PROMOTING BETTER PRACTICE PROGRAM

REVIEW REPORT

BLAND SHIRE COUNCIL

NSW GOVERNMENT | Office of Local Government

ACCESS TO SERVICES
The Office of Local Government is located at:

Levels 1 & 2
5 O'Keefe Avenue   Locked Bag 3015
NOWRA NSW 2541   NOWRA NSW 2541

Phone 02 4428 4100
Fax 02 4428 4199

Level 9, 6 – 10 O'Connell Street   PO Box R1772
SYDNEY NSW 2000   ROYAL EXCHANGE NSW 1225

Phone 02 9289 4000
Fax 02 9289 4099

Email olg@olg.nsw.gov.au
Website www.olg.nsw.gov.au

OFFICE HOURS
Monday to Friday
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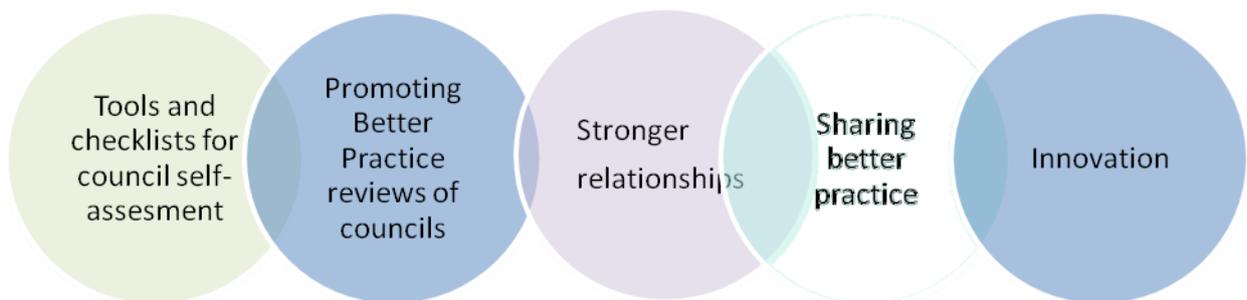
1   PROMOTING BETTER PRACTICE

The Program

The Office of Local Government aims to assist in strengthening the local government sector by assessing performance and promoting continuous improvement.

The Promoting Better Practice Program includes:

- working with councils to identify, share and promote better practice in key areas
- working cooperatively with councils to promote strong relationships within the sector
- providing councils with feedback on areas requiring improvement or further development, and assisting them in developing solutions
- identifying trends and issues arising from council reviews to support policy and legislative changes for the local government sector
- encouraging and facilitating innovation within the NSW local government sector.

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Promoting Better Practice reviews

Reviews of individual councils are designed to act as a 'health check' to examine the extent to which there are appropriate strategies, policies, systems and procedures in place at the strategic and operational levels.

The reviews are conducted by a team from the Office of Local Government in collaboration with councils. During a visit to the council, key strategic areas are examined together. A key outcome is a report that reflects the findings of the review but most importantly contains a Review Action Plan, which aims to facilitate better practice and increase the council's overall capacity to deliver appropriate services to its community.

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Key strategic areas considered

Civic leadership and organisational governance examines how the elected body and the council organisation provide leadership within the local community, and considers the means by which a council is directed and controlled to ensure effective decision making and ensure the organisation is meeting its legal and ethical obligations. The council's regulatory and enforcement framework is also considered.
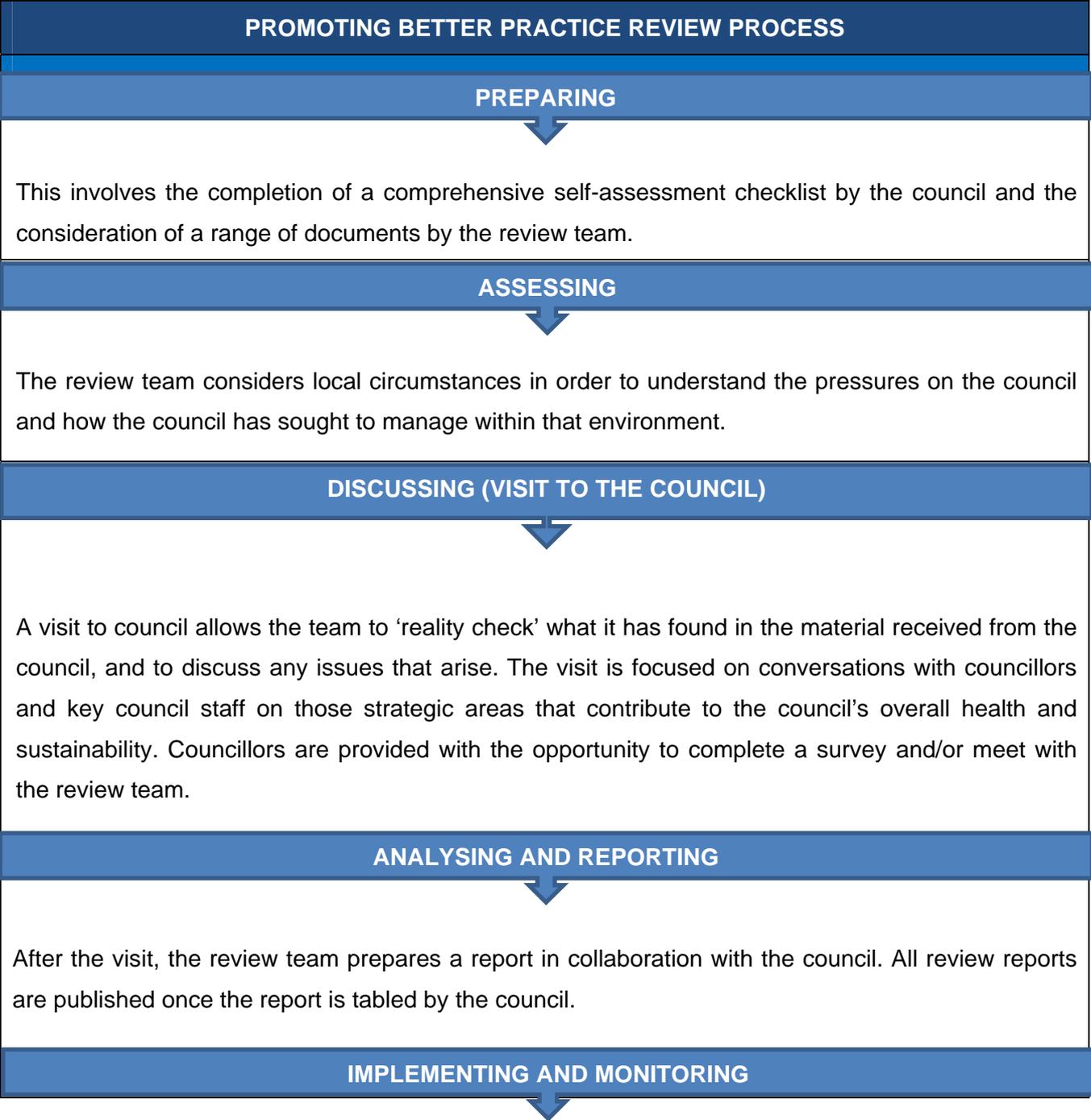
Strategic community planning focusses on the council's role in planning for the future in collaboration with its community. It considers how well the council engages its community in planning, and how well the Community Strategic Plan; Delivery Program, and Operational Plan capture the community's aspirations and goals. It also examines how strategic land-use planning matters are integrated into the council's implementation of the Integrated Planning and Reporting framework.

