

Promoting Better Practice Program

REVIEW REPORT

PARRAMATTA CITY COUNCIL

APRIL 2013



Premier & Cabinet
Division of Local Government

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EXECUTIVE SUMMARY

About the Review

Reviews of councils are undertaken by the Division of Local Government, Department of Premier and Cabinet (the Division) as part of its Promoting Better Practice Program. The Program aims to assist in strengthening the local government sector by assessing performance and promoting continuous improvement. The reviews are designed to act as a 'health check' examining a number of areas:

- Community strategic planning
- Governance
- Land-use planning and other regulatory functions
- Financial and asset management
- Community engagement and social planning
- Workforce management.

This report aims to provide assurances on what the Council is doing well and provide the Council with a focus on some key priority areas for further development.

A review of Parramatta City Council (the Council) has been completed. As part of the process the review team visited the Council during the last week of July 2012. This report documents significant observations only. In particular, it identifies examples of better practice, otherwise noteworthy practices and areas requiring improvement that the review team has identified.

About Parramatta City Council

The Council is responsible for administering an area which covers approximately 61.4 square kilometres with a population of approximately 176,000 people. In 2010/11 the Council spent \$161.2M in conducting its operations. The Council is led by an elected body of fifteen councillors (including the Lord Mayor), and is served by 740 full-time equivalent staff.

Parramatta City Council – Summary of key findings

The review found that, at the time of the review, Parramatta City Council is performing well overall. There is direct evidence of strong, positive relationships with the community it serves, and with a wide range of partners both at the local and broader regional level. The Council has provided a convincing argument on its strategic importance in the growth of the greater Sydney metropolitan area.

Community strategic planning

The Council is in the process of developing *Parramatta 2036*, a vision for Parramatta as an important economic and social hub in Greater Sydney. Although the Council acknowledges this focus, it is still clearly focused on delivering local services to local people. The Council's progressive approach to the Integrated Planning and Reporting framework is demonstrated by the inclusion of the *Future Pathways* strategy and business plans. This is a good example of evolving the framework to suit the needs of a council and its community.

Governance

The Council's four-year Delivery Program and annual Operational Plans are supported by a sound governance framework. The Council's continuous improvement focus maintains its systems and processes to a high standard. The development of the Council's Governance Portal will ensure the Council is meeting legislative obligations and allowing for efficient organisational performance.

A number of governance policies do need to be enhanced, including the provision of a Gifts and Benefits Policy and modification of the Civic Office Expenses and Facilities Policy.

The Council needs to consider how it services its elected representatives. The development of Councillor training programs currently being undertaken needs to be given priority to meet the needs of the new Council. The Council should also consider further developing its Civic Expenses and Facilities Policy.

Land-use planning and other regulatory functions

The Council has a well developed framework to manage land-use planning. The Council's customer focus is evident in some of its more innovative systems such as *Red Star* and environmental management decisions and practices. The enforcement and compliance areas operate to a high standard.

The Council does need to pay further attention to its responsibilities under the *Companion Animals Act 1998*. The Council should improve its focus on the identification of restricted breeds and the management of dog attack reporting.

Asset and financial management

The Council's auditor considers the financial position of the Council to be sound and stable. The finances of the Council are reported in a professional manner, in a way that is clear and concise. The Council is reviewing some of its financial policies and asset management plans.

Community and consultation

Achievements in the community engagement, social planning and recreation areas are of a high standard. The Council's 'person-centred' approach and community capacity building initiatives are examples of better practice. Several initiatives of the Council have been recognised with industry awards.

Workforce relations

The Council appears to have a positive organisational culture with a motivated workforce.

Parramatta City Council – Next steps

The review team has made fourteen recommendations to guide improvement in significant areas. These are set out within the draft action plan at the back of this report (see Part V). The draft action plan is to be completed by the Council and will be included in the final report. The Council's comments on the draft report will also be reproduced in the final report.

The final report is to be adopted by the Council to guide the implementation and monitoring of the recommendations in this report. Upon issue of the final report, the Division of Local Government will advise whether it intends to monitor the implementation of the recommendations of the report, or leave this responsibility with the elected body and senior management of the Council.

PART I. BACKGROUND

1 ABOUT THE REVIEW

Reviews of councils are undertaken by the Division of Local Government as part of its Promoting Better Practice Program.

Program objectives

By promoting better practices, the Division aims to:

- work with councils toward strengthening the local government sector by assessing performance and promoting a culture of continuous improvement, with an emphasis on:
 - strategic community planning
 - efficient and effective service delivery
 - quality governance and ethical conduct
 - financial sustainability
- work cooperatively with councils to promote strong relationships within the sector
- provide councils with feedback on areas requiring improvement or further development, and assist them in developing solutions
- identify trends and issues arising from reviews to support policy and legislative changes for the local government sector
- encourage and facilitate innovation by responding creatively to identified trends and issues.

Review Process

The reviews are designed to act as a 'health check' for a council at a point in time, giving confidence about what is being done well and helping focus attention on key priorities. They are conducted by a review team from the Division of Local Government.

A review essentially involves five steps: preparing, assessing, checking, analysing and reporting. The completion of a comprehensive self-assessment checklist by the council is a key element in all reviews.

A risk-based approach is taken, targeting resources to areas identified as core matters for examination, and those matters considered to be important having regard to the local circumstances of an individual council. In other words, a review does not examine every aspect of a council’s operations.

All reviews involve checking compliance with a range of statutory requirements, examining appropriate practices, and ensuring that the council has frameworks in place to monitor its own performance.

The primary legislation which sets out minimum requirements and standards for councils in NSW is the *Local Government Act 1993* (the Act) and the Local Government (General) Regulation 2005 (the Regulation). Unless otherwise stated, this report refers to that legislation.

The report

The scope of the review report is limited to documenting those areas the review team identified as:

- exceeding good practice (referred to as better practice)
- in need of improvement or further development
- otherwise noteworthy for the reasons detailed in the body of the report.

SIGNIFICANT OBSERVATIONS	DESCRIPTION
Better practice	<ul style="list-style-type: none"> • Beyond or above minimum compliance requirements and good practice indicators • Innovative and/or very effective • Contributes to continuous improvement within the sector.

<p>In need of improvement or further development</p>	<ul style="list-style-type: none"> • Does not satisfactorily meet minimum compliance and good practice indicators, and may impact negatively on the Council's operations • Significant improvement initiatives that are in progress and which need to be continued.
<p>Otherwise noteworthy</p>	<ul style="list-style-type: none"> • May include successful initiatives which respond effectively to local circumstances or practice that is in other ways significant for the Council/community • Practice which, in general, exceeds good practice but may have some aspects that require fine-tuning.

The Council's overall performance is ranked according to policies, practices, systems and other means it has in place to:

- plan strategically
- govern its day-to-day operations
- undertake its planning and regulatory obligations
- manage its assets and finances
- engage the community
- recruit and retain its workforce.

A description of each of the rankings in relation to performance is provided below.

Table 3 Description of performance rankings

<p>PERFORMANCE RANKING</p>	<p>DESCRIPTION</p>
<p>Performing well</p>	<ul style="list-style-type: none"> • Meets all requirements to a good or high standard • Demonstrates elements of good/better practice.

Satisfactory	<ul style="list-style-type: none"> • Meets all or most requirements to an acceptable standard • Improvements have been identified by the Council and progress toward their rectification is evident.
Requires action	<ul style="list-style-type: none"> • A critical requirement has not been met • Significant improvement or further development is required in a particular area.

Parramatta City Council Review

The review team comprised of Principal Program Officer, Grant Astill and Senior Performance Analyst, Chris Duff. Parramatta City Council was asked to complete a comprehensive checklist/questionnaire about key Council practices. The review began with an examination of the Council's response to the checklist and researching a range of other source documents. This examination provided a preliminary understanding of the circumstances of the Council and how the Council is responding to its operating environment.

The on-site component of the review took place at the end of July 2012. It involved initial interviews with the Lord Mayor and the Chief Executive Officer, interviews with a cross-section of senior staff, observation of a Council meeting, and a review of the Council's policies and other documents. The review team noted that none of the Councillors chose to meet with the review team, with the exception of the Lord Mayor, Councillor Lorraine Wearne.

Following the visit to the Council, the review team examined a range of collected information and assessed this material in line with applicable legislation, policy and guidelines where possible. The review team also called on the resources of a number of other agencies while drafting this report.

The review team would like to take this opportunity to thank those Parramatta City Council staff members and the Lord Mayor who participated in the review and provided it with valuable assistance.

2 ABOUT THE COUNCIL AND THE AREA

The Parramatta local government area (LGA) covers 61.4 square kilometres and has a population of almost 176,000 people. According to Australian Bureau of Statistics figures, the area has a diverse population featuring western European, Middle Eastern, South Asian and East Asian populations. Also, there are about 1400 declared indigenous people in the area. Parramatta LGA extends from the central hub of Parramatta CBD north-west to Winston Hills, north-east to Epping and south towards Chester Hill, and resembles a three bladed propeller on the map. The area is bounded by eight other suburban local government areas.

Parramatta is about 23 kilometres west of the Sydney central business district (CBD), on the banks of the Parramatta River. Parramatta was founded in 1788, in the same year as Sydney, and is considered by many as the economic capital of Greater Western Sydney. It is the sixth largest CBD in Australia; and the second largest in New South Wales after Sydney CBD.



Since 2000, Parramatta has consolidated its role as a centre for NSW government operations, with the relocation of agencies such as the NSW Police headquarters and Sydney Water from the Sydney CBD. Simultaneously, major upgrades have included the railway station precinct, the significant expansion of the Westfield shopping complex, the creation of a new transport interchange, and plans for the ongoing redevelopment of Parramatta Square.

Parramatta is a major business and commercial centre. It has many high-density commercial and residential developments. It is home to the fourth largest shopping centre in Australia. Church Street is home to many shops and restaurants. The

northern end of Church Street, close to Parramatta River, features al fresco dining with a diverse range of cuisines. This area is known locally as 'eat street'. The southern end of Church Street features many south east Asian style restaurants and extends past Westfield to 'Auto Alley', named for the prevalence of car dealerships.



