PLANNING A SUSTAINABLE FUTURE

A DEPARTMENT OF LOCAL GOVERNMENT OPTIONS PAPER ON

INTEGRATED PLANNING AND REPORTING FOR NSW LOCAL COUNCILS

NOVEMBER 2006

dlg

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The future of local government depends largely on its capacity to anticipate, challenge, and respond to the forces that will shape our communities in the coming years.

It is a challenge that faces all levels of government in Australia, as our society continues to change – the need to respond in measured, strategic and relevant ways, the need for leadership, and the need for vision.

This paper examines the effectiveness of the current planning and reporting framework in promoting sustainable outcomes for local government and presents a number of options to strengthen their strategic focus.

Why was this paper developed?

There are a number of drivers behind the development of this Options Paper. These include:

- Increased expectations of local government
- The NSW Local Government Reform Program
- Recent inquiries and studies into councils' strategic performance
- Changes to the industry's operating environment
- Innovation from within the industry

Increased expectations

Since the current planning and reporting framework was developed, community expectations of local councils have continued to increase. Councils are now delivering a wider range of services and the need for effective planning to make optimum use of resources has never been stronger.

Local Government Reform

In September 2003, the State Government announced its Local Government Reform Program, which aims to ensure healthy and sustainable local councils that are accountable and responsive to their communities.

The program has taken on many aspects, from the initial round of amalgamations to the current focus on resource sharing and promoting better practice throughout the industry. The government is committed to continuing the reform process and has recognised that a key element in ensuring the sustainability of local government is its capacity for strategic planning. Councils who have the capacity to identify and respond to the influences and pressures affecting their community's future, set key directions and priorities and develop strategies to achieve the outcomes their community wants are in a far better position to survive and prosper.

The focus on sustainability led to the development of the Integrated Planning and Reporting Project, to review the effectiveness of the current legislative framework for planning and reporting and assess councils' experience in integrating the various planning mechanisms. The project also considered the impact of strategic alliance arrangements, with many councils now moving to a more regional approach to planning and resource management.

In December 2005, the department issued a discussion paper *"Fitting the Pieces Together"* which focused on integrated planning and reporting issues. The paper drew responses from local councils, government agencies and industry bodies, and these comments were considered along with other research projects and industry consultation. The various models presented in this Options Paper have been developed from this research and consultation process and the model ultimately adopted will form part of the Local Government Reform Program. It is expected that any reforms in this regard would be implemented from 2008.

Inquiries and Performance Studies

In considering the future of local government, the department has become increasingly concerned about the strategic capacity of our industry and the long-term implications this may hold. These concerns were echoed in the recent Inquiry into the Financial Sustainability of Local Government, commissioned by the LGSA and chaired by Professor Percy Allan, and have also been supported by other independent research and the department's Promoting Better Practice reviews.

While a number of councils are showing strong leadership in developing and implementing long-term plans, it has become clear that the majority currently do not plan beyond three years, nor budget beyond one year, for most of the services they provide. The result has been a significant impact on the financial sustainability of some councils, increased risk of failure of major infrastructure and increasing tensions over diminishing resources and competing priorities.

Reviews of councils' planning frameworks have shown that many currently experience difficulty with strategic planning and find it challenging to integrate the various planning mechanisms. Studies of councils' Social and Community Plans and State of the Environment Reports have also revealed a lack of integration with the Management Plan.

Changes to the operating environment

Since the existing legislative framework was developed, there have been a number of changes to the industry's operating environment. These include:
- Development of the State Plan
- Development of regional strategies
- The NSW planning reforms
- Reforms to natural resource management

NSW Government State Plan – A New Direction for NSW

The recently exhibited draft State Plan will also affect the operation of local councils, with the NSW Government clearly defining the goals and outcomes that will shape public policy over the next 10 years. The NSW Government's State Plan is being developed with the expectation that local councils will use its key directions as a guide when preparing their own strategic plans. It also proposes a number of partnerships and opportunities for local government.

Regional plans

Many government agencies are now developing regional strategic plans, identifying their priorities for the provision of services. The advent of regional land use plans has presented challenges for some councils, with the realisation that their strategic land use plans and Local Environmental Plans (LEPs) may not necessarily be aligned with the direction and priorities of the regional plan or strategy.

Land use planning reforms

Significant changes have also been made to the NSW land use planning system in the past two years. Broadly this major overhaul of the planning system was designed to focus resources on strategic planning for growth areas, simplify planning controls, improve development assessment processes and allow flexibility in the use of deverloper levies for local facilities and services. In particular, these reforms have affected the way that major projects are assessed and how councils prepare their LEPs.

