Local Government Reform Program - Promoting Better Practice

good governance

innovation

improvement

challenges

REVIEW REPORT

BANKSTOWN CITY COUNCIL

MAY 2007

dlg **Department of Local Government**

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1. ABOUT THE REVIEW

Review objectives

The Local Government Reform Program - Promoting Better Practice is a review process that has a number of objectives:

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

Review process

The review process was developed after extensive research into council performance measurements in Australia and overseas. The review process is based upon a range of models including:

- the UK Audit Commission council inspection model
- the ICAC corruption resistance reviews
- LGMA/ICAC governance health check
- LGMA financial health check
- previous programs conducted by the Department of Local Government.

Promoting Better Practice is designed to encourage improvement in the way councils conduct their activities and to ensure good governance. Promoting Better Practice is also about monitoring performance of councils.

Reviews also have a wider role in the development of local government services across the State and identifying the need for future action or legislative change by the department.

A review involves a review team evaluating the effectiveness and efficiency of the council's operations and giving feedback. This involves checking compliance, examining appropriate practices and ensuring that council has frameworks in place to monitor its performance. The results of reviews are analysed and fed back to the elected council, the Director General of the Department of Local Government and the Minister for Local Government.

There are essentially five steps in a review - preparing, assessing, checking, analysing and reporting. The review team examines local circumstances in order to understand the pressures on council and how the council has sought to manage that environment.

It is expected that a review will only "scratch the surface" of council operations. The analysis of the corporate self-assessment and the practice checklist, as well as the activities undertaken during the review visit, give reviewers a reasonable picture of the council's operations and future strategic direction.

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

Bankstown City Council Review

Bankstown City Council was asked to complete a strategic management assessment and a checklist of key council practices. The completed self-assessment, completed checklist and a number of council documents were analysed by the review team prior to commencing the on-site review process.

Steve Woods and John Gibbons, Senior Risk Management Consultants, acting for the Department of Local Government, conducted an on-site review of council from 11 December to 15 December 2006.

The review was based on council's response to the self-assessment of its corporate arrangements and capacity. This assessment asked council to respond to four critical questions of its capacity to improve:

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

In order to review council it is necessary to examine its performance across a range of functions. A number of modules of a practice checklist have been developed to assist council in assessing its functions and checking its compliance. Council's response to the checklist is used as a guide for the on-site review and tests how council has set about delivering its priorities and measuring its achievements.

The on-site review consisted of discussions with council's senior staff, conducting interviews, and the review of a number of council's policies and other documents.

Following the on-site review, further analysis was undertaken. Council management was then provided with the opportunity to respond to the review's preliminary findings.

This report details the review's findings, recommendations and council's initial response. The department expects councils to formally respond to the review

process, to prepare an action plan to address agreed issues and to provide progress reports on the implementation of the action plan.

2.   EXECUTIVE SUMMARY

Bankstown City Council has clearly set out its vision to be a vibrant, strong and attractive city.   It's vision is based on community consultation and research, a detailed profile of the LGA and a proactive approach using taskforces to develop strategy and policy and align plans and actions with four key outcomes – community, environment, infrastructure and governance.

Council has a full-time research facility with a quarterly program of community surveying, supplemented by specific surveys when major projects or changes to service levels are being considered. Council also gathers community input through shop fronts, road shows, public forums and reply paid *Have Your Say* postcards, made available at most council locations.

Better practice is evident in the development of a number of key strategy and policy documents including the draft Multicultural Strategy, the City Health Plan, Older Residents Strategy and Policy and Children and Families Strategy. All of these documents involved a co-operative working relationship between councilors and staff and included significant input from key stakeholders and community representatives.

Council is currently drafting a new Economic Strategy and we have recommended that council consider developing a Tourism Plan as part of this document and include promoting Bankstown Airport as one option to increase tourism.

Management strongly promotes the principles of continuous improvement. The Civic Services Group has obtained certification for its Quality, OH&S and Environmental Systems. It has also been recognised that all operational workflows need to be documented and improved and all staff need to be educated in the principles of continuous improvement.

Council's development application (DA) assessment process is part of an accredited quality system and is both internally and externally audited on a regular basis. Built

into the system are also peer reviews of DA and construction certificate (CC) assessments to ensure that documentation and the processes followed are sound.

Major emphasis over the next five years is centred on council's $500 million CBD Renewal Project. Council sees it both aligning with its *City of Progress* logo and being a turning point in the city's history. The project's aim is to create new, purpose-built facilities through the sale of land and assets currently underutilised or in need of repair and generate investment income for use on community infrastructure projects. The new projects include:

- An arts hub with theatre and rehearsal spaces, car parking, indoor and outdoor eating, and office and storage space
- Multipurpose community facility for seniors and frail aged
- Accommodation for four State-funded services, and
- Increased parking within the CBD to meet current and future parking needs.

The council promotes important issues and provides access to information so that the community can make informed decisions. The council also provides leadership in planning for the future of the community and represents the needs of the local community to higher levels of government. Council also has a first class call centre.

Council has been proactive in appointing a risk management co-ordinator and a project has commenced to establish the organisational context and ultimately a corporate risk register. We have recommended that council follow the top-down approach used in the Risk Management standard AS/NZS 4360.

Council has established an Internal Audit Committee, however it is yet to develop an Internal Audit Charter.. We have recommended that a Fraud and Corruption Prevention Risk Assessment also should be completed, as soon as practicable.

Council has an active commitment to managing environmental issues in a practical and meaningful way. There are easy to follow links between State of Environment (SOE) reporting and the Management Plan. Progress on resolving environmental

issues is clearly evident, as are areas needing further attention. The progress of council activities is clearly outlined.

The use of specific surveys in SOE reports to capture community perceptions and concerns is commendable and the graphics add value to the written content. All sectors were found to be covered comprehensively including Aboriginal Heritage, which is a sector that many councils have difficulty with.

Council's overall financial position appears to be above average. Council has key elements of a good financial planning framework, including asset maintenance programs and long-term asset planning for its infrastructure. Council also has a program of quarterly reporting of financial performance against performance standards, which is satisfactory.

Bankstown City Council's Social Plan 2004-2009, *Strong Communities – Better Living* is comprehensive and clearly complies with all legislative requirements for social planning. It is accessible, easy to read and conveys a clear sense of the council's commitment to meeting the social needs of its diverse community.