Parramatta Square¹ is a proposed civic precinct located adjacent to Parramatta Town Hall. The proposal includes a redevelopment of the Parramatta Civic Centre, a culture and arts centre, and a new plaza (artist's impression above). The designs of the first two projects (a 65-storey residential skyscraper and an office building) were announced on 20 July 2012. The western part of the Parramatta CBD is known as the Parramatta Justice Precinct and houses the corporate headquarters of the NSW Department of Attorney General and Justice. Other legal offices include the Children's Court of New South Wales and the Sydney West Trial Courts, the Legal Aid Commission of NSW, the NSW Office of Trustee and Guardian, the NSW

¹ Parramatta City Council Website www.parracity.nsw.gov.au accessed 31 August 2012

Registry of Births, Deaths and Marriages, the Office of the Director of Public Prosecutions, as well as a branch of the Family Court. Also, nearby are the Parramatta Court House and the Drug Court of New South Wales.

Regional Considerations and Local Issues

There are a number of local considerations that directly impact on the Council's operations such as public safety, homelessness and managing socio-economic diversity. As for most Sydney councils, other regional issues impacting the Council include traffic, transport and infrastructure concerns.

In carrying out its business, Parramatta City Council participates in the strategic alliance: Western Sydney Regional Organisation of Councils (WSROC). WSROC includes Parramatta, Auburn, Bankstown, Blacktown, Blue Mountains, Fairfield, Hawkesbury, The Hills Shire, Holroyd, Liverpool and Penrith councils. The role of WSROC is to identify regional issues and develop policy solutions that have an impact for the councils and residents of Western Sydney. Through WSROC, the Council adds its voice on issues of regional importance such as transport planning, employment growth, population management, and land-use planning and development.

Parramatta City Council has developed and led a number of proposals that will benefit the Parramatta area as a social and commercial hub for Sydney, as well as benefit its strategic alliance partners and their communities such as the Western Sydney Light Rail Network².

The Elected Body

Parramatta City Council has 15 Councillors including the Lord Mayor. There are five wards each with three councillors. One councillor is elected by their peers to undertake the Lord Mayoral duties for a twelve-month period.

²http://www.parracity.nsw.gov.au/work/economic_development/strategy/solving_transport_problems/light_rail_for_western_sydney. accessed 31 August 2012.

Council Structure and Staffing

The Council employs 740 full-time equivalent staff. The organisation is divided into three main groups: City Services, Outcomes and Development, and Corporate. A wide range of information about Parramatta City Council is available on its website at www.parracity.nsw.gov.au.

3 SUMMARY OF KEY FINDINGS

Better practices/Other noteworthy practices		Areas for improvement	
STRATEGIC PLANNING AND REPORTING			
p.19	Incorporating additional elements into the Integrated Planning and Reporting framework	p.18	Continue re-alignment of business planning and community planning
p.19	Recognises relationship of the State Plan to the LGA		
p.19	City revitalisation strategy		
p.20	Program of innovation and continuous improvement		
p.20	Measures to monitor progress, including dashboard performance indicators		
GOVERNANCE			
p.27	Governance Systems Management	p.28	Gifts and Benefits Policy
		p.28	Councillor and staff training and support
		p.28	Civic Office expenses and facilities policy
		p.30	Policy Access and Social Media Guidelines
PLANNING AND REGULATORY			
p.33	Development approvals processes. 'Red Star' program a highlight.	p.36	Improve the Councils Companion Animal Management systems for Restricted Breed and Dog Attacks.
p.34	Companion Animal rehoming and euthanasia rates		

Better practices/Other noteworthy practices		Areas for improvement	
p.34	Swimming Pool Safety		
p.34	Communication - Community Pride days		
p.35	Restricted Premises auditing		
p.35	Complaint management and validations		
ASSET AND FINANCIAL MANAGEMENT			
		p.49	Review Loan and Borrowing Policy
		p.49	Finalise Asset Management Plans for 10 year timeframe.
COMMUNITY, COMMUNICATION AND CONSULTATION			
p.54	Community Capacity Building		
p.56	Person Centred Approach		
WORKFORCE RELATIONS			
		p.60	Workforce Planning
		p.60	EEO policy revision

PART II. PLANNING A SUSTAINABLE FUTURE

This part of the review focussed on the Council's strategic intent and how it has involved its communities and other stakeholders in developing long-term strategic plans. The review assessed the clarity of the Council's strategic direction, whether its plans reflect a shared and realistic vision, and its overall approach to corporate planning. Monitoring and reporting progress to promote continuous improvement was also an integral consideration in regard to the Council's performance in this area.

4 STRATEGIC PLANNING AND REPORTING

A planning and reporting framework for NSW local government has been introduced to improve local councils' long-term community planning and asset management, as well as to streamline reporting to the community.

The Integrated Planning and Reporting framework aims to improve the sustainability of local communities by encouraging councils, residents and State agencies to work together on long-term plans. The Community Strategic Plan is supported by a Resourcing Strategy that includes long-term financial planning, asset management planning and workforce management planning. The framework is set out in the following diagram.



An overall assessment of how the Council is performing in relation to strategic planning and reporting is presented in Table 1 below. Examples of better or noteworthy practice and areas requiring improvement are discussed later in this section.

Table 1: Strategic Planning and Reporting Assessment

Area	Status
Strategic Planning	Performing well
Community engagement	Performing well
Planning in a regional context	Performing well
Performance measurement and reporting	Performing well

In reviewing its financial position in 2009, Parramatta City Council implemented a number of significant changes to its organisation, which included a comprehensive service review and the development of an overall organisational business plan called *Future Pathways*. While these changes have assisted the Council to achieve better financial and service results, it would seem that a disconnection has occurred between the Community Strategic Plan and the new business plan, *Future Pathways*.

To realign the plans, the Council is developing *Parramatta Twenty36*, which includes a fundamental review of the Community Strategic Plan. Importantly, the Council has also taken on board lessons from its experience in undertaking the *Parramatta Twenty25* process, and will be incorporating this knowledge into developing *Parramatta Twenty36*.

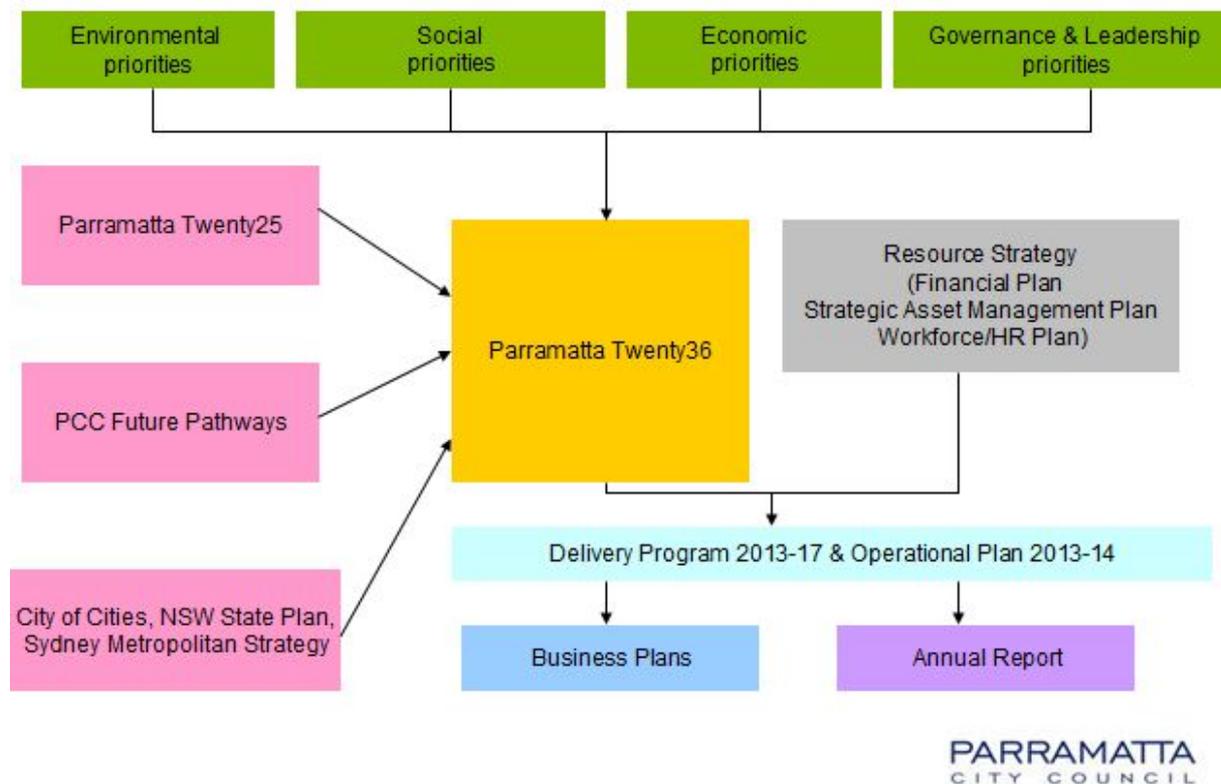
Recommendation 1 *The Council should complete its work in realigning the Future Pathways plan to the Community Strategic Plan.*

The Council continues to consult with its customers and stakeholders through planning meetings, regular community satisfaction surveys, and by providing information on its website and inviting further comment.

The disconnection between *Parramatta Twenty25* and the Council's current direction is not a reflection on the Council's ability to plan or engage with its stakeholders. Rather, this disconnection demonstrates the importance of regularly realigning to the

Community Strategic Plan when an organisation is undergoing rapid change. This disconnection acknowledges that the Council has developed and changed the focus of its organisation, and is moving forward in a different direction to *Parramatta Twenty25*.

Parramatta Twenty36 is currently under development. The diagram below demonstrates the Council's progressive approach to the integrated planning and reporting process by adding and incorporating additional elements such as business plans to its planning framework. In its current planning, the Council has also identified the importance of its *Future Pathways* strategy and its strategic location in the Sydney basin. The Council's implementation of the Integrated Planning and Reporting framework recognises the strategic relationship of planning for the Parramatta LGA with the NSW State plan.



The Council has undertaken its own city revitalisation strategy, and has demonstrated an understanding that the city needs to be managed well, to be clean and safe, and be accessible to the people of greater western Sydney by public

transport. There are a number of US and UK examples³ where a successful attempt has been made to revitalise a city centre by promoting infrastructure, business development and social inclusion. Parramatta City Council is attempting to encourage economic innovation through programs such as *Pop-up Parramatta* and embracing cross-sector collaboration by working with neighbouring councils and the NSW Government.