Resourcing the plans to achieve financial sustainability considers the current and future financial capacity of a council to maintain its operations and deliver appropriate services to the community. The council's financial and asset management position and practices are considered. The quality and utility of the council's long-term financial planning, asset management, and workforce planning is a key part of this assessment.

Delivering services to the community relates primarily to the extent to which the council translates the strategies and initiatives within its Community Strategic Plan, Delivery Program and Operational Plan into action. This includes how the council informs the community of its

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performance in delivering services and facilities according to plan, and how it measures customer satisfaction or receives community feedback to inform ongoing planning.

The review process

PROMOTING BETTER PRACTICE REVIEW PROCESS
PREPARING
This involves the completion of a comprehensive self-assessment checklist by the council and the consideration of a range of documents by the review team.
ASSESSING
The review team considers local circumstances in order to understand the pressures on the council and how the council has sought to manage within that environment.
DISCUSSING (VISIT TO THE COUNCIL)
A visit to council allows the team to 'reality check' what it has found in the material received from the council, and to discuss any issues that arise. The visit is focused on conversations with councillors and key council staff on those strategic areas that contribute to the council's overall health and sustainability. Councillors are provided with the opportunity to complete a survey and/or meet with the review team.
ANALYSING AND REPORTING
After the visit, the review team prepares a report in collaboration with the council. All review reports are published once the report is tabled by the council.
IMPLEMENTING AND MONITORING

The review report contains an action plan to guide the council in addressing areas identified for further development by the review. The council and the Office monitor progress as agreed.

Better practice identified during the review is shared elsewhere in the local government sector as appropriate.

2 EXECUTIVE SUMMARY

A Promoting Better Practice Review was undertaken at Bland Shire Council in May 2014.

Overall, Bland Shire Council presents as a council which is clear about its challenges and limitations, and has a strong motivation to address and overcome them. There is a strong sense of commitment to the community, and both councillors and staff clearly identified that the purpose of their work was to improve community outcomes.

The Council appears to be functioning quite well, and there is good insight into the areas that require further development. A recent restructure of the Council's organisation should provide a solid basis for moving ahead with plans to address areas requiring further development.

Financial sustainability remains a key challenge for the council, with TCorp assessing the council as 'weak'. assist in addressing this challenge. It is noted, however, that the Council was assessed as having 'strong' asset management in the NSW Government's Local Government Infrastructure Audit.

The Council is supported by a strong staff team which has a good working relationship internally, and with the councillors. The Council has developed relationships with neighbouring councils in the region to support some service delivery and strategic planning.

It is apparent that the councillors are motivated to achieve outcomes for the Bland community. A stronger understanding of the role and purpose of the Integrated Planning and Reporting framework, particularly in relation to the councillors' decision-making, will serve the elected body well.

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3 KEY FINDINGS

This report of the Promoting Better Practice review of Bland Shire Council is a summary of the practices, policies and processes in place at the Council, as identified from the Council's self-assessment, a review of Council documents, and interviews with key staff and elected representatives.

Areas where the Council's performance is **considered to be better practice** include:

- Development, review and application of organisational values
- Relationship with Local Aboriginal Land Councils
- Staff work plan connection to Operational Plan actions and Delivery Program activities
- Application of staff survey results in Council planning
- Water recycling and stormwater harvesting
- Accessibility grants program
- New residents' welcome.

Areas for further development include:

- Councillor learning and development, including building councillor understanding of the role and function of the Integrated Planning and Reporting suite of documents
- Monitoring and measuring effectiveness of Council communications
- Risk management and internal audit committee structure
- Reflect the recent organisational restructure in key Council documents such as the Delegations Register
- Plans of management for all community land
- Tourism and economic development
- Long-term financial planning to plan for a financially sustainable future
- Succession planning
- Review of resource sharing arrangements.

The Executive Team of the Council has good insight into the areas requiring further development, and demonstrates an intent to continuously improve. The Action Plan at the end of this report should guide the Council's actions to address these areas for further development.

4 ABOUT BLAND SHIRE

Bland Shire is centred around the town of West Wyalong, and includes the villages of Ungarie, Barmedman, Weethalle, Tallimba and Mirrool. Bland Shire is bordered by Narrandera, Coolamon, Temora, Young, Weddin, Forbes and Lachlan Shires.

The Shire covers an area of 8,560 square kilometres, and has a population of 6,410 which is declining and ageing but also includes a high proportion of under-five year olds. Many 18-30 year olds leave the local area for work and further education. The original occupants of the district were the Wiradjuri people and a number of Local Aboriginal Land Councils cover the Bland Shire area.

Bland Shire is supported by a rural economy that is built around sheep, cattle, wheat and other crop varieties. The local economy has expanded through a number of new agribusiness and mining opportunities. Barrick Gold has established the $220 million Cowal Gold Mine, which has boosted local employment opportunities. Pace Farm's development is the largest egg-producing facility in the southern hemisphere, also providing employment within the community. An expansion in corporate farming has occurred in the area, but with increased mechanisation and outsourced procurement and maintenance, the local community has not necessarily seen benefits from this.

The Shire has an extensive (3,000 kilometre plus) road network, which is a key infrastructure responsibility for the Council.

The gold mine has brought into the Shire a number of employees from culturally diverse backgrounds, and the Council has conducted an increasing number of citizenship ceremonies over recent years.

Bland Shire has developed a tourism partnership with the communities of Dull (UK) and Boring (US), coining the motto "Bland … far from Dull and Boring", as part of the 'League of Extraordinary Communities'.

