

challenges improvement innovation good governance

Promoting Better Practice Program

REVIEW REPORT

PARKES SHIRE COUNCIL

NOVEMBER 2007

Department of Local Government



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1. ABOUT THE REVIEW

Review objectives

The Promoting Better Practice review program is a review process that has a number of objectives:

- to generate momentum for a culture of continuous improvement and greater compliance across local government
- to provide an 'early intervention' option for councils experiencing operating problems
- to promote good governance and ethical conduct principles
- to identify and share innovation and good practice in local government
- to enable the Department to use review information to feed back into its work in identifying necessary legislative and policy work for the local government sector.

Reviews act as a "health check", giving confidence about what is being done and helping to focus attention on key priorities.

Review process

The review process was developed after extensive research into council performance measurements in Australia and overseas. There are essentially five steps in a review - preparing, assessing, checking, analysing and reporting. The review team examines local circumstances in order to understand the pressures on council and how the council has sought to manage that environment.

The process involves a Department of Local Government (DLG) review team or a reviewer evaluating the effectiveness and efficiency of the council's operations and giving feedback. This involves checking compliance, examining appropriate practices and ensuring that council has frameworks in place to monitor its performance.

The results of reviews are analysed and fed back to the elected council, the Director General of the Department of Local Government and the Minister for Local Government.

Parkes Shire Council Review

Parkes Shire Council was asked to complete a strategic management assessment and a comprehensive set of checklists about key council practices. The review team examined these and a range of other source documents prior to visiting Council in order to gain a preliminary understanding on the pressures on Council and how the Council has sought to manage that environment.

The strategic management assessment tool asked Council to respond to four critical questions:

- How has Council determined its ambitions and priorities?
- How do these ambitions and priorities drive the Council's services and resources?
- How does Council use its corporate capacity and systems to drive forward the organisation in an ambitious, challenging yet managed way?
- How does Council measure the progress it is making with its agenda to ensure that its priorities are delivered and that service improvement is achieved?

Steve Woods, a Senior Risk Management Consultant acting for the Department of Local Government, conducted the on-site component of the review from 18 June to 22 June 2007.

The on-site review involved a meeting with Council's Mayor and General Manager, conducting interviews and meeting with senior staff, attending a council meeting and the review of a number of Council's policies and other documents and visits to a number of Council facilities/worksites.

Council was given the opportunity to comment on a draft version of this report. Council's response to the draft report and recommendations has been included in Section 7 of the report. The report has been revised having regard to the Council's response.

2. EXECUTIVE SUMMARY

Parkes Shire Council is doing a good job in terms of strategic and operational focus and providing leadership for the community. In September 2006, it held a Parkes Future Workshop, which was attended by 90 representatives from the local community who came together to plan the future of the Shire. From this workshop and additional forums Council and the community have developed a Parkes Shire Strategic Plan 2006-2030. It sets down seven directions to achieve its vision of “A progressive regional hub with vibrant country communities: Learning Lifestyle & Opportunity”. The seven future directions include:

- develop education and learning
- maintain and improve environment
- develop Parkes as a national freight and transport node
- foster and improve health and well being
- support and grow townships
- grow industry (including agriculture, mining, tourism and transport), and
- maintain and improve recreation and cultural facilities and activities.

Council has been proactive in developing a restructured Management Plan to link its principal activities to achieve the above vision. To date some significant actions have been achieved, including completion of a draft local profile for a Comprehensive Land Use Strategy and LEP Review, draft asset management plans and finalisation of an Integrated Water Cycle Management Plan.

Council has an excellent working relationship with the Central NSW Regional Organisation of Councils (CENTROC) and the Mid-Lachlan Alliance, and these have recently resulted in significant local benefits to the community, such as reduced waste and recycling collection costs.

Overall governance, planning and other regulatory, asset and finance management, community and consultation and workforce relations controls have been assessed as satisfactory.

Council has a Risk Assessment and Control Policy and is a member of the Orana Risk Management Committee, but does not have a Risk Management Plan. We have recommended that Council should continue to promote the establishment of a Risk Management Strategy via the Orana Risk Management Committee and/or CENTROC and then develop a Council-wide structured and integrated Risk Management Plan to cover all business risks across Council.

Council also does not have an Internal Audit Committee and we have recommended that Council should continue to promote the establishment of an Orana or CENTROC Regional Internal Audit Committee to share resources in employing a Regional Risk and Internal Audit Manager and develop a Regional Internal Audit Plan to address issues of highest risk.

Council's current State of the Environment report 2005-2006 is a good comprehensive snapshot of local environmental issues, with high standard of content and relevant comparative data.

Council's overall financial position appears to be very good. Council has key elements of a good financial planning framework and is debt free.

The information in Council's Social Plan is clearly reported, there is evidence of extensive community consultation and Council is to be commended regarding the incentives for residents completing the social plan survey with entry to win \$100 of free petrol.

Council has adequate Recruitment and Selection, Equal Employment Opportunity and Occupational Health and Safety (OH&S) policies and procedures. All positions have written job descriptions.

Council has responded positively to the review process.

3. RECOMMENDATIONS

It is recommended that:

Governance

1. Council should make provision for declarations of interests as an agenda item in meetings of all of its committees.
2. Council should modify its Section 252 Policy taking into account the comments made in this report.
3. Council should review its Privacy Management Plan in due course.
4. Council should ensure it properly reports on the breakdown of senior staff remuneration in future annual reports.
5. Council should conduct a risk assessment of its procurement and disposal practices, as soon as practicable.
6. Council should continue to promote the establishment of a Risk Management strategy via the Orana Risk Management Committee and/or CENTROC and then develop a Council-wide structured and integrated Risk Management Plan to cover all business risks across Council – financial, operational, customer service oriented, safety, security, environment, technical, et al.
7. Council should continue to promote the establishment of an Orana or CENTROC Regional Internal Audit Committee to share resources in employing a Regional Risk and Internal Audit Manager and develop a Regional Internal Audit Plan to address issues of highest risk.
8. Council should develop a fraud control and corruption prevention policy/strategy as soon as practicable and should undertake a systematic fraud risk assessment in due course.
9. Council should develop a system for the internal reporting of legislative and regulatory non-compliance and prosecutions against Council.

Regulatory Affairs

10. Council should include more information on Aboriginal heritage sites and other heritage items of significance and also reinstate the box at the end of the Land,

Water and Cultural Heritage sections titled “Data Gaps” in its next State of the Environment report.

11. Council should develop a formal Enforcement and Prosecutions Policy, as soon as practicable.
12. Council should consider giving greater priority to the planned development of a Companion Animals Management Plan in 2009-2010, as indicated in its Management Plan.

