Strengthening local government

Division of Local Government
Department of Premier and Cabinet

PROMOTING BETTER PRACTICE PROGRAM

REVIEW REPORT

SINGLETON COUNCIL

FEBRUARY 2014

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Produced by the Division of Local Government, Department of Premier and Cabinet
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EXECUTIVE SUMMARY

About the Review

A Promoting Better Practice Review of Singleton Council (the Council) was undertaken in October 2013 by the Division of Local Government, Department of Premier and Cabinet (the Division). The Promoting Better Practice 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:

Governance

Strategic planning and delivery

Financial and asset management

Workforce management

Community services and facilities

Land-use planning

Regulatory and environmental management.

This report identifies where better practice exists, to both acknowledge the strengths of the Council and contribute to improvement in the local government sector. It also discusses key areas of the Council's activity that require improvement or development to meet its legislative obligations, as well as to meet community expectations.

About Singleton

Located in the Hunter Valley region of New South Wales, the Singleton local government area is home to an estimated 23,019 residents (*estimated 2011 ABS data*).. The traditional owners of the land are the Wanaruah people.

Originally established in 1843, the Singleton Council is currently governed by nine councillors and one popularly–elected mayor.

The area has a strong economy which is supported by a variety of industries. Local mines are a major industry and source of local and regional employment. The mining industry employs 5,248 employees or 36.4% of the working population. Singleton's location in the Hunter Valley Wine Country has increased its attraction as a tourism destination.

Singleton Council has recently emerged from a period of significant upheaval and organisational change. The Council has made significant progress over recent times, particularly in the development of its policies, finances, staff training, communication with both staff and councillors, and its adoption of the Integrated Planning and Reporting framework. The Council is to be commended for this. It is also apparent that significant organisational cultural change has occurred over this time, driven by the Executive Leadership Team in consultation with staff.

Summary of key findings

Governance

Singleton Council's governance framework is considered to be sound. The elected body and the Executive Leadership Team work well together, having a shared vision for the Singleton local government area. Their decision-making processes appear to be robust. Councillor and staff interaction was described as largely positive and productive by many staff.

Since the 2012 election, a number of policies have been developed or reviewed. Most policies, procedures and systems are considered to be of the required standard for the Council to successfully meet its statutory obligations and guide its operations. Examples of good practices and areas where the Council could improve its practices are set out later in this report.

Strategic planning and delivery

The Council has done a significant amount of work to comply with the Integrated Planning and Reporting framework and at the time of this review met its legislative requirements in this regard. An example of the Council's commitment to the Integrated Planning and Reporting framework is its implementing of the CAMMS Interplan

software, which allows it to report its strategic, corporate, business and service level planning with budgets and performance measures. That said, further work needs to be done in the finance area.

Financial and asset management

The Council's short to medium-term financial position and liquidity is sound. However, its Long-Term Financial Plan predicts deficits before capital grants. The Council has indicated that this should be overcome if a special rate variation application is successful in 2014/2015.

The Council reported an infrastructure backlog of $15.2 million in 2012 with an infrastructure asset value of $330.6 million. This backlog, when taken into context with its overall asset value, is small.

Workforce management

A number of policies, procedures and systems in the workforce relations area are not of the required standard to meet statutory obligations and support the implementation of the Council's Community Strategy Plan and Delivery Program.

This situation is attributed to staff vacancies, and leadership and resourcing issues experienced during the term of the previous Council and General Manager.

The overall employee engagement score measured in late 2011 was 27%, which is well below the Council Benchmark (Australia) of 54%. A key initiative to improve employee engagement, introduced by the General Manager, is the *High Performance Leadership Coach Program.* A significant number of employees have attended the Program and all remaining staff will participate over the coming months.

Staff members who the review team met with presented as enthusiastic, professional, positive and hardworking. All acknowledged the stronger leadership from the current General Manager and appreciated the range of achievements (including improved communication) which have had a positive impact on the strategic and day-to-day operations of the organisation. However, it was perceived that further challenges need to be met to continue to improve employee engagement and satisfaction. Some

strategies to move forward were suggested by employee representatives of the Council's Consultative Committee and are discussed later in this report.

Community services and facilities

An exceptional aspect of the Council's community service delivery is its approach to creating corporate/community partnerships, pursuing funding opportunities, and taking a regional leadership role in service delivery.

In 2011, a comprehensive telephone-based survey of local residents was carried out. In relative terms, Singleton's overall satisfaction index of 56% was on par with similar-sized and resourced councils in NSW (61%). Many of the Council's services and facilities considered as important by residents were rated at a satisfactory level or above. The survey also indicated 14 top priorities for improvement which were used to help inform the Community Strategic Plan and contribute to service/facility improvements in general. A number of programs and/or initiatives have been acknowledged with awards.

Land-use planning

Singleton Council's land-use planning framework is considered to be working well and meeting all requirements.

Regulatory and environmental management

Regulatory and compliance services appear to be working well. Some work needs to be done in improving communication with private certifiers.

Next steps

The review team recognises that, prior to the review, the elected body and Executive Leadership Team of the Council has been active in identifying areas requiring development, and has developed appropriate strategies to bring about required improvements. Where these have been shared with the review team, they are usually reflected in the report and listed in the action plan in Part V. The action plan is to be completed by the Council. The completed action plan, including the Council's comments, will 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 will advise the Council if it intends to monitor the implementation of the recommendations of the report, or leave this responsibility with the elected body and Executive Leadership Team of the Council.

PART I   BACKGROUND

1   ABOUT THE REVIEW

Reviews of councils are undertaken by the Division of Local Government through 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:

- governance
- strategic planning and delivery
- financial and asset management
- workforce management
- community and social service provision
- land-use planning
- regulatory functions.
- identify trends and issues arising from reviews to support policy and legislative changes for the local government sector.
- promote strong relationships within the sector by working with councils to respond to emerging trends or issues in an innovative way.
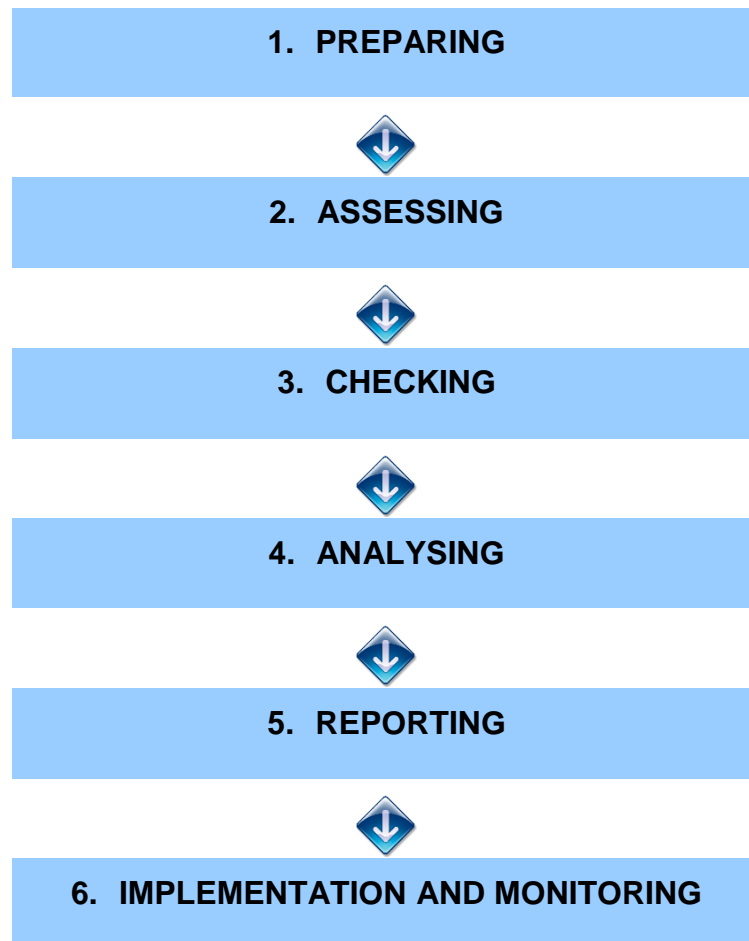
Review Process

Promoting Better Practice reviews are designed to act as a 'health check' for councils, giving confidence about what is being done well and helping to focus attention on key priorities. They are conducted by a review team from the Division of Local Government.

The reviews do not attempt to examine every aspect of a council's operation. Instead, a targeted approach is taken to focus on areas highlighted in the self-assessment checklist completed by the council and areas in which the council has demonstrated

innovation or better practice. Consideration is also given to the local circumstances and those matters that pose significant risks to the council and the community.

A review essentially involves six key steps, as follows:

1. PREPARING

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2. ASSESSING

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3. CHECKING

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4. ANALYSING

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5. REPORTING

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6. IMPLEMENTATION AND MONITORING

Preparing: The council completes a comprehensive self-assessment checklist and provides a range of documents to the review team.

Assessing: The review team examines the completed checklist, documents and other information it has gathered. These provide the local context/circumstances which assist in developing an understanding of the pressures on the council and how the council is managing these.

Checking: The review team visits the council to 'reality check' what it has found to date. Activities usually include meeting with senior officers, talking with individual staff and councillors, observing a council or committee meeting, and viewing systems or

processes in action. Determining whether the council has frameworks in place to monitor its own performance is also important. The review team shares it preliminary findings with the Mayor and General Manager at the end of the visit.

Analysing: Post visit, the review team analyses the information it has obtained (from the council and other sources) against applicable legislation, policy, guidelines and practice which apply across the local government sector.

Reporting: The review team prepares a draft report which documents significant observations (including the council's responses to the self-assessment checklist) in the following areas:

- governance
- strategic planning and delivery
- financial and asset management
- workforce management
- community services and facilities
- land-use planning
- regulatory functions.

In particular, the report focuses on capturing examples of better practice and identifying areas requiring further development, as defined below:

Better practice	• Beyond or above minimum compliance requirements, statutory obligations and published guidelines etc. • In some way better than or above standard local government sector practice. • Innovative and/or very effective. • Contributes to continuous improvement within the local government sector.
Requires further development	• Does not satisfactorily meet minimum compliance requirements, legislative obligations, industry standards, policies and published guidelines etc. and poses significant risk to the council/community. • Significant improvements are required or are in progress in order to enhance performance in an area.

	• Development or enhancement of a policy, program, initiative or system is required to reduce any negative impacts on the council's operations and/or service delivery to the community. • The council has identified that an area requires improvement or further development but this work has not yet been completed.
✔ **Satisfactory**	• Complies with the *Local Government Act 1993* and other key legislation that the council is required to comply with. • Policies and procedures appear to be consistent with local government sector practice.
Not examined in detail	• The resources of the review process are finite. In some instances, the council may have indicated in its self-assessment checklist that it complies with the requirements of a particular area. However, due to time constraints and/or other priorities, the review team has not had an opportunity to examine that particular area in sufficient detail to be able to confidently make an overall assessment of the council's performance.

In some instances, the review team will assess an area as reflecting better practice elements as well as requiring development. The main reason for this is that the key areas listed above may have a number of components and these have been ranked differently. The way each component has been ranked is explained in the body of the report.

Where appropriate, recommendations are made. In some cases, the recommendations may support the council's proposed direction and the work it has already commenced. All recommendations are included in an action plan at the back of the report. The council is asked to provide comments on the draft report and complete the action plan. These are reproduced in the final report.

Implementation and monitoring: 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 will advise the council 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.

Conduct of reviews

The Promoting Better Practice Review is not intended to be a detailed audit of the council's compliance with the *Local Government Act 1993* and other key legislation that the council is required to comply with. Rather, the reviews are designed to act as a 'health check', giving confidence about what is being done well and helping focus attention on key priorities.