The LEP reform is designed to focus councils' planning efforts on pro-active planning on a larger scale and reduce the resources consumed by small-scale, ad hoc planning epitomized by "spot rezonings". All councils are required to prepare a new principal LEP, based on a "standard instrument" (or template) within the next five years.

In the light of these reforms, it was timely to review the planning and reporting framework prescribed by the *Local Government Act 1993.* The review has considered the link between councils' strategic plans, their LEPs and development contributions plans.

Natural resource management

There have also been a number of significant changes to natural resource management requirements since the local government planning and reporting framework was developed.

These include the introduction of the *Native Vegetation Act 2003* and *Native Vegetation Regulation 2005*, the *Catchment Management Authorities Act 2003* and the *Natural Resources Commission Act 2003.* The legislation resulted in the establishment of the Natural Resources Commission and the development of state-wide standards and targets for natural resource

management. On a local level, these standards and targets are implemented primarily through Catchment Action Plans, under the direction of the State's 13 Catchment Management Authorities (CMAs). The Natural Resources Commission reports annually on progress in achieving compliance with the state-wide standards and targets.

These changes have led to some questions about the future role local government will play in natural resource management and environmental reporting and the relationships between local councils and Catchment Management Authorities. These relationships are still being defined and the integrated planning and reporting review has explored the possible linkages between councils' strategic plans and Catchment Action Plans, and the future role of state of the environment reporting.

Industry innovation

The department was also prompted to review the existing planning and reporting framework through the acknowledgement that a number of councils were currently operating beyond the prescribed system, with positive effect.

Substantial work has been undertaken by a number of innovative councils to develop strategic planning frameworks and integrate their existing plans. Some councils have moved to continuous monitoring frameworks for environmental and social planning and others have adopted sustainability frameworks as their over-arching planning mechanism. In all cases, the councils had found that they were somewhat impeded by the existing planning and reporting requirements in achieving their aims.

This raised the question as to whether sections of the industry have evolved beyond the existing framework and how innovative planning systems could be better accommodated and encouraged by the regulatory framework. Accordingly, this review considers not only legislative change, but the use of mentoring teams and support mechanisms to encourage further innovation within the industry.

What did the review include?

The review of the planning and reporting framework included:
- Circulation of a discussion paper - "Fitting the Pieces Together" - on integrated planning and reporting issues
- Review of submissions received from local councils, government agencies and industry organisations
- Review of relevant inter-state legislation
- Review of research into councils' strategic capacity
- Review of related local government projects, including asset management frameworks and long-term financial planning
- Review of sample strategic plans, management plans and annual reports

- Extensive consultation with an industry reference group, including representatives from the Local Government and Shires Associations, Local Government Managers Australia, Local Government Community Services Association, Department of Planning and a number of universities.
- Consultation with the Ministerial Advisory Council
- Consultation with other key stakeholders, such as the Institute of Public Works Engineering Australia, Corporate Planners Network, General Managers and community services staff, at various industry forums

What were the main findings?

The review found there were a number of issues affecting councils' ability to develop and deliver long-term strategic plans and to integrate their existing plans to achieve strategic outcomes. These included:

- The nature of the existing framework – the provisions do not encourage long-term planning nor assist councils to pursue innovative directions in integrating their plans. There is concern that the regulatory requirements are too prescriptive, directing resources towards compliance and multiple reporting requirements, rather than achieving strategic outcomes

- A general lack of resources for local government – councils find it difficult to devote funding to strategic planning when there are more urgent, operational needs

- Confusion over roles and responsibilities in developing strategic plans – specifically relationships between senior staff and councillors

- Uncertainty about how to develop and deliver the plans – there is evidence that some councils lack technical capacity in this regard

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- Lack of long-term financial planning – many councils only budgeted one year ahead

- Lack of sufficient supporting information to develop a long-term plan – this mainly relates to lack of asset management systems and limited levels of community consultation

- Uncertainty about integrating council plans with state and regional priorities – some councils find it difficult to consult with state government agencies, or are not included in regional planning consultations

- Uncertainty about councils' role following the various state reforms, particularly in natural resource management

What are the options?