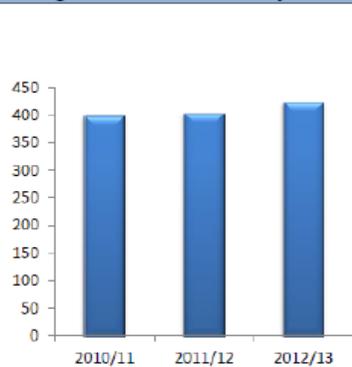The table below provides a snapshot of Bland Shire Council.
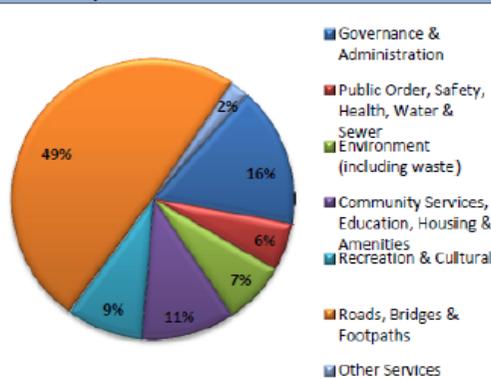
Bland Shire Council

Bland Shire has an area of approximately 8,560.4 km2 with a population of 6,055. Located on the northern fringes of the Riverina region the area's agricultural communities are based around West Wyalong on the Southern Slopes. The Shire offers parks and gardens, sporting and community facilities.

Your Local Population	LGA	Group Avg	Your Council	LGA	Group Avg
Five year population change (%)	-2.0	1.7	Councillors (No.)	9	9
Population aged 19 or less (%)	27.8	25.9	Population per Councillor (No.)	673	835
Population aged between 20 & 59 (%)	46.6	47.4	Equivalent Full Time Staff (EFT) (No.)	122	108
Population aged above 60 (%)	25.5	26.7	2012/13 Revenue ($'000)	27,438	23,296
Aboriginal & Torres Strait Islanders (%)	4.0	7.9	2012/13 Expenses ($'000)	27,055	22,483
Language Spoken Other than English (%)	1.5	2.6	Residential Pensioner Rebates (%)	25	25
Socio-Economic Index Rank (1 low, 152 high)	77	n/a	Population Density (residents per km²)	0.71	1.80

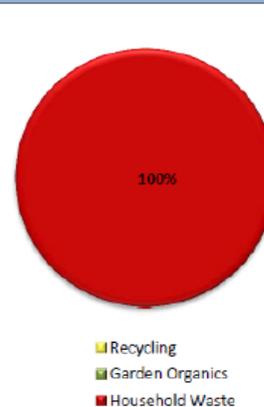| Your Local Economy	LGA	Group Avg	Your Public Facilities	LGA	Group Avg
SALM Unemployment Rate (%)	3.4	5.5	Public Swimming Pool Complexes (incl rock pools) (No.)	2	2
Avg Taxable Income ($)	32,124	34,729	Public Halls (No.)	2	7
Avg Household Family Size (No.)	3.0	2.9	Public Libraries (No.)	1	2
Largest Industry Employer	Agriculture, forestry & fishing		Open Public Space (ha)	1,750	151
Value of DAs determined ($'000)	8,861	10,612	Total Road Length (km)	3,093.5	1606.1
Active Businesses in LGA (No.)	842	851	Access to Internet at Home (%)	62.2	61.4

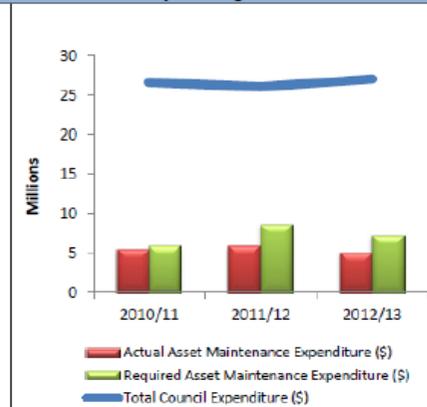### Average Residential Ordinary Rates
Expenditure on Services
Council's Waste Services
### Council's Spending on Assets

In 2013 TCorp assessed your Council's current Financial Sustainability Rating as **Weak** with a **Neutral** outlook.

In 2013 the Infrastructure Audit assessed Council's infrastructure management to be **Strong**.

Strengthening Local Government

Contacting Council	Your Council's Finances	LGA	Group Avg	Your Council's Services	LGA	Group Avg
Shire St	Avg Ordinary Residential Rate ($)	423.18	516.92	Governance & Administration Expenditure per capita ($)	711.48	416.68
West Wyalong NSW 2671	Avg Ordinary Business Rate ($)	960.83	1,196.86	Environmental Expenditure (including waste) per capita	315.11	218.44
Postal Address:	Avg Ordinary Farmland Rate ($)	2,451.61	2,257.70	Water & Sewer Services Expenditure per capita ($)	150.62	377.40
PO Box 21, West Wyalong NSW 2671	Avg Ordinary Mining Rate ($)	407,500.00	89,571.68	Community Services, Education, Housing, Amenities Expenditure per capita ($)	483.57	319.06
Phone: 02 6972 2266	Total Land Value / Total Rate Revenue ($)	101.54	179.29	Recreational & Culture Expenditure per capita ($) *	393.56	279.50
Fax: 02 6972 2145	Typical Residential Water and Sewer Bill (including usage) ($)	598	1,067	Public Order, Safety & Health Expenditure per capita ($)	98.43	142.68
Email:	Avg Domestic Waste Charge ($)	237.27	270.75	Other Services Expenditure per capita ($)	99.09	414.94
council@blandshire.nsw.gov.au	Own Source Revenue (%) (TCorp Benchmark 60%)	33	49	Library Services Expenditure per capita ($)	59.95	45.73
Web:	Grants & Contributions Revenue (%)	63	44	Library Circulation per capita (Items)	6	5
www.blandshire.nsw.gov.au	Operating Performance Ratio (%) (TCorp Benchmark >-4.0%)	-2.3	-6.8	Domestic waste not going to land fill (%)	32	31
	Unrestricted Current Ratio	5.4	5.1	Development Applications (mean gross days)	24	58
	Outstanding Rates & Annual Charges (%)	6.5	9.2	Development Applications determined (No.)	109	88
	Debt Service Cover Ratio (TCorp Benchmark >2.0)	14.7	26.5	Companion Animals microchipped (No.)	2,146	3,107
	Cash Expense Cover Ratio (Mths) (TCorp Benchmark > 3 mths)	2.7	6.3	Companion Animals microchipped and registered (%)	52	53
	Your Council's Community Leadership			**Your Council's Assets**		
	Development Applications determined by Councillors (%)	2	5	Roads, Bridges and Footpath expenditure per capita ($)	2,216.35	1,039.65
	Audited Financial Reports submitted by due date (Y/N)	Y	n/a	Building & Infrastructure Renewal Ratio (%)	41.5	79.0
	Code of Conduct Complaints (No.)	1	1	Infrastructure Backlog Ratio (%) (TCorp Benchmark <20%)	0.9	16.6
	Complaints investigated requiring action (No.)	0	0	Road Length per '000 capita (metre)	510.9	234.2
	Cost of dealing with Code of Conduct Complaints ($)	0	2,417	Asset Maintenance Ratio (TCorp Benchmark >1.0)	0.7	0.9
	Population per EFT Staff (No.)	50	71			