The review team is required to exercise due diligence in carrying out the review. This means the members of the team have an individual and collective responsibility to:

- act professionally
- work cooperatively with representatives of the council
- be objective and base judgements on accurate and factual information
- make assessments based within the applicable legislative and policy framework
- prepare a report which provides a fair representation of the council
- work within the Code of Conduct issued by the Division.

Similarly, the Division of Local Government encourages the council to exercise due diligence when participating in the review. For example, the review team relies on the council to complete the self-assessment checklist accurately and to provide the team with up-to-date information during the review process. Also, the council is given the opportunity to provide detailed feedback in relation to the draft report. This will help to facilitate the preparation of a report which presents a balanced assessment of the council's operations and local circumstances.

Review of Singleton Council

The on-site component of the review took place from 14 to 16 October 2013. The review team members were Caroline Egberts - Principal Program Officer, Anita Gambhir - Council Governance Officer, and Ross Bailey - Senior Program Officer (Finance).

The on-site visit involved the following activities:

- initial discussions with the Mayor and the General Manager

- interviews with a cross-section of staff

- observation of a meeting of the Council

- further review of the Council's policies, other documents and systems.

The review team would like to thank the Mayor, General Manager and staff members who participated in the review and provided it with valuable assistance.

2   ABOUT THE COUNCIL AND THE AREA

Location and demographics

Located in the Hunter Valley region of New South Wales, the Singleton local government area covers 4,893 square kilometres, and is located 200 kilometres north-west of Sydney and 80 kilometres inland from Newcastle.

Key demographics include:

- Population: 23,019
- Projected population (2021): 27,200
- Average age: 35 years
- People aged 65 years and over: 2,313
- Young people aged 15 years and under: 5,023
- Aboriginal and Torres Strait Islander people: 3.7%
- People from non-English speaking backgrounds: 2.7%
- Density: 4.48 people per square kilometre (Source: Australian Bureau of Statistics).
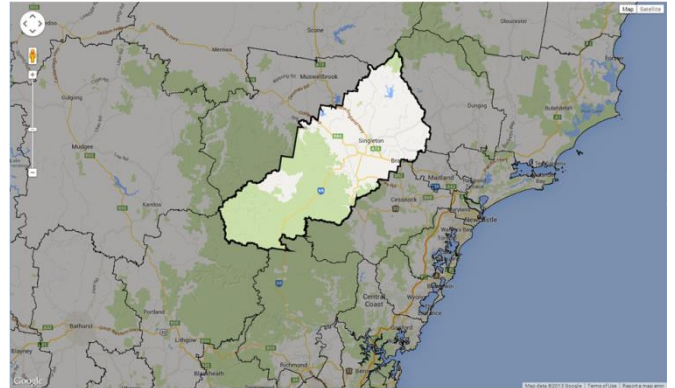
Local issues

Originally home to the Wanaruah people, Singleton was discovered by John Howe in 1820. The rich, fertile plains, known as Patrick Plains, provided an opportunity for early settlers to prosper.

Singleton has experienced a prolonged period of steady population growth. Growth in business and industry has resulted in a predominantly young, employed labour force and an unemployment rate of less than 2%, which is significantly lower than the Hunter regional average. The main industries of the Singleton local government area are mining, viticulture, education, engineering, fabrication, trade services, tourism, hospitality, power generation and agriculture.

There are more than 20 coal mines in the local government area which produce approximately 57 million tonnes of coal (50% of the States production) per annum. The

mining industry employs 5,248 workers, of which 2,800 reside in the local government area, demonstrating the importance of this industry to the local economy.

Viticulture also plays an important role in the local economy, with more than 40 vineyards, wineries and cellar doors in the area.

A range of information about the Council is available on its website at www.singleton.nsw.gov.au.

PART II   MAKING AND IMPLEMENTING DECISIONS

3   GOVERNANCE

SCOPE

This part focuses on examining the effectiveness of Singleton Council's decision-making processes, as well as the key structures, systems and processes involved in administering its strategic and day-to-day operations. The self-assessment checklist considers minimum compliance requirements in 30 key areas relating to governance. The Council's responses have been used as a basis for assessing its performance in this area.

POLICY AND LEGISLATIVE FRAMEWORK

Each council is a statutory corporation *(*Chapter 9*, Local Government Act 1993)*. The councillors are the governing body of the corporation, and they have responsibility for directing and controlling the affairs of the council in accordance with the Act.

All functions of a council come from statute, either from the *Local Government Act 1993* or other legislation. Governance in this context refers to all the means by which a council is organised (politically and administratively) to make and enact decisions to carry out its functions. The Division has issued a range of policy and procedural documents to assist councils with this role.

Strong, effective governance is critical to:
- achieving goals and aspirations
- enhancing organisational performance
- minimising and managing risks
- increasing the confidence of the community in the organisation
- ensuring that the council is meeting its statutory and ethical obligations
- assisting in the prevention and detection of dishonest or unethical behaviour.

LOCAL CONTEXT

The elected body of Singleton Council is made up of nine councillors and the Mayor, who was elected as the first popularly elected Mayor at the 2012 local government elections. Five councillors are female which provides a 50:50 gender balance. The community decided to abolish the wards system at a referendum in 2010 and the change came into effect in September 2012.

The behaviour of some councillors of the previous Council was the subject of a number of code of conduct complaints. In some cases, the complaints culminated in lengthy and costly legal proceedings. It was suggested that the resources required to address these matters may have impeded the capacity of the former General Manger to ensure that the Council's governance framework and other aspects of the Council's administration was compliant with all legislative obligations.

At the September 2012 elections, four councillors were newly-elected. On 10 July 2013, one councillor tendered his resignation from Council and a by-election was held on 14 September 2013 to elect a councillor to fill the vacancy. The successful candidate was declared on 18 September 2013 and has now joined the elected body.

The administration of the Council, led by the General Manager, is divided into four groups. Each group is broken down into multiple service units. The General Manager's group is responsible for councillor and executive support; economic development and tourism; change management and organisation development; and communication and community consultation.

A Director leads each of the three following groups:

- Community and Infrastructure Services
- Corporate Services
- Planning and Sustainable Environment

GOVERNANCE ASSESSMENT

An assessment of the Council's performance in relation to the governance areas covered in the self-assessment checklist is set out in Table 1, below.

Table 1:   Governance Assessment

Area of assessment	Assessment of the Council's performance
Ethics and values	☆
Code of Conduct	✓
Gifts and benefits	✓
Communications devices	✓
Disclosure of pecuniary interests	✓
Business ethics	▲
Risk management	☆ ✓
Fraud control	✓
Business continuity	▲
Internal audit	☆ ✓
Internal Ombudsman	✓
Legislative compliance	▲
Legal services	✓
Procurement, disposal and tendering	▲
Privacy management	✓
Records management	✓
Access to information by the public	✓
Policy register	✓
Executive management/leadership	☆
Delegations	✓
Council meetings	☆
Council committees (s355 and others)	✓
Councillor induction and ongoing training	✓
Expenses and facilities policy	▲ ✓
Councillor/staff interaction	✓

Access to information by councillors	✓
Campaign donations	✓
Customer service/complaints handling	▲
Protected disclosures and internal reporting	✓
Information technology	✓

Table key: ⭐ *Better practice* ▲ *Requires further development* ✓ *Satisfactory*

For a description of each of these rankings see ABOUT THE REVIEW in PART 1, BACKGROUND

SIGNIFICANT OBSERVATIONS

Summary analysis

The Mayor and General Manager reported that they worked well together. During conversations with the review team they described a shared vision for the Singleton local government area and demonstrated a working knowledge of the Integrated Planning and Reporting framework requirements.

Overall, the decision-making processes of both the elected body and the Executive Leadership Team of Singleton Council appeared mature and efficient.

The General Manager, who was appointed in late 2011, has actively led a major overhaul of governance policies, procedures and systems. The Council's governance framework is considered to be of a good standard to successfully guide the Council's operations and meet its statutory obligations. The Council is committed to continuous improvement of the framework and is working toward strengthening a number of aspects. Key examples are discussed later.

In carrying out its business, the Council appears to engage with a range of State Government agencies, notably Public Works, Roads and Maritime Services, the Department of Planning and Infrastructure, and Lands, who all have a strong regional presence. The Council has a good working relationship with mining groups, wineries and Hunter Councils Group, and are working together with the Group on several projects.

Better practice

Ethics and values

Singleton Council prides itself on being a values-based organisation.

Values are the underlying attitudes that consistently affect all the actions and decision-making processes of councillors and Council staff.

The Leadership Group drafted a set of values that were adopted by the Council in March 2013. The values are included in key corporate documents such as the Customer Service Charter and the Annual Report. They are displayed at key locations throughout the organisation and are available on the staff intranet page.

Values are included in the staff induction program and are reiterated to all staff in the General Manager's workshops.

Risk Management

Councils are exposed to a wide range of risks as a consequence of their diverse functions. Risk management is about the systematic identification, analysis, evaluation, control and monitoring of risks. While some risk cannot be entirely eliminated, councils should aim to establish a risk-aware culture. Councils should continually work towards establishing structures, processes and controls that can effectively reduce the council's risk profile and thereby protect the interests of the council, the public and other key stakeholders. There should be a balance between the cost of managing risk and the benefits expected from engaging in an activity that has inherent risks.

In July 2013, Singleton Council established an Enterprise Risk Management Framework which adopts the risk management approach specified in Australian Standard AS/NZSS ISO 31000:2009, in consultation with Statewide Mutual (the Council's insurance company) and Echelon Australia (financial and risk consultancy). The Framework encourages a coordinated approach across business units to manage the Council's risks as a whole, leading to well-defined and prioritised strategic, operational and project-related risk actions.

The Enterprise Risk Management Policy and Plan were developed in consultation with the Council's Leadership Group and Executive Leadership Team. A series of workshops were undertaken with all areas of the Council to develop a thorough risk profile and to commence development of Council-wide risk registers.

Internal audit

Having an internal audit function is important for the following reasons:

- it supports good internal governance
- it improves the effectiveness of risk management, control and governance processes
- it helps to instil public confidence in a council's ability to operate effectively.

Singleton Council has a long-standing internal audit program. The Internal Audit Committee consists of a councillor and three independents (including one with financial expertise).

The Division's *Guidelines* suggest that the membership of Internal Audit Committees should include one or two councillors (excluding the Mayor), as well as two or three independent members (at least one with financial expertise and one of whom should be the Chair).

While the *Guidelines* recommend that staff should not be members of the Audit Committee, the Council's Manager Finance and Supply and Manager Governance should be invited to attend all meetings. The external auditor should also be invited to attend as an independent advisor. The General Manager (or her representative) may attend as an observer but the internal and external auditors attend in an advisory capacity.

The Committee meets at least quarterly and reports annually to the Council. The Committee can seek advice from management or professional advisors, request their attendance at Committee meetings and consult directly with the auditors as deemed necessary in the performance of its duties.

The Council has a three year internal audit plan that provides the internal auditor with a strategy to closely monitor and review most areas of operations. This will provide

assistance to the Council in developing improvement strategies. The Council's Internal Audit Policy is currently under review.

Executive Management

1. Executive Leadership Team (ELT)

The Executive Leadership Team comprises the General Manager, the Director Corporate Services and the Director Planning and Sustainable Environment. The team meets once a week for an informal catch-up, and holds a formal meeting each Wednesday to discuss strategic and operational issues to guide the governance of the organisation. The formal meeting has a structured agenda and minutes.

