

Promoting Better Practice Program

REVIEW REPORT

WARRINGAH COUNCIL

AUGUST 2013



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EXECUTIVE SUMMARY

About the Review

A Promoting Better Practice Review of Warringah Council (the Council) was undertaken in February 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 Warringah

The Warringah local government area is home to an estimated 147,611 residents. The area is situated on Sydney's northern beaches peninsula and spans 14km of that coastline. In total, the local government area covers approximately 152 square kilometres. The traditional owners of the land are the Guringai people.

The Council was originally established in 1906. On 23 July 2003, following a public inquiry, the elected members of Warringah Council were dismissed. An Administrator managed the affairs of the Council until the local government elections in September 2008.

Warringah Council is currently governed by an elected body consisting of nine councillors and a popularly elected Mayor. The main Council administrative office is at Dee Why. At 30 December 2012, 545 full-time equivalent staff were employed by the Council.

Summary of key findings

Overall, Warringah Council is a well-managed, strongly performing organisation. Most of its policies, practices and systems are of an above average standard. A number of better practice examples have been reported across the spectrum of the Council's areas of business.

The Mayor and the General Manager appear to work well together in their role of guiding the strategic direction for the organisation. Decision-making processes appeared mature and efficient.

The Council's management team runs a fiscally responsible operation, which at this time appears to support a sustainable position into the long term. Of note, the Council has reported an operating surplus before capital grants in the last five financial years. It has also performed above industry benchmarks relating to financial and asset management.

Warringah Council offers a wide range of services to the community. The exceptional aspect of this has been the Council's approach to creating corporate/community partnerships, pursuing funding opportunities and taking a regional leadership role in service delivery.

Overall, the culture of the organisation is perceived to be positive and dynamic. Staff reported that the Business Excellence Framework and encouragement from management is allowing them to engage in change, innovation and improvement.

This was apparent during the review team's visit. A number of staff as well as sharing examples of better practice and described areas or projects which they are continuing to develop. Consistent with the Promoting Better Practice Review process, the review team has captured these improvement opportunities in its recommendations and has added a few additional areas that could benefit from further development.

Governance

The review team considers Warringah Council's governance framework to be very sound. The Mayor and General Manager reported that they have a strong working relationship. They support a shared vision for the Warringah local government area and demonstrate a working knowledge of the Integrated Planning and Reporting requirements.

The decision-making processes of both the elected body and the executive management team of Warringah Council appear mature and efficient. Most policies, procedures and systems are considered to be of an above average standard to successfully guide the Council's operations and meet its statutory obligations. A number of examples of better practice were identified and are discussed later.

The Council is using the Australian Business Excellence Framework which promotes innovation in improving systems and business processes toward meeting organisational and community goals. Strong leadership by example is a key principle of the Framework and appears to have been embraced and demonstrated by the Executive Management Team.

A Business Improvement Council has been established to drive business processes and deliver service improvements across the organisation. The benefits to date have been wide-ranging, including \$1.5 million in cost savings.

The Council's partnership with the other Shore Regional Organisation of Councils (Manly, Mosman, and Pittwater) has resulted in a solid platform for a regional approach to many important issues. This has resulted in commitments for a new Regional Waste Solution, the Northern Beaches Hospital and a feasibility study for a Bus Rapid Transit System.

Strategic planning and delivery

Warringah Council is at a crucial point in the planning cycle with its Integrated Planning and Reporting documents currently under review.

The Integrated Planning and Reporting framework is championed by the General Manager and Deputy General Managers. 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 broad involvement of managers from across the organisation in the development of the Community Strategic Plan. In addition, the Council has actively used the framework to enable innovation across the organisation.

The performance measures and indicators identified in the Community Strategic Plan are relevant, clear and quantifiable.

The Council is currently refining its online, interactive reporting dashboard which will be accessible via the Council's website. This is an innovative approach to community engagement and is reflective of the Council's commitment to open and accountable administration. While the service is not yet available, it is well-progressed with a view to being launched later this year.

The Operational Plan lacks some of the required level of detail (for instance, no timeframes or responsibilities have been assigned against actions). The Council has a Corporate Plan which does include some of this detail. It is suggested that the Council review the purposes of these plans and consider streamlining them so as not to duplicate effort and reporting. This may include combining them into a single document.

Financial and asset management

The Council is a very strong performer in the area of financial and asset management. With a strong cash position and a good mix of revenue streams, the Council has the capacity to renew its assets at the rate at which they are depreciated.

The Council has met the requirements of long-term financial planning. Its Long-Term Financial Plan is of a high standard. It clearly articulates how it supports the delivery of the Community Strategic Plan.

The Asset Management Strategy, while not yet formally endorsed, is comprehensive and meets legislative requirements. Priority has been given to enabling the ongoing development and implementation of asset management systems. This includes

employing two additional staff with suitable expertise to oversee strategic asset management and planning. A revised Asset Management Policy was adopted by the Council in August 2012.

Workforce management

Most policies, procedures and systems are of the required standard to meet statutory obligations and support the implementation of the Council's corporate and community plans. The Council continues to invest heavily in training and development programs, providing key learning opportunities for employees.

Overall, the Council appears to have a positive organisational culture with a motivated workforce. The most recent survey of staff indicates a significant shift in satisfaction levels, improving greatly upon 2010 results. Informal feedback received during the review indicated an enthusiasm and commitment to delivering quality services to the community, and confidence in the executive management team and elected members.

The organisational restructure, which occurred in 2010, appears to have had a positive impact on the operations of the Council, streamlining systems and improving internal communications. The Leadership Group was described by staff as an excellent forum for managerial decision-making and information sharing.

The Council's workforce median age is above average: 41.9 years compared with 38.6 years for the greater Sydney area. The Council is committed to supporting the health and wellbeing of an ageing workforce. This, along with more specific succession planning strategies, may need to remain a key priority for the Council in the coming years.

It is noted that while women make up 60% of the Council's workforce they are under-represented at the group manager level. The Council actively promotes equal opportunity employment and career development opportunities. It is recommended that this continue to achieve better representation of women in senior positions.

Community services and facilities

The Council has undertaken extensive strategic planning in the areas of youth, families/children and ageing communities. In addition to regular service delivery, the Council is also currently undertaking or has recently completed some significant community projects including the revitalisation of the Glen Street Theatre precinct and the development of the area's first Police and Community Youth Club.

When asked how the staff viewed the Council's capacity for delivering these major projects, the response was that the Council is "very well positioned" and that staff were feeling "confident".

The Council provides "the bulk" of sporting fields in the region. It is also responsible for managing extensive open space. There is a significant amount of pressure placed on the Council to maintain its organised sporting fields and open space areas, including beaches, in the face of rising demand from both locals and visitors. While the Council aims to meet a wide variety of passive and active recreation needs, it is also working to minimise any possible negative impact high levels of demand might place on the natural environment and on financial resources.

Land-use planning

Warringah Council's land-use planning framework is considered to be sound. In recent years the Council has made significant improvements in determining development applications. It is now performing within the top five councils in NSW.

Regulatory and environmental management

The Council demonstrates a proactive approach to its compliance services and environmental management. It has a number of innovative, award-winning environmental programs to increase energy efficiency, reduce water consumption, waste and noise, encourage safe handling of chemicals and contaminated land, improve air and water quality, and restore the environment to full health.

Regulatory and compliance services appear to be working well within the Warringah area, with an emphasis in the Council on staff training and building a good team culture within the Business Excellence Framework.

Next steps

The review team recognises that, prior to the review, the elected body and Executive Management Team of the Council has been active in identifying areas requiring development and has developed appropriate strategies to bring about the required improvement. 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 Management 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.

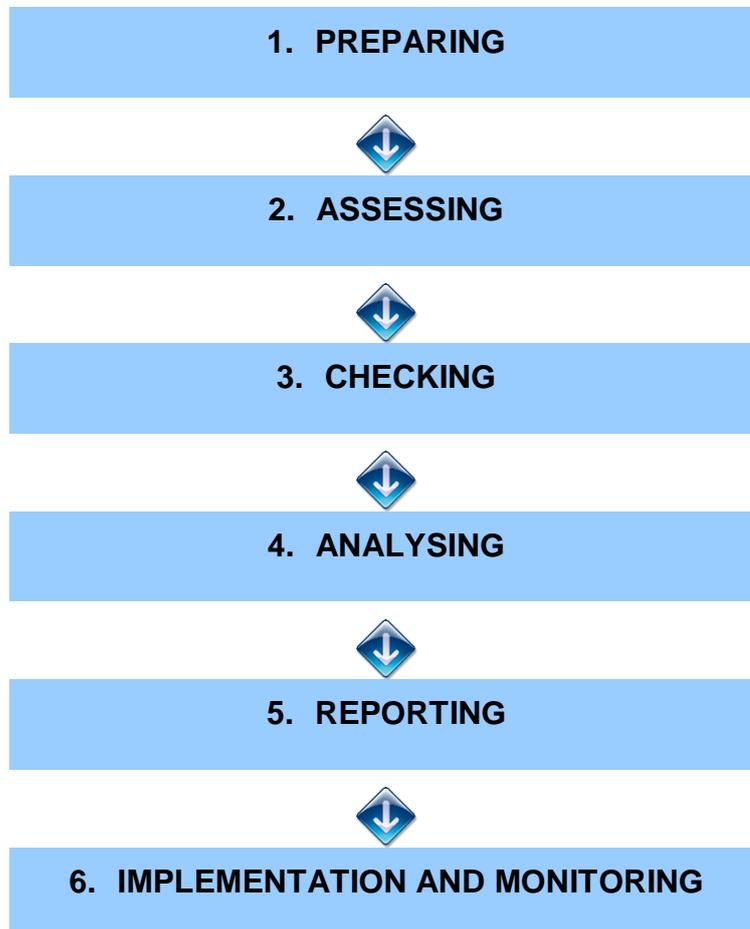
Review Process

Promoting Better Practice reviews are designed to act as a ‘health check’ for councils, giving confidence about what is being done well and helping 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:



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 its 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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

	<p>delivery to the community.</p> <ul style="list-style-type: none"> The council has identified that an area requires improvement or further development but this work has not yet been completed.
<p style="text-align: center;"> Satisfactory</p>	<ul style="list-style-type: none"> Complies with the <i>Local Government Act 1993</i> and other key legislation that the council is required to comply with. Policies and procedures appear to be consistent with local government sector practice.
<p>Not examined in detail</p>	<ul style="list-style-type: none"> 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 Warringah Council

The on-site component of the review took place from 25 February 2013 until 28 February 2013. The review team members were Principal Program Officers Caroline Egberts and Kathryn Ridley. Corin Moffat, Manager Innovation and Development, attended as an observer from 25 to 26 February.

The on-site visit involved the following activities:

- initial interviews with the Mayor and the General Manager
- interviews with a cross-section of staff
- observation of a meeting of the Council
- a review of the Council's policies, other documents and systems
- a site visit to the Kimbriki Resource Recovery Centre.

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

2 ABOUT THE COUNCIL AND THE AREA

Location and demographics

The main administrative office of Warringah Council (Civic Centre) is situated in Dee Why at 725 Pittwater Road.

Key demographics are:

- Population: 147,611
- Projected population (2031): 160, 609
- Average age: 38 years
- Density: 9.88 persons per hectare
- People aged 60 years and over: 28,737
- Young people aged 15 years and under: 28,293
- Aboriginal and Torres Strait Islander people: 602
- People from non-English speaking backgrounds: 22,644



(Source: Australian Bureau of Statistics)

Local issues

The Warringah Local Government Area is home to an estimated 147,611 residents who live in 52,438 dwellings. The area is well known for the 14km of picturesque coastline. The Council was established in 1906 and covers approximately 152 square kilometres. The traditional owners of the land are the Guringai people.

In addition to its popular coastline, Warringah is home to approximately 6,000 hectares of natural bushland. There are also many Aboriginal significant sites in the area which are “vulnerable to pressures from development, pollution and climate change.” (Warringah Council website 2013).

In 2011 the Warringah Council area, when compared to Greater Sydney, showed that there was a higher proportion of people in the younger age groups (0 to 17 years) along with a higher proportion of people in the older age groups (60+ years). The growth of coastline suburbs, thanks to ongoing development, has seen a broader range of housing stock being made available attracting homebuilders and the elderly. Warringah's online Community Forecast suggests that the "attraction of the area is a reflection on the significant range of housing opportunities, comparative affordability (to areas to the south) and the amenity of the area, relative to areas closer to central Sydney."

In terms of cultural representation, the Warringah area has a smaller proportion of people (28.1%) born overseas, compared to the Sydney average, as well as a smaller proportion of people from a non-English speaking background (14.6%). The largest non-English speaking country of birth in the Warringah Council area is China (1.4%).