In considering the results of the review, there are three basic options for the planning and reporting framework:

1) Maintain the status quo
2) Add to the existing framework
3) Reshape the framework

Option 1 – Maintain the status quo
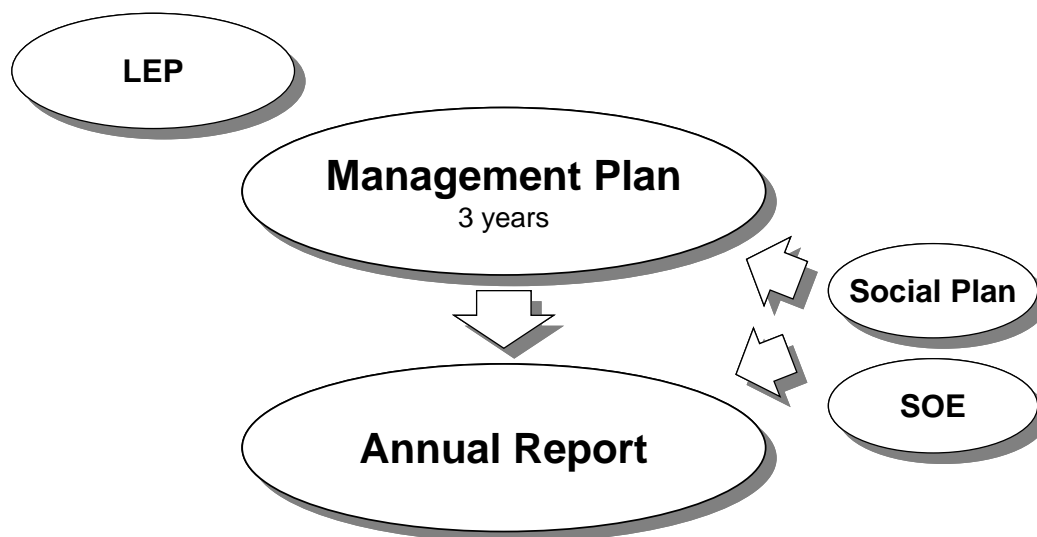
The option of maintaining current structures should always be considered. The existing framework has been operational for the past 13 years, with various amendments and additions over that time. While having limitations, the framework does have some merits:

- It encourages at least three years of forward planning
- It includes some requirements for community consultation
- It requires councils to report to their communities on principal activities
- It mandates some social and environmental planning and reporting mechanisms.

Concerns with the existing framework include:

- It doesn't encourage councils to take a long-term view
- It isn't sufficiently flexible to accommodate the varied needs and resources of different councils
- It is overly prescriptive, encouraging a focus on compliance rather than strategic direction
- It focuses too heavily on operational matters

- It doesn't encourage integration with other systems, such as long-term financial planning, asset management and land use planning
- The planning and reporting timeframes don't align

In future years, it would be reasonable to expect that more requirements may be added to the reporting regime, as the scope of local government continues to expand and expectations of public accountability increase.

Because the environment in which councils operate is also changing, it is not actually possible to "maintain the status quo" in terms of planning and reporting. The weight of changing expectations, management roles and infrastructure (under the new national framework for asset management and financial planning) will demand a new approach not easily catered for by the existing framework.

Although the existing framework does not prohibit long-term planning – the management plan may be developed for a period longer than three years - it does not encourage it, either. Neither does it provide any guidance for councils seeking to improve their strategic position. Over the years, the focus has shifted to compliance with the regulations, rather than applying the strategic intent of the framework. Combined with limitations on resources, this has tended to make planning more reactive than strategic. In this environment, it would be reasonable to suggest that the current planning framework is not providing the optimum solution for local government.

If the existing framework is maintained, the department could seek to mitigate future impacts by:
- Ensuring impact assessments are undertaken before any new requirements are added to the planning/reporting regime
- Providing guidelines and better practice examples to assist councils in the planning and reporting process
- Encouraging regional approaches to some reporting, eg State of the Environment reports
- Making requirements more flexible where possible

Option 2 – Add to the existing framework

One option for improving strategic focus is to add a mandatory strategic plan to the existing framework. Under this proposal, councils could be required to:

- Consider the needs of their community over the next 10-20 years
- Identify key directions and priorities
- Outline strategies for achieving these outcomes.

This would ensure that long-term needs and pressures were at least considered in councils' planning regime and that the community had more direct input into determining key directions for the future. The mandatory strategic plan would sit at the top of the planning structure, with the 3-year management plan beneath it. The requirements to complete a State of the Environment Report and Social and Community Plan would remain.

Strategic Plan
10-20 years

LEP

Social Plan

SOE

Management Plan
3 years

Annual Report

While this structure would provide change with the least disturbance to existing regimes, it would also result in additional resource requirements for councils. The level of benefit that may be obtained from this investment is open to question, as the structure maintains the existing problems of integrating the various planning mechanisms.