Asset and Financial Management

13. Council should consider the cost-effectiveness of self-insurance for Workers Compensation as part of a pooled Regional or Alliance arrangement.
14. Council should ensure its Long Term Asset and Financial Plans include adequate provision for sewerage infrastructure.
15. Council should review the options for auctioning, returning to original suppliers for credit or dumping the obsolete equipment/material in the Depot yards in due course.

Community and Consultation

16. Council should include more evidence of inter-council consultation during the development process of its next Social Plan and may want to consider further clarifying the mechanisms and timeframes for monitoring and evaluating the recommendations set out in the Action Plan.
17. Council should develop a formal Economic Development Plan, similar to its Tourism Development and Marketing Plan, in due course with the Hub Strategy.
18. Council should develop a formal Communications policy/strategy as soon as practicable.

Workforce relations

19. Council should introduce periodic staff surveys to identify any underlying issues that may not surface from annual competency assessments for the attention of management.

4. CONTEXT

Parkes Shire is located on the western edge of the Great Dividing Range within the Central Slopes and Plains region of NSW. The LGA covers an area of 5,919 kilometres and has a population of 15,100. The town of Parkes is the main urban centre. Other major centres are Peak Hill in the north and Bogan Gate, Trundle and Tullamore in the west of the Shire. The Shire is bound by the LGAs of Cabonne to the east, Narromine to the north, Lachlan to the west and Forbes to the south.

The exploration of the Central West region of inland NSW and the early settlement of Parkes Shire took place as a result of the search for viable land to accommodate the growing wool industry. In 1827 suitable farming land was mapped following the flow of the Bogan River and in 1865 the first wheat crop was grown in the Parkes district.

Gold was discovered in 1862. A further discovery of gold in 1871 at the Bushman's Lead helped the district to become one of the richest gold producing areas in the colony.

Sir Henry Parkes showed his interest in the district by visiting the diggings, and in December 1873, the name of the settlement was changed from Bushmans to Parkes in honour of the statesman.

As gold mining diminished in importance, agriculture underwrote the economic consolidation and reinforced the foundations on which the commercial, communal and civic life of Parkes Shire was built.

The sister city relationship between Parkes and Coventry (birthplace of Sir Henry Parkes) was established in 1939 and is the longest surviving such relationship involving an Australian town or city. It is being enhanced by the reproduction of Moat Cottage on the outskirts of Coventry, where Sir Henry Parkes was born in 1815, as part of the development of the Parkes Heritage Centre/Museum complex.

Today, Parkes Shire is a thriving community situated close to the geographical centre of New South Wales at the cross-roads of the Newell Highway and the east-west rail route. Business activity still includes mining and agriculture but has diversified to include freight operations, a regional airport and tourist attractions such

as The Dish, the Clubs NSW Parkes Elvis Festival, the Peak Hill Open Cut Experience and the Tullamore Irish Festival. Council has recently received confirmation from the Commonwealth Government that Parkes is on the preferred Melbourne to Brisbane inland rail route.

The transport and mining industries have assured the future of Parkes Shire for some time but the long-term effects of the drought, retention of health professionals and an ageing population remain major concerns.

Council has ten (10) councillors, with the Mayor elected annually by his or her peers.

5. COUNCIL'S AMBITIONS, PRIORITIES AND FUTURE FOCUS

This part of Council's assessment focussed on: clear ambition; a focus on communities and services; ownership of problems and willingness to change; a shared and realistic vision; a sustained focus on what matters; improvement integrated into day-to-day management; flexibility and innovation; capacity and systems to continue to deliver performance improvement.

Strategic and Operation Focus

In September 2006, Council held a Parkes Future Workshop, which was attended by 90 representatives from the local community who came together to plan the future of the Shire. From this workshop and additional forums, Council developed a Parkes Shire Strategic Plan 2006-2030 and seven directions were set down to achieve its vision of *"A progressive regional hub with vibrant country communities: Learning Lifestyle & Opportunity"*. This Strategic Plan has now been incorporated into a restructured Management Plan.

The seven future directions include:

- develop education and learning
- maintain and improve environment
- develop Parkes as a national freight and transport node
- foster and improve health and well being
- support and grow townships
- grow industry (including agriculture, mining, tourism and transport), and
- maintain and improve recreation and cultural facilities and activities.

Planning for the Future

Council has established long-term financial plans for all major infrastructure. It has strategic business plans for water and sewerage activities, a developer service plan and an Integrated Water Catchment Management Plan. Council won a Green Globe Award from DEUS for demonstrating excellence in sewerage performance in 2006 and was highly commended in the 2007 Engineering Excellence Awards for innovation in water supply and wastewater for its *Sustainable Parkes – A demonstration project for holistic Water Cycle Planning and Infrastructure Delivery*.

A Comprehensive Land Use Strategy & Local Environment Plan Review for Parkes Shire Council and Draft Issues Paper has also been recently completed in preparation for a new LEP.

Council has established a DCP for the Parkes Industrial Hub with appropriate zoning for nearly 500 hectares of land specifically designed for the future 24 hour, 7 days per week operation of a Multi-Modal Transport Facility.

Working with other councils

Council also has an excellent working relationship with the Mid-Lachlan Alliance and the Central NSW Regional Organisation of Councils (CENTROC) that has resulted in significant local benefits to the community such as reduced waste and recycling collection costs and establishment of other contracts for bitumen emulsion, line-marking for roads, clothing and footwear and road signs.

Ageing population

Responding to and planning for the major changes and service demands that will be created by Australia's ageing population will be a major challenge for all levels of government.

Between 2004 and 2022 Parkes' population is projected to decline in size by 7 per cent. Its youth and working age populations are projected to decline in size, while its elderly population will grow substantially.¹

¹ Jackson, N.O. (2004) NSW Local Government Population Ageing Project

Parkes' 65+ population is projected to grow by 39 percent by 2022, and at 85+ years the increase will be approximately 69 per cent.

Approximately 15.6 per cent of the Parkes population is currently aged at 65+ years and this is projected to grow to 23.3 per cent by 2022. At an average increase of 0.43 percentage points per year, this “force of ageing” is slightly faster than that projected for Total NSW (0.33) but the same as for NSW Balance (0.43). Parkes' 85+ population is projected to almost double in proportion from 1.7 to 3.1 per cent of the population.

Parkes currently has a labour market entry/exit ratio of 1.1, meaning that it has 11 people at labour market entry age (15-24 years) to every 10 approaching retirement age (55-64 years). This ratio is expected to decline to 0.8 by 2022.