Demographics of Population of LGA

See Appendix 1 for definitions, calculations & benchmarks See Appendix 3 for Council Groups

Comparative Information on NSW Local Government
Measuring Local Government Performance 2012-13

NSW Office of Local Government
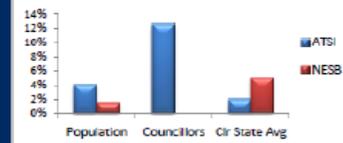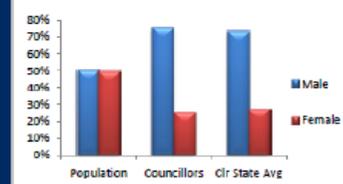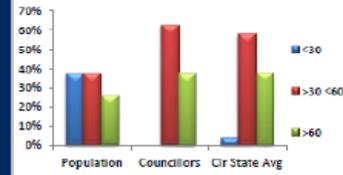
5   CIVIC LEADERSHIP AND ORGANISATIONAL GOVERNANCE

Councils are best placed to provide civic leadership locally. Good governance is critical to forming and maintaining both internal and external relationships that are positive for all parties. Good governance and civic leadership seek to achieve participation, consensus, accountability, transparency, responsiveness, efficiency, equity and legal compliance.

Key issues for the Council

- A key challenge facing the Council at the time of the review was community disharmony about a Mayoral proposal to utilise the reserved mining rates to build a new sports stadium in the Shire. A small community delegation first proposed a new sports stadium in 2009, but when this was included for discussion during the community engagement that informed the development of the Community Strategic Plan, the stadium was not identified as a priority by the community. In 2013, $50,000 was allocated for a feasibility study, and $5.4 million was allocated for construction of a new sports stadium in the draft 2014-15 budget that was recently exhibited. This sparked a community outcry, which led to a community meeting hosted by the Council to discuss the proposal. The Council will decide at its May meeting whether or not to proceed with the proposal at this time. It should be noted that the sports stadium is not identified in the Community Strategic Plan or Delivery Program. The Council reported that it had been held in high esteem by the community prior to this issue.
- Note: since the review, the Council has decided to expend $2 million on a refurbishment of the existing sports facility instead.

Civic leadership and organisational governance at Bland Shire Council

- The Council provided an induction for all new councillors following the local government general election in 2012, although not all councillors attended. Later, a by-election was held and the Council acknowledges that induction may not have been provided in the same way for the new councillor.
- The Council holds regular monthly councillor workshops where councillors may suggest agenda items. Clear communication about the role, purpose and function of these workshops would address concerns held by some councillors and the community that these are opportunities for the Council to "make decisions behind closed doors". Councillor workshops provide an important opportunity for councillors to be informed before making decisions at meetings.

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- Reports on the audit activities, which are programmed each year by the Internal Audit Committee, are provided to the General Manager, and recommendations for action are taken to MANEX (the Management Executive team) for implementation.

- The Council is implementing a new software system which will support the integration of Council functions and activities. Additional modules are being added over time, and will enable GIS mapping to be overlaid to identify relevant and related issues.

- An organisational review was conducted in 2013, with the assistance of an external consultant which has allowed Council to better integrate its asset and finance functions.

- Local Government Professionals Australia NSW (with PricewaterhouseCoopers) are conducting a three-year operational and management effectiveness survey (2014-16), which Bland Shire Council has signed up to participate in. The survey covers corporate leadership, finance management, operations management, risk management and workforce management.

- The Council recently convened its first Joint Regional Planning Panel (JRPP) to assess an application for extension and refurbishments to the retirement village (previously owned by the Council). Council staff report that the JRPP process was applied seamlessly and produced a satisfactory result.

- The Council participates in a variety of arrangements with other councils to support its administrative and governance functions. These include:
  - Regional Infrastructure Plan with Riverina Eastern Regional Organisation of Councils (REROC) for works and services through sub-committees of REROC.

  - Human Resource services (two days per week) have been provided by Blayney Shire Council, with a written agreement. This includes other short-term appointments for senior Human Resource services.

  - Records management relationship with regional councils in a broader council E-user group for the Info Expert software product, in which Bland Shire Council is recognised as demonstrating better practice in records management.

  - Weeds alliance with Bathurst Regional Council.

  - A city/country drought support relationship with Ku-Ring-Gai Council, which was particularly supportive and generous during the most recent drought period. The relationship is largely inactive at the moment.

  - Interstate relationships, such as with a South Australian council regarding urban drainage matters.

  - Relationship with Inverell Shire about the application of Tech One software products in the Council.

  - Geospatial information shared as part of a REROC sponsored alliance.

Key areas of strength

- The organisation's values are incorporated into all corporate documents, and are discussed as part of staff induction and performance reviews. A staff survey held every two years also discusses the organisational values.

- There are a number of mechanisms and activities in place which ensure that staff are aware of the values and how these apply to their own behaviour. The values were set and are reviewed in consultation with the staff, and are modelled by all staff, from the General Manager down.

- Staff recruitment includes reference to the organisation's values, and these are reinforced at induction, and reviewed as part of each staff member's performance appraisal.

- Developing leadership capability within the organisation, and a commitment to "grow our own" both from within the organisation and the community, have successfully seen some staff who show potential now taking on formal leadership roles in the organisation.

- The executive team appears to have a strong commitment to providing opportunities for innovation to flourish, and allowing new ideas to be trialled. Staff are recognised where possible to acknowledge achievement and innovation.

- All managers have an open door policy for staff to contribute ideas for improvement or raise issues, and this complements a number of formal mechanisms for staff interaction.

- The Council's internal communication appears to be comprehensive and uses a variety of mechanisms to ensure both indoor and outdoor staff are kept informed.

- Performance and development reviews include a question about individual staff career aspirations, which is collated by Human Resources and reported to MANEX. Job sharing, relieving, 'acting up' and other opportunities are provided where appropriate to support staff to develop. Informal mentoring is in place, but the EEO (Equal Employment Opportunity) committee is currently considering adopting a more formal mentoring program.

- A national competency framework is used to inform salary progression, based on national and Council-specific competencies, which are independently assessed. The progression opportunities arise six-monthly for the first 18 months of a person's employment, and are documented.

- Workforce management planning actions are transferred into the Operational Plan each year as appropriate. Progress against these actions is reported to the Council twice a year.

- The calendar of compliance and reporting requirements is used by the Council, but no specific staff member is tasked with oversight and monitoring of the Council's regulatory requirements – each area of the Council is responsible for its own performance in this area.

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- All Office of Local Government and other agency circulars are captured in the workflow system (Info Expert) and allocated to the relevant staff at MANEX meetings. The Info Expert system will also enable reporting and scheduling of policy reviews.