Resources would still need to be directed towards developing social and community plans and the State of the Environment Report (SoE), as well as the new strategic plan. The annual report would be retained.

Councils would need to determine how they could integrate the objectives of their new strategic plan into the management plan structure and how the social plan and SoE could help to inform the strategic plan. The existing problems with differing timeframes, eg SoEs every four years, social plans every five and management plans at least every three years, would remain.

There is also potential for duplication, particularly with community consultation, as the various plans are prepared.

Option 3 – Reshape the framework

The final option is to reshape the existing framework in some way to strengthen strategic focus, streamline the planning and reporting processes

and encourage integration between the various plans. The proposed model is designed as a continuous framework, rather than a static planning model.

It is designed to allow councils more automony in responding to their community's various needs, and encourages elected representatives to play a leading role in developing long term plans.

Why mandate strategic planning?

This model includes a mandatory requirement for a long-term strategic plan. One of the recurrent themes emerging from the review is that councils need to develop a stronger strategic focus. It is acknowledged that many councils currently experience difficulty with strategic planning and there are varying views as to what constitutes a "strategic plan". Some councils regard a "strategic plan" as being the sum total of their strategic documents, such as the social plan, strategic land use plans, service development strategies etc. Others see it as a separate entity, overarching these documents.

There is also a question as to whether a council's strategic plan should relate to the future of the community it serves, or the future of the council. There are concerns that councils are "planning" for matters that are outside their immediate sphere of influence – that they should focus only on the services that they could directly provide.

Considering the wide variety of views on the subject, it was felt that the only way to progress strategic planning within local government was to provide a base model upon which all councils could build.

Developing a strategic plan for the community

The strategic plan would focus on building a sustainable community and the various roles that council can play in achieving this aim.

Key elements of a sustainable community include:
- Social cohesion; a socially mixed community where neighbourhoods are characterised by diversity of income, age, culture and housing tenure etc and there are opportunities to move freely through life's cycles without the need to relocate
- Functional economy; diverse employment opportunities exist which underpin a quality of life matched with community prosperity expectations
- Robust environment; ecologically balanced with impacts from human activity being accommodated without degradation to the environment
- Sound infrastructure; facilities and services are matched to community needs.

To achieve this, councils need to think beyond the services that they can directly provide and determine where they, as an organisation, will fit within their community's future. They need to understand where their community is going and what it wants before they can respond to this in a meaningful and appropriate way and direct their energies where they will be the most effective.

The term "Community Strategic Plan" has been used to refer to the strategic plan, to reinforce the view that it is a plan for the community, rather than just the council. There is no intention to mandate what councils should call their plan. However, all plans would include four mandatory "themes": Social; Environmental; Economic; and Governance, which must be addressed in some way.

Each council would be free to develop its Community Strategic Plan within the context of its own community needs and existing planning and business frameworks, provided that the plan addresses the key themes in some way. For example, a rural council's Plan may have different objectives and be designed on a smaller scale than an urban council's Plan. Councils who currently work on a sustainability framework, or the Business Excellence Framework, may wish to integrate their Community Strategic Plan with these systems.

This model allows councils the maximum flexibility to develop business systems that suit their own particular needs and to carry out planning and reporting that is the most appropriate for their particular community

It does not mandate any plans or reports, apart from the four key themes. It attempts to address some of the current concerns with the mandatory social planning framework – ie that the framework is too narrow and the mandatory target groups are not appropriate to all communities. It also attempts to address the difficulties some councils currently face in attempting to integrate the Social Plan, or State of the Environment Report into sustainability frameworks, the Business Excellence Framework, or other planning structures. Councils could choose to be more innovative in their approach – or they could simply adopt the basic framework and target their monitoring activities to a series of key indicators, depending on the resources available.

While the mandatory structure of the Social Plan would no longer be applied, councils would still be expected to undertake social planning and monitoring. Similarly, State of the Environment reporting would not be prescribed, though councils would be expected to develop adequate monitoring and reporting frameworks, in consultation with the CMA.

It is proposed that the Community Strategic Plan has a prescribed minimum timeframe of 10 years. Councils would be free to adopt any timeframe they choose beyond that point.

The purpose of the Plan is to identify the community's main priorities and expectations for the future and to plan strategies for achieving these goals. In doing this, the planning process will consider the issues and pressures that may affect the community during this period and the level of resources that will realistically be available to achieve its aims and aspirations.