The Social Plan is well structured with issues and action clearly laid out for each target group and each of the nine community issues identified. It is well integrated into the Management Plan and annual report. It addresses groups additional to the mandatory target group including men, people of diverse sexual orientation and volunteers. It analyses nine key issues of importance to the general community and proposes actions for the council and other organisations or agencies. These issues include housing, safety, transport, health and recreation, arts and culture, image, participation, communication and information, and the environment.

Council has a solid strategy and policy framework across its Human Resources area, split into three areas – Enter the Organisation, Live in the Organisation and Exit the Organisation.

Council has policies and procedures to manage processes like recruitment and selection, Equal Employment Opportunity, employee grievances, harassment, workplace violence, alcohol, drugs and the workplace, Occupational Health and Safety (OH&S), occupational rehabilitation and leave. All positions have written job descriptions.

The Human Resources Strategy is supported by a Human Resources Business Plan with links to the Management Plan and achievement of outcomes. Milestones in the Management Plan 2006-2007 include:

- Implement a new Salary System
- Investigate career progression
- Review conditions of employment and standardise employment documentation
- Develop a Leadership Model, and
- Implement a new EEO Plan.

In summary, the council has strong and clear leadership that is well positioned to strategically address the future needs for the Bankstown City Council area.

3. RECOMMENDATIONS

It is recommended that:

Governance

1. Council should move to adopt the draft Statement of Business Ethics as a tool for raising private sector awareness of public sector values.

2. Council should place both its Code of Conduct and Statement of Business Ethics on its website and make them available in all business transactions with external parties.

3. Council should take steps to assist councillors to ensure that all pecuniary interest forms give a clear and complete statement of the interests and other matters as prescribed by Part 8 of the Local Government (General) Regulation 2005.

4. Council should move to adopt its draft enterprise wide risk management policy and procedures and ensure that it complies with the top-down approach outlined in the Risk Management Standard AS/NZS 4360.

5. Council should continue with the establishment of an Audit Committee with clear terms of reference and develop a risk-based Internal Audit Plan to cover council-wide all key business risks (financial, information technology, operational, customer service oriented, safety, security, environment, commercial, technical, et al.)

6. Council should ensure that the source of and security offered for proposed borrowings are included in the Management Plan.

7. Council should ensure that remuneration details in the Annual Report are split into salary components, superannuation, non-cash benefits and total payable fringe benefits tax for non-cash benefits.

8. Council should ensure category 1 business activities statement includes revenue and expenses comparison of performance with projected performance.

9. Council should complete a Fraud and Corruption Prevention Risk Assessment and develop guidelines for managing the risks, as soon as practicable.

Regulatory Affairs

10. Council should consider developing a Local Approvals Policy under section 158 of the Local Government Act (LGA).

11. Council should formally consider the formal establishment of an IHAP to consider contentious DAs, DAs where council staff have been previously involved on a consultancy basis or where there is otherwise a conflict of interests or conflict of roles, DAs for councillors, requests for review (section 82A) and contentious modifications to development consents (section 96).

12. Council should develop a formal Enforcement and Prosecutions Policy and a Local Orders Policy under section 159 of the Local Government Act.

13. Council should develop an awareness program and a compliance audit program in place to ensure that it is notified of all new swimming pools in its area, and that swimming pools comply with the *Swimming Pools Act 1992.*

Asset and Financial Management

14. Council should develop and implement a long-term financial plan, as soon as practicable.

Community and Consultation

15 Council should consider developing a tourism plan as part of its Economic Strategy, and promoting Bankstown Airport should be considered as an option to increase tourism in conjunction with the establishment of a tourism business network incorporating the Airport owners, the Commonwealth Government, the Australian Aviation Museum, various charter joy flight operators and including potential promoters of general aviation air shows.

Workforce Relations

16. Council should undertake succession planning for key positions/personnel.

4.   CONTEXT

Bankstown is located 20kms southwest of the Sydney CBD. It is bound by the local government areas of Hurstville, Strathfield and Canterbury (east), Parramatta and Auburn (north), Liverpool and Fairfield (west) and Sutherland to the south.

Bankstown is 77 square kilometers in size, accessible by road, rail and air and is ideally located for both residential living and business. It has a large CBD, seven main suburban centres (Chester Hill, East Hills, Padstow, Panania, Revesby, Sefton and Yagoona) six well-established industrial precincts and the Bankstown Airport business complex. Bounded by the Georges River, it is home to 172,000 people and is a diverse community with people from over 130 different nations, speaking more than 60 different languages. Bankstown LGA is best characterised by its affordable housing, large manufacturing workforce and thriving business community, but it also has large expanses of native bushland, recreational parkland and reserves.

Since initial European settlement in 1795, the Bankstown area has seen many changes. Originally named Banks' Town in honour of botanist Sir Joseph Banks, the first land grant was issued to George Bass in 1798.

Local government was established in the area when Bankstown was proclaimed a municipal district in 1895, 100 years after first European settlement. The first Town Hall and Council Chambers were built in 1898.

Bankstown was accorded "city" status in 1980 during a visit by Queen Elizabeth II.

The administration building was completely destroyed by fire in 1997 and Council offices were relocated to Bankstown Civic Tower (the blue tower), which was first opened in 1990.

Bankstown LGA is base to 20 of Australia's top 500 companies with the manufacturing, freight and aviation industries dominating the local business environment. Bankstown Airport, which caters for small and medium sized aircraft, is one of the busiest general aviation airports in the world.

The University of Western Sydney (UWS) Bankstown campus and Southern Sydney Institute of TAFE Bankstown, Chullora and Padstow campuses are located within the LGA, along with more than 90 government and non-government schools. Bankstown is served by the Bankstown-Lidcombe Hospital and more than 220 local GPs.

Bankstown is well known across Sydney for its *Bankstown Bites* food festival and authentic multicultural dining experiences, the Olympic Cycling Velodrome and the Australian Aviation Museum.

The Georges River National Park, Mirambeena Regional Park and Deepwater Park are also well known for their natural beauty and family orientated recreational facilities.

5. COUNCIL'S AMBITIONS, PRIORITIES AND FUTURE FOCUS

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

What is working well

Bankstown City Council has a clear vision for Bankstown as a vibrant, strong and attractive city. This vision was formed from community consultation and research, a detailed profile of the city and proactive policy development.

Council has a full-time research facility with a quarterly program of community surveying, supplemented by specific surveys when major projects or changes to service levels are being considered. Council also gathers community input through shop fronts, road shows, public forums and reply paid *Have Your Say* postcards, made available at most council locations.

Council's strategic and operational focus is built around four outcomes – Community, Environment, Infrastructure and Governance – and everything council does is consistent with these outcomes. All projects priorities in the Management Plan are based on how well they contribute to these outcomes. All business cases for major expenditure or new initiatives must align with council's vision and strategic and operational focus.