By comparison, the entry/exit ratio for NSW total is currently 1.3 and will decline to 0.9; the crossover to more exits than entrants coming around 2018.

Reflecting these trends, Parkes' total working age population (15-64 years) is projected to fall from its current 61 per cent of the population to around 58 per cent by 2022 and to decline in size by 11 per cent.

This will have a significant impact on the demand on services, facilities and infrastructure and all aspects of Council's operations.

The Local Government and Shires Associations have produced 'Planning the Local Government Response to Ageing'. This paper is intended to offer a framework to assist councils to begin to plan for the population ageing unique to their area by:

- providing information on what is happening with the general population trends and access to population projection information for each local government area
- providing information on the existing and likely diversity amongst older people
- providing evidence on what population ageing means for all roles that councils perform, and
- encouraging councils to examine their numbers and proportion of older people and their rate of population ageing, in conjunction with the evidence on impacts, and to identify what roles they may need to change.

Parkes Shire Council is using this paper in its planning process and the Social Plan 2005-2009 includes a number of strategies for older people. Issues identified include access, communication and consultation and community services and facilities. It is evident that Council has integrated strategies across its functional areas to address this challenge.

Progress in relation to these priorities is reported on a quarterly basis via the management plan reports, as well as annually in the Council's Annual Report.

6. DELIVERING AND ACHIEVING

This part of Council's assessment focussed on: capacity and systems to deliver performance improvement; defined roles and responsibilities and accountabilities; delivery through partnership; modern structures and processes; strong financial management; resources follow priorities; performance information; risk managed appropriately; open to external challenge.

6.1 Governance

“Corporate governance refers to all the means by which entities are directed and controlled.” (Standards Australia, HB401-2004:12) Corporate governance is important because it enhances organisational performance; manages and minimises risks; increases the confidence of the community and the local government sector in the organisation; ensures that an organisation is meeting its legal and ethical obligations; and assists in the prevention and detection of dishonest or unethical behaviour.

A review was conducted of a range of aspects of Council's governance practices, including:

- *Ethics and values*
- *Risk management and internal control*
- *Council's decision-making processes*
- *Monitoring and review*
- *Access to information.*

Ethics and values

Council has developed a Statement of Values that is published on its website and has also set out in the Parkes Shire Strategic Plan 2006-2030 and Management Plan 2007-2008 an updated set of values to guide future choices and behaviour, which are aligned to the key principles included in its code of conduct.

Council has also developed a Business Ethics Policy, adopted in December 2005, for behaviour appropriate for business dealings with Council and is given to all tenderers, suppliers, consultants and contractors. A Statement of Ethical Principles has also been developed clearly setting out the behaviour Council expects from Councillors and employees. This Statement is included in a Councillors' Handbook.

Gifts and benefits

In addition to a section on personal benefits in its Code of Conduct, Council has developed a policy for gifts and benefits, which was adopted in August 2005, and has extended it to cover bribes. It includes procedures for the General Manager to inform ICAC and the NSW Police of any suspected attempts to bribe councillors or employees. Review of the Gifts and Benefits Register indicated that controls are operating satisfactorily.

Protected disclosures

Protected disclosures are an important means by which councils can signal commitment to ethical practice. They also can act as an early warning system for management.

Council has an internal reporting policy to assist staff in making any disclosures of alleged corrupt conduct, maladministration or serious and substantial waste of public money under the *Protected Disclosures Act 1994*. Council informs its councillors and employees through inductions and regular refresher training of the requirements of this legislation.

Pecuniary interests

The Local Government Act sets out the parameters that must be adhered to when councillors and staff have a conflict between their public duty and private interests

that constitute pecuniary interests. The Act requires that councillors and designated staff complete and lodge disclosure of pecuniary interest returns.

Council maintains a register of disclosure of interest returns by councillors and designated persons, as prescribed by section 449 of the Local Government Act, and includes a copy of Pecuniary Interest Returns Circular 04/16 and some suggestions for completion of returns in its Councillors' Handbook.

A review of the returns submitted by councillors revealed a small number of minor anomalies for some councillors and designated staff. These were advised to the Director, Corporate Services and Administration Manager. Examples include use of the words "*various organisations throughout the shire*" in a list of executive positions in clubs and organisations, use of the words "*see gifts register*" in the Gifts section, use of the words "*Parkes Council*" in the Contribution to Travel section without any other details, various sections left blank rather than using "*Nil*" and non-recording of councillor fees as a source of income.

Council has adopted a Code of Meeting Practice, which includes a section on pecuniary interests (addressing disclosure and participation). Council also has a Managing Conflicts of Interest Policy, adopted in August 2005, to assist in these matters. At Council meetings an agenda item 'Declarations of Interest' is always included and was observed to be operating effectively. Council has indicated that it will adopt this practice for committee meetings. (**Recommendation 1**)

Payment of expenses and provision of facilities to councillors

Review of this policy, last modified in February 2007, indicates that it adequately met most statutory requirements and includes reasonable arrangements for approval and reconciliation of advances, out-of-pocket expenses and reasonable limits are provided for in relation to most expense categories. However, there are a few matters Council should address:

- legal expenses should not be paid for proceedings initiated "*by a Councillor*",
- the section on child care should include some statement about circumstances, limits of time and value, and
- the section on spouse and partner expenses should be re-worded as it may indicate that all expenses for a spouse might be claimed.

Council has indicated that it will modify its policy to address these matters.
(Recommendation 2)

Privacy management

Council adopted the Model Privacy Management Plan for Local Government in July 2000 and has trained key staff. However, Council has not conducted a formal review since that time, despite being proactive in addressing any issues arising. As a result of a privacy complaint and subsequent internal review, Council has recently apologised to a resident for not notifying them that their submission in relation to a DA would be included in Council's business paper and would subsequently become a public document. Council has since changed its practice in relation to future notification letters in relation to DAs by including a statement regarding the intended use of the information from any submission received and by providing options for not making a submission publicly available. Council has indicated it will review its privacy management plan in due course. **(Recommendation 3)**

Councillor induction and on-going training

Council has an induction program for elected members, who are also given a Councillor Handbook and copies of policies. Council issues a regular newsletter to councillors, which contains pertinent information of Council activities, media coverage, local issue updates, summaries of reports and details of forthcoming events.

Council does not have an ongoing program of training for its elected members, but Councillors are made aware of training workshops and their attendance is encouraged. Councillors also receive the Local Government and Shires Associations' Weekly Circulars informing them of current issues and training opportunities. Council also conducts seminars to attract prospective candidates for local government elections.