2. Leadership Group

The Leadership Group comprises the ELT and Group Managers, and meets fortnightly on a Friday to discuss major issues/projects and make strategic decisions as a leadership team. There is a structured agenda and minutes for this meeting.

Decisions from these meetings are communicated to staff after each meeting through the Council's internal newsletter – 'Weekly Wrap'. Minutes are also available via the intranet.

The General Manager also prepares a '*Community Issues'* publication once a month for councillors.

In general, staff made very positive comments about the General Manager's initiatives, her communication strategies and involvement with the staff. Her involvement was perceived as valuable and encouraging.

However, the Council needs to work on better two-way communication between the middle management and their indoor and outdoor staff.

Council meetings

Consistent and proper meeting practices contribute to good public decision-making and increase a council's accountability to the community. At Singleton Council, four of the nine councillors were newly elected at the local government election in September 2012.

The review team attended the Council meeting of 14 October 2013. The meeting was well-chaired and proceeded in an orderly manner to reach decisions relating to the items in the business paper. Councillors and senior staff generally acted in accordance with standards set out in the Council's Code of Meeting Practice and its Code of Conduct. All councillors who participated in the proceedings were respectful of one another and demonstrated a general understanding of the respective roles of the members of the elected body and the staff.

Positive features of the meeting which are notable include:

Overall, the meeting was easy to follow from the gallery. A large monitor in the Council Chamber records the Council's decisions as they are made.

There was good participation by all councillors, including those who had only recently been elected.

The Business Paper was well-presented. It clearly displayed the Council's Vision and Values. Officer reports reflected a clear, consistent structure and featured an executive summary at the beginning.

The Mayor asked each councillor, one by one, to identify items he or she wished to speak to. On a couple of matters councillors asked questions but most of the items on the agenda were resolved by majority without any discussion. Councillors requested to defer one matter until they are provided with a briefing on it.

Having briefings on controversial matters is an efficient way of considering the business on the agenda, provided such briefings are not used for detailed or advanced discussions where agreement is reached and/or a (de-facto) decision is made. Briefings

are merely a means which enable councillors to bring an informed mind to the appropriate decision-making forum.

Requires further development

Business continuity

To minimise the impact of emergencies or adverse events on their activities, councils must consider a range of actions and measures that they can take to prevent, prepare for, respond and recover from an emergency event. A Business Continuity Plan is an essential component for councils to map these considerations.

Business continuity management is an integral part of business risk management, corporate governance and quality management. Councils should ensure that they have in place a well-developed business continuity plan to minimise the potential impact of emergencies such as floods, fire, acts of terrorism, utilities failures, chemical contamination and disease pandemics *(further information is available in the Division of Local Government Circular to Councils 07-12 – Business Continuity Plans).*

The Council advised the review team that it is in the process of developing a Business Continuity Plan and a Disaster Recovery Plan. These plans are expected to be completed within the next 12 months.

Recommendation 1

With reference to the Division of Local Government Circular to Councils 07-12 – Business Continuity Plans, the Council is encouraged to finalise the development of a Business Continuity Plan and a Disaster Recovery Plan.

Procurement, disposal and tendering

Recently the procurement function within local government has received attention, with reports from the Independent Commission Against Corruption reinforcing the need for all councils to be cognisant of the need for clear policies and internal controls.

Procurement, disposal and tendering are activities which potentially expose councils to high risk. All councils should regularly review and analyse the potential risk exposure of

their procurement and disposal practices. This can minimise financial loss through non-compliance. A risk analysis should be undertaken every two years as part of the internal audit program.

The Division of Local Government has produced *Tendering Guidelines for NSW Local Government* to assist councils in applying clear policies, consistent procedures and effective risk management strategies in accordance with the *Local Government Act 1993,* the *Regulation* and other relevant legislation.

Singleton Council has a 'Procurement Policy and Procedures' dated 2005. The Policy has documented procedures for monitoring Purchasing Procedures by conducting a random sample audit of the tendering process - from the preparation of the tender document, awarding of the tender, signing of the contract document, evaluation of contractors or suppliers' performance, site inspection and contract variation information, to ensure compliance with the Council's Procurement Policy.

At the time of the review, the Council's policy did not have in place a process or system for the monitoring and auditing of disposal of assets. The Council advised that it has now adopted an 'Asset Disposal Policy' (in September 2013).

Recommendation 2

The Council is encouraged to review and update its Procurement Policy and Procedures, taking into account any relevant Independent Commission Against Corruption guidelines arising from Operation Jarek, to improve its procurement processes.

Recommendation 3

The Council should undertake regular audits and staff awareness training to ensure that its purchasing and tendering policy and procedures are adhered to.

Customer service/complaints handling

The Council adopted a 'Complaints and Customer Requests Management Policy' in November 2010 which outlines how the Council will capture, handle and resolve complaints and requests received by it. This policy has a three-tier approach to the

review of and response to different types of complaints. The Council also adopted a 'Management of Unreasonable Complainant Conduct Policy' in July 2013.

While the Council has developed service standards, it has not put in place any procedures to collect and review information on its performance against these standards. Such performance measurement mechanisms will allow the Council to judge if its policy is achieving its intended outcomes, and will also allow the Council to report to the community about its customer service standards. The Council needs to keep records of all complaints received and of their outcome.

Recommendation 4

The Council is encouraged to put in place procedures to collect and review information on its customer service performance, and to prepare and receive regular reports on the number, progress and outcome of complaints.

Expenses and facilities policy

Councillor expenses and facilities policies should allow for councillors to receive adequate and reasonable expenses and facilities to enable them to carry out their civic duties as elected representatives of their local communities.

The preparation and review of these policies on an annual basis by councils is a mandatory requirement of the Local Government Act, and ensures accountability and transparency in the reasonable and appropriate provision of expenses and facilities to mayors and councillors in NSW. 'Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW' (Division of Local Government, Department of Premier and Cabinet) were issued in October 2009.

Singleton Council reviewed and amended its 'Payment of Expenses and Provision of Facilities for Mayor and Councillors Policy' in December 2012. The Division has reviewed Singleton Council's policy and provided verbal feedback to the Council in September 2013 and during the review. Overall, it is rated as a 'Good' policy. The Council's 2013/14 policy is under review.

Aspects of good practice identified in the Council's Policy are that it:

- broadly complies with the Act, Regulations and the Division's Guidelines (October 2009) on which it is based
- clearly articulates local arrangements to allow councillors to travel long distances to attend Council meetings that are appropriate
- is well written and includes very clear document review and control processes
- provides for a dispute resolution process
- contains policy development, review and reporting processes that are compliant, ensuring good levels of transparency and accountability
- contains good policy on the reimbursement of legal expenses
- provides for the cost of care arrangements including childcare expenses, care for sick, elderly and disabled immediate family member
- makes adequate provisions for equipment and other facilities for councillors and the mayor.

Some aspects of the Policy that do not comply are the:

- absence of specified upper monetary limits for most expenses
- lack of a clear approval process at the beginning
- absence of a mechanism to recover private use of facilities like the mayoral car.

If these improvements are appropriately addressed, the Council's Policy would be considered to be of a 'very good' standard.

Recommendation 5

The Council is encouraged, if it hasn't already done so, to consider making the improvements to its 'Payment of Expenses and Provision of Facilities for Mayor and Councillors Policy' as outlined in the body of the Promoting Better Practice Review report.

<u>*Legislative compliance*</u>

With increasing legislative and regulatory requirements that impact upon councils, and regular updates to these, it is important for councils to have a system in place to monitor and comply with these as required. Staff should also be made aware of their legislative

and regulatory responsibilities within the organisation, especially those with enforcement duties.

The Council advised that it is working with the Hunter Councils Group to develop and implement a legislative compliance database which will be updated on a monthly basis. The Council also advised that the Hunter Councils Group will also organise training for relevant staff.

Recommendation 6

The Council ensures that the legislative compliance database is developed and implemented to guide its compliance with legislative and regulatory obligations, and relevant staff are trained.

Business ethics

Though statements about business ethics are part of standard conditions for contractors and are included in the Council's tendering documents, the Council does not have a 'Statement of Business Ethics' which provides information for people who are dealing with the Council about the ethical behaviour the Council will guarantee, and expect in return, in any business relationship it enters into.

A task for the Council is to ensure that a Statement of Business Ethics is made available to private contractors and the community, and is incorporated into relevant Council operations.

The Council should consider incorporating aspects of the Independent Commission Against Corruption's publication '*Developing a statement of business ethics'* to include information specifically for the private sector about why it should comply with the Statement.

Recommendation 7

The Council should develop a Statement of Business Ethics to communicate both internally and externally the ethical standards that the Council abides by, and expects others to abide by, in doing business with the Council.

The Council's response

Recommendation 1

The Draft Business Continuity Plan has been extensively workshopped with all relevant staff and is now finalised. Testing will be carried out as a matter of priority and it is anticipated this will be finalised by 31 March, 2014.

Recommendation 2

A revised Procurement Policy and Manual were drafted in November 2013 and are currently being reviewed with a view to implementation in the near future.

Recommendation 3

Council's draft Procurement Policy and Manual provides for and addresses the requirements of this recommendation.

Recommendation 4

Council agrees with this recommendation and appropriate reports from Councils data to report on the number, progress and outcome of complaints are under development.

Recommendation 5

This is now complete. A letter enclosing the adopted Policy was sent to the Division on 8 November, 2013.

Recommendation 6

Council agrees with this recommendation and advises that the Legislative Compliance Database is in place and being implemented. Council is developing a Policy and Procedure on behalf of all Hunter Councils.

Recommendation 7

Council agrees with this recommendation and advises that a review is being carried out on our current statement which is included in our tender documents. A Policy and Procedure will be developed.

PART III   PLANNING AND DELIVERING A SUSTAINABLE FUTURE

This part of the report focuses on determining how well the Council is planning and working with its community toward achieving a sustainable future. It consists of three interrelated sections:

- Strategic planning and delivery
- Financial and asset management
- Workforce management.

4   STRATEGIC PLANNING AND DELIVERY

SCOPE

This section examines the Council's implementation of the Integrated Planning and Reporting framework. This includes consideration of the quality and utility of the documents the Council is required to produce, and how well it has involved its communities and other stakeholders in developing long-term strategic plans.

The self-assessment checklist considers the minimum compliance requirements in relation to each component of the framework. The Council's responses have been used as a basis for assessing its performance in this area.

POLICY AND LEGISLATIVE FRAMEWORK

The Integrated Planning and Reporting framework for NSW local government was introduced to improve local councils' long-term community planning and asset management, as well as to streamline reporting to the community.

The framework aims to improve the sustainability of local communities by encouraging councils, residents and State agencies to work together on long-term plans and strategies. The Community Strategic Plan is supported by a four-year Delivery Program, annual Operational Plan and a Resourcing Strategy that includes long-term financial planning, asset management planning and workforce management planning.

