

Fit for the Future

Joint Organisations

A roadmap for intergovernmental collaboration in NSW

SEPTEMBER 2014



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Local Government

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Foreword



The NSW Government is committed to supporting and working with councils to achieve our shared vision of strengthening local communities.

With an investment of up to \$1 billion in a comprehensive local government reform package, we are helping councils in NSW to deliver better services for their communities.

The Fit for the Future package is based on the Independent Local Government Review Panel's recommendations and reflects the priorities identified by the sector during the consultation process.

In regional NSW, one of the most significant improvements will be the establishment of Joint Organisations. Joint Organisations will give regional councils a say in the planning, growth and infrastructure needs and local

employment opportunities for their region.

We will provide more than \$5 million in seed funding; \$300,000 for each of the 15 Joint Organisations, to establish a new regional Joint Organisations that will connect local councils and provide a forum for working with the State.

We will work with councils to implement this new way of operating, starting with a call for up to four regions to pilot the model. I look forward to receiving applications from regions with a strong track record of working together to make this a success.

This document – Joint Organisations – A Roadmap for Intergovernmental Collaboration in NSW – provides a pathway for local councils in regional NSW to come together for the benefit of all communities.

Together, State and local government in NSW will create stronger councils and stronger communities.

A handwritten signature in black ink that reads "Paul Toole". The signature is written in a cursive, flowing style.

The Hon Paul Toole MP
Minister for Local Government

Table of contents

PART A: JOINT ORGANISATIONS	5
Becoming 'Fit for the Future'	5
What are Joint Organisations?	6
How will we build Joint Organisations?	7
What key issues will the Pilot process explore?	8
PART B: THE PILOT PROCESS	12
Is your region interested in being a Pilot?	12
Expression of Interest	13

PART A: JOINT ORGANISATIONS

Becoming 'Fit for the Future'

The NSW Government is determined to deliver a strong future for NSW. To have a strong future we need strong councils providing the services and infrastructure communities need. We will build on the strengths of local government and learn from the best councils to develop new ways of working smarter together.

Joint Organisations are a key part of the Fit for the Future reform package, providing a forum for local councils and the State to work together to deliver the things that matter most to communities.

Joint Organisations will support councils in regional areas to become Fit for the Future, alongside the other

structural changes and improvements recommended by the Independent Local Government Review Panel.

This document outlines what regional Joint Organisations may do, how they may operate and an approach to co-design them with and for councils to ensure success.

Councils in regional NSW are encouraged to get involved in helping the NSW Government to build and test Joint Organisations over the coming months.

Information about how to get involved in helping to build Joint Organisations is in *Part B: The Pilot Process*.

What are Joint Organisations?

Joint Organisations are an exciting new opportunity to connect the ideas and priorities of local and State Governments at the regional level to help our local communities to grow and thrive.

They will be empowered to bring *all councils* in defined regions together to discuss and agree to strategic regional priorities for their communities. They will also create a mechanism for State and local Government to collaborate on agreed priorities in a more consistent, structured and effective way than ever before.

Importantly, Joint Organisations are not about duplicating the work of councils or about replacing successful joint service delivery arrangements. Nor are they about creating a fourth tier of Government.

Rather, they are about providing a means of elevating key community priorities, identified by councils through strategic planning processes, into a regional vision and core strategic priorities, and bringing people together to help make them happen.

Figure 1: Intergovernmental collaboration on regional priorities



What might success look like?

Joint Organisations will help to achieve important outcomes for communities. These will vary from region to region but could possibly include:

- Improving transport and freight links
- Attracting education and industry
- Improving land use planning and cutting red tape
- Pooling resources to build major works
- Integrating management of major infrastructure
- Undertaking critical infrastructure and skills gap analysis
- Supporting rural councils

How will we build Joint Organisations?

The NSW Government is committed to working with the local government sector to build Joint Organisations in regional NSW to ensure they operate effectively and help councils to be 'Fit for the Future.'

Each Joint Organisation will:

- receive \$300,000 to get established
- be enabled through legislation
- be flexible to accommodate regional differences
- be based on an agreement with the State to work with councils through these new regional bodies.