Warringah has an average higher than Greater Sydney of people employed, with 74,889 persons (2011) in either full- or part-time employment. Interestingly, 39.7% of the community work within the Warringah local government area, with the Council itself acting as a key employer for the local community.

The Council

On 23 July 2003, following a public inquiry, the elected members of Warringah Council were dismissed. An Administrator was appointed to manage the affairs of the Council. The term of the Administrator was extended until the Local Government Elections in September 2008. This allowed for the completion of a number of important projects and ongoing culture change among staff at the Council.

Warringah Council is now led by nine councillors and the Mayor. The current Mayor is the first to be popularly elected.

The Council's administrative arm is organised into two key function areas; Environment and Community. The General Manager's office is responsible for corporate law, the internal ombudsman, finance and human resources. A range of information about the Council is available on its website at www.warringah.nsw.gov.au.

PART II MAKING AND IMPLEMENTING DECISIONS

3 GOVERNANCE

SCOPE

This part focuses on examining the effectiveness of Warringah 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, completed by the Council, considers minimum compliance requirements in 30 key areas relating to governance. The responses have been used as a basis for assessing the Council's 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 the responsibility of 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 Warringah Council is made up of nine councillors and the Mayor who is popularly elected. The nine councillors each represent one of the three Wards that make up the Warringah Local Government Area, while the Mayor represents all Wards.

The Council consists of two divisions, Community and Environment, operating under the guidance of the General Manager.

GOVERNANCE ASSESSMENT

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

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

Warringah Council's governance framework appears to be very sound. The Mayor and General Manager reported that they worked well together. They support a shared vision for the Warringah Local Government Area and demonstrate a working knowledge of the Integrated Planning and Reporting requirements.

The decision-making processes of both the elected body and the executive management team of Warringah Council appeared mature and efficient. Most policies, procedures and systems are considered to be of a good standard to successfully guide the Council's operations and meet its statutory obligations. A number of examples of better practice were identified and are discussed later.

In 2007 the Council introduced a Business Excellence Framework to allow it to identify improvements to become an even higher performing organisation by building a culture that facilitates change, innovation and improvement. The benefits to date have been wide-ranging, including \$1.5m in cost savings. All staff members who met with the review team appeared highly motivated and professional in their approach to their area of responsibility. Most made some reference to a positive culture where innovative problem-solving is supported.

A partnership with the other Shore Regional Organisation of Councils (Manly, Mosman, and Pittwater) has resulted in a solid platform for a regional approach to many important issues. This has resulted in commitments for a new Regional Waste Solution, the Northern Beaches Hospital and a feasibility study for a Bus Rapid Transit System.

Better practice

Ethics and values

Warringah Council prides itself on being a values based organisation.

Working at  **Warringah Council**

Our Mission
A better and exciting Warringah through innovative leadership, partnerships and outstanding service

Our Vision
Leading our community
Protecting our environment
Creating our future

Our Values

- Respect**
I will:
Treat others with kindness and courtesy
Communicate openly, honestly and in a timely manner
Acknowledge the values, ideas and contributions of others
- Integrity**
I will:
Deliver on commitments
Act fairly and ethically
Apply sound judgement and common sense
Be consistent in decisions and actions
Act lawfully in all dealings
- Teamwork**
I will:
Value all staff and their contributions
Share knowledge and skills with others
Work together with initiative and enthusiasm
Acknowledge contributions and celebrate success
- Excellence**
I will:
Welcome, encourage and support new ideas and initiative
Encourage continuous improvement, learning and evaluation
Lead by example
Use resources productively
Encourage flexibility
- Responsibility**
I will:
Focus on agreed priorities and meet obligations
Be accountable for actions and outcomes
Be proactive in learning and development
Strive for best possible performance

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

The Business Excellence Framework (introduced in 2007) helps to create a productive culture by reinforcing the Council's values and integrating Business Excellence principles into everyday operations. Councillors and staff receive ongoing development to ensure these values are applied consistently across the entire organisation.

The values are included in key corporate documents such as the Customer Service Charter, the Community Strategic Plan and the annual report. They are displayed at key locations throughout the organisation and are available on the staff intranet page. The extent to which each staff member applies and upholds these values is assessed as part of the performance management process.

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 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 2012 Warringah Council established an Enterprise Risk Management Framework which adopts the risk management approach specified in Australian Standard AS/NZSS ISO 31000:2009. The Framework encourages a coordinated approach among 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 Risk Management Framework comprises three elements as follows:

1. An Enterprise Risk Management Policy.
2. An internal Operating Management System and Action Plan for staff to drive a rigorous and systematic approach to risk management, and operational integrity across the Council.

3. A risk register which is a living document and is the central location for maintaining data on the Council's known strategic, operational and significant project risks.

The Executive Management Team is in the process of reviewing key business or strategic risks facing the Council and assigning responsibility for these risks. The Operating Management System and Action Plan identifies individual tasks which are coordinated and implemented through a corporate online Business Planning Tool. Each task is entered and assigned to the relevant business unit, which is then required to provide regular reports to be monitored by the Executive Management Team.

Business continuity

Councils should have plans and strategies in place for dealing with the impact of unforeseen disasters or crises. Warringah Council appears well placed to manage the impact of adverse events on its operations.

The Council has a corporate Business Continuity Plan which is supported and implemented via the 'BCM In a Box' package (purchased from an external provider). The Council's business continuity capability is managed proactively on a 24 hours/7 days per week basis. Ongoing review is possible by virtue of live data available from the software. Any issues are identified and resolved by the provider and then reported to the Council every month. Each Business Unit has its own Business Continuity Plan, and the software permits the Executive to review criticality across the entire organisation.

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.

Warringah Council has a long-standing internal audit program with a full-time Internal Auditor who is guided by the Strategic Internal Audit Plan. The Internal Audit

Management Committee, consisting of Executive Management Team members and two external auditors, meets quarterly.

An Audit and Risk Committee (consisting of the same external auditors and two councillors) meets quarterly to review the audits undertaken, and staff progress with implementing audit recommendations. The Finance Department also engages an external auditor to review components of the financial system. This includes auditing the Annual Report and the Community Strategic Plan.

Of particular note is that Warringah has developed a comprehensive Internal Audit Manual. The Manual will be available from 1 July 2013 to other organisations and councils to assist them in providing internal audit functions consistent with statutory obligations and better practices in this area.

Office of the Internal Ombudsman

At the time of the review there were only nine councils in NSW with an Internal Ombudsman function. Warringah Council established the Office of the Internal Ombudsman in 2003 to improve the Council's accountability and ensure that it carries out all its business in an ethical and accountable manner.

The Office has four staff positions. Its key achievements during 2011-2012 included:

- Handling complaints – there was a slight decrease of 12% but the number remained over 221
- Responses to complaints involved a total of 123 enquiries (83), investigations (36) and reviews (4). Investigations into serious misconduct remained a core activity for the Office. This included the investigation into the conduct of an Executive Director, which was found to constitute serious misconduct resulting in the termination of employment.
- Education – “A Bully-Free Warringah”, a major educational initiative in relation to ethical workplace behaviour has been the focus of Internal Ombudsman Office's educational efforts. Feedback from across the organisation indicates that the program is making a genuine and important contribution to a healthier workplace culture. Of the 70% of employees who responded to the 2012 survey, 74%

expressed satisfaction in working for the Council. This the highest score against the 'Insync NSW local government benchmark'. The 2012 Survey identified bullying and harassment policies as an important area and key strength of the organisation. This initiative remains a high priority for the Council.

- System and process improvements – 27 recommendations were made in relation to a range of general improvements and 22 of these were accepted by senior management. A further 10 disciplinary recommendations were made where allegations of misconduct were investigated and sustained. All of these were accepted by the Council.¹

Procurement, disposal and tendering

Recently the procurement function within local government has received attention, with recent 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.

However, Warringah Council is a strong performer in this area with a number of better practice examples. Some of these are outlined below:

1. Procurement Policy and Manual

A Procurement Policy which guides the Council in managing best value for money procurement projects is available to all staff via the Council's intranet. This is supported by a detailed Procurement Manual which provides all employees of the Council with procedures to procure goods and services consistent with the Council policy. The procurement site on the intranet provides a wealth of easy-to-read information, computer templates/forms for tenders, and other resources.

The Manual is based on the Division of Local Government's Procurement Guidelines, the State Contracts Board policies, the Independent Commission Against Corruption's recommendations, and input from reviews carried out by the Council's Internal

¹ Warringah Council Annual Report 2011-2012

Ombudsman. The Manual has been shared with the Shore Regional Organisation of Councils (SHOROC). The review team was advised that, following extensive review of policies across NSW, another council has also adopted the Warringah Manual.

2. Contract Management Manual and Training

The Council has recently developed a comprehensive program of project and contract management training. From a procurement point of view, the priorities for training include: setting measurable key performance indicators as the basis for contract management, identification of risk, contract formation, development and managing variations.

A total of 25 staff have been trained in major works contract management (Australian Standard 4000).

3. Sustainability initiatives

The Council is committed to the NSW Government Sustainable Choice Program. It sources a range of 'green' products and energy. In 2011, the Council was the winner of the Sustainable Procurement Award for a soy diesel initiative for the Council's diesel fleet which reduces greenhouse gas emissions by 64 tonnes per year.

4. Social Procurement

The Council has trialled the provision of restaurant services and grounds maintenance for the Glen Street Theatre from the House with No Steps organisation. The organisation has also been considered for bush regeneration work which the Council contracts out. The Council is exploring further opportunities to expand its involvement in social procurement.

5. Community of Excellence Presentations and Workshops

Presentations on contract variation procedures, executing a contract, tender evaluation methodologies and plans, and performance monitoring will be made during 2013 by the Council's procurement staff and external experts as part of the Community of Excellence sessions. It is reported that, on average, over 40 staff members attend these interactive sessions and that they are well received.

6. Global Positioning System (GPS) tracking

As well as being piloted for the Council's Plant and Take Home No Private Use vehicles, GPS will be built into contracts for broad acre mowing to ensure the grounds are being serviced as per the contract. The GPS tracking detects when the blades are dropped on the mowers and how many metres are travelled when cutting. This allows for precise monitoring of the agreed contract.

7. Presentations to suppliers

The Council has delivered presentations to representatives of the sports and recreation industry on 'Knowing your Customer' - the customer being the Council. Further similar presentations are planned for other local suppliers.

Records Management

The effective management of records is a key element of good governance, with responsibilities and legislative requirements outlined in the *State Records Act 1998*.

The Council's Internal Auditor carried out an audit of the Council's records management processes using NSW State Records' Management Assessment Tool. Overall, the Auditor's report concluded that the "Council has a robust records management framework governed and monitored by a skilled and dedicated Records Management Team."

Councillors are also subject to the State Records Act when undertaking council business. The Council has prepared a policy and provided training to assist councillors to meet their responsibilities in this area.

Executive Management/Leadership

1. Executive Management Team (EMT)

The Executive Management Team comprises the General Manager, Deputy General Manager Community and Deputy General Manager Environment. The team meets once a week for an informal catch-up, and holds a formal meeting to discuss strategic and

operational issues to guide the governance of the organisation each month. The formal meeting has a structured agenda and minutes.

The Leadership Group (which includes the Executive Management Team and Group Managers) meet once a fortnight 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 – 'Intercomm'. Minutes are also available via the intranet.

The Executive Management Team also hosts a regular 'Face to Face' - a forum for all staff which demonstrates their commitment to open and transparent communication across the organisation. More information about this successful forum is provided in Section 6 – Workforce Planning

In general, staff commented on a high degree of support from the Executive Management Team. One staff member stated, "Senior management is not only behind us, but with us". Particular mention was also made by some staff about the General Manager's involvement with staff - beginning with orientation and continuing through to face-to-face meetings. His involvement was perceived as valuable and encouraging.

2. Business Excellence Framework

The Council is using the Australian Business Excellence Framework to provide a structure for developing and improving its performance toward meeting the goals of the organisation. The aim of the Framework is to build a culture that facilitates change, innovation and improvement. The first principle of Business Excellence relates to leadership. That is, to "lead by example, provide clear direction, build organisational alignment and focus on sustainable achievement of goals".

A Business Improvement Council has been established to hear issues and ideas from staff across the organisation to promote service improvements. Business process mapping is carried out to comprehensively document the Council's ways of working to ensure key knowledge is improved, shared and retained.

Three staff are employed by the Council to implement the Framework: the Business Excellence Manager, Business Improvement Coordinator and a Business Improvement Facilitator. Training programs run in-house include: facilitator training, business improvement training for leaders, and a two-hour awareness training program for all staff.