Through initiatives such as community events, city planning and building external relationships the Council is attempting to provide for vibrant places to live, and to plan regionally to maximise the city's revitalisation, as well as to provide for a sustainable future.

The Council has a program of innovation and continuous improvement, which is more about its culture than its systems. Work is being done to change the mindset from a 'business as usual' approach to the 'experience of all customers matters', with all employees making a contribution to this end. The Council is embracing a culture of providing multiple opportunities and channels for innovation, such as 'Catalyst', to provide for ideas to be created, grow, develop and succeed.

The Council also has developed measures to monitor progress, including a system of dashboard performance indicators. The setting and measuring of performance indicators is also seen as a tool for the Council's ongoing improvement. The results are reported monthly to the Council's leadership team and are available to all staff on the intranet site. Performance indicators are only included where performance may need to be improved. The dashboard performance indicators are grouped into four groups: finance, customers and stakeholders, our people, and our business, which is consistent with the *Future Pathways* plan.

³ Detroit Free Press, 2010, 'Models for revitalization: Midwest cities study European successes', *Columbia Daily Tribune*, 27 December, B.7.



The Council has developed a Resourcing Strategy for achieving its strategic priorities, and has demonstrated a willingness to fully integrate its planning and reporting documents. The Council has acknowledged areas for improvement in its implementation of the Integrated Planning and Reporting framework and has put into place plans for improvement. The Council has also undertaken the innovative step, and good practice example, of incorporating and building on the Integrated Planning and Reporting framework to reflect its other planning activities.

4.1 SIGNIFICANT OBSERVATIONS

Better practice

The Council's application of the Integrated Planning and Reporting framework is commended, as it built on this framework to incorporate and reflect its other planning activities. This is supported by measures to monitor progress and a system of performance indicators.

The Council response

Parramatta City Council was among the first councils to develop a long-term strategic plan, *Parramatta Twenty25*, based on consultation with our community and was subsequently among the first to adopt the full Integrated Planning and Reporting framework. It is important in responding to the legislative requirements of the framework that we maintain the importance of creating a “living” business plan framework, enabling us to adjust to changing community and organisational priorities on an ongoing basis. This process will sometimes produce the need for adjustments to ensure that our priorities are clear, transparent and aligned with the expectations of our community and our long-term vision for Parramatta.

With respect to Recommendation 1, we are close to finalising the first comprehensive review of all of the documents which make up the Integrated Planning and Reporting framework. We have reflected on the lessons learned from our ongoing community consultation, our review of performance against *Parramatta Twenty25*, completed in August 2012, continued the process of refining our performance indicators and incorporated the work undertaken on our priorities set out in *Future Pathways*. By 30 June 2013, Parramatta City Council will have adopted a revised Community Strategic Plan, *Parramatta Twenty36*, a new Delivery Program covering the period from 1 July 2013 - 30 June 2017, and a revised Resourcing Strategy incorporating our Long Term Financial Plan, our Workforce Plan and our Asset Strategy. Once that review is complete, we expect to demonstrate a clearer or improved alignment between all of our planning documents.

PART III. DELIVERING AND ACHIEVING

This part of the review focussed on examining key structures, systems and processes involved in delivering the stated outcomes of Parramatta City Council's Community Strategic Plan. This included considering the means by which the Council:

- governs its day-to-day operations
- undertakes its planning and regulatory obligations
- manages its assets and finances
- involves the community
- recruits and retains its workforce.

5 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
- assists in the prevention and detection of dishonest or unethical behaviour.

Scope of review

- | | |
|---|--|
| <ul style="list-style-type: none"> • <i>Ethics and values</i> • <i>Management planning</i> • <i>Procurement, disposal & tendering</i> • <i>Privacy management</i> • <i>Code of conduct</i> | <ul style="list-style-type: none"> • <i>The Council's decision-making processes, including delegations and conduct of meetings</i> • <i>Support for councillors</i> • <i>Records management</i> |
|---|--|

- | | |
|---|---|
| <ul style="list-style-type: none">• <i>Communication devices</i>• <i>Disclosure of pecuniary interests</i>• <i>Risk management, legislative compliance and internal control</i> | <ul style="list-style-type: none">• <i>Access to information</i>• <i>Complaints handling</i>• <i>Information technology</i> |
|---|---|

Overview of Parramatta City Council's governance practices

Overall, Parramatta City Council has built and maintained effective governance systems that are continually monitored to ensure the Council is meeting its corporate responsibilities. A sound governance framework contributes to enhancing the Council's organisational performance, as well as minimising and managing risks. The governance systems and processes are of a standard sufficient to guide the Council's operations and meet its legislative obligations.

The Council has undertaken a number of significant reviews of its governance systems in the past two years. These reviews have included: Procurement Processes (March 2011), Government Information Public Access (July 2010), Information Technology Systems Internal Security (July 2011), Records Management (September 2011), Business Continuity (December 2011), Information Technology Systems External Security (December 2011), Fraud Control (May 2012) and Risk Management Processes (May 2012). The Council demonstrates an ongoing commitment to monitoring and improving its corporate governance systems.

The Council meeting attended by the review team was well-chaired and efficiently proceeded to reach decisions in relation to the items in the business paper. The nature of the agenda saw a number of interested groups fill the public gallery. Most councillors quickly dealt with the issues and decisions were made.

Councillors and senior staff acted in accordance with standards set out in the Council's Code of Meeting Practice and its Code of Conduct. The proceedings reflected a good understanding of the respective roles of the members of the elected body and the staff. Later, senior staff described councillor and staff interaction as positive, productive, although sometimes challenging.

Consistent and proper meeting practices contribute to good public decision-making and increase a council's transparency and accountability to its communities. The decision-making processes of both the elected body and the executive management team at Parramatta City Council appeared mature and constructive. Management's use of 'dashboard' tools for monitoring and decision-making processes provide for a robust and dynamic management framework, and allows the organisation to continually focus on improvement.

Council officers appear generally aware of their legal and ethical obligations and act accordingly. Many of the interviewed staff described as 'second nature' many of the behaviours required of Council officers. For example, when development staff were asked about the operation of the gifts register, they stated that they knew of it but that they "...didn't accept gifts anyway". Staff reflected an understanding of the relevant clauses of the Council's Code of Conduct.

An indicator that the Council's overall systems and processes are working well can be found in the various awards bestowed on the Council, as summarised below:

Year	Awards
2009/2010	<ul style="list-style-type: none"> • <i>Urban Design Award for Excellence</i> • <i>MAPDA Design Award</i> • <i>IMAGinE Award</i> • <i>Local Government and Shires Association Award for excellence in projects programs and partnerships</i> • <i>Engineering Excellence Awards 2010 category of Environment and Heritage.</i>
2010/2011	<ul style="list-style-type: none"> • <i>Local Government Managers Excellence Award</i> • <i>NSW Office of Environment and Heritage's Sustainability Advantage Program</i> • <i>University of Western Sydney Award</i> • <i>Australasian Reporting Awards (ARA)</i> • <i>Greater Sydney Tourism Awards for Visitor Information Centre Services</i> • <i>Australian Bicycle Achievement Award</i> • <i>Keep Australia Beautiful NSW Sustainable Cities - Environmental</i>

	<i>Education Award.</i>
2011/2012	<ul style="list-style-type: none"> • <i>Parks and Leisure Australia's Regional Awards</i> • <i>Ministers' Award for Women in Local Government</i> • <i>Best Near-Field Communication Collaboration Initiative; Judges' Choice Award, Week's Interpretation Australia</i> • <i>Awards for Excellence, Greater Sydney Tourism Awards, finalist.</i>

The diversity of the awards show that the Council is functioning well across the broad range of its operations.

An overall assessment of how the Council is performing in relation to a range of key governance areas is presented in Table 2. Examples of better or noteworthy practice and areas requiring improvement are discussed later in this section.

Table 2: Assessment of the Council's governance framework

Area	Status
Ethics and values	Performing well
Code of Conduct	Performing well
Gifts and benefits	Satisfactory
Communications devices	Performing well
Disclosure of pecuniary interest	Performing well
Business ethics	Performing well
Risk management	Performing well
Fraud control	Performing well
Business continuity	Performing well
Internal audit	Performing well
Legislative compliance	Performing well
Legal services	Performing well
Procurement and disposal, and tendering	Performing well
Privacy management	Performing well
Records management	Performing well
Public Officer	Performing well
Access to information by the public	Performing well
Policy register	Performing well
Executive Management meetings	Performing well

Delegations	Performing well
Council meetings	Performing well
Council committees (s355 & others)	Performing well
Councillor induction and ongoing training	Satisfactory
Expenses and facilities policy	Satisfactory
Councillor staff interaction	Satisfactory
Access to information by councillors	Satisfactory
Complaints handling	Performing well
Protected Disclosures and internal reporting	Performing well
Awards	Performing well
Strategic alliances	Performing well
Information technology	Performing well

Significant Observations

Better Practices

Governance Systems Management

The Council has recently taken steps to focus on the continued improvement of its governance structures. The Council has employed a new Service Manager, Governance, Quality and Performance to focus on risk management and statutory compliance. The new position has specific responsibilities for enhancing governance processes and facilitating continuous improvement.

The Governance Service Manager has overseen the development of new governance monitoring arrangements, building on the Council's existing dashboard management systems to facilitate continuous improvement. The review team was provided with the project document for the Council's new Governance Portal, which will consolidate information on delegations, compliance requirements, policy responsibilities and required actions. Working in conjunction with the delegations systems, the Governance Portal will draw together disparate information and systems to provide staff with a 'one stop shop' for understanding and managing their corporate responsibilities. This Portal is one proposed aspect of a wider organisational focus on reviewing and improving existing governance policy and process in an integrated way.

Areas for improvement

Gifts and Benefits Policy

The Council states that it does not have a 'gifts and benefits' policy. However, it does have a Gifts Register. Inspection of the Register reveals that it is used infrequently. Staff informed the team that it was rare that a council officer would receive a gift, as most people are aware that the Council and Council officers do not accept gifts or benefits of anything other than token value. The Council informed the review team that it uses the provisions of the Code of Conduct and training to remind staff of their obligations. It would be good practice to reinforce the provisions of the Code of Conduct with specific guidance to staff about this area of risk. The Council should examine this risk, and provide guidance on the use of its existing Gifts Register.