Council considers that delivering the vision requires a commitment to:

- Service excellence
- City image and identity
- Sustainability
- Well managed change and renewal
- Investment and jobs

- Community building

- Access and equity

- Effective governance

- Democracy and participation

- Leadership and collaboration, and

- Continuous improvement.

Management strongly promotes the principles of continuous improvement and the Civic Services Group has obtained certification for its Quality, OH&S and Environmental Systems. It has also been recognized that all operational work flows need to be documented and improved and all staff need to be educated in the principles of continuous improvement.

Council is placing major emphasis over the next five years on its $500 million CBD Renewal Project. Council sees it both aligning with its *City of Progress* logo and being a turning point in the city's history. The project's aim is to create new, purpose-built facilities through the sale of land and assets currently underutilised or in need of repair and generate investment income for use on community infrastructure projects. The new projects include:

- An arts hub with theatre and rehearsal spaces, car parking, indoor and outdoor eating, and office and storage space

- Multipurpose community facility for seniors and frail aged

- Accommodation for four State-funded services, and

- Increased parking within the CBD to meet current and future parking needs.

Ageing Population

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

Between 2004 and 2022 Bankstown's population is projected to increase in size by 13.6 per cent. Its youth and working age populations are also projected to marginally decline in size, its working age population to grow (mostly at the older ages), and its elderly population to grow substantially.

Bankstown's 65+ years population is projected to grow by 38.8 percent by 2022, and at 85+ years the population growth is estimated to be almost 100 per cent.

Approximately 14.1 per cent of the Bankstown population is currently aged 65+ years and this is projected to grow to 17.2 per cent by 2022. Bankstown 85+ years population is projected to increase from 1.4 to 2.4 per cent of the population in the same period.

This will have an impact on the demand on services, facilities and infrastructure and all aspects of council's operations.

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

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

The Department encourages councils to use this paper in their planning processes.

Bankstown City Council is active in planning for an ageing population by developing an Older Residents Strategy and Policy 2003-2006 titled *New Connections* in which it has sought to develop an understanding of the complexity of issues while coming to some practical conclusions about what council can do.

Council's Management Plan and Social Plan are linked to *New Connections* and include a number of valuable strategies relating to older people, such as partnership projects to explore, plan and deliver active ageing programs, update the Bankstown Aged and Disability Services Directory and provide information talks on topics relevant to older residents. It is evident that council has integrated strategies across all its functional areas to address this challenge.

6.   DELIVERING AND ACHIEVING

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

Overview

There is a co-operative working relationship between staff and councillors at Bankstown. This was evidenced in the strong joint focus on strategic planning, the respect shown to one another during ordinary council meetings and membership of key taskforces such as the one that has recently developed the comprehensive draft Multicultural Bankstown Strategy 2007-2012.

Council promotes important issues with input from key stakeholders and community representatives, provides access to information so that informed decisions can be made and represents the needs of the local communities to higher levels of government.

6.1   Governance

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

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

- *Ethics and values*
- *Risk management and internal control*
- *Council's decision-making processes*

- *Monitoring and review*

Ethics and Values

The council released a revised code of conduct in April 2005 after consultation with key stakeholders including councillors and staff. Those values were based on the previous code of conduct and mirror the provisions of the Model Code of Conduct released by the Department of Local Government in December 2004.

Council publishes these values on its intranet site. For both staff and councillors the values are conveyed in induction and refresher training. These actions ensure that all councillors and staff are aware of the council's explicit values. Further, in May 2006, council issued an Employee Grievance Policy aimed at fostering good relationships between employees and between employees and management.

The community becomes aware of the council's values through customer contact, partnerships and the publication of statements of the Corporate Vision, Mission and Values in key publications such as CITYPLAN 2006-2011. Members of the public are given information on what to do if they suspect the code of conduct has been breached.

While the Statement of Values was published on the intranet site and in some key documents, they could not be found by key word search on the council's internet site. This is considered one of the most likely places that those outside the council will search for the documents and while it is acknowledged that they are contained in documents on the site the search function did not locate them. We were advised that plans have been developed to make the code of conduct available on the internet site in 2007.

Council notifies all tenderers and contractors of the existence and availability of its code of conduct and includes a statement within its tender document to the effect that a copy of the code of conduct is available on request by contacting the nominated contact and that all tenderers must comply with the terms of the code of conduct.

Council at the time of the review had not adopted a Statement of Business Ethics. Since the review, council has developed a draft Statement of Business Ethics, which is yet to be adopted by council. This Statement of Business Ethics is closely aligned with council's existing vision, values and objectives contained in the management plan and code of conduct. *(Recommendations 1 & 2)*

Further in relation to the Policy Register, many policies are in existence but not readily assessable by staff, or where appropriate, the public. It is however acknowledged, that a review is underway to review policies, cull those no longer current and correct this situation. Evidence was sighted that this review was well advanced.

Pecuniary Interests

The Local Government Act sets out the parameters that must be adhered to when councillors and staff have a conflict between their public duty and private interests that constitute pecuniary interests. The Act requires that councillors and designated staff complete and lodge disclosure of pecuniary interest returns.

The council maintains a register of disclosure of interest returns by councillors and designated persons, as prescribed by section 449 of the Local Government Act. The council has embraced a responsible attitude to disclosure of interest.

The council has adopted a code of meeting practice, which includes at Item 18 "Pecuniary Interest", that outlines a process for the disclosure at all council and committee meetings. This ensures that disclosures are recorded and dealt with in an appropriate manner.

However, a review of the forms submitted by councillors to disclose pecuniary interests and other matters revealed a number of anomalies. Fields were left blank or lines put through instead of "Nil" being inserted as per the instruction. Pages were missing and business interests were disclosed with no income being declared.

In summary, the forms did not always give a clear and complete statement of the interests and other matters as prescribed by Part 8 of the Local Government

(General) Regulation 2005. Council should examine resources such as departmental circular 04/14 and the recently released Pecuniary Interest Guidelines to assist this process. *(Recommendation 3)*

Risk Management

Discussions with various officers during the review disclosed a high level of risk awareness at the operational level. Risks were identified, analysed and controls implemented to reduce both the likelihood and consequence of the event.

At a corporate level, a risk management co-ordinator had been appointed and a project has commenced to establish the organisational context and ultimately a corporate risk register.