The efficiencies that have occurred at Warringah Council since the introduction of the Business Excellence Framework are quantifiable through the improvements made by the Children's Services Unit and the Libraries. Both these services have made significant financial savings without, in the long-term, affecting the level of service offered. Overall \$1.5 million savings in costs have been identified.

Council meetings

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

The review team attended the Council meeting of 25 February 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 in general acted in accordance with standards set out in the Council's Code of Meeting Practice and its Code of Conduct. Despite differing views, 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:

- Members of the community may apply to speak at a public forum held at the beginning of the meeting. The Mayor clearly outlined the instructions and expectations prior to the person commencing.
- Overall the meeting was easy to follow from the gallery. Two large monitors in the public gallery area record the Council's decisions as they are made. Microphones were correctly used on most occasions allowing for good audio quality.

- The Mayor asked each councillor, one by one, to identify items he or she wished to speak to. 'Matters not requiring elaboration or debate' were thereby identified and passed as a group early in the meeting. This is an efficient way of dealing with business on the agenda.
- 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.

Councillor induction and ongoing training

New councillors require induction training to equip them with the skills required to properly carry out their duties and allow them to be effective members of a council's elected body. To assist councillors in achieving these goals, councillor induction training should familiarise councillors with the activities and functions of their council and the legislative framework in which they operate. The program should ensure that councillors are made aware of their general legal responsibilities as an elected member and their obligations of disclosure under the pecuniary interest provisions of the Local Government Act.

A comprehensive induction program, including a weekend workshop and briefing sessions, was conducted for all councillors at Warringah Council. The *Success without Stress Councillors Program* (2013) is a self-directed learning tool aimed at developing positive high performing people, teams and culture. The Program involved four individual day sessions which encouraged participants to maintain balance between work and other aspects of life.

Customer service/complaints handling

In 2011-2012, 95% of customer enquiries were resolved at first contact (End of Term Report, 2012). The 'Request-A-Service' online function has also provided customers with 24/7 access to the Council. The improved efficiencies of the new service are estimated to save the Council approximately \$19,000 per annum.

Customer service and modern business writing training has been undertaken to improve efficiencies and ensure messages are consistent across a broad range of service delivery areas, from the main administration building customer service counter ('One Stop Shop') to the compliance team.

Information technology

The Council's Information and Technology Strategy 2013-2016 was developed in consultation with staff. A number of smart and innovative examples of technologies and processes were investigated and designed to meet the specific business needs of the Council. Examples include: on-screen performance management tools (dashboards), an in-house Project Management Methodology, a Spatially Enabled Application which provides an interface or access portal with the GIS system, and online development applications.

The Council replaced its conventional phone system and introduced a voice over internet protocol (VOIP) system. The system eliminates call costs between the various work sites of the Council and will reduce other associated usage costs.

The use of mobile technology for field-based staff has been successfully trialled in the areas of amenities maintenance (63 public toilets), and the daily beach report and incident report. The field-based technology provides early notification of maintenance issues and eliminates the manual handling of the current paper-based forms, resulting in improved data accuracy, timeliness and productivity.

Requires further development

Fraud Control

Warringah Council does not have a formal fraud control policy in place. However, through the internal audit function the Council has undertaken two staff surveys to raise staff awareness about fraud and corruption in the workplace. The last one was conducted in 2010. The creation of a Fraud and Corruption Prevention Plan and the roll-out of awareness training (2013/14 onwards) is a key task in the Council's Internal Ombudsman 2012/2013 business plan, yet to commence.

Recommendation 1

As planned, the Council should prepare a Fraud and Corruption Prevention Plan and undertake awareness training in relation to the Plan.

Privacy Management Plan

The *Privacy and Personal Information Protection Act 1998* (the PPIPA) requires all councils to prepare a Privacy Management Plan. In developing a Privacy Management Plan, a council should ensure that it informs:

- the community about how their personal information will be used, stored and accessed after it is collected by the council.
- council staff of their obligations in relation to handling personal information and when they can and cannot disclose, use or collect it.

Warringah Council's Privacy Management Plan is out of date. The Council has advised that it will use the Model Privacy Management Plan for Local Government, prepared by the Division of Local Government, to update its Plan.

Recommendation 2

As planned, the Council should update its Privacy Management Plan using the 'Model Privacy Management Plan for Local Government' prepared by the Division of Local Government.

Delegations

The power of delegation is an important tool that assists council officers to carry out the functions of a council in an effective and timely manner. Delegations need to be made in accordance with sections 377-381 of the Local Government Act, and should be continually reviewed to ensure they remain current.

The Council does not have a specific whole-of-council audit program to review the exercise of delegations as a whole. However, audits regularly occur within the Council's Accounts Payable and Procurement sections. A full review examining the exercise of

delegations is scheduled to occur in the 2014/15 financial year as part of the Council's Strategic Internal Audit Plan.

Recommendation 3

As part of implementing its Strategic Internal Audit Plan during the 2014/15 financial year, the Council should undertake a full review of its delegations.

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.

Warringah Council reviewed and amended its 'Payment and Re-imburement of Expenses Incurred by, and Provision of Facilities to, The Mayor, Deputy Mayor and Councillors' in November 2012. The Division has reviewed Warringah Council's policy and provided verbal feedback to the Council in February 2013. Overall it is rated as a 'Good' policy.

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

- broadly complies with the Act, Regulations and the DLG Guidelines
- 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
- provides for subsidised access to the Council's Health and Wellbeing Services program.

Some aspects of the Policy that do not comply are:

- the absence of specified limits for some expenses
- the lack of a clear approval process at the beginning
- that a mechanism to recoup private expenses is in place but is not documented in the policy.

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

Recommendation 4

The Council should consider making the improvements to its 'Payment and Reimbursement of Expenses Incurred by, and Provision of Facilities to, the Mayor, Deputy Mayor and Councillors' as outlined in the body of the Promoting Better Practice Review report.

The Council's response

Generally speaking, what was said in our respective interviews doesn't appear to be reflected in the DLGs 'text' or findings. The impression is that information was 'pulled' from Council's intranet and/or internet, and not updated with any further information that was provided in interviews.

We believe that there is no proper discussion in the draft report about the Internal Ombudsman function, either in terms of what it does, or, more importantly, in terms of what value it adds to Council. Whilst the Division was on site, the Internal Ombudsman went into great detail with the review team about this, and were given a copy of the last Annual Report so they could take away the information and digest it properly.

However, in the draft report the only "discussion" about the Internal Ombudsman role is a cut and paste of a summary paragraph from the Internal Ombudsman's page on Council's website.

Given how integral the role of this Office is to "better practice" across Council, and given the contribution this Office has made to the ethical fabric and the workplace culture

here, we are somewhat surprised that the review team showed little interest in the Internal Ombudsman function, judging by their draft report.

We also believe that the Internal Ombudsman function has been put together with the Internal Audit function, despite them being inherently different, and managed by completely different areas of Council.

Recommendations 1

We believe that this recommendation is redundant. It appears that the recommendation is something that we advised in our discussions with the DLG that we have prioritised, and have evidenced.

More importantly, the Internal Ombudsman's office is actively managing fraud and corruption at Warringah. A Fraud and Corruption Plan is nice to have, but we are 'walking the talk' already. I don't see anywhere in the Review where this is covered.

Recommendation 2

We believe that this recommendation is redundant. It appears that the recommendation is something that we advised in our discussions with the DLG that we have prioritised, and have evidenced. *As planned, the Council should update its Privacy Management Plan using the 'Model Privacy Management Plan for Local Government' prepared by the Division of Local Government.*

Recommendation 3

We believe that this recommendation is redundant. We disagree with the statement regarding Delegations *'The Council does not have a specific whole-of-council audit program to review the exercise of delegations as a whole'*.

Further, it seems to contradict with the later statement *'A full review examining the exercise of delegations is scheduled to occur in the 2014/15 financial year as part of the Council's Strategic Internal Audit Plan.'*

The Internal Audit program is the mechanism by which we 'review the exercise of delegations as a whole' and this was discussed and noted by the Division when on site (i.e. that it is planned to be undertaken in 14/15).

Recommendation 4

Whilst the Division have rated this Policy as 'good', we are always open to feedback for improvement. Therefore to improve the standard to 'very good' we agree with this recommendation and will incorporate the suggested improvements to the Policy when undertaking an annual review of this Policy (as per S252 of the Local Government Act) with a view for adoption by Council by 30 November 2013.

The Review Team's response

The Council's concerns regarding the level of detail of reporting are acknowledged.

"Promoting Better Practice reviews are designed to act as a 'health check' for councils, giving confidence about what is being done well and helping focus attention on key priorities" (see *Part 1 Background* of this report). The reviews are not intended to be comprehensive audits. The resources of the review process are finite and therefore reviews do not attempt to examine every aspect of a council's operation in detail. The review report documents significant observations only. This was conveyed to the Council prior to the review and during the onsite visit.

Observations are based on evidence – either what the reviewers have seen, discussed or concluded from data or documents. The Self-Assessment Checklist completed by the council is a key document in this regard, along with other published reports on the Council website. In other words, the observations are based on more than someone telling the reviewer this is so – they are supported by data, documents or other reports.

Within this context, the review team's observations in relation to the Internal Ombudsman role were sourced from the Council's last annual report. These have been enhanced following consideration of the Office of the Internal Ombudsman Annual Report 2011-2012.

In some councils the role of Internal Ombudsman has included an internal audit function to ensure the effectiveness of the council's internal controls (eg Sutherland Shire Council). For ease of comparison between Promoting Better Practice Review reports, the internal ombudsman and internal audit functions were discussed together. However, given the concerns expressed by the Council's Internal Ombudsman, the discussion of these functions has now been separated in the body of the report.

Recommendations 1 - 3

Part 1 Background of this report also indicates that review teams make recommendations which are included in an action plan at the back of the report. In some cases, the recommendations may support the council's proposed direction and the work it has already commenced.

Capturing these intended improvements in a recommendation is consistent with the design of the reviews to act as a 'health check' for councils, giving confidence about what is being done well and helping focus attention on priority areas which require development. They also provide positive evidence that a council is committed to continuous improvement.

Consistent with the approach in other reviews, the review team has determined that recommendations 1-3 are not redundant and continue to stand as recommendations of this report to be included in the action plan. The recommendations acknowledge that the Council had already identified the improvement or had commenced work in that area.

Recommendation 1

The Council's response to the Self-Assessment Checklist completed prior to the review states that "the Internal Ombudsman has included in their 12/13 business plan to commence (a) the creation of a Fraud and Corruption Prevention Plan, and (b) develop and roll out awareness training (13/14 onwards)." Recommendation 1, as written, supports these actions and acknowledges that they were already planned by the Council.

Recommendation 2

At the time of the review Warringah Council's Privacy Management Plan was out of date but under review by the Council. This is referenced in the Self-Assessment Checklist completed by the Council prior to the review, and was confirmed on site. Recommendation 2, as written, confirms that the Council's current review of the Plan should align with the Model Privacy Management Plan for Local Government.

Recommendation 3

The statement that "*the Council does not have a specific whole-of-council audit program to review the exercise of delegations as a whole*" is directly quoted from the Self-Assessment Checklist completed by the Council prior to the review.

The latter statement "*A full review examining the exercise of delegations is scheduled to occur in the 2014/15 financial year as part of the Council's Strategic Internal Audit Plan*" is also a direct quote from the Self-Assessment Checklist completed by the Council. The review team disagrees that the Council's statements contradict one another. The latter statement, as confirmed onsite, is evidence that the Council is committed to undertaking a comprehensive whole-of-council review of delegations. Recommendation 3, as written, acknowledges that this action is part of the Council's implementation of its Strategic Internal Audit Plan during the 2014/15 financial year.

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.