Essential elements of Joint Organisations will be developed with councils over the next 12-18 months through a co-design and pilot process.

The State is seeking input from several 'Pilot' regions, made up of councils with a good track record of collaboration willing to help co-design and pilot Joint Organisations with the State Government and others.

Skilled facilitators will assist with the co-design process and agencies will continue to work closely with Pilot regions. A steering group, with local government representation, will provide expert advice and guidance. An evaluation will then feed into the further roll out of Joint Organisations across regional NSW.

The broad timeframes for developing and implementing Joint Organisations are below. Joint Organisations should be in place, or transitioning into place, across regional NSW by September 2016.

How can my council get involved?

Details about how to become a Pilot region to help co-design Joint Organisations are in **Part B: The Pilot Process**.

Figure 2: JO development through Pilot process



What key issues will the Pilot process explore?

The Pilot process will consider a number of key issues to ensure the success of Joint Organisations. Regional Organisations of Council, councils and others have already provided important feedback on how they think Joint Organisations should operate. Some of these key issues are discussed below.

Functions

The Pilot process will need to design Joint Organisations in a flexible way so that they carry out functions to meet the needs of individual regions and encourage cooperation with Government to achieve key community priorities.

To do this, feedback indicates that core functions are needed which may include:

- regional strategic planning and prioritisation
- intergovernmental collaboration
- regional advocacy.

While successful joint service delivery arrangements currently in place through County Councils and ROCs should continue, over time some of these functions may naturally occur through Joint Organisations. Joint Organisations would therefore also need flexibility to carry out these other functions, where appropriate.

Functions will be explored through the Pilot process.

Figure 3: Potential functions of Joint Organisations



Boundaries

To strengthen intergovernmental collaboration and optimise delivery of agreed priorities, the NSW Government is committed to Joint Organisation boundaries aligning with, or nesting within, regional boundaries used by the Government for strategic and land use planning purposes.

In recognition of some council feedback, the Pilot process may explore changes to the Panel's proposed Joint Organisation boundaries, providing they align with broader State strategic regional

boundaries. Variations would need to make sense based on strategic planning catchment areas, size, scale and resource impacts on all councils and other Joint Organisations affected. Associate membership options will be explored to take into account other communities of interests, some of which go beyond a Joint Organisation, region or State.

The map below shows the State strategic planning boundaries (red lines) and the Panel's proposed Joint Organisations in regional NSW (blue lines).

Figure 4: Proposed JO boundaries within State Regional boundaries



Membership and decision making

It is anticipated that all general purpose councils would be members of the governing body of one Joint Organisation. The council representative would need to have sufficient authority to act on their member council's behalf.

Others may also be invited to attend as associate members where there are common interests. Membership and how best to facilitate effective decision making, will be explored through the Pilot process.

Organisational structure

Feedback to date indicates that Joint Organisations should be structured to facilitate the carrying out of core functions through a governing body but be flexible enough to build on this role.

Other groups could be set up to provide support and technical advice.

Administrative and other support would most likely be provided through an Executive Officer with demonstrated high level skills and experience to manage critical relationships with senior officials and to adequately support the Joint Organisation.

Work program

Joint Organisations will need to work together and with others to identify and deliver on regional strategic priorities.

Actions may be the responsibility of local councils, or joint responsibility with others, including the NSW Government.

Member councils may develop a shared regional vision, priorities and an action plan drawn from individual council Community Strategic Plans, other regional plans and strategies, where appropriate.

Requirements for documentation should be kept to a minimum.

Intergovernmental collaboration

Options for how best to facilitate intergovernmental collaboration will also be explored. To ensure close and effective collaboration it will be important that the relevant Department of Premier and Cabinet (DPC) Regional Coordinator attends Joint Organisation meetings and

the Joint Organisation Executive Officer attends DPC Regional Leadership Groups. Regional Leadership Groups oversee delivery of State Government regional priorities and the development and implementation of the Regional Action Plans.

Enabling and resourcing

The NSW Government will provide \$300,000 to assist each Joint Organisation become established and will support the Pilot process.

It is anticipated that the ongoing costs of Joint Organisations, after initial establishment, would be met by member councils.