Currently a risk exists that executive management may disagree with assessments and different consequence and likelihood tables used by individual organisational groups within council. Further, risks are not reported corporately so individual risks, trends, treatment strategies, etc, are not subject to executive level review and control. This bottom-up instead of top-down risk regime is contrary to that outlined in AS/NZS 4360.

In December 2006, council developed a draft enterprise wide risk management policy and procedure that is based on the AS/NZS 4360 – 2003 Risk Management Standard. This includes the creation of a risk register and treatment schedules for identified risks. The Senior Management Team plan to adopt this policy in May 2007. *(Recommendation 4)*

Council has recently established an Audit Committee. Council is yet to establish the terms of reference for this committee. Currently, the Internal Auditor reports to the Group Manager, Strategy and Governance. While this does not appear to have created any conflicts of interest in the past, changing the line of reporting to the General Manager or Audit Committee should be considered with the establishment of the Committee. A risk-based Internal Audit Plan should also be developed from the corporate risk register, to cover council-wide all the business risks (financial,

information technology, operational, customer service oriented, safety, security, environment, commercial, technical, et al.). *(Recommendation 5)*

Council has Procurement and Disposal and Gifts and Benefits Policies that appeared to be effective in operation. The Procurement and Disposal Policy was rewritten in 2006 and the procedures are in the process of being rewritten.

Council's Privacy Management Plan is based on the Department of Local Government's model. Its application has not been reviewed formally within the last two years. However it is reviewed on an ongoing basis as part of operational management. The Record Management Policy is supported by effective procedures. The Disaster Plan is incorporated as part of the IT Disaster Recovery Plan. Records are maintained electronically via the Dataworks system.

Council, through the document management system, has a system in place that ensures that legislative and regulatory obligations are identified and met. Compliance is reviewed by the Strategy and Policy Team. Any instances of legislative non-compliance are reported via the General Manager.

Expenses and Facilities
Council has a policy concerning the payment of expenses and the provision of facilities to elected members, as required under section 252 of the Local Government Act. The application of the policy has been audited for compliance within the last twelve months.

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

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

staff and council delegates of the requirements and protections of the *Protected Disclosures Act 1994* through staff induction and development training programs. The councillor induction program for all incoming councillors also includes a section on protected disclosures.

Management Plan

Each year council is required to prepare a draft management plan with respect to its activities for at least the next 3 years and its revenue policy for the next year.

Sections 403 and 404 of the *Local Government Act 1993* and the Local Government (General) Regulation 2005 require certain particulars to be included in council's draft management plan. The draft management plan is to be exhibited in accordance with section 405 of the Act.

The council's current management plan was examined and appears to be in accordance with the relevant provisions of the Local Government Act and Regulations. The only issue that came to notice was that the amount of proposed borrowings were reported but their source or the security to be offered was not. *(Recommendation 6)*

Prior to adopting the management plan, council conducted research to ascertain community views, conducted public meetings, and internal workshops, and appropriately public displayed the plan. Council monitors the implementation of the management plan through quarterly reports to council.

The council also has extensive delegations and accordingly disclosures are a very important part of this process of delegation. This is the reason council has a significant number of designated persons. This also illustrates council's commitment to ensuring proper ethical standards are maintained. There is a high level of delegations because the council has given clear directions through its Strategic Plan.

Annual Report

A review of council's annual report against statutory requirements revealed a high level of compliance.

While total remuneration for senior staff was reported, no details of the split of the total value into salary components, superannuation, non-cash benefits and total payable fringe benefits tax for non-cash benefits were reported as is required by clause 217(1)(b) of the Local Government (General) Regulation 2005.

Also, in relation to category 1 business activities, a statement of revenue and expenses were reported but no comparison of performance with projected performance or a statement of reasons for any difference for each activity was reported, in accordance with clause 217(1)(d)(iii) of the Regulations. *(Recommendations 7 & 8)*

Decision-making

The council undertook a review of its organisational structure within 12 months following the last council election, as required by the Local Government Act. The management plan contains an ongoing requirement for the alignment of the organisation with the council's Strategic Program. Council adopted its management plan for 2006/07 prior to 30 June 2006, as required. Prior to adopting the current management plan the council conducted research into community views, undertook a satisfaction survey, held meetings with special interest groups, and conducted public meetings, internal workshops and publicised the exhibition of the draft plan.

Council has a leading practice strategic and management plan system through which all elements of the management plan are regularly reported. Comprehensive performance reviews are undertaken on a quarterly basis and subsequently reported to the council and the community. The performance of the management plan is judged by specific performance indicators for service delivery of required projects on time and within budget, and completion of an annual set of tasks which are an instalment of the council's five year Strategic Program. Council has a well-established Strategic and Management planning model, which ensures that all plans

in the organisation are driven by the council's overall strategy, are established by the elected representatives, and are reviewed every year.

Council has a formal structure for senior management meetings. The council's Corporate Management Team regularly meets and keeps minutes and produces business papers. Council also has a system of management teams that meet around the themes of the Management Plan. Directors and managers meet regularly to discuss issues. Formal business papers are produced and minutes of all meetings are appropriately recorded.

Council has adopted a Code of Meeting Practice. Council has a standard format for reports to council, and all council reports are linked to the Management Plan and Strategic Plan. The council generally holds 10 or 11 ordinary meetings each year and last year, council held two extraordinary council meetings.

Council applies the reasons set under the Local Government Act for excluding the press and the public. Members of the community are encouraged to speak on any issue or area of concern at council and committee meetings, as set out in the code of meeting practice.

Council had 28 section 355 committees:

- Development Committee
- Bankstown Traffic Committee
- Community Safety Committee
- Aboriginal & Torres Strait Islander Advisory Committee
- Road Safety Advisory Committee
- Youth Advisory Committee
- Bankstown Seniors Committee
- Bankstown Seniors Advisory Committee
- Bankstown Community Events Committee
- Bankstown Sister City Committee
- Bankstown Floodplain Management Committee

- Bankstown Heritage Committee

- Bankstown CBD Committee

- Bankstown CBD Multipurpose Facility Task Force

- Chester Hill Multicultural Facility Task Force

- CBD Multicultural Facility Task Force

- Bankstown Economic Development Task Force

- Bankstown Waste Task Force

- Bankstown Multicultural Task Force

- Bankstown Arts and Craft Centre Advisory Committee

- Bankstown Senior Citizens Centre Advisory Committee

- Bill Lovelee Youth Centre Advisory Committee

- Chester Hill Senior Citizens Centre Advisory Committee

- Greenacre Senior Citizens Centre Advisory Committee

- Panania Senior Citizens Centre Advisory Committee

- Yagoona Senior Citizens Centre Advisory Committee

- Bankstown Bicycle Forum

- Crest Advisory Committee.