Diagram 1:   The Integrated Planning and Reporting Framework
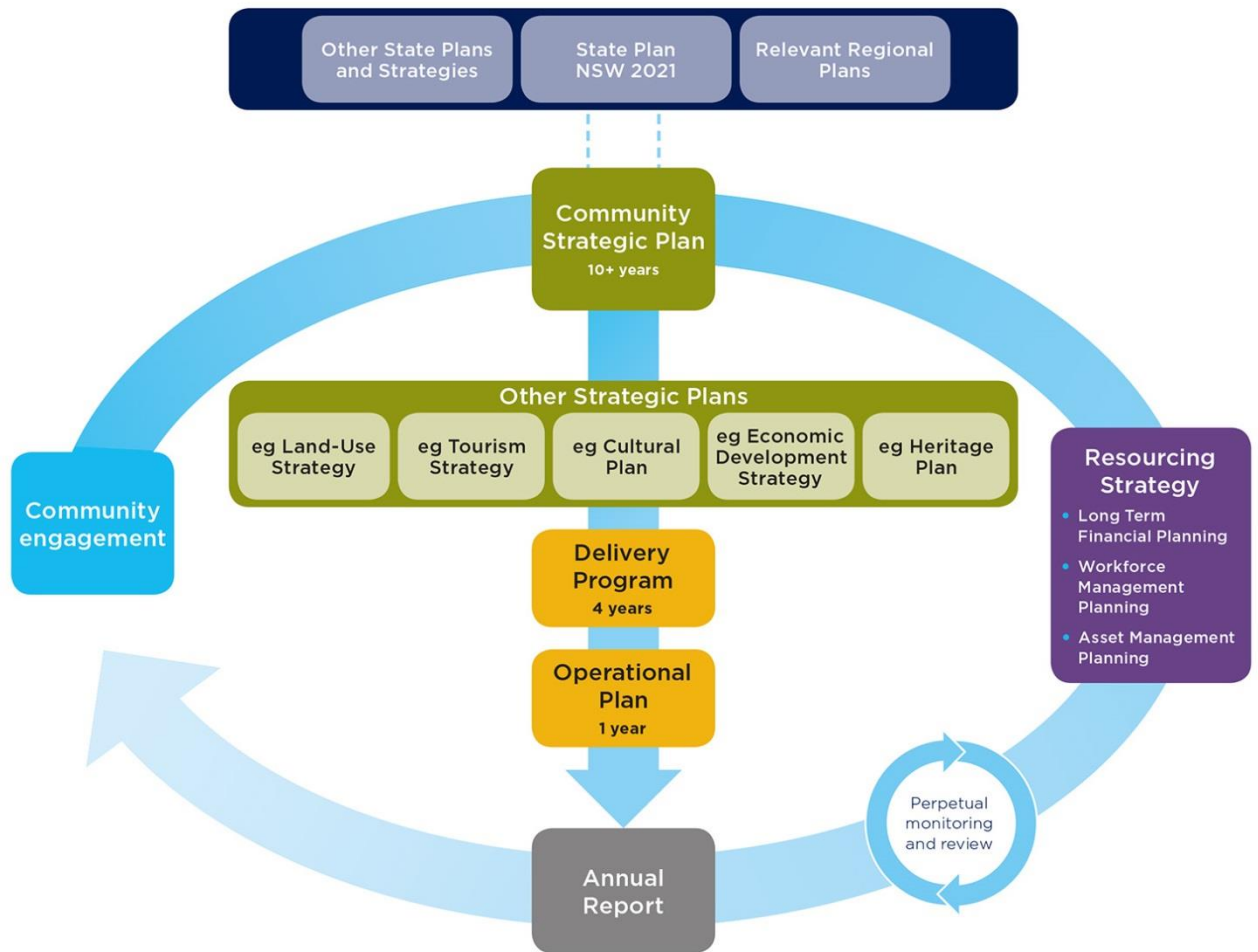
Community Strategic Plan

The Community Strategic Plan is the highest level plan that a council will prepare. The purpose of the plan is to identify the community's main priorities and aspirations for the future and to plan strategies for achieving these goals.

In order to ensure priority services and infrastructure can be delivered efficiently and effectively, councils are encouraged to integrate all other strategic plans into this framework. For example, strategic land-use and economic development plans also contribute to maximising the capacity of communities, industries, the environment and local economies.

Community Engagement

Each council must prepare and implement a Community Engagement Strategy to work with the local community in developing and reviewing the Community Strategic Plan.

Delivery Program

The Delivery Program is a statement of commitment to the community from each newly elected council. The four-year Delivery Program translates the community's strategic goals into actions.

Operational Plan

An annual Operational Plan supports the Delivery Program and each council is required to develop an Operational Plan that articulates the details of the Delivery Program.

Resourcing Strategy

The council is responsible for developing a long-term Resourcing Strategy to enable the achievement of the objectives and priorities established by the Community Strategic Plan. The Resourcing Strategy must include provision for long-term financial planning, workforce management planning and asset management planning.

Reporting

The reporting requirements under the Integrated Planning and Reporting framework are varied. Councils must report against the Delivery Program six-monthly, prepare an Annual Report within five months of the end of each financial year, and prepare an end-of-term report at the end of each council term. The purpose of these reports is to encourage councils to keep their communities informed, and to be accountable for the decisions they make on behalf of the community.

LOCAL CONTEXT

Singleton Council elected to be a Group 3 council for the purpose of implementing the Integrated Planning and Reporting framework and submitted its suite of plans to the Division for review in 2012. The Council's suite of documents was examined and was

found to reflect the intent of the Integrated Planning and Reporting. At the time of that review the Council's asset management planning was not complete.

After an ordinary election of councillors, councils must review the Community Strategic Plan before the end of June the following year. The Council has taken the opportunity to revise most of its plans. This Promoting Better Practice review considered the most recent version of the plans the Council has prepared under the Integrated Planning and Reporting framework.

STRATEGIC PLANNING AND DELIVERY ASSESSMENT

An assessment of the Council's strategic planning and delivery performance, in relation to the areas covered in the self-assessment checklist is set out in Table 2, below:

Table 2:   Strategic Planning and Delivery Assessment

Area of assessment	Assessment of the Council's performance
Community engagement	✔ ▲
Community Strategic Plan	✔ ▲
Delivery Program	✔ ▲
Operational Plan	✔
Resourcing Strategy • Workforce Management Plan • Long Term Financial Plan • Asset Management Plan	✔ ▲
Reporting	✔ ▲

Table key*:* ⭐ *Better practice*   ▲ *Requires further development*   ✔ *Satisfactory*

For a description of each of these rankings see ABOUT THE REVIEW in PART 1, BACKGROUND

SIGNIFICANT OBSERVATIONS

Summary analysis

Singleton Council has reviewed its Integrated Planning and Reporting documents, as per the requirements of the Act. The Council has advised that it intends to make further reviews to improve its documents, and in particular its Community Engagement Strategy, as it is considering applying for a special rate variation in 2014/15.

The Integrated Planning and Reporting framework is championed by the Mayor and the General Manager. The Council has taken a cross-organisational approach to implementation of the framework, encouraging ownership of the planning process and the outcomes of that process. This is demonstrated through the Council's implementation of the 'CAMMS Interplan' software system for internal reporting, which aligns well with the Council's integrated planning and reporting documentation.

The Community Strategic Plan links well to the combined Delivery Program and Operational Plan. The Workforce Plan links well to the Delivery Program, but the remaining Resourcing Strategy documents do not make clear how they enable the achievement of the objectives of the Community Strategic Plan.

The quadruple bottom line is well-reflected in the Community Strategic Plan and subsequent Delivery Program and Operational Plan.

It is evident that the Council has put a lot of time and effort in updating its Integrated Planning and Reporting documents in the last eighteen months. They are easy to read and informative. The Council has made a good effort in this area, and should be commended.

Better practice

No examples of better practice were identified by the review team in this area.

Requires further development

The Resourcing Strategy

The Workforce Plan links well to the Delivery Program. There is limited detail provided about the issues impacting on the workforce, though a brief summary is included. In particular, more information should be provided on the Council's plans for its workforce including its skilling of staff, retention of staff, retaining knowledge and attracting quality people.

The Long-Term Financial Plan needs to include the full amount needed for asset maintenance and asset replacement costs to reflect the true financial position of the Council. Links from the Long-Term Financial Plan to the Community Strategic Plan are unclear. Additional scenario development, taking into consideration the aspirations of the Community Strategic Plan, would help to identify how the Council is positioned to fund identified priorities.

Recommendation 8

The Council continue to progress its Workforce Plan by including more information on its plans for skilling its staff, the retention of staff, retaining knowledge and attracting quality people.

Recommendation 9

The Council should include the full cost of asset maintenance and replacement in its Long-Term Financial Plan.

Recommendation 10

The Long-Term Financial Plan should make clear how it enables the achievement of the Community Strategic Plan.

Community Strategic Plan

The Community Strategic Plan is written in a way that is easy to understand and is community-friendly. However, it needs to include a set of meaningful and measureable key performance indicators.

Recommendation 11

The Community Strategic Plan needs to include a set of meaningful and measurable key performance indicators.

Delivery Program and Operational Plan

The Delivery Program and Operational Plan are easy to read and very informative. The Delivery Program needs to include a set of financial key performance indicators as per the Guidelines. The first year budget of the Delivery Program should align with the Operational Plan. It is acknowledged that the figures are close, but they should be identical.

Recommendation 12

The Delivery Program should include a set of key financial performance indicators.

Recommendation 13

The Delivery Program first year budget should align with the Operational Plan.

The Council's response

Recommendation 8

Council agrees with this recommendation and notes that the current Workforce Plan was intended as a short term document of one to two years due to the abnormal spike in the mining industry and the related short term challenges. This Plan is currently under review and the recommendations will be incorporated into subsequent versions of the Plan.

Recommendation 9

Council agrees with this recommendation and is well underway with implementing this recommendation with several areas now complete. Asset Management Plans have been fully reviewed with independent external assistance and updated with this data being incorporated in Council's Long Term Financial Plan.

Recommendation 10

The Long Term Financial Plan will be updated to incorporate this recommendation.

Recommendation 11

This is noted and the recommendation will be incorporated into the preparation of Council's revised Community Strategic Plan.

Recommendation 12

Council agrees. Staff are currently working on preparing the Delivery Program and Key Financial Performance Indicators from the LTFP for the four years of the Delivery Program.

Recommendation 13

Noted and the appropriate adjustments have been undertaken.

5 FINANCIAL AND ASSET MANAGEMENT

SCOPE

This section examines the Council's overall financial position and how it is managing its finances and assets in order to deliver the outcomes of its long-term Community Strategic Plan. It also considers the Council's Long-Term Financial Plan and Asset Management Strategy.

The self-assessment checklist considers the minimum compliance requirements in relation to each component of the Integrated Planning and Reporting framework. The Council's responses have been used as a basis for assessing its performance in this area.

A number of financial and asset management indicators have been examined to gain an appreciation of the Council's financial position, performance and long-term sustainability.

POLICY AND LEGISLATIVE FRAMEWORK

Councils in NSW are required to provide services, facilities and infrastructure through the effective and efficient use of resources.

Under the Charter[1], councils have a responsibility to raise funds for the purposes of carrying out their functions. This can be achieved by the fair imposition of rates, charges and fees, borrowings and grants. As the custodian and trustee of significant public assets, councils must also effectively account for and manage these assets.

As part of its Resourcing Strategy, each council must prepare a Long-term Financial Plan (covering a minimum of ten years). The Plan is an important part of a council's strategic planning process. This is the point where long-term community aspirations and priorities are tested against financial realities.

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[1] The Council's Charter Section 8 NSW Local Government Act 1993 No 30

Each council must also prepare an Asset Management Strategy which includes an overarching Asset Management Policy endorsed by the council. The Asset Management Policy sets the broad framework for undertaking asset management in a structured and coordinated way. The Policy underpins all asset management activities and the preparation of more detailed asset management plans for each class of assets which the council has responsibility for.

LOCAL CONTEXT

Councils provide the Division of Local Government with a range of information related to their financial position and performance on an annual basis via the Financial Data Return. Singleton Council's financial results for the last four financial years are summarised in Table 3, on the next page.

Singleton Council's net operating result before capital grants for 2011/12 (2012/13 results were still being audited at the time of the on-site review) was a surplus of $5.475 million ($0.908 million in 2010/11). The Council has reported an operating surplus before capital grants in the last two financial years.