Access to information by councillors

Council has a clear policy in place on access to information for councillors and interaction between councillors and staff.

Complaints handling

Council adopted a Complaints Handling Policy in December 2006 based on the Department of Local Government, *Complaints Management in Councils, Practice Note No. 9*, 1994. Council uses a complaint handling system named Customer Assistance and Incident Reporting System (CAIRS). This was developed using the email messaging system. Three tiers of responsibility are set out: frontline staff handle minor complaints; more serious matters are dealt with by the Public Officer; and if the complaint cannot be resolved within Council, the complainant is referred to an outside agency such as the NSW Ombudsman or the Department of Local Government.

For the period 2004-2007, the NSW Ombudsman received three (3) written complaints and twenty-one (21) enquiries, mainly related to outstanding responses to correspondence, enforcement, water allocation and roads.

The Department of Local Government received a complaint in 2006 relating to a DA proposing lighting and other upgrades to the touch football fields at Cheney Park. Council sought to have this DA independently assessed. As Cheney Park was not listed on Council's Plan of Management, Council sought legal advice and chose to suspend any additional work until it upgraded its Plan of Management for Council Owned Land (PoM). A public hearing was conducted and Council has amended its 1996 Plan of Management for Community Owned Land by categorising five sporting fields and one park not previously contained in the PoM in preparation of a Master Plan for Cheney Park.

All Council employees have been trained in the Complaints Handling Policy and the operation of CAIRS and management reviews reports to identify any tasks outstanding.

Management plan

Each year Council is required to prepare a draft Management Plan with respect to its activities for at least the next 3 years and its revenue policy for the next year. Sections 403 and 404 of the *Local Government Act 1993* and the Local Government (General) Regulation 2005 require certain particulars to be included in Council's draft

Management Plan. The draft Management Plan was exhibited in accordance with section 405 of the Act.

The Council's current Management Plan 2007-2008 was examined and found to be largely in accordance with the relevant provisions of the Local Government Act and Regulations. However, more detailed information could be provided regarding the programs to be undertaken to implement its EEO management plan (section 403(2) of the Act) and the commercial pressures, problems or issues identified in relation to proposed activities in Council's State of the Environment report (clause 198(2) of the Regulation). Both these matters were adequately addressed in the 2006-2007 Management Plan.

Council monitors the implementation of the Management Plan through quarterly reports to Council.

Annual report

A review of Council's annual report against statutory requirements revealed a high level of compliance. The only matter requiring attention is that while Council reported on total remuneration for senior staff, no details were included for each such member on the total value broken into components for salary, superannuation, non-cash benefits and total payable fringe benefits tax for non-cash benefits. Council has responded that it will address this matter in future reports. (**Recommendation 4**)

Information technology

Council has an Information Systems and Technology Plan that has recently been updated and has strong security measures in place for data back-up and centralised virus system protection with daily updates. Council has a firewall with VPN access for remote sites and home users.

Council is looking to establish an IT Steering Committee as a means to encourage continuous improvement of systems and to develop and test a disaster recovery site.

Procurement and tendering

Council has recently drafted a Procurement Policy in line with the Local Government Managers Australia (NSW) Procurement Good Practice Toolkit. It has also drafted a Contractor Management Policy and already has a Hire of Plant and Equipment

Policy in place. A small sample of tenders and contracts noted that controls were satisfactory. However, Council has not conducted a risk assessment of its procurement and disposal practices in the last two years and it would be good business practice to do so as soon as practicable. **(Recommendation 5)** Council has indicated that it will conduct the recommended assessment.

Risk management and internal audit

A Risk Management Plan provides Council with a framework to proactively identify and manage generic and specific risks. Council has a Risk Assessment and Control Policy and is a member of the Orana Risk Management Committee but does not have a Risk Management Plan.

Council should continue to promote the establishment of a Risk Management strategy via the Orana Risk Management Committee and/or CENTROC and then develop a Council-wide structured and integrated Risk Management Plan to cover all business risks across Council – financial, operational, customer service oriented, safety, security, environment, technical, et al. **(Recommendation 6)**

Council has advised that it is working with the Mid Lachlan Alliance and CENTROC to determine the best approach for the development of a comprehensive risk management plan.

Council also does not have an Internal Audit Committee and this was also discussed with senior management. It is recommended that Council should continue to promote the establishment of an Orana or CENTROC Regional Internal Audit Committee to share resources in employing a Regional Risk and Internal Audit Manager and develop a Regional Internal Audit Plan to address issues of highest risk. **(Recommendation 7)**

Fraud control

Council does not have a fraud control and corruption prevention policy/strategy. This should be developed, as soon as practicable, and Council should undertake a systematic fraud risk assessment in due course. **(Recommendation 8)** Council has already taken steps to address this recommendation by preparing the policy. It has advised the Department that it will be presented to Council in the near future.

Legislative and regulatory compliance

Council uses the Finance Health Check and a staff member monitors regulatory controls in place for OH&S. However, Council does not have a system for the internal reporting of legislative and regulatory non-compliance or prosecutions against Council. Council should act to develop such systems. **(Recommendation 9)** Council has responded that an internal reporting system will be developed.

Section 355 and other committees

The Parkes Sports Council and the Parkes Tourism Board - both committees have constitutions and representatives have received relevant training. However, Council also has eleven (11) committees of Council of which all members are councillors and another ten (10) committees with community representation. Not all of these committees have a constitution, a code of conduct, a documented operations manual and not all representatives have received relevant training. The draft report indicated that it would be good business practice for management to review what gaps exist and consider developing a set of minimum governance standards for the operation of all committees. This has occurred.

Code of Conduct

Council adopted a Code Of Conduct in December 2004 that appears to have been based on the initial consultation draft of the Model Code of Conduct rather than the final version released by the Department of Local Government in December 2004. It has since adopted a revised Code that is consistent with the Model Code.

Training in the Code of Conduct is provided to all councillors and staff at induction and on a regular refresher basis. A Code of Conduct Awareness Workshop was held for all staff in June 2005 and a Managing Conflicts of Interest Policy was adopted in August 2005. Council must ensure that this policy is consistent with the revised Code of Conduct, if it has not already done so.

6.2 Planning and other regulatory functions

Council exercises regulatory functions in relation to a range of activities within its area. The efficiency and probity of Council's regulatory functions is important for effectively managing Council's responsibilities and for preserving public trust in

Council and its staff. Regulation is important to achieve a wide range of social, economic and environmental goals.