The Pilot process will also explore other ways to ensure Joint Organisations operate effectively. This may include exploring options for legislation, Ministerial Guidelines, intergovernmental MOUs or agreements, regional State agency liaison officers and other support.

Direct and ongoing costs may include employment of an Executive Officer as well as accommodation and administrative costs, where not provided 'in house' by a member council.

Table 1: Summary of key issues to be explored through the Pilot process

Boundaries	<p>Aligned with, or nested within, State Government Regional Growth and Infrastructure Plan boundaries</p> <p>Some flexibility for Joint Organisation boundary changes, where aligned to State strategic planning boundaries and clearly justified</p>
Functions	<p>Pilot process to determine core functions, possibly including regional strategic planning, intergovernmental collaboration and regional advocacy</p> <p>Flexibility for other functions such as regional joint service delivery</p>
Membership and Decision Making	<p>General purpose councils in regional NSW would be members of the governing body of one Joint Organisation</p> <p>Associate membership of other Joint Organisations may be appropriate and would be explored through the Pilot process</p> <p>Options for voting and decision making to be explored through the Pilot process</p>
Organisational Structure	<p>Pilot process to explore flexible structures to facilitate core functions through a governing body</p> <p>Flexibility for other bodies to provide implementation support and technical advice, such as a General Managers Board or Expert Panel</p> <p>Likely to be supported by an Executive Officer with demonstrated high level skills and experience to manage critical relationships</p>
Work program of regional strategic priorities	<p>Joint Organisations would identify key regional priorities based on member Community Strategic Plans and other regional plans and strategies</p> <p>A framework for this, including minimal documentation and measurement of success, will be explored through the Pilot process</p>
Intergovernmental collaboration	<p>The relevant Regional Coordinator from the Department of Premier and Cabinet (DPC) would attend Joint Organisation meetings</p> <p>The Joint Organisation Executive Officer would also attend DPC Regional Leadership Groups and other State regional bodies, as appropriate</p> <p>An approach of respectful transparency will be adopted</p> <p>Other mechanisms to encourage close collaboration, such as MoUs, will be explored through the Pilot process</p>
Enabling and resourcing	<p>The Government will provide seed funding of \$300,000 to assist each Joint Organisation become established plus funding to support the Pilot process</p> <p>The Pilot process will explore other mechanisms to enable Joint Organisations, including legislation, Ministerial guidelines, regional relationship managers and other support</p> <p>The ongoing costs of Joint Organisations would be met by member councils.</p>

PART B: THE PILOT PROCESS

Is your region interested in being a Pilot?

The NSW Government is now seeking approximately four Pilots, or groups of councils from regional NSW with a good track record in working together, to help co-design and pilot a robust yet flexible model for Joint Organisations.

The pilot will be conducted in a collaborative way over the next 12-18 months between the State Government and regional Pilot Joint Organisations, with involvement from the Department of Premier and Cabinet, Office of Local Government, other State agencies and relevant local government regions.

Funding and other support

Support for the Pilot Joint Organisation will include:

- \$300,000 to help in establishment costs, supported by a funding agreement
- skilled facilitation to assist with the co-design process. This may involve workshops to build a shared understanding of what Joint Organisations do, how they should operate and help for Pilots get their Joint Organisations up and running
- an assigned officer of the Office of Local Government to help Pilots to develop and implement the Joint Organisation model
- support from the relevant Department of Premier and Cabinet regional coordinator and technical support from other State agencies, as appropriate
- Memorandums of Understanding between State and Local Government members to formalise arrangements, where appropriate
- a steering group, including local government representation, to provide direction and advice to the OLG in relation to the Pilot process.

Timeframes

The broad timeframes for developing and implementing Joint Organisations are below. The intention is to have Joint Organisations in place, or transitioning into place, across regional NSW by September 2016.

Evaluation

An evaluation will be completed as part of this process which will feed into the further roll out of Joint Organisations across regional NSW.

Expression of Interest

Regions, or groups of councils from regional NSW, that are interested in applying to become Pilots are asked to prepare and submit an Expression of Interest proposal to the Office of Local Government that addresses the criteria below.