The Council's short to mid-term financial position looks sound, although its Long-Term Financial Plan shows that the Council is expecting mostly deficits before capital grants and contributions over the next ten years. As indicated above, the Council has made surpluses before capital grants and contributions over the last two financial years ($5.475 million in 2011/12 and $0.908 million in 2010/11). However, it should be noted that these results included the extraordinary income item for the 'surplus on sale of assets' of $5.503 million in 2011/12 and $2.694 million in 2010/11. These are one-off events.

Table 3:   Singleton Council's financial results (*)

Consolidated financial results	2011/12	2010/11	2009/10	2008/09
Income Statement (Financial Performance)	$'000	$'000	$'000	$'000
Rates and annual charges	19,027	17,931	17,117	15,993
User charges and fees	11,188	9,982	10,557	9,045
Interest and investment revenue	3,316	3,430	2,164	1,774
Other revenue	529	1,127	1,095	490
Grants and contributions for operational purposes	6,880	5,791	4,912	7,310
Grants and contributions for capital purposes	4,232	3,206	4,343	4,607
Net gain from asset disposal	5,503	2,694	1,602	893
Total income from continuing operations	**50,675**	**44,161**	**41,790**	**40,112**
Consolidated financial results	**2011/12**	**2010/11**	**2009/10**	**2008/09**
Employee costs and on-costs	13,871	14,276	13,699	12,963
Borrowing costs	453	531	393	444
Materials and contracts	12,803	13,104	12,831	14,476
Depreciations and amortisation	10,226	8,639	8,900	8,581
Other expenses	3,615	3,497	2,885	2,366
Net loss from disposal of assets	0	0	0	0
Total expenses from continuing operations	**40,968**	**40,047**	**38,708**	**38,830**
Operating result from continuing operations	9,707	4,114	3,082	1,282
Net Operating result for the year <u>before</u> Grants and Contributions	**5,475**	**908**	**-1,261**	**-3,325**

The table reflects the consolidated results obtained from the Financial Data Return, which is issued each year by the Division of Local Government for completion and return by each NSW council.

FINANCIAL AND ASSET MANAGEMENT ASSESSMENT

Overall Assessment

An overall assessment of the Council's financial and asset management performance in relation to the areas covered in the self-assessment checklist is set out in Table 4, on the next page.

Table 4:   Financial and Asset Management Assessment

Area of assessment	Assessment of the Council's performance
Financial management	✓ ▲
Asset management	✓ ▲
Land assets	✓
Council businesses	▲

Table key:	⭐	Better practice	▲	Requires further development	✓	Satisfactory

For a description of each of these rankings see ABOUT THE REVIEW in PART 1, BACKGROUND

TCORP (NSW TREASURY CORPORATION) ASSESSMENT

During 2013, the NSW Treasury Corporation (TCorp) carried out an independent assessment of Singleton Council's financial capacity and its future financial sustainability.

Overall, TCorp found that the Council has been well-managed over the last three years, based on the following observations:

- The Council has improved its operating results over the last three years with an operating surplus (excluding capital grants and contributions) in 2011.

- Approximately 64% of the Council's revenue base is derived from own-sourced revenue (annual charges, and user charges and fees). The Council can rely upon these revenue streams on an ongoing basis for financial flexibility.

- Operating expenses appear to be generally well-managed.

- The Council's performance against indicators is strong and improved over the period.

The Council reported $12.1 million of infrastructure backlog in 2011, with an infrastructure asset value of $319.6 million. This is a relatively small level of backlog compared to other NSW councils, although it is increasing and needs to be addressed.

Other observations include:

- The infrastructure backlog had almost doubled since 2009.

- The Council has spent less than required on maintenance in two of the last three years.

- The Council is forecasting to spend more than required in the first two years of its financial forecast, and then substantially less than required over the remaining years of the forecast.

The key observations from the review of the Council's ten-year forecasts for its General Fund are:

- The General Fund shows operating deficit positions are expected in six of the ten years when capital grants and contributions are excluded.

- The ten-year financial forecasts include a capital expenditure program that reduces over time and appears to be lower than what may be required to maintain a sound asset base. The impact of this lower level of capital investment is that other ratios such as cash reserves and liquidity to improve over time as investments are not made into new or renewal assets and cash is held.

- Overall, it appears that the Council will have ample liquidity throughout the next ten year period to service all short-term liabilities and currently-scheduled capital expenditure and related long-term liabilities.

- With the exception of the comments above regarding the future capital program, other key assumptions within the financial forecasts are considered to be reasonable.

SIGNIFICANT OBSERVATIONS

While there were no significantly better practices found, mention should be made of the Council's Hardship Policy and its low 'debts outstanding' ratio. The Council actively pursues outstanding debts, which is reflected in its low rates and annual charges outstanding ratio of 2.26% (2011/12). The Council's policy of all debt payment

arrangements being made by direct debit appears to be very effective in its control of debt.

The Council currently does not have an Overdraft and Loans Policy, but it is noted that a draft has been completed, and that it is likely to be adopted in the not-too-distant future. For this reason, no recommendation has been made for the policies to be developed.

Further development

Quarterly Budget Review

Clause 203(1) of the Local Government (General) Regulation 2005 requires a council's responsible accounting officer to prepare and submit a Quarterly Budget Review Statement (QBRS) to the governing body of the council. The Division of Local Government has provided a minimum set of guidelines for councils to follow. The QBRS presented to Singleton Council includes a detailed set of accounts, but does not include a signed responsible accounting officer's statement and an overview of the Council's financial performance against key performance indicators.

Recommendation 14

The Council is required to prepare future Quarterly Budget Review Statements in line with the Division of Local Government's minimum Quarterly Budget Review Guidelines.

Asset Rationalisation

The Council has an Asset Rationalisation Plan that was last updated in 2006. The Council advised that some of the outcomes of this Plan are still being realised. However, the Plan is now seven years old and the Council has since developed its detailed asset management plans. The Council should consider updating its Asset Rationalisation Plan, and reflect this in its Asset Management Plans, ensuring it aligns with the direction set in the Community Strategic Plan and Delivery Program.

Recommendation 15

The Council review and update its asset rationalisation planning.

Asset Replacement Policy

The Council has done much work in developing its asset management plans, and to continually improve them. However, asset replacement planning is weak. Based on information now available, the Council should consider enhancing its asset management plans to better consider asset replacement.

Recommendation 16

The Council enhance its asset management plans to better consider asset replacement.

Business Plans

The Council has determined that a number of its services are business activities. These include water, sewerage, waste management, saleyards, a gym and swimming pool. The Council is therefore required to consider the pricing for and costing of these activities in accordance with National Competition Policy. Most of these businesses are of a reasonable size. Some make a surplus (water and sewerage works), while others (such as the saleyards, gym and swimming pool) are running at a loss.

The Council has draft water and sewerage business plans, and gym and swimming pool business plans The Council advises that it has commenced discussions for the development of business plans for all of its ventures, but that these are a long way off being completed. It is acknowledged that the Council has been extremely busy over the last two years in developing and implementing policies and strategies, and this has put its staff under great pressure. However, since some of these business ventures involve significant amounts of money, business plans should be developed for each venture as soon as practicable.

For Category 1 business activities (that is, with a turnover greater than $2 million), a corporatisation model must be adopted, and full cost attributions (including a return on capital) must apply and the business must operate within the same regulatory framework as private businesses. Category 2 business activities (with less than a $2 million) should apply full cost attribution.

Councils need to recognise that they are using community owned assets and resources in such operations. They have a corresponding obligation to the community to consult and obtain some level of public endorsement for their activities in general, and pricing policies in particular, especially where services are provided at a price that is less than the true underlying total cost to the council of providing them. The Council is reminded that, were it to compete in the market place, it should do so on a basis that does not utilise its public position to gain an unfair advantage over a price sector competitor.

Decisions by councils not to classify certain operations and/or services as businesses are not the end of the matter so far as competition laws and obligations are concerned. The principle of competitive neutrality is the need to have effective costing systems in place. Costing is essential for strategic planning, budgeting and performance measurement.

As part of the National Competition Policy, councils are also required to have a complaints handling system in place. Councils must establish a complaints handling system for competitive neutrality complaints.

Information in relation to National Competition Policy can be found on the Division's website (*Pricing and Costing for Council Businesses A Guide to Competitive Neutrality*).

Recommendation 17

The Council develop and adopt a Business Plan for each of its business ventures as soon as practicable.

Recommendation 18

The Council develop a complaints handling system for competitive neutrality complaints.

Recommendation 14

The recommendation has been implemented with the December 2013 Quarterly Budget Review Statement to be reported in line with the Division of Local Government's Guidelines.

Recommendation 15

Council has almost completed reviewing all Asset Management Plans. These Asset Management Plans now incorporate a Lifecycle Management Plan which directly relates to Council's Community Strategic Plan and Delivery Program.

Recommendation 16

This recommendation has been incorporated in Council's revised Asset Management Plans. An example of such is Council's Transport Infrastructure Asset Management Plan Section 5.4.2 – Renewal and Replacement Strategies.

Recommendation 17

It is noted that Council is required to undertake the development of these Plans. Currently work is being undertaken for the Water, Sewer and Waste Plans of Management with expected completion by 30 September, 2014. Council has just tendered out the management of the Gym & Swim. Business Plans for the Childcare Centre and Livestock Markets will be undertaken as part of the consideration of service reviews to be conducted for the 2015-16 budget.

Recommendation 18

This is noted and Council will incorporate dealing with competitive neutrality complaints into its current complaints handling system. It should be noted that Council has not had a complaint of this nature in the last ten years.

6   *WORKFORCE MANAGEMENT*

SCOPE

This section examines the Council's implementation of its four-year Workforce Management Strategy.

The self-assessment checklist considers the minimum compliance requirements in the workforce area. The Council's responses and a range of human resource systems, policies and procedures were examined to assess how well the Council is managing its workforce and the overall organisational culture.

POLICY AND LEGISLATIVE FRAMEWORK

Councils have a number of legislative responsibilities in relation to their role as an employer. As part of its Resourcing Strategy, each council is to develop and maintain a four-year Workforce Management Strategy.

An effective Workforce Management Strategy is essential to ensure that a council is able to address the human resource requirements associated with achieving the aspirations, goals and service standards expressed in its Community Strategic Plan and achieved through the Delivery Program.

By identifying current workforce capabilities, considering what will be needed in the future and planning systematically, the council can limit the workforce risks associated with unanticipated events and ensure it is appropriately resourced to handle changes and challenges in the coming years.

In short, workforce planning aims to have the right people in the right places with the right skills and motivation, doing the right jobs at the right time so that the council can deliver appropriate services effectively and efficiently.

LOCAL CIRCUMSTANCES

As outlined in Diagram 2 on the next page, Singleton Council is organised into four main groups or function areas, and each group is broken down into multiple service units. The General Manager is directly responsible for one of these groups.