Recommendation 2 The Council should consider developing a specific Gifts and Benefits Policy to support its Code of Conduct and Gifts and Benefits Register.

Councillor training and support

The Council told the review team it was developing a Councillor Information Portal to assist councillors to access Council information. In addition, the Council is preparing a councillor training program that will be in place for the new council term following the September 2012 local government elections. This will assist new Councillors better understand and adapt to their role, as well as refresh information for returning councillors. This program will ensure councillors are aware of their obligations under the Code of Conduct, including the application of the Councillor/Staff Interaction Policy, and bullying and harassment policies.

Recommendation 3 The Council should ensure that its councillor liaison team is appropriately staffed and resourced to assist the new Council.

Recommendation 4 The Council should consider further staff training to ensure staff members understand how to manage councillors in the workplace.

Policy of Civic Office Expenses and Facilities

Parramatta City Council should consider making additions to the Policy of Civic Office Expenses and Facilities to ensure that it meets all of the requirements of the

Division of Local Government's Guidelines, issued in 2009⁴. The Policy was adopted by the Council on 25 June 2012 and was submitted to the Division in August 2012.

The Council's Policy meets the Division's guidelines in a number of ways, including that it contains the following:

- a proper approval process
- limits are provided for expenses and facilities, including legal expenses
- provisions are made for the cost of care arrangements, including childcare expenses, care of elderly, disabled or sick immediate family members, and councillors with disability to allow them to undertake their Council obligations
- provision for cab-charges, use of private vehicles, interstate and overseas travel, and an appropriate approval process for each travel and expense is provided
- various pro-formas are appended for reimbursements and claims
- an annexure detailing various conference categories
- a statement that there is no provision for "general expenses".

However, there are a number of areas that the Council's expenses and facilities policy should address, but which are currently outstanding. These include:

- no statement is made about gift and benefits
- absence of a statement disallowing political donations/fundraising expenses
- private use of the Lord Mayor's car is permitted within the bounds of Newcastle, Wollongong and Bathurst
- the history provided at the end of the policy suggest that the Council is not reviewing the policy every year, as required.

Recommendation 5 The Council should make additions to the Policy of Civic Office Expenses and Facilities to more accurately reflect the Division of Local Government's Guidelines.

⁴ DLG Website - <http://www.dlg.nsw.gov.au/dlg/dlghome/documents/Information/09-36%20-%20Councillor%20Expenses%20and%20Facilities%20Guidelines.pdf>

Policy Access

The Council needs to examine if more of its policies can be placed online. The Council's Policy register contains around 150 policy documents, and the Council's website hosts 27 policy documents. The Council may wish to consider what additional policy information it can make publicly available to enhance clarity around the frameworks and processes that guide its operations. Such an open approach may assist to further build the community's faith in the Council's operations and decisions.

Recommendation 6 *The Council should make all relevant policies available on its website.*

Social Media Guidelines

The Council has embraced different ways of engaging with its community. One example is its use of various forms of social media to speak with diverse users and interest groups. The Council has established a management framework for the official use of social media: the *Use of Social Media Policy and Guidelines*. The policy guides staff on engagement using technology and sets appropriate parameters. The policy also outlines the requirements of staff when using social media in a personal capacity. The policy should explain why the Council believes it can regulate a person's comments on line when they are using a private account on private time with private equipment. The Council needs to be clearer in the policy on where its authority to make such demands rests. The Council could insert a reference to the appropriate section of its Code of Conduct.

Recommendation 7 *The Council should consider amendments to strengthen the Use of Social Media Policy and Guidelines.*

The Council response

The Council welcomes the Division's recognition that it is generally performing well in the area of governance. The Council takes its governance responsibilities seriously, and improving its systems and resourcing to ensure that our processes are robust and efficient has been a key focus over the past year.

With respect to Recommendation 2, the Council is of the view that the current references to Gifts and Benefits in the Code of Conduct, the demonstrated high level of staff awareness of the importance of dealing appropriately with offers of gifts and the process we adopt of regular reminders to staff, particularly at times of the year such as Christmas, about the need to be mindful of our policy, already provide an adequate framework for the management of this issue. We nonetheless agree with the recommendation that further clarification could be provided by adopting a separate Gifts and Benefits Policy that remains consistent with the Code of Conduct. Accordingly we propose to adopt a new Gifts and Benefits Policy during 2013.

With respect to Recommendation 3, the Council notes that it has now implemented a new iPad solution for providing key information to Councillors on a regular basis. We implemented a significant induction training program in September and October 2012 following the recent Council elections. We also continue to conduct regular Councillor Workshops to enable Councillors to be informed about emerging issues and provide supports for Councillors' attendance at relevant external conferences. We propose to enhance our support for Councillors by the introduction of a process to capture Councillor Professional Development needs. We have also recently increased the resources providing Councillor Support, and we will continue to review our resources and practices to ensure that adequate support is provided to the Lord Mayor and Councillors in fulfilling their role.

With respect to Recommendation 4, with the pending adoption by the Council of a revised Code of Conduct following the introduction of the new Model Code, we propose to implement a training program for all staff to update them on the provisions of the new Code. This will be accompanied by a program of "refresher" courses and guidance for staff to ensure that they are aware of their responsibilities and appropriate practices in dealing with Councillors.

With respect to Recommendation 5, the Council notes that we did receive detailed advice from the Division of Local Government in conducting our most recent review of the Policy of Civic Office Expenses and Facilities. Accordingly we are of the view that the current Policy is adequate to comply with the relevant legislation and guidance. This policy is again under review in 2013. The additional comments are noted and will be considered as part of this review.

With respect to Recommendation 6, the Council has undertaken a review of those policies that are made publicly available on our website. We are in the process of implementing a comprehensive policy review process over the current Council term, as well as enhancing our policy-management processes through the introduction of a 'governance portal' that will provide clear accountability for our various policies and will record decisions about whether policies should be made public. We propose to undertake a further review this year to ensure that all relevant policies are made public.

With respect to Recommendation 7, our *Use of Social Media Policy and Guidelines* is currently under review as part of a broader consideration of our social media strategy.

6 PLANNING AND OTHER REGULATORY FUNCTIONS

The Council exercises regulatory functions in relation to a range of activities within its area. The efficiency and probity of the Council's regulatory functions is important for effectively managing the Council's responsibilities, and for preserving public trust in the Council and its staff. Regulation is important to achieve a wide range of social, economic and environmental goals.

Scope of review

A review was conducted of a range of aspects of the Council's planning and regulatory practices, including:

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

Table 3 below assesses the Council's performance in relation to the key areas of the self-assessment checklist. It also provides an overview of the Council's planning and regulatory performance.

Table 3: The Council's planning and regulatory framework

Area	Status
Strategic land-use instruments	Performing well
Development applications process	Performing well
Contribution plans and planning agreements	Performing well
BASIX	Performing well
Environment reporting	Performing well
Graffiti	Performing well
Enforcement	Performing well

Environmental management/compliance	Performing well
Companion animals	Satisfactory
Water safety	Performing well

Overview of land-use planning, development assessment and regulatory practices

Prior to October 2011, the Council had two planning instruments relating to the Local Government Area and the Parramatta CBD. In October 2011, it finalised and had approved the current template Local Environment Plan and the associated Development Control Plan. The Development Control Plan came into effect on 12 October 2011 and both documents are available on the Council's website.

The Council has a well-developed framework to manage development assessment. The review team was presented with a comprehensive development assessment and control system. The Council's customer focus is evident in some of its more innovative systems such as 'Red Star', and environmental management decisions and practices.

The enforcement and compliance areas operate to a very high standard, regularly auditing their actions to ensure consistency and fairness. The Council's practice of using adjacent councils to test compliance issues reinforces the Council's commitment to procedural fairness and natural justice principles in compliance and enforcement practice.

Significant Observations

Development Assessment

The Council's website provides an excellent development portal. It is divided into Development Application Lodging, Planning and Forms, Heritage, and Tracking sections, and includes policies, flowcharts and a range of downloadable forms. The website is a valuable resource for applicants and other interested parties, and is a valuable customer service tool for the Council.

The Council's development application and approvals processes are outlined in a number of policy and process documents provided to the review team prior to the on-

site component of the review. In addition, the review team was provided with a number of process examples during the on-site visit. With the exception of the Notification Development Control Plan (dated 2004), all other documentation showed the Council is continually managing its development processes and systems.

The review team notes the Council’s ‘Red Star’ processing system as an example of effective systems and management. This process is designed to efficiently meet customer’s expectations while diligently managing applications in an efficient manner. This system also reflects the Council’s broader commitment to customer service. The Council also monitors its development processes on a monthly basis. Included here is an excerpt from the Council’s reporting system⁵.

After Stop the Clock

Options: 01/02/2012 - 29/02/2012 Development Applications

Development Applications

Lodged Development Applications	78			
Applications Cancelled or Rejected	3	4 %		
Total Estimated Cost of Works	\$ 24,626,203			
Determined Development Applications	89			
Determined Under 40 Days (With Stop the Clock)	44	49 %		
Determined Between 41 and 60 Days (With Stop the Clock)	18	20 %		
Determined Between 61 and 80 Days (With Stop the Clock)	12	13 %		
Determined Over 80 Days (With Stop the Clock)	15	17 %		
Red Star Applications	20	22 %		
Red Star Determined Under 40 Days (With Stop the Clock)	19	95 %		
On-Site Meetings	7	8 %		
DAs through Clearing House within 7 days of lodgement	59	60 %		
Requests for further information from Clearing House	41	41 %		
Requests for further information after Clearing House	13	13 %		
DAs through referrals within 21 days	47	47 %		
DAs through notification within 21 days	25	25 %		
DAs through advertising within 28 days	0	0 %		
Average Processing Time (With Stop the Clock)	51 days			
Median Processing Time (With Stop the Clock)	55 days			
Third Quartile Processing Time (With Stop the Clock)	117 days			
Total Value of Approved DAs	\$ 81,163,151			
Determined By Councillors	13	15 %		
Determined By Joint Regional Planning Panel	2	2 %		
Determined Under Delegation	73	82 %		
Applications Withdrawn	10	10 %		
Outstanding Development Applications	219			
Outstanding Over 60 Days	108	49 %		
Outstanding Over 80 Days	81	37 %		
Outstanding Red Star Applications	35	16 %		
Total Outstanding Applications Estimated Cost of Works	\$ 367,439,844			

its

⁵ Parramatta City Council - staff interview material - Mark Leotta

Companion Animals

The Council provides animal management statistics to the Division of Local Government on an annual basis. The Council's current (combined) euthanasia rate of about 37% is well below the State average of about 49%. It is pleasing to note a downward trend over the last three reporting periods in the number of animals being euthanased in the local government area.