A review was conducted of a range of aspects of Council's regulatory practices including:

- *Council's planning instruments and policies*
- *Development assessment*
- *Section 94 plans*
- *Companion animals*
- *Environmental management*
- *Enforcement practices.*

Strategic planning instruments

Council has an overall strategic planning framework in place for land use, employment and economic development. The strategy has the following components:

- *Parkes Shire Planning Study*
- *Parkes Transport Hub Local Environment Study*
- *Parkes Commercial Release Strategy*
- *Peak Hill Town Centre Improvement Plan*
- *Parkes Shire Heritage Study*
- *Parkes Shire Strategic Plan 2006-2030, and*
- *Comprehensive Land Use Strategy and Local Environment Plan Review and Draft Issues Paper.*

Council has established a DCP for the Parkes Industrial Hub, along with appropriate zoning for nearly 500 hectares of land specifically designed for the future 24 hour, 7 days per week operation of a Multi-Modal Transport Facility.

Council integrates and links its management plan with its LEP, DCPs, strategies and it's State of the Environment Report (SoE). Progress of action plans are reviewed and reported on a quarterly basis.

Council is also considering participating in the Commonwealth Government's RRIF (Regulation Reduction Incentive Fund) program under AusIndustry with thirty-six (36) other councils seeking to achieve regulatory and compliance reforms for the benefit of local small businesses, including use of smart forms.

Development application process

Council is committed to effective pre-lodgement advice for DA customers and its DA service is reflective of best practice.

Council has a pre-lodgement advice service for applicants, undertakes workshops with developers, builders and agents and provides draft conditions to applicants. Council has a comprehensive Applicant's Pack for proposed development and construction. Council is also establishing a Development Advisory group and associated protocols to provide technical and professional assistance for key developments. Council has a monitoring system to assess the progress of applications and turnaround times.

Council does not presently have an Independent Hearing and Assessment Panel (IHAP) as a forum for objectors and applicants on certain more contentious development applications. This matter was discussed with the Director Planning and Environment, who indicated that other councils and/or consultants have been engaged to conduct peer reviews and third party assessments of sensitive applications. Council is also experienced in dealing with large and sensitive applications in an appropriate manner, eg. a probity plan and policy was applied for the Parkes Airport sale and development.

Taking this into account, Council may nevertheless keep in mind the option of introducing an IHAP to consider matters such as councillor development applications, Council's own development applications and applications that are of a contentious or sensitive nature. The option of a shared IHAP across regional councils is one method of advancing this proposal.

Council has evaluated its planning function in the last two years to prepare for the commencement of private certification, the implementation of BASIX, its notification policy and change in structure.

Council has a monitoring system in place to enable DAs to be easily located at any point during processing. Council uses the “Approve” system and has weekly meetings to monitor turnaround times. Turnaround times are also reported to Council on a monthly basis.

About 80% of DAs are dealt with under delegated authority. Council’s Town Planning section maintains a procedure manual that contains information on how a DA can be called up to the Council. The criteria relate to where valid objections have been received, applications that are of a controversial nature, eg. Adult Shop, and variations covered in DCPs.

Council applies the ‘stop the clock’ provisions of the EP&A Regulation (clauses 109-112) in accordance with these regulations and Council’s procedure manual.

Section 94

Council has adopted section 94 plans for its area and there are guidelines available for the making of assessments under section 94 of the Environmental Planning and Assessment Act. A new Section 94 Development Contributions Plan will be prepared following review of the LEP during 2007-2008.

Council maintains a section 94 contributions register that ensures that contributions are receipted, monitored and spent within a reasonable time and in the areas to which they relate.

State of the environment reporting

Council’s current State of Environment (SoE) supplementary report 2005-2006 complies with DLG Guidelines and is a good comprehensive snapshot of local environmental issues with a high standard of content and relevant comparative data.

Council also shows a commitment to managing its environment through the emphasis it has on sustainability and is tackling the pressures faced by the LGA.

The SoE report would be improved by including more evidence of consultation with community groups, even though discussions indicated that Council did consult with relevant State Government departments, the Parkes Peddlers Club and Parkes and Districts Landcare.

More information on Aboriginal heritage sites and other heritage items of significance could also be included, particularly now that a Heritage Officer has been employed. It would also be useful to reinstate the box at the end of the Land, Water and Cultural Heritage sections of the report titled “Data Gaps” that was included in the 2004-2005 comprehensive report. **(Recommendation 10)** Council has responded that work has commenced on an Aboriginal Heritage Study that will not be completed until 2009/10. It has advised that the other matters raised will be addressed in the 2006/2007 SoE.

Enforcement and prosecution

Management uses CAIRS for reporting and investigating complaints of regulatory non-compliance or unauthorised development and the results of complaints are reported to Council on a monthly basis.

However, Council does not have a formal Enforcement and Prosecutions Policy and has acknowledged that it would be good business practice to develop this policy. **(Recommendation 11)** Council has responded that a policy is being investigated and it intends submitting a draft policy to Council for adoption in 2007/08.

Companion animals

The adoption of a Companion Animals Management Plan is recognised as good practice. Council has a range of community education programs for companion animals but does not currently have a Companion Animals Management Plan. This has been included as an action item in its Management Plan as an action programmed for 2009-2010. It would be appropriate for Council to give this action greater priority. **(Recommendation 12)**

6.3 Asset and financial management

Under its charter, a council has a responsibility to raise funds for the purposes of carrying out its functions. This can be achieved by the fair imposition of rates, charges and fees, borrowings and grants. The council is also the custodian and trustee of public assets and must effectively account for and manage these assets.

A review was conducted of a range of aspects of Council's practices in the areas of:

- *Financial management*
- *Asset management*
- *Insurance.*

Overview of financial position

Council has had a surplus operating result before and after capital items for the last five years. After a surplus operating result before capital of \$0.4M in 2001-2002, Council achieved a surplus of \$1.5M in 2002-2003, \$2.9M in 2003-2004, \$5.2M in 2004-2005 and \$4.2 M in 2005-2006.

Council is debt free. In the 2007-2010 Management Plan there is provision for proposed borrowings, including \$1.6M for Trundle and Tullamore Sewerage Augmentation (2007-2008). Funding is currently being sought from the NSW Country Towns Water Supply and Sewerage Program for these works and the proposed borrowings are therefore dependent on funding outcomes. Council is also proposing to borrow \$2.4M for airport refurbishment (2009-2010).

As at 31 May 2007, Council also held \$40.8 million in investments. Council also has an Investment policy to authorise and manage investments of surplus funds, maximise earnings and ensure relevant security.