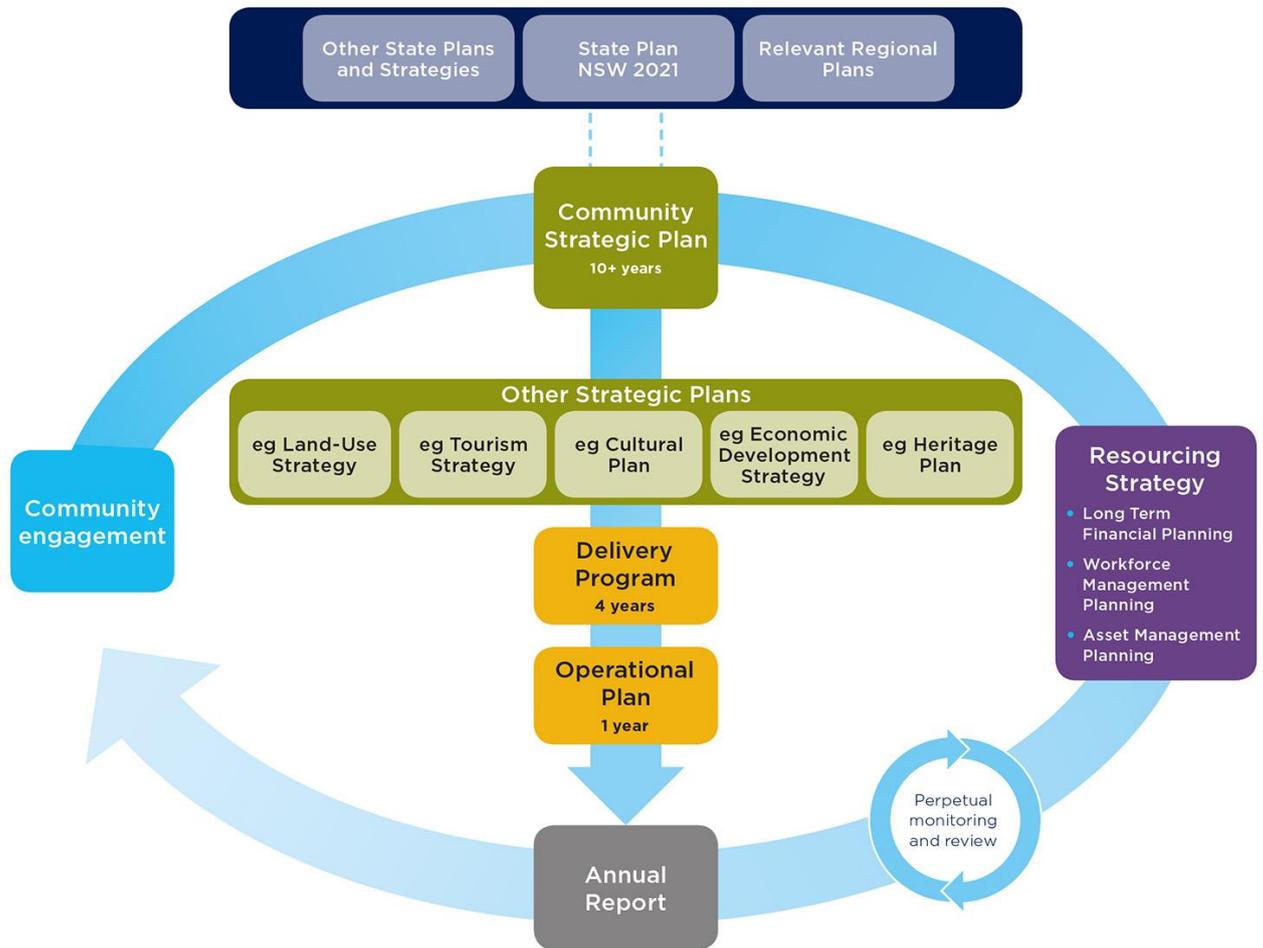
The self-assessment checklist, completed by the Council, considers the minimum compliance requirements in relation to each component of the framework. The responses have been used as a basis for assessing the Council's performance in this area.

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

Warringah Council elected to be a Group 1 council for the purpose of implementing the Integrated Planning and Reporting framework and submitted its suite of plans to the Division for review in 2010. 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. Some areas for further improvement were identified, including asset management planning and the overall integration of the plans.

The Council is at a key point in its planning cycle. Revised plans are due to be either endorsed or adopted by 30 June 2013. Initial assessment of all plans indicates significant progress has been made since 2010, particularly in the area of asset management planning. In brief, the Council has made excellent progress, and demonstrates better practice in some key areas. It is very well positioned to continue the ongoing implementation of 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 completed by the Council, 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 <ul style="list-style-type: none"> • 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

Warringah Council is at a crucial point in the planning cycle, with its Integrated Planning and Reporting documents currently under review.

The Integrated Planning and Reporting framework is championed by the General Manager and Deputy General Managers. 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 broad involvement of managers from across the organisation in the development of the Community Strategic Plan. In addition, the Council has actively used the framework to enable innovation across the organisation.

The performance measures and indicators identified in the Community Strategic Plan are relevant, clear and quantifiable.

The Council is currently refining its online interactive reporting dashboard which will be accessible via the Council's website. This is an innovative approach to community engagement and is reflective of the Council's commitment to open and accountable administration. While the service is not yet available, it is well-progressed with a view to being launched later this year.

The Resourcing Strategy is comprehensive. The Long-Term Financial Plan and Workforce Plan have both been identified as examples of good practice.

The Council has made significant efforts to provide comprehensive progress reports to the community as part of an ongoing commitment to meaningful engagement and open government.

Better practice

Community Engagement

The Community Engagement Strategy is comprehensive. It is apparent that the conversations with the community clearly informed the strategies of the Community Strategic Plan, which are being implemented.

As part of the current review of its plans, the Council has already undertaken several community engagement activities including:

- posting of a summary brochure and questionnaire to every household in Warringah
- public exhibitions at various locations
- a web-based exhibition on the Council's website
- an online discussion forum on the Council's website
- hosting of two community meetings (attended by residents, staff and councillors).

Overall, the Council's approach to community engagement is diverse and extends beyond the requirements of the legislation. Further information and examples are discussed in Section IV - 'Planning for the Community'.

The Resourcing Strategy

The Long-Term Financial Plan:

The Long-Term Financial Plan integrates well with the Corporate Plan and clearly articulates how it supports the delivery of the Community Strategic Plan. It was developed in consultation with the community via the Strategic Reference Groups and has achieved a good level of 'buy in' from managers responsible for its ongoing implementation.

The Long-Term Financial Plan focuses on providing clear and consistent communication and information to both internal and external stakeholders, explaining sometimes-complex financial concepts in simple terms. This has not always been achieved by other councils, and is one of the main reasons why Warringah has been identified as achieving better practice in this field. The budget bidding process is clearly linked to the objectives of the Community Strategic Plan. Training handbooks on the

budget process, and access to user-friendly financial software systems has also assisted.

The Asset Management Strategy (90% complete at the time of this review) and Workforce Plan are both comprehensive. Some minor areas for further development have been suggested in regards to Asset Management elsewhere in this report.

Requires further development

The Resourcing Strategy

Asset Management Planning:

Since the Division's 2010 review of the Council's Integrated Planning and Reporting suite of documents, considerable progress has been made in the area of asset management planning.

The Council has invested considerable resources in the ongoing development and implementation of asset management, including the employment of two staff to oversee Strategic Asset Management and Planning.

A one-page summary of asset classes has been developed to explain in simple terms the nature of the asset, the service it provides to the community and the costs related to that asset. The aim is to make information more relevant to the community and to provide the community and the Council with a clear context for discussion around levels of service. Annual surveys and user group meetings have been carried out to monitor trends in the use of assets and to have conversations around what's deemed an acceptable level of service.

Spatially Enabled Application is an in-house designed corporate data system that integrates with the broader corporate software providing a 'front end' to the existing GIS system. The system is used by approximately 300 staff and is an excellent source of information. It supports the ongoing implementation of the overall Asset Management Strategy.

The Division acknowledges that due to the current point in the planning cycle the Council has not yet adopted its most recent Asset Management Strategy. At the time of

the review, the Council's Asset Management Strategy was in draft form (90% complete and awaiting endorsement). It is also noted that the Council adopted a revised Asset Management Policy in August 2012.

Recommendation 5

The Council continue to progress its Asset Management Strategy development and implementation in line with community discussions around levels of service.

Community Strategic Plan

Integration of plans and the role of the Operational Plan:

Warringah's Community Strategic Plan has been combined with its four-year Delivery Program, one-year Operational Plan and long-term Resourcing Strategy. While this is a good way of explaining the framework to the community, it does mean that the document will need to be reviewed annually. The relationship between the Delivery Program and the corresponding yearly activities at the Operational Plan level are slightly confused in the document.

The Operational Plan detail has become somewhat 'lost' in this comprehensive document, and it lacks some of the required level of detail (for instance, no timeframes or responsibilities have been assigned against actions).

The Operational Plan could be strengthened in some areas to better reflect the activities of the Council. For example, Goal 4.3 reads: "*Well managed business infrastructure to support a thriving local economy*". The Strategy to achieve this is 4.3.1 "*Ensure the supply and cost of utilities and services meets the commercial, industrial and retail needs of Warringah.*" The Operational Plan includes just one reference to a single ongoing program (Glen St Theatre) as follows: "*Nine community hirers and two commercial hirers using the theatre for their own work and productions*". It is unclear whether this is an action or a target, who is responsible for its delivery, and what the actual activity to be undertaken by the Council is. During the course of the site visit, the reviewers were made aware of a host of activities that could be supporting Goal 4.3, however the Operational Plan doesn't appear to reflect the variety of work the Council is doing in relation to this Goal.

The Delivery Program and the Operational Plan should also clearly reflect and support any specific activities identified in the Resourcing Strategy. For example, the Operational Plan should show the detail of what will be carried out that given year to support the actions identified in the Workforce Plan (eg demonstrating the *who, what, and when* level of detail that the Workforce Plan doesn't necessarily identify).

The Council has a separate Corporate Plan which in some ways acts as an Operational Plan. This approach may work well for the Council. However the review team found the connection between the two documents to be unclear. The Council is encouraged to consider whether the Plans could be combined into a single document. This in turn may increase clarity of purpose, minimise duplication and help to streamline reporting.

Should the Council choose to continue with the current model it is suggested it make the Corporate Plan easily accessible on the website with the relationship to the Delivery Program and Operational Plan clearly explained.

Recommendation 6

The Council is encouraged to further refine and streamline its suite of Integrated Planning and Reporting documents to achieve improved compliance and readability.

Reporting

The Council prepares comprehensive quarterly reports (by service area). However, the Integrated Planning and Reporting framework requires councils to report back specifically against the progress of the Delivery Program. Delivery Program progress reports are required every six months. Quarterly Management Plan style reporting is no longer required under the model (though some councils may choose to report back quarterly as part of their budget update process).

While the quarterly reports are very detailed, the relationship between these reports and the Delivery Program could be clarified. As mentioned above, revisiting the format and integration of the Community Strategic Plan, Delivery Program, Operational Plan and Resourcing Strategy may assist in clarifying reporting processes to better meet reporting requirements.

Recommendation 7

The Council is encouraged to refine and streamline its reporting, clearly articulating how it is progressing with the implementation of the Delivery Program.

The Council's response

Recommendation 5

The Asset Management Strategy preparation and development has now been completed. A report will be presented to the Council Meeting on 25 June 2013 for endorsement. Regarding the implementation, this is going to be completed over the next 10 years, therefore this recommendation is no longer required as the strategy is complete.

Recommendation 6

It is noted that the comments are largely based on the current *Strategic Community Plan 2012* which will lapse at 30 June 2013. At the time of the review, Council was in the process of finalising a new suite of IP&R documents - Community Strategic Plan, Delivery Program and Operational Plan etc. In planning the framework some of the issues raised will be addressed.

The new framework will largely be delivered online via eservices. This delivery method streamlines the content and reporting against the framework. The IP&R documents (effective as of 1 July 2013) comprise separate sections, separating out the various elements to the framework.

The primary method of how the community will engage with the framework is online. A limitation noted in the report was that Council produced an integrated document that needed to be reprinted annually. Delivering the framework online provides flexibility to tailor the Plan yearly, yet also maintaining it as a single source of reference for the community.

The tool also provides the reader with the choice of how they can navigate the IPR framework via the Community Strategic Plan's objectives or the Council's key service areas.

The new Delivery Program retains the current principle activities –16 key services. This has been further enhanced by introducing programs under the key service areas to make it easier for the reader to understand what we are trying to achieve.

The operational plan remains integrated within the delivery program as we believe it is better practice to review both documents annually. This ensures our community is aware of what we will do over the next 12 months but also our priorities over the next 48 months based on our long-term financial plan. In aligning the Delivery Program and Operational Plan we have made it explicit that that the operational plan is the first year of the delivery program.

In relation to the relationship between the delivery program and operational plan, the IPR guidelines are not clear on this point. Page 101 of the original IPR guidelines clearly states the two are integrated: "subset of the the DP, not a separate entity".

Key actions from the Resourcing Strategy have been incorporated into the Operational Plan. For example the asset management strategy is a detailed document that contains numerous tasks to be implemented. These individual tasks are not reflect in the operational plan but are captured at a higher level as "undertake a major review of asset management plans".