The Plan should consider outcomes that the council could achieve either by:
- Providing direct services or programs
- Providing or facilitating services and programs in partnership with other agencies
- Acting as a community advocate, to lobby other agencies for change.

To do this, council would obviously need to consult widely with the community and other agencies providing services within the region. Considering existing State or regional plans would also be important to the development process. The requirement for community engagement would be mandated by legislation – the method of carrying it out would not be mandated. Each council would be free to decide appropriate methods, depending on the characteristics of its particular community. The department would provide detailed guidelines to assist with engagement and consultation processes.

An integral part of the Community Strategic Plan will be a 10-year resourcing strategy, which outlines the financial commitment required to achieve the Plan's outcomes. This will give councils a clearer picture of the resources required, particularly if the Community Strategic Plan has identified the need for major capital works or asset upgrades/augmentations.

To inform the initial Community Strategic Plan, councils would be expected to draw from their existing plans and other documents, such as the Social Plan, Cultural Plans, State of the Environment reports, infrastructure servicing strategies, development contributions plans, strategic land use plans and their existing Local Environmental Plan (LEP).

Once completed, the Community Strategic Plan will naturally influence a number of the council's planning instruments, such as the LEP, standards of service, capital works programs and asset management strategies. It will identify the social, economic and environmental outcomes the community expects, and these expectations should be reflected in future land use planning, natural resource planning, community service and infrastructure projects. The current Planning Reform process is timely, as it will allow councils to achieve stronger integration between their Community Strategic Plan and their new LEP.

Who would develop the Community Strategic Plan?

For councils to successfully develop their Community Strategic Plan, they will need to develop a strong working partnership between staff and elected representatives. It is proposed that the Mayor and councillors would hold legislative responsibility for the Community Strategic Plan. These responsibilities would include:

- Establishing the strategic direction of the council, in consultation with the community and council staff
- Ensuring the Plan is implemented by the council
- Reporting to the community on council's progress in implementing the Plan

Naturally, to achieve this aim, they would rely heavily on the technical expertise and leadership of the council's senior staff. Councillors and staff would also be expected to work together in developing the Delivery Program (described below). This program details how each new council will work towards achieving the outcomes outlined in the Community Strategic Plan.

Operational plans supporting the main framework would be the responsibility of the General Manager.

This model also prescribes special duties to the General Manager to ensure that each council is constantly monitoring and assessing its operating environment and adjusting its plans accordingly. The General Manager would be responsible for ensuring monitoring systems are in place to inform council of key issues that may impact on the Community Strategic Plan. These systems would include, as a minimum:

- Maintenance of current social planning mechanisms, including demographic profiles, social indicators and needs analysis
- Systems for monitoring relevant legislative changes
- Systems for monitoring financial drivers
- Collection and analysis of environmental data from relevant sources

- Asset management systems
- Stakeholder consultation networks

The purpose of this is to ensure that the resources currently devoted to preparing the mandatory plans and reports, every four or five years, are applied to more immediate mechanisms. The council should be constantly in touch with its community and continuously monitoring the changes in its operating environment.

It is proposed to amend the *Local Government Act 1993* to more clearly define the roles of councillors and the General Manager in developing, implementing and maintaining the council's Community Strategic Plan.

Could councils change the Community Strategic Plan?

Each new council would review the Community Strategic Plan to determine whether or not its objectives were still relevant and appropriate to the community. It would also be required to roll the Plan forward a further four years, so that its planning timeframe is perpetual. If councils wished to change the plan substantially – for example change a key objective – they would need to carry out further consultation with their community.

Proposed amendments should be in response to new influences or changes affecting the community, rather than the council's political preference. If the community supports the new direction, the Community Strategic Plan, and the various plans that support it, could be changed accordingly.

Would the Community Strategic Plan be assessed by industry regulators?

The model in Option 3 includes an assessment mechanism for the Community Strategic Plan. However, it is not intended that they be submitted to the Department of Local Government for "compliance checking". The purpose of the integrated planning and reporting project is to encourage councils to develop the tools they need to better manage their community's future. Its intent is to provide assistance and encourage autonomy, rather than develop a new regulatory framework for local government. Option 3 therefore proposes to use regional mentoring and liaison teams to assist in the development of the Community Strategic Plans, encourage exchange between stakeholders - so that relevant agencies are aware of council plans and that councils are aware of relevant regional and state strategies - and to evaluate the initial Community Strategic Plan developed by each council.

