



Wyong
Shire
Council
CENTRAL COAST

Wyong Shire Council

Service Delivery Review

August 2010





Michael Whittaker

Wyong Council has provided a high level of service to our community over many years. The dedicated efforts of staff have led to an award-winning Council clearly focused on providing best value for our growing community.

We nevertheless operate in a changing environment that requires regular review of the services we deliver and how they are provided. Only through ongoing best value review will we sustainably meet the ever-changing needs of the community and mitigate problems that we face today or arise in the future. It is with pride that I therefore forward to Council the Wyong Council Service Delivery Review 2010 for consideration.

This Service Delivery Review has looked at a wide range of issues raised by staff. Input into the Review has included 152 staff submissions with 629 issues raised, a major workshop with an elected Staff Review Team and several workshops with the Senior Management Team. There has also been extensive briefings and meetings between staff representatives and Managers, Directors and myself for many of those staff most affected by draft proposals.

The Review has had to sometimes resolve conflicting priorities. In so doing, firm but fair leadership was needed to achieve outcomes that will best address the issues raised while always keeping focus on achieving both the community's and corporate long-term objectives.

The recommendations proposed in this Review have significant financial implications for Council including the potential to generate financial savings of \$2.6 million annually (plus \$0.7 million one-off), \$1 million (plus \$0.2 million one-off) of potential increased revenue and a further \$4.0 million annually of productivity savings. These savings will assist in addressing the projected financial deficits that Council faces over the coming years without a significant reduction of services. In the long run, these savings will also create funding and productivity gains that can be directed towards high priority programs. This Review has also analysed how we will deliver existing services while providing opportunities and organisational capacity to ensure that we can develop best value services for our community in the future.

I thank the Councillors for allowing the Service Delivery Review to be undertaken. The Project Control Group deserves recognition for ensuring that the Service Delivery Review was planned and carried out in a professional manner in a very short timeframe. Special thanks also goes to all staff who contributed to the project. Finally this review has been undertaken with the vision of creating an organisation that is focussed on delivering value for money services to the Wyong community in a sustainable manner.

Michael Whittaker
General Manager



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Council's Service Delivery Review aims to sustain and improve the level and quality of service provided to our community, Councillors and staff. The process for the Review has involved widespread input from staff during June and July 2010. The input has included many workshops, 152 detailed submissions from staff raising 629 issues, many hours of consultation between General Manager, Directors and Managers and staff, individual interviews to ensure there has been integrity in the analysis and recommendations contained in the report.

The Review identifies 12 Key Challenges that significantly limit multiple Departments and/or Units in their service delivery to our internal and external customers. 77 specific actions were identified through the Review that Council will be undertaking to begin addressing these Key Challenges.

In addressing Key Challenges, a number of changes to Council's corporate structure are needed to more closely align it with our intended direction. Currently Council has 21 Units overseen by 3 line Departments (plus the General Manager's Unit, with 2 Units). The Review proposes to have 4 line Departments and 24 Units (plus the General Manager's Department). This will more evenly distribute the size of Units, reduce silos and decrease lines of management and reporting while also providing clear responsibility and accountability. The General Manager's Department is also streamlined to provide focus to the strategic management of Council. In addition, 6 Major Projects have been identified that will be carried out under the supervision of the General Manager or Directors drawing resources from across the organisation for integrated high quality response.

The Review projects there will be significant gains arising from 77 proposed actions and 21 additional specific savings identified during the course of the Review. The financial impact of these gains are:

- o Savings from reduced costs
(A) \$2.6million annually (\$0.7million one-off)
- o Production/Productivity increases
(B) \$4.0 million annually
- o Increase Revenue
(E) \$1 million annually (\$0.2 million one-off)

A total of 19 Possible Future Savings were also identified during the Review and are listed in this report. These future savings require further analysis and investigation as part of a continuous improvement/best value program and possibly as part of the Implementation Plan.

This report was approved by Council at their meeting of 25 August, 2010. Changes will now be undertaken in the areas of Council's structure, staff management, customer services as well as organisation systems and processes. This change process will be undertaken through an Implementation Plan.

While Council has been providing service at a high standard for many years, this Review marks the beginning of a period of change for the organisation. This change has a clear focus on improved service delivery while better positioning Council to face the challenges ahead. Change will, however, continue to take place and therefore this Review must be viewed as not an end, but a catalyst for ongoing improvement in providing services and responding to the needs of Wyong's communities, environment and business.



This is a review of how effectively Council delivers sustainable services to our growing community and what we can do today to enhance service delivery.

1.1 Why Have A Service Delivery Review?

“Stop driving over the 20 potholes to get to the 5 on CRM”

Staff Submission

Note: Addressing this concern will require giving field staff greater autonomy in setting priorities in the field to significantly improve the overall maintenance of roads while also addressing specific issues registered on Council's official action system ("CRM").

There are many reasons for reviewing the current service delivery in Wyong:

- The nature and focus of service delivery and demands on Council are changing continuously. Some Council services have experienced higher demand from the community (such as sport and cultural facilities) while others have increased legislative requirements to comply with (such as asset management and integrated planning).
- The community has clarified its 20 year Shire Strategic Vision. Achievement of Council's role in the SSV will require focusing on the priority objectives which involves significant changes to Council services.
- Addressing our delivery of environmental, social, economic and governance sustainability requires a balance and prioritisation of services acknowledging that:
 - o Requirements to provide for a caring community are more extensive, expensive and refined.
 - o Pressures on sustaining our natural environment as we continue to grow are greater than they have ever been.
 - o Maintaining a prosperous economy will be increasingly difficult to achieve in a globalised economy.
 - o Council's traditional income base is limited and choices need to be made about the services that we will deliver.

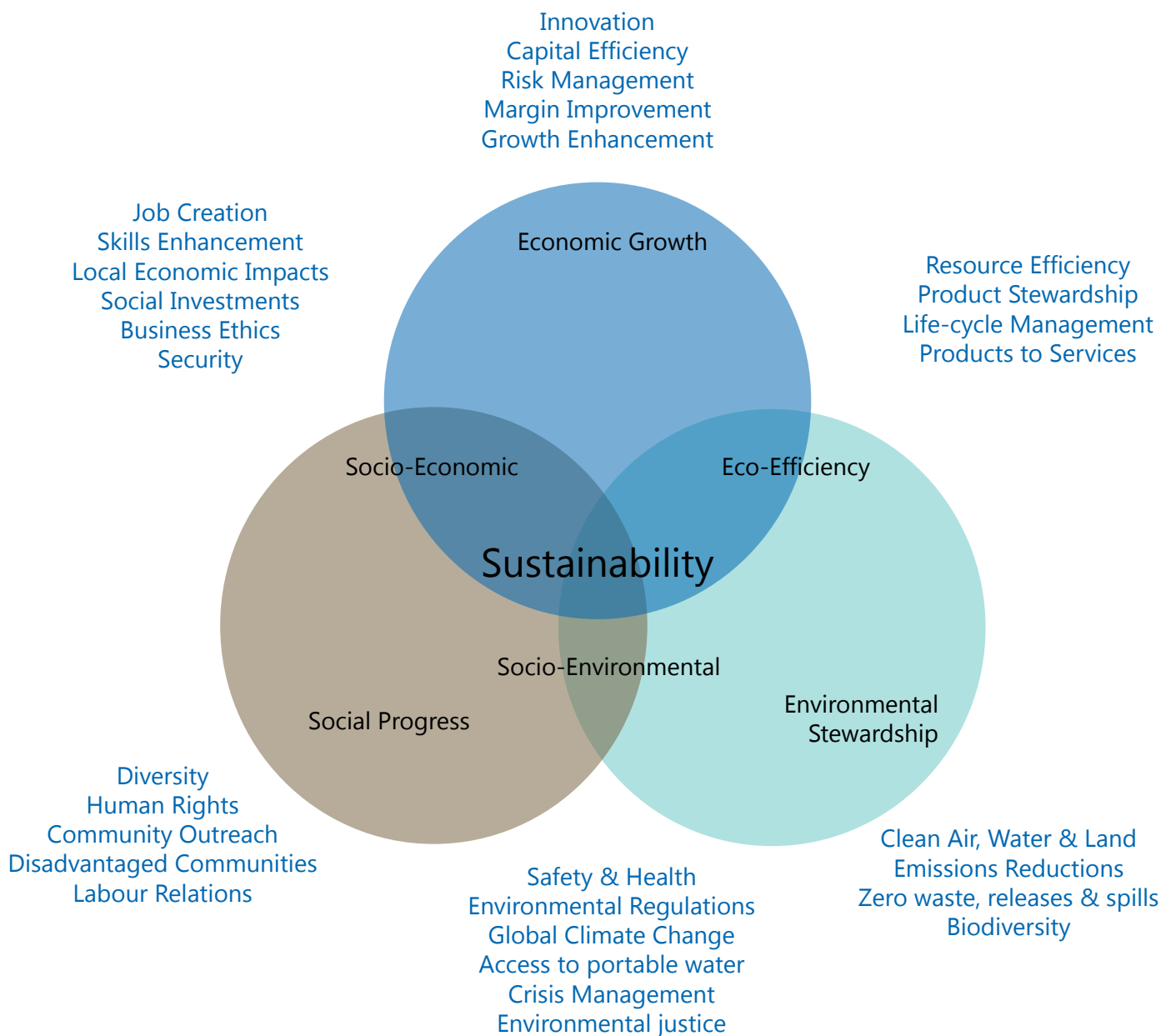
- A number of functions could benefit from a clearer focus and economies of scale or through co-location of "like" services (e.g. infrastructure management, major projects and compliance).
- There are opportunities to reduce costs, increase revenue, implement productivity savings, improve sustainability and the quality of services.
- There is a need to determine the higher priority activities of Council and from this establishing the preferred structure without increasing staff levels or funding.
- It is a requirement under the Local Government Act S332 to undertake a review of Council's structure within 12 months of a Council election. While this was technically complied with, a detailed review was deferred until the commencement of the new General Manager.

Council is also committed to ensuring that we provide sustainable service delivery for the:

- Social Progress,
- Environmental Stewardship and
- Economic Growth.

This is sometimes described as the "triple bottom line". The framework showing the relationship between these important sustainability targets can be seen in the following diagram.

Diagram 1: Sustainability Framework



The triple bottom line serves as an essential foundation for Council's service delivery.

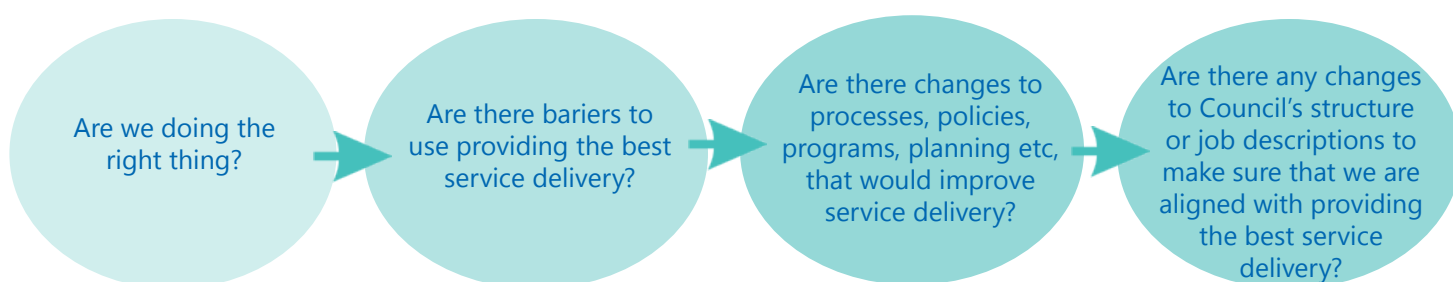
It should be stressed that Wyong Shire Council is an award-winning Council with a proven record of achievement on behalf of its community. This review is therefore about how we can further focus improved service delivery and establish a corporate culture of constant improvement and best practice to continue to achieve long-term goals in an ever-changing environment.



1.2 How Was It Done?

The Service Delivery Review was carried out during June and July 2010 generally by answering the questions shown in the following diagram:

Diagram 2: Service Review Questions



The Review was coordinated by a Project Control Group consisting of:

- | | |
|-------------------------|-----------------------------|
| • Ben Baker | Chairperson, |
| • David Jack | Consultative Committee |
| • Marie Hanson-Kentwell | Director Corporate Services |
| • Gina Vereker | Manager Human Resources |
| • Paul Wise | Director Shire Planning |
| | Director Shire Services |

Facilitators included Daniel Smith, Bob Platt, Rob Fulcher and Darryl Rayner. The significant efforts of this Control Group and Facilitators in undertaking the Review in a short timeframe with extensive consultation with staff are acknowledged and appreciated.

The Review was carried out through an extensive program of workshops and consultation including:

- Two workshops with the Senior Management Team,
- Workshop with an elected Staff Review Team,
- Workshops/meetings with some of the staff seen to be significantly impacted by draft proposals,
- Group meetings with staff and Supervisors,
- Referral to Consultative Committee and discussions with Committee Members

- Major meetings with the General Manager on structural improvements,
- Staff submissions,
- Electronic discussion board,
- Extensive program of information dissemination including:
 - o Six Fact Sheets
 - o Numerous manager/staff information and feedback meetings.

Staff are both thanked and congratulated for their major effort in providing input to the Service Delivery Review. A total of 152 submissions were received raising 629 issues. In many cases there were a number of similar submissions relating to the same issue. There was also enthusiastic participation in workshops and meetings. These consultations have had a major impact on the Review. This report includes selected quotes from the many submissions received.

The actions proposed in this report provide an increased alignment of functions, a stronger focus on the external customer and enable Council to better identify and achieve its priority objectives and goals.



The objectives of the Service Review were to provide a better outcome for our community by:

- Focusing on improving service to our customers both internally and externally
- Reviewing the current organisation structure to develop improved service delivery (i.e. increased productivity, better resource management, decreased costs, removing duplication and raising additional revenue.)
- Ensuring there is job security.

In short, the Review seeks to provide answers to the above questions; not as an end in itself, but as a catalyst for ongoing improvement.

The results should ensure that:

- Council is more customer focused, both internally and externally.
- Council is able to deliver better service aligned with the community's priority objectives.
- There is a flexible structure closely aligned to Council's long-term objectives and reflective of good governance.
- Council provides the best value for the community in the way our limited resources are allocated.
- The structure embraces the benefits of co-location, economies of scale and end to end process management.
- Council's services and finances are sustainable.
- There is job security for staff.



The Service Delivery Review identified that Council is providing quality service to the community, but raised a number of “Key Challenges” faced by Council. These are strategic issues faced by a number of Units impacting multiple services that Council provides to our customers. Key Challenges include:

1. Asset Management.
2. Corporate Integrated Planning.
3. Commercial and Economic.
4. Major Projects.
5. Continuous Improvement.
6. Legal and Risk.
7. IT Planning and Support.
8. Financial Management.
9. Community Information Engagement and Communications Co-location.
10. Management Layers/Decision Making.
11. Size of Shire Services.
12. Policy Coordination.

Addressing these “Key Challenges” will provide significant improvement to our service delivery.

Key Challenges were developed during the Service Delivery Review process including staff submissions, workshops, and input from the General Manager, Project Control Group and the Senior Management Team. Most were raised repeatedly. Of the 629 issues raised in staff submissions the Key Challenges were raised in 447 (71%) of these issues. A further 182 issues (29%) involved a wide range of other (usually quite specific) matters that will be closely considered and replied to as part of the proposed Implementation Plan, but do not directly impact on the Key Challenges that are the main subject of this report.

These Challenges do not cover every detailed procedural or operational issue raised. (For example, recommendations or submissions recommended “Briefings should always have some focus on the business of the Council meeting that night.” and “Further expand the holiday parks into the Recreation Vehicle and up-market eco-friendly sectors”. These issues are being reviewed and addressed as relevant by each Unit.

Human Resources has not been identified as a Challenge in this process because early in 2008 Council commenced the development of a Human Resources Strategy in response to a number of internal and external issues with a focus to ensure the maintenance of service to our community.

Seven priority “strategic objectives” were identified for Human Resources in the future including:

1. Create a workplace where staff feel valued and contribute to Council's vision.
2. To value, support and retain committed, experienced and talented staff.
3. To continue to attract quality and talented people to Council.
4. To develop and sustain a skilled and knowledgeable workforce.
5. To promote and maintain a safe and healthy work environment.
6. To support Council's ability to deliver future programs and services.
7. To foster innovation and continuous improvement to deliver quality programs and services.

Within these 7 objectives, 26 initiatives were developed and transferred to the Human Resources Unit in February 2010 for continued action. The Human Resources Unit is also undertaking modernisation of Human Resource policies in keeping with the above objectives and in consideration of the outcomes of this Review. Of the 629 issues raised by staff in submissions, 182 were not contained in the Key Challenges. Most of these issues related to very specific HR issues (e.g. personal, cars etc.). It should also be noted that submissions stressed that Council's functions need to be adequately resourced overall to ensure that the full potential benefits from the recommendations of this report are able to be achieved.

The following provides an outline of each of the Key Challenges and documents the number of times the particular challenge arose as part of the 629 issues raised in staff submissions, a short description of what is ultimately needed and specific actions that Council will undertake to begin to address each challenge.

3.1 Asset Management

Key Issues:

Wyong Shire has a diversity of built and natural assets that are essential to provide a wide range of vital community infrastructure, services and amenity as well as contributing significantly to the quality of life. This asset base is growing in keeping with Shire development and expanding community expectations. Council also manages significant areas of Crown land on behalf of the State government and has undertaken a major restoration program on the Tuggerah Lakes Estuary whose ownership rests with the State government.

Responsibility for asset planning, construction, maintenance, renewal and disposal is spread across a number of Departments, Units and, in the case of water and sewer, is shared with Gosford City Council. This at times has led to inconsistency in the systems and procedures for asset management and requires a number of handovers of responsibility for the asset as it proceeds through its "lifecycle" from initial planning through to demolition/disposal. Such handovers are frequently not formalised and make the management and financial responsibilities of the new asset owner unclear. Natural assets, in particular, are not clearly defined.

Council is currently refining its Asset Management Strategy which defines the levels of service required for various asset classes in discussion with the community. However, investigations for the Asset Management Strategy have already made it clear that there are insufficient funds allocated to sustainably manage and operate Council's asset base to meet community expectations for most asset classes. The Strategy will identify the financial resources needed for sustainable asset management, but implementing a system of funding, managing and monitoring our assets will require a change in corporate service priorities.

There has recently been a review of criteria for the selection of capital works and Major Projects that would ensure that future such works and projects address current and future challenges and meet long-term community and corporate goals and objectives. A list for all future project evaluations is contained in Appendix 6.2: Project Evaluation Criteria.

This Key Challenge was raised 25 (6%) times in staff submissions.

"Designs should be signed by an operations staff representative"

Staff Submission

Note: Addressing this concern will require a more integrated approach across the organisation to asset design, planning, construction, maintenance and renewal.

What Is Needed?

Council requires a centralised end-to-end asset management system that meets legislative requirements and provides for the planning, construction, maintenance, renewal and disposal of assets, including natural assets, in a sustainable manner to standards agreed in consultation with the community. This includes ensuring that the evaluation of any proposed projects or capital works is carried out in accordance with selection criteria directly linked to corporate and community goals and objectives.

This will enable strategic and management decisions to influence the trade-offs necessary to achieve a sustainable asset base. Trade-offs include:

- Planning to finance renewals and major refurbishments rather than building new assets
- Retiring assets earlier and
- Consciously accepting lower levels of service



What We Will Do

1. Improve Council's Asset Management practices beyond "core" level (achieved in December 2008) to integrate with other key components of the organisation by June 2011 and then complete the work in the Asset Management Improvement Strategy to achieve an appropriate "advanced" level by June 2012.
2. Establish systems that clearly identify the full cost of asset ownership and allow for consultation on designs with operational and strategic use planning of all asset classes by 31 December 2010.
3. Explore commercial and alternative opportunities for the funding of assets through the proposed Economic and Property Development Unit by 1 January 2011.
4. Establish the levels of asset funding required and indexed in the Financial Model by 1 July 2012 and improve the accuracy of those estimates each year thereafter.
5. Incorporate clear responsibility for asset ownership, maintenance, operation and renewal in all relevant job descriptions and staff performance reviews by 1 January 2011.
6. Adopt the project evaluation criteria (Appendix 6.2) to ensure the prioritisation of future major projects and capital works deliver the community's and Council's priority objectives and that funding is available to properly operate and maintain them by 1 July 2011.
7. Undertake a rationalisation process to determine whether current assets held provide an appropriate investment both economically and in service delivery to the community and whether their use is maximised by June 2012.
8. Create an Infrastructure Management Department responsible for "end to end process" management of physical infrastructure (e.g. roads, water and sewer) by 31 December 2010.

3.2 Corporate Integrated Planning

Key Issues:

In keeping with legislative requirements, Council's approach to integrated planning and reporting has been underway since 2007. This includes formulation of a:

- o 20 year Shire Strategic Vision (in close liaison with the community and State government),
- o Long-Term Financial Strategy (and updating of the Long-Term Financial Model),
- o Asset Management Strategy and
- o Human Resources Strategy.

The Vision was completed in 2009 and the other related strategies are nearing completion. A Delivery Program, Annual Plan and other related documents are also currently being developed.

The current format of integrated planning has proved challenging for both Council and the community such that between the community, State government, Council and staff there is, in most cases, not a shared concept of:

- Common strategic goals,
- Long-term objectives,
- Collective aspirations and
- The importance of "sustainability" as a basic principle of the Vision and for Council to follow

While systems have been established for reporting on progress with the Shire Strategic Vision in Council's Management Plan and Annual Plan, there can still be uncertainty as to priorities and conflicting direction and information to the community; resulting in State government, Council and staff giving priority to their own preferences, at times, above those of the community. Clear connections between corporate financial, assets, workforce and community planning are lacking and there are no clear and consistent measures on achievement of community goals and aspirations. There is a need to improve understanding of the Shire Strategic Vision and align objectives from the top of the organisation through to front-line service delivery.

There has recently been a review of ways to provide a clear idea of strategies that would move Council forward in addressing challenges and opportunities for the future. 4 Strategies For Action arising from this review are:

4 Strategies For Action

1. Support the growth of the Shire as a competitive major business sector while reducing the alienation of towns/suburbs that can result from regional pressures.
2. Improve the effectiveness of the system of connections that tie the towns/suburbs and facilities of the Shire together, as well as connecting to the wider region.
3. Balance the varying provision of facilities and amenity between towns/suburbs to enhance the quality of life in the Shire.
4. Maximise the access to and potential for new and existing facilities/infrastructure to support growth.

This Key Challenge was raised 23 (5%) times in staff submissions.

What Is Needed?

Clear and simple corporate strategic goals are needed that reflect the community's priority objectives and incorporate Council's (political) perspective on other community's needs and that these are carried out through Council's strategies for action. The importance of sustainability within the Shire Strategic Vision needs to be clearly articulated. There also then needs to be a rigorous system for ensuring that strategic goals and objectives are achieved through coordinated accountability, monitoring and reporting methods.

In consultation with the community, a centralised corporate system that meets legislative requirements and provides for the planning, prioritisation, programming and funding of priority objectives is needed.

"Council needs to build on the work commenced through the SSV process and better lead the community to changes which we know will continue to happen."

Staff Submission

Note: Addressing this issue requires identifying Council's leadership role in delivery of the 20 year Shire Strategic Vision (SSV) and greater integration of Council's programs in achieving this Vision.

What We Will Do

1. Complete Council's Delivery Program and first Annual Plan by 1 July 2011.
2. Review and improve Council's six sustainability principles in light of the principles raised in this review by 1 January 2011.
3. Incorporate a sustainability framework into the Shire Strategic Vision as detailed on page 8 informed by Council's enriched sustainability principles by 1 June 2011.
4. Adopt the four "Strategies For Action" into the Shire Strategic Vision, 4 year delivery plan, annual plan, Planning Instruments and Asset Management Strategy by 1 June 2011.
5. Review all elements of the Integrated Planning program including the:
 - Shire Strategic Vision
 - Asset Management Strategy
 - Human Resources Strategy
 - Long-Term Financial Strategy
 - Delivery Program
 - Annual Plan
 to ensure alignment with this Service Delivery Review and Council's enriched sustainability principles by 1 July 2011.
6. Complete by 1 March 2011 a Council Strategic Plan that incorporates Council's contribution to the:
 - a. Shire Strategic Vision
 - b. Long-term Financial Strategy
 - c. Asset Management Plan
 - d. Human Resources Strategy
 - e. Delivery Program
 - f. Annual Plan
7. Establish a simple system of corporate measures including the adoption of the GLOBAL Reporting Initiative. The framework will be established in the Annual Plan by 1 July 2011 integrated with Operational Plans and KPI's and in the Annual Report.
8. Establish an integrated single reporting system for Managers for statutory, financial and performance measures by 1 January 2012.
9. Establish a strategic Sustainability Committee as a Committee of Council.
10. Each Unit Manager will work with their staff and Director (in compliance with the Award) to develop an appropriate service delivery model that aligns their Unit to the outcomes of this Review for presentation and approval by the General Manager. This will take place as soon as practical with the final Unit models completed no later than 1 April 2011.
11. Create an Integrated Planning Unit by 31 December 2010 responsible for integration of corporate and community strategic planning and ensure that long-term priority objectives are fully incorporated within Council's structure. This Unit will also have the responsibility of supporting other Units in addressing issues which affect corporate performance.

3.3 Commercial and Economic

Key Issues:

The management of Council's commercial arrangements occurs as a secondary function in a number of Units. There is a need to ensure that arrangements for commercial activities are in accordance with the highest level of risk management and governance.

Council has been undeniably successful in negotiating a variety of significant joint venture and commercial arrangements (e.g. Mingara Aquatic Centre, Mingara Athletics Track, Warnervale Industrial Subdivision, Blue Tongue Brewery site sale). Most of these initiatives, however, have had to be driven by the General Manager and there is little coordinated effort to identify potential savings or revenue raising opportunities arising from commercial and economic arrangements.

The strategic sourcing of services including the development of partnership or alliances offers significant opportunities for expanding service delivery at reduced or no cost. For example, the Property Unit currently serves only as a "landlord" for Council owned and controlled land. Council could identify the commercial opportunities that exist on land that it owns or controls to create substantial income streams. The focus of all activities across Council needs to be on both service delivery, and diversifying into sustainable income-generating streams other than rates. There is also a need to ensure that commercial opportunities are integrated with corporate planning, especially the Long Term Financial Strategy.

This Key Challenge was raised 38 (9 %) times in staff submissions.

What Is Needed?

A centralised focus on identifying and negotiating potential commercial arrangements, partnerships and cost-sharing opportunities with other government departments as well as the private and corporate sectors is needed.

Potential reductions in the maintenance cost of Council's land holdings need to be identified through a careful assessment of each property. Both commercial programs and land evaluation need to focus not only on service delivery, but also on income generation.

"Engage in establishing property investment portfolio to raise revenue"

Staff Submission



What We Will Do

1. Develop an approach to Council land management that maximises the revenue potential of land investment (e.g. through a property portfolio audit identifying those holdings critical to enhancement of natural values, land with significant commercial/development potentials and holdings that are no longer required or cost too much for their social or natural returns) by 1 July 2011.
2. Establish levels of funding required to meet Council's development proposals and maintenance standards and incorporate these in the Financial Model by 1 July 2012.
3. Incorporate clear responsibility for asset ownership and maintenance of Council property in all relevant job descriptions and productivity reviews by 1 January 2011.
4. Encourage all staff to seek cost savings and innovative practices.
5. Resolve the gap in service provision created by the recent reduction in Developer Contributions and integrate this with programs under this key challenge by 1 March 2011.
6. Prepare, by 1 January 2011, and maintain a short list of priority major and minor projects that would be suitable for cost-sharing/sponsorship arrangements. Where appropriate, this list needs to be created in liaison with the community designed and ready to commence subject to funding and sign off by Council to use for potential sponsorship or in the event of government funding becoming available on short notice.
7. the problems of the proximity to Sydney which impacts on our ability to get public and private funds for transport, sport, major facilities and events by 1 July 2011.
8. Investigate appropriate advertising in public places as a source of Council revenue by 1 July 2011.
9. Lobby state and federal government to ensure that all building programs on private and public school sites incorporate requirements, where appropriate, for the school to support the use of the facility by community groups (possibly through the Central Coast Principals' Group).
10. Support Ecotourism development in Wyong Shire by investigating the allocation of resources to undertake this work by 1 April 2011.
11. Create an Economic and Property Development Unit by 1 December 2010 responsible for assisting with both internal and external alternative revenue raising (e.g. the negotiation of commercial opportunities, joint ventures, sponsorships and partnerships with government authorities, the private and commercial sectors) and working with the Strategic Finance Committee on developing revenue raising initiatives.



3.4 Major Projects

Key Issues:

At times Council is required to conduct significant projects that have set timeframes or identifiable milestones. Outside of the Annual Plan, there is no standard process for identifying high priority projects and the process for conducting them is inconsistent across the organisation. Major projects can arise from legal or legislative requirements, such as “integrated planning” or “major amending LEP” legislation. Alternatively a major project can arise from internal concerns, such as those collectively that led to the need for revised HR strategies or Council’s sustainability project.

Because there are no established system or procedures to select, prioritise and resource “major” projects, each has to be individually designed and programmed. Resources are frequently allocated to high-priority projects and then positions are temporarily backfilled leading to no adjustment in priorities; only adding additional projects. Of particular concern is preventing major project overload and finding the necessary skills and resources to carry out major projects when staff workloads are already stretched. This leads at times to the perception that every new project is high priority. There is concern as well that there must be specific criteria and a clear procedure for flagging projects as major projects and that these be limited in number. It should be noted, that Major Projects are not all infrastructure related and the issues to be addressed are not related to the proposed “Contracts and Project Management Unit”.

This Key Challenge was raised 4 (1%) times in staff submissions.



What Is Needed?

Council needs to adopt a uniform approach to a limited number of Major Projects ensuring that such projects are able to access the right resources in the right place at the right time and that, while they may be relocated to any Department, they receive corporate-wide priority for resource allocation rather than having to rely on squeezing into overloaded work programs. This will require encouragement of corporate ethos that there are significant benefits in working across the organisation.

What We Will Do

1. Ensure that a Manager, Major Projects in the General Manager’s Department is assigned responsibility for oversight of the overall project management program and policy development. Ensure there is a single staff person assigned accountability for the delivery of respective Major Projects.
2. Develop and implement a uniform approach to Major Projects’ criteria, process of identification, prioritisation and resourcing as well as corporate responsibilities by 1 November 2010.
3. Ensure that existing high-priority developments (e.g. Westfields, Warnervale Town Centre and Wyong Employment Zone) are assessed in accordance with the Major Project policy and prioritisation and, if endorsed, are provided with appropriate allocation of resources.
4. Appropriately time the delivery of such projects to ensure completion in line with resource availability and the long term financial plan.
5. Ensure that when seconding staff for Major (or other) Projects that careful consideration is given before seconded positions are backfilled to ensure that priorities of the organisation are being met without expansion of overall staff establishment and costs.
6. The General Manager and Directors are to have direct accountability of prominent Major Projects as required (e.g. Director Environmental and Planning Services Department will be accountable for the adoption of the Comprehensive LEP) by Council by 30 June 2011.

3.5 Continuous Improvement

Key Issues:

Achieving best value in Council's delivery of services to our customers is not a static state. It is a never ending process of continuous improvement in the provision of those services. Council has undertaken many groundbreaking projects that have improved our service delivery or gained efficiencies in programmes, but our key end-to-end business processes need to be clear, transparent and open to scrutiny.

The corporate Vision and Values arising from the Human Resources Strategy establishes a valuable shift in staff ideals stressing, amongst many values, the need for delivering our best service, continual learning and improvement and accepting responsibility. These corporate values cannot be fully realised without a continuous improvement program.

A number of staff submissions stressed the need for Council to pursue a strategy of sustained continuous improvement based upon a single system such as the Australian Business Excellence Framework. It is understood, however, that a significant commitment of resources is required to properly undertake a systematic continuous improvement program which to date has not had a priority.

This Key Challenge was raised 186 (42 %) times in staff submissions.

"Council needs to push through the pain of change and embrace emerging technology/trends in service delivery and customer accessibility"

Staff Submission

What Is Needed?

There is a need for regular review of programs and processes especially to reduce red tape, overlapping monitoring and reporting requirements and unnecessary bureaucracy. Such a continuous improvement program needs to provide a straightforward, coordinated systematic approach to simplify and improve processes on a corporate end-to-end basis and ensure corporate and community sustainability. This requires strong leadership, a systematic program that is easily understood, skills and training. Most of all, however, continuous improvement requires a commitment to "best value" and ongoing improvement of service to our customers and investment in the skills development of our staff.