The Council appears to have a working relationship with re-homing organisations, as indicated in its 'Survey of Council Seizures of Cats and Dogs' reports which show that some animals are recorded as being released to such organisations.

Swimming pools

The Council has a compliance inspection program for swimming pools in its local government area. The Council conducts a pool safety mail-out to raise community awareness in conjunction with Westmead Children's Hospital (when it sends out its rate notices). The Council also provides swimming lessons at its aquatic centres through the Dolphins Swim School program.



The Council provides free access to its aquatic centres for seniors and people with a disability and their carers to enable aquatic activity in a safe environment.

The Council's staff commented that they are improving their internal processes to better understand the number and location of all backyard swimming pools in the area. The Council has a database of swimming pools that it is continuing to expand through internal reporting of new development applications for swimming pools. The Council is also undertaking a spatial mapping survey to identify swimming pools that may not otherwise be recorded. Overall, the Council is well-placed to promote swimming pool safety and to ensure community compliance with the provisions of the Swimming Pools Act.

Communication - Community Pride Day

As part of an ongoing community promotion and education program, the Council conducts what it terms 'Community Pride Days', usually with a focused theme to

promote an aspect of the Council's activities. The Community Pride Day aims to attract families and young children with activities, including face-painting, pony rides, animal petting zoo and jumping castles, together with free give-aways. The Council also involves other local community groups to broaden the target audience and provide wider appeal to the community.

The Council's compliance staff are regularly involved in Community Pride Days, providing information and raising awareness of issues such as illegal dumping, litter and waste management, environmental health information, pool safety information and animal management.

Restricted premises auditing

The Council has two processes for ensuring compliance for restricted premises, including a separate auditing and a monitoring process. The audits are undertaken after notice has been given to the owner/operator. The premises are audited against the specific conditions of consent and The Council's plans of management. The monitoring program is a separate random inspection to check general compliance without notification, and is a general check of staff, hours of operation and general conditions. These inspections are conducted by a team of four people to enhance the credibility of the inspection and provide probity assurance. The team may include management personnel, development control officers, fire safety officers, health officers and an independent observer.

Complaint management and validations

The Council's compliance team undertakes a peer review system to validate the outcome of customer complaints. This appears to serve as an internal continuous improvement initiative and contributes to the Council's overall customer focus. Of note is the Council's sample audit program, where a neighbouring council is invited to review and validate closed customer service requests every six months. As well as serving to validate the Council's actions, the peer review provides a knowledge-sharing opportunity in a continuous improvement environment. This process is to be commended.

Areas for improvement

Companion Animals

The rate of lifetime registration of cats (25%) and dogs (52%) in the local government area is well below the State average of 43% (cats) and 61% (dogs). The Council should consider actions to gain compliance with the identification and registration provisions of the *Companion Animals Act 1998*. It is worth noting that data held by the Division of Local Government suggests that 98% of cats that are lifetime registered are desexed. Therefore, the more cats that are lifetime registered, the more likely they are to be desexed, which will lead to a reduction in unwanted animal issues.

It is important that all councils are aware of the existence of dangerous and restricted dogs that are ordinarily kept within the local government area. This includes dogs that might reasonably be considered to be dangerous or restricted. A review of the NSW Companion Animals Register indicates that the Council is active in declaring animals to be nuisance animals or dangerous animals. However, an analysis of restricted breed data indicates that the Council has not issued a Notice of Intention to Declare a Dog a Restricted Dog (NOI) in the last 12 months. This may not necessarily be an issue, but considering the relatively high number of dogs (20,197) and breeds of dog identified on the 'LGA Totals Report' that reside in the LGA, the Council may need to be mindful of the need to identify any restricted breed dogs that are ordinarily kept within its area.

A review of the 'Restricted Dog' data also indicates that 69 restricted dogs reside in the local government area, some of which are not registered. There are 22 cross-breeds of restricted dogs currently pending assessment or not declared restricted. If these dogs are deceased or no longer reside within the area, the Register should be updated accordingly. The Council may need to follow up on restricted breed dogs and cross-breeds of restricted breed dogs that are recorded as being ordinarily kept within its area.

A review of the 'Dog Attack' data indicates that the Council appears to be recording dog attack incidents in accordance with the requirements of the Companion Animals Regulation 2008, and also appears to investigate incidents in a timely manner.

However, it is noted about 18 of the 26 outstanding incidents with a status of 'commenced' or 'under investigation' occurred in 2009, 2010 and 2011. The Council should review and finalise dog attack incidents on the Companion Animals Register as soon as possible.

Recommendation 8 The Council needs to be mindful of the need to identify any restricted breed dogs that are ordinarily kept within its area.

Recommendation 9 The Council needs to follow up on restricted breed dogs and cross-breeds of restricted breed dogs, and update the Companion Animals Register accordingly.

Recommendation 10 The Council should review and finalise dog attack incidents on the Register as soon as possible.

The Council response

The Council welcomes this report's recognition of our efforts to improve our management of the development approvals processes and our significant achievements in the areas of our regulatory services, including our active communication with our community. These areas have all been a significant focus for the Council.

With respect to Recommendations 8 and 9, since the on-site review, the Council has identified 135 dangerous, restricted and cross-breed restricted dogs in our animal management register. We are introducing a process involving six-monthly reports being produced from our register to ensure that all information is current and that premises are inspected annually. We have conducted 38 inspections to date since the review.

With respect to Recommendation 10, we are introducing an enhancement to our complaints management process to ensure that our register is updated within 72 hours of the reporting and investigation of a dog attack.

Note from the Division:

Dog attack reporting within 72 hours of notification must be completed on the NSW Companion Animals Register.

7 ASSET AND FINANCIAL MANAGEMENT

Under its charter, the 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.

Scope of review

A review was conducted of a range of aspects of the Council's asset and financial management practices, including:

- *Financial management*
- *Asset management, including land assets, plant replacement and capital works*
- *Management of community land*

Table 4 below assesses the Council's performance in relation to the key areas of the self-assessment checklist to provide an overview of the Council's asset and financial management performance.

Table 4: The Council's asset and financial management framework

Area	Status
Asset management	Satisfactory
Land assets	Performing well
Financial management	Satisfactory
Council businesses	Performing well
Council involvement in companies, partnerships, corporations, co-operatives, joint ventures	Performing well
Insurance	Performing well

Overview of asset and financial management practices

Current Financial Situation

Table 7.1 - *Income Statement (Financial Performance)* provides an overview of the Council's recent financial performance over the past five years.

The table shows that:

- the Council's operating income has grown at a similar rate to its operating expenses over the past four years, at just over 5% annually
- the Council has recorded surplus operating results for the past five years
- in the past four years, the Council has recorded deficit operating results after deducting grants and contributions income for capital purposes
- income from grants and contributions for capital purposes has grown by over 20% per annum in the past four years
- borrowing costs have reduced over the past five years.

Please note that the table refers to Compound Annual Growth Rate (CAGR), which measures the growth in an amount over a specified time period.

The Council will need to consider its growing reliance on income from grants and contributions for capital purposes, which now makes up over 8% of the total income, compared to 5% of the total income in 2006/07. However, this also indicates that the Council has been successful in obtaining grants and contributions, which is a positive. Given the recent fiscal tightening of both State and Federal government budgets, consideration will need to be given to the reliability of grants and contributions monies into the future, and the likely level of this income.

Table 7.1 - Income Statement (Financial Performance)

	30-Jun-07 \$'000	30-Jun-08 \$'000	30-Jun-09 \$'000	30-Jun-10 \$'000	30-Jun-11 \$'000	CAGR %
Rates and annual charges	86,502	90,192	94,004	98,254	102,824	4.42%
User charges and fees	16,718	20,358	21,750	23,024	25,274	10.88%
Interest and investment revenue	5,770	3,973	2,815	4,889	5,708	-0.27%
Other revenue	11,549	10,007	10,778	10,684	9,330	-5.19%
Grants and contributions for operating purposes	12,380	14,606	16,439	15,863	15,916	6.48%
Grants and contributions for capital purposes	6,955	7,645	8,859	12,570	14,776	20.73%
Net gain from asset disposal	1,932	558	2,778	0	1,220	-10.86%
Share of interests in joint ventures, etc.	656	515	0	640	284	-18.88%
Total income from continuing operations	142,462	147,854	157,423	165,924	175,332	5.33%
Employee costs and on-costs	55,054	60,695	64,753	66,684	69,366	5.95%
Borrowing costs	5,488	5,595	5,409	4,075	4,513	-4.77%
Materials and contracts	25,585	29,486	34,319	36,214	33,437	6.92%
Depreciation and amortisation	22,591	23,539	24,412	24,818	27,375	4.92%
Impairment	0	0	1,400	0	0	0.00%
Interest and investment losses		0	0	0	0	0.00%
Other expenses	22,950	22,746	22,561	24,762	26,482	3.64%
Net loss from disposal of assets	0	0	0	63	0	0.00%
Share of interests in joint ventures and associates	0	0	40	0	0	0.00%
Total expenses from continuing operations	131,668	142,061	152,894	156,616	161,173	5.18%
Operating result from continuing operations	10,794	5,793	4,529	9,308	14,159	
Operating result from discontinued operations	0	0	0	0	0	
Net operating result for the year	10,794	5,793	4,529	9,308	14,159	
Net operating result for the year before grants and contributions for capital purposes	3,839	-1,825	-4,330	-3,262	-619	

Table 7.2 - *Balance Sheet (Financial Position)* provides an overview of the Council's recent financial position over the past five years.

The table shows that:

- the Council has decreased its holdings in short-term investments and increased its holdings in long-term investments over the last five years. Overall, the Council's investment portfolio has remained at the same level, being \$87 million in 2006/07 and \$86.2 million in 2010/11
- receivables have grown by over 7% per annum in the past four years
- the value of the Council's infrastructure, property, plant and equipment has increased significantly due to fair value revaluations, from \$1 billion at 30 June 2007 to \$3.6 billion at 30 June 2011
- the Council holds intangible assets to the value of \$5.9 million as at 30 June 2011
- Total liabilities have remained relatively stable over the past five years.