These teams would consist of representatives of the Department of Local Government, members of local councils, the LGSA, the LGMA and other government agency and industry members, as appropriate. The basis of the evaluation process would be to determine:

- Whether the Plan adequately addresses the four themes prescribed by the legislation

- Whether the Plan has been adequately informed by existing plans, studies and documentation, including relevant state and regional plans
- Whether its objectives are tangible and achievable ie not just "motherhood" statements
- Whether adequate community consultation has occurred in the development phase

The mentoring teams would also evaluate each council's initial Delivery Program (as described below) to determine:
- Whether the Delivery Program is adequately aligned with the objectives of the Community Strategic Plan
- Whether the financial projections and resourcing arrangements contained within the program are realistic and achievable
- Whether additional borrowings, or a special variation to rates will be required.

Where does the LEP fit in?

Under this model councils would still prepare their Principal LEP, as required by *the Environmental Planning and Assessment Act, 1979*. The underpinning Strategic Land Use Plan and subsequent LEP should refect the same community directions and priorities identified in the Community Strategic Plan, if adequate consultation has been undertaken. Subsequent reviews of the Community Strategic Plan and the LEP should be regarded as a "cross check" to ensure that both documents are aligned.

What is the Delivery Program?

Underpinning the Community Strategic Plan is a Delivery Program, which outlines how each new council will deliver the outcomes proposed in the Plan during its term of office and the measures it will use to determine its success. The Delivery Program will be directly linked to the Community Strategic Plan, and prepared in consultation with the community.

The Program will look at the council's programs and priorities for its term and include four years of detailed budgets. However, councils would still have the flexibility to review these budgets annually when determining their rates and charges for the year.

Councils would be free to prepare any other supporting plans to assist them in delivering the outcomes of their Community Strategic Plan. These might include asset management plans, development contributions plans, environmental management plans, and capital works programs. It would be expected that these plans would reflect the priorities and direction of the Community Strategic Plan.

What is the Operational Plan?

Councils would also prepare an annual operational plan, which outlines the "nuts and bolts" of implementing the Delivery Program for that year, and the budget that will be required. It will be a separate document to the Community Strategic Plan and the Delivery Program.

The operational plan will focus on the detail of implementing each year of the Delivery Program and should not depart substantially from the direction and budgets set in the Program. Councils will be required to place the document on public exhibition, as it will contain the proposed fees and charges for the coming year.

What about reporting requirements?

Under all models proposed, councils will continue to remain directly accountable to their communities and to report annually to them on their progress in achieving strategic outcomes. The intention of Options 2 and 3 is to streamline reporting requirements and align them more closely with the planning framework.

The Option 3 model includes a modified version of the existing annual report which focuses mainly on the council's performance in delivering the outcomes identified in its Community Strategic Plan and supporting framework.

The review took a detailed look at the various legislative requirements for the annual report and considered whether or not some requirements could be deleted, as they are reported via other channels, or whether alternative reporting formats, such as electronic "report cards", could be developed. These alternatives are still being considered and councils are invited to comment on how the annual report could best be streamlined, while still maintaining accountability to the community.

Under the Option 3 model, the legislative requirement to prepare a Management Plan would also be removed, as this structure would be replaced by the Delivery Program. The reporting requirements currently prescribed for the Management Plan, ie quarterly, will also be reviewed. Councils are encouraged to provide comment on suitable reporting requirements for the Delivery Program.

How is planning and reporting integrated?

The diagram below shows how the objectives from the Community Strategic Plan may be cascaded through the system.

For example, a council's Community Strategic Plan might identify the objective of "A safe and healthy community" and nominate key strategies for achieving this. These strategies might include a wide variety of approaches, such as ensuring quality water supply and safe operation of sewerage services, ensuring efficient collection of domestic and commercial waste,

promoting health education programs, lobbying for more aged care services in the area, developing crime prevention strategies for the community, and improving road safety.