The Corporate Plan is focused on business improvement – actions that improve the way we do business. This focuses generally is on internal processes with the audience being staff and as such has limited relevance to the community. The Corporate Plan does not contain additional information to that contained in the resourcing strategy.

Enhancements have also been made in the new framework to better reflect within the operational plan all of the Council activities that contribute to the achievement of each objective. Therefore we conclude that we are currently at a "better practice" standard and the recommendation is not needed.

Recommendation 7

The reporting regime on the current Strategic Community Plan reflects the decision at the time to have an integrated document. As such separate reporting didn't make sense.

We will take this on board as the reporting framework is developed for the new suite of IPR documents.

The Review Team's response

Recommendation 5

This recommendation relates to both development and implementation. As implementation is considered ongoing the recommendation remains relevant. The progress made to date in relation to Asset Management is noted.

Recommendation 6

As stated elsewhere in this report, the review team based its comments on previous Integrated Planning and Reporting documentation. This was due to the fact that the Council's current plans were still being drafted.

Many councils have chosen to combine their Delivery Program and Operational Plan with excellent results. Some councils also choose to have a separate corporate or management plan. The review team observed that the Warringah approach, while having merit, did result in an Operational Plan that did not clearly address some fundamental requirements of the legislation. It also did not reflect the depth and breadth of the Council's activities.

It is noted that the Council has reviewed its framework to address some of these issues. The review team acknowledges this as successful progress toward implementing the original recommendation, which still stands.

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, completed by the Council, considers the minimum compliance requirements in relation to each component of the Integrated Planning and Reporting framework. The responses have been used as a basis for assessing the Council's 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 Charter², 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

² The Council's Charter Section 8 NSW Local Government Act 1993 No 30

strategic planning process. This is the point where long-term community aspirations and priorities are tested against financial realities.

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. Warringah Council's financial results for the last four financial years are summarised in Table 3 below.

Warringah Council's net operating result before capital grants for 2011/12 was a surplus of \$4.578 million (\$2.266 million in 2010/11). The Council has reported an operating surplus before capital grants in the last five financial years.

Table 3: Warringah 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	83,119	79,257	76,958	70,993
User charges and fees	31,792	30,287	26,797	26,664
Interest and investment revenue	5,329	5,947	5,641	6,479
Other revenue	9,356	7,624	12,818	5,645
Grants and contributions for operational purposes	8,677	7,549	7,483	9,117
Grants and contributions for capital purposes	4,160	6,921	5,517	8,081
Net gain from asset disposal	205	167	308	0
Share of Interest in joint ventures etc	377	71	0	0
Total income from continuing operations	143,015	137,823	135,522	126,979

Consolidated financial results	2011/12	2010/11	2009/10	2008/09
Employee costs and on-costs	54,434	52,435	51,535	49,164
Borrowing costs	312	330	600	788
Materials and contracts	49,522	47,676	43,661	41,759
Depreciations and amortisation	13,880	13,566	13,148	12,768
Other expenses	16,129	14,629	12,907	11,813
Share of interest in joint ventures and associations	0	0	216	323
Net loss from disposal of assets	0	0	0	5
Total expenses from continuing operations	134,277	128,636	122,067	116,620
Operating result from continuing operations	8,738	9,187	13,455	10,359
Net Operating result for the year <u>before</u> Grants and Contributions	4,578	2,266	7,938	2,278

*The table reflects the consolidated results obtained from the Financial Data Return which is issued each year is 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 below:

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

Performance Indicators Assessment

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

Table 5: Financial and Asset Management Performance Indicators Assessment

Area of assessment	Council's performance (as at 30 June 2012)
<u>Unrestricted Current Ratio (UCR)</u> - measures a council's ability to meet its financial obligations such as paying for goods and services supplied. A ratio between 1.5:1 and 2:0 is considered satisfactory and shows that a council has sufficient liquid assets on hand to meet its short-term liabilities.	UCR of 3.35:1, which indicates a strong cash position.
<u>Debt Service Ratio (DSR)</u> - assesses the degree to which revenue from continuing operations is committed to the repayment of debt. It is generally higher for councils in growth areas where loans have been required to fund infrastructure such as roads, water and sewerage works. The Division's accepted benchmark for the DSR is <10%.	DSR of 0.54%, which highlights that the Council has little in the way of borrowings. Therefore it has capacity to undertake additional borrowings if required.
<u>Rates and Annual Charges Coverage Ratio</u> - compares a council's total income to that of its rate revenue.	58.12%, which reflects a good mix of revenue streams and demonstrates that the Council is not reliant on its rate revenue.
<u>Rates and Annual Charges Outstanding Ratio (RACO)</u> - measures the amount of rates unpaid as at the end of a period (usually 30 June each year) compared to the total charged for the year. The benchmark for city/coastal councils is 5% or less.	RACO of 3.19%, which is a satisfactory level
<u>Infrastructure Renewal Ratio (IRR)</u> - assesses the rate at which these assets are being renewed against the rate at which they are depreciated. A ratio of 1:1 indicates that the renewal of assets equals the amount of depreciation, amortisation and impairment.	IRR of 153.14%, which is above the benchmark of 100%. The Council's IRR average over the last five years is 135.88%. This shows that the Council has been more than replacing its assets as they are being consumed over time.

The interim audit in respect to the year ending 30 June 2012 concluded that the Council's books and records are well maintained and up to date. Two recommendations were made to strengthen and/or improve procedures in terms of rates (audit trail reports) and accounts payable (master file maintenance). The Council has addressed these appropriately.

TCorp (NSW Treasury Corporation) Assessment

In January 2013, the NSW Treasury Corporation carried out an independent assessment of Warringah Council's financial capacity and its future sustainability. Overall, TCorp has assessed Warringah Council's Financial Sustainability Ranking as sound and its outlook as positive. The Council ranks well against other urban councils in NSW. TCorp found that the Council's management team has run a fiscally responsible operation, which at this time appears to support a sustainable position into the long term. The Council's Long-Term Financial Plan forecasts above-benchmark performance across nearly all areas, including operating surpluses. It is anticipated that the good levels of cash reserves can be used to fund infrastructure and asset renewal requirements.

SIGNIFICANT OBSERVATIONS

Summary analysis

As indicated above, the Council is a very strong performer in the area of financial and asset management. With a strong cash position and a good mix of revenue streams, the Council has the capacity to renew its assets at the rate at which they are depreciated.

The Council has met the requirements of long-term financial planning. Its Long-Term Financial Plan is of a high standard. The Plan clearly articulates how it supports the delivery of the Community Strategic Plan.

The Asset Management Strategy (90% complete at the time of the review) is comprehensive and meets legislative requirements. Priority has been given to the ongoing development and implementation of asset management systems. This includes employing two additional staff with suitable expertise to oversee strategic asset management and planning.

A revised Asset Management Policy was adopted by the Council in August 2012.

Better practice

Financial management

Financially, the Council has consistently performed above or better than industry benchmarks (see Table 5). A surplus over the last five years has provided for a strong cash position and reflects a good mix of revenue streams. The Infrastructure Renewal Ratio (IRR) which assesses the rate assets are being renewed against the rate at which they are depreciated is well above the benchmark.

The cross-section of staff who met with the review team reflected a sophisticated appreciation of how initiatives they are responsible for fit in with the Council's overall vision, Community Strategic Plan and budget. An internal resource, 'Achieving Sound Financial Management', has been developed to assist staff with responsible financial management. It includes a timeline of key budget events and responsibilities, a Capital Budget Handbook (ten-year cycle), and practical guides.

Asset Management

The Council's performance against industry asset management indicators is very good (see Table 5).

As discussed earlier, the 'Spatially Enabled Application' provides easy access to the existing GIS system for approximately 300 staff and supports efficient implementation of the overall Asset Management Strategy.

Further development

See Recommendation 5, relating to asset management in part III - Resourcing Strategy

The Council's response

Please see commentary under Recommendation 5 (page 48 of this report).

6 WORKFORCE MANAGEMENT

SCOPE

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

The self-assessment checklist, completed by the Council, 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 the 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 Council's Delivery Program.

By identifying workforce capabilities on hand now, 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 the changes and challenges in the coming years.

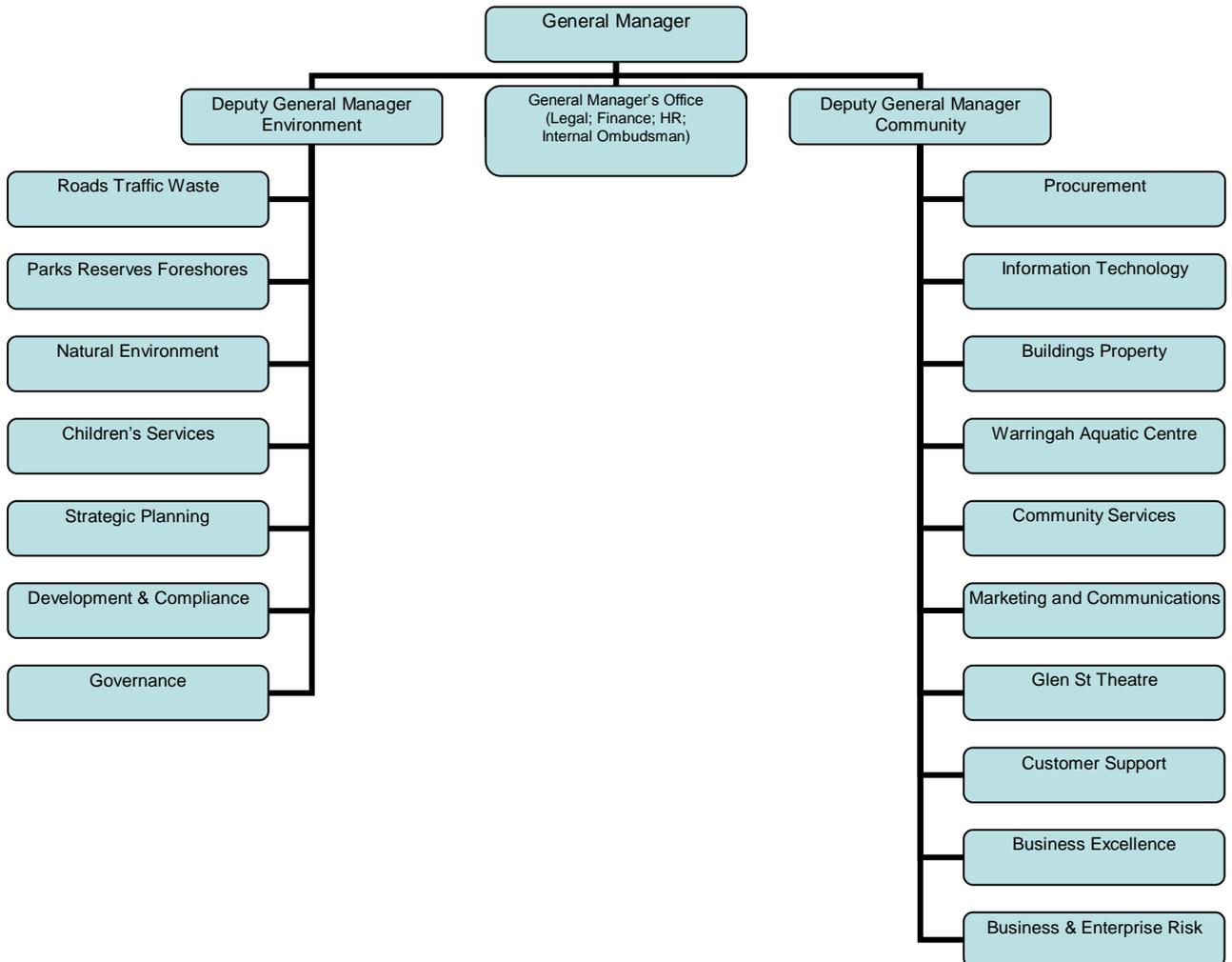
In short, workforce planning aims to have the right people in the right places with the right skills and motivation, doing the right jobs at the right time so that the Council can deliver appropriate services effectively and efficiently.

LOCAL CIRCUMSTANCES

As outlined in Diagram 2 below, Warringah Council is organised into two key function areas, *Environment* and *Community*. The General Manager's office is directly responsible for human resources, finance, internal ombudsman and corporate law.

At 30 December 2012, the Council employed 545 full-time equivalent staff, with 1,046 staff, including casual and part time staff. Women represent 60% of the Council's workforce.