Please note that the table refers to Compound Annual Growth Rate (CAGR), which measures the growth or reduction in an amount over a specified time period.

The continued growth in receivables over the past four years is an area which requires the Council's attention. It is preferable for businesses to have financial strategies in place to maintain or reduce the receivables balance, and therefore positively impact on the cash flow. An increase in the receivables balances may also indicate that there needs to be an adjustment to the provision of doubtful debts. If possible, the Council should either reduce or slow the balance of receivables. It was noted in the Council's Long-Term Financial Plan (LTFP) that the receivables balance was left at \$13 million over the forward years⁶.

⁶ Parramatta City Council, Long-Term Financial Plan, p39

Table 7.2 – Balance Sheet (Financial Position)

	30-Jun-07 \$'000	30-Jun-08 \$'000	30-Jun-09 \$'000	30-Jun-10 \$'000	30-Jun-11 \$'000	CAGR %
Balance Sheet (Financial Position)						
Current Assets						
Cash asset and cash equivalents	405	12,150	15,947	17,992	8,749	115.59%
Investments	87,951	73,701	65,742	51,511	50,504	-12.95%
Receivables	9,825	8,353	12,283	13,238	13,043	7.34%
Inventories	185	177	190	187	140	-6.73%
Other	622	486	483	211	57	-44.98%
Non-current assets classified as held for sale	3,200	1,120	0	0	0	-100.00%
Total Current Assets	102,188	95,987	94,645	83,139	72,493	-8.23%
Non-Current Assets						
Investments	1	1,642	3,190	11,283	27,500	1187.75%
Receivables	101	92	78	80	527	51.14%
Inventories	0	0	0	0	0	0.00%
Other	0	0	0	0	0	0.00%
Infrastructure, property, plant and equipment	885,681	3,773,872	3,472,566	3,653,199	3,602,947	42.02%
Investments using equity method	1,355	1,870	1,830	2,470	2,754	19.40%
Investment property	0	0	0	0	0	0.00%
Intangible assets	5,591	4,414	2,518	3,794	5,920	1.44%
Total Non-Current Assets	892,729	3,781,890	3,480,182	3,670,826	3,639,648	42.10%
Total Assets	994,917	3,877,877	3,574,827	3,753,965	3,712,141	38.98%

Table 7.2 – Balance Sheet (Financial Position)		CONT...				
	30-Jun-07	30-Jun-08	30-Jun-09	30-Jun-10	30-Jun-11	CAGR
	\$'000	\$'000	\$'000	\$'000	\$'000	%
Current Liabilities						
Payables	14,950	17,809	18,897	16,220	14,334	-1.05%
Interest-bearing liabilities	58,482	3,751	3,952	4,307	4,812	-46.44%
Provisions	14,642	15,935	18,628	21,494	19,601	7.56%
Total Current Liabilities	88,074	37,495	41,477	42,021	38,747	-18.56%
Non-Current Liabilities						
Payables	0	0	0	0	0	0.00%
Interest bearing liabilities	35,205	89,252	85,300	81,102	79,250	22.49%
Provisions	753	693	2,655	1,004	927	5.33%
Total Non-Current Liabilities	35,958	89,945	87,955	82,106	80,177	22.20%
Total Liabilities	124,032	127,440	129,432	124,127	118,924	-1.05%
Net Current Assets	14,114	58,492	53,168	41,118	33,746	24.35%
Net Assets	870,885	3,750,437	3,445,395	3,629,838	3,593,217	42.52%

Significant Observations

The Council's Quarterly Review for March 2012 is presented in a clear and professional format, with the information provided in an easy-to-understand way, and the important points highlighted. The Quarterly Review forecast an operating result of \$0.194 million⁷ for the year ended 30 June 2012, before capital-related revenue. During the review, the Council indicated that the result should be more favourable, and was expecting a small surplus.

The Quarterly Review for March 2012 notes that the Council has written off \$6.6 million for Civic Place⁸. In light of this, it is encouraging that the Council has conducted an internal audit review of its property development activities.

Long-Term Financial Plan

The Long-Term Financial Plan⁹ is used to inform decision-making during the finalisation of the Community Strategic Plan and the development of the Delivery Program. The Long-Term Financial Plan provides direction to the governing body for the operation of the Council. Therefore, the Long-Term Financial Plan should also be an important tool for monitoring the overall financial performance of the Council.

The Council's Long-Term Financial Plan is a well-presented document providing clear information on the Council's future financial direction. In developing future Long-Term Financial Plan's, the Council will need to consider more closely its funding sources, and the future mix of rates, fees and charges, and grants and contributions. The Council has made ten special variation applications since 1994/95, eight of which have been approved, including the recent IPART determination. The Council may also consider supplementing revenue with borrowings if there is a need, and if it doesn't adversely impact on the Council's financial sustainability in the longer term.

⁷ Parramatta City Council, Quarterly Review March 2012, p5

⁸ Parramatta City Council, Quarterly Review March 2012, p5

⁹ Parramatta City Council, Long-Term Financial Plan

The Council has prepared a Delivery Program 2010-14 and Operational Plan 2012-13¹⁰. These are easy to read and understand. More importantly, the document is fully integrated with the Council's Long-Term Financial Plan.

Internal reporting

The Council has also provided some good examples of internal reporting and internal budgeting processes. The Council has adopted a zero-based budgeting process. The reporting via a dashboard, with key performance indicators, provides an important visual tool for staff and management on financial progress relative to service provision. This information is readily available on the Council's internal website.

Services Review

Prior to 2010, the Council acknowledged it was progressing towards an unsustainable financial future, including operational deficits, excessive capital expenditure and a limited budget to maintain existing assets¹¹. In response to these challenges, the Council undertook the *Parramatta City Council Services Review* to deliver future savings and a more sustainable future.

The review identified the following types of business improvements¹²:

- Efficiency improvements
- Process improvement within a business unit
- Cross functional teamwork and organisational wide process improvements
- Outsourcing all or part of a service
- Reducing or ceasing some services
- E-government strategies and online service delivery
- New revenue opportunities
- Service improvement and cost reductions in the delivery of key services
- Asset optimisation
- Better procurement practices
- Improving skills and training

¹⁰ Parramatta City Council, Delivery Program 2010 and Operational 2012-13, Delivering on the Community Vision

¹¹ Parramatta City Council, Services Review 2010, p12

¹² Parramatta City Council, Services Review 2010, p4-5

- Property development strategy implementation
- Improved business reporting and planning
- Organisation structure realignment and reduction in FTE
- Centralised support services.

The service review provided the Council with an opportunity to refocus its business on services and customers. Importantly, the Council stressed that the opportunity to reform its business through the service review was not to be seen as an isolated event but rather a platform to implement a continuous improvement program. The Council anticipates that the continuous improvement program will continue to encourage ongoing innovation and business advancements.

The service review highlighted particular areas where productivity across the organisation could improve, such as the use of smart or intelligent systems to allocate work, and increasing the effectiveness and efficiency of staff working in the field.

The success of the service review implementation is of a consequence of planning and leadership. Prior to the review, the Council established a project structure, and included different phases of consultation for the review. Clearly conscious of the staff role in implementing the review recommendations, the review plan and its structure facilitated the involvement of staff from all parts of the organisation. By directly engaging staff in the service reviews, the organisation promoted staff ownership of the process.

Active leadership has also played an important role in the implementation of the service review. The Chief Executive Officer (General Manager) has taken a prominent role, visiting staff workplaces to explain the service review's objectives and to listen to staff concerns. The Chief Executive Officer continues to visit staff workplaces on a monthly basis to engage with staff in an ongoing way.

The *Service Delivery Reviews in Australian Local Government 2012*, in which Parramatta City Council was a participant, found that finding the right balance between the length of time taken to undertake a review, through to implementation

and the amount of resources used in the process, was paramount to the success of a services review¹³.

The *Service Delivery Reviews in Australian Local Government 2012* also highlighted other opportunities for improvement and factors for the consideration, as identified by councils participating in the study. These include:

- Increased focus on cost savings and efficiency gains
- Increased involvement of department managers as some were detached from the process
- Improvements in quantifying impacts of recommendations
- More scrutiny in the definition of discretionary services
- Improved method for reviewing the level of service
- Increased collaboration with other councils
- Greater involvement of staff throughout the process
- Clear and concise communications of the purpose and objectives of the project
- Greater involvement of councillors
- Increased training and preparation
- An adaptive approach for each workplace
- More time for report compilation
- A less expensive and more efficient process
- Use of external resources for a more detailed review and to a greater depth¹⁴.

Property Development

Through its budgeting process the Council has identified the development of Parramatta CBD as an important strategic outcome. The Council is relying on the development of its property portfolio to grow its income base. Under its strategic objective *the economy and development* (which includes property development), the Council has budgeted for capital projects worth \$31 million in 2012/13 and \$19 million in 2013/14¹⁵.

¹³ Walker G and Gray M, 2012, *Service Delivery Reviews in Australian Local Government 2012: Volume 1 Discussion Paper*, ACELG, p29

¹⁴ Walker G and Gray M, 2012, p29-30.

¹⁵ Parramatta City Council, Delivery Program 2010-14 & Operational Plan 2012/13, p58

Given the risks associated in undertaking property development, including the risk of time delays and demand shift, it is important to establish a strong project governance structure for property development. A strong project governance structure should provide for a level of assurance that comprehensive feasibility studies and probity checks for staff and proponents have been undertaken.¹⁶

Asset Management

The Council is responsible for managing a significant stock of assets. The Council's asset management policy provides a broad framework for undertaking asset management in a structured and coordinated way. The Council has also produced a comprehensive 'Strategic Asset Management Plan'¹⁷ which includes:

- the purpose of the Asset Management Strategy
- identifying what constitutes best practice asset management
- provision of key strategies, goals and priorities for the Council's asset management
- identifying key service level outcomes including reliability, quality, capacity and condition
- the importance of measuring performance and establishing key performance indicators
- future demand analysis, including changes in population in the local government area
- risk management for custodians of assets
- the importance of lifecycle costing
- a gap analysis.

The Council's Asset Management Strategy highlights that the cost of asset creation or acquisition is generally less than 20% of the lifecycle cost of an asset, which includes operation, refurbishment and disposal costs¹⁸.