These section 355 committees develop their own constitution from standard templates, detailing membership, functions and delegations. They operate subject to a code of conduct. Members also receive training relevant to their task. All section 355 committees keep records of their deliberations.

Councillor support

Council has a structured induction program for elected members covering topics such as the council's charter, strategic planning, management planning, governance, finance, workforce development, development and planning controls.

The council also has an ongoing program of training for its elected members. Council keeps records of all training undertaken by its councillors.

Council has a policy in place on access to information for councillors. Council also has developed and implemented a policy in relation to the interaction between

councillors and staff. This policy was adopted in June 2003 and presented in a Councillor Development Workshop held in May 2006.

Communication with the public

Council uses a variety of methods to communicate its annual report to the community. The council's annual report is available through the council's website and at community libraries. The council advertises in local papers promoting the availability of the report for review.

The council has a policy register that is currently in the process of being reviewed and updated. It was acknowledged that some policies had not been reviewed for some years. Council explained that it has plans for their progressive review and for them to be placed on the intranet site.

General Manager's Contract

The General Manager's most recent performance review was conducted by the Mayor and Deputy Mayor, and was based on performance targets identified in council's management plan.

Legal Services

The council tenders for Legal Services. Council recently exercised the option to extend the period of engagement for the current panel from 3 to 5 years.

Complaints

Complaints handling is managed via a number of policies. The Ombudsman's Toolkit and Complaint Handling Manual have been used as a basis for the council's policy and practices. The council's Complaints Handling Policy and Procedures define the person responsible for the complaints, and how they are handled, in accordance with the Ombudsman's Guidelines.

Access to Information

The council ensures that there is reasonable accessibility of information for inspection at the office of the council during office hours. It is the responsibility of the

management area to provide the information and reasonable fees are charged if documents are requested to be copied. FOI procedures and reports were reviewed and the system appeared to be working satisfactorily.

Fraud and Corruption Prevention

Council has a Fraud Control policy but a Fraud and Corruption Prevention Risk Assessment has not been carried out within the last 12 months. This may place council at some risk especially if procedures have been changed or controls allowed to lapse. It would be good business practice to also develop guidelines to manage the risks. *(Recommendation 9)*

6.2   Regulatory Functions

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

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

- *Council's planning instruments and policies*
- *Development assessment*
- *Section 94 plans*
- *Environmental management*
- *Graffiti removal*
- *Enforcement practices*

Strategic planning instruments

Council has an overall strategic planning framework in place to provide for improved community facilities, high quality accommodation, a centre for major businesses and offering employment opportunities across the city. The strategy has the following components:

- Bankstown Local Environment Plan (LEP) 2001
- Bankstown Development Control Plan (DCP) 2005
- Central Business District (CBD) master plan
- Local town centre and urban village master plans
- Housing Strategy
- Business Investment Strategy and
- Economic Strategy (currently under development).

Council integrates and links its management plan with its LEP, DCP, master plans, strategies and State of the Environment Report (SOE). Progress of action plans

developed for the four outcome areas included in the management plan are reported and reviewed on a quarterly basis.

Council does not have a local approvals policy under section 158 of the Local Government Act and discussions with management indicated that it should be developed, even though it may only be used on 5-6 occasions per year. *(Recommendation 10)*

Development Application Process

Council's development application (DA) assessment process is part of an ISO 9001 accredited quality system and is both internally and externally audited on a regular basis. Built into the system are also peer reviews of DA and construction certificate (CC) assessments to ensure that documentation and the processes followed are sound.

Council is committed to effective pre-lodgement advice to applicants and has a comprehensive Applicants Pack for Development and Building and a Development Assessment Guide. Council's Development Control Unit (DCU) and Major Development Design Panel (MDDP) provide pre-lodgement services to assist applicants in preparation of their DAs.

Membership of the MDDP includes two senior staff and an architect selected by council from a group who normally practice outside the LGA nominated by the Royal Australian Institute of Architects. The Major Development Design Assessment Panel is required to assess all residential flat buildings, mixed use (commercial/residential) development and significant commercial, industrial and other development prior to DA lodgement.

Council has a system for monitoring progress and turnaround times for DAs and CCs. Reports and graphs are produced monthly for review.

Council does not presently have an independent hearing and assessment panel (IHAP) as a forum for objectors and applicants on certain development applications.

However, Council does utilise the MDDP to initially assess the design quality of development proposals to assist in determining whether such proposals warrant support and has other external planning consultants available that it can refer development matters to.

Full council considers DAs where objections are received. It would be worthwhile for council to investigate the formal establishment of an IHAP to consider contentious DAs, DAs where council staff may have been involved on a consultancy basis in the past and where there is otherwise a conflict of interests or conflict of roles, DAs for councillors, requests for review (section 82A) and contentious modifications to development consents (sections 96). Council is of the opinion that the creation of an IHAP would require significant resources and would delay the determination of applications. Despite council's concerns in establishing an IHAP, councillors should formally consider the merits of establishing an IHAPs *(Recommendation 11)*

Council applies the 'stop the clock' provisions of the EP&A regulation (clause 109-112) in accordance with these regulations and its Pathways system utilises Stop the Clock functionality.

Section 94

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

Review of *Section 94 September 2006 District Reconciliation Report* noted an old unallocated opening balance of $2.8 million, but discussions with senior management confirmed that this would be expended by year-end.

BASIX

Council has put in place measures that ensure compliance with the BASIX certification system. Information and educational material is available during the assessment process about the requirements of complying with BASIX. During pre-lodgement discussions, applicants are advised that they must comply with BASIX legislative requirements.

Companion Animals

Council has a Companion Animals Management Plan, Animal Management Policy and Guidelines for Keeping of Animals. Council is active in running community education programs on companion animals and has procedures that are compliant with the NSW Companion Animals Register. Council has issued details of new enclosure requirements to owners of dangerous/restricted dog breeds.

Water Safety

Council's four swimming centres have strategies and all relevant safety requirements to comply with Practice Note 15 on water safety. Regular Risk Assessments are completed of Water Safety Personnel and Learn to Swim classes and aquatic regulatory requirements are monitored.

State of the Environment Reporting

SOE reporting complies with DLG Guidelines. Council has an active commitment to managing environmental issues in a practical and meaningful way. There are easily followed links with the Management Plan and progress on resolving environmental issues is clearly evident, as are areas needing further attention. The progress of council activities is clearly outlined. The use of specific surveys to capture community perceptions and concerns is commendable and the graphics add value to the written content. All sectors were found to be covered comprehensively, including Aboriginal Heritage, which is a sector that many councils have difficulty with.