Diagram 2: Warringah Council's Management Structure



WORKFORCE MANAGEMENT ASSESSMENT

An overall assessment of the key workforce areas of the self-assessment checklist completed by the Council is included in Table 6 below:

Table 6: Workforce Management Assessment

Area of assessment	Assessment of the Council's performance
Workforce management planning	✓
Workforce management issues	★ ▲
Employee surveys	★
Employment contracts	Not examined
Consultative Committee	✓
Recruitment and selection	✓
Job descriptions and evaluation	✓
Employee remuneration	✓
Enterprise bargaining	Not applicable
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

Most policies, procedures and systems are of the required standard to meet statutory obligations and support the implementation of the Council's corporate and community plans.

Overall, the Council appears to have a positive organisational culture with a motivated workforce. The most recent survey of staff indicates a significant positive shift in satisfaction levels, improving greatly upon 2010 results. Warringah Council's Voluntary

Turnover rate for the 2011/2012 year was 9.94%. This compares favourably against state and national benchmarks which estimate an average turnover rate of around 18%.

Informal feedback received during the review indicated an enthusiasm and commitment to delivering quality services to the community, and confidence in the executive management team and elected members.

The Council continues to invest heavily in training and development programs providing key learning opportunities for employees. The Business Excellence Framework has been enabled across the organisation, with positive feedback received about the Framework’s implementation from all staff interviewed.

The restructure which occurred in 2010 appears to have had a positive impact on the operations of the Council, streamlining systems and improving internal communications. The Leadership Group was described by staff as an excellent forum for managerial decision-making and information sharing.

Workforce health and safety is another high priority for the Council, with the End of Term Report noting that “performance in relation to the time-lost rate, owing to injuries or disease, has compared favourably to other self-insured councils.”

Warringah’s approach to workforce planning is illustrated in Diagram 3, below:

Diagram 3: Warringah Council’s Workforce Planning Framework



Better practice

Workforce management issues

1. Staff training and development/innovation in the workplace

Warringah Council has invested one of the highest spends of all the NSW councils in the area of training and development. This investment appears to be paying dividends for the organisation and the staff.

The Business Excellence Framework initiative is a good example of one such opportunity. In 2011/2012, approximately 200 staff participated in this mandatory training program which encourages high performance and empowers individuals. The Council has introduced a 'train the trainer' approach to the Framework's ongoing implementation. The program has been identified by the Council as resulting in several improvements including, but not limited to, cost savings of \$1.5 million, a 20% reduction in car fleet carbon emissions, and improved data integrity. The Framework resonated in conversations with staff as a key 'game changer' for the Council, as it also encourages and enables innovation. Staff also commented that the training has had a positive impact on them personally, improving self-confidence and motivation.

Both informal and formal mechanisms are in place to encourage innovation and sharing of ideas. Innovators are promoted and rewarded for their efforts, and all staff are encouraged to seek improvement across all of the Council's operations. Success stories are openly communicated via story boards and other forums. The 'Just Do It' award, whereby staff nominate themselves for introducing improvements to the organisation, has also proved popular with staff. Annual awards are also presented in another effort to openly acknowledge and encourage innovation and creative thinking.

Customer Service staff receive training to improve their skills and knowledge of the broad range of services the Council provides. Training has resulted in positive customer feedback and has improved the ability of staff to respond to and action requests. Access to well-developed, integrated corporate systems (such as data bases) has also improved efficiencies. It is acknowledged that several of these systems have been developed in-house resulting in support from staff who have contributed to and informed the development of the programs and processes in place. Adopting a user-friendly,

mobile approach to technology has also achieved cost savings and customer service efficiencies.

The Council has a strong traineeship program with ten trainees currently on staff (three business administration trainees, four customer service trainees, two Warringah Aquatic Centre trainees, and one Ranger trainee). The Council receives government funding for all trainees excluding the Business Administration trainees who are hosted through an external provider at a cost to the Council of \$25k per annum.

2. Internal communication

The Leadership Group model has been credited with achieving “big improvements” in the cultural shift of the organisation, in part because it empowers staff and enables meaningful internal conversations at the manager level. The forum encourages teamwork and helps to limit isolated decision-making. Participants in the Leadership Group noted the usefulness of the budget discussions, and how the bigger financial picture and the desire for sustainability are always driving discussions.

Forums such as ‘Face to Face’ (involving staff and the Executive Management Team), facilitate information share and, importantly, promote awareness amongst staff of the broader activities being undertaken across the organisation. The Council should be commended on this initiative, particularly as effort is made to provide an opportunity for all staff to participate (ie through taking the sessions off-site and offering them at different times of the day). The ‘Face to Face’ session observed by the review team was very well attended.

Staff identified the Deputy General Managers’ ‘Insight Café’s’ as excellent forums within which to share ideas and formulate strategies. The General Manager is also regarded as being “highly accessible”. Targets and goals are clearly defined; senior managers don’t provide any ‘road blocks’, and, while innovation is encouraged, the organisation is also focused on minimising risk.

Employee surveys

The Council carries out regular, formal staff surveys in addition to informal feedback sessions. Overall, staff satisfaction results have improved significantly from 2010 (67%)

to 2013 (80%), with the Council now one of the best performers in the State when benchmarked against like councils in regards to workforce culture. The results indicate that staff feel listened to and supported by senior management.

Staff Induction

The General Manager is actively involved in staff induction sessions where possible, and this has been positively noted by incoming staff. Staff are required to complete part of their induction online prior to commencement. The take-up rate so far has been 100%. This helps to ensure new starters are well prepared and also minimises administrative tasks on arrival.

Requires further development

Workforce Management Issues

1. Succession planning

The Council doesn't identify formal succession planning in its current Workforce Plan. However, it does provide up-skilling for staff to cover some key positions. Development opportunities are identified and individualised for all staff, which may include opportunities for acting in higher grade or secondment positions for career advancement.

Warringah Council's workforce median age is high, 41.9 years compared with 38.6 years for the greater Sydney area. The Council is committed to supporting the health and wellbeing of an ageing workforce, however this, along with more specific succession planning strategies, may need to remain a key priority for the Council in the coming years.

Recommendation 8

The Council should implement specific strategies to address succession planning.

2. Women in the workforce

It is noted that while women make up 60% of the Council's workforce, they are under-represented at the Group Manager level. The Council actively promotes equal opportunity employment and career development opportunities. It is recommended that this continue to achieve better representation of women in senior positions.

Recommendation 9

The Council should identify specific strategies to improve the representation of women in management positions.

The Council's response

Recommendation 8

Warringah Council offers positions to people on the basis of merit. Selecting the best person for the position is part of our policy of equal employment opportunity.

Because of this, Council has decided to work on a 'Career Planning' approach, rather than calling it 'Succession Planning', since this might imply individuals being prepared for a particular role, which can't be guaranteed. 'Our Career Planning' runs across all roles and across all areas of our business, not just clerical or predominately female areas. Part of this approach is that Council provides all staff with continuous learning and development opportunities. We promote participation in our 'My Development and Achievements' process, which involves a structured approach to individual development and training plans. If roles become vacant, trained, skilled staff will be available in the interim and can apply for any role that becomes available.

The next steps in our Career Planning approach, which will be rolled out in FY 15/16, are:

1. Identify the critical skills and knowledge within each department, division and/ or section, at all levels within our organisation
2. Identify which roles will be vulnerable for (mass) retirement

3. Undertake analysis on areas of concern and address issues, i.e. retirement or in case of retirement planning
4. Determine what needs doing to ensure retention and transfer of these skills and knowledge as well as coverage of these skills and knowledge during absence.

Therefore we believe that this is a “better practice” outcome and the recommendation is redundant.

Recommendation 9

Currently, 52% of staff in a supervisory position are female.

Council is committed to merit based appointments, so we will not be introducing specific targets for representation.

We advertise all vacant positions internally, to increase the pool of talented people (including women) who can apply.

We are continuing to roll out our ‘High Performance Leadership Coach’ program, which has developed leadership skills for both females and males.

We are commencing a female mentoring program, as part of our career planning approach.

Employees are increasingly seeking greater flexibility in their working arrangements, due to changes in caring responsibilities of the current workforce and to shifting ideas about work/life balance. They will increasingly focus on the total benefits provided over and above the remuneration package. In addition, factors that influence women’s participation in the labour force such as the availability of part-time work and family-friendly policies are expected to become increasingly more important as the percentage of females in the workforce increases. In FY15/16 we will conduct a specific survey to ask staff for their views of the benefits we make available to them (across all areas of our business and all employees).

Based on the outcomes of the survey, we will focus our attention and research on specific retention mechanisms and benefits such as flexible working arrangements and family-friendly policies to cater for those who are caring for family members, studying or

are transitioning to retirement. Therefore again we believe we are at a “better practice” standard.

The Review Team’s response

Recommendation 8

When asked “does the council have a succession plan for key positions/personnel in place” the response was “No”. The Council’s response to the Self-Assessment Checklist states that “indirectly it does through its people performance process, MD&A. Development is identified and individualised for all staff which may include acting in higher grade opportunities or secondments for career advancement.” When discussed at interview this was again reiterated.

As succession planning should consider a whole of council workforce situation, focussing on individual career paths and opportunities did not appear an adequate strategy in itself.

The Council has since suggested that the ‘Career Planning’ approach will look at critical skills gaps and vulnerable roles. This approach is supported via the recommendation.

Workforce planning focuses on the staff a council has at present and what skills it will need in the future. Succession planning focusses on developing existing staff to be well prepared for a range of factors such as expansion, the loss/retirement of a key employee, and organisational redesign for opportunities. The Council’s focus primarily on individual career paths and opportunities did not appear to the review team as a sufficiently proactive strategy.

The Council has since suggested that its ‘Career Planning’ approach will look at critical skills gaps and vulnerable roles. The review team acknowledges this as successful progress toward implementing the original recommendation, which still stands.

Recommendation 9

The Council’s programs are noted and their continuation is encouraged.

PART IV SERVICES TO THE COMMUNITY

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 its community are also considered.

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

The Community Strategic Plan prepared by each council captures the main priorities and aspirations of its community and includes strategies for achieving those goals.

LOCAL CONTEXT

The Council provides a number of different community services including those to specifically meet the needs of older people, people with a disability, young people and children. The Community Services team is guided by a detailed 'Community Services Road Map', which outlines all of the major activities it will be undertaking over the course of the year.

A snapshot of the community facilities and public spaces managed by the Council includes 200 parks, 54 sportsgrounds, nine beaches, the Warringah Aquatic Centre, 158 playgrounds, Brookvale Oval, the Glen Street Theatre, five ocean pools, and many walking, riding and cycling tracks, and community and child care centres. In managing these facilities and spaces, the Council proactively engages with a variety of stakeholders, delivery partners and special interest groups.

COMMUNITY SERVICES AND FACILITIES ASSESSMENT

An assessment of the Council's performance in relation to community services and facilities covered in the self-assessment checklist is set out in Table 7 below.

Table 7: 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

The Council offers a wide range of services to the community. The exceptional aspect of this has been the Council's approach to creating corporate/community partnerships, pursuing funding opportunities and taking a regional leadership role in service delivery.

The Council has undertaken extensive social planning for young people, families and children, and ageing communities. In addition to regular service delivery, the Council is also currently undertaking or has recently completed some significant milestone community projects including the revitalisation of the Glen Street Theatre precinct and the development of the area's first Police and Community Youth Club.

When staff were asked how they viewed the Council's capacity for delivering these major projects, the response was that the Council is "very well positioned" and that staff were feeling "confident".

Better practice

Provision of services and facilities

Council is commended for taking a leadership role in service delivery in the broader northern beaches area by successfully creating and managing corporate/community partnerships to provide services and facilities in an innovative way.

Recent examples of this include the partnership with Kimbriki (and the creation in 2009 of Kimbriki Environmental Enterprises Pty Ltd), and the proposed Police and Community Youth Club.

Kimbriki Environmental Enterprises Pty Ltd (KEE) was formed as a government/corporate partnership involving Warringah, Manly, Mosman and Pittwater Councils in the capacity of shareholders and an independent non-executive Board of Directors. Since 2009, the Kimbriki site has evolved to become a technologically advanced Resource Recovery Centre. It also acts as a popular community engagement and education site. Warringah Council is the largest shareholder in KEE and in that capacity

is one of the major drivers of the project. The Council's role in the creation and ongoing delivery of the KEE services suggests that it is in a strong position to lead future regional, collaborative partnerships and projects.

The proposed Police and Community Youth Club is the result of the Council's successful grant application, attracting \$250,000 in funding and the provision of two recurrent staff. The Council will also be investing a significant amount of its own resources into the service. In its application, the Council demonstrated that it had a clear, achievable plan to deliver a regional centre. It is the first of its kind along Sydney's northern peninsular and will fill an identified gap in service provision.