Liquidity and cash position

Council's unrestricted current ratio (UCR) in 2005-2006 was 4.28. This was down from 5.04 in the previous year. The UCR measures the adequacy of working capital and the ability to satisfy obligations in the short term. It does not include externally restricted activities such as water, sewer or specific grants. A good UCR is considered to be greater than 2.

Council's Rates and Annual Charges Outstanding Percentage (RACO%) was adequate at 6.84%. The RACO% assesses the impact of uncollected rates and charges on liquidity and the efficiency of debt recovery.

Council, as a debt free entity, has a Debt Service Ratio (DSR) of 0%. This indicator assesses the degree to which revenues from ordinary activities are committed to the repayment of debt. A DSR of less than 10% is good.

Employee Leave Entitlements (ELE) is cash funded to 41% by internal restricted reserves. This is considered to be good.

Summary

Council's overall financial position appears to be very good. Council has key elements of a good financial planning framework, including asset maintenance programs and long-term asset planning for its infrastructure.

Council also has a program of quarterly reporting of financial performance against performance standards, which is satisfactory. Long Term Financial Plans are reviewed and submitted for Council's consideration each year. The last review was in March 2007 for the period 2006-2007 to 2026-2027.

Review of Council's 2005-2006 external audit report noted that *"the financial management procedures and systems have been controlled effectively in a manner relevant to Council's structure and resources"*. (Alan Morse & Co)

Council measures its performance against predetermined standards to assess the financial health of the organisation. In addition to quarterly Budget reviews and the DLG Comparative Information publication, the latest Sustainable Finances Health Check was conducted in June 2006. Performance measurement is also reported in the Council's Management Plan and Annual Financial Statements.

Asset management planning

In November 2006 the Infrastructure Department was restructured so that responsibility for Assets was separated from Design and an Asset Manager was appointed. This structure is to enable a dedicated emphasis on Asset Management.

Council has an Asset Management Policy for Engineering Services, a draft Asset Management Plan for Transport, a Strategic Business Plan for Water Supply and Sewerage Services, an Integrated Water Cycle Management Plan and a Valuation Methodology for Sewer Assets. Development of a Sewerage Asset Management Plan and a Water Asset Management Plan are included in the Council's Management Plan with a proposal to undertake this work in 2007-2008.

Council also has an asset maintenance program, a Plant and Vehicle Replacement Policy and a Road Maintenance Priority Policy. It has completed Network Condition reports for local and regional roads within Parkes Shire, as part of a CENTROC initiative.

The last-mentioned reports included use of laser surveys and structural testing and gap analyses. This will lead to development of an eight-year forward works plan, contemporary asset valuations and Road Asset Management Plan.

A level 3 bridge assessment on four timber bridges was also carried out in June 2006.

Council maintains a series of asset registers, which are being progressively migrated to MapInfo.

National competition policy

Council is involved in the operation of two NCP businesses. Its Water Supply Fund is a Category 1 business and the Sewerage Fund is a Category 2 business. These are separate entities and planning and accounting are treated accordingly. Competitive neutrality principles are fully applied for the Water Supply Fund and Council includes in its annual reports a statement of expenses incurred, revenue raised, assets required, and assets held, to the extent required by the NSW Local Government Code of Accounting Practice.

Insurance

An overview of Council insurance coverage indicated that it was adequate. However, Council does not currently self-insure for any risks. It would be good business practice for Council to consider the cost-effectiveness of self-insurance for Workers' Compensation as part of a pooled Regional or Alliance arrangement. **(Recommendation 13)** Council has expressed concern about the workability of this recommendation. However it has indicated that the recommendation will be investigated.

Sewerage Assets WDV

Review of the written down value (WDV %) for sewerage network assets reveals that the trend has been down from 38% in 2003-2004 to 36% in 2005-2006. This is below

industry benchmarks. However, Council has advised that a revaluation of the assets has resulted in the WDV being adjusted to 53.72% of the total fair value².

Some of the assets originally date back to 1930, and were upgraded in 1950. Some of the trunk mains are also old. Council has estimated the cost to bring to a satisfactory standard in Special Schedule No 7, as at 30 June 2006, was “Nil” for sewerage assets. The matter was discussed with senior management, who indicated that it was being addressed in Long Term Asset and Financial Plans and that revaluations were being carried out based on age due to the difficulty of accessing and determining the condition of underground assets.

Council should ensure its Long Term Asset and Financial Plans include adequate provision for sewerage infrastructure. **(Recommendation 14)**

Council depot surplus equipment

During an inspection of the Parkes Depot, some obsolete equipment/material was observed in the yards, which could be auctioned, returned to original suppliers for credit or dumped. Management should review the options for this material in due course. **(Recommendation 15)** Council has indicated that it will do this.

6.4 Community and consultation

A council’s charter requires that a council:

- provides services after due consultation
- facilitates the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and coordination of local government
- actively promotes the principles of multiculturalism
- plans, promotes and provides for the needs of children, and
- keeps the local community and State government informed about its activities.

² See Council’s response. Figure based on draft financial statements for year ended 30 June 2007.

The review of Council's activities in this area looked at the methods council uses to involve and determine the views of its community:

- Social and community functions of council
- Annual reporting
- Cultural planning
- Principles of multiculturalism
- Reporting to the community and keeping the State government informed about its activities.

Social and community planning

Parkes Shire Council is committed to the theme of its 2005-2009 Social Plan: "progress, opportunities and a quality lifestyle for our residents" and regards it as a framework for managing key issues that have been identified by the community.

The information in the Social Plan is reported clearly and there is evidence of extensive community consultation. Council is to be commended for offering an incentive for residents completing the social plan survey (being a prize of \$100 of free petrol). The Social Plan contains excellent community resources, is easily navigable and the Action Plan is well set out. The implementation of the goals of the Social Plan have been well documented in the Access and Equity sections of the 2005-2006 Annual Report. Council has an Access Committee.

However, there could be included more evidence of inter-council consultation during the development process and Council may consider further clarifying the mechanisms and timeframes for monitoring and evaluating the recommendations set out in the Action Plan. (**Recommendation 16**) Council has responded that its Social Plan is currently being reviewed and actions being evaluated. It has also advised that consultation will be undertaken with adjoining councils in the development of the new plan.

During the review, Council's website was updated through the inclusion of the 2005-2009 Social Plan.

Community consultation

Council consults with the community on a range of matters. The Parkes Future Workshop, attended by 90 representatives from the local community who came together to plan the future of the Shire, is a good example of recent community consultation.