Expressions of Interest should:

- **define** how **your region aligns** with or nests within the **State** strategic planning **regions**
- explain why you want to be involved and **demonstrate why your region would make a good Pilot**
- **demonstrate a level of commitment** to participate in the process from proposed member councils
- **demonstrate a good track record of collaboration** between member councils and others in your region
- provide information about your proposed **program of work** and **indicate how it is appropriate**
- provide information about **how your Pilot Joint Organisation would operate**, including what form it would take and plans for an Executive Officer.

Both the work program and the operational details are indicative only and would be further developed during the co-design phase of the Pilot process. However, they must be of sufficient detail to **enable the proposal's value and viability to be assessed**.

Further details about these criteria and a separate check list are below.

Indicative Joint Organisations Pilot Process Timeframe

DATE	
10 September 2014	Pilot EOIs Open
By Late 2014	Co-design with Pilots and State Government
Jan 2015	Pilots commence
End 2015	Pilots completed and final evaluation
Early 2016	Joint Organisations enabled through legislation and other support
Sept 2016	Joint Organisations rolled out across regional NSW

EOI application deadline

Applications should be submitted to keith.baxter@olg.nsw.gov.au and marked 'Expression of Interest'. Councils are encouraged to submit their EOI as soon as possible.

EOI selection

The selection of Pilot regions will be at the discretion of the Minister for Local Government, based on advice from the Office of Local Government.

Pilot EOI Criteria

Boundaries	<p>Demonstrate that the proposed Pilot aligns/nests in State strategic planning regions</p> <p>Preference will be given to proposals that align with the Panel's Joint Organisation boundaries. Alternatives must be justified, including reference to impact on affected councils and other JOs</p>
Statement of Intent	<p>Outline why your region seeks to be involved in the Pilot process</p> <p>Demonstrate why your region would make a good Pilot, including how your proposal would contribute to an evaluation of the Pilot process.</p> <p>In doing so, consider the proposed purpose of Joint Organisations to build strategic capacity and the proposed core functions of Joint Organisations to facilitate strategic regional planning and intergovernmental collaboration (see Part A for further detail)</p>
Commitment from member councils	<p>Demonstrate a level of support for the proposed purpose and core functions of Joint Organisations and the Pilot process (see above)</p> <p>Demonstrate evidence of formal commitment from proposed member councils to fully participate in the Pilot process for the duration of the timeframes proposed (see above). This may be by way of member council resolution.</p>
Evidence of collaboration	<p>Demonstrate evidence or a track record in the region of collaborative engagement</p> <p>Include evidence of collaboration between proposed member councils and with other levels of government.</p>
Work Program	<p>Identify a proposed work program and indicate how it is appropriate. At a minimum, the work program would be likely to develop and commence implementation of a shared regional vision and two to three priority regional strategies to help achieve that vision.</p> <p>Demonstrate preliminary consultation with relevant State Government agencies in relation to the proposed strategies, where appropriate</p> <p>The work program would be further refined during the co-design process</p>
Operational matters including Entity and Executive Officer	<p>Identify the entity or body that will be used for the purpose of the Pilot process. Existing entities may be used. Support will be provided to regions who may wish to establish a new entity for the Pilot process</p> <p>Include plans to identify and, if necessary, recruit an Executive Officer with the necessary skills to build key relationships and drive the Joint Organisation work program</p> <p>Identify and address any other operational matters necessary to assess the viability of the proposal</p> <p>Operational matters would be further refined during the co-design process</p>

Expression of Interest Checklist

- Alignment with State regional strategic planning boundaries
- Alignment with Independent Local Government Review Panel proposed Joint Organisation regions or justification for divergence
- Statement of Intent demonstrating why your region would be a good Pilot
- Evidence of commitment from all councils
- Evidence of a track record of collaborative engagement
- Initial work program outlined based on consultation with the relevant State Government agencies, where appropriate.
- Relevant entity identified
- Executive Officer identified or process for recruitment outlined
- Other operational matters necessary to ensure viability of proposal addressed.

Further information

Regions who are interested in applying are asked to contact wendy.forrester@olq.nsw.gov.au from the Office of Local Government to discuss proposals.