Community participation and engagement

Warringah Council is committed to providing the training, strategies and mechanisms to enable meaningful conversations with the community. Staff described this as a commitment towards "building corporate capacity and providing consistency of message".

Informal and formal mechanisms are in place to enable this. The Council has four Strategic Reference Groups. These Groups consist of community members and councillors and act as key discussion and decision-making forums. Annual surveys are carried out to test community satisfaction with decision-making, service delivery and communication. Exceptional work is being carried out in the area of online engagement, with a new website currently in development and due for launch in this financial year. The current online community (Your Say Warringah) has 1,500 registered participants, while the community engagement register has attracted approximately 2,500 registrations.

While the Council is excelling in this area, some staff identified the need to engage with broader sections of the community, not just the "usual suspects", and noted that sometimes this is "easier said than done." The Council however appears to be investing significant resources towards addressing this issue. The distribution of approximately 55,000 summary brochures to households on the development of the Community Strategic Plan is an example of this, along with creative opportunities for people to explore their vision for the future. One example of this is pictogram sessions, as

The completion of the Warringah Local Environmental Plan 2011 and Development Control Plan 2011, commencement of the Dee Why Urban Fork Study, and major streetscape improvement projects have also contributed to the goal of maintaining a thriving, sustainable local economy. The Council is also facilitating programs, with the aid of State Government funding, that support women and young entrepreneurs.

The Economic Development Plan also addresses medium- and long-term plans to manage tourism, particularly in relation to provision of sport and recreation opportunities and infrastructure.

The Council is also investing in major tourism attractors, including the multi-use trails at Narrabeen Lagoon (approximately \$11 million) and significant streetscape upgrades at the Dee Why beach front (approximately \$2 million).

The Council continues to work closely with stakeholders including SHOROC, Chambers of Commerce, NSW Trade and Investment, Northern Beaches Education Network and the Federal Government to achieve the training, economic and tourism objectives identified in the Community Strategic Plan.

Requires further development

Social and community planning

Planning for Passive and Active Recreation

The Council provides the bulk of sporting fields in the region. It is also responsible for managing extensive open space. There is a significant amount of pressure placed on the Council to maintain its organised sporting fields and open space areas, including beaches, in the face of rising demand from both locals and visitors. While the Council aims to meet a wide variety of passive and active recreation needs, it is also working to minimise any possible negative impact high levels of demand might place on the natural environment and on financial resources.

The Council has been proactive in undertaking research and taking action to manage this diversity of demand (eg provision of mountain bike riding options around Manly Dam). Staff interviewed envisaged that the Council will need to continue to work with

the community to “find the right balance” between meeting these various demands, managing any impacts on the natural environment, and applying fees and charges. The staff said they were feeling confident that the appropriate strategies and resourcing mechanisms were in place to effectively mitigate risk and manage sometimes-competing community expectations. However, they described it as an “ongoing conversation” that needed to be managed carefully.

Recommendation 10

The Council should continue to closely monitor its progress in both planning for, and managing community expectation in regards to, passive and active recreation needs and protecting the natural environment.

The Council’s response

Lifestyle and recreation is one of the six key community outcomes from our Community Strategic Plan and within this area there are three objectives as follows:

- We have access to a diverse range of recreational facilities that meet the needs of the community and sporting groups
- We have access to attractive parks and natural areas that encourage and support a safe healthy lifestyle
- We have inviting public spaces that are clean, green and well designed

We believe that managing recreation is about managing both the built and natural environments.

The objective in relation to lifestyle and recreation is not all about the application of fees and charges; we believe it is more about working towards our objectives in a financially-sustainable manner

8 LAND-USE PLANNING

SCOPE

This section focuses on examining how the Council manages its land-use planning in the Warringah local government area. For example, the Council's role involves strategic planning to decide what buildings are permissible within certain areas, setting appropriate controls (e.g. building heights), and assessing the impact on the environment and neighbours (e.g. 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 to 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

Warringah Council's strategic land-use planning instruments include:

- Warringah Local Environmental Plan 2011
- Warringah Development Control Plan 2010
- an Economic Development Plan
- SHOROC Employment Study
- Draft Employment Study
- Residential Development Strategy 2000
- draft Housing Strategy 2010

- Environmental Sustainability Strategy
- Recreation Strategy
- Warringah Creek Management Study
- flood studies for various catchments.

The Warringah Local Environmental Plan 2011 was gazetted on 9 December 2011 and is a 'Standard Instrument LEP' as specified by the NSW Government. When making the Plan, the Minister for Planning and Infrastructure deferred certain land in Belrose and Oxford Falls Valley from the Plan's operations. This is currently being actioned to include the Belrose land into the Plan. The Warringah Development Control Plan 2010 contains another layer of development control to provide more detail and to supplement the Local Environmental Plan 2011. To gain a full understanding of the planning requirements for a particular area the Local Environmental Plan and the Development Control Plan should be read together.

Warringah's Community Strategic Plan identifies actions for ongoing review and update of both the Local Environmental Plan and the Development Control Plan.

During 2011-2012, a total of 2,413 development applications were determined by the Council.

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 completed by the Council is set out in Table 8 below:

Table 8: 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

Warringah Council's land-use planning framework is considered to be sound. In recent years the Council has made significant improvements in determining development applications. It is now performing within the top five councils in NSW.

Better practice

Strategic land-use instruments

A draft master plan for the Dee Why Town Centre, which aims to set the precedent for the successful integration of civic, commercial and residential activities, has been released.

An independent working party of local residents has been working with a consultant on innovative, realistic and long-term plans for the redevelopment of this major centre on Sydney's northern beaches. Several design options are under development and discussion.

The Civic Centre is designed as a 'Community Hub' with an attractive outdoor plaza, amphitheatre and new library facilities.

Other improvements for the town centre include:

- A new Police and Community Youth Club
- 560 new car parking spaces
- new trees, paving, water features, landscaping and street furniture
- new bicycle lanes
- road changes to improve traffic flow
- new open spaces, including the expansion of Walter Gors Park
- A new plaza at Redman Road
- use of water-sensitive urban design
- improved accessibility.

Buildings in the redeveloped area will remain at the current allowed range. However, in selected areas, taller buildings may be considered on larger sites, subject to strict conditions and in return for connected open public spaces at the ground level.

The final Masterplan will be the basis for a new Local Environmental Plan which will set the planning controls that will apply to all new development applications submitted in this area.

As mentioned earlier, this project stands out for its extensive community consultation program, featuring video presentations, walking tours around key sites, online discussion forums, face-to-face sessions, and the provision of clear information about the project.

Determining Development Applications

1. Development application turnaround times

This is an area for which the Council has achieved a dramatic turnaround in relation to the average time it takes to assess and determine development applications. Department of Planning and Infrastructure annual reports indicate that Warringah Council's average processing times have reduced significantly over past five years from 126 days (2006/07) to 47 days (2011/12). This places the Council in the top five most improved councils for processing times as well as maintaining its status as one of the

fastest of Sydney councils in processing applications. The Council's development application process is one of the most efficient in Sydney.

Nearly all development applications are determined under delegated authority by Council staff. Less than 2% of all applications were determined by the Warringah Development Assessment Panel (WDAP), Warringah Development Review Panel (WDRP), the Joint Regional Planning Panel (JRPP), and the Land and Environment Court.

No development applications are referred to the elected body. This has minimised the potential for delays and the risk of political interference. The independent assessment of major applications by the WDAP has resulted in a reduction of court appeals, as decisions are made on merit not political grounds.

2. Warringah Development Assessment Panel (WDAP)

Established in July 2008, the WDAP was NSW's first independent determination panel for major development applications where decisions on developments are made independently of the Council. The Panel is comprised of a Chairperson (Environmental Law expert), an Urban Design expert, an Environmental expert and a pool of community representatives. The Panel has the authority to determine applications for large developments with complex planning issues. In 2011-12 it considered 11 applications, down from 40 in the previous year. In the same period the JRPP dealt with one application.

The WDAP is different to Independent Hearing and Assessment Panels (IHAP), as their recommendations are usually made to the Council for determination. The WDAP has delegated authority to determine applications, except for Category 3 applications.

3. Warringah Development Review Panel (WDRP)

The WDRP (also set up in July 2008) is a Panel running parallel to the WDAP. This Panel accommodates applications lodged under Section 82A of the *Environmental Planning and Assessment Act 1979*, requesting the review of a previously issued determination by the Warringah Development Assessment Panel (WDAP). The Panel is

comprised of a Chairperson (Environmental Law expert), an Urban Design expert, an Environmental expert and a pool of community representatives.

4. Efficiency measures

The greatly improved efficiency in the Council's Development Application processing can be attributed to a number of factors including:

- the hard work and dedication of all staff involved
- a commitment to business excellence and continuous improvement of the Council's processes and practices in this area
- the use of technology to gain efficiencies in processing times including 'Assessor', which is an online tool for planning staff which streamlines the process of assessing applications by ensuring relevant planning provisions are considered at each stage
- the introduction of online services, including the ability to view and track the progress of applications, Development Applications, Construction Certificates and Building Certificates.
- robust pre-lodgement advice to applicants which has a high probability of being accurate in relation to the likely outcomes they will receive following assessment.
- the offer of a fee refund to applicants who withdraw an application where it is likely to be refused, and a mediation program with a professional independent mediator
- clear review structures and processes with documented delegations and discretions (eg Panel Charters for referral of developments to Panels) which clearly articulate responsibility for decision making
- a high degree of transparency with all assessment reports being publically available on 'E-services' for public scrutiny.

Requires further development

No areas for further development were identified by the review team.

The Council's response

Warringah will continue to be innovative and develop better practices in Land Use Planning Assessment through the implementation of the new planning legislation. Technology will continue to be developed to provide a better, more efficient service for the community with such items as on-line lodgement of development applications, construction certificates, Building Certificates and Planning Certificates in 2013/2014.

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 of stray dogs, breaches of 'Council Tree and Bushland Preservation Orders', and abandoned shopping trolleys.

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

POLICY AND LEGISLATIVE FRAMEWORK

Councils have 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 such as:

- *Environmental Planning and Assessment Act 1979*
- *Swimming Pools Act 1992*
- *Local Government Act 1993*
- *Roads Act 1993, Road Transport (General) Act 2005, Road Rules 2008*
- *Impounding Act 1993*
- *Noxious Weeds Act 1993*
- *Protection of the Environment Operations Act 1997*
- *Companion Animals Act 1998*
- *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 such as a Companion Animals Plan. Regulation is important to support a wide range of social, economic and environmental goals as identified in the Community Strategic Plan.

LOCAL CONTEXT



The Council reports that the Warringah community consistently rate the natural environment as one of their highest priorities. The Council has responded with a range of programs and initiatives to protect and manage Warringah's natural environment, reduce the impact of natural hazards such as flooding and bushfire, and maintain its extensive stormwater network. A special rate increase of 6.9% approved in 1996 has been combined with other rate revenue to provide a level of funding to sustain these efforts.

Table 9: Key achievements in the compliance area during 2011-12

- Delivery of a range of education strategies and consistent enforcement helped contribute to higher levels of compliance.
- 1,458 food inspections. In summary, 83% of food premises were rated satisfactory in terms of hygiene after initial inspection. Of the remaining food premises 82% were rated satisfactory after follow up inspections.
- 749 service requests about land, noise, air, water pollution, and unauthorised land uses were responded to.
- 780 food shops, 40 cooling towers, 21 public swimming pools, 80 skin penetration premises and 600 onsite wastewater systems were inspected for public health standards.
- 688 compliance investigations were conducted.
- 159 buildings were added to the Fire Safety Register.

Source: Warringah Council Annual Report 2011-12

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 checklist completed by the Council is set out in Table 10 below:

Table 10: Regulatory Functions Assessment

Area of assessment	Assessment of the Council's performance
Graffiti	✓
Enforcement and compliance	★
Environmental management	★
Companion animals	✓
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

The Council demonstrates a proactive approach to its compliance services and environmental management. It has a number of innovative, award-winning environmental programs to increase energy efficiency, reduce water consumption, waste and noise, encourage safe handling of chemicals and contaminated land, improve air and water quality, and restore the environment to full health.

Regulatory and compliance services appear to be working well within Warringah Council, with an emphasis on staff training and building a good team culture within the Business Excellence Framework.

Better practice

Enforcement and Compliance Services

The Council has taken a proactive and innovative role in educating various service providers, leading to greater compliance. Examples include:

- *Sushi presentation and workshop* - This provided retail and food service businesses with information through an interpreter on the safe preparation and display of sushi in accordance with the Food Standard Code (FSC)
- *Food Handlers Courses* - Over 200 food handlers attended the Council's Food Handlers Course. It focused on assisting food handlers in preventing food poisoning and understanding the NSW food safety requirements
- *Dogs Big Day Out* - Over 4,000 people and their dogs participated in a fun, educational day. Experts were available to show owners how to train their dog, as well as providing tips on dog nutrition and how to enrich their pet's life with fun ways to exercise.