Other groups consulted in the development of the Social Plan 2005-2009 include:

- Parkes Neighbourhood Centre Inc
- Parkes Family Support Service
- Parkes Community Transport
- Parkes Local Advisory Group
- Aboriginal Elders from Peak Hill Community
- Parkes Health Service
- Currajong Enterprises
- Post School Options
- NSW Department of Education and Training
- NSW Roads and Traffic Authority
- NSW Department of Health and Aged Care
- Parkes Primary School, and
- Central West Community Settlement Scheme.

Council also has the following committees operating actively in recent times: Art Acquisitions; 125th Local Government Anniversary; Music Development; Parkes Museum Development; Heritage Advisory; Little Theatre Management; Museum Liaison; Parkes Shire Cultural Advisory; and Youth.

Cultural and heritage planning

Council has a formal cultural plan, developed in August 2003, which has an inventory of cultural organisations in the Shire, has an Action Plan and is linked to the Management Plan. Council established a Parkes Shire Cultural Advisory Committee in April 2005, with representation from all centres across the Shire. It is proactive in both responding to community needs and in helping the Shire reach its full cultural potential by working with cultural organisations such as Arts Outwest,

and by promoting the Parkes Library as an on-going cultural centre for the community.

Council held a Cultural Heritage Workshop for the Mid-Lachlan Alliance in November 2005 and is currently undertaking a Parkes Shire Heritage Study, an Aboriginal Heritage Study and is preparing a Heritage Centre Master Plan for the Parkes Heritage Centre/Museum complex, which will include a History of Parkes exhibition, the reproduction of Moat Cottage, an interpretation on the life Henry Parkes and the relocation/redevelopment of the Motor Museum and Craft Centre.

Council has a MOU with the local Aboriginal community and supports NAIDOC Week. Council also supports Harmony Day, Seniors' Week, Youth Week and World Refugee Day. It holds Multicultural luncheons hosted at the Parkes Neighbourhood Centre.

Access is available to the Translating and Interpreting Service by arrangement with the Parkes Neighbourhood Centre.

Tourism and economic development

Council has a Tourism Development and Marketing Plan for the LGA. Published in May 2006, it has an Action Plan and performance indicators.

Council provides resources and a structure to effectively support the tourism industry within the Shire, including financial contributions to Central NSW Tourism, the Parkes Tourism Board, Newell Highway Committee, Promotions Committee, Film Central NSW, the Heritage Centre/Museum Complex and Open Cut Experience. Council operates an accredited Visitor Centre.

Council in recent years has supported and promoted economic development in the LGA by:

- preparing a Parkes Multi-Modal Transport Hub Study in 2003 covering advantages to be gained in terms of road freight, rail, air freight, shipping, wool processing, e-logistics and sustainable freight logistics for companies interested in relocating

- establishing a DCP for the Parkes Industrial Hub in 2006 with appropriate zoning for nearly 500 hectares of land specifically designed for the future 24 hour, 7 days per week operation of a Multi-Modal Transport facility
- promoting the current economic climate and fabric of Parkes Shire in a Rex Airlines in-flight magazine in June 2007
- the Mayor and Economic Development Manager serving on the Regional Development Board for many years and Council maintaining a close working link with the NSW Department of State and Regional Development.

Council is closely allied with CENTROC and is a regular attendee at the annual Country Week exhibition in Sydney. Council also participated in the recent National Employment Expo in Sydney and continues to maintain good community relations with the North Parkes mining operation through the North Parkes Mines Community Consultative Committee.

However, Council does not have a formal Economic Development Plan similar to its Tourism Development and Marketing Plan. This is something Council should look to develop in due course, possibly in conjunction with the Hub Strategy. **(Recommendation 17)** Council has indicated that it agrees with this recommendation.

Communication policy

Council has an extensive program of communication with its community stakeholders but it does not have a formal communications policy/strategy. Council has indicated such a policy/strategy will be developed. **(Recommendation 18)** The policy/strategy should address:

- promoting the services and facilities offered by Council
- promoting the positive features of Parkes LGA
- identifying needs, sharing information and providing opportunities for active participation and community consultation
- ensuring staff are aware of the importance of communication and planning, and continually improving communication mechanisms and ensuring they meet the needs of the community.

6.5 Workforce relations

A review was conducted of a range of aspects of Council's workplace relations practices including:

- *Human resources strategy*
- *Consultative committee processes*
- *Job descriptions and job evaluation*
- *Recruitment and selection processes*
- *Employee remuneration*
- *Staff development*
- *Grievance management*
- *Occupational health and safety*
- *Secondary employment.*

Overview of the organisation

The Executive Management team is made up of the General Manager and four Directors: Corporate Services; Planning and Environment; Operations; and Infrastructure.

The Council employs 143 FTE staff – 77% of the workforce is aged 25-54 and 17% is aged 55 and over. Women represent 30% of staff.

Total salary expenditure for 2005-2006 was \$8.7 million, which was 27% above budget. This was due mainly to the original budget figures for employee costs including only direct wages cost, while superannuation and workers compensation was included in materials and contracts. After these latter costs are taken into consideration, total salary expenditure was \$1M under the revised budget. The value of overtime paid during the last financial year was \$737K.

Human resources strategy and policy framework

Council has a solid strategy and policy framework across its Human Resources area to ensure that it has the human resource capability to achieve its objectives. Included in this is the on-going development of a Workforce Planning Strategy, a strategy to attract and retain high quality staff and review of best practice performance management systems.

These strategies complement the EEO Management Plan 2006-2007, EEO policy and procedures, Recruitment and Selection policy and procedures, Staff Information Handbook, Rehabilitation Policy and Return to Work Program and compulsory Exit Questionnaire already in place. All of these strategies, plans, policies and procedures are linked to the Management Plan 2007-2010.

CENTROC also has a Regional Human Resource and Training Co-ordinator and this has resulted in the increased availability of training courses for Council staff, including Council-wide OH&S training.

Recruitment and selection

Council ensures that selections are made on the basis of merit, as required by section 349 of the *Local Government Act 1993*, by the following:

- All advertisements and job descriptions clearly outline the qualifications, and both essential and desirable criteria required and
- All applicants are selected for interview based on a culling process.

Job descriptions and evaluation

All positions within the Council have written job descriptions and all employees have copies of their respective job descriptions. Council has a policy and practice for the reviewing of job descriptions at the time of vacancy, as well as at the time of employee appraisal.

Occupational health and safety

Council has a well-developed OH&S policy and procedural framework and has a practice of conducting systematic OH&S site risk assessments. Council is also implementing an Action Plan to fill gaps identified in a StateCover OHS Audit.