Key areas for further development

- A number of councillor surveys and interview responses for this Promoting Better Practice review indicate that some councillors feel inadequately equipped to undertake their role effectively. The Council should develop a councillor learning and development strategy to address councillor skills gaps and ensure ongoing development. It is noted that a number of councillors have made a commitment to attend the Executive Certificate for Elected Members accredited course, which may address some of the learning and development gaps that were identified.

- The communications plan and corporate style guide are currently being reviewed. This review should consider how the effectiveness of the Council's communication can be formally measured. Informally, community events and the Integrated Planning and Reporting process undertaken have provided some feedback to the Council about the effectiveness of its communications. The style guide includes advice about how to communicate effectively and how to shape key messages.

- The Council's internal audit committee does not include an external representative, as is recommended. External representation on the internal audit committee would support the internal audit goal of independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. An arrangement may be able to be made with partner REROC councils to enable this to occur.

- A new Risk Manager has recently commenced. It should be a priority for this position to address a number of outstanding risk management activities in the near future.

- The Council conducts regular data backups, and utilises some cloud storage, but acknowledges that having all backed up data stored on site is a key risk. This should be addressed as a priority by the Risk Manager.

- A mechanism for the development and review of Council policies and procedures is required. The upgraded Info Expert system will generate a review schedule that will assist the Council to ensure all policies and procedures are kept up to date. Council policy and procedure documents include a review date.

- The Council's delegations register should be reviewed following the recent restructure. The restructure was prompted by the sale of the retirement village (where 65 positions were transferred from the Council to the new village operators), as well as the requirement for the usual organisational review that follows a local government election.

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- Plans of management for community land should be developed and captured within the second phase of the implementation of the Tech One system at the Council.
- A wider program of consultation and negotiation with Local Aboriginal Land Councils is occurring in relation to land claims currently lodged over community land in the Shire. As this is resolved, plans of management for that land should also be developed.

The Council's response – civic leadership and organisational governance

The Council provided feedback on this section. Points of clarification have been incorporated into the text above. Specific Council responses are provided below:

- Councillor skills gaps – all councillors are provided with details of learning and development opportunities as they become available, and there is sufficient budget allocation to support the learning and development of any interested councillor.
- Internal Audit – the internal audit function across all areas of the Council's functions has been outsourced under an agreement with the Council's external auditors. Annual reports are provided to the executive committee (Manex) for monitoring and action.
- Data backup – the Council has a long-term practice of backup tapes being held off-site and changed daily.

6   STRATEGIC COMMUNITY PLANNING

Local councils have an important role in undertaking strategic community planning with and on behalf of their local communities. The Local Government Act includes the requirement for councils to implement the Integrated Planning and Reporting framework, which utilises community engagement to inform the development of a Community Strategic Plan, supported by a Resourcing Strategy.

Key issues for the Council

- The executive team understands the role and function of the Integrated Planning and Reporting framework and the related suite of documents. The councillors appear to be less clear about the role and function of these plans, having made decisions and proposing works that fall outside the framework.

- The recent proposal for a new sports stadium overlooked the principles of the Integrated Planning & Reporting framework, and has caused a community outcry, dividing the community and the Council.

- The role of tourism in developing the local economy to support the Shire's future is still being determined by the Council and the community. For example, some believe expanding the hours of the Visitor Information Centre will help, and others believe that enhancing local facilities may be the answer. Among other tourism events, the Shire currently hosts the Australian Dirt Bike Championships and an annual "…in the West" celebration. Other annual events include the Mirrool Silo Kick Challenge and the Barmedman Modified Tractor Pull.

- The gold mine has been operating in the Shire for ten years. A Memorandum of Understanding is in place with two other councils and the mine to ensure the roads utilised by the mine are kept in good condition. The mine has contributed $100,000 to the upkeep of these roads. The mine licence expires in 2019, and the mine has undertaken an impact assessment regarding its expected closure, with negative community outcomes predicted. An extension of the licence to 2024 has been applied for, but the end result of the mine closure remains an issue for the community to address into the future. This is not currently addressed by the Community Strategic Plan.

- An increase in the scale of corporate farming has impacts for the Shire. An identified difference between corporate and family farming is that corporations are not as engaged or connected locally. Corporations tend not to buy or maintain equipment locally, and use

- The recent drought has discouraged young people from engaging in farming, and no agricultural courses are available at local tertiary institutions. While the gold mine provides employment for local families, the result is a drop in local employment on the Shire's farms.

Strategic community planning at Bland Shire Council

- The Council is working to re-invigorate the local Business Chamber, which has included an upgrade to the West Wyalong main street.
- The Council participates on the Riverina Eastern Regional Organisation of Councils (REROC). REROC provided a submission to the Independent Local Government Review Panel supporting the proposed model of Joint Organisations as the most appropriate way forward for its member councils, in preference to council mergers. As major local employers, the REROC member councils do not support amalgamation as they view it will lead to reduced employees which could lead to a reduced population and impact on the economy and viability of local communities.
- REROC also provides Bland Shire with support through partner initiatives regarding economic development, waste management, and other resource sharing relationships.
- Bland Shire partners with Temora Shire for the delivery of Rural Fire Services, Family Day Care and road safety.
- Land claims have been made on almost all Crown Land within the Shire. The Council is working with the local and NSW Land Councils to identify and withdraw operational land from these claimed areas.

Key areas of strength

- The community engagement undertaken to inform the development of the Community Strategic Plan appears to have been thorough and effective. Community members appear to have been left with a clear understanding of the agreed priorities for the community, which manifested itself as strong objection when the Council proposed something that was different to the identified priorities.
- Discussion about service delivery standards was included in the community engagement that informed the development of the Community Strategic Plan.
- The Council has a process in place which ensures that all business paper items reference the Delivery Program and demonstrate how the proposal achieves a Delivery Program activity.

- Individual work plans and the performance appraisal process are related to the priorities of the Delivery Program.

Key areas for further development

- There appears to be a gap in some councillors' understanding of the role and purpose of the suite of plans prepared under the Integrated Planning and Reporting framework. Councillor decision-making should be in line with agreed community priorities as documented in those plans, in order to reduce risks to the Council.
- The Community Strategic Plan does not contain specific strategies to retain agricultural workers in the community. Many of these workers are now employed with the gold mine, which has a limited future in the Shire. This issue should be addressed in future planning by the Council and the community.
- The Community Strategic Plan places no emphasis on the natural environment, although the plan does contain some Council activities which support environmental objectives. Future iterations of the Community Strategic Plan should include explicit objectives and strategies in relation to the natural environment.
- The Council is encouraged to develop a Tourism and Economic Development Strategy for the Shire. A 2000 strategy exists which may be an appropriate basis for the development of a new Strategy for the Shire. Any such Strategy should align with and support the achievement of the Community Strategic Plan objectives.