What We Will Do

1. Establish a structured program to identify, scope and implement continuous improvement for all staff and operational areas by 1 July 2011.
2. Establish strategic direction and alignment with community and organisational priorities through best value reviews of all Units which will be completed by 1 July 2014.
3. Develop and nurture a culture focusing on Council's values and continuous improvement by enhancing training and recruitment processes.
4. Develop programs and investment in the upskilling, retention and personal growth opportunities for our staff.
5. Incorporate into staff position descriptions a paragraph that places accountability for practices that address organisational service and sustainability on staff by 1 July 2011.

3.6 Legal and Risk

Key Issues:

All government authorities operate in an environment requiring high levels of expert advice to ensure compliance with legal requirements, transparency and good governance (i.e. the recent expansion of Council's responsibilities for public disclosure arising from the new Government Information Public Access Act 2009). A number of significant procedural and disclosure issues that Council has faced recently highlight the need for maintaining strong independent risk assessment and governance review functions at the highest level in the organisation.

Council currently obtains legal counsel through a number of different internal and external sources. These include major contracts with legal firms as well as developing in-house legal expertise in a number of different Departments. There is, however, no corporate coordination of legal advice leading at times to conflicting legal advice.

Further, there is under-utilisation of Council's insurance portfolio through under reporting of potential claims. There are some instances where our insurers would undertake matters with the payment of an excess allowable under the policy, rather than having external legal providers manage, advise and/or litigate the matters on Council's behalf.

"Long timeframes in obtaining legal advice can result in projects missing budget constraints or in costly proceedings."

Staff Submission

Enterprise risk management has become a standard approach to programming and prioritising of projects. Council has clear risk guidelines although there is a need for a strategic Enterprise Risk Management Plan to be formulated. Without this project, implementation can at times be sporadic and follow-up reporting/review is sometimes lacking. Ongoing training and improvements in compliance are needed to ensure that this becomes an ingrained part of Council business

This Key Challenge was raised 5 (1 %) times in staff submissions.

What Is Needed?

Internal relationships need to be established such that public disclosure, internal audit and ombudsman functions are viewed as positive strategic parts of good governance and continuous improvement. Legal expertise needs to be available in-house, in a timely manner, at a high level and the recording of legal opinions and court decisions needs to be conducted systematically. Continued effort is required to embed risk management as a key part of program planning and review. The legal and risk functions of Council need to provide a multidisciplinary high-level professional consulting service to which will continue improving community trust and Council's internal and external reputation.

What We Will Do

1. Establish an internal legal counsel position reporting to the General Manager by 1 December 2010.
2. Establish a clear and transparent system for the recording of Council's legal opinions and court decisions that is easily accessible as appropriate by 1 July 2011 and provide education about the appropriate usage of such information.
3. Ensure transparency and openness in all Council activities and provide appropriate training to staff to meet our statutory requirements.
4. Develop an Enterprise Risk Management Strategy by June 2011.
5. Educate staff about their options and responsibilities in relation to possible insurance claims and notification requirements.
6. Ensure full implementation and compliance with GIPA legislation by 31 December 2010.

3.7 IT Planning and Support

Key Issues:

IT applications are now an essential part of every business system in Council (e.g. library management, asset management, financial management, applications processing, HR etc), but responsibility for application development, support and administration of the IT system is spread amongst different Units. This leads at times to underutilisation of Council's systems as well as a lack of clarity and timely service response for both internal and external customers.

Currently there is a clear lack of IT system ownership within Wyong Council. In addition there is a lack of clarity and focus in terms of staff and resources responsible for providing expertise in specific IT subject matters. These key issues highlight a number of overlaps and gaps which don't provide the business with the applications and support required to deliver solutions that are fit for purpose and optimised to meet the evolving needs of the Council and our customers.

The above leads to inconsistent decision making, potentially poor decisions and levels of service that are not necessarily in keeping with community objectives as expressed in the Shire Strategic Vision. Staff submissions also raised frustration with the pace of automation for field applications to improve productivity and to reduce paperwork.

This Key Challenge was raised 51 (11 %) times in staff submissions.

"Investigate the cumulative impact of systems administration upon supervisors with very little consultation. For instance, over the past 7 years supervisors' time in the field has been significantly reduced due to excessive time spent administering systems TRIM, Kronos, CRM, OH&S and now Oracle Manager Self Service."

Staff Submission

What Is Needed?

A single system for information management, development and support, fit for ongoing business requirements that removes duplication and coordinates the provision and use of IT and information management skills and resources for improved productivity and service delivery to both internal and external customers.

What We Will Do

1. 1. Establish an IT strategy framework aligned with Council's Integrated Delivery Program by 1 July 2011.
2. Review all information management systems ensuring best utilisation, fit for purpose equipment and integrated systems to optimise support for operational staff and develop an implementation strategy for any change required (including consideration as a possible "Major Project") by 1 March 2011.
3. Automate field applications, customer contact, planning and recording and scheduling with regular reviews and monitoring for technological advances by 1 March 2011.
4. Develop a structured approach to the use of technology to engage with community e.g. text messaging, electronic rates and information by 1 March 2011.
5. Create a centralised Information Management Unit by 1 December 2010 responsible for a single comprehensive system for information and telecommunications management, advice and support.
6. Ensure that information held throughout the organisation:
 - o Is available in a meaningful and timely manner
 - o Applies appropriate securities and access rights as decided by the General Manager
 - o Catalogues information and
 - o Allows for greater compliance with the State Records Act

by 1 July 2011.

3.8 Financial Management

Key Issues:

Wyong Shire Council has a diverse mix of products and services that it delivers through an annual operating expense budget that exceeds \$225 million. It is currently converting to a zero-based budgeting approach to provide a more accurate picture of the cost of programs and services.

There is, however, a lack of end-to-end financial planning across the business and at times poor consultation on understanding the financial implications of programs. This leads to regular problems with the affordability of plans and the growing problem of the cost of maintaining assets and services.

Currently financial systems are based upon different premises making it impossible at times to provide an accurate picture of the full cost of programs and services.

The above leads to inconsistent and potentially poor decision making that is not necessarily in keeping with the Shire Strategic Vision. A mentality of "spend your money by the end of the year or lose it" rather than a corporate approach can still exist in some areas.

This Key Challenge was raised 14 (3 %) times in staff submissions.

"Difficulty in managing Plant & Fleet budget when lack of overall budgetary control with in other operational areas lead to unforeseen hits on Plant and Fleet budget."

Staff Submission

What Is Needed?

A holistic financial management system is required which integrates management planning budgeting, forecasting, modeling and reporting into a single integrated system. Staff training is required in the understanding and use of financial systems.

What We Will Do

1. 1. Renovate Council budget/accounting systems by 1 July 2011 including:
 - o Conversion to zero-based budgeting principles
 - o Amending budgets to reflect the revised structure and operations
 - o Ensure financial reports identify financial gains arising from the Delivery Review and other ongoing improvements
 - o Integrating with financial planning and
 - o Endorsement of the Long Term Financial Strategy.
2. Incorporate clear responsibility for budgets in all relevant job descriptions and productivity reviews by 1 July 2011.
3. Align budgets to the new organisation structure and establish budget systems that clearly identify full costs of programs and services including overheads and margins by 1 July 2011.
4. Provide a training program for all relevant staff in the budget process by 1 April 2011.
5. Update the Long -Term Financial Model incorporating revised budget forecasts, Asset Management requirements and savings arising from this Review for both 10 and 20 year horizons.
6. Appoint a Chief Financial Officer providing oversight of the financial system with responsibilities for both long and short-term financial strategy, budgets and reporting by 1 December 2010.
7. Ensure the Operational Finance Unit is integrated with the strategic finance needs of Council by 1 December 2010.

3.9 Community Information Engagement and Communication Co-Location

Key Issues:

Currently many areas of Council deal with Communications, Engagement and Information provision. For example, libraries serve as a major source of community information and some of them as formal Service Centres, but there is a natural split between community and Library services that should be resolved. There appears to be confusion between public relations, provision of information and engagement. There is a strong need to finalise the community engagement strategy.

There have been occasions when duplicated or inaccurate information has been sent out and it is not uncommon for surveys, mail outs, public meetings and engagement programs to overlap and/or seek similar information. This leads to a negative impact on Council's reputation

The pace of digital media development has been exponential and Council has yet to develop a formal approach as to how this powerful media might best be utilised in the future to improve our communication services both internally and externally, while at the same time ensuring that it is not used where it is not effective.

Internal or corporate communications has never formally been assigned responsibility or a budget within Council.

This Key Challenge was raised 36 (8 %) times in staff submissions.

"More internal communication methods; newsletter where everyone has an equal chance of getting a message in"

Staff Submission

What Is Needed?

There is a need for a more coordinated and consistent approach to how we communicate and engage that provides for openness and transparency and involves the community in decisions that affect it. Communication needs to promote constructive community relations and maintain a positive profile for Council as well as promoting community connectedness and a sense of belonging.

What We Will Do

1. Complete endorsement of the Community Engagement Strategy and develop a plan to achieve implementation by 1 March 2011.
2. Provide and maintain a training program for all relevant staff in the community engagement process by 1 July 2011.
3. Develop a Digital Media Technical Policy by 1 October 2011.
4. Create a centralised Community Engagement Unit responsible for initial customer contact/response and for keeping the community informed about Council activities, services and achievements by 31 December 2010.
5. Establish a Council Communications Strategy Committee.

3.10 Management Layers/Decision Making

Key Issues:

Council currently manages 1,150 staff through a system with four basic layers:

- Departments
- Units
- Sections
- Teams.

At times this leads to very large staff numbers in some Departments, Units and Sections. While the structure review found that the current number of structural levels was sound for an organisation of Council's size, submissions highlighted that red tape and approval hierarchies are significant frustrations. In addition, Delegations of Authority appear to be inconsistent. In addition, delegations at times can be withdrawn with no explanation for the reasons and no timeframe for their return. The perception of the staff is that the more layers of management the more distorted the message becomes.

The above leads to inconsistent decision making, delays in approvals to provide services to the community, reduced staff morale and levels of service that are not necessarily in keeping with the Shire Strategic Vision.

This Key Challenge was raised 38 (9 %) times in staff submissions.

"Reduce the number of vertical layers currently in the structure and improve decision-making communications"

Staff Submission

What Is Needed?

There is a clear need to realign responsibility, accountability and signing authority and to ensure that the numbers of layers in Council's corporate structure are optimal for the functions being carried out. Attention needs to be given to ensure balance in the number of staff in each Department, Unit, Section and Team. Delegations to make decisions should be appropriate to the responsibilities of the position, with a preference for pushing responsibilities as low as possible in the corporate structure. Staff need to be trained and able to use delegations to their full extent.

What We Will Do

1. Review Council Delegations to ensure they are clear, consistent, and appropriate to the responsibilities of the position and reflect the outcomes of this Review while ensuring accountability to the officer utilising any delegated powers.
2. Undertake a review of Wyong's Service Delivery model against similar organisations and local governments to ensure that Wyong Council's structure reflects what is appropriate to our needs by 1 July 2013.
3. Rationalise staff information and decision-making committees within Council (including Senior Management Team, Organisation Management Forum and Strategy Forum) to ensure efficient and effective use of time and ensure appropriate accountability and authorisation for any future staff committee structure by 1 March 2011.

3.11 Size of Shire Services

Key Issues:

Currently Shire Services contains approximately 900 staff which is 75% of the total Wyong Shire Council workforce. There is a perception that this represents a significant imbalance and that too much power resides in a single Department. The wide range of services provided by Shire Services and the resulting broad focus of both operational and strategic functions involved in this Department has presented challenges. Separating infrastructure services from community recreation services has the potential to allow improved focus on these different areas towards the achievement of the Shire Strategic Vision.

The provision of water and sewerage services is carried out in association with Gosford City Council. Changes to current management arrangements are being negotiated with State government which could have an impact on the structural arrangements for this service during the current financial year. Until this is clarified, the current arrangements for water and sewerage should be maintained, but possible future changes would not impact the need for other structural reforms.

This Key Challenge was raised 18 (4%) times in staff submissions.

***"Create 4 Directorates: Governance
Community Development, Planning
and Development and Assets"***

Staff Submission

What Is Needed?

A structure that best delivers the long-term community and organisational objectives. (e.g. improved asset management and communities that are vibrant, caring and connected).

What We Will Do

1. Maintain the integrity of the Water and Sewerage Unit in any structural changes arising from this Review and continue to negotiate with the State government on proposed changes.
2. Create an Infrastructure Management Department responsible for "end to end process" management of physical infrastructure (e.g. roads, water and sewer) by 31 December 2010. (Note: repeated from "3.1 Asset Management".)
3. Create a Community and Recreation Services Department responsible for increasing community involvement and connections and providing facilities and services for the enjoyment, recreation and cultural pursuits of the community. The Department will be created following the recruitment of a Director or 1 January 2011 (whichever comes first).



3.12 Policy Co-Ordination

Key Issues:

Currently there are at times different opinions as to what policy is and the coordination of policy formation is spread amongst many Units. This has led to a number of key issues having no agreed policy framework or structure and disagreements over the priority for policy formulation. In addition there appears to be confusion between what a policy is and what is a procedure and this has led to misunderstandings concerning issues such as the level of authority required to adopt or approve policy, need for community consultation and at what level a policy or procedure needs approval. The recent formulation of Council's "Formulation of Policies Policy" has addressed some of the issues. The current state of policies and defining of policy verses procedure that exist within the organisation have created difficulty in Council's ability to comply with the new access to information legislation GIPA. This will be resolved once Policy documents are appropriate defined.

The above leads to inconsistent decision making, potential legal ramifications and levels of service that are not necessarily in keeping with the Shire Strategic Vision.

This Key Challenge was raised 9 (2%) times in staff submissions.

What Is Needed?

A centralised corporate framework for the formulation of corporate policies and procedure as well as a universal understanding of the appropriate levels of consultation, approval processes is needed. There is also a call for clear requirements for policy monitoring, auditing, and updating.

What We Will Do

1. 1. Establish and maintain a systematic approach for the administration of all corporate policies by 1 March 2011.
2. 2. Identify Council policy that affects the rights, privileges or benefits, or alternatively the obligations, penalties or other detriments of a member of the public, in order to comply with GIPA requirements by 1 October 2010.

"Senior management needs to continually emphasise the appropriate focus of Councillors is setting policy"

Staff Submission

The following corporate structure was formulated through extensive consultation with staff in a process that gave many opportunities for input and recommendations. Staff input had a major impact on earlier drafts with many recommendations improving the final structure to ensure that there is the best possible alignment with Council's and the community's strategic goals.

This chapter provides a detailed outline of the proposed structure. Corporate Organisational Charts for both the current and proposed structures are provided in Appendix 6.1.

4.1 Corporate Structure:

Council's corporate structure should seek as far as possible to facilitate and support the main corporate and community objectives and direction. In an environment that is constantly changing, it is also important that the structure regularly reviews and renews itself in order to be able to respond to new opportunities and efficiently address key issues proactively.

The following is a list of the proposed five Departments and 26 Units including their purpose. The list also contains key functions for each of the Units. The list of functions does not include every activity, program and role within the proposed Unit, but is intended to provide a clear indication of the Unit's scope.

General Manager's Department

Purpose:

To provide day to day management of Wyong Shire Council's operations and:

- Act as Principal Advisor (GM) to Council.
- Ensure strategic support for the organisation and community in the specialist fields of legal, audit, risk, ombudsman and discoverable information.
- Achieve a greater degree of organisational prominence by direct GM accountability for major projects.

GM's Support :

- PA
- Department Administration
- Major Projects- Incubator, Warnervale Town Centre and Water Corp Establishment

Unit and Purpose	Function
Legal & Risk Service To provide high-level professional advice and support in strategic areas of governance in order to ensure that government is coordinated, meets statutory and property requirements and is conducted with fairness, openness and transparency.	<ul style="list-style-type: none"> • Legal Counsel • Ombudsman • Public Officer • Insurance • Risk Assessment • Internal Audit • Public Information through Government Information (Public Access) Act 2009 (GIPA) • As directed by the General Manager
Major Projects To oversee the management of major projects	

Environment and Planning Services Department

Purpose:

The Department will seek to enhance the Natural and Built Environment and the sustainable use of Natural Resources.

The Department will also undertake Land-Use Planning and Assessment.

Director's Support Group:

- PA
- Department Administration
- Executive Support
- Major Projects- Estuary Management Project, Comprehensive LEP and Sustainability



Unit and Purpose	Functions
<p>Development Assessment To achieve development which is of a high standard, meets statutory requirements as well as enhancing sustainability and Council's objectives concerning the quadruple bottom line. To efficiently manage Council's Developer Assessment and Part 5 review processes.</p>	<ul style="list-style-type: none"> • Development Approvals • Development Advice & Education • Part 5 Assessments
<p>Compliance and Regulation To ensure compliance with statutory requirements in a professional manner. To provide support for the community in dealing with domestic animals, noxious weeds and other regulatory matters in order to build a sense of community safety, cohesion and pride.</p>	<ul style="list-style-type: none"> • Animal Care Facility • Protection of Environment Operations Act • Rangers • Noxious Weeds • Complaint Management • DA Compliance and Regulation • Illegal camping • Illegal dumping
<p>Building Certification & Health To manage public health, immunisation, on-site sewage matters and building certification in order to meet statutory requirements and achieve quality development and a healthy community.</p>	<ul style="list-style-type: none"> • Immunisations • Public Health • Development Applications–Residential (Classes 1& 10) • Construction/Building Certification • Fire Safety
<p>Environment and Natural Resources To provide strategic policy and planning which enhances the Shire's natural resources and leads Council and the community towards a more sustainable future.</p>	<ul style="list-style-type: none"> • Environmental Auditing/EMS. • Energy Management • Coastal Planning • Wildlife protection and wildlife corridor planning • Natural Assets (asset owner)
<p>Land-Use Planning and Policy Development To provide information and assist Council's customers concerning land-use and major DAs and manage and coordinate the development and review of land -use policies, and rezonings, in order to achieve quality land-use which meets the objectives of the quadruple bottom line.</p>	<ul style="list-style-type: none"> • Land-Use Planning Policy (including related s.94 contributions) • Re-zonings • Comprehensive LEP • DA Client Management/Pre-lodgement
<p>Place Management To support quality town centre development to build a sense of community cohesion and pride. To ensure that town centres achieve sustainability and Council's objectives concerning the quadruple bottom line by supporting other service units in Council in their operational functions.</p>	<ul style="list-style-type: none"> • Wyong/Tuggerah Town Centre • Toukley Town Centre • Lake Haven Town Centre • The Entrance Town Centre (including Town Centre management and coordination of the asset ownership responsibilities) • Bateau Bay Town Centre • Ourimbah Town Centre • Urban Design

Community & Recreation Services Department

Purpose:

To increase community involvement and connection through education, culture, recreation and engagement.

To provide well-maintained buildings, facilities and services for the use and enjoyment of community spaces, recreational facilities including cultural pursuits (e.g. libraries).

Directors Support Group

- PA
- Department Administration
- Executive Support
- Major Projects

Unit and Purpose	Functions
Community Lifelong Learning To provide information, education support and children's services. To the community to assist in making Wyong Shire a place where you are always learning.	<ul style="list-style-type: none"> • Libraries Operations and Programs • Care and Education • Vacation Care
Community & Cultural Development To progressively develop relationships with people and the community, provide services to youth and seniors, promote community connectedness and participation as well as support cultural activities. To help ensure that Wyong Shire communities are vibrant caring and connected as well as to promote our community centres as places to meet for a wide variety of uses.	<ul style="list-style-type: none"> • Youth & Seniors Programs and Facilities • Precinct Committees • Cultural Planning including Creative Arts • Community & Environmental Education • Road Safety & CARES (operations) • Events • Volunteers (Ex Landcare) • Social Planning • Management of Council Community Facilities (Inc. Community Centre Ops & Programmes; S.355 Committee Management & Community Liaison) • Wyong Cultural Centre Operations • Demographics and Community Statistics -- Trend Analysis • Cemeteries Management

Unit and Purpose

Functions

Community Buildings

To focus on supplying and maintaining fixed community assets and the ownership and efficient management and development of the associated building fabric of those facilities to help ensure that Wyong Shire communities have access to a diverse range of well maintained buildings and infrastructure facilities.

Sport, Leisure and Recreation

To plan for, promote and operate high-quality facilities and services to support a diverse range of recreation functions. To maximise their benefits and use.

Community Engagement

To keep the community informed about Council activities, services and achievements. To answer enquiries in a manner that promotes constructive community relations. To maintain a positive profile through proactive media management and promote community connectedness and a sense of belonging.

Open Space

To manage operations in natural areas.
To maintain vegetation and its immediate environment in order to supply high-quality facilities to provide and maintain a diverse range of open space community facilities and passive recreation functions.

- Buildings (<\$1 million design, planning and construction)
- Buildings (planned and reactive maintenance)
 - o Civic and Cultural Centres
 - o Libraries
 - o Sports Facility buildings
 - o Community Centres and Halls
 - o Surf Clubs
 - o Swimming Pools and Rec. Centres
 - o Toilets
 - o CARES Maintenance (Road Safety Centre)
 - o Playground Equipment
- Graffiti removal
- Asset Management Tasks
- Recreation Centres Ops
- Swimming Pool Ops.
- Sports & Recreation Participation
- Volunteer Co-ordination
- Surf Club and Beach Services (inc. Lifeguards)
- Open Space & Recreation Planning.
- Holiday Parks.
- Sports Facilities Ops. & Bookings
- Sports and Recreation Liaison & Development
- Customer Contact and Responsiveness
- Communications
- Copy shop
- Emergency Response Coordination
- Bookings
- Call Centre
- Customer Service Area
- Open Space Management
- Dredging
- Bush Regeneration
- Bushfire Protection
- Tree Planting and Maintenance
- Landscape and Playgrounds Design
- Parks and Gardens Operations and Maintenance
- Estuary Management Plan -- Ongoing Maintenance
- Public Tree Management
- Constructed Wetlands Maintenance/WSUD (Maintenance)
- Dune Restoration & Management
- Lakes Foreshore Maintenance
- Litter Collection – Open Space
- Rural Slashing
- Roadside Vegetation Maintenance.
- Chemical Spraying & Fertilisers
- Landcare
- Towns Centre - Landscape & Vegetation Control
- Community Pride - Mowing & Vegetation Control
- Nursery Operations
- Beach Vehicle User Permits
- Beach Cleaner Operations - Wrack Removal
- Beach Maintenance
- Open Space Signage

Infrastructure Management Department

Purpose:

To manage Infrastructure Assets including Waste Management, Roads and Stormwater, Water and Sewer, asset management systems, Infrastructure Projects , Construction, Contract Plant and Fleet.

Directors Support Group

- PA
- Department Administration
- Major Projects - Review of Emergency Services (planning, support and response), Procurement Management

Unit and Purpose	Functions
Water and Sewerage To provide safe and reliable drinking water services and sewage collection, treatment and disposal facilities. To provide essential community services in a cost-effective and sustainable manner.	<ul style="list-style-type: none"> • Water • Sewerage • Treatment Plants • Trade Waste
Waste To provide safe, reliable and environmentally responsible waste collection and disposal services. To help reduce the Shires environmental footprint.	<ul style="list-style-type: none"> • Waste Collection & Recycling Contracts. • Alternate Waste Treatments • Materials Re-use • Buttonderry Operations and Maintenance • Waste Education • Litter Management (contract) • Closed Landfill Management
Contract & Project Management To efficiently manage significant projects through sound and effective project management. To help ensure fiscal responsibility and achieve Council's objectives concerning the quadruple bottom line.	<ul style="list-style-type: none"> • New Infrastructure Projects • Contract Management • Procurement Systems (including engagement of professional services) • Purchasing • Supply • Contract Administration

Unit and Purpose	Functions
<p>Roads and Stormwater To manage and develop the Shire's road, bridge and drainage networks along with associated infrastructure to help ensure ease of travel and environmental responsibility.</p>	<ul style="list-style-type: none"> • Floodplain and Stormwater Infrastructure Management • Stormwater and Drainage • Bridges • Timber Bridges • Shared Pathways • Roads • Roadside Maintenance • Main Roads • Bus Shelters • Traffic Management • Footpaths • Street Furnishings & Hard Landscaping • Road Building for other assets e.g. waste facility roads • Road Signage • Engineering Survey
<p>Asset Management To plan and implement Council's Asset Management Strategy including the project prioritisation process for its diverse asset portfolio and to manage the floodplain, stormwater drainage and transport planning functions. To help ensure sustainability and fiscal responsibility.</p>	<ul style="list-style-type: none"> • Floodplain Strategies • Asset Management Strategy/Systems • Coordination of Asset Inspections – excluding Water & Sewerage • Transport Planning
<p>Plant, Fleet and Depots To provide the support services of plant and fleet management and provision, depot operation and emergency service response to help ensure sustainability and fiscal responsibility.</p>	<ul style="list-style-type: none"> • Emergency Services • Logistical Support to Local Emergency Management Committee (plant, fleet and equipment) • Workshop • Depot Management • Stores



Corporate Services Department

Purpose:

To provide support services to the Organisation comprising corporate-wide internal services, commercial and economic development as well as organisational integrated planning.

The Department is accountable for the governance and statutory compliance of the organisation's finance, human resources and information.

Directors Support Group

- PA
- Department Administration
- Executive Chief Financial Officer
- Major Projects – Councils On Line

Unit and Purpose	Functions
Corporate Governance To provide the organisation with the necessary framework and tools to enable effective administration of its Governance activities including all WSC policies and the administration of all WSC outgoing grants.	<ul style="list-style-type: none"> • Councillor Support • Council and Committee (meetings) Administration • Corporate Policy Integration and Management • Civic Centre Operations • Grants and Subsidies (outgoing).
Finance To provide finance accounting of Council's activities and money management on an operational basis.	<ul style="list-style-type: none"> • Strategic Accounting • Finance (cost) Accounting • Taxation • Revenue and Credit Management • Accounts Payable • Accounts Receivable • Payroll • Finance • Investment • Budget Process

Unit and Purpose	Functions
<p>Human Resources To lead and support the organisation in building capability and competitive advantage for Wyong Shire Council through its people. To ensure the achievement of Council's objectives and that a positive impact in the community is made.</p>	<ul style="list-style-type: none"> • Recruitment and Selection • Remuneration • HR Systems & Operations • Staff Learning and Organisational Development • Workplace Strategies • Industrial Relations • HR Policies • Occupational Health & Safety • Workplace Change • Workers Compensation/Wellness/Rehabilitation • Performance Management • Coordinating/Overseeing staff professional development
<p>Information Management To provide key support "tools" (e.g. IT). To enable efficient delivery of Wyong Shire Council's services. To provide robust and sustainable custodianship of WSC information databases and records.</p>	<ul style="list-style-type: none"> • Information Technology • Telecommunications • Council's Online • Corporate Information • Land Information System (Conveyancing Certificates) • Geographic Information System • IT Policies • Database Management/security
<p>Economic & Property Development To identify and develop sustainable income streams for the organisation, strengthen the economic base of the Shire and increase local employment as well as to provide property-related services for the organisation.</p>	<ul style="list-style-type: none"> • Economic Development • Property Strategy & Management • Council Land Development • Central Coast Tourism • Employment and Business Generation • Pursuing other Sources of Revenue • Specialised Agreement (e.g. TETCM, Freeway Signs) • Commercial Opportunities (e.g. Crown Reserves) • Joint Ventures/Public-private Partnerships • Sponsorship Agreements • Chambers of Commerce
<p>Integrated Planning To coordinate and drive the business (organisation) planning requirements of Wyong Shire Council, ensuring quality, alignment and compliance of content with relevant statutes and the best organisational planning practice..</p>	<ul style="list-style-type: none"> • Integrated Business Planning (inc 4YDP etc) • Shire Strategic Vision (20 yr community strategy) • Business Improvement/Best Value Reviews • Inter-Government Relations and Sponsorships/Grants • Performance Reporting • Future Trend Analysis



4.2 What We Will Do:

1. Adopt the proposed organisation structure to create a structure more closely aligned with Council priorities and to break down silos by 1 September 2010.
2. Reduce staff establishment by 1% from 1150 FTEs to 1138 FTEs by 31 December 2010. These reductions will come from vacancies identified as part of the Implementation Plan.
3. Formulate a "Structure Review Implementation Plan" to manage the transition to the new Structure by 1 July 2011 with most staff relocations completed by 31 December 2010 in close liaison with staff impacted.
4. For a period of 3 years, second staff currently undertaking the strategic planning functions of:
 - Cultural Planning,
 - Social Planning,
 - Recreation Planning,
 - Open Space Planning and
 - Transport Planning
 - Flood Studies

to the Community and Recreation Services Department and Infrastructure Management Department as shown in the proposed structure. These positions will report to the relevant Service Unit Manager within these Departments. Following this period time the arrangement will be reviewed to determine the most effective permanent structure.



5.0 Actions and Savings

5.1 Savings Classification

"Savings" are quantifiable, in some way, in financial terms, but the ability to calculate the "savings" with a degree of accuracy will depend on the nature of the recommendation, stage of its development and may be subject to extended timeframes.

It is important to highlight that budgetary/financial "savings" are only realised when they are reviewed and appropriately allocated as part of a transparent financial management process. Council's previous approach to savings has largely been to spend them within the same Unit where the savings were generated. Council's approach to financial controls has evolved to where conscious decisions can now be made about any savings generated and ensure that they are allocated in keeping with Council's priorities.

Early "runs-on-the-board" activities will allow the Review Report to include firm estimates in relation to recommended actions that are well-defined.

As part of the required Implementation Plan, "Measures" will need to be considered around how to fully identify savings achieved for each activity.

Classification of how savings are quantified can be expressed as shown in Table 1.

Table 1: Classification of Savings

Class of saving	Definition
A	Savings from improved processes and tools that allow the same Level of Service to be provided at reduced cost. These savings impact budgets.
B	Savings from improved processes and tools that allow an increased Level of Service or productivity to be provided at no extra cost. These savings impact productivity but not budgets.
C	A deliberate decision to improve Level of Service by increasing costs (doing it efficiently, but keeping increased costs to an acceptable level). This is a service priority choice option.
D	A deliberate decision to reduce Level of Service and either use the savings from the associated reduced cost to redirect funds to other areas or to reduce overall expenditure. This is a service priority choice option.
E	Finding additional and alternative sources of income/revenue to assist with service delivery. These funds impact budgets

5.2 Actions and Savings

The following "Table 2: Actions and Savings" contains recommended actions arising from each of the Key Challenges as outlined in Section 3 and identifies which Unit or Director in the proposed structure is ultimately responsible for ensuring that the action is undertaken. In addition, the estimated "savings" from each recommendation in the Review is provided.

Table 2: Actions & Savings

Actions (as listed in Section 3.0 Key Challenges)		Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
3.1 Asset Management					
1.1	Improve Council's Asset Management practices beyond "core" level (achieved in December 2008) to integrate with other key components of the organisation by June 2011 and then complete the work in the Asset Management Improvement Strategy to achieve an appropriate "advanced" level by June 2012.	1 July 2012	Infrastructure Management	B, C & D	Depends on the Strategy, but could be accommodation of savings and/or more costs. It would assist in allocating funds most efficiently to target appropriate facilities and their level of maintenance.
1.2	Establish systems that clearly identify "total cost of ownership" and allows for consultation on designs with operational and strategic use planning of all assets by 31 December 2010.	31 December 2010	Infrastructure Management	B	Will achieve more effective operation and maintenance of assets and avoid past silos regarding their lifecycle.
1.3	Explore commercial and alternative opportunities for the funding of assets through the proposed Economic and Property Development Unit by 1 January 2011.	1 January 2011	Corporate Services	E	Will provide efficiencies in finding alternative ways to fund assets.
1.4	Establish levels of asset funding required to meet development and maintenance standards and incorporate these in the Financial Model by 1 July 2012 and improve the accuracy of those estimates each year after that.		Corporate Services	B	Forms part of the savings in 1.1 above.
1.5	Incorporate clear responsibility for asset ownership, maintenance, operation and renewal in all relevant job descriptions and staff productivity reviews by 1 January 2011.	1 January 2011	Corporate Services	B	Forms part of the savings in 1.1 above.
1.6	Adopt the project evaluation criteria (Appendix 6.2) to ensure the prioritisation of future major projects and capital works deliver the community's and Council's priority objectives and that funding is available to properly operate and maintain them by 1 July 2011.	1 July 2012	Infrastructure Management	B	Targets efficient allocation of funds to priority projects. Related to 1.1 above.
1.7	Undertake a rationalisation process to determine whether current assets held provide an appropriate investment both economically and in service delivery to the community and whether their use is maximised by June 2012	1 July 2012	Infrastructure Management	D	Opportunity to reduce operating costs particularly in buildings and land assets. Related to 3.1 below.