Enforcement

Council does not have either a formal Enforcement and Prosecutions Policy or a Local Orders Policy under section 159 of the Local Government Act and has

acknowledged that it would be good business practice to develop these policies. *(Recommendation 12)*

Standard operating procedures exist already and council utilises its Customer Action Request system for reporting and investigating complaints of non-compliance or unauthorised development.

Swimming Pools

The *Swimming Pools Act 1992* requires council to promote awareness of the requirements of this Act in relation to private swimming pools within the council's area. Council does not have an awareness program nor does it have a compliance audit program in place to ensure it is notified of all new swimming pools in its area, and that swimming pools comply with the *Swimming Pools Act 1992. (Recommendation 13)*

6.3 Asset and Financial Management

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

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

- *Financial management*
- *Asset management*

Overview of financial position

The council is in a sound financial position as highlighted in the figures below.

Liquidity and cash position

As at June 2006 council's unrestricted current ratio (UCR) is considered very sound at 2.9. This is up from 2.89 at the same time in the previous year. This strong position has been realised over the last few years.

The UCR measures the adequacy of working capital and the ability to satisfy obligations in the short term. It does not include externally restricted activities such as water, sewer or specific grants. A good UCR is considered to be greater than 2.

Council's unrestricted cash was $2M as at June 2006. Rates and Annual Charges Outstanding Percentage (RACO%) was borderline at 5.5%. The RACO% assesses the impact of uncollected rates and charges on liquidity and the efficiency of debt recovery. A benchmark for city councils such as Bankstown is less than 5%. This variation is in line with councils that choose not to aggressively pursue the recovery of rates in certain circumstances but to allow time for collection.

Council had a good Debt Service Ratio (DSR) of 5.1% as at June 2006. This indicator assesses the degree to which revenues from ordinary activities are committed to the repayment of debt. A DSR of less than 10% is good.

Total loans outstanding at 30 June 2006 amounted to $27.13M, which was $1.2m higher than the same time the previous year. The difference arises from a new loan of $4m and the repayment of $3.88M.

Council's overall financial position appears to be above average. Council has key elements of a good financial planning framework, including asset maintenance programs and long-term asset planning for its infrastructure. Council also has a program of quarterly reporting of financial performance against performance standards, which is satisfactory.

The Auditor commented: "Council's financial position is considered to be sound and stable. All indicators stand better than industry benchmarks except the rates outstanding ratio which needs to be improved".

In 2005/06, as in previous years, council was compliant with legislative and other requirements.

The council's Category 1 Business activities had a positive operating result before and after capital items for 2005/06 and a TER dividend of $1.058M was paid.

Council measures its performance against predetermined standards to assess the financial health of the organisation. The Financial Health Report is used and performance measurement is also reported in the council's Management Plan and Annual Financial Statements. The finance plan is reviewed quarterly and material differences reported if they arise.

A range of state and federal grants are utilised by council to support annual construction and maintenance programs. Council has a policy on loan borrowings. The mixture of funding is highlighted in the financial plan.

Asset management planning

Council has an asset maintenance program. Council has maintenance programs for its range of assets. The programs are developed predominantly from asset systems and/or service specifications. Discussions with staff revealed a high level of awareness of the need to manage assets to maximise their useful life while recognising the diminishing return that may arise for maintenance expenditure beyond a certain level of expenditure. Detailed Business Plans were sighted and explained for the various categories of assets.

Council maintains a register of infrastructure, which includes asset identification, valuation and condition assessments. Council has a complete register of all assets that is maintained in the SAP finance system. It also reports on their written down values in the annual report. Their condition was favourable compared to benchmarks.

Council has taken a strong position with asset maintenance. Council's long-term asset management plans are linked to its long-term financial modelling. Building maintenance has been linked to long-term plans and is taken into account in council's long-term modelling.

Council has a substantial annual plant replacement program with the timing of replacement determined to minimise maintenance costs and changeover costs. Council has undergone a process of asset rationalisation with the regular review of plant and vehicles, building utilisation and all forms of assets.

Land Assets

Council maintains a Property Register of all council land as well as leases and licences and land that is under its care, control and management. Council also has generic plans of management for all of its community land, which includes:

- Parks
- Sportsgrounds
- Community uses

- Natural areas - Bushland.

The council is currently developing site specific plans of management.

Insurance

WorkCover conducted an injury management audit in October 2006 and an OH&S audit was conducted in November 2006. The results of both were satisfactory.

National Competition Policy

The council has a category 1 business (i.e. over $2m sales/income pa), namely the External Works Program. Competitive neutrally principles are fully applied. Council includes in its annual reports a statement of expenses incurred, revenue raised, assets required, and assets held, to the extent required by the NSW Local Government Code of Accounting Practice.

Council provides a summary of its progress in implementing the competitive neutrality principles in its annual report, as required by legislation.

Information technology

Council has adopted an Information Strategy, which incorporates plans of action for Information Technology, Information Management and Information Systems. Council has fully integrated systems for rates, finance, human resources, tendering and contract management, complaints and governance.

Finance Plan

A long-term finance plan is under development and could be articulated. The challenge is to develop and implement the plan to gain the long-term benefits that are considered achievable. *(Recommendation 14)*

6.4   Community and Consultation

A council's charter requires that a council:

- Provide services after due consultation
- Facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and coordination of local government
- Actively promote the principles of multiculturalism
- Plan, promote and provide for the needs of children, and
- Keep the local community and State government informed about its activities.

The review of council's activities in this area looked at:

- *Service standards*
- *Social and community functions of council*
- *Annual reporting*
- *Cultural planning*
- *Relationship with the Aboriginal community*

Social and community planning

Bankstown City Council's Social Plan 2004-2009, *Strong Communities – Better Living* is comprehensive and clearly complies with all legislative requirements for social planning. It is accessible, easy to read and conveys a clear sense of the council's commitment to meeting the social needs of its diverse community.

The Social Plan is well structured with issues and action clearly laid out for each target group and each of the nine community issues identified.

The Social Plan is well integrated into the Management Plan and annual report. It addresses groups additional to the mandatory target group including men, people of diverse sexual orientation and volunteers. It analyses nine key issues of importance to the general community and proposes actions for the council and other

organisations or agencies. These issues include housing, safety, transport, health and recreation, arts and culture, image, participation, communication and information, and the environment.