The Council's response – strategic community planning

The Council provided feedback on this section. Points of clarification have been incorporated into the text above. Specific Council responses are provided below:

- Barrick mine - Approval was granted on 22 July 2014 for the extension of the Barrick mine to 2024. At its August 2014 meeting, the Council resolved to establish a select committee to analyse and develop responses to the Barrick Impact Assessment Report prior to its release to the community.
- Response to Independent Local Government Review Panel – another factor taken into consideration for not supporting amalgamation was a strong emphasis on "communities of interest" and services to communities.
- Land claims on Crown Land - Land Claims have been made on almost all Crown Land within the Shire. The Council is working in partnership with the local and NSW Aboriginal

- Work plans and performance appraisals - Work plans for sections of the organisation and some individual employees also relate to the Delivery Program and Operational Plan. Performance appraisals consider progress towards achieving set goals such as Operational Plan outcomes.

7 RESOURCING THE PLANS TO ACHIEVE FINANCIAL SUSTAINABILITY

In order to contribute to the achievement of community aspirations, as identified in the Community Strategic Plan, councils must prepare a Resourcing Strategy which considers the financial, asset and workforce resources required to deliver outcomes for the community. The Resourcing Strategy demonstrates how the current council will achieve the Delivery Program that is its commitment to the community about what will be achieved from the Community Strategic Plan during its term of office.

Key issues for the Council

- In 2013, the NSW Treasury Corporation (TCorp) conducted an assessment of the financial position of all councils in NSW. Bland Shire Council was found to have a "weak" financial position with a "neutral" outlook (ie likely to remain the same). An Infrastructure Audit also undertaken in 2013 identified the Council as having "strong" infrastructure management.

- The Council advises that the stadium proposal was raised during the development of the Community Strategic Plan, but did not rank highly in the list of community priorities. As such, it was not included in the Delivery Program or the Long-Term Financial Plan or the Asset Management Strategy. However, the Council sought to include this high value ($5.4 million) project in its draft budget and Operational Plan for 2014-15. This indicates a poor understanding by the councillors of the role and purpose of the Community Strategic Plan, Delivery Program and Resourcing Strategy, and the relationship of these key Council documents to their councillor role.

- The Shire has a small rate base which accounts for only 25% of the Council's total revenue. The 2013 2.3% rate peg only yielded an additional $135,000 in revenue.

- The Long-Term Financial Plan currently forecasts significant deficits before capital of between $3.4 million and $4.8 million for each of the ten years of the Plan. However, the Council has $9 million in cash reserves. The purpose of the Long-Term Financial Plan is to demonstrate how a council will achieve financial sustainability into the future. The Council's Long-Term Financial Plan needs to be revised to make clear how this sustainability will be achieved.

- The Council notes that with the rise of corporate farming there have been impacts on Council assets, particularly the roads network. There has been an increased use of heavy vehicles, even during extended periods of rain, when local farmers would ordinarily take steps to avoid using such vehicles on the roads in order to mitigate detrimental impact.

Resourcing the plans to achieve financial sustainability at Bland Shire Council

- The TCorp and Infrastructure Audit reports have prompted the Council to review its long-term financial planning.

- The Council's decision some years ago to exclude the additional rate income generated by the gold mine from the operating budget, so that when the mine closed the impact would be minimised, is regarded as sound strategic financial planning. However, the Council is at risk of imposing long-term financial strain if it uses those reserved funds to undertake capital works programs that have an ongoing, long-term financial burden (ie maintenance, renewal, staffing, etc) on the Council. However, the Council plans to incrementally increase the rural land rate over time to offset the eventual mine closure and resultant decreased income.

- The Council has considered a special rate variation as a means of broadening the revenue base, but as the rate base is small and the community capacity to pay more is limited, the likely yield would be minor, and is not supported by the community without evidence of benefits. Similarly, user fees and charges for community facilities are minimal at best, and challenging to broaden or increase due to limited community capacity to pay, and low yield.

- The Council has a large road network (3,000 kilometres plus) to maintain, and have developed a roads hierarchy within the asset management plans, with funds allocated.

- The Waratah Retirement Village was losing $700,000 - $900,000 per year before the Council sold it in February 2012. The new owner is now investing $5 million to upgrade the facility and has taken on most of the staff that were previously employed by the Council. This asset sale has provided a financial benefit to the Council, as well as enabling the retention of many of those staff and a key community service to stay within the Shire.

Key areas of strength

- The Treasury Corporation report of its review of the Council's financial status prompted the Council to examine the way it reports expenditure in relation to asset renewal and asset maintenance, which makes clearer the different nature and impact of these expenses.

- In order to grow the local economy, business incentives are offered by the Council, including setting aside land for an industrial area which has been taken up and is now looking to expand. Also, rates and interest relief is offered to assist businesses to get started. All of this is supported by materials on the Council's website, and a business support policy and procedure. The Council has set aside $40,000 in a business development account to fund support for new businesses.

- Opportunities have been provided to local businesses with large electricity consumption to participate in a subsidised electricity program through the Riverina Eastern Regional Organisation of Councils. The Council also purchased the town's medical practice when the then GP departed, to enable the practice to be retained for the community. This asset has since been sold to a local GP and there are now three medical practices and seven GPs servicing the community.

- The funding for an extension to the pre-school was negotiated with the gold mine, as there was recognition that mine employees had directly contributed to the increased demand for pre-school places.

- The Council's budget process devolves responsibility to frontline managers who determine how best to apply allocated funds to the achievement of the Operational Plan. Frontline managers participate in the budget-building process each year and this system has now also been adopted for use by Leeton Shire.

- The Council has a culture of ensuring that asset and finance discussions (and personnel) are brought together as part of Council planning, so that financial and asset implications are considered together.

- The Council has a commitment to staff training, development opportunities and 'grow your own' skills and talent. The Council has been recognised in 2014 by the local Institute of TAFE as *Employer of the Year,* and one of the Council's administrative trainees was awarded *Outstanding Student* for Riverina and Central West.

- Traineeships and cadetships are used extensively, and the Council has a relationship with the Riverina Institute of TAFE to enable this.

- A learning and development plan is in place, supported by a policy and procedures and funding.

- Workforce plan actions are transferred into the Operational Plan and reported to MANEX quarterly, and included in twice-yearly reports to the Council.

Key areas for further development

- The dollar value of depreciation should be accurately reflected in the Long-Term Financial Plan, so that the true financial position of the Council is available to councillors and staff for their decision-making, and is also available to the community. Some work needs to be done to accurately identify the depreciation amounts for each group of assets, so that renewals and replacements can be appropriately forecast in the Long-Term Financial Plan, and this will need to include conducting condition assessments and determining accurately the useful life of the Council's assets.

- The Council has applied standard depreciation rates to its various assets. Further work should be done by the Council to assess actual condition and determine useful life, so that more realistic depreciation rates can be applied, which may impact on the Council's financial bottom line. The Council has a $9 million reserve to fund depreciation, but this may be less than the amount required to fully fund the depreciation of all of the Council's assets. Roads comprise the majority of the Council's asset base.