Diagram 2: Singleton Council's Management Structure
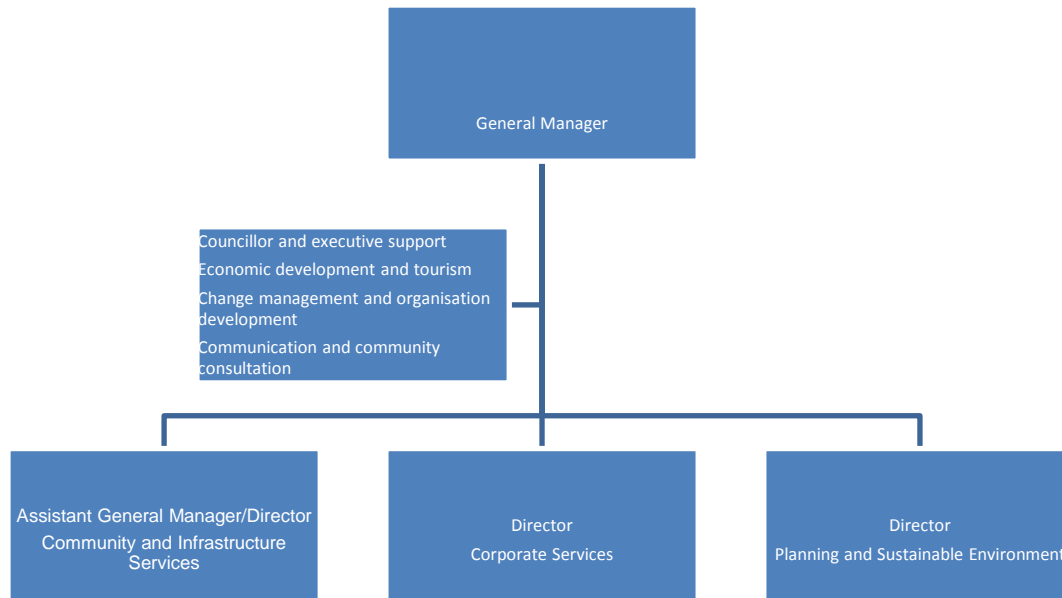
The Council currently employs 195 full-time equivalent staff. This equates to approximately 220 employees, when casual and part-time staff members are included. Women represent 60% of the Council's workforce (concentrated in the 25 to 44 year age group). The local labour market is tight, primarily due to the demands from the resources sector in the Hunter Valley.

WORKFORCE MANAGEMENT ASSESSMENT

An overall assessment of the key workforce areas of the self-assessment checklist is included in Table 5, below:

Table 5:   Workforce Management Assessment

Area of assessment	Assessment of the Council's performance
Workforce management planning	▲
Workforce management issues	★ ▲
Employee surveys	▲
Employment contracts	✓
Consultative Committee	✓
Recruitment and selection	✓
Job descriptions and evaluation	✓
Employee remuneration	✓
Enterprise bargaining	N/A
Equal Employment Opportunity	▲
Staff induction	✓
Grievance management	▲
Work Health and Safety	✓
Secondary employment	✓
Exit of staff	✓

Table key: ★ *Better practice*   ▲ *Requires further development*   ✓ *Satisfactory*

For a description of each of these rankings see ABOUT THE REVIEW in PART 1, BACKGROUND

SIGNIFICANT OBSERVATIONS

Summary analysis

A number of the Council's policies, procedures and systems in the workforce relations area are not of the required standard to meet statutory obligations and support the implementation of the Community Strategy Plan and Delivery Program.

This situation is partly due to significant periods of time where the Human Resources Manager position was vacant. The permanent incumbent has been on maternity leave. The Council has had difficulty in recruiting a suitable person on a temporary basis to carry out the responsibilities and duties of the position. However, a temporary Human Resources Manager commenced duties during the week of the review team's visit to the Council (October 2013). As mentioned earlier in the Governance section, leadership and resourcing issues resulting from the need to manage councillor conduct and legal matters may also have contributed to deficiencies in this area.

The *Singleton Council Employee Engagement Results, September 2011* indicates that the overall employee engagement score was 27%, which is well below the Council Benchmark (Australia) of 54%. The Council advised that the disappointing survey result was due to an extraordinary legal case and related underlying issues that existed at the time. These matters have now been addressed.

The General Manager has worked hard to improve leadership and staff morale across the whole of the Council. The *High Performance Leadership Coach Program* for all Council employees specifically aims to improve employee engagement. It is anticipated that the next survey will deliver improved results. The Council has committed to preparing an action plan in consultation with its Consultative Committee to address issues arising from the Survey.

Better practice

Workforce Management Issues

1. High Performance Leadership Coach Program

The Program focuses on the performance of the individual for the reason that the development of an organisation or corporation depends on the individual growth of its leaders and teams. It is a comprehensive program which is delivered in four integrated parts. The four components are:

- a seminar and learning workshops

- 90-day self-directed learning action planning

- personal leadership coaching

- a high-performance health management program.

At the time of the review team visit, the whole Leadership Group had participated in the Program. Supervisors and the remaining staff members were to participate in the near future.

2. Traineeships

Employing trainees is an efficient way to enhance a council's and capacity to deliver community outcomes as captured in the Community Strategic Plan, and build appropriate skills. The Council employs a Trainee Administrative Support Officer (Planning and Regulations) and two Trainee Works Engineers.

Requires further development

Workforce management planning

1. Workforce Management Strategy

A previous review of the Council's Workforce Plan during a peer-review process conducted by the Division provided the following feedback in relation to the Plan:

- The Plan links well to the Delivery Program. This would be enhanced by numerical cross-referencing between the strategies of the two documents
- Limited detail is provided about the issues impacting on the workforce, though a brief summary is included. Additional detail would make clearer why the strategies have been developed and the issues they seek to address.
- The Council should consider the inclusion of estimated costs against each strategy so that any financial implications can be considered by the Delivery Program and Long-Term Financial Plan where applicable.

In its response to the self-assessment checklist, the Council also indicated that its Workforce Plan does not cover a minimum period of four years, as required by the Act. While the Plan includes a four-year outcome in relation to the Council's workforce, only annual actions and initiatives appear be identified. This should be rectified.

Recommendation 19

In its next review of its Workforce Plan, the Council is encouraged to consider the feedback about the Plan provided by the Division of Local Government.

2. Succession planning

The Council recognises in its Workforce Plan that pockets of its workforce will be affected by significant retirement levels. The Plan includes some strategies to overcome this potential loss of skills. However, it does not appear to include developing a succession plan for key positions/personnel. There are many benefits derived from good succession planning. These include providing:

- a means of ensuring the organisation is prepared with a plan to support service continuity when key people leave
- a process for identifying qualified, motivated people who are prepared to take over when key employees leave the organisation
- an alignment between the council's Workforce Plan and its Delivery Program to ensure there is appropriate staffing to achieve the desired outcomes
- a perception as an employer of choice that invests in its people and provides opportunities and support for advancement
- a message to employees that they are valuable.

Recommendation 20

The Council is encouraged to incorporate succession planning in its Workforce Management Strategy in order to meet the future workforce needs of the Delivery Program and Community Strategic Plan.

Workforce Management Issues

Singleton Council has developed a good employee performance review system linked to employee responsibilities set out in position descriptions. While the procedure includes assessing value and rating performance, it could be further enhanced by including performance indicators which are linked to the Community Strategic Plan and

the Delivery Program. This would ensure the efforts of employees are directed towards the efficient and effective delivery of services to the Singleton community.

Employee surveys

During August 2011, the Council engaged an external provider to undertake an Employee Engagement Survey. The employee research tool measured how much people like being part of their organisation (*satisfaction*), and how much they wanted to improve business results (*commitment*). Importantly, it also focussed on measuring how much people want to - and actually do - take action to improve the business results of their organisation (*engagement*).

A total of 165 employees completed the survey (84% response rate). Overall, the Engagement Score for Singleton Council is 27%, which is well below the benchmark of 54% set by the Council Benchmark (Australia). Research indicates that organisations with engagement scores above 65% consistently deliver better business results. Employee Engagement levels below 30% tend to erode an organisation's ability to deliver on its objectives. The Engagement Score for Singleton Council placed it in the 'Destructive' range at that time.

The Council advised that the disappointing survey result was due to an extraordinary legal case and related underlying issues that existed at the time. These have now been addressed.

There does not appear to be an action plan which contains strategies to address the very low level of engagement. However, the General Manager has made a significant commitment to improving leadership and staff morale across the whole of the Council. This includes introducing the High Performance Leadership Coach Program for all employees. (This initiative was discussed above as an example of better practice). The focus of this Program is on building the performance and engagement of the individual which should have a positive impact on the poor Engagement Score.

Staff members the review team met with presented as enthusiastic, professional, positive and hardworking. All acknowledged the stronger leadership of the current General Manager and appreciated the range of achievements (including improved communication) which have turned the organisation around for the better.

Therefore, it is anticipated that the next Employee Engagement Survey scheduled for March 2014, will deliver an improved result for the Council.

Recommendation 21

The Council is encouraged to monitor the results of its next Employee Engagement Survey and develop an action plan to address the issues arising. The development and implementation of the action plan should be undertaken in consultation with the Council's Consultative Committee.

<u>Consultative Committee outcomes</u>

The review team met with two employee representatives of the Council's Consultative Committee. The review team was impressed by the positive and professional way in which the employee representatives discussed issues raised by their members. They expressed that, overall, staff members were very appreciative of the stronger leadership demonstrated by the General Manager and the communication initiatives that she had introduced. The 'Weekly Wrap', which is circulated electronically to all staff and councillors, is well-received. Also, the Executive Leadership Team meeting minutes are now published on the intranet.

Council employees have identified two clear organisational challenges:

1. Updating backlog policies and taking a more strategic approach has meant an overwhelming pace of change for the organisation. For most staff members, their workload has significantly increased. Competing and changing priorities requested by senior and middle management can be confusing and frustrating. The total value of overtime paid during last financial year represented 4% of the total wages and salaries for that year. The use of overtime has been largely curtailed, yet the volume of work continues at an increased level. A number of employees have expressed the view that the high workload has put tension on their work/life balance.

2. Communication from the Executive Leadership Team has improved. Communication from managers down to supervisors and other staff still needs to be improved. Staff members want honest, open communication from the top down. They want to give

input but don't have the confidence to speak in large forums or in front of senior managers.

Some strategies suggested by the staff to resolve these challenges include:

1. Clearer, more defined priority setting by management, which is clearly communicated. Acceptance that those things that are not high priority may not get done as quickly.

2. Regular one-on-one meetings between managers and supervisors, and then between supervisors and their staff. Decisions of these meetings should be recorded in an email or in writing where no email is available (eg for some outdoor staff).

3. Department morning teas and briefing meetings to be held to raise and discuss issues so that employees can interact between teams. More opportunities for indoor and outdoor staff to mingle and learn about key issues facing the organisation.

The review team notes that the participation of all employees in the *High Performance Leadership Coach Program* may assist toward addressing some of these issues.

Equal Employment Opportunity (EEO)

The Council has prepared an Equal Employment Opportunity (EEO) Management Plan, as required by the *Local Government Act 1993*. The Council, being the responsible employer, is legally accountable for discrimination in employment matters. The Act identifies that people of the following groups have been disadvantaged in the past in relation to equality of employment opportunities:

- women
- people from non-English speaking backgrounds
- people from Aboriginal and/or Torres Strait Islander backgrounds
- people with disabilities.

The Singleton Council's *EEO Management Plan* does not include strategies for any of the above groups. However, *the Singleton Council Diversity Management Plan 2011-2012* does include some activities to encourage greater appreciation of diversity within the workplace.

The Diversity Management Plan is "focussed on attracting an increasingly diverse workforce to deliver services to the community and providing a diverse work environment which values diversity". The Plan is of a good standard and includes clear goals, activities and key performance indicators. The document is currently out of date.

The linkages between the EEO Management Plan and the Diversity Management Plan, and their relationship to the Workforce Plan, are not apparent.

Recommendation 22

The Council is encouraged to update its diversity planning, and incorporate it and its EEO planning into the Workforce Management Strategy.