CENTROC has also been proactive in developing a group approach to compliance for all councils, has published an Occupational Health & Safety Handbook and has an OH&S Project team who share information and work projects. The number of workplace incidents for 2006-2007 was thirteen (13) YTD, eight (8) of which resulted in Workers' Compensation claims.

Consultative committee

As the Committee's aim should be to provide for two-way communication between management and staff on operational issues, the Department of Local Government does not encourage the inclusion of councillors as members. Council has addressed this issue by ceasing to have Councillors as members of the Consultative Committee.

The draft review report recommended that it would also be appropriate for Council to increase the frequency of Consultative Committee meetings so that it meets at least quarterly, and preferably bi-monthly. At the time of the onsite review, the most recent Consultative Committee meeting was held in June 2005. Council has advised that the Committee now meets on a quarterly basis.

Succession planning

Council does not have formal succession plans for key positions/personnel, but has an informal mentoring program in place. Council has recognised in the Management Plan 2007-2010 that Council should develop succession plans for key positions in consultation with Directors, and this is supported.

Employee surveys

An annual competency assessment is undertaken by all employees, which provides an opportunity to comment on employment issues. However, Council does not conduct periodic employee attitude surveys. These are a good means by which Council can identify, respond to and track improvements against key workplace issues that may be impeding the achievement of Council's performance goals. Council should introduce periodic staff surveys to allow it to identify any underlying issues that may not surface for the attention of management and to plan and implement strategies to address these issues. **(Recommendation 19)** Council has indicated that it will implement this recommendation.

7. COUNCIL'S RESPONSE

17 October 2007

Mr Garry Payne
Director General
Department of Local Government
Locked Bag 3005
NOWRA NSW 2541

Dear Mr Payne,

PROMOTING BETTER PRACTICE REVIEW

I refer to the draft review report forwarded to Parkes Council on 25 September 2007.

Council's comments are attached. The comments have been prepared by staff and endorsed by Council.

Both Councillors and staff found the review to be rewarding. Council will move to eradicate the deficiencies identified.

In particular Council would like to convey appreciation to Mr Steve Woods. Council found Mr Woods' approach to be helpful and encouraging.

Council looks forward to the receipt of the final report.

Yours faithfully



Alan McCormack
GENERAL MANAGER



Att: Council response to Better Practice Review

Council Comments on Draft Recommendation

Parkes Shire Council Responses to Recommendations Better Practice Review 18-22 June 2007

1. Council will make this provision in the future.
2. The S.252 Policy will be modified
3. The Privacy management Plan will be reviewed
4. Council will report as recommended.
5. Council will conduct a risk assessment of its procurement and disposal policy.
6. Council is working with the Mid Lachlan Alliance and CENTROC to determine the best approach for the development of a comprehensive Risk management Plan. The Corporate Services Alliance Group is considering a proposal by ECHELON to facilitate the development of risk management plans for each Council.
7. Council will promote the establishment of a regional Internal Audit Committee to share resources in employing a Regional Internal Audit Manager and develop Internal Audit Plans through CENTROC and the Mid Lachlan Alliance.
8. A Fraud Control and Corruption Prevention Policy has been prepared and will be presented to Council in the near future.
9. An internal reporting system will be developed.
10. This has been done (see attached documentation)
11. The Code has been updated (see attached documentation)
12. The matter has been investigated with the Electoral Funding Authority. The Councillor has lodged a Return to the satisfaction of the Electoral Funding Authority's requirements.
13. Work has commenced on an Aboriginal Heritage Study for the Shire but this will not be completed until 2009/10. The other matters raised will be addressed in the 2006/07 SOE.
14. A model Enforcement and Prosecutions Policy is being investigated and a draft will be submitted to Council for adoption during 2007/08.
15. Consideration will be given to advancing the Companion Animals management Plan in the development of the 2008/09 management Plan.
16. This recommendation will be investigated. Council's initial reaction is that it is not workable. Council is part of State Cover Mutual which is a specialised insurer for Local Government workers compensation. The Mid Lachlan Alliance Council's employ between them approximately 500 staff members.
17. Council was required under Local Government Code of Accounting Practice and Financial Reporting to adopt a fair value method of valuation for sewer infrastructure assets in the year ended 30 June 2007. In the draft financial statements for the year ended 30 June 2007 the revaluation of the sewer assets resulted in the written down value being 53.72% of the total fair value. At the 30 June, 2006 when the costs basis of valuation was used for sewer assets the written down value was 35.72% of the total cost value. It is

considered that the revaluation of the sewer assets to fair value in the 2007 year has resolved the issue identified in the Report.

18. Council will review the options regarding the obsolete equipment/materials in the Depot yard.
19. The Social Plan is currently being reviewed and actions being evaluated. Consultation will be undertaken with adjoining Councils in development of the new plan.
20. Council agrees with the suggestion of developing the Formal Economic Development Plan. To this end Council has been working closely with the Department of State and Regional Development in preparing a grant application for funding for the preparation of an Economic Development Strategy for the Shire and surrounding districts. Council has applied for a \$25,000.00 grant on a dollar for dollar basis under the Developing Regional Resources Program. The Federal Government's endorsement of the western corridor for the proposal Melbourne to Brisbane Rail line passing through Parkes has expedited the need for this study.
21. A formal Communications Policy/Strategy will be developed.
22. The two Councillors have been removed.
23. The Consultative Committee now meets monthly.
24. Periodic staff surveys will be introduced.

8. SUMMARY- WHAT'S WORKING WELL & CHALLENGES

COUNCIL'S PRIORITIES AND FOCUS

What is working well

- Strategic and operational focus

GOVERNANCE

What is working well

- Ethics and values
- Gifts and benefits
- Councillor induction
- Complaints handling
- Management plan
- Annual report
- Information technology
- Procurement and tendering

Challenges to improve

- Risk management and internal audit
- Fraud control

REGULATORY

What is working well

- Strategic planning instruments
- Development application process
- Section 94
- State of the environment reporting

Challenges to improve

- Enforcement and prosecution
- Companion animals

ASSET AND FINANCIAL MANAGEMENT

What is working well

- Liquidity and cash position
- Asset management planning

Challenges to improve

- Ensure Long Term Asset and Financial Plans include adequate provision for sewerage infrastructure.
- Council depot surplus equipment

COMMUNITY, COMMUNICATION AND CONSULTATION

What is working well

- Social and community planning
- Community consultation
- Cultural and heritage planning
- Tourism and economic development

Challenges to improve

- Communication policy

WORKFORCE RELATIONS

What is working well

- Human resources strategy and policy framework
- Recruitment and selection
- Job descriptions and evaluation
- Occupational health and safety

Challenges to improve

- Employee surveys