These intentions would be translated into the Delivery Program in the following way, for example:
Strategy:
Improving road safety
Delivery methods:
1) Undertake a review of the condition of all roads in council's area
2) Develop a Roads Management Strategy
3) Identify funding options for roads management
4) Identify key community concerns with road safety
5) Develop programs to address key road safety issues

The Operational Plan would then focus on what council would do towards achieving each of these goals in the coming year. For example:
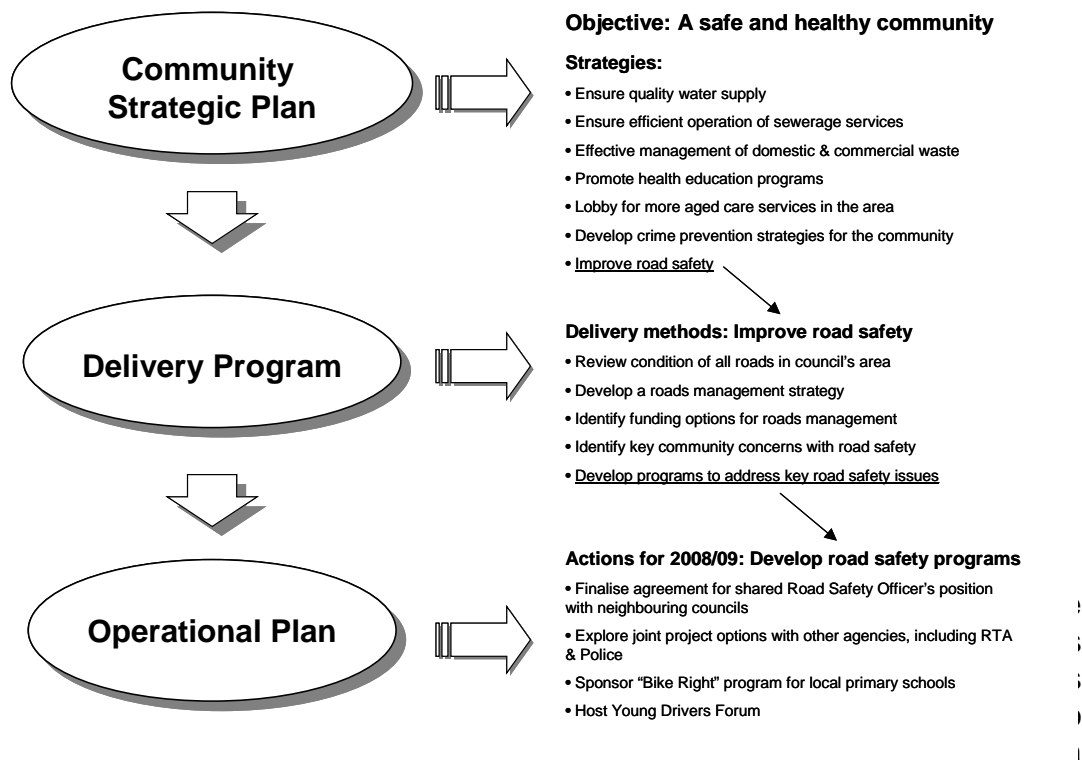
Develop road safety programs:
Actions for 2008-09
1) Finalise agreement for shared Road Safety Officer's position with neighbouring councils
2) Explore joint project options with other agencies, including RTA & Police
3) Sponsor "Bike Right" program for local primary schools
4) Host Young Drivers Forum

In this way, the objectives of the Community Strategic Plan are cascaded down through council's planning framework, so that general directions and objectives for the community are translated into strategies, then into programs and finally, individual actions.

The annual report would focus on council's success in achieving the individual actions identified in the Operational Plan and its progress in implementing the four-year Delivery Program.

Community Strategic Plan

Objective: A safe and healthy community

Strategies:
• Ensure quality water supply
• Ensure efficient operation of sewerage services
• Effective management of domestic & commercial waste
• Promote health education programs
• Lobby for more aged care services in the area
• Develop crime prevention strategies for the community
• Improve road safety

Delivery Program

Delivery methods: Improve road safety
• Review condition of all roads in council's area
• Develop a roads management strategy
• Identify funding options for roads management
• Identify key community concerns with road safety
• Develop programs to address key road safety issues

Operational Plan

Actions for 2008/09: Develop road safety programs
• Finalise agreement for shared Road Safety Officer's position with neighbouring councils
• Explore joint project options with other agencies, including RTA & Police
• Sponsor "Bike Right" program for local primary schools
• Host Young Drivers Forum

state asset management framework.

The model proposed in Option 3 considers asset management as an integral part of the strategic planning process, by requiring the Community Strategic Plan to address asset management issues.

A separate discussion paper on asset management is being prepared and will be circulated to councils shortly.

Will this model affect the way councils resource their projects?

The Integrated Planning and Reporting project aims to improve councils' capacity for long-term planning and should help them to identify their resourcing needs earlier in the planning cycle. The requirement to consider resourcing over the 10-year period of the plan will help councils to take a wider view of their needs, considering not only finances, but also human resources and asset requirements. They will be able to identify the additional resources that could be raised through borrowings, rate variations or grants and will be in a better position to take maximum advantage of funding opportunities, resource sharing options and strategic alliances.