Major strategy initiatives by council include:

- Draft Multicultural Bankstown Strategy 2007-2012
- Draft Bankstown City Health Plan 2006-2011
- Older Residents Strategy & Policy, *New Connections*, 2003-2006
- Children and Families Strategy 2005-2008
- Public Lighting Strategy 2003
- Public Transport Improvement Plan 2001,and
- Sport & Recreation Strategy 1998.

Council has an in-house community research facility and routinely undertakes extensive community research, using its *In The Know* consultation protocol, including:

- Quarterly Community Satisfaction Surveys
- Event Evaluation surveys
- Campaign Evaluation
- Specific surveys to explore community views and perception of issues/topics
- Recruit for focus groups/forums/workshops, and
- Internal staff surveys.

The in-house community research facility uses the following:

- Computer assisted telephone interviewing CATI system (evening/weekends)
- Face to face interviewing
- Email and web based surveys
- Telephone recruitment for focus groups/workshops/panels, and
- Database of potential participants from surveys/ads in local newspapers, et al.

Cultural planning

Council has a Cultural Plan, participates in local and regional cultural networks, and has a Cultural Grants and Public Arts Program. It operates a central library and four branch libraries, outreach services and supports NAIDOC Week, Seniors Week, Youth Week, World Refugee Day, Harmony Day, etc.

Customer Service

Council has specific customer service standards for its Call Centre, a link to a register of Customer Action Requests and a set of policy and procedures for management of customer contact.

Customer service standards include the following:

- Answer a call within 20 seconds
- Rate of abandoned calls less than 4%, and
- First contact resolution at least 80%.

The Call Centre system has an electronic noticeboard for monitoring of incoming calls and daily performance reports of workloads per CSO/call type/destination are available for management review.

Customer service requests that cannot be resolved by the Call Centre and require further action by council officers are logged in the Customer Action Request Database. The requests are given a unique request number and an acknowledgement advice is sent to the customer usually within 48 hours. Council has set time frames for action and there is a system to escalate each unresolved customer action request category.

Tourism and economic development

Council developed a Business Investment Strategy in 1997 with general economic development objectives, including tourism, and reviewed and updated this in 2003. An Economic Taskforce was formed in 2006 to develop an Economic Strategy and

this enlisted the support of local and regional leaders in business, industry, education and government.

Currently council does not have a formal tourism plan but annually organises major events like the *Bankstown Bites* food festival and Bankstown Games. Some of the events are advertised in mainstream media and in local newspapers across Sydney.

Council could develop a tourism plan as part of its Economic Strategy. Discussions with management indicated that promoting Bankstown Airport (with which the council has recently finalised a draft memorandum of understanding) may be an option to increase tourism in conjunction with the establishment of a tourism business network incorporating the Airport owners, the Commonwealth Government, the Australian Aviation Museum, various charter joy flight operators and including potential promoters of general aviation air shows. Council could also explore developing a formal tourism plan with other councils in its area. *(Recommendation 15)*

Relationship with the Aboriginal Community

Since 2001 council has an Aboriginal and Torres Strait Islander Advisory Committee, which meets quarterly, and works with Bankstown Koori Interagency, which meets monthly. Council has a Statement of Commitment to Aboriginal and Torres Strait Islander Communities, an Advisory Committee, holds planning workshops and continues to provide opportunities for engagement with the local indigenous community. It does not currently have a formal agreement or MOU with the Local Aboriginal Land Council or local Aboriginal community. This is due in part to some confusion interpreting the boundaries and possible overlaps between the Gandangarra and Sydney Metro Land Council and on-going difficulties in engaging the local indigenous community.

6.5 Workforce Relations

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

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

- *Human Resources strategy*
- *Job descriptions and job evaluation*
- *Recruitment and selection processes*
- *Staff development*
- *Occupational health and safety*

Overview of the organisation

The Executive Management team is made up of the General Manager and four Group Managers: Strategy and Governance; Ecologically Sustainable Development; Service Planning and Commission; and Civic Services. The council employs 694 staff – 72% of the workforce is aged 25-54 and 17% aged 55 and over. Women represent 36.6% of staff.

The total salary expenditure for 2005-2006 was $46.7 million, which was 1.3% below budget. The value of overtime paid during the last financial year was $1.2 million.

Human resources strategy and policy framework

Council has a solid strategy and policy framework across its Human Resources area, split into three areas – Enter the Organisation, Live in the Organisation and Exit the Organisation.

Council has policies and procedures in the areas of recruitment and selection, Equal Employment Opportunity, employee grievance, harassment, workplace violence, alcohol, drugs and the workplace, Occupational Health and Safety (OH&S),

occupational rehabilitation and leave policy and procedures. All positions have written job descriptions.

The Human Resources Strategy is supported by a Human Resources Business Plan, with links to the Management Plan and achievement of outcomes. Milestones in the Management Plan 2006-2007 include:

- Implement a new salary system
- Investigate career progression
- Review conditions of employment and standardise employment documentation
- Develop a Leadership Model, and
- Implement a new EEO Plan.

Recruitment and selection

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

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

Job descriptions and evaluation

All positions within the council have written job descriptions and all employees have copies of their respective job descriptions. Council has a policy and practice for reviewing job descriptions at the time the vacancy occurs as well as at the time of employee appraisal. In addition, these are reviewed should there be a change of duties, or upon request by an employee.

Occupational Health and Safety

Council has a well-developed OH&S policy and procedural framework, various OH&S Committees for Corporate and Civic Services, publishes an OH&S Annual Report and has a practice of conducting systematic OH&S site risk assessments.

The OH&S section has a comprehensive electronic database to record and manage incident data for the organisation. During 2005-2006 council recorded a 9% decrease in Lost Time Injuries and a 51% decrease in Days Lost compared to 2004-2005.

In addition, council has as a part of its OH&S procedure, developed a pre-purchase risk assessment process for the purchase of all chemicals. Products are assessed to ensure compliance with the NSW OH&S Act and Regulation requirements, using the Material Safety Data Sheet (MSDS), as supplied by the manufacturer.

Succession planning

Council does not have succession plans for key positions/personnel but it is developing a Leadership Model, having identified potential leaders across the organisation. Council is developing a cadet/graduate program to improve succession planning. It would be good business practice to undertake succession planning. Succession planning is about developing potential candidates for positions, and is not about anointing specific successors for positions. As such, council should continue to ensure selection for all vacancies is based on merit. (*Recommendation 16*)

7. COUNCIL'S RESPONSE

Richard Colley
General Manager

CONFIDENTIAL

10th April, 2007

Mr. Garry Payne AM
Director General
Department of Local Government
Locked Bag 3015
NOWRA   NSW   2541

Dear Mr. Payne

Draft Review Report: Promoting Better Practice

I refer to your letter of 27th February 2007 enclosing a copy of the draft report on the Promoting Better Practice review undertaken by the Department in December 2006.