The Council has acknowledged in its Asset Management Strategy that it does not have any clear levels of service informed by community consultation. Future

¹⁶ Parramatta City Council, Internal Audit Report, Property Development Function, August 2012, p8

¹⁷ Parramatta City Council, Strategic Asset Management Plan, March 2012

¹⁸ Parramatta City Council, Strategic Asset Management March 2012, p3

customer-driven levels of service are to be determined at the next review of the Community Strategic Plan, *Parramatta Twenty36*. In light of this, it is encouraging to note that the Council's asset management is part of its continuous improvement program, and will continue to be built upon.

To improve the clarity of its reports, figures or estimates within the Asset Management Strategy should be referenced to a point in time. For example, statements may be rewritten as '*it was determined in August 2011 that an annual expenditure of \$3.3 million is required for road maintenance over the next twenty years*' as opposed to '*Annual expenditure of \$3.3 million is required for road maintenance over the next twenty years*'. This will provide clarity to the reader, and assist the Council in updating its Asset Management Strategy in the future.

Areas for improvement

Loan Borrowing Policy

The Council's current Loan Borrowing Policy was adopted on 8 July 1996. It has now been in existence for over 15 years. The Loan Borrowing Policy is outdated with references to the management plan process and global borrowing limits, which are no longer applicable. It would also appear there are two cases where the Loan Borrowing Policy was not followed: the Big 7 and the Civic Place projects. It is understood that these projects would have been considered, in line with the out-of-date policy, as non-self-funding projects/programs, with the borrowings in each of those years exceeding the amount of principal to be repaid in the same financial year. Given previous comments in the report on the Council's need to identify future funding sources in its Long-Term Financial Plan, the Council should revisit and update its Loan Borrowing Policy.

Recommendation 11 *The Council should review and update its Borrowing policy.*

Asset Management

An area for improvement for the Council is the continued development of its asset management plans. While the Council has produced a roads asset management plan, the Council must continue to develop a comprehensive suite of plans for all

classes of assets, as required in the Local Government Act. A comprehensive suite of asset management plans will assist the Council to meet its strategic priorities as articulated in *Future Pathways* and *Parramatta Twenty36*.

Strong links should be apparent between the Asset Management Strategy and the asset management plans. Asset management plans can act as a tool for communication with customers and other stakeholders in relation to different funding scenarios, service levels, and service priorities and risks¹⁹.

The Council response

The Council has maintained a strong focus in recent years on improving our financial performance and ensuring our long-term financial sustainability. Key to enabling good decision-making in these areas has been the need to provide clear and useable information in our budgeting and reporting processes.

The comprehensive services review completed in 2010 was an important step and has provided the impetus for a culture of ongoing improvement across the Council. Enhancements to our financial management, monitoring of our performance and in particular, management of our significant assets, remains a strong focus for the organisation.

We accept Recommendation 11. The Council is reviewing its Borrowing Policy and this will be completed before the end of 2013.

¹⁹ International Infrastructure Management Manual, 2011 page 4.2

8 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
- keeps the local community and State government informed about its activities.

Scope of review

A review was conducted of a range of aspects of the Council's community and consultation practices, including:

- *the methods the Council uses to involve and determine the views of its community*
- *planning for an ageing population*
- *social and community functions of the Council*
- *reporting*
- *customer service standards.*

Table 5 below assesses the Council's performance in relation to the key areas of the self-assessment checklist to provide an overview of the Council's communication and consultation performance.

Table 5: The Council's community and consultation framework

Community and consultation area	Status
Social and community planning	Performing well
Ageing population	Performing well
Community participation	Performing well
Communication policy	Performing well
Reporting	Performing well

Cultural planning	Performing well
Ethnic affairs	Performing well
Tourism	Performing well
Economic development	Performing well

Overview of community and consultation practices

Parramatta City Council has a comprehensive community engagement program that actively promotes community life. The Council takes an approach to community development called ‘Community Capacity Building’. The Council is looking to enhance its Community Capacity Building model by implementing a person-centred approach to dealing with the needs of individuals in a holistic way.

The Council provides five long day care child care centres, and home support services including Meals on Wheels, Neighbour Aid visiting service, a peer support network for people with disability, carer support services, a subsidised mowing service, and over-55’s leisure and learning activities.



The Council continually engages with its community through the use of its ‘Community Voice’ forum. This program invites community members to voluntarily participate in surveys, questionnaires, online polls, workshops, focus groups and attend public meetings. The Council currently has in excess of 1000 Community

Voice participants. The Council produces an Annual Report that is available to the community in both hard copy and electronic format.



The Council uses a number of communication tools through which it disseminates information to its community. This includes the use of social media and more traditional promotions and advertising. The Council produces a community newsletter called *ParraPulse*, which contains social, community, environment and economic news including a six-language summary on the back page. It is important to note that the Council's website contains all of this information and more and is available in Arabic, simplified Chinese, Cantonese, Hindi and Korean translations.

Parramatta City Council is also a pivotal partner in many festivals and events, including New Years Eve, Australia Day celebrations, November Thai, 'Crave' food festival, the 'Parramasala' international arts festival celebrating South Asian culture, 'Parramatta Lanes' in which four laneways are theme decorated to enliven the spaces, and 'Parramatta Pride Picnic' focussing on gay and lesbian community themes.

The Council undertook a community satisfaction survey in 2011 that rated community satisfaction with Parramatta City Council as an organisation at 74%. This represents a 14% improvement on the 2010 survey. Additionally, 73% of customers rated the services provided by the Council as 'good' or 'very good'.²⁰ The community satisfaction survey is the seventh iteration of an ongoing satisfaction measurement process.

²⁰ PCC Community Satisfaction Survey Report August 2011

Significant Observations

Better practices

Community Capacity Building

In 2005, Parramatta City Council adopted an innovative community development approach called ‘Community Capacity Building’. Using this approach, the Council states that it will:

- encourage community-based solutions to issues
- build the ability of community organisations to function effectively and build resilience
- strengthen local leadership and enhance community advocacy
- enhance the capacity of the Council to work effectively and productively with the community²¹.

This approach by the Council differs from traditional community development work undertaken by councils, which often focused on programs for identified groups such as young people, the aged or specific cultural groups.

The Council has identified five strategic objectives that will assist it to build community capacity:

1. enable a creative use of place and space
2. promote and partner economic development
3. raise awareness of Parramatta’s identity
4. engage with diverse cultures
5. empower community groups.

The Council has established its Community Capacity Building team based on place rather than traditional program definitions. Each team is responsible for the following in their ‘place’:

- social housing
- building social capital

²¹ Parramatta City Council website – CCB

- support for grant applications
- building management capacity
- support for new organisations and enterprises
- support for emerging communities
- provision of education and advice to the Council about communities
- responding to community-identified issues.

The Council provides community grants as part of its Community Capacity Building initiative. In the 2011/2012 financial year, the Council provided approximately 35 grants, totalling more than \$300,000, to local not-for-profit community organisations. Through this mechanism the Council provides much-needed seed funding to community initiatives that are an integral aspect the Council's approach to capacity building.

In 2010, the Council hosted a Community Capacity Building conference to examine the different roles that local government plays in building a community, enabling and allocating resources and ensuring resilience in communities. The conference was an analysis of approaches developed and implemented from different sections of local government particularly social and community teams²². There were over 100 registered participants who came from NSW, Victoria, South Australia, Queensland, the Northern Territory and New Zealand²³. The key themes focused on the challenges for local government and validation of the Community Capacity Building model for social inclusion outcomes.

The Council has since sought to further validate the Community Capacity Building model via an external review entitled the 'CCB Health Check'. The *CCB Health Check Draft Report* was prepared by consultants in June 2012. This report was not examined as part of the review process as the Council had not yet reviewed its findings or reported the results. However, it was apparent to the review team that the Council has had success as an enabler rather than a provider using the Community Capacity Building approach.

²² ACOSS website. <http://acoss.org.au/events/view/490/>

²³ Parramatta Council Staff interview notes – Mgr Community, Library and Social Services

Person-Centred Approach

The Community Capacity Building model has influenced the development of the person-centred approach. Adopted and implemented in late 2011, the Council's Home Support and Community Services teams seek to understand what each person they support really needs and to find ways to facilitate what is required to meet that individual need. The Council's staff access a network of volunteers called 'social connectors' and engage them in seeking to provide a set of tailored outcomes for people who access these Council services.²⁴

The Council's approach to community capacity building demonstrates a clear commitment to social construction, dedication to people and place, and a willingness to lead a community in a proactive way.

The Council response

The Council welcomes the recognition of our innovative approaches to our community, communication and consultation, including our Community Capacity Building Program, our Person-Centred approach to services and the ongoing strength of our communication and consultation processes through Community Voice, and more recently through social media.

Our Community Capacity Building Program provides an important point of difference for council in being a genuine enabler in our community, rather than simply a provider of services.

²⁴ Parramatta Council Staff interview notes – Mgr Community, Library and Social Services

9 WORKFORCE RELATIONS

Councils have a number of legislative responsibilities in relation to their role as an employer. The Council is required to conduct itself as a responsible employer.

Scope of review

A review was conducted of a range of aspects of the Council's workforce relations practices, including:

- *human resources strategy and workforce planning*
- *employee attitude surveys*
- *job descriptions and job evaluation*
- *recruitment and selection processes*
- *equal employment opportunity*
- *workplace health and safety*
- *secondary employment.*

Table 6 below assesses the Council's performance in relation to the key areas of the self-assessment checklist to provide an overview of the Council's workforce relations performance.

Table 6: The Council's workforce relations framework

Area	Status
Workforce Management Strategy	Satisfactory
Workforce planning	Satisfactory
Employee surveys	Performing well
Employment contracts	Performing well
Consultative Committee	Performing well
Recruitment and selection	Performing well
Job descriptions and evaluation	Performing well
Employee remuneration	Performing well
Enterprise bargaining	Performing well
Equal Employment Opportunity	Satisfactory
Staff induction	Performing well

Grievance management	Performing well
Work Health and Safety	Performing well
Secondary employment	Performing well
Exit of staff	Performing well

Overview of the organisation

The Council has recognised that its geographical location, close to the centre of greater Sydney, plays an important role in retaining and attracting employees. Parramatta is an attractive place to work for people who live in western Sydney and would like to work closer to home. Working in Parramatta can reduce commuting times and provide for a better work/life balance. The Council understands that branding and reputation, as an employer of choice, can play an important role in attracting and retaining skilled workers to support the growth and sustainability of its business.