How would the model be implemented?

Adopting Option 3 would require substantial changes to existing legislation and a significant implementation period. Although a number of councils have already progressed substantially along the lines of Option 3, the majority have not yet embraced strategic planning at this level. It is acknowledged that the initial stages of implementation would involve additional commitment of resources from some councils. However, the new structure would ultimately

result in savings through improved efficiency, long-term planning and reduced reporting requirements. To assist in the transition, a staged implementation and assistance package is proposed, over the 2008-2012 council term.

Under a suggested implementation program, the State's councils would be divided into three groups, according to existing level of development, resources and capacity. Group One would consist primarily of councils who have already developed a Strategic Plan, and have adequate asset management systems in place. Councils would have the option of nominating which Group they would like to join.

The phase-in schedule would be:

Group One – Community Strategic Plan and Delivery Program to July 1 2013 submitted for review by September 2009

Group Two – Community Strategic Plan and Delivery Program to July 1 2013 submitted for review by September 2010

Group Three – Community Strategic Plan and Delivery Program to July 1 2013 submitted for review by September 2011.

The success of the changes will also depend on the level of support provided to local councils by the department and other industry organisations during the implementation phase. The following support mechanisms are proposed:

- Development of comprehensive guidelines to support the planning processes
- Establishment of a Good Practice website, showing examples of Community Strategic Plans and including useful resources to help councils develop and implement their plans.
- Regional mentoring teams to assist councils with the strategic planning process and provide evaluation and feedback on plans
- Briefings to various professional groups, including general managers and councillors
- Encouraging councils to work jointly in developing their Community Strategic Plan
- Identifying training needs and developing appropriate programs

Where do we go from here?

This options paper forms the next stage of consultation and review for the Integrated Planning and Reporting Project. The paper was announced by the Minister for Local Government, the Hon Kerry Hickey MP, on 30 October 2006 and consultation on the options will continue until 9 March 2007. The consultation period will include:

- Receipt of written submissions on the Options Paper
- Regional focus groups and workshops for councillors and council staff, conducted by the Department of Local Government
- Discussion of the proposals at various industry workshops conducted by the LGSA and LGMA

Making a written submission

Councils, agencies, industry groups and other interested individuals are welcome to make written submissions on this Options Paper.

A feedback form is provided below, or you may wish to prepare a more detailed response. A series of key questions is also provided, which may be of assistance when preparing your submission. There is no requirement to answer all, or any, of the questions, they are provided solely as a guide to discussion.

Written submissions on this Options Paper should be directed to:
Integrated Planning and Reporting Project
Department of Local Government
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Or via email to:
IPRProject@dlg.nsw.gov.au

The closing date for submissions is 9 March 2007

Key questions

<u>Concepts</u>

- Which of the proposed models would work best for your council or agency?

- What are some of the advantages/disadvantages of the models proposed?

<u>Roles and responsibilities</u>

- What role should the Mayor and councillors play in planning for the community's future and reporting on achievements?

- Should special responsibilities be assigned to the Mayor in this regard?

- What role and responsibilities should be assigned to the General Manager in planning for the community's future and reporting on achievements?

- How could people with differing views work together to develop shared long-term plans for the community?

- How could councillors and council staff work together to develop a Community Strategic Plan?

- How could social, environmental, land use planners and asset managers work together to develop the Community Strategic Plan?

- What assistance would new councillors need to help them participate in the strategic planning process?

<u>Reporting</u>

- How could the annual report be streamlined, while still maintaining accountability to communities?

- How could Catchment Management Authorities and local councils work together to improve environmental reporting outcomes?

- What reporting requirements should be imposed on the proposed Delivery Program in Option 3?

- Do you have any suggestions for further streamlining local government reporting, under *the Local Government Act 1993*?

Implementation

- Could your council's current planning framework be readily adapted to the integrated model? Why/why not?

- What training/information/assistance would be required to help councils implement Options 2 or 3?

Government agencies

- How could your agency use councils' Community Strategic Plans to assist in its regional planning?

- Would the use of regional mentoring/liaison teams assist in your planning activities and improve communication between your agency and local councils?

- What role could your agency play in this process?

Feedback Form

Integrated Planning and Reporting Options Paper

Organisation _____

Contact Person _____

Contact No. _____

Email _____

Preferred Option:

Option 1 ☐   Option 2 ☐   Option 3 ☐

Comments: