership Summit which provides a forum for local government leaders to connect, collaborate, ideate and debate around issues and opportunities determined to be of critical importance from a leader's perspective. The General Manager is a speaker at this year's conference.

Council's executive also make considerable contribution to the region and state with the General Manager and other staff being involved in alliance such as South East Australian Transport Strategy Inc, Local Emergency Management Committee (Chair), NSW Water Directorate and Local Government Professionals and Australia's Coastal Wilderness to name a few.

Together

Being courageous, thinking outside the square, supporting innovation and trying new things, and looking to the future will be important for councils into the future. To assist drive a level of local regional leadership, the opportunity was presented for Council to consider hosting a regional workshop for local councils with an emphasis on evidence based leadership strategy and discussion built around real local government leadership situations, and a focus on proactive collaboration with peers and other councils.

The workshop was originally planned March 2015 with invitations to neighbouring councils for councillors and senior staff. Due to other priorities the event has been moved to early December 2015.

The program will be independently facilitated and features presentations from business, community and local government bodies that have looked at doing things differently. The program also focusses on developing skills in adaptive leadership mindset and overcoming new challenges.

Bega Valley Councillors and staff work cooperatively in a regular program of workshops and forums and regularly convene forums/meetings in the community to listen to community ideas, issues and provide responses to topical, local issues.