	Actions (as listed in Section 3.0 Key Challenges)	Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
1.8	Create an Infrastructure Management Department responsible for "end to end process" management of physical infrastructure (e.g. roads, water and sewer) by 31 December 2010.	31 December 2010	Infrastructure Management	B	In conjunction with the proposed Infrastructure Department would focus on assets and provide productivity improvements through better coordination and consistency of asset management.
3.2 Corporate Integrated Planning					
2.1	Complete Council's Delivery Program and first Annual Plan by 1 July 2011.	1 July 2011	Corporate Services	B, C, D & E	Will not generate additional savings, but increased efficiencies in focusing on key service deliverables and meeting the community's priority objectives.
2.2	Review and improve Council's six sustainability principles in light of the principles raised in this review by 1 January 2011.	1 January 2011	Environment and Planning Services	B, C	Gains achieved through increased efficiency and service quality by pursuing sustainability principles in keeping with international standards.
2.3	Incorporate a sustainability framework into the Shire Strategic Vision as detailed on page 8 informed by Council's enriched sustainability principles by 1 June 2011.	1 June 2011	Corporate Services	B, C	Capital gains from pursuing sustainability goals will improve service quality and community benefit. Ensuring increased service efficiency will allow the service outputs to be cost neutral.
2.4	Adopt the four "Strategies For Action" into the Shire Strategic Vision, 4 year delivery plan, annual plan, Planning Instruments and Asset Management Strategy by 1 June 2011.	1 June 2011	Corporate Services	B	Will not generate additional savings, but increased efficiencies in focusing on the main strategies for action in carrying out our responsibilities for integrated planning.

	Actions (as listed in Section 3.0 Key Challenges)	Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
2.5	Review all elements of the Integrated Planning program including the: <ul style="list-style-type: none"> o Shire Strategic Vision o Asset Management Strategy o Human Resources Strategy o Long-Term Financial Strategy o Delivery Program o Annual Plan to ensure alignment with this Service Delivery Review and Council's enriched sustainability principles by 1 July 2011.	1 July 2011	Corporate Services	B	Will not generate additional savings, but increased efficiencies through ensuring that Council's contribution to achievement of the community's long-term priority objectives is carried out in keeping with the Service Delivery Review.
2.6	Complete by 1 March 2011 a Council Strategic Plan that incorporates Council's contribution to the: <ul style="list-style-type: none"> o Shire Strategic Vision o Long-term Financial Strategy o Asset Management Plan o Human Resources Strategy o Delivery Program o Annual Plan 	1 March 2011	Corporate Services	B	Will not generate additional savings, but increased efficiencies in focusing on clearly identifying Council's contribution to achievement of the community's long-term priority objectives.
2.7	Establish a simple system of corporate measures including the adoption of the GLOBAL Reporting Initiative. The framework will be established in the Annual Plan by 1 July 2011 integrated with Operational Plans and KPI's and in the Annual Report.	1 July 2011	Corporate Services	B	Included in 2.3 below
2.8	Establish an integrated single reporting system for Managers for statutory, financial and performance measures by 1 January 2012.	1 January 2012	Corporate Services	B	1st year cost \$250,000. No cash savings in first year.
2.9	Establish a strategic Sustainability Committee as a Committee of Council.	Ongoing	Environment and Planning Services	B	\$400,000 Capital gains from pursuing sustainability goals will improve service quality and community benefit. Ensuring increased service efficiency will allow the service outputs to be cost neutral.
2.10	Each Unit Manager will work with their staff and Director (in compliance with the Award) to develop an appropriate service delivery model that aligns their Unit to the outcomes of this Review for presentation and approval by the General Manager. This will take place as soon as practical with the final Unit models completed no later than 1 April 2011.	1 April 2011	Corporate Services	B	Will not generate additional savings, but increased efficiencies in focusing on clearly identifying each Unit's contribution to achievement of this review.

Actions (as listed in Section 3.0 Key Challenges)		Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
2.11	Create an Integrated Planning Unit by 31 December 2010 responsible for integration of corporate and community strategic planning and ensure that long-term priority objectives are fully incorporated within Council's structure. This Unit will also have the responsibility of supporting other Units in addressing issues which affect corporate performance.	31 December 2010	Corporate Services	B	Synergy gains to improve productivity through aligning works program for best value. \$500,000
3.3 Commercial and Economic					
3.1	Develop an approach to Council land management that maximises the revenue potential of land investment (e.g. through a property portfolio audit identifying those holdings critical to enhancement of natural values, land with significant commercial/development potentials and holdings that are no longer required or cost too much for their social or natural returns) by 1 July 2011.	1 July 2011	Corporate Services	A & E	Improved information for decision-making enabling future savings from 2011/12 onwards. \$100,000
3.2	Establish levels of funding required to meet Council's development proposals and maintenance standards and incorporate these in the Financial Model by 1 July 2012.	1 July 2012	Corporate Services	B	Will build confidence to manage assets to achieve the targeted levels of service.
3.3	Incorporate clear responsibility for asset ownership and maintenance of Council property in all relevant job descriptions and productivity reviews by 1 January 2011.	1 January 2011	Corporate Services	B	Clear responsibility especially in land assets will generate efficiency savings.
3.4	Encourage all staff to seek cost savings and innovative practices.		Corporate Services	E	Community Benefits and direct contribution. \$50,000
3.5	Resolve the gap in service provision created by the recent reduction in Developer Contributions and integrate this with programs under this key challenge by 1 March 2011.	1 March 2011	Environment and Planning Services	E	Savings not quantifiable at this time.
3.6	Prepare, by 1 January 2011, and maintain a short list of priority major and minor projects that would be suitable for cost-sharing/sponsorship arrangements. Where appropriate, this list needs to be created in liaison with the community designed and ready to commence subject to funding and sign off by Council to use for potential sponsorship or in the event of government funding becoming available on short notice.	1 January 2011	Corporate Services	A & E	\$50,000 first year \$100,000 onwards

	Actions (as listed in Section 3.0 Key Challenges)	Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
3.7	Strengthen alliances with private sector to combat the problems of the proximity to Sydney which impacts on our ability to get public and private funds for transport, sport, major facilities and events by 1 July 2011.	1 July 2011	Corporate Services	E	Likely alternative source of income, full savings are not quantifiable at this time.
3.8	Investigate appropriate advertising in public places as a source of Council revenue by 1 July 2011.	1 July 2011	Corporate Services	E	\$50,000
3.9	Lobby state and federal government to ensure that all building programs on private and public school sites incorporate requirements, where appropriate, for the school to support the use of the facility by community groups (possibly through the Central Coast Principals' Group).	Ongoing	Community & Recreation Services	E	No direct return to Council, but enables the extension services through alternative sources of income.
3.10	Support Ecotourism development in Wyong Shire by investigating the allocation of resources to undertake this work by 1 April 2011.	1 April 2011	General Manager	C & E	No direct return to Council and likely to require funding reallocation, but possibility of generating indirect income.
3.11	Create an Economic and Property Development Unit by 1 December 2010 responsible for assisting with both internal and external alternative revenue raising (e.g. the negotiation of commercial opportunities, joint ventures, sponsorships and partnerships with government authorities, the private and commercial sectors) and working with the Strategic Finance Committee on developing revenue raising initiatives.	1 December 2011	Corporate Services	E	Allocates resources to focus on innovative ways for the funding of Council services and provide productivity improvements through better coordination and consistency of approaches to both the public and private sectors.
3.4 Major Projects					
4.1	Ensure that a Manager, Major Projects in the General Manager's Department is assigned responsibility for oversight of the overall project management program and policy development. Ensure there is a single staff person assigned accountability for the delivery of respective Major Projects.	Ongoing	General Manager	B	Improve use of existing staff, time and better project outcomes. \$50,000
4.2	Develop and implement a uniform approach to Major Projects' criteria, process of identification, prioritisation and resourcing as well as corporate responsibilities by 1 November 2010.	1 November 2010.	General Manager	B.	Included in 4.1 above.

	Actions (as listed in Section 3.0 Key Challenges)	Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
4.3	Ensure that existing high-priority developments (e.g. Westfields, Warnervale Town Centre and Wyong Employment Zone) are assessed in accordance with the Major Project policy and prioritisation and, if endorsed, are provided with appropriate allocation of resources.	Ongoing	General Manager	B	Included in 4.1 above.
4.4	Appropriately time the delivery of such projects to ensure completion in line with resource availability and the long- term financial plan.	Ongoing	General Manager	B & E	No direct return to Council and likely to require funding reallocation, but possibility of generating indirect income.
4.5	Ensure that when seconding staff for Major (or other) Projects that careful consideration is given before seconded positions are backfilled to ensure that priorities of the organisation are being met without expansion of overall staff establishment and costs.	Ongoing	General Manager	A	Current cost of back-filling would be reduced. \$100,000
4.6	The General Manager and Directors are to have direct accountability of prominent Major Projects as required (e.g. Director Environmental and Planning Services Department will be accountable for adoption of the Comprehensive LEP by Council by 30 June 2011).	Ongoing	General Manager	B	No direct return to Council, but improvement in efficiency, transparency and accountability.
3.5 Continuous Improvement					
5.1	Establish a structured program to identify, scope and implement continuous improvement for all staff and operational areas by 1 July 2011.	1 July 2011	Corporate Services	B	\$350,000 cost first year \$250,000 2nd year \$500,000 ongoing
5.2	Establish strategic direction and alignment with community and organisational priorities through best value reviews of all Units which will be completed by 1 July 2014.	1 July 2014	Corporate Services	B	Included in 5.1 above.
5.3	Develop and nurture a culture focusing on Council's values and continuous improvement by enhancing training and recruitment processes.	Ongoing	Corporate Services	B	Included in 5.1 above.
5.4	Develop programs and investment in the upskilling, retention and personal growth opportunities for our staff.	Ongoing	Corporate Services	B	No direct return to Council and likely to require funding reallocation, but possibility of generating indirect returns through maintaining quality staff.

	Actions (as listed in Section 3.0 Key Challenges)	Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
5.5	Incorporate into staff position descriptions a paragraph that places accountability for practices that address organisational service and sustainability on staff by 1 July 2011.	1 July 2011	Corporate Services	B	This is a process device that will assist in achieving sustainability goals, but without specific savings are
3.6 Legal and Risk					
6.1	Establish an internal legal counsel position reporting to the General Manager by 1 December 2010.	1 December 2010.	General Manager	A	\$300,000
6.2	Establish a clear and transparent system for the recording of Council's legal opinions and court decisions that is easily accessible as appropriate by 1 July 2011 and provide education about the appropriate usage of such information.	1 July 2011.	General Manager	B	Included in 6.1 above.
6.3	Ensure transparency and openness in all Council activities and provide appropriate training to staff to meet our statutory requirements.	Ongoing	General Manager	B	Included in 6.1 above.
6.4	Develop an Enterprise Risk Management Strategy by 1 June 2011.	1 June 2011	General Manager	B	Achievement of greater efficiency in risk management.
6.5	Educate staff about their options and responsibilities in relation to possible insurance claims and notification requirements by 1 October 2011.	1 October 2011	General Manager	B	Achievement of greater efficiency in insurance claims and likelihood of reduced Council payouts.
6.6	Ensure full implementation and compliance with GIPA legislation by 31 December 2010.	31 December 2010	General Manager	B	No direct return to Council but gains in efficiency and timeliness during processing of GIPA claims.
3.7 IT Planning and Support					
7.1	Establish an IT strategy framework aligned with Council's Integrated Delivery Program by 1 July 2011.	1 July 2011.	Corporate Services	B	Avoiding higher future costs for management and support.
7.2	Review all information management systems ensuring best utilisation, fit for purpose equipment and integrated systems to optimise support for operational staff and Councillors such that they are responsive and adequate to solve any issues. In addition, develop an implementation strategy for any change required (including consideration as a possible "Major Project") by 1 March 2011.	1 March 2011	Corporate Services	A & B	\$500,000

	Actions (as listed in Section 3.0 Key Challenges)	Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
7.3	Automate field force work, customer contact, planning and recording and scheduling with regular reviews and monitoring for technological advances by 1 March 2011.	1 March 2011	Corporate Services	B	\$500,000 per year improved productivity and information
7.4	Develop a structured approach to the use of technology to engage with community e.g. text messaging, electronic rates and information by 1 March 2011.	1 March 2011	Corporate Services	B	Included in 7.3 above
7.5	Create a centralised Information Management Unit by 1 December 2010 responsible for a single comprehensive system for information and telecommunications management, advice and support.	1 December 2010	Corporate Services	B	Included in 7.3 above
7.6	Ensure that information held throughout the organisation: <ul style="list-style-type: none"> o Is available in a meaningful and timely manner o Applies appropriate securities and access rights as decided by the General Manager o Catalogues information and o Allows for greater compliance with the State Records Act by 1 July 2011. 	1 July 2011	Corporate Services	B	No direct return to Council but gains in efficiency and timeliness of information processing.
3.8 Financial Management					
8.1	Renovate Council's budget/accounting systems by 1 July 2011 including: <ul style="list-style-type: none"> o Conversion to zero-based budgeting principles o Amending budgets to reflect the revised structure and operations o Ensure financial reports identify financial gains arising from the Delivery Review and other ongoing improvements o Integrating with financial planning and o Endorsement of the Long Term Financial Strategy. 	1 July 2011	Corporate Services	B	Improved justification, allocation and prioritisation of program by detailed costing information and maximising revenue opportunities throughout Council \$1 million from prioritised service sector, increased benefits and direct cost reductions
8.2	Incorporate clear responsibility for budgets in all relevant job descriptions and productivity reviews by 1 July 2011.	1 July 2011	Corporate Services	B	Included in 8.1 above

	Actions (as listed in Section 3.0 Key Challenges)	Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
8.3	Align budgets to the new organisation structure and establish budget systems that clearly identify full costs of programs and services including overheads and margins by 1 July 2011.	1 July 2011	Corporate Services	B	Included in 8.1 above
8.4	Provide and maintain a training program for all relevant staff in the budget process by 1 April 2011.	1 April 2011	Corporate Services	B	Included in 8.1 above
8.5	Update and maintain the Long -Term Financial Model incorporating revised budget forecasts, Asset Management requirements and savings arising from this Review for both 10 and 20 year horizons.	1 July 2011	Corporate Services	B	Included in 8.1 above
8.6	Appoint a Chief Financial Officer providing oversight of the financial system with responsibilities for both long and short-term financial strategy, budgets and reporting by 1 December 2010.	1 December 2010	Corporate Services	B	Included in 8.1 above
8.7	Ensure the Operational Finance Unit is integrated with the strategic finance needs of Council by 1 December 2010.	1 December 2010	Corporate Services	B	Value adding through Management Accounting due to a single reporting and budgeting end to end process \$100,000
3.9 Community Information Engagement and Communications Co-Location					
9.1	Complete endorsement of the Community Engagement Strategy and develop a plan to achieve implementation by 1 March 2011.	1 March 2011	Community & Recreation Services	B	More consistent and efficient engagement practices and better aligned decisions. \$50,000
9.2	Provide and maintain a training program for all relevant staff in the community engagement process by 1 July 2011.	1 July 2011	Community & Recreation Services	B	Included in 9.1 above
9.3	Develop a Digital Media Technical Policy by 1 October 2011.	1 October 2011	Community & Recreation Services	B	Included in 9.1 above

	Actions (as listed in Section 3.0 Key Challenges)	Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
9.4	Create a centralised Community Engagement Unit responsible for initial customer contact/response and for keeping the community informed about Council activities, services and achievements by 31 December 2010.	31 December 2010	Community & Recreation Services	B	Better use of existing resources and improved quality of information services to the community. \$50,000
9.5	Establish a Council Communications Strategy Committee	1 April 2011	Community & Recreation Services	B	No direct return to Council and likely to require funding reallocation, but possibility of generating improved integration of Councillor directions with Council's communications.
3.10 Management Layers/Decision Making					
10.1	Review Council Delegations to ensure they are clear, consistent, and appropriate to the responsibilities of the position and reflect the outcomes of this Review while ensuring accountability to the officer utilising any delegated powers.	Ongoing	Corporate Services	B	Quicker decisions, less red tape
10.2	Undertake a review of Wyong's Service Delivery model against similar organisations and local governments to ensure that Wyong Council's structure reflects what is appropriate to our needs by 1 July 2013.	1 July 2013	Corporate Services	B	Responds to a frequently raised issue in submissions during the Review process.
10.3	Rationalise staff information and decision-making committees within Council (including Senior Management Team, Organisation Management Forum and Strategy Forum) to ensure efficient and effective use of time and ensure appropriate accountability and authorisation for any future staff committee structure by 1 March 2011.	1 March 2011	Corporate Services	B	Included in 5.1 above Better use of existing resources and improve quality and timeliness of decision-making and service to customers. \$20,000
3.11 Size of Shire Services					
11.1	Maintain the integrity of the Water and Sewerage Unit in any structural changes arising from this Review		Infrastructure Management	E	An opportunity to divest Council of this function on favorable terms. To preserve income source as a major shareholder of the assets under a different corporate structure.

Actions (as listed in Section 3.0 Key Challenges)		Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
11.2	Create an Infrastructure Management Department responsible for "end to end process" management of physical infrastructure (e.g. roads, water and sewer) by 31 December 2010. (Note: repeated from 1.8 above)	31 December 2010.	Infrastructure Management	B	Repeated from 1.2 above In conjunction with the proposed Infrastructure Department would focus on assets and provide productivity improvements through better coordination and consistency of asset management. Included in 1.2 above
11.3	Create a Community and Recreation Services Department responsible for increasing community involvement and connections and providing facilities and services for the enjoyment, recreation and cultural pursuits of the community. This Department will be created following recruitment of a Director or by 1 January 2011 whichever comes first.	1 January 2012	Community & Recreation Services	B, C & D	Savings already identified in 9.1, 9.2 and 9.4. Other savings from better focus and coordination of operational resources.
3.12 Policy Co-ordination					
12.1	Establish and maintain a systematic approach for the administration of all corporate policies by 1 March 2011	1 March 2011	Corporate Services	B	No direct return to Council but reduces costs of compliance and improve efficiency in the creation of corporate policies.
12.2	Identify Council policy that affects the rights, privileges or benefits, or alternatively the obligations, penalties or other detriments of a member of the public, in order to comply with GIPA requirements by 1 October 2010.	1 October 2010	General Manager	B	No direct return to Council but gains in efficiency and timeliness during processing of GIPA claims.
Structure Changes from Review section 4					
S.1	Adopt the proposed organisation structure to create a structure more closely aligned with Council priorities and to break down silos by 1 September 2010.	1 September 2010	Project Control Group	B	Efficiency and productivity gains included in all recommendations of this Review.
S.2	Reduce staff establishment by 1% from 1150 FTEs to 1138 FTEs by 31 December 2011. These reductions will come from vacancies identified as part of the Implementation Plan.	31 December 2011	General Manager	A	\$1 million

Actions (as listed in Section 3.0 Key Challenges)		Deadline (if relevant)	Responsible Department	Savings Class	Estimated Savings Amount (per year)
S.3	Formulate a "Structure Renewal Implementation Plan" to manage the transition to the new Structure by 1 July 2011 with most staff relocations completed by 31 December 2010 in close liaison with staff impacted.	1 July 2011	Project Control Group	B, C & D	No direct return to Council, but improved efficiency in the implementation of the Service Delivery Review.
S.4	<p>For a period of 3 years, second staff currently undertaking the strategic planning functions of:</p> <ul style="list-style-type: none"> o Cultural Planning, o Social Planning, o Recreation Planning, o Open Space Planning and o Transport Planning o Flood Studies <p>to the Community and Recreation Services Department and Infrastructure Management Department as shown in the proposed structure. These positions will report to the relevant Service Unit Manager within these Departments. Following this period the arrangement will be reviewed to determine the most effective permanent structure.</p>	31 December 2010	Community & Recreation Services and Infrastructure Management	B	To achieve a more strategic approach towards operational activities, build future efficiencies through closer links between strategic planners and operational staff and ensure the Delivery Plan is developed and implemented through actions directed at priority objectives of the Shire Strategic Vision.



5.3 Additional Savings

Section 5.2 of the Review provides recommendations that address the overall Key Challenges faced by Council in delivering improved services to our customers and the estimated savings arising from each of the recommendations. In addition, there are opportunities for specific gains in terms of decreased cost, increased revenue or improved productivity that were raised during the Review. Such savings can often

then be applied to improving service delivery in priority areas. In some cases the savings can be identified at the present time as outlined in this Section of the report while others require further review and analysis to determine the likely cost and savings for the proposal. These second stage savings are listed in the next Section.

Table 3: Additional Savings below lists each of the expected savings where the savings can be reasonably identified at the present time as well as which Department is responsible for its delivery and the estimated amount of the savings.

Table 3: Additional Savings

Expected Savings

Vehicles

1. Do not automatically allocate vehicles to staff positions and limit increase in vehicle fleet.
2. Change vehicle policy and implementation to better align with FBT obligations, review and rationalise private use arrangements and vehicle choice.
3. All passenger vehicles in Council's fleet to be 4 cylinder or hybrid by 31 December 2013
4. Amend procedures to not replace vehicles until 120,000 kilometres.

Fees and Compliance

5. Undertake a targeted program to increase the number of registered companion animals.
6. Reduce service-level for food shops and increase income for re-inspections.
7. Do not employ additional Building Surveyor to enhance resources directed to Pool Audits. Continue with existing resources (i.e. within the existing complement).
8. Increase fees and charges to reduce the extent of subsidy for use of Council facilities or make the level of subsidy more transparent.

Management

9. Work to improve the number and size of incoming Grants including assisting/facilitating the community in obtaining grants (possibly as a "broker").
10. Reduce use of consultants
11. Improved works program co-ordination leading to improved utilisation of plant and equipment

Responsible Department	Savings Class	Preliminary Savings Target Amount (p.a.)
Infrastructure Management	A	\$30,000
Infrastructure Management	A	\$120,000
Infrastructure Management	A	\$0 for Council. The additional cost of operating larger vehicles is paid by staff.
Infrastructure Management	A	\$500,000 (one off)
Environment & Planning Services	E	\$200,000 one off
Environment & Planning Services	D & E	\$28,000
Environment & Planning Services	B	\$100,000
Corporate Services	E	\$200,000 (50% fee increase to increase return from 10% to 15%)
Corp Services	E	\$500,000 in future years
Infrastructure Management	A & B	\$300,000
Infrastructure Management	A & B	\$300,000

12. Level workload in Building Maintenance Section and reduce contract work, together with a review of CRM KPI's.	Community & Recreation Services	A & B	\$25,000
	Community & Recreation Services	A,B & E	\$50,000 income
13. Improved management of Section 355 Committees to cooperatively manage works and funding			\$30,000 costs savings
14. Injuries. Increase focus on injury reduction, tighter case management, attitude change.	Corporate Services	A	\$50,000
15. Redirect funding invested in green energy into energy efficiency projects and greenhouse reduction projects to improve reputation and produce ongoing savings. Note: there is no reduction in Council's commitment to energy saving and carbon neutrality programs.	Infrastructure Management	B	\$60,000
16. Improve systems of procurement and inventory controls.	Infrastructure Management	B	\$250,000
17. More efficient management of training (e.g. review of scheduling peak work loads, more user friendly self-service process, reporting to Managers on non-attendance.	Corporate Services	B	\$50,000
18. Clarification of travel allowance concerning starting on the job arrangements.	Corporate Services	B	\$25,000
19. Eliminate Council's external Investment Adviser and provide the service internally.	Corporate Services	A	\$50,000
20. Trial greater use of community volunteers for all types of Council projects and programs.	Community & Recreation Services	B	\$20,000
21. Reduce Council's current 2 OH&S committees to 1.	Corporate Services	B	\$4,000



5.4 Possible Second Stage Savings

In addition to savings arising from the Review's broad recommendations and those where a specific savings can be achieved (as outlined in Section 5.3), the Review raised additional Savings that have the potential for achieving significant returns for Council in terms of revenue, cost savings or productivity improvements.

These require further review and in some cases detailed investigation as part of continuous improvement or the ongoing implementation of the Review as shown in Table 4: Possible Second Stage Savings below

Table 4: Possible Second Stage Savings

Expected Savings	Responsible Department	Likely Savings Class	Comments
1. Ensure "Business Case" processes are simple and available to cut bureaucracy, improve efficiency, manage risk and streamline processes to bring forward ideas with clear savings for Council.	Corporate Services	B	Initial review to be completed 1 March 2011
2. Increase salary sacrifice options subject to a percentage of management fee to Council.	Corporate Services	B	
3. Resource sharing with adjoining councils.	Corporate Services	A	
4. Partnerships to fund landuse planning projects.	Environment & Planning Services	A	
5. Charge more for pre-lodgment with enhanced service provided by the DA Client Manager.	Environment & Planning Services	A & E	Close liaison needed with Environment & Planning Services
6. Introduce a charge for professional services to external clients (ie for our intellectual knowledge, legal experts, advocates to external clients for/developers lodging DAs with other councils).	Environment & Planning Services	A & E	
7. Using our land as offsets for private development at a cost.	Corporate Services	A & E	
8. Strategically buy or identify existing degraded land for biobanking.	Corporate Services	A & E	
9. Sponsorship opportunities (i.e. obtain a sponsor for animal care etc.)	Corporate Services	A & E	Continuous improvement initiative
10. Rationalise services – question why we provide some non-core services.	Corporate Services	D	
11. Procurement and supply Improvements (e.g. formulate a Procurement Strategy with cost savings).	Infrastructure Management	A	
12. Reduce public mail out and printing commitments e.g. for notices and rates notices and customer access to e-mails.	Corporate Services	A	
13. Clarify Council's requirements and ability to move to fixed term employment contracts for specified positions and any financial incentives arising.	Corporate Services	A	

14. Become a registered trainer and provide improved in-house training.
15. Review and tighten the "use" of the Insurance Policy.
16. Council employ its own apprentices.
17. Review management systems that would reward high-performance to improve productivity.
18. Target employee categories that are subsidise (e.g. Aboriginal, disabled and long-term unemployed).
19. Review accommodation costs and ways to better utilise existing buildings.

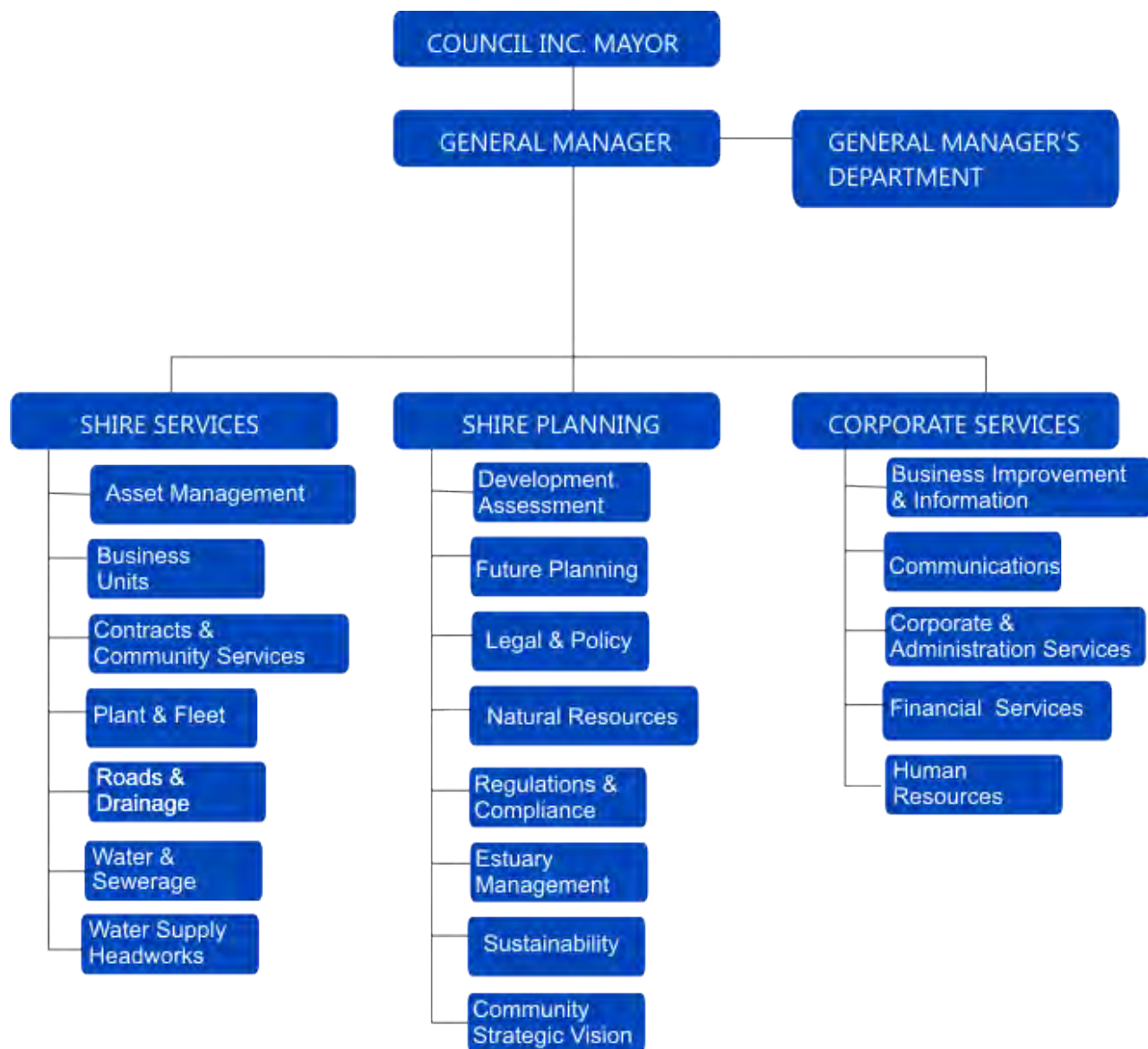
Corporate Services	B	
General Manager	A	
Corporate Services	B	
Corporate Services	B	
Corporate Services	E	
Corporate Services		



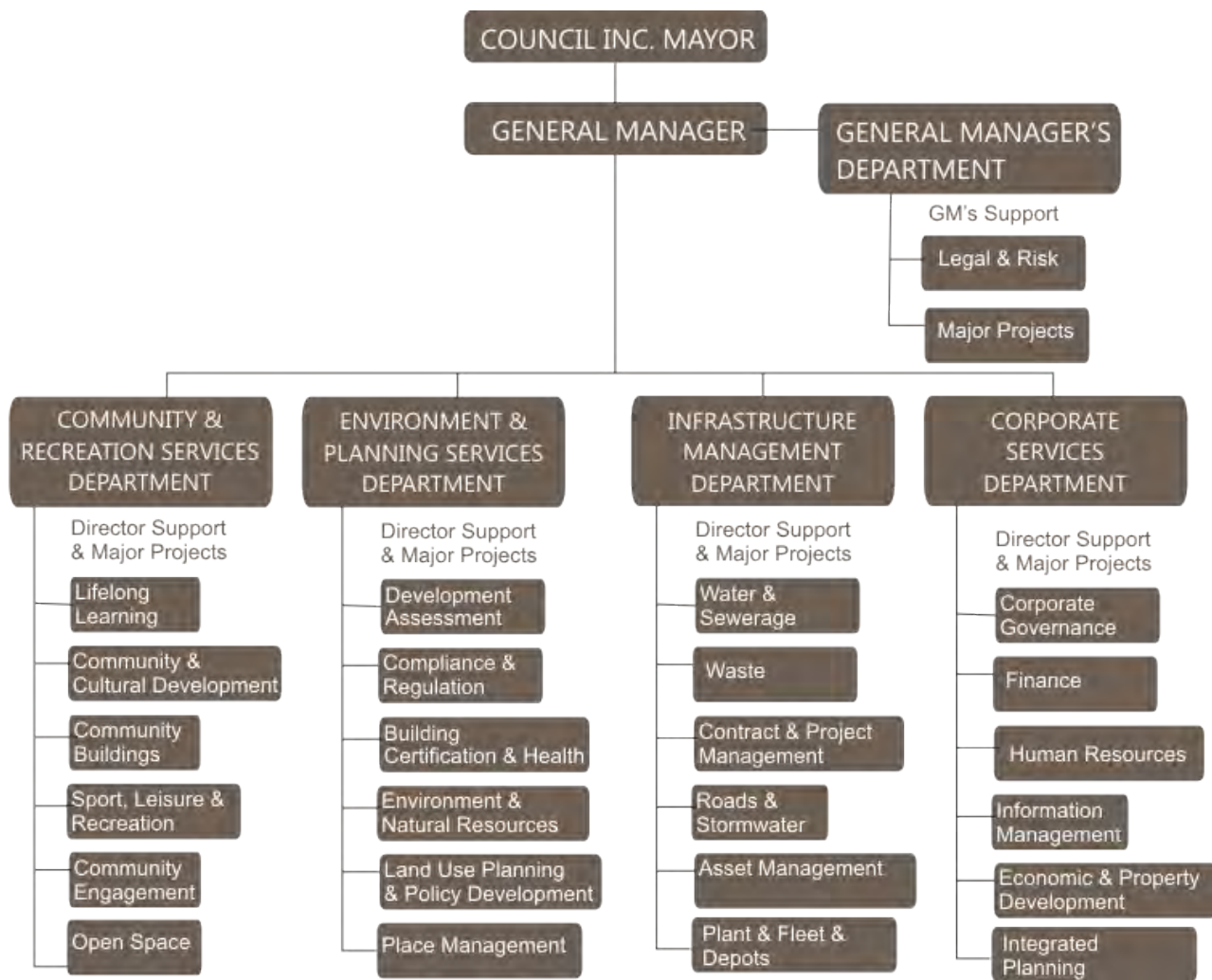
6.0 Appendices

61. Organisation Charts

Current Organisational Chart



Proposed Organisational Chart



Appendix 6.2 Project Evaluation Criteria

1. Community Need

- Does the project meet a need of the Community?
- How does it enhance the Shire as a place to work and live?

2. Identity

- Does the project enhance the sense of local identity of a town/suburb?
- Does the project contribute to the sense of regional identity?

3. Availability

- Does the project redress an identified deficiency or unequal distribution of available facilities in a town/suburb?
- Is the project located appropriately (access, adjacency to complementary facilities or open space) in the town/suburb?

4. Self Sufficiency

- Does the project enhance the self-sufficiency of a town/suburb?
- Does the project improve the useability of existing assets?
- What is the whole of life cost of the project?
- Does the project use best practice principles?

5. Connectivity

- Does the project enhance connectivity between towns/suburbs?
- Does the project improve links to retail/employment centres?
- Does it improve the choice or amenity of pedestrian and bicycle transport modes to the employment centres/destinations?
- Does the project improve the efficiency of major connectors to enhance the employment centres/destinations?

6. Future Options

- How well does the project address the changing nature of the Shire in terms of identifiable expected changes in demographic trends and land use?
- Does the project address limitation of existing infrastructure particularly with the targets set in the growth areas of the Shire?

- Is the project adaptable to changing needs and uses of the Shire over time?
- Does the project take into account the impacts of the Global Financial crisis?

7. Unlocking Future Options

- Can the project act as a catalyst for further development/investment with the potential to benefit the Shire?
- Will failure to proceed in the short term result in an opportunity lost forever?

6.3 Definitions/Glossary

- **Asset Management** - The systematic and coordinated activities and practice through which Council optimally manages its physical assets, and their associated performance, risks and expenditures over their lifecycle for the purpose of achieving its organisational strategic plan".
- **Asset Owner** - The Unit Manager who is directly responsible to the Director for carrying out the stewardship role of a specified asset. The asset owner is responsible for all activities in the management of an asset including acquisition, operation, maintenance and disposal.
- **End-to-end Process** - The whole life cycle management of an asset from conception to final decommissioning and disposal. It involves both the strategic component (risk management, investment strategy and investment planning) and the operational component (investment execution and then operate, maintain and supervise).
- **Life cycle cost** - The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, renewal and disposal costs.
- **Maintenance** - All actions necessary for retaining an asset as near as practicable to its original condition. It is expenditure required to ensure that the asset reaches its expected useful life. It excludes operations.
- **Operation** - The active process of using an asset or providing services. Expenditure that is continuously required to provide a service excluding maintenance. It includes things like utility costs, cleaning, weeding, road sweeping, fuel and energy and the running of programmes.

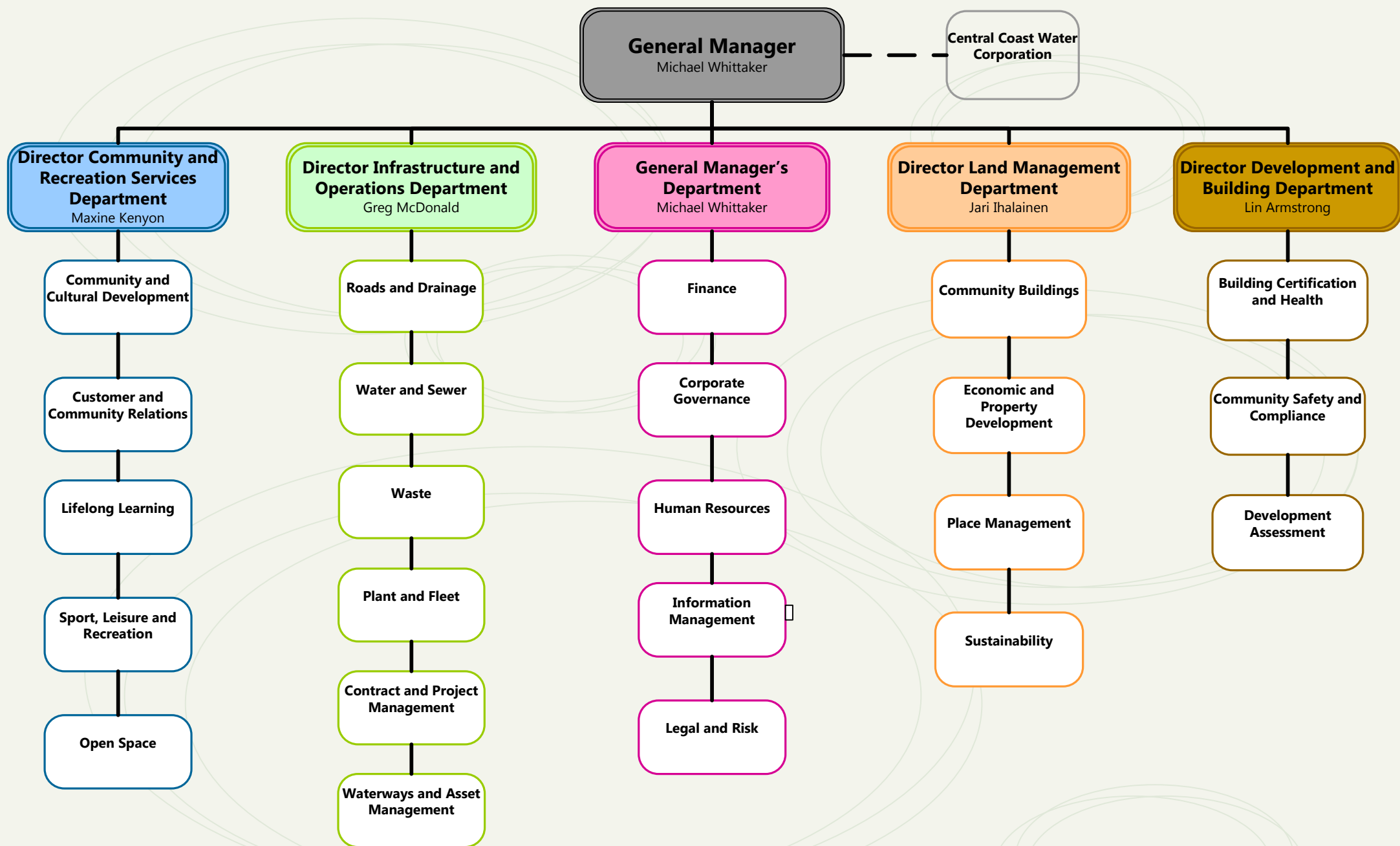


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Wyong
Shire
Council
CENTRAL COAST





Current Organisation Structure - 2013

May 16, 2012

Tell us what you think

Wyong Shire Council is giving its community a chance to provide valuable feedback on the many services it offers, by asking residents what they value the most and what services contribute to their quality of life in the Shire.

Corporate Services Director David Jack said this was part of Council's long term financial planning strategy.

"Council is conducting a service standards review (SSR) looking at all services to determine what level of service is most appropriate and affordable for the community in the long term," Mr Jack said.

"Our draft Strategic Plan has been on exhibition for the past month, finishing up yesterday.

"Besides outlining Council's priorities and budgets for the next 12 months, the plan also made it clear to our community we will continue to reduce our operating deficit to \$10 million in the coming financial year, without cutting any essential services to our community.

"This is a wonderful effort by all staff, given that two years ago our operating deficit was \$30 million.

"Our long term plan is to get the operating budget back in the black by 2014/15.

"This is not going to be easy, and it is important that we ask the community to assist us by giving feedback on the services they deem important to their quality of life.

"We are now at the stage where we are forced to either look at reducing services, or sourcing additional income to achieve Council's long term financial sustainability."

Such additional income could include seeking more Government grants, charging more for services or applying for a special rate approval.

Council facilities such as sports ovals and parks, rubbish collection and road maintenance are just a few of the wide range of services Council provides to the community.

"Every service provided by Council costs money, depending on the level at which it is provided," Mr Jack said.

"This means, for example, that grass can be mowed at shorter or longer intervals, or services such as our libraries can have shorter or longer opening hours.

"It is really important the community provide us feedback on this, so we can continue to provide a level of service our community needs in line with the financial challenges still ahead of us."

Mr Jack urged residents to have their say at one of three Community Workshops titled Your Place, Your Say, Your Future.

The first of these will be held at Tuggerah Hall on Saturday May 26 between 1pm-4pm. This will be followed by a workshop at The Entrance Community Centre on Monday May 28 from 6pm-9pm and a final workshop on Wednesday May 30 at Blue Haven Community Centre between 6.30-9.30pm.

The public can register their interest in attending by calling Council on 43 50 5555.

Residents can also complete an online survey regarding Council's services at <http://consultation.wyong.nsw.gov.au> before May 31.

Media Contact:
Cameron Bell
(02) 43 50 1667
0434 324 645



Your Place. Your Say. Your Future.

What services do you value the most...



Are you a Wyong Shire resident or ratepayer?

Make sure you attend these **important workshops** to help determine the level of future services in Wyong Shire.

What you tell us in these workshops will influence Council's long term financial planning and service delivery.

What we want to know from you is:

What services you think are **important** and which are the ones you **value**.

Don't miss the chance to have your say!
To register your interest contact Council **4350 5555**.

You could win a Sony eReader just by taking part!

Community Workshops

Saturday 26 May 2012 - 1 - 4pm

Tuggerah Hall
Anzac Road, Tuggerah

Monday 28 May 2012 - 6 - 9pm

The Entrance Community Centre
Cnr Oakland and Battely Avenues, The Entrance
Building C Workshop

Wednesday 30 May 2012 - 6.30 - 9.30pm

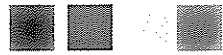
Blue Haven Community Centre
Apsley Court, Blue Haven

RSVP: Call our Customer Contact Team on **4350 5555**

If you can't make the community workshops, you can still have your say by filling in the online survey before **31 May 2012** at <http://consultation.wyong.nsw.gov.au> or starting a conversation at <http://engage.wyong.nsw.gov.au>



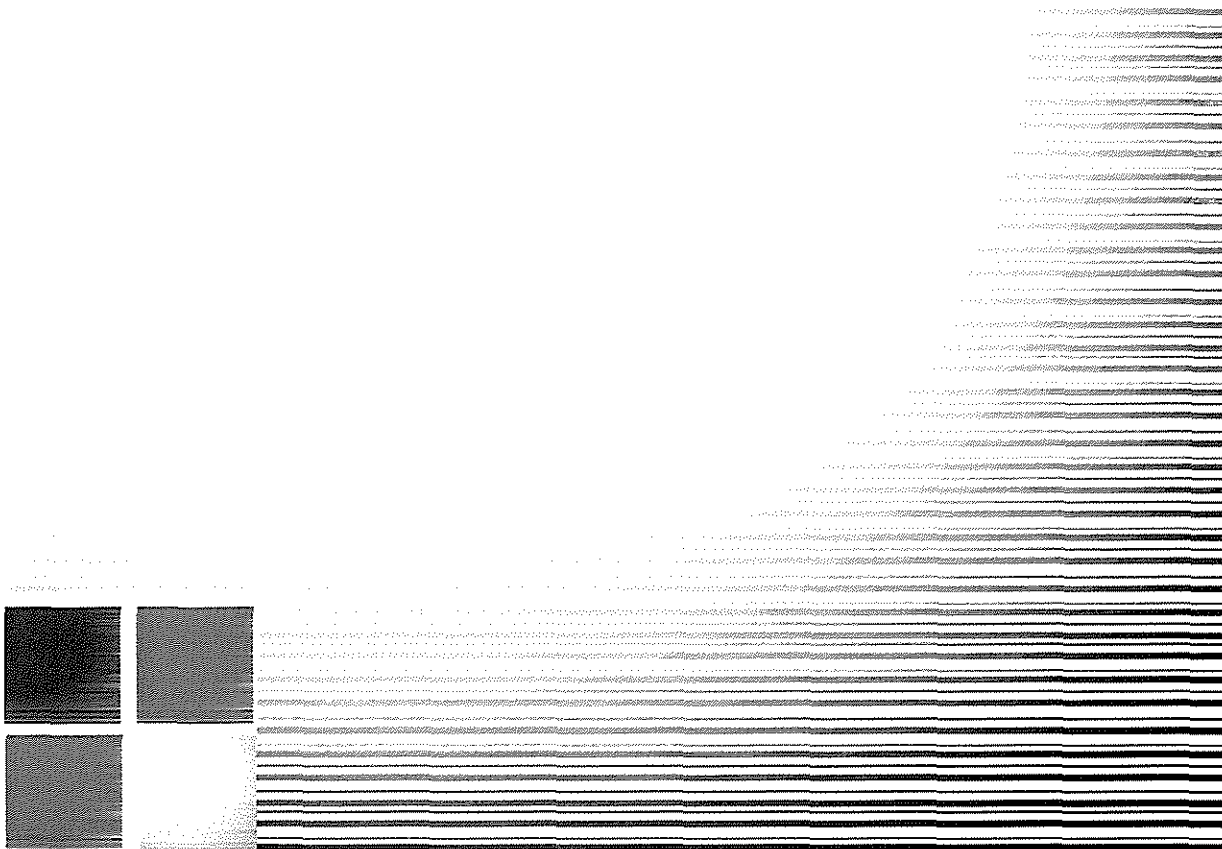
Central Coast Research Foundation
ABN 65 082 304 514
www.hvrf.com.au/ccrf



Wyong Shire Council

Community Attitudes Regarding Council's Investment of Resources and Provision of Services

Report from the March 2012
Central Coast Domestic Omnibus Survey



Central Coast Omnibus Survey
March 2012

Community Attitudes Regarding Council's Investment of Resources and Provision of Services

Omnibus Survey Report

Prepared for:

Wyong Shire Council

By:



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***Disclaimer:** The information contained herein is believed to be reliable and accurate. However, no responsibility or liability for any information, opinions, or commentary contained herein, or for any consequence of its use, will be accepted by the Central Coast Research Foundation, or by any person involved in the preparation of this publication.*



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Executive Summary

Background

Wyang Shire Council) used the Central Coast Domestic Omnibus Survey undertaken by the Central Coast Research Foundation (HVRF) to determine resident's:

- preferences for Wyong Council expenditure
- willingness to pay for expanded Council works programs
- rating of Wyong Council and services.

The questions for Wyong Council formed part of the March quarter survey conducted from 5 March to 2 April 2012. A random sample of 415 residents throughout the Wyong Local Government Area was interviewed.

Results

Community preferences for Wyong Council expenditure

- Approximately half of respondents (51%) preferred Wyong Council to invest more resources in *better maintaining roads, bridges, footpaths and cycleways*.
- Approximately one-in-seven respondents (14%) indicated that Council should invest *more money into services*.
- Less than one-in-ten respondents thought that Council should invest more resources in any of the other services presented.

Community willingness to pay for expanded Council works programs

Respondents were asked to indicate their willingness to pay a weekly amount for Council to expand Public works, Environmental works and Community development programs, using a 4-point scale where 1=\$1-\$2 per week, 2=50 cents to \$1 per week, 3=25 to 50 cents per week and 4=nothing at all.

Mean ratings ranged between 2.6 and 2.9, indicating that, on average, respondents were willing to pay approximately 50 cents to \$1 per week to help pay for Council works programs.

Approximately one-in-four respondents (27%) were prepared to pay \$1 to \$2 per week for expanded *Public works*.

Approximately four-in-ten respondents preferred to pay *nothing at all* for Council to expand any of the three specified works programs.

Community agreement with Wyong Council

The highest mean rating of 4.3 for the statement *Wyong is a good place to live*, indicates that, on average, respondents tended to agree.

Approximately nine-in-ten respondents either *agreed* (39%) or *strongly agreed* (49%) that *Wyong is a good place to live*.

For the other specified statements the mean agreement ratings ranged between 2.5 and 3.1 suggesting that, on average, respondents' rating of Wyong Council and its provision of services tended to be around neutral.

Almost half of respondents either agreed (41%) or strongly agreed (7%) that they are *satisfied with the standard of the services provided by Wyong Shire Council*.

Just over four-in-ten respondents either strongly disagreed (21%) or disagreed (24%) that their *neighbourhood is well looked after by Wyong Shire Council*.

Approximately one-fifth of respondents (21%) could not rate their agreement with the statement that *Wyong Council manages its finances well*.



1 Introduction

Wyang Shire Council used the Central Coast Domestic Omnibus Survey undertaken by the Central Coast Research Foundation (HVRF) to determine residents':

- preferences for Wyong Council expenditure
- willingness to pay for expanded Council works programs
- rating of Wyong Council and services.

The Omnibus Survey is a multi-client telephone survey conducted in March and September each year.

The questions for Wyong Council formed part of the March quarter survey conducted from 5 March to 2 April 2012. A random sample of 415 residents throughout the Wyong Local Government Area was interviewed.

Analysis of results follows in Section 2. A copy of the questionnaire is provided in Appendix I, a description of the survey methods and analysis is provided in Appendix II, the survey response rate is detailed in Appendix III, and the demographic characteristics of the survey sample are presented in Appendix IV.

The results shown in Section 2 have been weighted (to 400) according to the household size of the survey sample, as well as the age and sex distribution of the regional population. See Appendix II for details.

2 Results

2.1 Community preference for Wyong Council expenditure

All respondents were asked:

“Recognising that your Council can't do everything, which of the following do you think your Council should invest more resources in?”

[ENTER 1 FOR SELECTION]

- # Better maintaining roads, bridges, footpaths and cycleways**
- # Better maintaining halls, libraries, youth centres and senior citizens centres**
- # Better maintaining sports facilities, swimming pools, playgrounds and parks**
- # Better maintaining bushland, lakes and other natural assets**
- # Slightly more maintenance across a range of asset categories?**
- # More money into services such as waste, libraries, animal care, childcare, environmental programs, lifeguards, compliance, sports development, community development**

Table 1 provides overall frequencies of responses for the services in which respondents considered Council should invest more resources, as well as frequencies by gender and age group. The results show that:

- Approximately half of respondents (51%) preferred Wyong Council to invest more resources in *better maintaining roads, bridges, footpaths and cycleways*.
- Approximately one-in-seven respondents (14%) indicated that Council should invest *more money into services*.
- Less than one-in-ten respondents thought that Council should invest more resources in any of the other services presented.
- Females are significantly more likely to prefer that Council should invest *more money into services*.
- Too few numbers has precluded reporting by age group because some of the sample sizes are too small to allow valid comparisons.

Table 1: Community preference for Council expenditure (by gender)

Response	All	Gender		Age group				
		Male	Female	18-24	25-34	35-49	50-64	65+
<i>Population base</i>	104,061	49,196	54,865	10,759	15,324	28,394	23,999	25,585
Better maintaining roads, bridges, footpaths and cycleways	51.3%	49.1%	53.4%	45.1%	26.2%	51.2%	56.9%	64.1%
More money into services	14.2%	6.8%	20.9%	25.4%	24.0%	14.0%	11.5%	6.5%
Better maintaining bushland, lakes and other natural assets	11.7%	14.5%	9.2%	17.7%	15.2%	8.4%	12.3%	10.1%
Slightly more maintenance across a range of asset categories	9.6%	14.6%	5.1%	11.8%	10.8%	10.3%	10.7%	5.9%
Better maintaining sports facilities, swimming pools, playgrounds and parks	8.1%	10.1%	6.4%		23.9%	10.2%	2.8%	4.9%
Better maintaining halls, libraries, youth centres and senior citizens centres	3.6%	3.0%	4.1%			4.5%	3.4%	6.4%
Don't know/refused	1.5%	1.9%	1.1%			1.5%	2.4%	2.1%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Explanatory notes:

1. Percentages represent a proportion of the population base (i.e. Central Coast population aged 18 years and over).
2. Blank cells indicate no response in that category

2.2 Community willingness to pay for Council works programs

All respondents were presented with a series of three Council works programs:

- Public works
- Environmental works
- Community development program

and asked to indicate their willingness to pay a weekly amount for Council to expand these programs, using a 4-point scale where 1=*\$1-\$2 per week*, 2=*50 cents to \$1 per week*, 3=*25 to 50 cents per week* and 4=*nothing at all*.

Responses shown in Table 2 indicate that:

- Mean ratings ranged between 2.6 and 2.9, indicating that, on average, respondents were willing to pay approximately *50 cents to \$1 per week* to help pay for Council works programs.
- Approximately one-in-four respondents (27%) were prepared to pay \$1 to \$2 per week for expanded *Public works*.
- Approximately four-in-ten respondents preferred to pay *nothing at all* for Council to expand any of the three specified works programs.

Table 2: Community willingness to pay for expanded Council works programs
Mean ratings and frequency of responses

Council works program	Mean rating	Weekly amount				
		\$1-\$2	50c-\$1	25c-50c	Nothing at all	Don't know /refused
Public works	2.6	27.4%	18.4%	9.1%	39.0%	6.1%
Environmental works	2.9	20.1%	17.4%	10.9%	44.8%	6.8%
Community Development program	2.9	15.5%	19.0%	15.4%	42.2%	8.0%

Explanatory notes:

1. Percentages represent the proportion of the population base, (i.e. of the Central Coast population aged 18 years and over).
2. The mean importance ratings represent the average level of importance using the specified 4-point scale where 1 is *\$1 to \$2*, 2 is *50 cents to \$1*, 3 is *25 to 50 cents* and 4 is *nothing at all*. Therefore, the closer the mean is to 1, the greater the weekly amount residents were prepared to pay for the specified works program. Note: *don't know/refused* responses are not included in calculating the means.

Table 3 presents mean ratings according to gender and age and groups.

- Females are significantly more likely to be prepared to pay a weekly amount for expanded *Public works*.
- Respondents aged 25 to 34 are significantly more likely to be prepared to pay a weekly amount to expand all three Council works programs than those respondents aged 35 and older.

Table 3: Community willingness to pay for expanded Council works programs
Mean ratings according to gender and age group

Council works program	All	Gender		Age group				
		Male	Female	18-24	25-34	35-49	50-64	65+
Population base	104,061	49,196	54,865	10,759	15,324	28,394	23,999	25,585
Public works	2.6	2.5	2.8	2.2	2.0	2.6	2.9	3.0
Environmental works	2.9	2.8	3.0	2.5	2.2	3.0	2.9	3.2
Community Development program	2.9	3.0	2.8	2.6	2.3	2.9	3.0	3.2

Explanatory notes:

1. The mean importance ratings represent the average level of importance using the specified 4-point scale where 1 is \$1 to \$2 , 2 is 50 cents to \$1, 3 is 25 to 50 cents and 4 is *nothing at all*. Therefore, the closer the mean is to 1, the greater the weekly amount residents were prepared to pay for the specified works program. Note: *don't know/refused* responses are not included in calculating the means.
2. Shaded cells indicate statistically significant differences in the mean importance ratings provided by respondents in the various groups, as determined by Kruskal-Wallis and Mann-Whitney analysis.

2.3 Community rating of Wyong Council

All respondents were asked to rate their agreement on issues relating to Wyong Council and Wyong Shire. The 5-point scale used was: 1=strongly disagree, 2=disagree, 3=neither agree nor disagree, 4=agree and 5=strongly agree.

Responses presented in Table 4 indicate that:

- The highest mean rating of 4.3 for the statement *Wyong is a good place to live*, indicates that, on average, respondents tended to agree.
- Approximately nine-in-ten respondents either *agreed* (39%) or *strongly agreed* (49%) that *Wyong is a good place to live*.
- For the other specified statements the mean agreement ratings ranged between 2.5 and 3.1 suggesting that, on average, respondents' rating of Wyong Council and its provision of services tended to be around neutral.
- Almost half of respondents either agreed (41%) or strongly agreed (7%) that they are *satisfied with the standard of the services provided by Wyong Shire Council*.
- Just over four-in-ten respondents either strongly disagreed (21%) or disagreed (24%) that their *neighbourhood is well looked after by Wyong Shire Council*.
- Approximately one-fifth of respondents (21%) could not rate their agreement with the statement that *Wyong Council manages its finances well*.

Table 5, presents mean agreement ratings for gender and age groups. It suggests that:

- Male respondents are significantly more likely to agree that *Wyong is a good place to live*.
- Respondents in the youngest age group (18 to 24) are significantly more likely to agree their *neighbourhood is well looked after by Wyong Shire Council*.
- Respondents aged 18 to 24 and 65 and over are significantly more likely to agree that they are *satisfied the services provided by Wyong Shire Council represent value for money*.
- Respondents aged 35 to 49 are more likely to disagree that they are *satisfied with the performance of elected Councillors* and are *satisfied with the behaviour of the elected Councillors*.

Table 4: Agreement rating on Wyong Council
Mean ratings and frequency of responses

Issues	Mean ratings	Agreement ratings					
		Strongly disagree	Disagree	Neither	Agree	Strongly agree	Don't know/ refused
Wyong Shire is a good place to live	4.3	1.1%	3.4%	7.1%	39.3%	49.0%	
Satisfied with the standard of the services provided by Wyong Shire Council	3.1	13.5%	17.9%	20.0%	40.7%	6.9%	0.9%
Satisfied with the behaviour of the elected Councillors	2.9	11.1%	16.6%	31.8%	27.0%	3.3%	10.2%
Satisfied the services provided by Wyong Shire Council represent value for money	2.8	15.7%	23.4%	21.1%	33.6%	2.4%	3.8%
Satisfied with how Wyong Shire Council consults the community on issues	2.8	17.2%	19.8%	24.6%	28.8%	1.9%	7.7%
Satisfied with the performance of elected Councillors	2.7	13.8%	22.0%	31.7%	20.5%	2.2%	9.8%
Neighbourhood is well looked after by Wyong Shire Council	2.7	21.1%	23.9%	17.2%	33.0%	3.0%	1.7%
Wyong Shire Council manages its finances well	2.5	17.4%	18.7%	27.3%	14.2%	1.0%	21.4%

Explanatory notes:

1. Percentages represent the proportion of the population base, (i.e. of the Central Coast population aged 18 years and over).
2. The mean satisfaction ratings represent the average level of agreement using the specified 5-point scale where 1 is *strongly disagree* and 5 is *strongly agree*. Therefore, the closer the mean is to 5, the greater the level of agreement with Council on the specified issue. Note: *don't know / refused* responses are not included in calculating the means.
3. Blank cell indicates no response in that category

Table 5: Agreement rating on current Wyong Council
Mean ratings according to gender and age

Response	All	Gender		Age group				
		Male	Female	18-24	25-34	35-49	50-64	65+
<i>Population base</i>	104,061	49,196	54,865	10,759	15,324	28,394	23,999	25,585
Wyong Shire is a good place to live	4.3	4.5	4.2	4.4	4.4	4.2	4.3	4.4
Satisfied with the standard of the services provided by Wyong Shire Council	3.1	3.0	3.2	3.1	3.1	3.1	2.8	3.4
Satisfied with the behaviour of the elected Councillors	2.9	2.9	3.0	3.2	3.3	2.7	2.8	3.0
Satisfied the services provided by Wyong Shire Council represent value for money	2.8	2.8	2.9	3.2	3.0	2.6	2.6	3.1
Satisfied with how Wyong Shire Council consults the community on issues	2.8	2.8	2.8	2.9	2.7	2.7	2.6	3.0
Satisfied with the performance of elected Councillors	2.7	2.6	2.8	2.8	2.9	2.5	2.7	3.0
Neighbourhood is well looked after by Wyong Shire Council	2.7	2.7	2.7	3.2	2.8	2.7	2.4	2.8
Wyong Shire Council manages its finances well	2.5	2.5	2.5	2.8	2.5	2.3	2.5	2.8

Explanatory notes:

1. The mean satisfaction ratings represent the average level of agreement using the specified 5-point scale where 1 is *strongly disagree* and 5 is *strongly agree*. Therefore, the closer the mean is to 5, the greater the level of agreement with Council on the specified issue. Note: *don't know / refused* responses are not included in calculating the means.
2. **Shaded** cells indicate statistically significant differences in the mean satisfaction ratings provided by respondents in the various groups, as determined by Kruskal-Wallis and Mann-Whitney analysis.



Appendix I: Survey Questionnaire

QWyg1.

Recognising that your Council can't do everything; which of the following do you think your Council should invest more resources in?

ITEMS PRESENTED IN RANDOM ORDER TO REDUCE SELECTION BIAS

- # Better maintaining roads, bridges, footpaths and cycleways
 - # Better maintaining halls, libraries, youth centres and senior citizens centres
 - # Better maintaining sports facilities, swimming pools, playgrounds and parks
 - # Better maintaining bushland, lakes and other natural assets
 - # Slightly more maintenance across a range of asset categories?
 - # More money into services such as waste, libraries, animal care, childcare, environmental programs, lifeguards, compliance, sports development, community development etc
1. Choice
8. Don't know/refused [NOT READ OUT]

QWyg2.

Considering your household budget, how much would you be prepared to pay for an expanded PUBLIC WORKS program on improving community assets, like local roads, footpaths, storm water and drainage, public toilets, parks, gardens, wharves, jetties and public buildings? Would it be.....

\$1 - \$2 per week
50c - \$1 per week
25c - 50c per week
or
Nothing at all

QWyg3.

Considering your household budget, how much would you be prepared to pay for an expanded ENVIRONMENTAL works program on improving environmental programs around the Shire including public education and water, lake and estuary quality projects? Would it be.....

\$1 - \$2 per week
50c - \$1 per week
25c - 50c per week
or
Nothing at all

QWyg4.

Considering your personal household budget, how much would you be prepared to pay for an expanded COMMUNITY DEVELOPMENT program on improved programs for youth, seniors, local events, libraries and creative arts? Would it be....

\$1 - \$2 per week
50c - \$1 per week
25c – 50c per week
or
Nothing at all

QWyg5.

On a scale of 1 to 5 where:

1 = Strongly disagree
2 = Disagree
3 = Neither disagree nor agree
4 = Agree
5 = Strongly agree

[DO NOT READ 9. Don't know / refused]

How strongly do you agree or disagree with the following statements...

ITEMS PRESENTED IN RANDOM ORDER TO REDUCE SELECTION BIAS

- # Your neighbourhood is well looked after by WSC
- # You are satisfied with how WSC consults the community on issues
- # Wyong Shire Council manages its finances well
- # You are satisfied with the performance of elected Councillors
- # You are satisfied with the behaviour of the elected Councillors
- # You are satisfied with the standard of the services provided by Wyong Shire Council
- # You are satisfied the services provided by Wyong Shire Council represent value for money
- # Wyong Shire is a good place to live



Appendix II: Survey Design

Data collection: The survey questions were developed in conjunction with the client. The questions were included in the March quarter Central Coast Domestic Omnibus survey program. This survey was administered on the CCRF's computer aided telephone interviewing (CATI) system from 5 March to 2 April 2012.

Survey area: Wyong Local Government Area.

Sample selection: 415 randomly selected households throughout the survey area with landline telephone connections. Contact telephone numbers for households were generated using the White Pages for number ranges within the Wyong LGA.

Participants: Individuals in the household aged 18 years or older, with random selection amongst the total number of adults in that household (i.e. households were contacted by telephone and an attempt was made to interview a randomly selected adult within that household). Up to five calls back were made to contact the household and, in the event that the required respondent was not available, a minimum of six additional calls was made to interview the selected respondent.

The survey did not use quota sampling without 'call back'. This particular technique of data collection, with quotas based on a limited number of variables, commonly age and sex, is not as reliable in obtaining a representative sample as random sampling. For example, a quota of 18-24 year old males, without calls back, may exclude a unique group of potential respondents who are only at home at unusual times. The call back technique maximises the chances of a truly random sample since the interviewer is making a determined effort to contact the randomly chosen household and randomly chosen person within that household.

**Data handling
and analysis**

Carried out by the HVRF using SPSS/PC statistical analysis software.

Surveying attempts to make inferences for the whole of an area's population by talking to a small sub-group (sample) within that population. As the sample only approximates the whole population, it is necessary to take this approximate nature into account when comparing the scores and measures generated by the survey.

While the absolute value of scores and measures can change, it is necessary to test these changes statistically to find out whether they simply reflect the approximate nature of the sample or if they indicate a real difference in opinion. Statistically significant changes indicate that, at the 95 per cent level of confidence, there has been a real difference in opinion, as opposed to a difference attributable to chance.

Where applicable, the numeric values from the scales (1 to 5) were converted to an overall average (mean) score. This score is calculated only for those who responded using the 1 to 5 scale - it does not include non-scale responses (i.e. don't know or refused).

When interpreting the results, the distribution of ratings and the score need to be considered together, not individually.

For example, ratings which are evenly spread over the 1 to 5 scale may yield the same mean score as those which are relatively polarised at either end of the scale. The policy implications for these contrasting distributions are very different, despite the fact that they received the same score.