In pursuing organisational change over the past four years, the Council's overall number of staff²⁵ has not materially changed. In 2007/08, the Council had 753 full-time staff and in 2010/11, there were 740 full-time staff (a 2% reduction). The change strategy²⁶ implemented at the Council was aimed at increasing staff engagement by involving staff in the review of services and identifying best practice.

The Council has demonstrated and is proud of its efforts in incorporating good legislative compliance in its human resource systems, policies and procedures. Through a user-friendly intranet site, *Insite Parramatta*, the Council provides important information to its employees on policies and processes, career development, payroll, information for supervisors and information on health and safety. The following picture shows the *Insite Parramatta* page, which is easy to navigate and use:

²⁵ Full Time - Equivalent

²⁶ *Future Pathways*



The Council appreciates that its ‘outdoor’ employees also need to be able to access this information. As such, the Council has taken steps to provide better access for its ‘outdoor’ employees by providing laptop computers and ‘tablets’ in their vehicles.

The Council has engaged an expert advisor to benchmark key workforce indicators. Performance monitoring is an imperative across the organisation. The development of workforce strategies and performance indicators will help the Council to monitor the effectiveness of its recruitment and training programs.

The Council has adopted a continuous improvement methodology in conducting its business. In this context, the Council has identified possible improvements through the use of technology to improve work place processes, including utilising online forms for staff. It is intended that *Insite Parramatta* will facilitate this option. The Council has also provided further training opportunities for staff, including topics such as project management.

Over the past 18 months, the Council has introduced programs to boost its performance in the effective management of its people. These programs include:

- a comprehensive leadership development framework
- a comprehensive safety review and audit to align with new *Work Health and Safety Act 2011*
- a performance management process which aligns with both the salary system and leadership development program
- an inclusive and comprehensive engagement monitoring strategy

Workforce Plan (Strategy)

Through its workforce planning, the Council is intending to set a platform for its strategic direction. The Council is currently reviewing and rewriting its Workforce Plan to address gaps, such as succession planning and diversity.

Succession planning establishes a merit-based process that recruits a flow of employees, develops their skills and abilities, and prepares them for advancement, while retaining them to ensure a return on the organisation's training investment. Succession planning can also protect against the loss of corporate knowledge.²⁷

The Council should also consider reflecting the strategies and actions of its Workforce Plan in other key documents, such as *ParramattaTwenty36*, *Future Pathways* and the other component parts of the Resourcing Strategy. Equal Employment Opportunity and other related policies should also be reflected in the Workforce Plan.

Recommendation 12 *The Council should continue to review and update its Workforce Plan.*

Equal Employment Opportunity (EEO)

The Council should take proactive steps to promote equal employment opportunities for women, Aboriginal people, people with disability, young people and older workers. While these issues have been identified by the Council, it will need to put into place

²⁷ Division of Local Government, *Workforce Planning – Employee Support and Development*, accessed 28/08/12, http://www.dlg.nsw.gov.au/dlg/dlghome/dlg_IntegratedPlanningIndex.asp?sectionid=5&mi=20&ml=10&AreaIndex=WFPLAN&index=1004

programs or policies to encourage greater workplace participation from these identified groups. The Council's EEO policy could be improved by obtaining the information necessary to monitor the effectiveness of such EEO objectives.

For example, the Council should consider initiatives which have been developed to increase women's participation in local government, and which detail strategies to assist councils to broaden their pool of recruitment candidates and retain female staff. This may be through providing targeted programs, family-friendly work practices and/or flexible working conditions. Program to consider include the '*National Framework for Women in Local Government (NSW Coordination Group 2005) – Information Kit for Councils*'.²⁸

Recommendation 13 *The Council should review and update its Equal Employment Opportunity policy*

The Council response

The Council recognises that without a highly skilled and engaged workforce we cannot deliver on our community expectations. We have placed considerable effort into recruiting and developing the right leaders and staff. Alongside this, we have also worked hard to improve our systems around Human Resources to provide better information and more efficient tools to our managers. We are proud of the significant improvements we have achieved in staff engagement.

In relation to Recommendation 13 we have commenced implementation of a significant workforce planning project to ensure that we will continue to have the right people in the right jobs for the future. As part of this project, we are providing tools for managers to capture information about their workforce in conjunction with their business planning. It is intended that our workforce plan, including updating of relevant information, will be conducted on a quarterly basis.

In relation to Recommendation 14, we review our Equal Employment Opportunity Policy annually and this will be completed before the end of 2013. We note that while there are often issues with identification of particular target groups, given that people

²⁸ Division of Local Government, *Workplace Equity and Diversity*, accessed 28/08/12, http://www.dlg.nsw.gov.au/dlg/dlghome/dlg_IntegratedPlanningIndex.asp?sectionid=3&mi=20&ml=10&AreaIndex=WFPLAN&index=1004

are not obliged to disclose that they identify with an EEO group, we are confident that our workforce is broadly representative of our community. We will continue to focus on identifying specific positions that do appropriately target particular EEO Groups and invite applications from relevant people. This is unlikely to lead however to setting targets for participation by particular EEO groups.

We continuously review our workplace policies and practices to ensure that they align with good practice and that we continue to improve our employment offering for both our existing workforce and potential employees.

PART IV. RISK RATING OF RECOMMENDATIONS

The recommendations made in this report have been assessed for a priority ranking based on the following risk analysis:

		CONSEQUENCE		
		Significant <i>Significant risk to the operations of the Council, and if not addressed could cause public outrage, non-compliance with the Council's statutory responsibilities, severe disruption to the Council's operations and the Council's ability to meet its goals.</i>	Moderate <i>Moderate risk to the operations of the Council, and if not addressed could cause adverse publicity, some disruption to the Council's operations and the Council's ability to meet its goals.</i>	Minor <i>Minimal risk to the operations of the Council, little disruption to the Council's operations, and will not limit the Council's ability to meet its goals.</i>
LIKELIHOOD	Almost certain	High	High	Medium
	Possible	Medium	Medium	Low
	Rare	Medium	Low	Low

Priorities for recommendations: <i>(based on application of risk analysis)</i>	Risk categories could include:
<ul style="list-style-type: none"> • High • Medium • Low 	<ul style="list-style-type: none"> • Reputation • Compliance with statutory requirements • Fraud/corruption • Financial • Legal liability • OH&S

PART V. ACTION PLAN

The Action Plan is to be completed and adopted by the Council to guide the implementation and monitoring of the recommendations in this report. The review team has allocated notional priority rankings using the risk rating analysis in the previous section. The Council is encouraged to review and revise these, if necessary.

RECOMMENDATION	PRIORITY	ACTION PROPOSED	TIME FRAME	RESPONSIBILITY	PROGRESS REPORT
1 The Council should complete its work in realigning the Future Pathways plan to the Community Strategic Plan	<i>Med</i>	All elements of the IPR are currently under review and we will be adopting a new CSP, Delivery Program and Resourcing Strategy.	June 2013	CEO	
2 The Council should consider developing a specific Gifts and Benefits Policy to support its Code of Conduct and Gifts and Benefits Register.	<i>Med</i>	A separate Gifts & Benefits Policy will be developed.	December 2013	Service Manager, Governance	
3 The Council should ensure that its councillor liaison team is appropriately staffed and resourced to assist the new Council.	<i>Med</i>	Completed		Manager Executive Support	

RECOMMENDATION	PRIORITY	ACTION PROPOSED	TIME FRAME	RESPONSIBILITY	PROGRESS REPORT
<p>4 The Council should consider further staff training to ensure staff members understand how to manage councillors in the workplace.</p>	<p><i>Med</i></p>	<p>Develop new staff training course and guidance following adoption of the revised Code of Conduct.</p>	<p>30 September 2013</p>	<p>General Counsel</p>	
<p>5 The Council should make additions to the Policy of Civic Office Expenses and Facilities to more accurately reflect the Division of Local Government's Guidelines.</p>	<p><i>Med</i></p>	<p>Policy to be reviewed.</p>	<p>31 May 2013</p>	<p>Manager Executive Support</p>	
<p>6 The Council should make all relevant policies available on its website.</p>	<p><i>Med</i></p>	<p>Register to be reviewed as part of ongoing policy review program</p>	<p>31 December 2013</p>	<p>Service Manager Governance</p>	
<p>7 The Council should consider amendments to strengthen the Use of Social Media Policy and Guidelines</p>	<p><i>Med</i></p>	<p>Policy to be reviewed as part of our development of our social media strategy</p>	<p>31 December 2013</p>	<p>Manager Customer Relations & Communications</p>	

RECOMMENDATION	PRIORITY	ACTION PROPOSED	TIME FRAME	RESPONSIBILITY	PROGRESS REPORT
<p>8 The Council needs to be mindful of the need to identify any restricted breed dogs that are ordinarily kept within its area.</p>	<p><i>Med</i></p>	<p>Restricted breed dogs have been identified in the animal management register.</p>	<p>Completed</p>	<p>Regulatory Unit Manager</p>	
<p>9 The Council needs to follow up on restricted breed dogs and cross-breeds of restricted breed dogs, and update the Companion Animals Register accordingly.</p>	<p><i>Med</i></p>	<p>A new program has been implemented, new KPIs are being introduced and inspections are underway.</p>	<p>31 December 2013</p>	<p>Regulatory Unit Manager</p>	
<p>10 The Council should review and finalise dog attack incidents on the Register as soon as possible.</p>	<p><i>Med</i></p>	<p>Enhancements to our complaints management system and process</p>	<p>31 March 2013</p>	<p>Regulatory Unit Manager</p>	
<p>11 The Council should review and update its Borrowing policy.</p>	<p><i>Med</i></p>	<p>Policy to be reviewed</p>	<p>30 June 2013</p>	<p>Manager Finance</p>	

<i>RECOMMENDATION</i>	<i>PRIORITY</i>	<i>ACTION PROPOSED</i>	<i>TIME FRAME</i>	<i>RESPONSIBILITY</i>	<i>PROGRESS REPORT</i>
12 The Council should continue to review and update its Workforce Plan.	<i>Low</i>	Implement workforce planning tool across the organisation and update quarterly	31 December 2013	Manager HR	
13 The Council should review and update its Equal Employment Opportunity policy.	<i>Med</i>	Policy to be reviewed	31 December 2013	Manager HR	