Grievance management

The Council does not have a grievance handling policy and procedure which applies to employees. Employee grievances are dealt with in accordance with clause 31 of the *Local Government (State) Award 2010.* While clause 31 covers basic grievance and dispute procedures, a number of councils have demonstrated better practice in this area by developing a more comprehensive policy and procedure to handle grievances and disputes. The *Greater Hume Shire Council Grievance Policy/Procedure* and the *Kempsey Shire Council Grievances/Disputes Handling Policy/Procedure* are two good examples which are accessible on the internet.

Recommendation 23

The Council is encouraged to prepare an Employee Grievance and Disputes policy and procedure.

The Council's response

Recommendation 19

This is noted and Council will incorporate the DLG feedback into the new four year Workforce Plan.

Recommendation 20

Council strongly agrees with this recommendation and will incorporate this recommendation in the review of Council's Workforce Plan as this will be an important part of Council's resourcing strategies.

Recommendation 21

It is noted that the August 2011 survey result was disappointing however due to an extraordinary legal case and related underlying issues that existed at the time and have now been addressed, it is anticipated that the next review will result in an improved result for Council. It is advised that the next Employee Engagement Survey is to be carried out in March 2014 and following on from this survey it is intended that Council will develop an action plan to address any issues arising in consultation with Council's Consultative Committee.

Recommendation 22

Council will incorporate this recommendation into its EEO Policy and Management Plans which are currently in draft form.

Recommendation 23

Council agrees with this recommendation and will develop a new Policy and Procedure based on the examples provided in the report.

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PART IV   SERVICES TO THE COMMUNITY

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This part of the review focused on the Council's community, social, sporting and recreational facilities and services, as identified in its Delivery Program and Operational Plans. Services and advice in relation to land-use planning, such as development applications, as well as environmental management initiatives, are also considered.

7   COMMUNITY SERVICES AND FACILITIES

SCOPE

This section focuses on examining the range and quality of the services and facilities the Council provides for the community. Social planning and services provided to cater to the needs of social justice groups within the community are also considered.

The self-assessment checklist considers minimum compliance requirements in this area. The Council's responses, along with site visits and meetings with relevant staff, have been used as a basis for assessing performance this area.

POLICY AND LEGISLATIVE FRAMEWORK

A Council's Charter requires that it:

- provides services after due consultation
- engage its stakeholders in the development, improvement and coordination of local government (for example, councillors, members of the public, users of facilities and services, and council staff)
- 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.

LOCAL CONTEXT

Singleton Council provides a number of different community services, including those to specifically meet the needs of older people, Aboriginal people, young people, children and people with a disability. Further information about these services is available from Council's website at www.singleton.nsw.gov.au and from its latest annual report.

COMMUNITY SERVICES AND FACILITIES ASSESSMENT

An assessment of the Council's performance in relation to the community services and facilities aspect of the self-assessment checklist is set out in Table 6, below:

Table 6:   Community Services and Facilities Assessment

Area of assessment	Assessment of the Council's performance
Social and community planning	✓
Provision of services and facilities	⭐
Ageing population	✓
Community participation and engagement	⭐
Communication policy	✓
Reporting to the community	✓
Cultural planning	✓
Multiculturalism	✓
Tourism and Economic Development	⭐ 🔺

Table key: ⭐ *Better practice*   🔺 *Requires further development*   ✓   *Satisfactory*

For a description of each of these rankings see ABOUT THE REVIEW in PART 1, BACKGROUND

SIGNIFICANT OBSERVATIONS

Summary analysis

An exceptional aspect of the Council's community service delivery is its approach to creating corporate/community partnerships, pursuing funding opportunities, and taking a regional leadership role in service delivery.

Council undertakes regular community surveys. In 2011, a comprehensive telephone-based survey was carried out of the area's residents ([2]). In relative terms, Singleton's overall satisfaction index of 56% was on par with similarly-sized and resourced councils in NSW (61%).

Overall, the results indicate that many of the Council's services and facilities, considered as important by residents, were rated at a satisfactory level or above. A number of particular programs and/or initiatives have received awards (see 'better practice' section below). The survey results also indicated 14 top priorities for improvement. This feedback was used to help inform the development of the Community Strategic Plan and drive service/facility improvements in general.

Better practice

<u>*Provision of services and facilities*</u>

1. Awards

The Community Services section of the Council has won numerous awards for providing services and facilities to the community. In particular, youth and library services have been recognised. Awards include:

*   Upper Hunter Youth Sector Worker of the Year, 2013.
*   Singleton Council Community Support Award, 2012.
*   2012 Innovation and Improvement Award received by Community Resources Team – Council Award.
*   2012 Award Finalist, Local Government Arts and Culture Awards – Photo Bomb project.
*   Upper Hunter Youth Sector Worker of the Year, 2012.
*   Youth and School Aged Children's Services: Staff Award for Community Support, 2012.

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[2] *2011 Singleton Council Community Survey Management Report**, IRIS Research Ltd. The report is available on the Council's website.*

- Singleton Council 'You're a Star' Award, 2011.

- Hunter and Central Coast region Education Week Award, 2011.

- Nominated for Staff Award for Outstanding Service Provision, 2011.

- NSW Public Education Award for Perfection 2011, for outstanding contribution by a school community member or district.

- 2011 Excellence Award received by Library Team – Council Award

- 2010 LIAC Centre of Excellence - Law and Justice Foundation of NSW Award

- The Homework Help Tutoring Program, finalist in the Australian Mining Prospect Awards, 2013

2. Library services

Singleton Library is the only Hunter and Central Coast Library to receive a 100% Mystery Shopper customer satisfaction rating in both 2010 and 2011. The Library has also been successful in receiving Community Heritage Grants in 2009, 2011 and 2012. This is particularly noteworthy as achieving a grant involves a very competitive national process. The Library provides a broad range of community and cultural services.

The Library Gallery Space is available for local Hunter artists to exhibit their work. Artists on display are also able to work from the space while their work is on exhibition. The review team visited the *People and Place | Coal and Community* exhibition which the Singleton Library organised in partnership with local mines and Newcastle University.

The exhibition assembled items from archives and private material on the coal community, its people and their place. The early photographs, records, maps and artefacts portrayed a very real sense of how residents have lived and worked in the Hunter since European settlement.

Community participation and engagement

Singleton Council has been successful in engaging with and providing services to a range of social justice groups within the broader community. A number of innovative programs have been delivered in partnership with external services and organisations. Three examples are described on the next page.

1. The LIFT Program is delivered in partnership with LIFT Youth Development which is a charity organisation based in the Hunter region. It specialises in working with 'at risk' youth. The Program offers tailored and practical aviation-based activities that teach risk management and decision-making life skills while building self-esteem. Exposure to aircraft and exciting hands-on, adventurous and seemingly-risky activities take young people out of their comfort zone and immerse them into an adventure zone where LIFT staff can rapidly build trust and rapport. Technology-based and culturally-relevant interactive tools are also used to enhance the delivery and assimilation of risk-management, decision-making and other key life skills.

2. The Love Bites program consists of two interactive education workshops on Domestic and Family Violence and Sexual Assault, followed by creative workshops that consolidate the information presented in the education workshops. The program is facilitated by trained workers in the Community Services sector and includes youth workers, refuge workers, police and health practitioners. It provides a mechanism to introduce young people to local service providers in an informal environment, which increases trust and raises awareness of the support services available.

3. The Council originally confirmed its relationship with the Aboriginal communities in the area by adopting an Aboriginal Reconciliation Statement in 1998, and through the ongoing support for NAIDOC Week celebrations and other initiatives. The Aboriginal Advisory Committee was established in 2012 and Council officers work with the Committee to contribute to its success.

Tourism and Economic Development

1. Singleton Visitor Information and Enterprise Centre

The Visitor Information and Enterprise Centre operated by Singleton Council is a multi-purpose facility. As well as providing tourist information, it also serves as an information hub for local businesses and tourism operators. The Centre's commitment to excellence has resulted in a Gold Award in both the 2013 and 2012 Hunter/Central Coast Awards for Excellence in Tourism.

2. Destination Management Plan

In 2012, the Council and Hunter Valley Wine Country Tourism commissioned the development of a Destination Management Plan for the Hunter Valley destination. The Management Plan guides the planning of the visitor economy, investment and development processes and programs. Key partners in the Hunter Valley region are committed to working together towards the achievement of the strategic priorities over the coming years.

3. Upper Hunter Diversification Plan

Released in 2011, the Upper Hunter Diversification Plan is the culmination of a partnership between the NSW Government and six councils in the Upper Hunter region. The Plan examines the future of the region and the emerging business and employment opportunities over the next 20-25 years. It is pleasing to note that this important regional planning has been considered within the Community Strategic Plan's strategies.

Requires further development

Tourism and Economic Development

In practice, Singleton Council has been a leader in supporting and promoting economic development and business infrastructure both at a local and regional level. An economic development strategy endorsed by the elected body will build upon this solid foundation and formalise the Council's leadership role into the future. The framework for the Strategy is complete and the consultation and engagement phase has been finalised. It will be important to ensure that the finalised strategy aligns with and supports the achievement of the Community Strategic Plan and Delivery Program.

Recommendation 24

As a matter of priority, the Council is encouraged to finalise the Singleton Economic Development Strategy for the consideration of the elected body.

The Council's response

Recommendation 24

A brief has been prepared to call for Expressions of Interest to work with Council to prepare an Economic Development Strategy.

8   LAND-USE PLANNING

SCOPE

This section focuses on examining how the Council manages its land-use planning for the local government area. For example, the Council's role involves strategic planning to decide what buildings are permissible within certain areas, setting appropriate controls (eg building heights), and assessing the impact on the environment and neighbouring properties (eg noise, traffic, shadowing, trees being removed).

POLICY AND LEGISLATIVE FRAMEWORK

Councils must undertake their strategic land-use planning and development assessment functions in accordance with the *Environmental Planning and Assessment Act 1979.* State Environmental Planning Policies (SEPPs), which deal with issues significant to the State and people of New South Wales and are made by the Minister for Planning, may also be relevant.

Appropriate zoning and development controls are important in protecting the environment and heritage areas, controlling growth and helping to support the objectives of the Community Strategic Plan.

Section 94 and Section 94A of the Environmental Planning and Assessment Act allow councils to levy developers for contributions towards public amenities and services required as a consequence of development. This may be the provision of new facilities for an area or the expansion of existing facilities where an area is growing.

LOCAL CONTEXT

Singleton Council's strategic land-use planning instruments include:
– Singleton Development Control Plan 2012
– Singleton Development Contributions Plan 2010
– Singleton Local Environmental Plan 2013
– Singleton Land Use Strategy 2008
– Singleton Floodplain Management Study and Plan 2012.

LAND-USE PLANNING ASSESSMENT

An assessment of the Council's performance in relation to the land-use planning areas covered in the self-assessment checklist is set out in Table 7, below:

Table 7:   Land-use Planning Assessment

Area of assessment	Assessment of the Council's performance
Strategic land-use instruments	✓
Development applications process	✓ ▲
Contribution plans and planning agreements	✓
BASIX	✓

Table key: ⭐ *Better practice*   ▲ *Requires further development*   ✓ *Satisfactory*

For a description of each of these rankings see ABOUT THE REVIEW in PART 1, BACKGROUND

SIGNIFICANT OBSERVATIONS

Summary analysis

Singleton Council's land-use planning framework is considered to be working well and meeting all requirements.

Better practice

No areas of better practice were identified by the review team.

Requires further development

Audit of Development Assessment

Singleton Council has not yet undertaken an audit of its development assessment and contributions processes using the Independent Commission Against Corruption's development assessment internal audit tool. The Council has advised that this is currently being considered.

Recommendation 25

The Council is encouraged to undertake an audit of its development assessment and contributions process using the Independent Commission Against Corruption's development assessment internal audit tool.