Recorded responses were weighted by:

*The number of people living in the household and eligible for interview. This weighting procedure ensures that people living in larger households are given the same proportional representation as people living in smaller households.

*The age and sex of the population aged 18 and over living in the Central Coast, determined by the 2006 *Census of Population and Housing*. This weighting procedure ensures that the sample is representative of the age and gender distribution of the survey population.

Population figures are presented in Section 2 tables, for the total population as well as in tables showing results cross-tabulated according to gender and age. These figures can be used to estimate the actual number of people within the Central Coast who would provide any given response.

Statistical accuracy: $\pm 5.8\%$ for a prevalence of 50% at a confidence level of 95% for a sample size of 300.

Example: if 50% of respondents said 'yes' to a question that required a yes/no response, the true proportion of people aged 18 or over on the Central Coast who would give the same answer (if all were interviewed) would be between 44.2% and 55.8%, 95 times out of 100 (see right hand column of table 50%-50%).

If 30% of respondents said 'yes', the true proportion of people aged 18 or over on the Central Coast who would give the same answer would be between 44.7% and 55.3%, 95 times out of 100 (see 7th column 30-70%, $\pm 5.3\%$).

**PRECISION OF ESTIMATES FOR VARIOUS SAMPLE SIZES
AND PREVALENCE LEVELS (FOR A 95% CONFIDENCE LEVEL)**

PREVALENCE										
Sample Size	5% 95%	10% 90%	15% 85%	20% 80%	25% 75%	30% 70%	35% 65%	40% 60%	45% 55%	50% 50%
100	4.4	6.0	7.1	8.0	8.7	9.2	9.5	9.8	9.9	10.0
200	3.1	4.2	5.0	5.7	6.1	6.5	6.7	6.9	7.0	7.1
300	2.5	3.5	4.1	4.6	5.0	5.3	5.5	5.7	5.7	5.8
400	2.2	3.0	3.6	4.0	4.3	4.6	4.8	4.9	5.0	5.0
500	1.9	2.7	3.2	3.6	3.9	4.1	4.3	4.4	4.4	4.5
600	1.8	2.4	2.9	3.3	3.5	3.7	3.9	4.0	4.1	4.1
800	1.5	2.1	2.5	2.8	3.1	3.2	3.4	3.5	3.5	3.5
1,000	1.4	1.9	2.3	2.5	2.7	2.9	3.0	3.1	3.1	3.2
1,500	1.1	1.5	1.8	2.1	2.2	2.4	2.5	2.5	2.6	2.6
2,000	1.0	1.3	1.6	1.8	1.9	2.0	2.1	2.2	2.2	2.2
3,000	0.8	1.1	1.3	1.5	1.6	1.7	1.7	1.8	1.8	1.8

Appendix III: Survey Response Rate

March 2012 Central Coast Domestic Omnibus Survey
Includes additional calls for Wyong top up

FINAL OUTCOME	N	N as % of Total	N as % of Eligible
Ineligible			
Business number	27	1%	
Disconnected number	580	26%	
Fax machine	23	1%	
Call back – exhausted attempts	46	2%	
Not available in survey period	243	11%	
Unsuitable (not in age group/population)	148	7%	
No answer – exhausted attempts	103	5%	
Answering machine	73	3%	
Engaged/busy signal	12	1%	
Language problem	13	1%	
Not in area	36	2%	
Total ineligible	1,304	59%	
Eligible			
Consenters			
Completed interviews	576	26%	64%*
Non consenters			
Household refusal	190	9%	21%
Personal refusal	126	6%	14%
Incomplete interview	5	0.2%	0.6%
Total eligible	897	41%	100%
Total N	2,201	100%	
Response Rate*			
64%			

*Response Rate – number of completed interviews as a proportion of eligible contacts

Appendix IV: Survey Demographics

Note: Proportions shown in the following tables are based on the weighted sample and reflect the gender and age of the population as determined by the 2006 *Census of Population and Housing*.

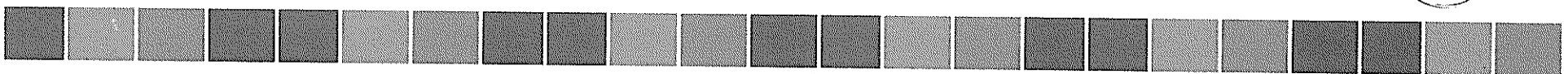
March 2012 Central Coast Domestic Omnibus Survey – Wyong		%
<i>Population Base</i>		104,061
GENDER		
Male		47.3
Female		52.7
AGE		
18-24 years		10.3
25-34 years		14.7
35-49 years		27.3
50-64 years		23.1
65+ years		24.6
WORK STATUS		
Paid full-time employment		34.7
Paid part-time/casual employment		19.9
Looking for paid employment		1.5
Full-time/part-time student		4.2
Home duties		6.7
Pensioner/retired		32.8
Refused		0.2
ADULTS IN THE HOUSEHOLD		WORKING ADULTS IN THE HOUSEHOLD
0	—	27.6
1	14.0	24.1
2	53.3	30.6
3	15.7	9.2
4	11.6	6.2
5	4.2	2.2
6	1.3	—
LOCAL GOVERNMENT AREA OF RESIDENCE		
Wyong		100

Your Place, Your Say, Your Future

Your values, your choice

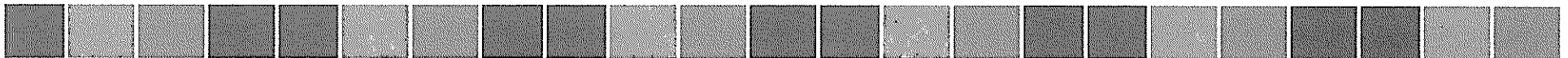
Today we will:

- Briefly consider the situation with regard to services, long term financial planning and community aspirations.
- Understand existing community input on what we value.
- Identify the services we think are most important for our future
- Identify the most important activity areas, or groups of services



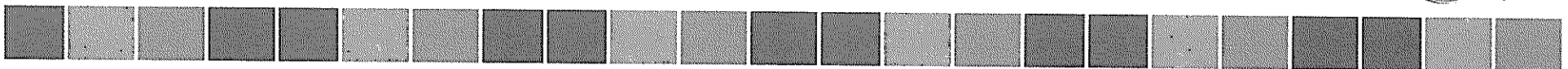
The Question Council wants to answer

- What level of service meets the needs and aspirations of the community while achieving the best balance between:
 - Cost and willingness to pay
 - Long term financial sustainability
 - Impact on current and future residents and ratepayers



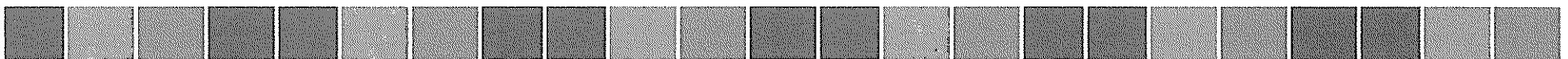
Understanding your needs & wants

- So we can all pursue the quality of life we seek
- So Council can better plan services for the future
- So we can ensure the best use of the ratepayer's dollar.
- So everyone knows what can be done & what can't



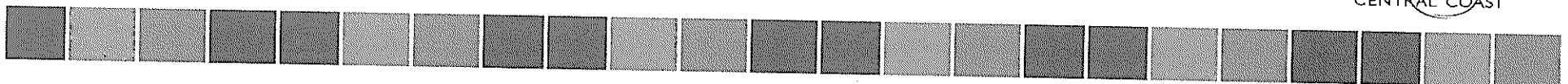
At this workshop we will:

- Consider what Council's financial position means for you.
- Gain your input to understand what you value
- Identify what services you think are most important
- Identify what areas (groups of services) are most important to you



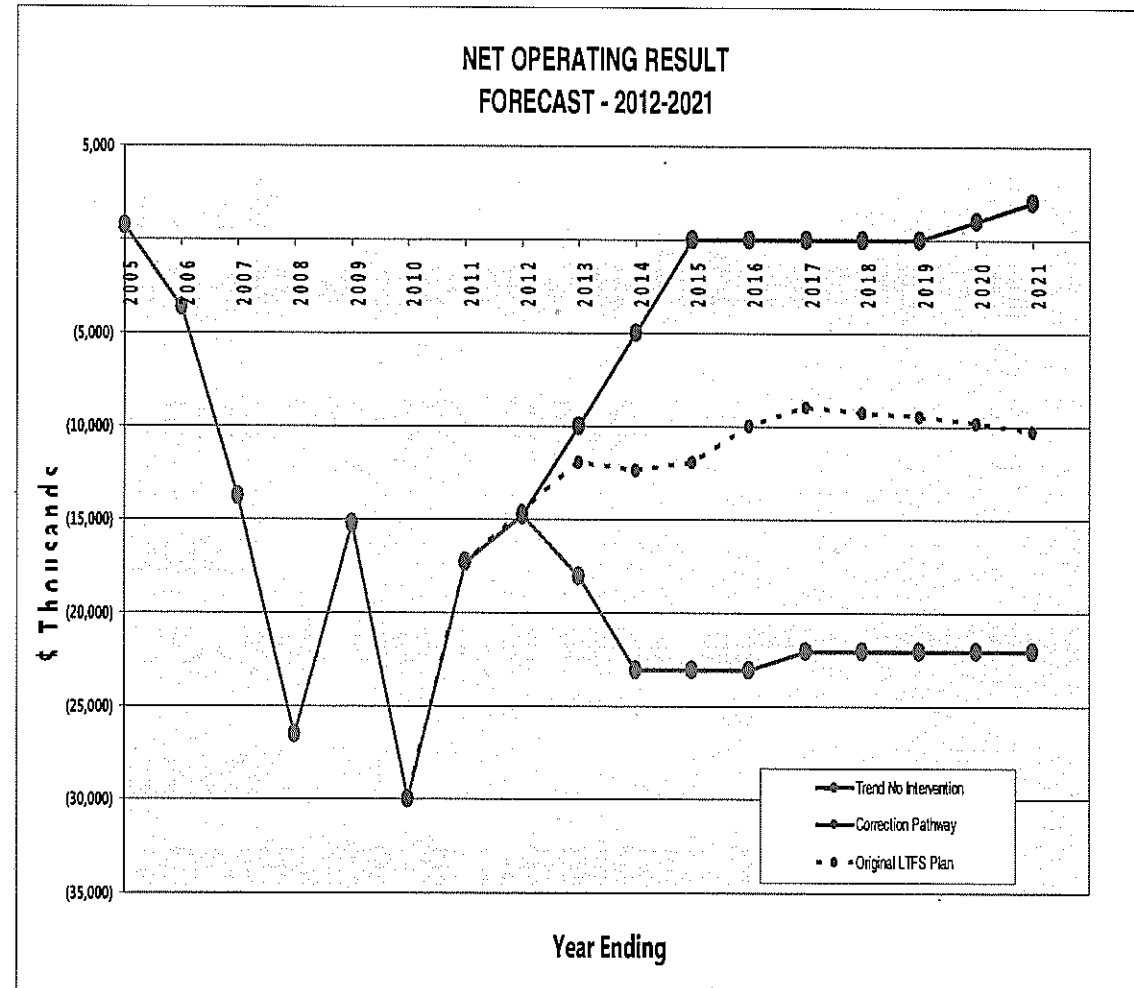
Outline

- **PART 1**
 - Council's current financial position
 - Our actions to regain financial sustainability
- **PART 2**
 - Workshop: Your say on Council's services



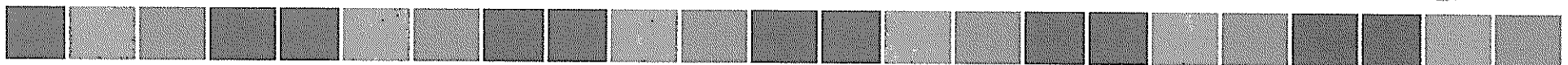
Financial Opportunities and Challenges

- Net Operating result
- Information technology
- Cost shifting from other levels of government
- Corporate Measures and reporting
- Partnerships
- Central Cost Water Corporation



Balancing the Budget

- Council is working towards a healthy financial future for Wyong Shire.
- Council has more money going out than coming in for daily operations.
- Assets need to be kept up-to-date
- Council is committed to an operating result of break even by 2014./15



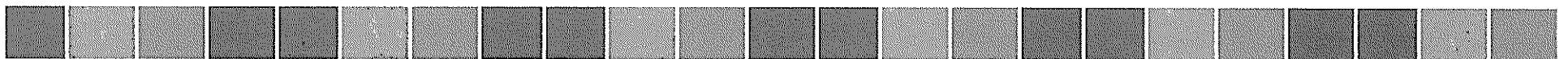
Keeping costs down.

- Reduced the deficit from \$30million to <\$15million in 18 months.
- \$2.165m one-off reduced fleet costs
- \$1.0m annually- reduced staff costs
- \$300k annually- reduced legal costs
- \$250k annually- reduced use of consultants



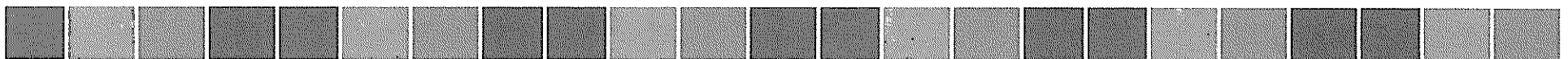
Keeping costs down.

- Reduced road patching costs from \$118 m2 to \$21m2
- In-field technology to improve productivity
- Energy cost savings- lighting and air conditioning in the Civic Centre and other Council buildings.
- Myriad of other tiny improvements

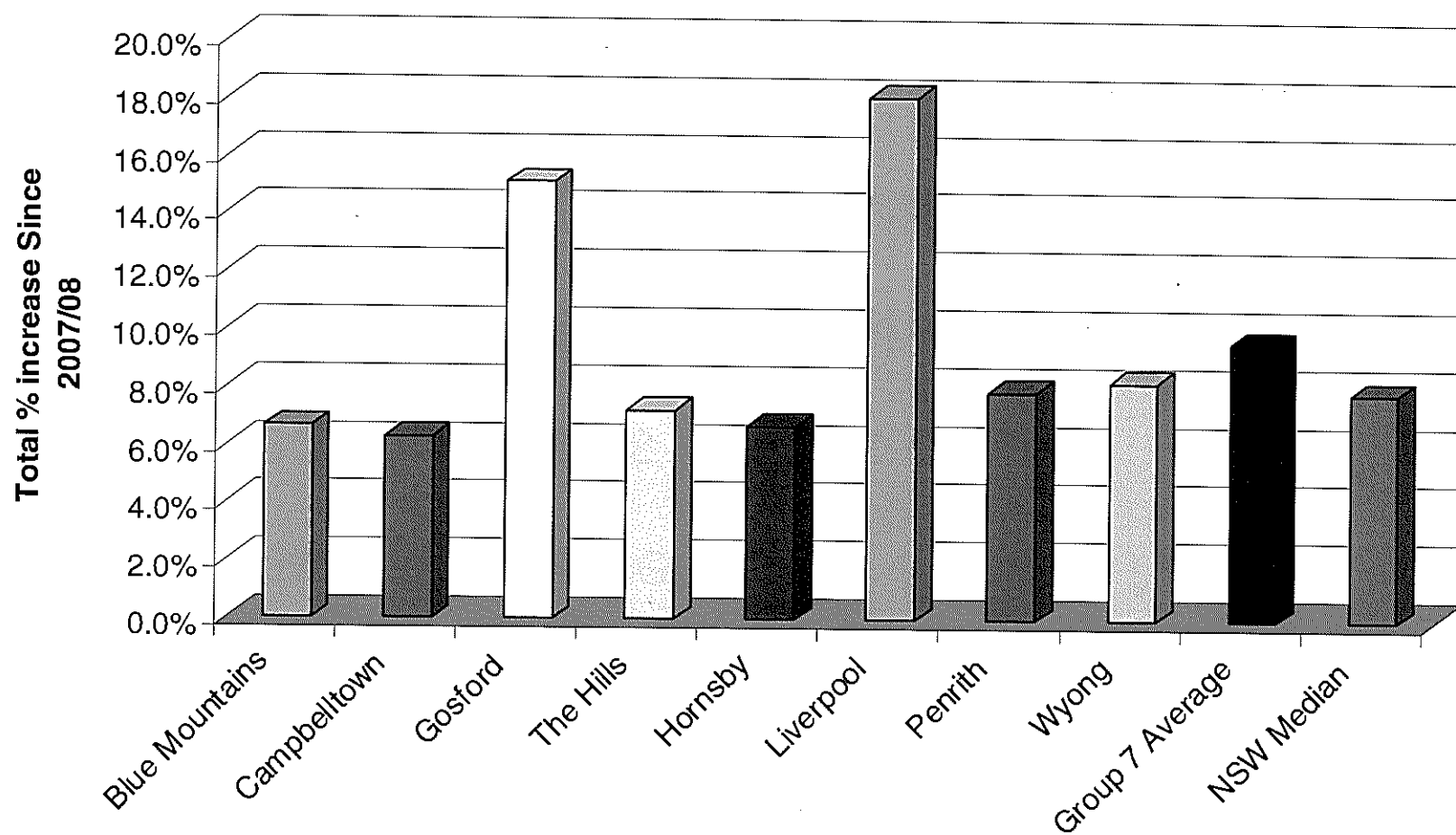


Competing Needs

- Materials spend low against other Councils
- Borrowing costs very high against NSW
- Depreciation costs high vs others
- Asset replacement way behind.
- Roads need \$140m to catch up

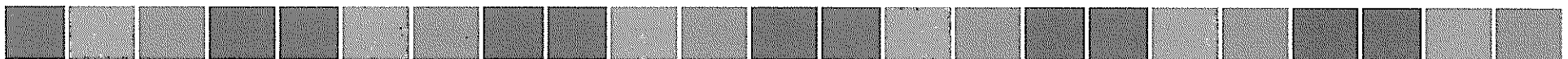


Average Overall Rate Increase Per Residence Since 2007/08



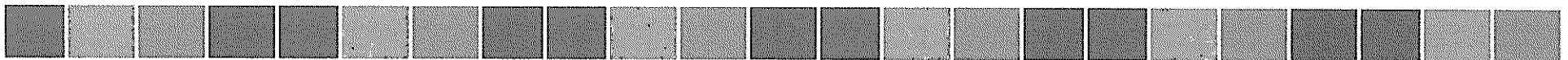
What Next?

- Council still has \$15m deficit to tackle. Something's gotta give.
- We need your help to reach break-even.
- What Council services do you value ?
- Remember – better/more services = cost
- A Service Standard Review



What do we want to know?

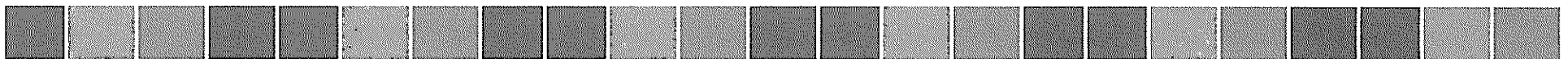
- Which Council services do you think are really necessary for your life's needs?
- What qualities in those services are needed?
- How much are you willing to pay?
- Would you discard some for better quality in others?
- Which one would you exchange?



What Happens Next?

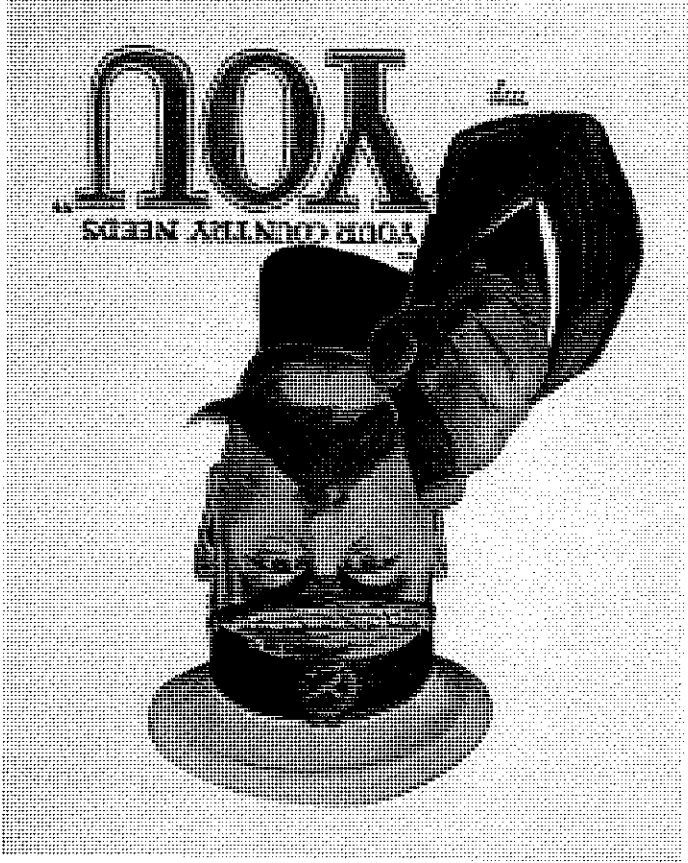
Working with the Community to:-

- Review the values and priority areas
- Develop scenarios for different levels of service.
- Identify the scenario that strikes the best balance between what you want & our capacity to pay for it.
- Councillors will then plan how to proceed.
- Maintaining or increasing current services levels will need to be funded in some way.



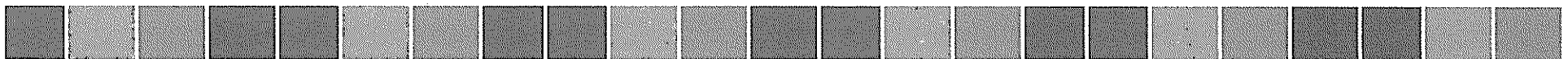
Your role is vital to:

- Help us understand what our community values (Phase 1 – May 2012)
- Help us prioritise the range of services Council provides (Phase 1 – May 2012)
- Help decide which service mix provides the best balance for our community (Phase 2- October/November 2012)



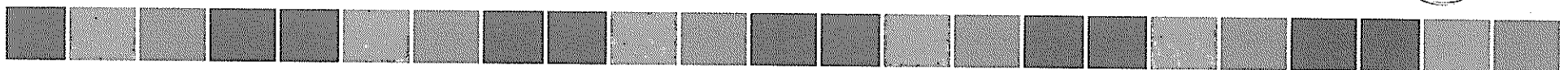
Considering what you have just seen and heard...

- Did anything strike you as interesting, significant, surprising?
- Is there anything you strongly agree with? Why?
- Is there anything you strongly disagree with? Why?



Now we will...

- Look at the Principal Activities, or groups of services
- Identify some success factors
- Identify the services within those Principal Activities that best deliver success
- Identify the Principal Activities that are most significant to you and your lifestyle

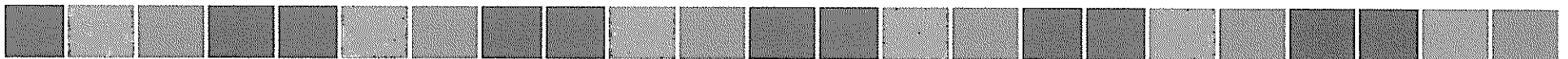


Principal Activities:

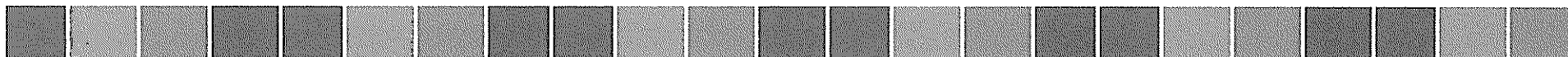
- Community & Education
- Community Recreation
- Governance
- Economic & Property Development
- Regulatory & Land Use
- Environment
- Waste
- Roads & Drainage
- Water & Sewerage



**I value a clean, safe place for my children
to swim**

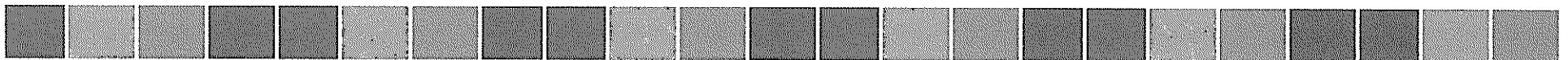


I value modern, affordable sports facilities



With the people around you...

- Take the Principal Activity assigned to you
- Find a space for a conversation
- Briefly talk through what that Principal Activity covers



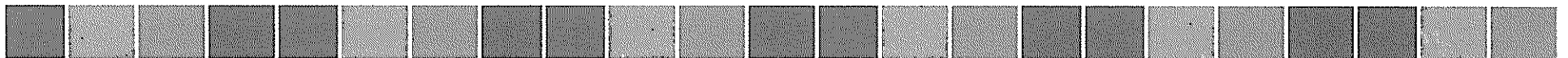
In groups of 3...

- Share a story of how this Principal Activity adds value to your life in Wyong Shire
 - What would happen if you didn't have it?
 - What does it do for you now?
 - If it was the best in the world what would it do for you?



Brainstorm on your flipcharts...

- List your responses to:
 - When done at its best, this Principal Activity contributes to my life by providing or delivering...



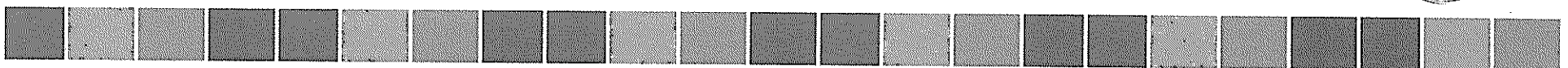
The services that comprise that Principal Activity

- As a group...
 - Review the service list within your Principal Activity
 - Which services contribute most to the elements of success you previously listed?
 - Prioritise the services within your Principal Activity



Prioritising across Principal Activities

- Review all the outputs on the wall
- Which Principal Activity makes the most important contribution to your life in Wyong Shire?
- Individually, distribute your dots across the Principal Activities to prioritise them. Where do you put your 'votes'.

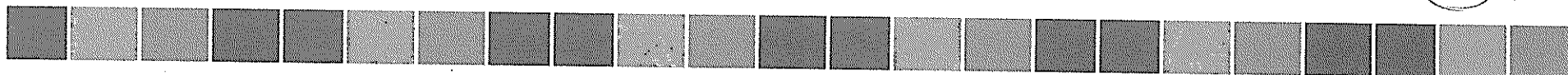


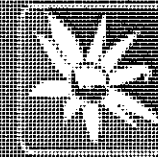
Where to from here?

- Three community workshops
- On-line Survey
- Lots of other engagement to prioritise services and activities
- Provide guidance in the long-term financial planning of the Shire



Thank You





Wyong
Shire
Council
CENTRA 13441

Your Place. Your Say. Your Future.

Deliberative Working Group 2
16 October, 2012

Welcome - Tonight's Objective

- The preferred Scenario
- Review of the criteria
- Learn and think about the scenarios
- Provide your advice



Recap Session 1

- What did you see last week? What do you see in the reading material?
- What stands out?
- What is important about that?
- What does that tell us about tonight?



The Criteria

- Review the draft criteria
- What is important about each criterion?



From last week

- What rates are we talking about?
- Can we trust the figures?
- Are these the only options, why not 5 or 7?
- Why were these options chosen?
- Why the 7 year period?



Context - Ordinary Rates – Average Bill

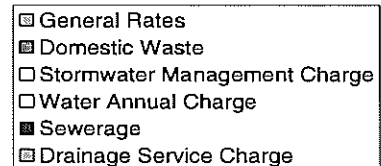
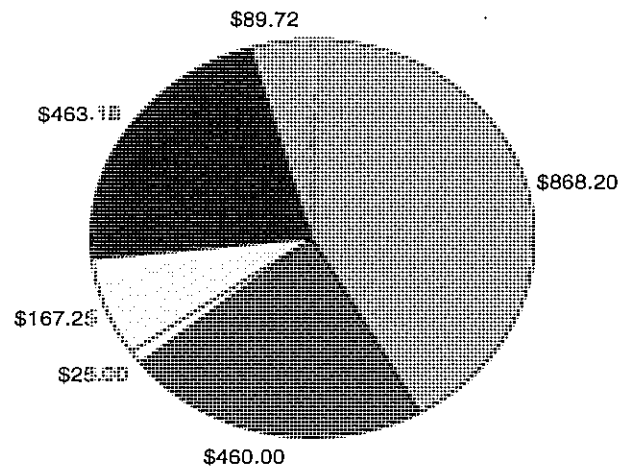
Average Ratepayer

Land value

\$185,104

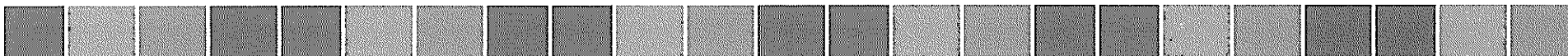
Category	
2012/13	\$
General Rates	\$868.20
Domestic Waste	\$460.00
Stormwater Management Charge	\$25.00
Water Annual Charge	\$167.25
Sewerage	\$463.18
Drainage Service Charge	\$89.72
Sub-Total	\$2,073.35

Wyong Council average rates notice

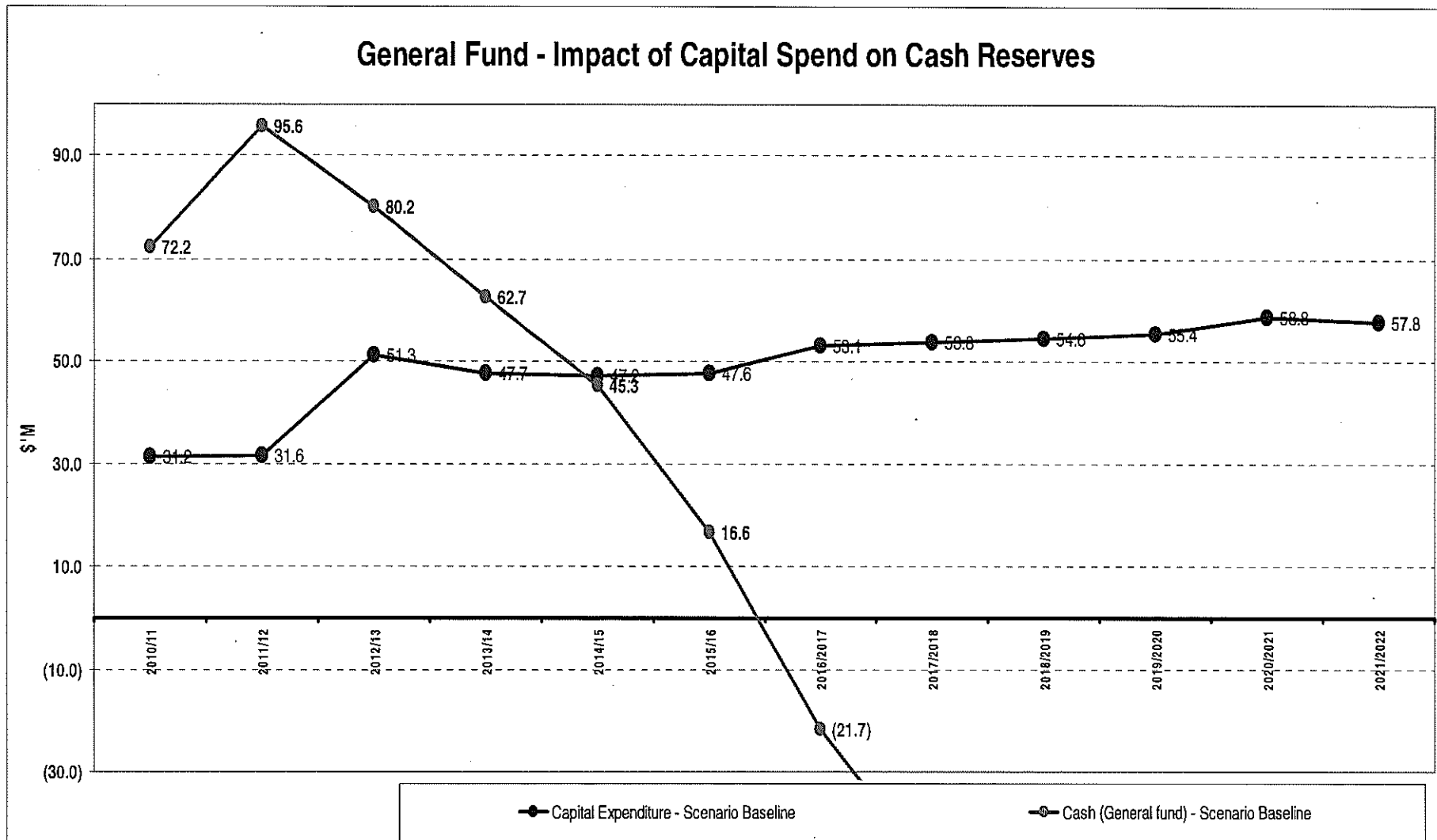


Wyong
Council

CENTRAL COAST



WSC Current Long Term Financial Plan has General Fund Cash exhausted by 2016



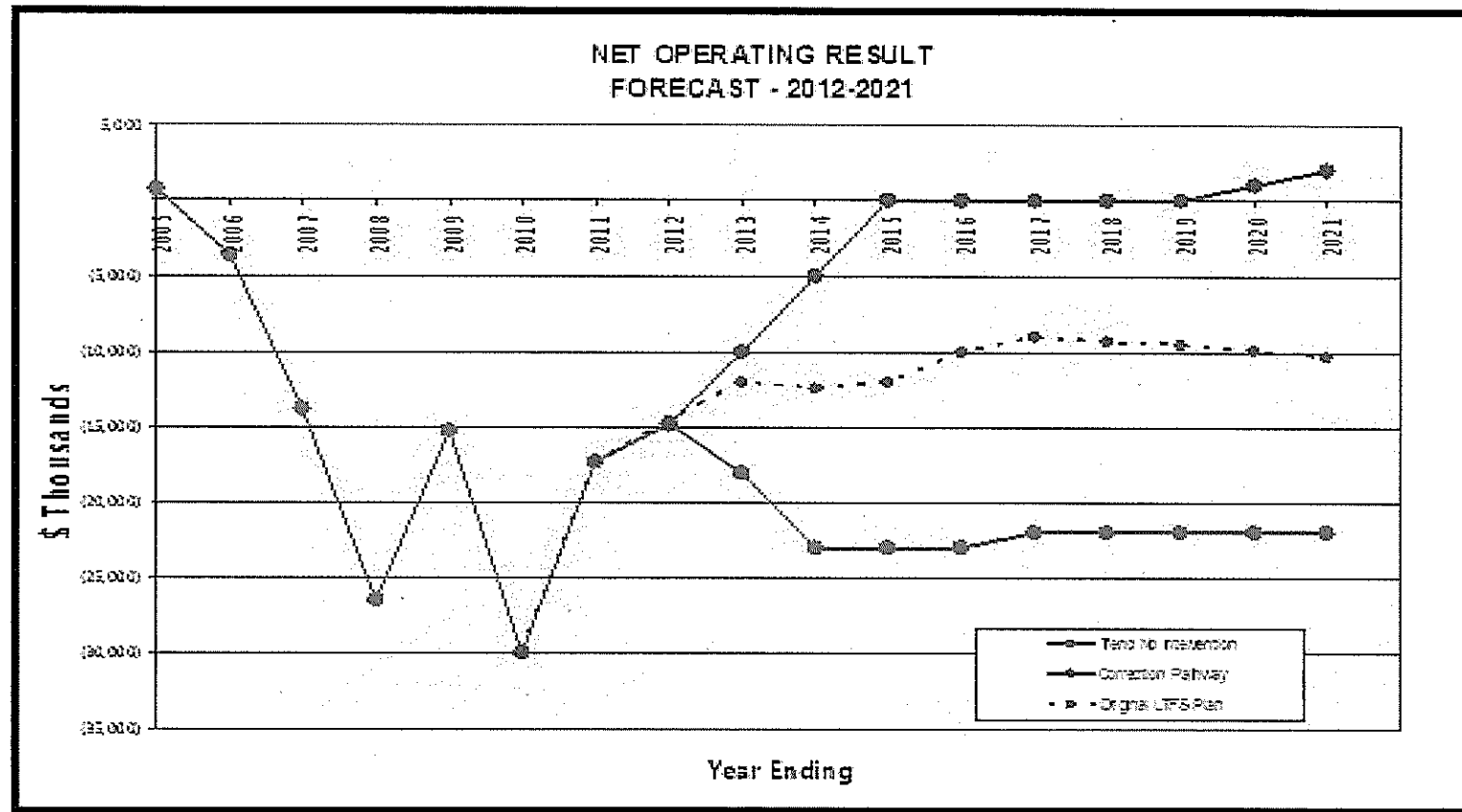
CENTRAL COAST

NSW Treasury (T-Corp) Report confirmed the management view that something had to change – Direct Quote:

- Although Council has strong debt servicing abilities, as indicated by its high forecast DSCR and Interest Cover Ratios, its **cash and investment levels are forecast to be exhausted by 2016.**
- This is a **serious liquidity issue** which Council needs to consider, develop options and remodel. Should Council consider **adjusting its capital expenditure program to an affordable level, source additional operating cash flow or reduce operating cash expense**, then additional borrowing could be considered.



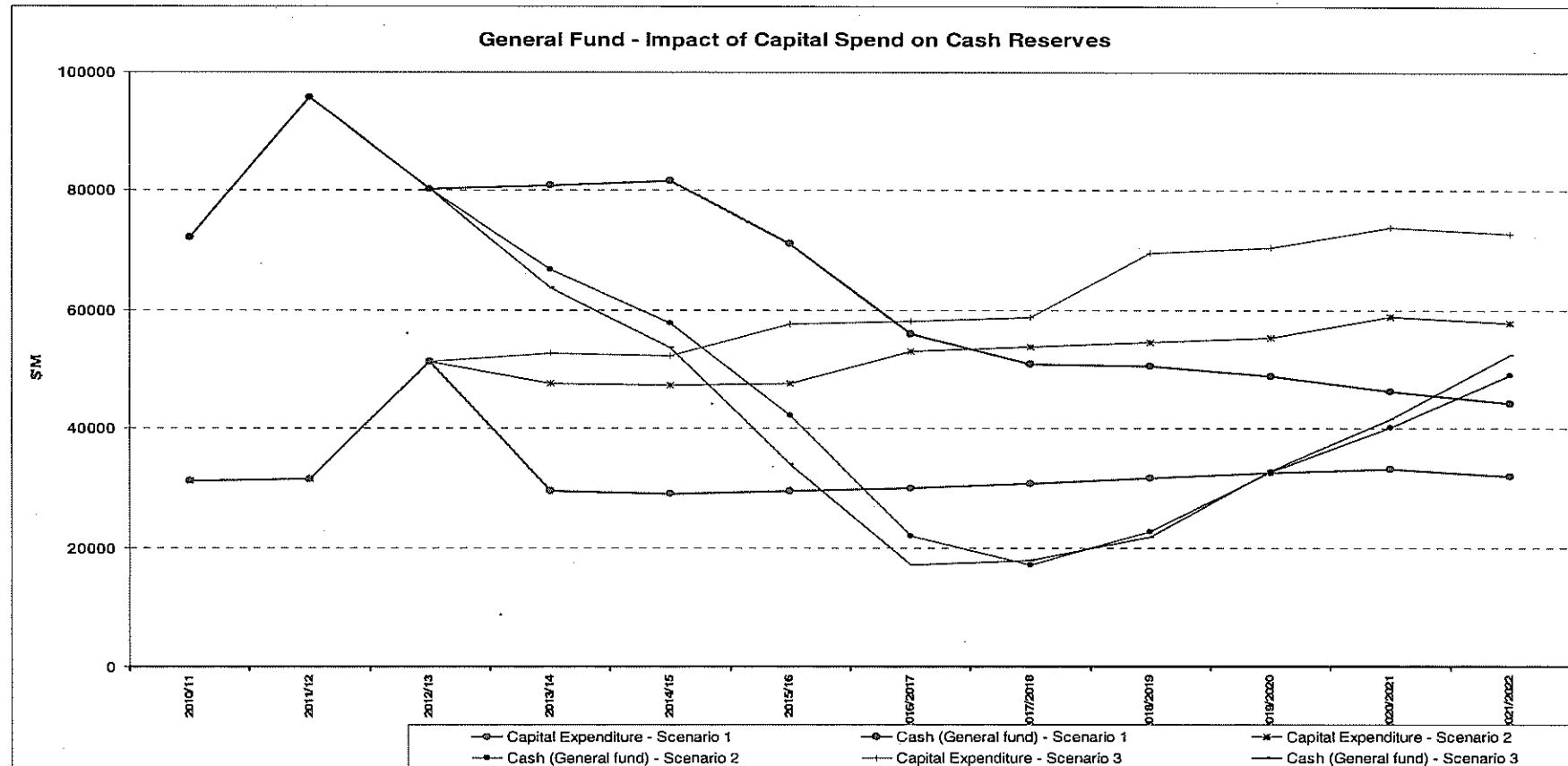
Management has come a long way, but ultimately even breaking even doesn't close the service gap



- Even when WSC break even in 2015, operations will only be generating around \$25-30m in cash-flow to spend on Capital Works (Spending \$89m this Year)



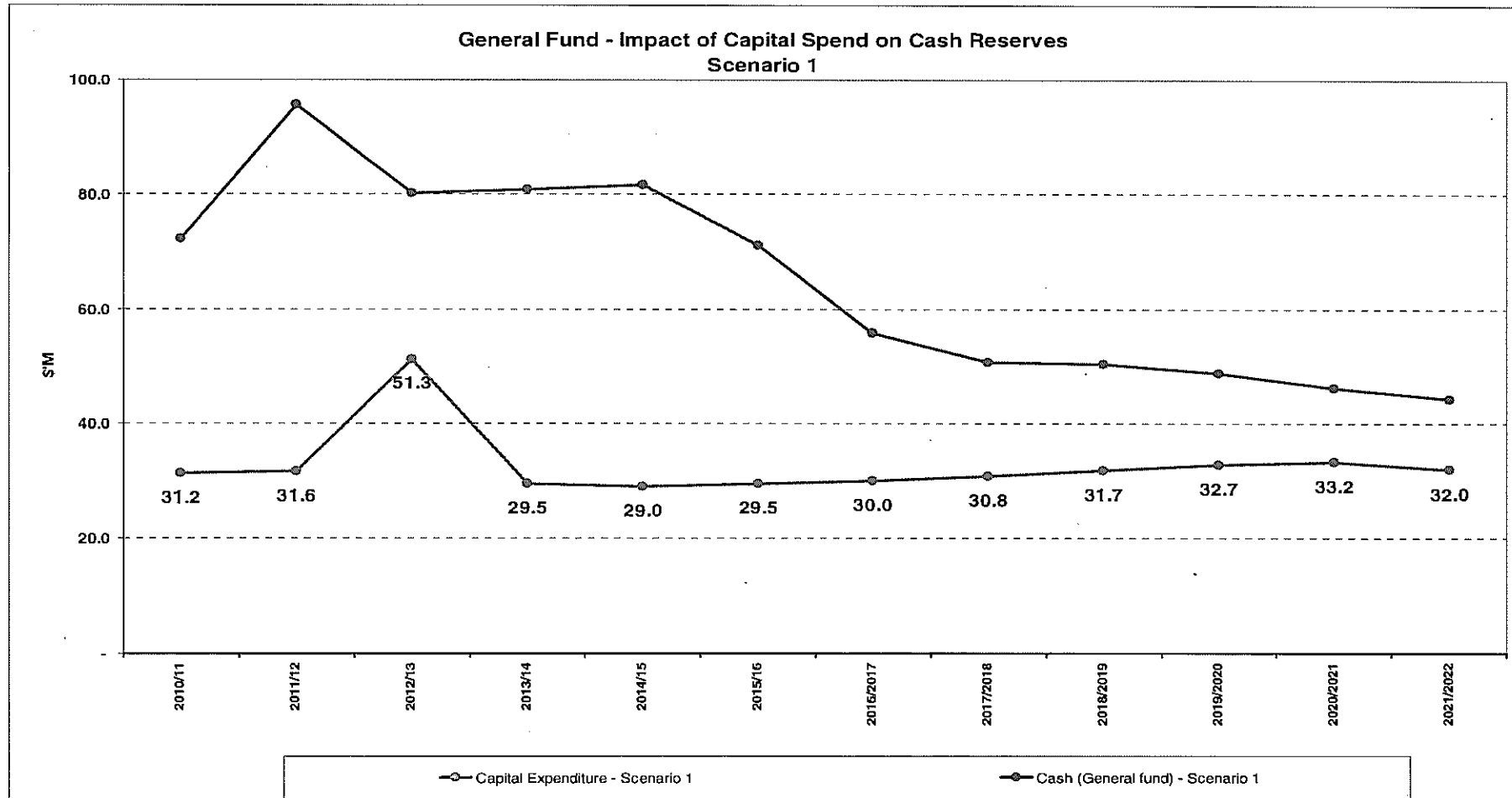
Numerous Scenarios were examined.
3 were chosen as preferable.



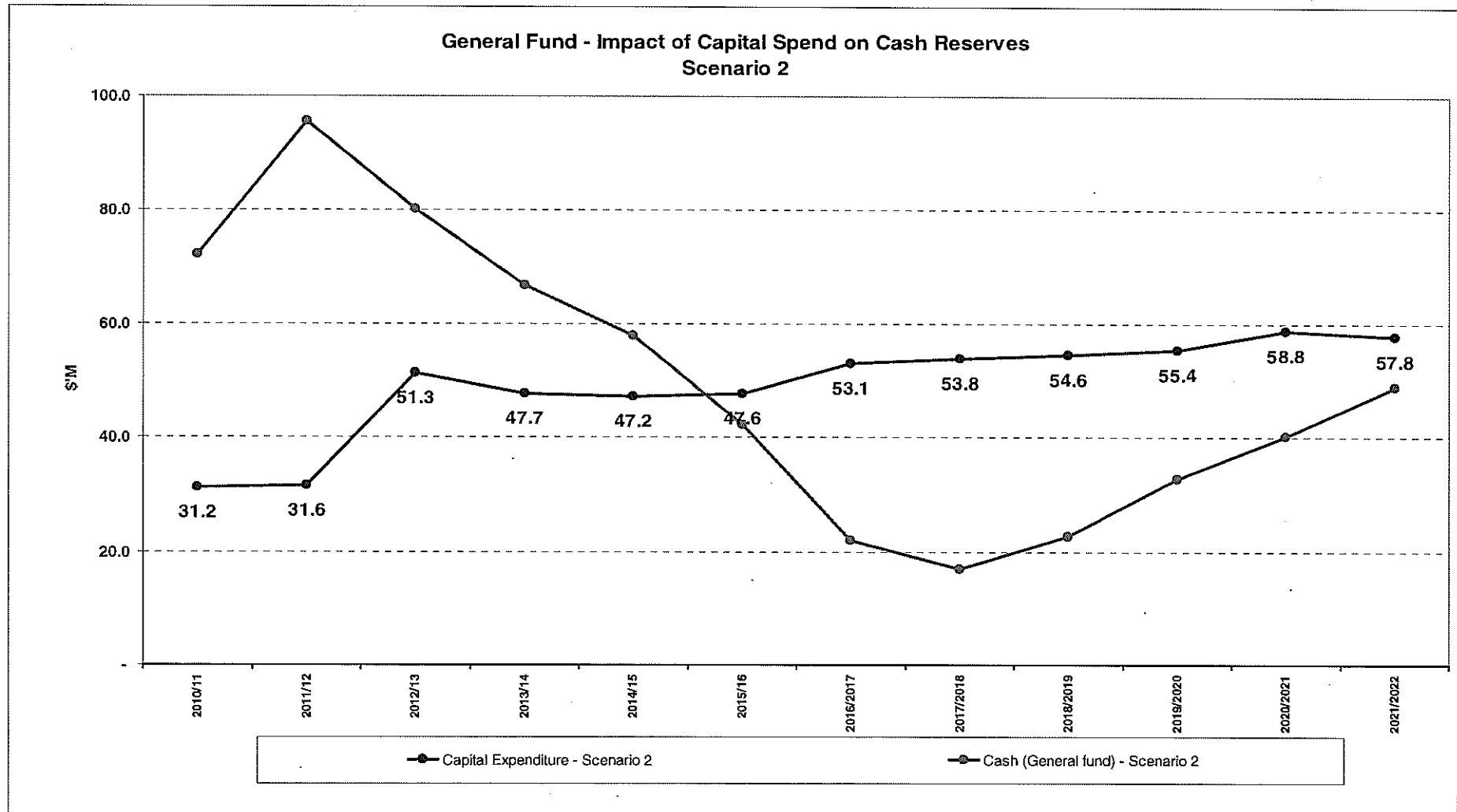
Focus on sustainability and having appropriate cash reserves to cater for unforeseen risks in the long term



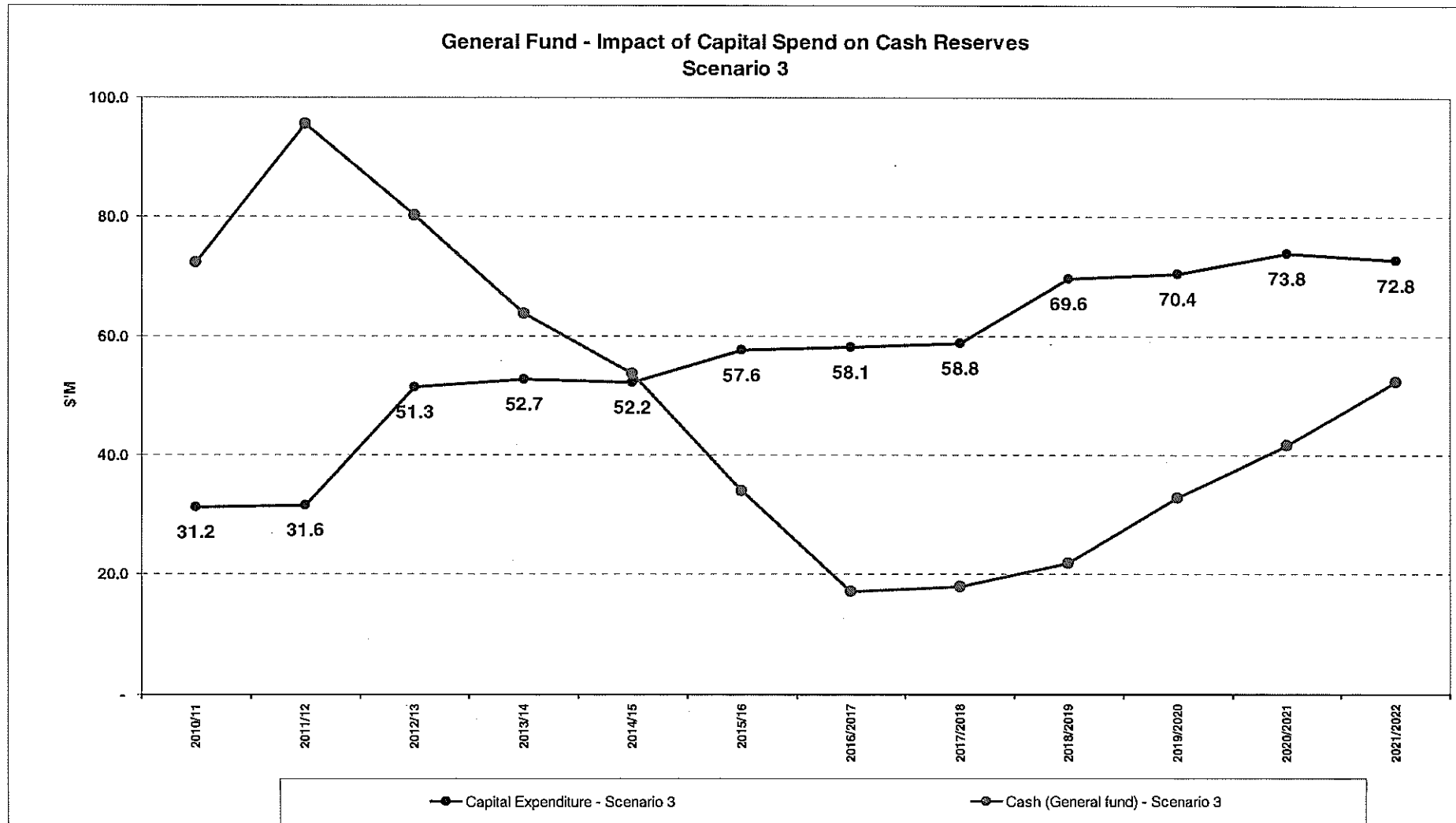
Scenario 1 models no new income, but reduced Capital Spend levels



Scenario 2 models 6.5% annual increase in rates (above the peg), so that Capital Spend meets the levels needed to close the asset gap



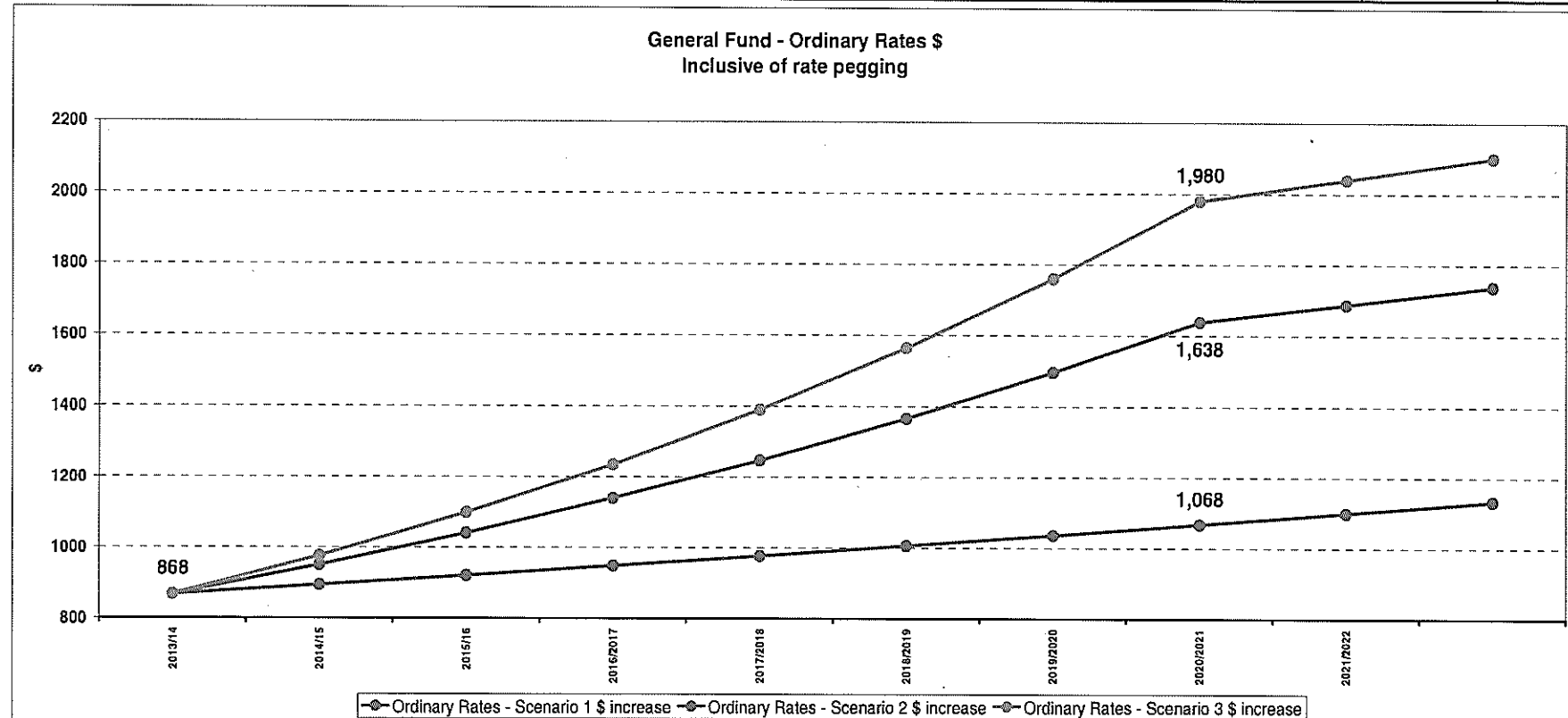
Scenario 3 models 9.5% annual increase in rates (above the peg), to increase Capital Spend levels to improve services



What does this mean to my Annual Ordinary Rates?

General Fund

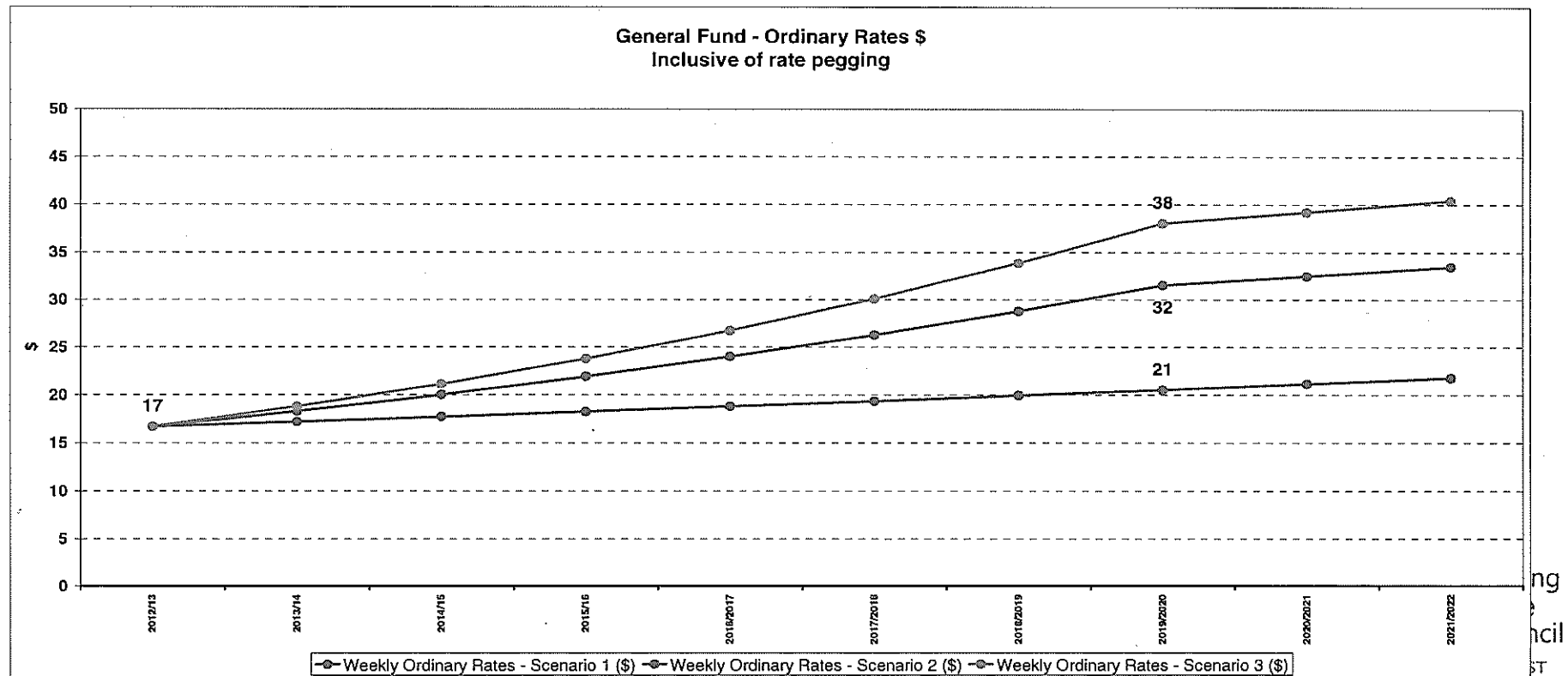
Average Ordinary rates - aggregate	2012/13 \$	2013/14 \$	2014/15 \$	2015/16 \$	2016/2017 \$	2017/2018 \$	2018/2019 \$	2019/2020 \$	2020/2021 \$	2021/2022 \$
Ordinary Rates - Scenario 1 \$ inc	868	894	921	948	977	1,006	1,036	1,068	1,100	1,133
Ordinary Rates - Scenario 2 \$ inc	868	950	1,041	1,140	1,248	1,366	1,496	1,638	1,688	1,738
Ordinary Rates - Scenario 3 \$ inc	868	977	1,099	1,236	1,390	1,564	1,760	1,980	2,039	2,100



Long
Fire
Council
East

What does this mean to my WEEKLY Ordinary rates cost?

Average Ordinary rates - aggregate	2012/13 \$	2013/14 \$	2014/15 \$	2015/16 \$	2016/2017 \$	2017/2018 \$	2018/2019 \$	2019/2020 \$	2020/2021 \$	2021/2022 \$
Weekly Ordinary Rates - Scenario 1 (\$)	17	17	18	18	19	19	20	21	21	22
Weekly Ordinary Rates - Scenario 2 (\$)	17	18	20	22	24	26	29	32	32	33
Weekly Ordinary Rates - Scenario 3 (\$)	17	19	21	24	27	30	34	38	39	40