Environmental Management

1. Green Vision

Through its 'Green Vision', the Council aims to protect the Warringah natural environment for future generations. As an organisation, it has taken proactive steps to reduce its impact on the area, thereby being a role model for sustainability. For example, solar panels are installed on several council-owned buildings, 25% of its electricity is provided via green power, water consumption has been reduced, waste recycling rates increased, the number of six-cylinder fleet vehicles has been reduced, and alternative fuel sources have been introduced.

2. Waste and Recycling

The proportion of domestic waste diverted from landfill has increased for three years in a row, and in 2010/11 recycling contributed to over half of all collected waste.

The Council provides over 53 recycling stations at parks and reserves including an additional 12 that were installed in 2010-2011.

3. Kimbriki Resource Recovery Centre

As mentioned earlier, the Centre is managed by Kimbriki Environmental Enterprises Pty Ltd (KEE) which is a unique government/corporate partnership involving Warringah, Manly, Mosman and Pittwater Councils. As such, it is a successful example of a strategic, collaborative, regional alliance or partnership.

The review team visited the Kimbriki Resource Recovery Centre. The Centre is a regional waste management and resource recovery centre. In 2010/11, almost 82% of the 198,826 tonnes of waste received was diverted for recycling or reuse, including green waste, building/construction materials, metals, plastics, paper and second-hand goods. The processed materials are sold to domestic and commercial customers.

Kimbriki plays a major role in helping to maximise diversion of waste from landfill in line with State government waste targets.

An e-waste recycling system was developed at Kimbriki in 2010. Components of electronic waste such as televisions and computers are recycled and sold.



Kimbriki's Eco House and Garden has been set up to educate the community in sustainable living and gardening. The Eco House itself is made from 80% reused materials.³

4. Awards

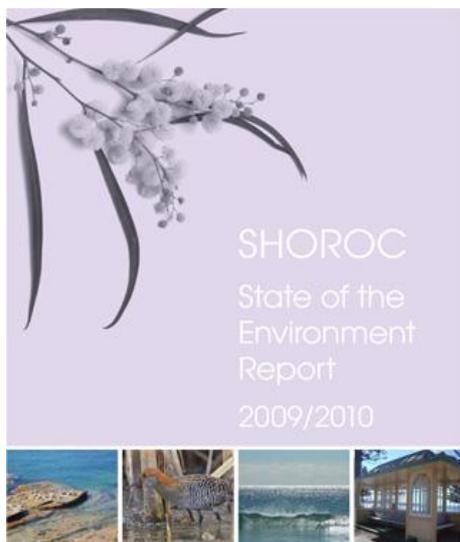
The Council has received a number of accolades for its sustainability.

- ★ 2012 *Engineering Excellence Award* - NSW Division of the Institute of Public Works Engineering Australia - water-sensitive urban design of the Richmond Avenue car park, adjacent to the Dee Why Lagoon Wildlife Refuge

³ Kimbriki Resource Recovery Centre website www.kimbriki.com.au

- ★ 2010 Excellence in the Environment Waste Avoidance Award – highly commended – SHOROC e-waste ban and campaign
- ★ 2011 Sydney Greenspace Award – winner - Stage 1 Narrabeen Lagoon Multi-use Trail for environmental sensitivity, quality design and accessibility
- ★ 2011 Sustainable Procurement Award – winner - Soy diesel initiative for the Council’s diesel fleet, reducing greenhouse gas emissions by 64 tonnes per year
- ★ 2011 Warringah Aquatic Centre is profiled as a high-achiever in water conservation in ‘Best Practice Guidelines for Water Management in Aquatic Leisure Centres’ prepared by Sydney Water. This recognises the practices that have helped to achieve water consumption that is 65% lower than seven years ago
- ★ 2012 Environmental Enhancement Initiative – Engineering Excellence Award – highly commended – Dee Why environmentally sensitive bioswale
- ★ 2012 Environmental Education Award – runner up – Keep Australia Beautiful Sustainable Cities Program – Love Food, Hate Waste program
- ★ 2012 NSW Local Government Excellence in the Environment Awards - Waste Avoidance Award - Winner - Division C - Waste Free Lunch Challenge for Schools
- ★ 2012 NSW Local Government Excellence in the Environment Awards - Waste Avoidance Award - Highly Commended - Division C - Love Food, Hate Waste in Warringah.

5. Regional State of the Environment Report



The 2009/10 Report has been prepared collaboratively for the SHOROC region covering the Manly, Mosman, Pittwater and Warringah Councils’ local government areas. It will assist the councils to identify and monitor key environment issues, and aims to help the community to gain a better understanding of the state of the environment in a regional context.

Requires further development

No areas for further development were identified by the review team.

The Council's response

Council will continue to be innovative in Environmental and Regulatory Programs and continually improve practices within legislative frameworks to ensure Warringah maintains the highest standards.

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	Moderate	Minor
		<i>Significant risk to the operations of the council and if not addressed could cause public outrage, non-compliance with the council's statutory responsibilities, severe disruption to the council's operations and the council's ability to meet its goals.</i>	<i>Moderate risk to the operations of the council and if not addressed could cause adverse publicity, some disruption to the council's operations and the council's ability to meet its goals.</i>	<i>Minimal risk to the operations of the council, little disruption to the council's operations and will not limit the council's ability to meet its goals.</i>
		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
- Compliance with statutory requirements
- Fraud/corruption
- Financial risk
- Legal liability
- 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.

RECOMMENDATION		PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
1.	<i>As planned, the Council should prepare a Fraud and Corruption Prevention Plan and undertake awareness training in relation to the Plan.</i>	-	To be completed by the Council	-	-	-
2.	<i>As planned, the Council should update its Privacy Management Plan using the 'Model Privacy Management Plan for Local Government' prepared by the Division of Local Government.</i>	-	To be completed by the Council	-	-	-
3.	<i>As part of implementing its Strategic Internal Audit Plan during the 2014/15 financial year, the Council should undertake a full review of its delegations.</i>	-	To be completed by the Council	-	-	-

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RECOMMENDATION		PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
4.	<i>The Council should consider making the improvements to its 'Payment and Reimbursement of Expenses Incurred by, and Provision of Facilities to, the Mayor, Deputy Mayor and Councillors' as outlined in the body of the Promoting Better Practice Review report.</i>	<i>Medium</i>	We will incorporate the suggested improvements to the Policy when undertaking an annual review of this Policy (as per S252 of the Local Government Act) with a view for adoption by Council by November 30 2013.	Q2 FY13/14	Melissa Lee, Governance Manager	
5.	<i>The Council continue to progress its Asset Management Strategy development and implementation in line with community discussions around levels of service.</i>	<i>Medium</i>	Complete all actions contained within the Warringah Asset Management Strategy 2013-2023 (Appendices C -Asset Mangement Improvement Plan).	2013-2023	<i>Phil Jemison, Asset Strategy Manager</i>	

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RECOMMENDATION	PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
<p>6.</p> <p><i>The Council is encouraged to further refine and streamline its suite of Integrated Planning and Reporting documents to achieve improved compliance and readability.</i></p>	<p>-</p>	<p>It is noted that the comments are largely based on the current Strategic Community Plan 2012 which will lapse at 30 June 2013. At the time of the review Council was in the process of finalising a new suite of IP&R documents - Community Strategic Plan, Delivery Program and Operational Plan etc. In planning the framework some of the issues raised were addressed.</p> <p>The operational plan remains integrated within the delivery program as we believe it is better practice to review both documents annually. This ensures our community is aware of what we will do over the next 12 months but also our priorities over the next 48 months based on our long term financial plan. In aligning the Delivery Program and Operational Plan we have made it explicit that that the operational plan is the first year of the delivery program.</p> <p>Delivering the framework online provides flexibility to tailor the Plan yearly yet also maintaining it as a single source of reference for the community.</p> <p>Key actions from the Resourcing Strategy have been incorporated into the Operational Plan. For example the asset management strategy is a detailed document that contains numerous tasks to be implemented. These individual tasks are not reflect in the operational plan but are captured at a higher level as “undertake a major review of asset management plans”.</p> <p>The Corporate Plan is focused on business improvement – actions that improve the way we do business. The focuses generally is on internal processes with the audience being staff and as such has limited relevance to the community. The Corporate Plan does not contain additional information to that contained in the resourcing strategy.</p> <p>Enhancements have also been made in the new framework to better reflect within the operational plan all of the Council activities that contribute to the</p>	<p>-</p>		

Promoting Better Practice Report – Warringah Council

RECOMMENDATION		PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
7.	<i>The Council is encouraged to refine and streamline its reporting, clearly articulating how it is progressing with the implementation of the Delivery Program.</i>	<i>Medium</i>	This will be considered in developing the reporting framework for the new suite of IPR documents which will be adopted by Council on 25 June 2013.	<i>Q1 2013-2014</i>		

Promoting Better Practice Report – Warringah Council

RECOMMENDATION	PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
<p>8. <i>The Council should implement specific strategies to address succession planning</i></p>	<p>LOW</p>	<ul style="list-style-type: none"> ▪ Warringah Council offers positions to people on the basis of merit. Selecting the best person for the position is part of our policy of equal employment opportunity ▪ Because of this, Council has decided to work on a 'Career Planning' approach, rather than calling it 'Succession Planning', since this might imply individuals being prepared for a particular role, which can't be guaranteed. Our Career Planning approach runs across all roles and across all areas of our business, not just clerical or predominately female areas. Part of this approach is that Council provides all staff with continuous learning and development opportunities. We promote participation in our 'My Development and Achievements' process, which involves a structured approach to individual development and training plans. If roles become vacant, trained, skilled staff will be available in the interim and can apply for any role that becomes available ▪ The next steps in our Career Planning approach, which will be rolled out in FY 15/16, are: <ol style="list-style-type: none"> 1. Identify the critical skills and knowledge within each department, division and/ or section, at all levels within our organisation 2. Identify which roles will be vulnerable for (mass) retirement 3. Undertake analysis on areas of concern and address issues, i.e. retirement or in case of retirement planning 4. Determine what needs doing to ensure retention and transfer of these skills and knowledge as well as coverage of these skills and knowledge during absence 	<p>Q2 FY15/16</p>	<ul style="list-style-type: none"> ▪ Group Manager Human Resources ▪ Talent Management Specialist 	

Promoting Better Practice Report – Warringah Council

RECOMMENDATION	PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
9.	<p><i>The Council should identify specific strategies to improve the representation of women in management positions.</i></p>	<ul style="list-style-type: none"> ▪ Currently, 52% of staff in a supervisory position are female. ▪ Council is committed to merit based appointments, so we will not be introducing specific targets for representation ▪ We advertise all vacant positions internally, to increase the pool of talented people (including women) who can apply ▪ We are continuing to roll out our ‘High Performance Leadership Coach’ program, which has developed leadership skills for both females and males ▪ We are commencing a female mentoring program, as part of our career planning approach ▪ Employees are increasingly seeking greater flexibility in their working arrangements, due to changes in caring responsibilities of the current workforce and to shifting ideas about work/life balance. They will increasingly focus on the total benefits provided over and above the remuneration package. In addition, factors that influence women’s participation in the labour force such as the availability of part-time work and family-friendly policies are expected to become increasingly more important as the percentage of females in the workforce increases. In FY15/16 we will conduct a specific survey to ask staff for their views of the benefits we make available to them (across all areas of our business and all employees). ▪ Based on the outcomes of the survey, we will focus our attention and research on specific retention mechanisms and benefits such as flexible working arrangements and family friendly policies to cater for those that are caring for family members, study or are transitioning to retirement. 	Q2 FY15/16	<ul style="list-style-type: none"> ▪ Group Manager Human Resources ▪ Talent Management Specialist 	

Promoting Better Practice Report – Warringah Council

RECOMMENDATION		PRIORITY	ACTION PROPOSED	TIMEFRAME	RESPONSIBILITY	PROGRESS REPORT
10.	<i>The Council should continue to closely monitor its progress in both planning for, and managing community expectation in regards to, passive and active recreation needs and protecting the natural environment.</i>	<i>Medium</i>	To achieve the key performance indicators in the Community Strategic Plan for the lifestyle and recreation community objectives, we will need to continue to monitor the Councils performance in this area. This will be done through annual reporting on our KPIs	Annually via the annual report	<i>Group Manager Parks Reserves and Foreshores</i>	