The Council's response

Recommendation 25

Council will undertake an internal audit of its development assessment and contribution process in line with the recommendation. It is anticipated that this audit will be finalised by 31 March, 2014.

9   REGULATORY AND ENVIRONMENTAL MANAGEMENT

SCOPE

This section examines how the Council is enforcing or ensuring compliance with laws to protect the community and the environment. Areas enforced by local councils include:

- unauthorised land use
- signage and building work
- storm water pollution
- backyard fires
- removal of noxious weeds
- collection and management of stray dogs and cats
- breaches of Council 'Tree and Bushland Preservation Orders'
- abandoned shopping trolleys.

This section also considers how the Council manages the environment of the Singleton local government area and addresses issues of environmental sustainability.

POLICY AND LEGISLATIVE FRAMEWORK

A council has a responsibility for managing the whole of the environment within its area. With the help of the community, councils are expected to manage and maintain the environment to make sure that it can be enjoyed for many years to come.

Councils must regulate a wide range of matters across a range of legislation, including:

- *Local Government Act 1993*
- *Companion Animals Act 1998*
- *Swimming Pools Act 1992*
- *Environmental Planning and Assessment Act 1979*
- *Roads Act 1993, Road Transport (General) Act 2005 and Road Rules 2008*
- *Impounding Act 1993*
- *Noxious Weeds Act 1993*
- *Protection of the Environment Operations Act 1997*
- *Smoke-Free Environment Act 2000*

- *Food Act 2003*

- *Public Health Act 2010.*

Legislative requirements also require councils to prepare a number of policies and plans, including a Companion Animals Management Plan. Regulation and management of these areas is important to support a wide range of social, economic and environmental goals as identified in the Community Strategic Plan.

LOCAL CONTEXT

REGULATORY AND ENVIRONMENTAL MANAGEMENT ASSESSMENT

An assessment of the Council's performance in relation to the regulatory and environmental management areas covered in the self-assessment is set out in Table 8, below:

Table 8:   Regulatory Functions Assessment

Area of assessment	Assessment of the Council's performance
Graffiti	✔
Enforcement and compliance	✔
Environmental management	✔
Companion animals management	✔
Water safety (Swimming pools)	✔ ▲

Table key: ★ *Better practice* ▲ *Requires further development* ✔ *Satisfactory*

For a description of each of these rankings see ABOUT THE REVIEW in PART 1, BACKGROUND

SIGNIFICANT OBSERVATIONS

Summary analysis

Better practice

No examples of better practice were identified by the review team.

Requires further development

Communication with Private Certifiers

Singleton Council does not have any regular ongoing communication with private certifiers or accreditation bodies regarding its requirements. This will be even more important to do when tourist and visitor accommodation and properties for sale or lease a swimming pool are required to have a compliance certificate (from 29 April 2014).

Recommendation 26

It is recommended that the Council engage in a meaningful dialogue with the private certifiers in its local area to ensure demand for swimming pool inspections can be met.

The Council's response

Recommendation 26

This recommendation is noted. Council's draft Swimming Pool Inspection Program has been on exhibition and once adopted by Council will be communicated with Private Certifiers making them aware of their responsibilities in relation to this matter. A public communication strategy has already been conducted.

PART V   RECOMMENDATIONS AND ACTIONS

10   RISK RATINGS

The recommendations made in this report are listed in the Action Plan in the following section. The Council is encouraged to use the matrix below to assess the risk associated with each recommendation and provide a risk ranking of High, Medium or Low in the Action Plan.

		CONSEQUENCE		
		Significant *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.*	**Moderate** *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.*	**Minor** *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.*
		PRIORITY RANKING		
LIKELIHOOD	**Almost certain**	**High**	**High**	**Medium**
	Possible	**Medium**	**Medium**	**Low**
	Rare	**Medium**	**Low**	**Low**

Risk factors to be considered could include:	
• Risk to reputation	• Financial risk
• Compliance with statutory requirements	• Legal liability
• Fraud/corruption	• Workforce Health and Safety.

11   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 Council is encouraged to include a risk rating in the priority column using the matrix on the previous page or its own risk management tools. (Completed actions are shaded blue)

RECOMMENDATION		PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
1.	*With reference to the Division of Local Government Circular to Councils 07-12 – Business Continuity Plans, the Council is encouraged to finalise the development of a Business Continuity Plan and a Disaster Recovery Plan.*	*High*	*The Draft Business Continuity Plan is finalised and an action plan created. Testing to be carried out as a matter of priority.*	*31 March, 2014*	*Manager Information Services*	
2.	*The Council is encouraged to review and update its Procurement Policy and Procedures, taking into account any relevant Independent Commission Against Corruption guidelines arising from Operation Jarek, to improve its procurement processes*	*Medium*	*A revised Procurement Policy and Manual have been developed and are currently being reviewed. The Policy and Manual will be implemented in the near future.*	*31 March, 2014*	*Director Corporate Services Group*	

RECOMMENDATION		PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
3.	*The Council should undertake regular audits and staff awareness training to ensure that its purchasing and tendering policy and procedures are adhered to.*	*Medium*	*Council's draft Procurement Policy and Manual (as mentioned in Point 2 above) provide for and address the requirements of this recommendation.*	*31 March, 2014*	*Director Corporate Services Group*	
4.	*The Council is encouraged to put in place procedures to collect and review information on its customer service performance, and to prepare and receive regular reports on the number, progress and outcomes of complaints.*	*Medium*	*Appropriate reports from Council's data to report on the number, progress and outcome of complaint are under development.*	*31 May, 2014*	*Manager Information Services*	
5.	*The Council is encouraged, if it has not already done so, to consider making the improvements to its "Payment of Expenses and Provision of Facilities for Mayor and Councillors Policy" as outlined in the body of the Promoting Better Practice Review report.*	*High*	*Make improvements and submit to DLG*	*N/A*	*Director Corporate Services Group*	*Complete.*

	RECOMMENDATION	PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
6.	The Council ensures that the legislative compliance database is developed and implemented to guide its compliance with legislative and regulatory obligations, and relevant staff are trained.	Medium	Legislative Compliance Database is in place and being implemented. A Policy and Procedure will be developed followed by training of all relevant staff.	30 April, 2014	Governance Coordinator	
7.	The Council should develop a Statement of Business Ethics to communicate both internally and externally the ethical standards that the Council abides by, and expects others to abide by, in doing business with the Council.	Medium	Current statement to be reviewed and a Policy and Procedure developed.	30 April, 2014	Manager Finance	
8.	The Council continue to progress its Workforce Plan by including more information on its plans for skilling its staff, the retention of staff, retaining knowledge and attracting quality people.	Medium	Current Workforce Plan to be reviewed and recommendations to be incorporated into subsequent versions of the Plan.	15 April, 2014	Manager Human Resources	

RECOMMENDATION		PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
9.	*The Council should include the full cost of asset maintenance and replacement in its Long-Term Financial Plan.*	*Medium*	*Asset Management Plans fully reviewed and updated and data be incorporated into Council's Long Term Financial Plan.*	*30 April, 2014*	*Manager Finance*	
10.	*The Long-Term Financial Plan should make clear how it enables the achievement of the Community Strategic Plan.*	*Low*	*Long Term Financial Plan to be updated to incorporate this recommendation.*	*30 April, 2014*	*Director Corporate Services Group*	
11.	*The Community Strategic Plan needs to include a set of meaningful and measurable key performance indicators.*	*Medium*	*Recommendation to be incorporated into the preparation of Council's revised Community Strategic Plan.*	*30 April, 2014*	*Director Planning & Sustainable Environment Group*	
12.	*The Delivery Program should include a set of key financial performance indicators.*	*Medium*	*Key Financial Performance Indicators from the Long Term Financial Plan for the four years are to be included in the new Delivery Program.*	*30 April, 2014*	*Manager Finance*	
13.	*The Delivery Program first year budget should align with the Operational Plan.*	*Low*	*Appropriate adjustments have been made to better align the documents*	*N/A*	*Manager Finance*	*Complete*

RECOMMENDATION		PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
14.	The Council is required to prepare future Quarterly Budget Review Statements in line with the Division of Local Government's minimum Quarterly Budget Review Guidelines.	High	This recommendation has been implemented.	N/A	Manager Finance	Complete
15.	The Council review and updates its asset rationalisation planning.	Low	Asset Management Plans now include a Lifecycle Management Plan this is to be integrated with the Community Strategic Plan and Delivery Program.	30 April, 2014	Director Corporate Services Group	
16.	The Council enhance its asset management plans to better consider asset replacement.	Medium	This recommendation has been incorporated into Council's revised Asset Management Plans.	N/A	Director Corporate Services Group	Complete
17.	The Council develop and adopt a Plan of Management for each of its business ventures as soon as practicable.	Medium	Water, Sewer and Waste Plans of Management are under development. Childcare Facility and Regional Livestock Markets Business Plans are to be developed. Management of the Gym and Swim has been tendered out.	30 September, 2014	Director Corporate Services Group	
18.	The Council develop a complaints handling system for competitive neutrality complaints.	Low	Dealing with competitive neutrality complaints to be incorporated into the current complaints handling system.	30 April, 2014	Manager Finance	

	RECOMMENDATION	PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
19.	*In its next review of its Workforce Plan, the Council is encouraged to consider the feedback about the Plan provided by the Division of Local Government.*	*Low*	*DLG feedback to be incorporated into the new four year Workforce Plan.*	*30 April, 2014*	*Manager Human Resources*	
20.	*The Council is encouraged to incorporate succession planning in its Workforce Management Strategy in order to meet the future workforce needs of the Delivery Program and Community Strategic Plan.*	*Low*	*This recommendation will be incorporated into the review of the Workforce Plan.*	*30 April, 2014*	*Manager Human Resources*	

RECOMMENDATION		PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
21.	*The Council is encouraged to monitor the results of its next Employee Engagement Survey and develop an action plan to address the issues arising. The development and implementation of the action plan should be undertaken in consultation with the Council's Consultative Committee.*	*Medium*	*Employee Engagement Survey to be carried out in March, 2014 and a subsequent action plan developed.*	*30 May, 2014*	*Manager Human Resources*	
22.	*The Council is encouraged to update its diversity planning, and incorporate it and its EEO planning into the Workforce Management Strategy.*	*Low*	*This recommendation will be incorporated into the draft EEO Policy and Management Plans.*	*30 April, 2014*	*Manager Human Resources*	
23.	*The Council is encouraged to prepare an Employee Grievance and Disputes policy and procedure.*	*Low*	*A new Policy and Procedure based on the examples provided in the report will be developed.*	*30 June, 2014*	*Manager Human Resources*	

RECOMMENDATION	PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
24. *As a matter of priority, the Council is encouraged to finalise the Singleton Economic Development Strategy for consideration of the elected body.*	High	*Expressions of Interest to be called to work with Council to prepare an Economic Development Strategy. Economic Development Strategy to be finalised and exhibited prior to adoption.*	*30 May, 2014*	*Manager Economic Development*	
25. *The Council is encouraged to undertake an audit of its development assessment and contributions process using the Independent Commission Against Corruption's development assessment internal audit tool.*	Medium	*Internal audit of development assessment and contribution process in line with the recommendation to be undertaken.*	*31 March, 2014*	*Manager Development & Regulatory Services*	
26. *It is recommended that the Council engage in a meaningful dialogue with the private certifiers in its local area to ensure demand for swimming pool inspections can be met.*	Low	*Swimming Pool Inspection Programme to be adopted by Council and communication will take place with Private Certifiers to make them aware of their responsibilities.*	*30 April, 2014*	*Manager Development & Regulatory Services*	