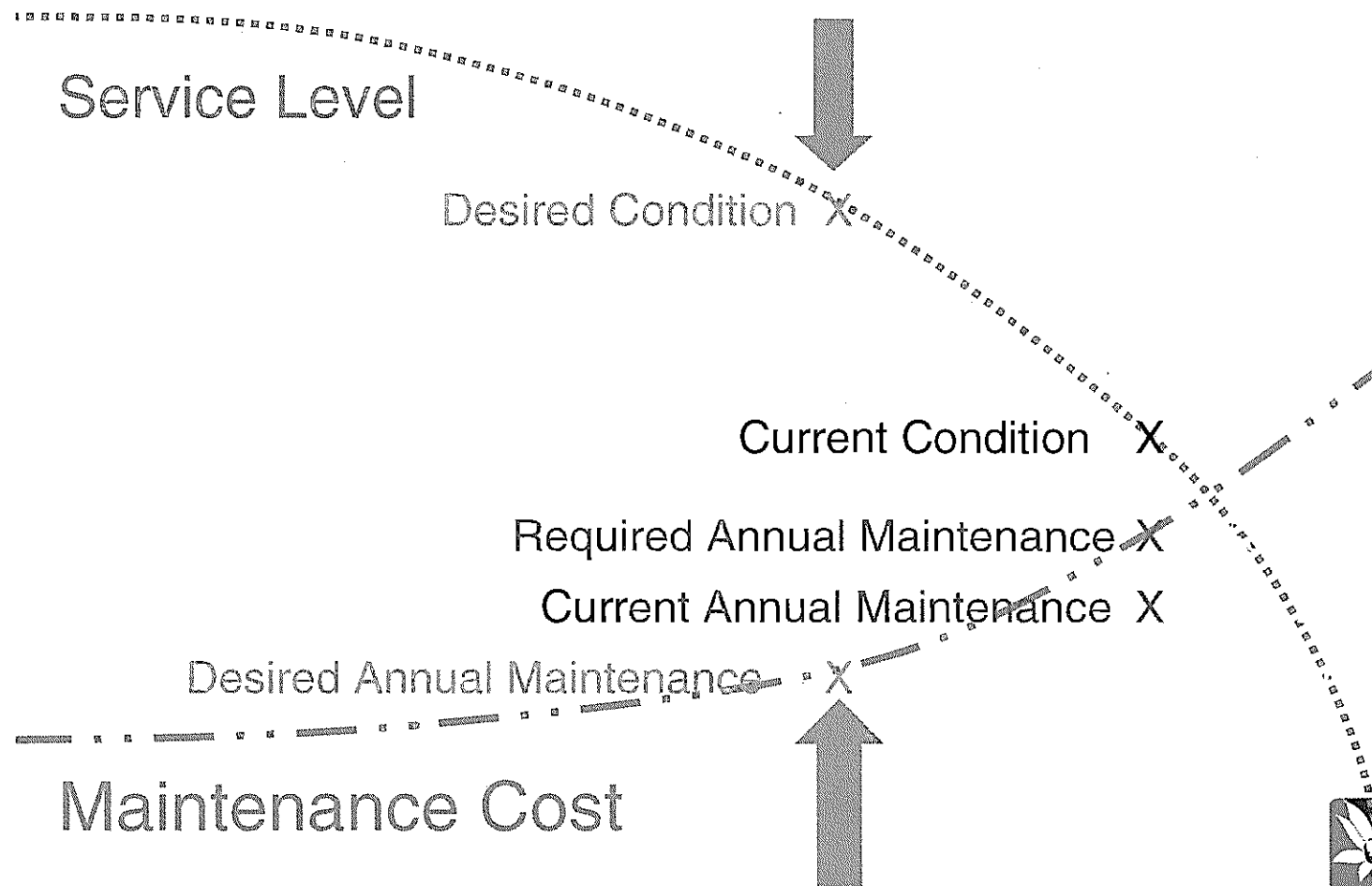


The Scenarios

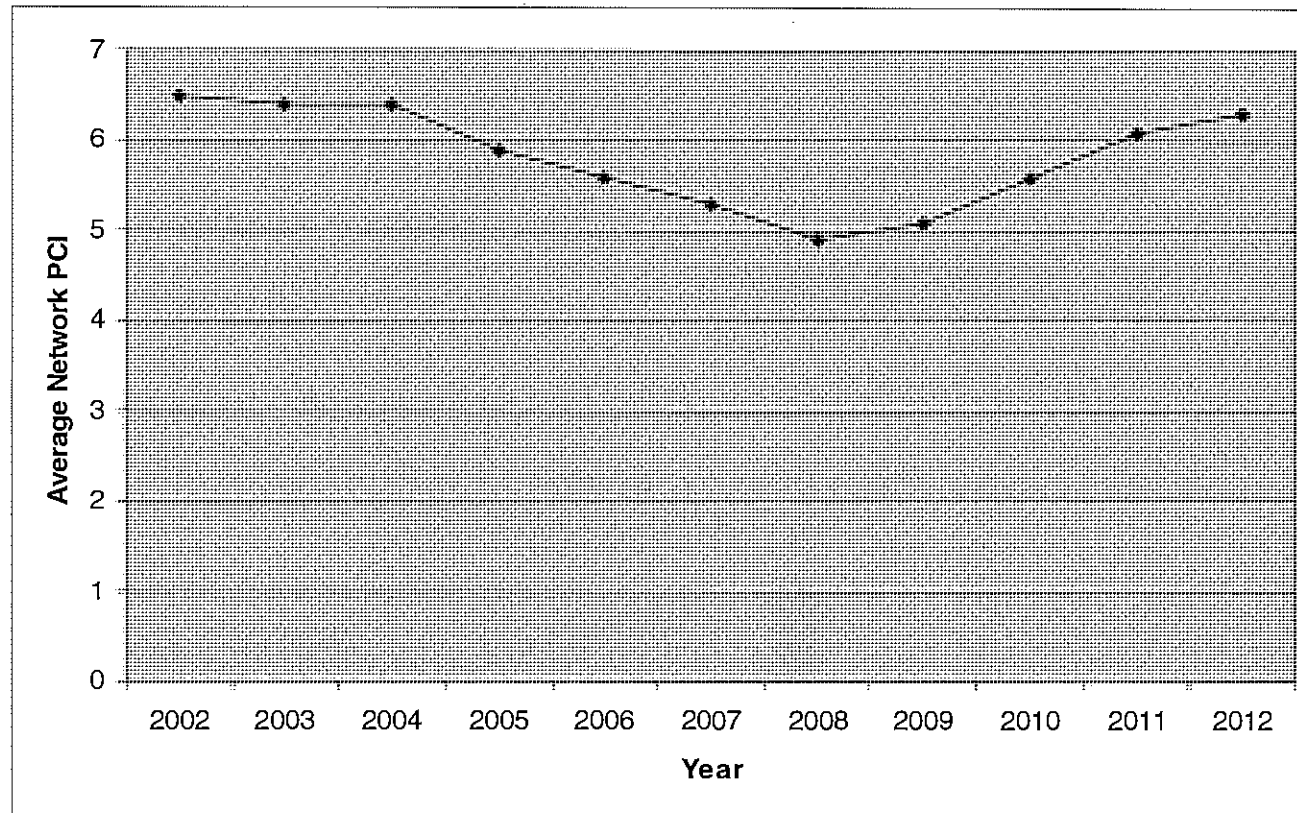
- What do I get under each Scenario



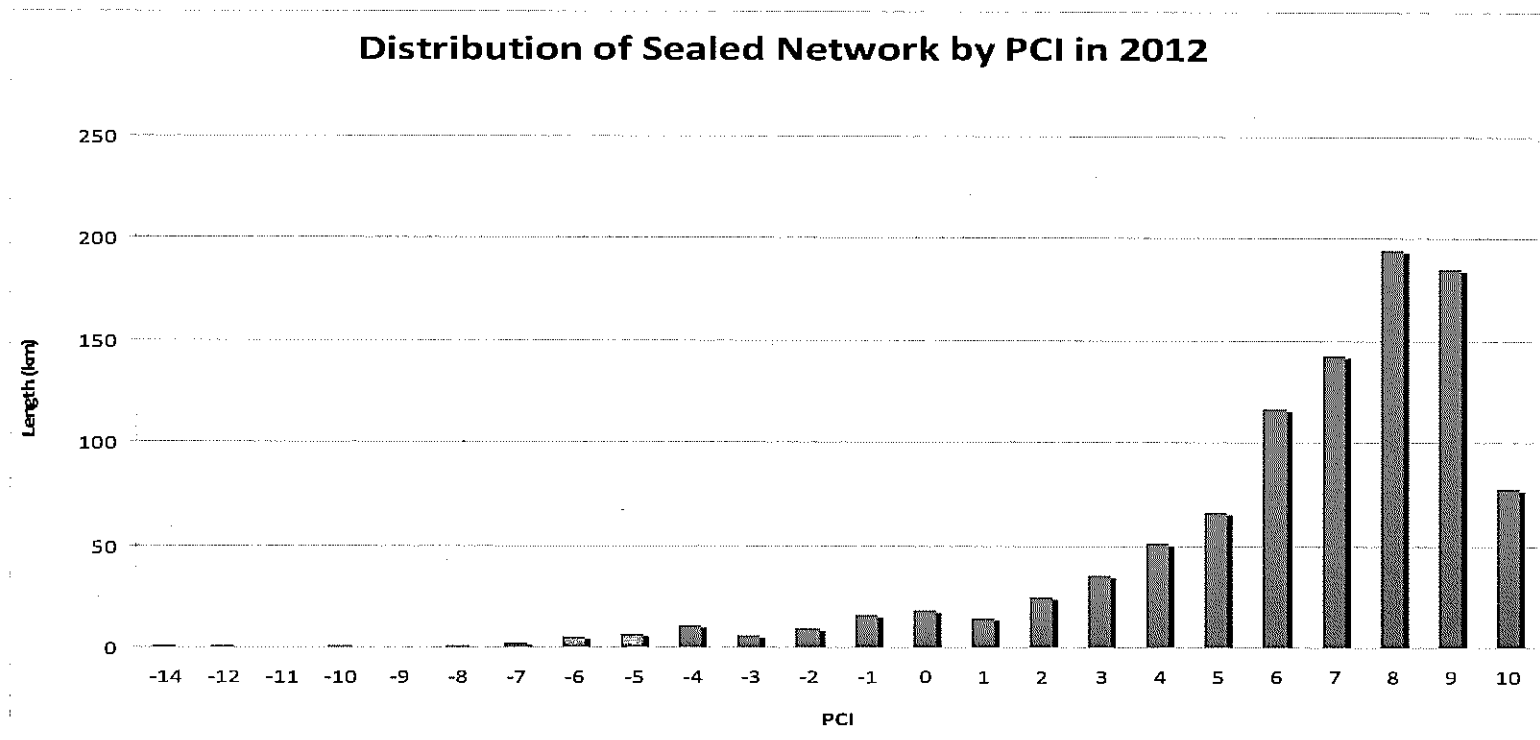
Average Asset Condition and Annual Maintenance Costs
Better condition = reduced maintenance cost



PCI deteriorated for many years but has now turned around – note this is average PC I



Range of PCI over the network by road length



Scenario 1 – no change to income

- In this scenario, the asset LTFP is not affordable
- No capacity to close the asset gap
- No capacity to fund work on natural assets
- Minimum CAPEX should be \$25.2M (depreciation), all spent on renewal work
- Allow for \$4.3M for necessary new or upgrade works each year
- No significant new works



Scenario 1 – no change to income

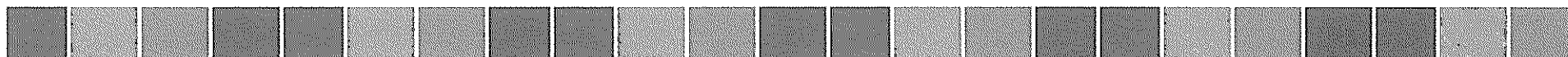
- The asset gap will not close and maintenance costs will rise as the asset condition worsens
- Asset condition will deteriorate – e.g. road PCI will return to the downward trend of pre 2008 and fall to between 4 and 5 by 2020



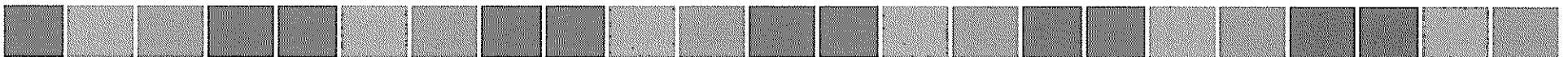
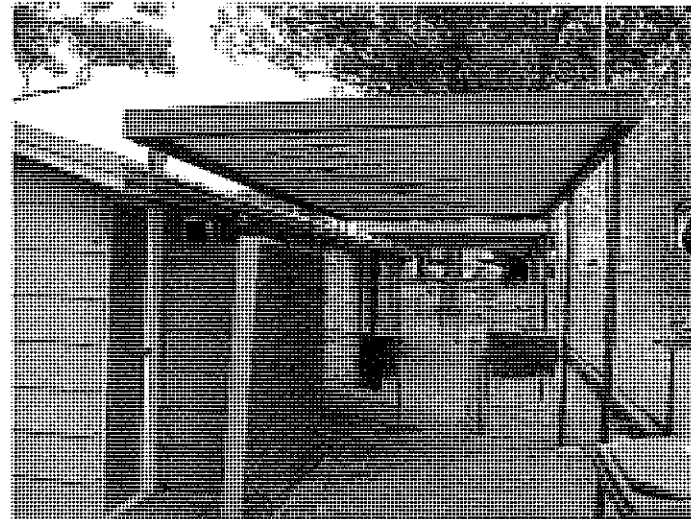
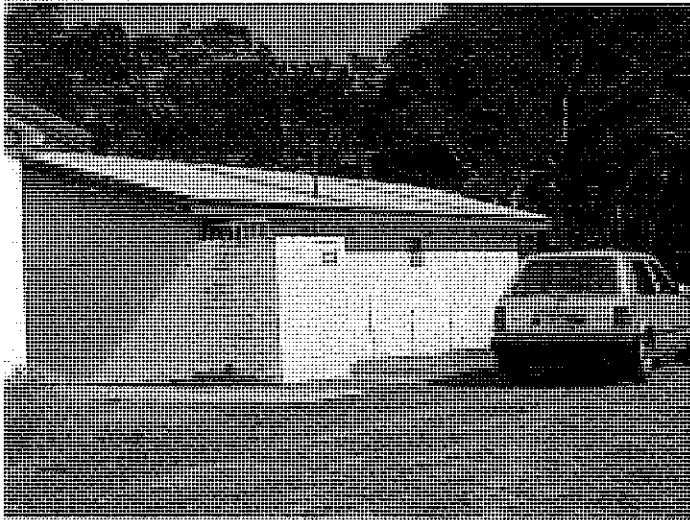
Scenario 1- Very poor road condition



Scenario 1 – Poor road condition



Scenario 1 - Building in poor condition



Scenario 2 -real increased income of 6.5% above Rate Peg each year over 7 years

- Cap CAPEX at affordable cash level of \$47.7M
- Allow \$3.5M for necessary new and upgrade work
- Asset condition will improve



Scenario 2 -real increased income of 6.5% above Rate Peg each year over 7 years

After 7 years, when the CAPEX gap is closed:

- (a) asset maintenance can be reduced from \$17M to \$14M (nearly close the maintenance gap)
- (b) the \$17M previously spent on closing the gap may be able be spent on new work



Scenario 2 – Fair road condition



Scenario 2 – Fair condition building



Scenario 3 - real increased income of 9.5% above Rate Peg each year over 7 years - renewals over 7 years and build new assets

- Cap CAPEX at affordable cash level of \$52.7M
- As per Scenario 2 but can now spend a further \$5.0M per year on new assets



What are the new works that may be affordable under Scenarios 2 and 3? (not S94 projects)

These include:

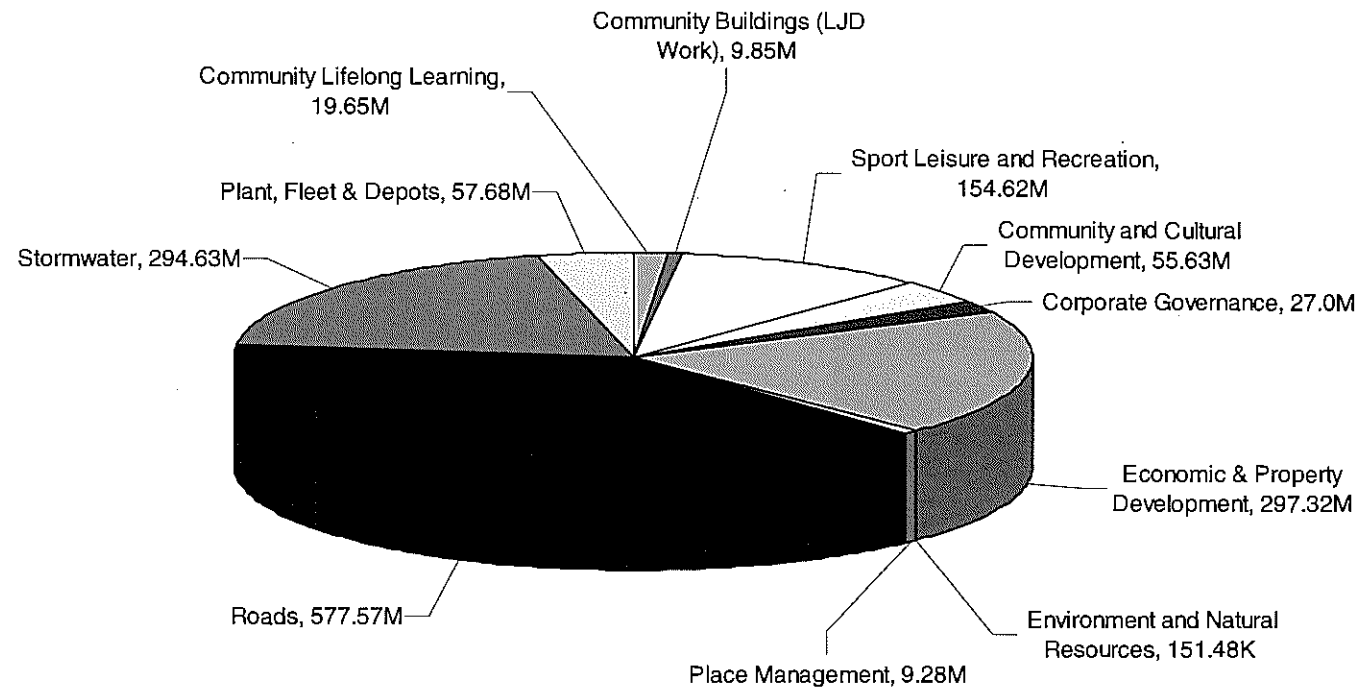
- Construct new Asset Protection Zones and Bushfire Trails \$15M
- Complete the Estuary Management Plan after the current funding expires \$80M
- Complete the Link Road \$35M
- Share pathway around the lakes \$8.2M
- New Kerb and Gutter \$140M
- New footpaths \$50M (to be updated)
- Town Centre Improvements \$100M
- Playgrounds and equipment \$50M
- Coastal renewal projects \$1.3M
- Upgrading fire prone bushland \$8M
- Renew SWT devices \$2.4M
- EMP foreshore revegetation \$3M
- EMP wetland rehabilitation \$2.8M
- EMP streambank rehabilitation \$2.5M



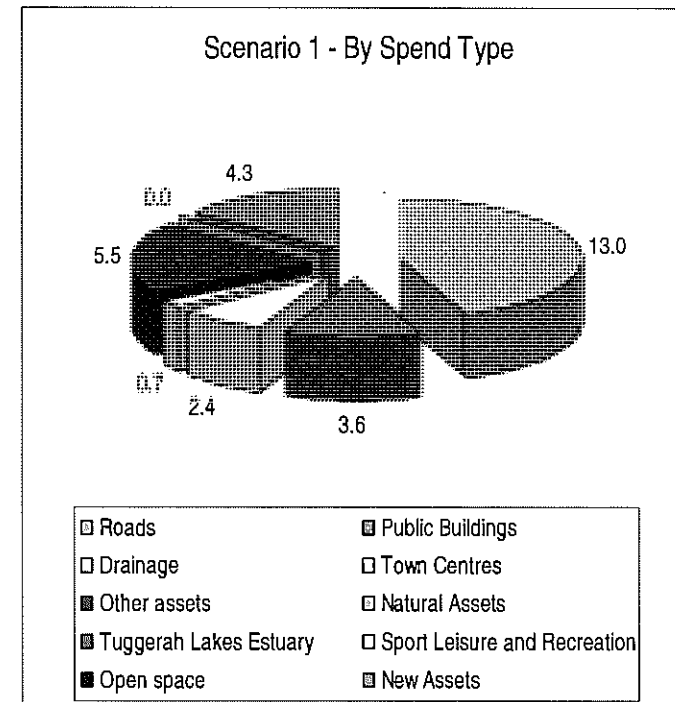
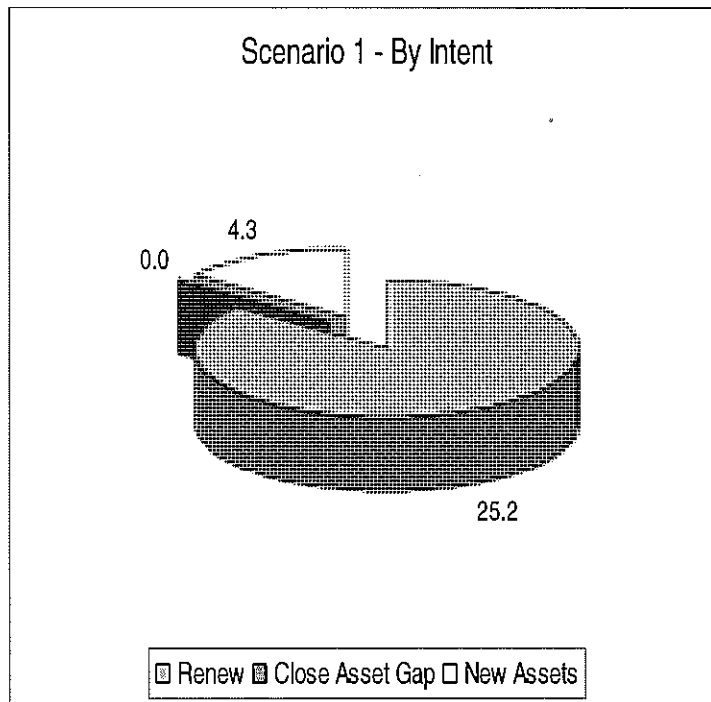
WSC Asset Portfolio 2012 –

Asset Value by Unit / Section

\$1.5B

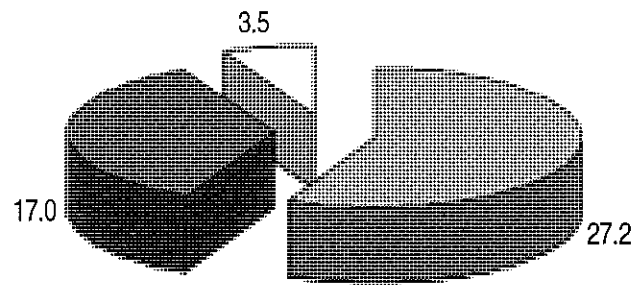


Where could the money go?



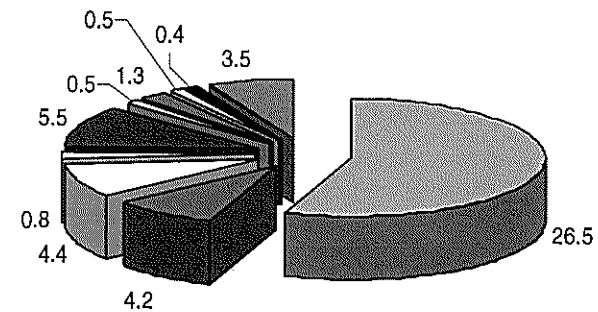
Where could the money go?

Scenario 2 - By Intent



☐ Renew
 ☐ Close Asset Gap
 ☐ New Assets

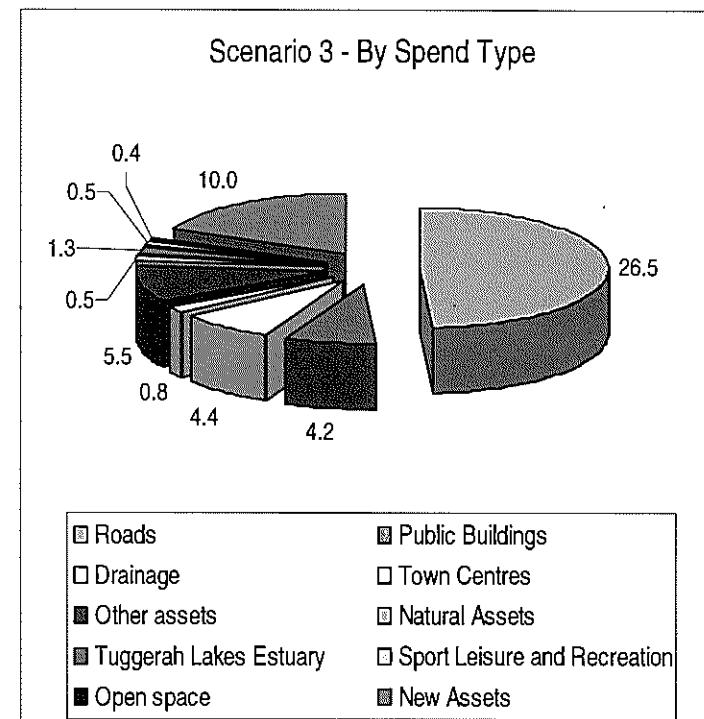
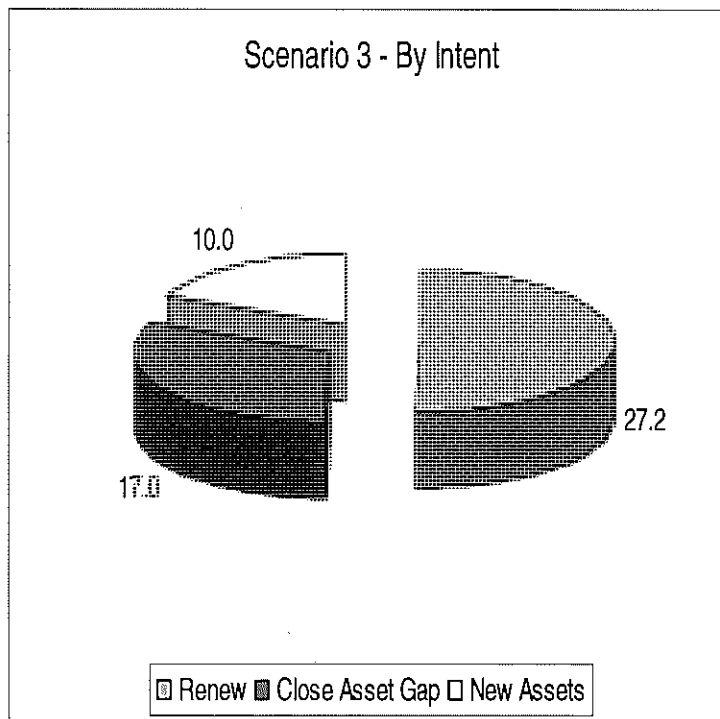
Scenario 2 - By Spend Type



<input type="checkbox"/> Roads	<input type="checkbox"/> Public Buildings
<input type="checkbox"/> Drainage	<input type="checkbox"/> Town Centres
<input type="checkbox"/> Other assets	<input type="checkbox"/> Natural Assets
<input type="checkbox"/> Tuggerah Lakes Estuary	<input type="checkbox"/> Sport Leisure and Recreation
<input type="checkbox"/> Open space	<input type="checkbox"/> New Assets

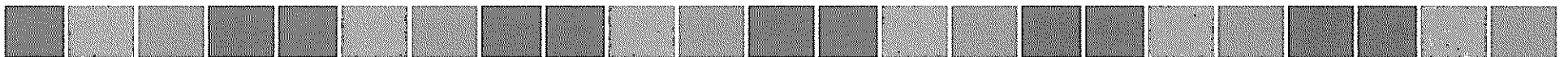


Where could the money go?



Exploring the Scenarios

- Group work



Options and alternatives

- More group work



Decision time

- Which is your preferred option?
- Why?



Where to next

- Report to Council 24/10
- Further community consultation in November?
- Council decision- SRV or not?



Your role in the next step.

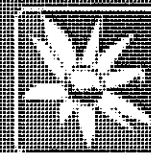
- Participate in the community consultation
- Encourage others to do the same
- Trust the process, explain the process
- How do we better engage?



Evaluation

- What worked, didn't work

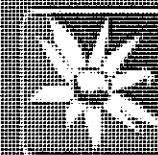




Woyong
Shire
Council

CENTRAL COAST

THANK YOU



Wyong
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Council

CENTRAL COAST

Your Place. Your Say. Your Future.

Deliberative Working Group
9th October, 2012

The Community's Need.....

- Rate-Pegging has severe impact on Council's \$\$\$
- Pop. growth has impacted demand for services.
- Operations and Assets are way behind need.
- What do we do?



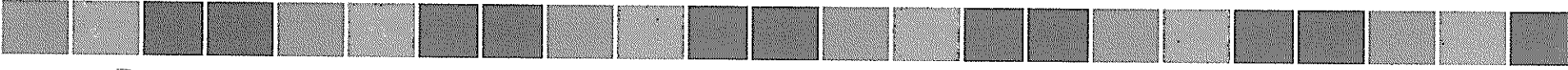
We have ...

- Talked with our community
- Understood their wants
- Compared wants with what is.
- Built on previous community input about services.
- Continue a partnership – the Deliberative Working Group



We can tonight ...

- Learn about the funding dilemma the community faces
- Learn about possible ways to resolve that dilemma
- Consider how the decision could be made
- Plan for next week's discussion on your preferred option.



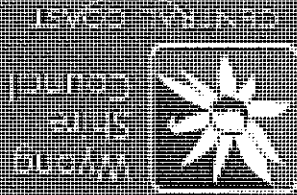
Council has a decision to make

- Effort to gain efficiencies almost completed
- Still a huge gap – how do we fund it?
- Balance needed between:
 - Meeting the aspirations of the community
 - Providing appropriate assets
 - The capacity and readiness of the community to pay
 - What are the income options?



= You

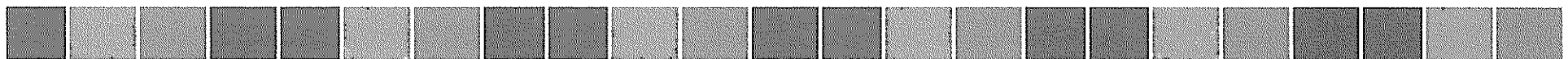
The Deliberative Working Group



Stuart Waters- Twyfords

DWG & the decision making process

- The role of the DWG
- Understand the situation
- Test the information and options
- Provide advice, recommendations
- Guide Council thinking



Council Decision-making

- Understand funding options
- Define preferences
- Provide informed advice for Council Report 24/10/12
- Seek Council approval for community consultation on options.
- Nov. 2012- Community Workshops, surveys (on-line, telephone, face to face, other options?)

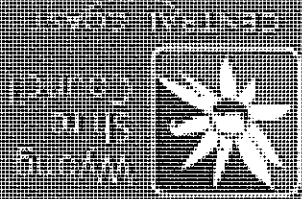


The Overall Process

- December- Council decides on funding option.
- Option built into 2013/14 budget
- Rate increase? = Special Rate Variation?
- Apply to IPART - closes 28 Feb.2013
- Stringent review by IPART
- IPART emphasis on community willingness to pay.
- IPART decision in June 2013
- Increases would apply from 2013/14



Questions, Thoughts, Discussion?



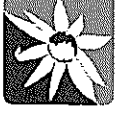
Maxine Kenyon- Director Community and Recreation Services

- The Service Gap
- Providing Services
- The Asset Gap



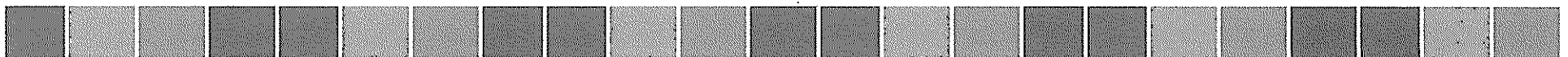
The Service Gap

- Community want improved services
- Service level planning shows gap & \$ cost
- More income?
- Cut some services to improve others?



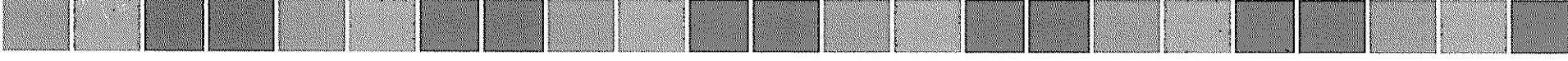
Providing Services

- Staff, materials, equipment, contractors, assets
- Over \$2bn in assets
- Asset Management systems are vital
- Population growth = strain on existing assets
- Demand for new assets as well
- Built and natural assets



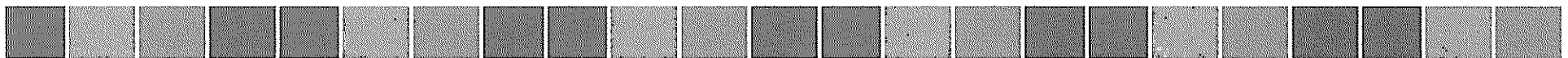
ASSETS

- The Dilemma
- The Priorities



ASSETS- The Dilemma

- Assets wearing out quicker than we can renew
- Old assets = more costly to maintain, operate & replace
- = Less service to the community
- = Less money for asset renewals
- Cost to make assets satisfactory = \$142.0M
- Doesn't include Open Space and Natural Assets
- Not enough money to fix

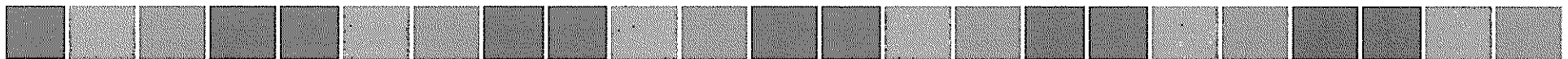


The Priorities

- Renewals, not new assets.
- Smarter maintenance and operations
- Roads and Drainage
- Open Space
- Sporting, Leisure and Recreation Facilities
- Community Buildings
- Town Centres
- Natural Environment e.g. Tuggerah Lakes Estate

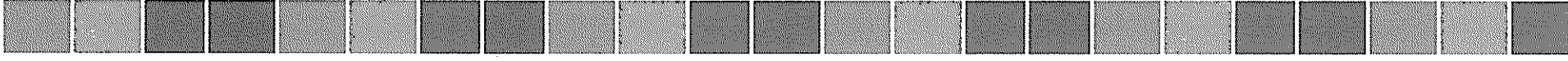
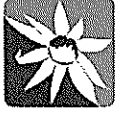
How do we pay?

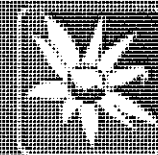
- Not enough cash.
- Needs outstrips income every year.
- Can't borrow much more
- Increase income or
- Cut some services



Stuart Waters- Twyfords

- What is the most important, interesting, significant thing in that presentation?





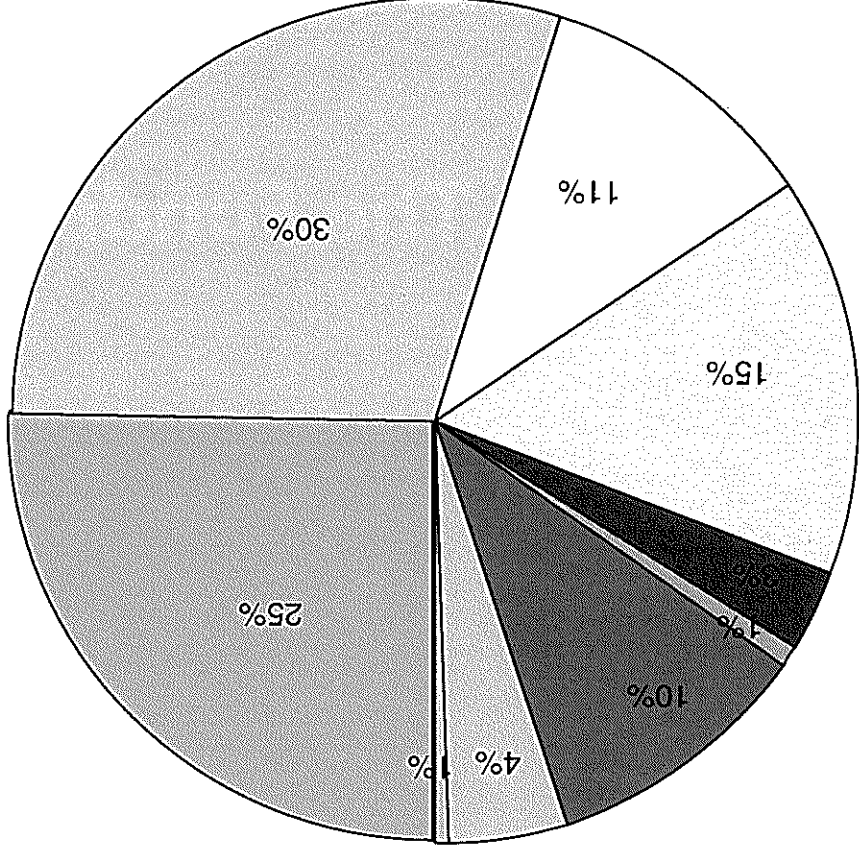
Wyong
Shire
Council

COUNCIL REPORT

The Funding Options

Steve Naven- Chief Financial Officer

Council's Income



- Rates \$63.0m
- Annual Charges \$73.4m
- User Charges \$26.9m
- Fees \$37.5m
- Interest \$7.8m
- Other Revenue \$2.4m
- Operating Grants and Contributions \$25.4m
- Capital Grants and Contributions \$11.2m
- Total Gain on Disposal of Assets \$1.3m

What have we done so far?