- It appears that the Council has assumed a practice where money is transferred from the operational budget into reserves. This effectively means that decisions about how that money is spent lie with the councillors, which may hamper staff's operational capacity. For example, $90,000 for economic development and $30,000 for tourism had recently been transferred into reserves, so this money is no longer available to the operational budget for these purposes. The Council should revise this practice to ensure that it meets the Council's operational needs.

- The Council should adopt a Borrowing Policy. Consideration of the Council's willingness and capacity to borrow funds should be considered in its Long-Term Financial Plan.

- Some key positions within the Council have been identified for succession planning, including positions with a high likelihood of turnover in the near future. Succession planning should be completed, with actions incorporated as part of the Delivery Program and Operational Plan.

The Council's response – resourcing the plans to achieve financial sustainability

The Council provided feedback on this section. Points of clarification have been incorporated into the text above. Specific Council responses are provided below:

- TCorp assessment – the Council questions the 'weak' forecast and its auditors are reviewing the TCorp outcomes.

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8 DELIVERING SERVICES TO THE COMMUNITY

Following each local government election, the incoming council reviews the Community Strategic Plan, and adopts a Delivery Program which becomes its commitment to the community about what it will do during its term in office to achieve the goals and aspirations identified in the Community Strategic Plan. An annual Operational Plan and budget provides the detailed actions to be undertaken in a given year and is supported by the Resourcing Strategy

All plans, projects, activities and funding allocations must be directly linked to the Delivery Program.

Key issues for the Council

- A $1.1 million grant was secured to build a multi-purpose, one-stop-shop Home and Community Care (HACC) centre in the Shire that houses Council services, HACC, Meals on Wheels, and the Aged Day Care service. The facility was completed in 2011.

Delivering services to the community at Bland Shire Council

- A community focus for the Council is the provision of parks and gardens, and two swimming pools in the Shire, including one which has become a regional facility. An asset rationalisation process regarding local parks was undertaken, and key community parks were identified. These include parks used by travellers and visitors, and those that are popular within the community. The community has expressed a desire for a high service level to be applied to these key parks.
- The Council is introducing (incrementally by module) the Tech One property-based software system. It will include and integrate financial, human resource, regulatory and development application information. Cemeteries information may be included in a later module update.
- The Council runs its own sewer business, and water supply is provided through Goldenfields Water County Council, which Bland Shire is represented on.

Key areas of strength

- The Council has a published Customer Service Charter that describes its commitment to the community, provides a guarantee of service in relation to correspondence, telephone calls and availability of staff, and provides advice regarding making compliments or complaints about the Council's service provision.

- There is a focus within the Council on sharing resources and working with others to deliver services to the community. The Council participates in a range of joint service arrangements. These include:
    - Service access liaison for remote communities.
    - Community Health service provision.
    - Community capacity building activities with Department of Primary Industries targeting farming communities.
    - Medicare Local services to the village of Barmedman, Tallimba, Ungarie, and Weethalle.
    - Department of Transport grants to fund bus services.
    - Children's services, including Family Day Care provision, in Temora.
    - Alliance with Berrigan and Leeton library services, and investigating joining as part of Riverina Regional Libraries.
    - Shared Road Safety Officer with Temora and Cootamundra Shires.
    - Eastern Riverina Arts Alliance membership.
- The Council's Access Committee provides financial assistance through a grants scheme to support owners or lessees of buildings and other facilities in the Shire to carry out works to improve accessibility.
- The Council provides a range of children's services beyond the Shire boundaries. These include pre-school, family day care, vacation care, mobile playgroups, a toy library and parent resources, and the *It takes a Village* program.
- The Council works with each of the six Local Aboriginal Land Councils which cover the Shire. An Indigenous Advisory Committee meets quarterly. The Council holds NAIDOC week celebrations each year in conjunction with a Local Aboriginal Land Council.
- Village movie nights hosted by the Council are well-attended, and the Council reports an increased number of unsolicited appreciations for its work in the community more generally.
- Service delivery community surveys have been undertaken in relation to the library, HACC and children's services, and the results are used to shape future service provision in these areas.
- No town water is used on parks and gardens, sporting fields or green spaces. The Council takes pride in its parks and gardens, and the community has confirmed the value it places on these, particularly appreciating the parks when the Shire generally was experiencing drought. Recycled water is provided to the golf course, and excess water is redirected to a billabong project, which has established a wetlands area in partnership with the Local Aboriginal Land Council, who has contributed plantings and signage to the project.

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- Bland Shire is proud of its rehousing rate for dogs which come into its care, and has a good relationship with the local veterinarian who seeks to promote responsible pet ownership within the community.
- The Council already had in place a backyard swimming pool inspection program prior to recent legislative amendments requiring swimming pool inspections to be undertaken. A plan has now been developed to incorporate these new legislative requirements into the program.
- The Council reviews its development application processes regularly. Development services policies were recently reviewed in consultation with staff and councillors. Although the Council does not receive many section 94 developer contributions, they are set aside in accordance with the contributions policy.

Key areas for further development

- The Council should develop a formal system to regularly monitor and evaluate the outcomes of its resource sharing arrangements. Some evaluation is undertaken by REROC of those programs which it auspices. Some community services funding is reliant on how well the initiatives have been implemented, and so ongoing funding may be regarded as a measure of success. The Council is also encouraged to identify opportunities to extend its resource sharing activities with the aim of improving efficiencies.

The Council's response – delivering services to the community

The Council provided feedback on this section. Points of clarification have been incorporated into the text above. No other specific Council responses were provided.

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9 BETTER PRACTICE EXAMPLES[1]

BETTER PRACTICE EXAMPLES	*DESCRIBE THE INITIATIVE AND WHY IS IT CONSIDERED BETTER PRACTICE*
Civic leadership and organisational governance	
1 Councillor development	It is encouraging to see that four of the nine councillors have made the commitment to participate in the Executive Certificate for Elected Members accredited course, being conducted as a collaboration between UTS, LG NSW and TAFE.
2 Development, review and application of organisational values.	Performance appraisals and recruitment are triggers for reinforcing and assessing the organisation's values. Discussion of values is included in staff induction for new and existing staff (eg when moving into a new role). All business papers and corporate documents incorporate the organisation's values.
Resourcing the plans to achieve financial sustainability	
3 Liaison with Local Aboriginal Land Councils re land claims	The Council has negotiated with Local Aboriginal Land Councils to withdraw land claims over operational land in the Shire. This model has been adopted for use more broadly by the NSW Aboriginal Land Council.

Definition of Better Practice, Office of Local Government

Better practice	- Beyond or above minimum compliance requirements, published guidelines or in some way better than standard industry practice. - Innovative and/or very effective. - Contributes to continuous improvement within the local government sector.

BETTER PRACTICE EXAMPLES	DESCRIBE THE INITIATIVE AND WHY IS IT CONSIDERED BETTER PRACTICE
4 Staff work plan connection to Operational Plan actions and Delivery Program activities.	As well as ensuring each business paper to the Council references relevant Delivery Program priorities, work plans for sections of the organisation and some individual employees also relate to the Delivery Program and Operational Plan. Performance appraisals consider progress towards achieving set goals such as Operational Plan outcomes.
5 Staff survey results inform Council planning.	The Council utilises the results of the employee survey conducted every two years to inform updates and adjustments to the EEO management plan and workforce strategy.
6 Devolution of agreed budget allocation.	Managers are delegated responsibility to apply the allocated budget in the way that best supports their achievement of Operational Plan.
Delivering services to the community	
7 Water recycling and stormwater harvesting.	No town water is used on parks and gardens, sporting fields and green spaces. The Council takes pride in its parks and gardens, and the community has confirmed the value it places on these, particularly appreciating the parks when the Shire generally was experiencing drought. Recycled water is provided to the golf course, and excess water is redirected to a billabong project, which has established a wetlands area in partnership with the Local Aboriginal Land Council, which has contributed plantings to the project.
8 Access committee grants	The grants scheme improves access by people with disability to buildings and facilities across the Shire by supporting owners and lessees to make improvements to their properties to increase access.

BETTER PRACTICE EXAMPLES	DESCRIBE THE INITIATIVE AND WHY IS IT CONSIDERED BETTER PRACTICE
9 New residents' welcome	The Council hosts twice-yearly get-togethers for new residents, and provides a new resident kit (which is also available on the Council's website, but requires an update from the 2012 info). This is supported by a Shire "welcoming committee".
10 Addressing the 'tween gap' in service provision.	The Council has identified a need to coordinate service provision between children's services and youth services to ensure that 'tweens' (aged 8-14 years) are also catered for.

10 AREAS FOR FURTHER DEVELOPMENT – ACTION PLAN

The following Action Plan should be utilised by the Council to guide the implementation and monitoring of agreed actions to address areas for further development identified during the Promoting Better Practice review.

AREA FOR FURTHER DEVELOPMENT	PRIORITY	ACTION PROPOSED	TIME FRAME	RESPONSIBILITY	PROGRESS REPORT
Civic leadership and organisational governance					

AREA FOR FURTHER DEVELOPMENT	PRIORITY	ACTION PROPOSED	TIME FRAME	RESPONSIBILITY	PROGRESS REPORT
1. Development of a councillor Learning and Professional Development strategy which is funded and incorporated within the Delivery Program.	Medium	• Create register for recording all councillor training attendance • Undertake a training needs analysis and develop plan and budget • Identify training opportunities and make available • Allocate and plan for council elections in 2016/17 year	June 2015	General Manager	

AREA FOR FURTHER DEVELOPMENT	PRIORITY	ACTION PROPOSED	TIME FRAME	RESPONSIBILITY	PROGRESS REPORT
2. Opportunities for councillors to strengthen their understanding of the role and function of the Integrated Planning and Reporting suite of documents.	*High*	• Internal Council Workshop discussions • External training opportunities identified • Investigate mentor program with other councils.	March 2015	General Manager	
3. The Council may consider reinvigorating its City/Country drought support relationship with Ku-Ring-Gai Council to follow up on staff development opportunities and other benefits to the Council.	*Low*	• Review arrangements and determine options • Identify other opportunities if required.	January 2016	General Manager	

AREA FOR FURTHER DEVELOPMENT	PRIORITY	ACTION PROPOSED	TIME FRAME	RESPONSIBILITY	PROGRESS REPORT
4. Effectiveness of Council communications, particularly with the community, should be monitored and measured to inform future revisions of the communications plan.	Medium	• Communications Plan to be reviewed in 2015 • Identify measures and develop process • Community survey to be undertaken in 2015/16 and will include communication component.	December 2015	Director Corporate, Community & Development Services	
5. Address outstanding risk management activities as a priority.	High	• Recruit staff to Risk Management Advisor position • Identify priorities and action.	December 2014	Director Asset & Engineering Services	

AREA FOR FURTHER DEVELOPMENT	PRIORITY	ACTION PROPOSED	TIME FRAME	RESPONSIBILITY	PROGRESS REPORT
6. Review the internal audit committee structure to include external representation.	Medium	• Investigate options including REROC participation • Appointment of external member • Review Internal Audit Committee structure.	July 2015	General Manager	
7. Update the Delegations Register to reflect the recent restructure.	High	• Finalise staff structure • Review existing delegations to staff • Develop system and Register • Issue delegations to affected staff.	March 2015	General Manager	

8. Prepare plans of management for all community land.	Medium	• Identify relevant land • Liaise with relevant stakeholders • Develop plans.	June 2016	Director Asset & Engineering Services	
Strategic Community Planning					

9. Address agricultural and mining employment issues in future iterations of the Community Strategic Plan and Delivery Program, and consider more broadly the social and other impacts of the eventual mine closure.	*High*	• Establish committee and terms of reference • Develop responses to Barrick Impact Assessment Report • Liaise with stakeholders • Incorporate into 2016 Integrated Planning and Reporting documents.	June 2015	General Manager	

10. Consider the development of a Tourism and Economic Development Strategy to support the achievement of the Community Strategy Plan (or incorporate such strategies into future iterations of the Community Strategic Plans).	*High*	• Progress short, medium and long term plans • Liaise with community and other stakeholders • Incorporate into 2016 Integrated Planning and Reporting documents.	December 2014	General Manager	
Resourcing the plans to achieve financial sustainability					

11. The Long-Term Financial Plan needs to be revised to forecast a financially sustainable future.	*High*	• Review depreciation rates for the Council's assets • Council consideration of fees and charges for use of facilities • Review of service levels.	June 2015	Director Corporate, Community & Development Services	
12. The Council should adopt a Borrowing Policy and incorporate it into the Long-Term Financial Plan.	*Medium*	• Develop borrowing policy and procedure • Incorporate into the 2015 review of the Long-Term Financial Plan.	January 2015	Director Corporate, Community & Development Services	

13. Review the practice of transferring funds from the operational budget into reserves.	*Medium*	• Review process • Liaise with councillors and staff.	June 2015	Director Corporate, Community & Development Services	
14. The Council is encouraged to progress its succession planning, particularly in relation to the identified key positions.	*Medium*	• Identify key positions • Complete risk matrix • Collate information and development plan.	June 2015	General Manager	

Delivering services to the community

15. Consider the introduction of a formal monitoring and evaluation process for resource sharing arrangements.	*Low*	• Identify arrangements • Liaise with stakeholders • Develop process and agreements.	January 2016	General Manager	