- Used community input to identify priorities
- Assessed costs and how we might fund
- Three funding options-scenarios
- Need your help to test each one
- What is best for the community?



Funding Options

- Rate Peg - set by NSW Govt each year.
- Doesn't match Council's cost increases
- Get further behind each year
- High level view of Scenarios tonight
- More detail and discussion next week

Scenario 1- No increase above the rate peg

- Won't reduce asset gap or allow for new assets
- Maintenance costs increase
- Cuts to services needed
- Situation gets worse not better
- Future generations meet the cost

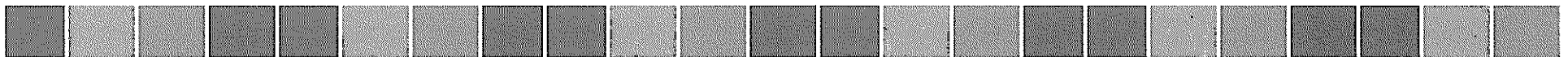


Scenario 2 - Rate increase of 9.5% per year for 7 years

- Rate peg is CPI, approx. 6.5% above CPI
- Asset renewal program over 7 years
- Limited spending on new assets
- Back to Rate Peg after 7 years

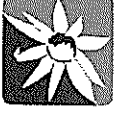
Scenario 3- Renewals over 7 years plus new assets

- Needs 9.5% over 7 years for asset renewals.
- Plus additional % for new assets
- New assets that have been proposed
- The Art House \$20M
- Porters Creek Wetland Stormwater Harvesting \$50M
- Construct new Asset Protection Zones and Bushfire Trails \$5M
- Complete the Estuary Management Plan after the current funding expires \$50M



Scenario 3 - Renewals over 7 years plus new assets

- Complete the Link Road \$25M
- Warnervale Knowledge Centre \$20M
- Warnervale Aquatic centre \$20M
- Share pathway around the lakes \$20M
- New Kerb and Gutter \$100M
- New footpaths Natural Bushland regeneration \$15M
- Town Centre Improvements \$100M



Stuart Waters-Twyfords

- Any questions, comments?
- How do we choose between funding options?

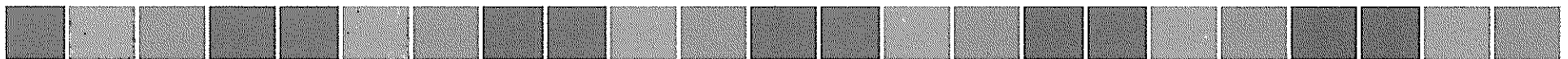


Considering what you now know...

- What must Council consider when thinking about the funding options?
- What would help us distinguish a worse funding option from a better option?
- What are the criteria that we can use to determine a preferred funding option?

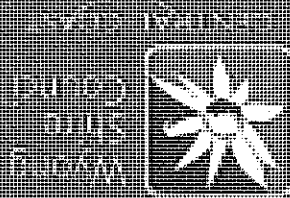
Grouping

- Write your responses on the cards provided
- One criterion per card
- Write with **BIG** letters please
- No more than five words per card
- Onto sticky wall



Weighting the Criteria

Use your sticky dots to identify the criteria most important to you



In small groups, work with the criterion assigned to you

- What data or evidence would help you assess an option against this criterion?
- How would you describe a high score against this criterion? (That is, what would a high-scoring option 'look like'?)
- How would you describe a low score against this criterion?
- What smart question would you ask to know whether or not an option scores high or low against this criterion?



What Happens Next?

- Meet again next Tuesday
- Explore the options in more detail
- Consider each option against the criteria
- Think and discuss
- Provide your input about the preferred option



Homework

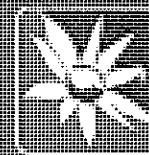
- Read over the material
- Think about implications of each option
- Who is likely to be affected and how?
- What would tell us we chose the best option?



Evaluation

- First DWG
- What worked, what didn't work
- Information for next session?





Warrag
Shire
Council

CENTRAL COAST

THANK YOU

**YOUR
PLACE**

**YOUR
SAY**

**YOUR
FUTURE**

It's time to have

**YOUR
SAY**

about

Future planning for the place where you live

What your rates can pay for

How much your rates will be

Important information about your Council rates and services



Wyong
Shire
Council

CENTRAL COAST

Have your say and **WIN!**
One of 10 Double Passes for
Central Coast Mariners
New Year's Eve game



Council Civic Centre 2 Hely St Wyong | PO Box 20 Wyong NSW 2259 | Open 8.30am - 5.00pm,
Monday to Friday | E wsc@wyong.nsw.gov.au | T 4350 5555 | General Manager Michael Whittaker

YOUR PLACE

What are we doing and why?

Council must find a balance between our community's aspirations and providing appropriate assets and services.

We face some tough decisions and we need the community's help to decide the best option to deliver what is needed to take our Shire forward.

Our efforts to be more efficient by streamlining the organisation are almost complete. Over the last two years, we have reduced Council's operating deficit from \$30 million to just over \$12 million.

We continue to look at every option to reduce our costs without compromising services. We have started reviewing the standard of our services including examining our income options and looking at the capacity and the readiness of the community to pay, in order to maintain the current rate of service.

Rate pegging has a severe impact on our income, and funding from other levels of Government is becoming increasingly hard to get.

Without looking for an additional source of income, we face the prospect of having to cut some services to which the public has become accustomed, in an effort to improve others.

YOUR SAY

"There are 3 options"

YOUR FUTURE

What you need to know

Wyong Shire Council is considering three different futures as part of a Service Standards Review.

Council is facing the situation of managing more than \$2 billion in ageing assets, as well as continuing to provide services the community has become accustomed to.

So we are proposing a special rate variation increase to ensure our levels of service are maintained and our assets such as roads can continue to be renewed and improved to the standard our community has come to expect.

No decision has yet been made in relation to sourcing additional income for Council.

We want to hear from you

We are currently not spending enough money to renew our existing assets. But if we increase our spending on assets and don't find extra income, Council will face a cash crisis by 2016/2017.

We need you to tell us what option is the best for the future of our community.

This booklet helps to explain the current issue and what we need to do to fix the problem.

There are three funding options we have developed in consultation with some of our community.

We need you to tell us the best way forward

Reduce Services - Maintain Rates

01

Maintain Assets - Increase Rates

02

New Assets - Increase Rates

03

Read about each option, and tell us which one you prefer before 2 December 2012.

THE CURRENT SITUATION

YOUR
PLACE

YOUR
SAY

YOUR
FUTURE

What have we done so far?

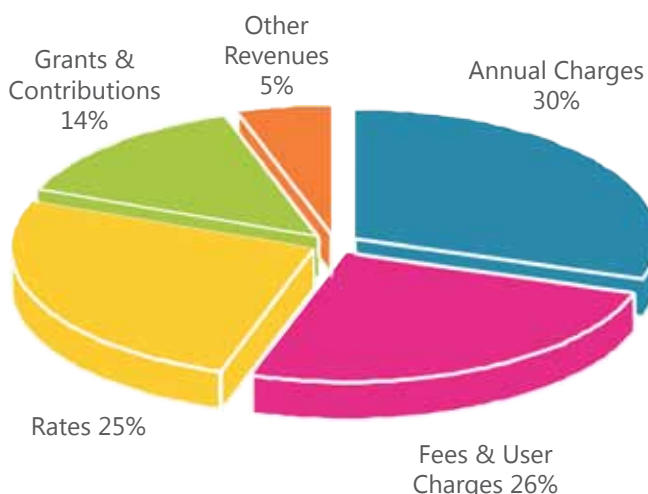
- Council has worked hard to save money, improve its business and increase other sources of income (such as grants).
- By doing this, we have reduced our annual operating deficit by nearly \$18M in just two years, to \$12.4M at the end of 2011/12.
- So far, existing levels of service have been maintained.
- This can't continue. Cost shifting from other levels of government, and increasing costs mean we will need to either reduce services OR increase income.
- Reality: We are currently not spending enough renewing our existing assets. But, if we increase our spending on assets and don't find extra income, Council will face a cash crisis by 2016/17.

What is the situation with our assets?

- The fact is, our assets are wearing out quicker than the rate we can renew them.
- Older assets are not only more costly to maintain, but also more costly to operate and replace.
- Some of our assets are deteriorating at a rate that means we have no way to maintain them without cutting off money to other services.
- Getting our assets up to an acceptable standard will impact on the services we can provide, such as how often we can maintain our parks and how many sports fields or community buildings we can use to accommodate organisations who deliver programs to our community.
- The cost to take our assets to even a satisfactory standard is \$121 million.

How do we get our income?

- Council is always looking for new grants and subsidies to supplement income.
- We are also governed by the Independent Pricing and Regulatory Tribunal (IPART) for our annual charges.



What is rate pegging?

Rate pegging is the limit by which all councils in NSW may increase the total income they will receive from rates. The rate peg is set annually by the Independent Pricing and Regulatory Tribunal of NSW (IPART). The rate peg amount for the 2012/13 financial year is 3.6%.

Can Council increase rates?

If NSW councils want to increase rates beyond the rate peg amount they have to apply to IPART for a special rate variation, and must demonstrate extensive consultation and significant support from the community. Your Place, Your Say, Your Future is a six-month consultation process Council is running before deciding on whether to make an application to IPART in 2013.

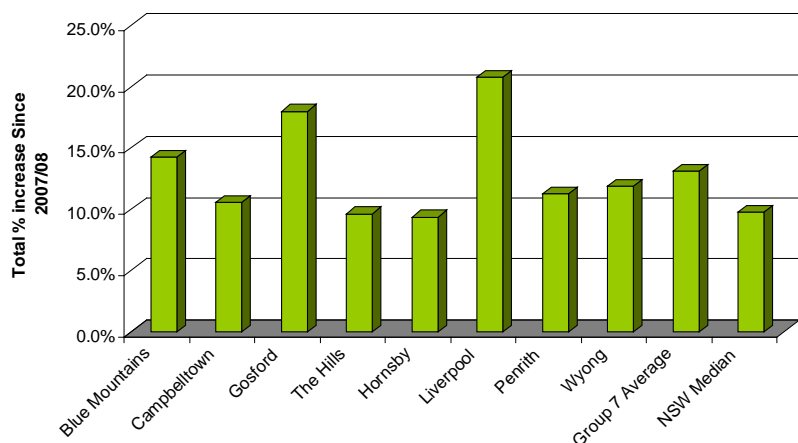
How does it apply to my rates bill?

The type of increase that Council is considering only applies to the portions of your rates bill that are your Ordinary Residential or Ordinary Business Rates. It will not apply to the separate Waste Management Charge, Stormwater Management Charge, Water Service Charge, Sewer Service Charge or Drainage Service Charge or other charges.

How our rates compare

Our rate revenue per capita is low in comparison to similar NSW councils, as is our average residential rate. The Department of Local Government groups together councils with similar socio-economic characteristics and similar capacity to deliver a range of services to the community.

The Group 7 councils are detailed on the graph below.



Average Overall Rate Increase Per Residence

Source for tables above: Division of Local Government, Comparative Information on NSW Local Government Councils from 2007/08 to 2010/11 - DLG Snapshot of NSW Councils. Australian Bureau of Statistics, Population Estimates by Local Government Area, 2001 to 2010.

What are Council's options?

Some of the options Council has are:

- **Reduce services and maintain rates:** Continue along the same path and do nothing, keep to the rate peg increase of around three per cent set each year by the State Government.
- **Maintain assets and increase rates:** Seek an increased income of 9.5 per cent (including the rate peg) each year for seven years.
- **New assets and increase rates:** Seek a 12.5 per cent increase (including the rate peg) each year for seven years.

How do we know Council is doing a good job?

Our efforts to be more efficient by streamlining the organisation are almost complete ... over the last two years, we have reduced Council's operating deficit from \$30 million to just over \$12 million.

We continue look at every option to reduce our costs without compromising services. We continue to find ways to be more efficient, we are reviewing the standard of our services and we are now looking at our income options.



Why is Council looking to increase rates now?

The fact is, our assets are wearing out quicker than the rate we can renew them and older assets are not only more costly to maintain, but also more costly to operate and replace.

Some of our assets are deteriorating at a rate that means we have no way to maintain them without cutting off money to other services.

We need to hear from you about what is the right future for our Shire. After hearing what the community has to say, Council will consider over the next month if a special rate variation submission will be made to IPART.

If a submission is made, IPART will determine if a rate increase will occur, and the community will have another opportunity to provide their feedback directly to IPART.

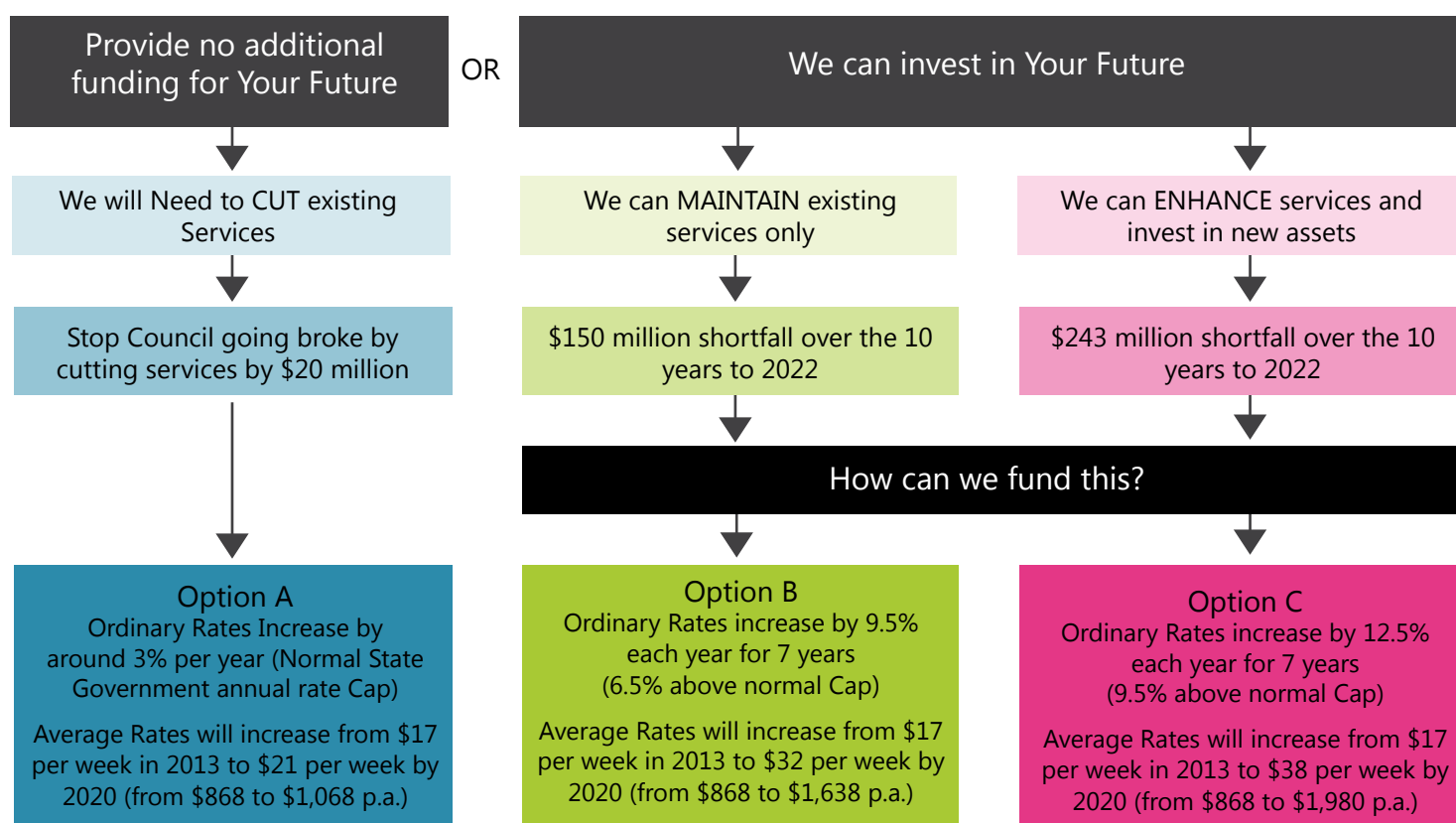
How were these three funding Options developed?

Many different funding options were considered before identifying and developing three final Options. We asked what people thought through:

- community workshops
- direct feedback to Council
- people answering the survey on our online consultation hub
- a working group of demographically representative people.

People were asked to tell us which Council assets and services they valued most and what they would prioritise for future spending. From there we developed the three options we are now presenting to the community for consideration.

Funding Options Flowchart



Reduce Services - Maintain Rates

{01}

Reduce services and maintain rates: Continue along the same path and do nothing, keep to the rate peg increase of around three per cent set each year by the State Government.

Option one means Council has no capacity to close the asset gap or to fund work on natural assets. It also means Council could undertake no significant new asset works, and maintenance costs will rise as the condition of assets deteriorates.

1 OPTION



- Little spent on improving town centres
- Reduced construction and maintenance of footpaths, cycleways, and traffic facilities
- Reductions in service levels
- Limited new capital projects
- Decline in condition of roads and drains



Financial Outcomes – Impact of Option 1

Council's maintenance and infrastructure backlog will increase significantly.
Services would be removed or reduced.

1 Option 1: Average Rate will increase from \$17 per week in 2013 to \$21 per week in 2020 (from \$868 to \$1,068 p.a)



Option 1: Do nothing

Think about this in terms of your own house. If we have Option One this is the likely impact. In the house, the holes in the walls get bigger because they need patching. Those marks on the wall get dirtier because they need paint. Your carpet starts to rip in time. Your shower screen loosens, eventually breaking. Plants start to die in your garden, with weeds taking over and your lawn is overgrown, and full of bindies, clover and weeds. The exterior paint on your house fades, and your gutters begin to come loose and corrode. Your house is starting to deteriorate.

Residential Rates Calculator

Option 1: Reduce Services Maintain Rates

			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Increase on previous year				3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Rateable Value	Number of Properties	Land Value For Rates Calc.								
\$0 to \$99,999	6,426	50,000	357.45	368.17	379.22	390.60	402.31	414.38	426.81	439.62
\$100,000 to \$149,999	19,364	125,000	641.63	660.87	680.70	701.12	722.15	743.82	766.13	789.12
\$150,000 to \$199,999	21,063	175,000	831.08	856.01	881.69	908.14	935.38	963.44	992.35	1,022.12
\$200,000 to \$299,999	8,418	250,000	1,115.25	1,148.71	1,183.17	1,218.66	1,255.22	1,292.88	1,331.67	1,371.62
\$300,000 to \$499,999	4,759	400,000	1,683.60	1,734.11	1,786.13	1,839.72	1,894.91	1,951.75	2,010.31	2,070.62
\$500,000 to \$999,999	1,196	750,000	3,009.75	3,100.04	3,193.04	3,288.84	3,387.50	3,489.13	3,593.80	3,701.61
\$1,000,000 to \$1,999,999	183	1,500,000	5,851.50	6,027.05	6,207.86	6,394.09	6,585.91	6,783.49	6,987.00	7,196.61
\$2,000,000 and greater	19	2,000,000	7,746.00	7,978.38	8,217.73	8,464.26	8,718.19	8,979.74	9,249.13	9,526.60

Maintain assets and increase rates: Seek an increased income of 9.5 per cent (including the rate peg of around three percent) each year for seven years.

Option two will allow increased expenditure on necessary upgrade work, which will improve asset conditions. Asset maintenance costs will be reduced as the condition of assets improves, meaning money can then be spent on new works.

- There are no likely closures of assets under this model.
- Road condition slightly improved over seven years, minimal new road infrastructure.



2 OPTION



- Environmental programs and works maintained, with new gross pollutant traps for Tuggerah Lakes
- Current playgrounds are maintained, but no new playgrounds
- Town centre conditions improve
- Jetties and boat ramps maintained, may see slight improvement in condition
- Minor increase in spending on community facilities
- Sporting and recreation facilities have minimal improvements

Financial Outcomes – Impact of Option 2

The Shire's infrastructure backlog of \$121M will be closed within seven years.

Beyond seven years, there will be \$17M available that could be spent on new assets.

2

Option 2:

Average Rate will increase from \$17 per week in 2013 to \$32 per week in 2020 (from \$868 to \$1,638p.a)



Option 2: Asset condition will improve

Think about this in terms of your own house. If we have Option Two those holes in your walls are fixed. The marks on the walls are scrubbed off and you add a new coat of paint. The carpet is replaced throughout. You get that new shower screen and the tiles are re-grouted. You can afford those new curtains, the flyscreens are fixed and you get some new light fittings. The broken tiles on your roof are replaced, your garden is weeded and new plants added. Your house has been restored to a comfortable, satisfactory level.

Residential Rates Calculator

Option 2: Maintain Assets - Increase Rates

			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Increase on Previous Year				9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
Rateable Value	Number of Properties	Land Value For Rates Calc.								
\$0 to \$99,999	6,426	50,000	357.45	391.41	428.59	469.31	513.89	562.71	616.17	674.71
\$100,000 to \$149,999	19,364	125,000	641.63	702.58	769.32	842.41	922.44	1,010.07	1,106.03	1,211.10
\$150,000 to \$199,999	21,063	175,000	831.08	910.03	996.48	1,091.15	1,194.80	1,308.31	1,432.60	1,568.70
\$200,000 to \$299,999	8,418	250,000	1,115.25	1,221.20	1,337.21	1,464.25	1,603.35	1,755.67	1,922.46	2,105.09
\$300,000 to \$499,999	4,759	400,000	1,683.60	1,843.54	2,018.68	2,210.45	2,420.45	2,650.39	2,902.18	3,177.88
\$500,000 to \$999,999	1,196	750,000	3,009.75	3,295.68	3,608.77	3,951.60	4,327.00	4,738.07	5,188.18	5,681.06
\$1,000,000 to \$1,999,999	183	1,500,000	5,851.50	6,407.39	7,016.09	7,682.62	8,412.47	9,211.66	10,086.77	11,045.01
\$2,000,000 and greater	19	2,000,000	7,746.00	8,481.87	9,287.65	10,169.97	11,136.12	12,194.05	13,352.49	14,620.97

New assets and increase rates: To seek a 12.5 per cent increase (including the rate peg of three percent) each year for seven years.

Option three will allow Council to achieve the same improvement in existing assets and spend an extra \$5 million a year on new assets.

Under this option, Council would also be able to undertake and complete a number of new projects.



3 OPTION



- More capital works in key lifestyle areas: The increased funding in Option Three will allow Council to spend an extra \$5M on new works each year, creating new infrastructure for playgrounds, footbridges, jetties and boat ramps, sports and recreation community buildings, parks and playgrounds.
- Spending would remain the same as in Option Two for roads renewal funding, Tuggerah Lakes programs, drainage and public buildings.

Financial Outcomes – Impact of Option 3

The infrastructure backlog of \$121M will be closed within seven years.

There will be an extra \$5M per year for new assets

3

Option 3:

Average Rate will increase from \$17 per week in 2013 to \$38 per week in 2020 (from \$868 to \$1,980p.a)



Option 3: Improving assets, and putting money into new ones

Think about this in terms of your own house. If we have Option Three your house now would look a lot better and be maintained in the future. You are able to now settle down and know that there is a house that has had the necessary maintenance to ensure it will stand up for years to come. You have money available to ensure that if you need to add on a new porch or add in a pool you can do that. Or if your family grows you can add on that extra bedroom.

Residential Rates Calculator

Option 3: New Assets - Increase Rates

			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Increase on Previous Year				12.5%	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
Rateable Value	Number of Properties	Land Value For Rates Calc.								
\$0 to \$99,999	6,426	50,000	357.45	402.13	452.40	508.95	572.57	644.14	724.65	815.24
\$100,000 to \$149,999	19,364	125,000	641.63	721.83	812.06	913.56	1,027.76	1,156.23	1,300.76	1,463.35
\$150,000 to \$199,999	21,063	175,000	831.08	934.96	1,051.83	1,183.31	1,331.22	1,497.62	1,684.83	1,895.43
\$200,000 to \$299,999	8,418	250,000	1,115.25	1,254.66	1,411.49	1,587.92	1,786.41	2,009.72	2,260.93	2,543.55
\$300,000 to \$499,999	4,759	400,000	1,683.60	1,894.05	2,130.81	2,397.16	2,696.80	3,033.90	3,413.14	3,839.78
\$500,000 to \$999,999	1,196	750,000	3,009.75	3,385.97	3,809.21	4,285.37	4,821.04	5,423.67	6,101.63	6,864.33
\$1,000,000 to \$1,999,999	183	1,500,000	5,851.50	6,582.94	7,405.80	8,331.53	9,372.97	10,544.59	11,862.67	13,345.50
\$2,000,000 and greater	19	2,000,000	7,746.00	8,714.25	9,803.53	11,028.97	12,407.59	13,958.54	15,703.36	17,666.28

HAVE YOUR SAY

We want you to tell us which of the three Options you prefer.

You can do this in a variety of ways:

Attend a **Your Place, Your Say, Your Future Community Workshop** in your area:

Monday 19 Nov 2012 - 6.30 - 9.30pm

Colongra Bay Hall, 1 Colongra Bay Road,
Lake Munmorah

Wednesday 21 Nov 2012 - 6.30 - 9.30pm

Blue Haven Community Centre
Apsley Court, Blue Haven

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Lake Haven Shopping Centre – Wed 21 Nov and 28 Nov

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Go online and complete a survey or tell us what you think at the opinion poll.
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YOUR PLACE

YOUR SAY

YOUR FUTURE

Tell us which option you prefer by 2 December 2012

Age: Gender: ☐ F ☐ M

Suburb:

Email:

Please post your completed form in an envelope.
No postage stamp is required if addressed as follows:

Your Place. Your Say. Your Future Project
Wyong Shire Council
Reply Paid 20
WYONG NSW 2259

Considering the impact on your rates and on services in each of the three options, which option do you prefer most? (please tick the box next to your preferred option)

☐

Reduce Services - Maintain Rates

01

☐

Maintain Assets - Increase Rates

02

☐

New Assets - Increase Rates

03

Comments:

☐

Do you wish to enter the draw to win the **Central Coast Mariners Double Pass to New Year's Eve game?** If you do you need to provide your email address above

**YOUR
PLACE**

**YOUR
SAY**

**YOUR
FUTURE**

FACTSHEET

What is Council doing?

Council is carrying out community consultation during November. It follows on from some previous consultation in May this year where we talked to the community about their service needs and what they value. We have used that information to start planning future service levels. It's clear that we need to change the way we fund this work, or go down the path of making some serious cuts to services and assets repair in the future.

...why?

- Based on what the community has told us, we know there is a gap in the services we provide. We are not spending enough on our valuable assets to keep them in a satisfactory condition to provide the right services to the community.
- We know that as at 30th June 2012, we need to spend \$121m over the next few years to keep our assets in the right condition. If we don't they will continue to run down, leading to increased maintenance and operating costs.
- That money isn't available from our existing income base, we can't borrow much more and other options such as government grants won't be sufficient.
- Council has made significant internal savings in the last two years to improve our financial position and we will continue to look for efficiency savings. Again, that won't provide enough for the asset funding.
- We are now at the stage where we have to find additional income to renew our assets or cut some services to improve others.
- We have developed three different options for providing the necessary funds to renew our assets. (See details on the back of this fact sheet)
- The next step is to discuss the options in detail with the community to see which one is preferred.

Some questions and answers.

Why are we carrying out the Service Standards Review?

Council is working towards a healthy financial future for Wyong Shire. We need to provide the best level of services across the most appropriate areas at the least cost to current and future rate payers. As good financial management, Council has committed to reducing its operating deficit to break-even in two years' time. We have already reduced the budget deficit by 50 percent through internal savings. It is hard to find more internal efficiencies so we are now looking at services. Services cost money to provide and can be provided at different levels. By understanding what services you value we can make good financial decisions about helping the community in the long term.

Where will the extra money come from?

Council is considering an increase in general rates over the next 7 years as the most reliable and fair method of raising the extra income needed. Other options have been considered but they won't provide the amount needed.

What will it be spent on?

You have told us what your high priority services are. Our asset management systems tell us the condition of each asset type and how much needs to be spent on them. Using all that information we know the key areas are:

- Roads and Drainage
- Open Space
- Sporting, Leisure and Recreation Facilities
- Community Buildings
- Town Centres
- Natural Environment e.g. Tuggerah Lakes Estuary



Wyong
Shire
Council

CENTRAL COAST

Council Civic Centre 2 Hely St Wyong | PO Box 20 Wyong NSW 2259 | Open 8.30am - 5.00pm,
Monday to Friday | E wsc@wyong.nsw.gov.au | T 4350 5555 | General Manager Michael Whittaker

Any extra income will be spent on these assets over the next 7 years. The community will be able to monitor how Council is achieving the asset renewal program through regular reports that will be provided.

Can Council just increase rates?

No. Each year the NSW Government sets a maximum rate increase level for all councils. Any Council that wants to increase rates above that has to submit an application to the Independent Pricing and Regulatory Tribunal (IPART), which will consider the application and decide to approve it or not. Council needs to consult with the community before deciding to submit an application.

What happens next?

- The next step is to discuss the funding options in detail with the community to see which one is preferred. That means providing details of each option and asking the community what option they would support.
- This consultation is taking place during November and early December. There will be a large promotional campaign to encourage as many people as possible to have their say, giving details of how and when they can be involved.

- A booklet setting out the background information will be available and similar information will also be on Council's website.
- Opportunities to have input will include an online survey on Council's Consultation Hub, three community workshops and a hard copy survey. There will also be a random telephone survey. Council will also be out and about in the community at different times and places to help answer any questions.
- Based on the community feedback, Council then will decide if it wants to submit an application for a Special Rate Increase to IPART. If that happens, there will still be time for further public input.
- IPART doesn't decide on applications until June next year. Even if we do submit an application there is no guarantee it will be approved.
- If we do get an increase in rate income, there will be strict control to ensure it is spent for the right purposes and the community is well informed as to how it is spent.

It is really important that people use this opportunity to have their say on this issue. It affects the future level of services that will be provided to the community.

How can I have my say?

HAVE YOUR SAY

We want you to tell us which of the three Options you prefer.

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Reduce Services - Maintain Rates

{01}

Reduce services and maintain rates: Continue along the same path and do nothing, keep to the rate peg increase of around three per cent set each year by the State Government.

Option one means Council has no capacity to close the asset gap or to fund work on natural assets. It also means Council could undertake no significant new asset works, and maintenance costs will rise as the condition of assets deteriorates.

- Little spent on improving town centres
- Reduced construction and maintenance of footpaths, cycleways, and traffic facilities
- Reductions in service levels
- Limited new capital projects
- Decline in condition of roads and drains

1

Option 1:
Average Rate will increase from \$17 per week in 2013 to \$21 per week in 2020 (from \$868 to \$1,068 p.a)

Maintain Assets - Increase Rates

{02}

Maintain assets and increase rates: Seek an increased income of 9.5 per cent (including the rate peg of around three percent) each year for seven years.

Option two will allow increased expenditure on necessary upgrade work, which will improve asset conditions. Asset maintenance costs will be reduced as the condition of assets improves, meaning money can then be spent on new works.

- Environmental programs and works maintained, with new gross pollutant traps for Tuggerah Lakes
- Current playgrounds are maintained, but no new playgrounds
- Town centre conditions improve
- Jetties and boat ramps maintained, may see slight improvement in condition
- Minor increase in spending on community facilities
- Sporting and recreation facilities have minimal improvements

2

Option 2:
Average Rate will increase from \$17 per week in 2013 to \$32 per week in 2020 (from \$868 to \$1,638p.a)

New Assets - Increase Rates

{03}

New assets and increase rates: To seek a 12.5 per cent increase (including the rate peg of three percent) each year for seven years.

Option three will allow Council to achieve the same improvement in existing assets and spend an extra \$5 million a year on new assets.

Under this option, Council would also be able to undertake and complete a number of new projects.

- More capital works in key lifestyle areas: The increased funding in Option Three will allow Council to spend an extra \$5M on new works each year, creating new infrastructure for playgrounds, footbridges, jetties and boat ramps, sports and recreation community buildings, parks and playgrounds.
- Spending would remain the same as in Option Two for roads renewal funding, Tuggerah Lakes programs, drainage and public buildings.

3

Option 3:
Average Rate will increase from \$17 per week in 2013 to \$38 per week in 2020 (from \$868 to \$1,980p.a)