Council would like to thank you and staff of the Department for undertaking the review and of providing us with an opportunity to comment on the draft report.

While acknowledging the objectivity of the observations and recommendations contained in the draft report, Council would like to clarify a number of issues dealt with in the draft and of its specific recommendations:

Governance

Recommendation 1: "Council should develop a Statement of Business Ethics as a tool for raising private sector awareness of public sector values."

While agreeing with this recommendation, Council does already ensure that prospective tenders and contractors are aware of the need to act ethically as articulated in Concil's Code of Condct [See also response to Recommendation 2]

Since receiving the draft report, a 'Statement of Business Ethics' has been developed, a copy of which is enclosed. The Statement, is closely aligned with Council's existing Vision values and objectives contained in the management plan (CITYPLAN) and the Code of Conduct.

Recommendation 2: "Council should place both its Code of Conduct and Statement of Business Ethics on its website and make them available in all business transactions with external parties."

As acknowledged (in p-20) in the Department's draft review report, Council's *Code of Conduct* is currently available on its Intranet site. Council has now included the Code on its Website, together with the completed *Statement of Business Ethics*. However, contrary to what is mentioned in the draft report (at p 20), Council notifies all potential tenderers of the existence and availability of its *Code of Conduct*. Furthermore, all tender documents include a clause about the *Code of Conduct*, which reads:

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"Council has adopted a Code of Conduct ..with the aim of ensuring that its functions are undertaken efficiently, impartially and with integrity. A copy of the Code of Conduct is available on request by contacting the nominated contact.

All registrants/tenderers must comply with the terms of the Code when dealing with Council concerning this call. Any breach may result in a response being disregarded."

It follows on that compliance with the principles expressed in the Code of Conduct forms part of the contractual arrangements entered into with a successful tenderer.

Recommendation 3: "Council should take steps to assist councillors to ensure that all pecuniary interest forms give a clear and complete statement of the interests and other matters as prescribed by Part 8 of the Local Government (General) Regulation 2005."

Council will take this recommendation on board and take steps, including circulating the Department's Circular 04/14 and the *Pecuniary Interests Guidelines*, as well as taking measures to assist councillors in fully complying with Part 8 of the Local Government (General) Regulation 2005.

Recommendation 4: "Council should ensure that its risk management process complies with the top-down approach outlined in the Risk Management Standard AS/NZS 4360."

Council appreciates the acknowledgement in the draft report (in p 22) of its "high level of risk awareness at the operational level" and that risks are "identified, analysed and controls implemented to reduce both the likelihood and consequences of the event."

Since review by the Department in December 2006, Council has developed a draft enterprise wide risk management policy and procedure that is based on the AS/NZS 4360-2003 Risk Management Standard. This policy and procedure ensures a top down approach to Risk Management, and also entails the creation of a risk register and treatment schedules for identified risks. The policy and procedure will be adopted and formalised at the Senior Management Team meeting of 1st May, 2007.

Recommendation 5: "Council should establish an Audit Committee as soon as practicable, and develop a risk-based Internal Audit Plan to cover council-wide all the business risks (financial, information technology. Operational, customer service oriented, safety, security, environmental, commercial, technical, et al.)

Council supports this recommendation and in fact, as acknowledged in the draft review report (p 22), is "well advanced for the establishment of an Audit Committee and an internal Audit Charter has been developed." The composition and terms of reference of the Audit Committee is currently being finalised. A risk-based Internal Audit Plan is also currently under development, for presentation to the Audit Committee, once it has been established.

Recommendation 6: "Council should ensure that the source of and security offered for proposed borrowings are included in the Management Plan."

Council acknowledges that it has not stipulated the source of and security offered for proposed borrowings as required under Section 404(1) of the Local Government Act. Council's practice in preparing the Management Plan has been to outline the amount it

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requires to borrow in the forthcoming financial year and as per Council's Policy, is borrowed for asset replacement purposes only.

Council's loan funds are not sourced until it receives confirmation from the Department of Local Government under section 624 of the Act (usually around August of each year) as to its approved borrowing limit, at which time Council is advised of the approval and endorses the Mayor and General Manager to proceed to borrow funds at the most advantageous rate for Council.

Given Council's cash flow situation, it has been able to defer borrowing funds until the later stages of each financial year at which time a quotation process is carried out amongst the major financial institutions to secure the best rate. In making its decision, Council ensures that funds are only acquired from an eligible financial institution and accordingly enters into a loan agreement whereby it meets the requirements of Chapter 15, Part 12 of the Act, Clause 229 of the Local Government (General) regulation 2005 and the Local Government Act 1993 - Borrowing Order.

In addressing the requirement in future, Council will include the following works in its Management Plan so as to ensure full compliance:

"Council's budget includes loan borrowings of $XM for 20XX/20XX, which is to be utilised for asset replacement purposes. Council will source the funds from an eligible financial institution and comply with the Local Government Act 1993, applicable Regulations and the Borrowing Order, as required. All loan borrowings will be secured as a statutory charge over Council's income."

Recommendation 7: *"Council should ensure that remuneration details in the Annual Report are split into salary components, superannuation, non-cash benefits and total payable fringe benefits tax for non-cash benefits."*

Council appreciates the recognition in the draft report (in p 24) that "[a] review of council's annual report against statutory requirements revealed a high level of compliance."

Council acknowledges however that it has not outlined the various individual components which comprise the remuneration of individual contract staff as required. Council will revise its reporting schedules to ensure that in future, remuneration details are split into the required components as set out in Clause 217 (1)(b) of the Local Government (General) Regulation 2005.

Recommendation 8: *"Council should ensure category 1 business activities statement includes revenue and expenses comparison of performance with projected performance."*

Council acknowledges that while it provides details of variations/comparisons of actual versus projected performance of its category 1 business in relevant quarterly reviews, it has only outlined the actual performance in the Annual Report. Council will be making the necessary adjustments to its reporting schedules to ensure that in future, category one performance details are outlined in accordance with Clause 217 (1)(d)(viii) of the Local Government (General) Regulation 2005.

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Section on Pecuniary Interests (in the main body of the draft report):

In commenting on anomalies in Councillors' pecuniary interest returns, the draft report (p 21, para 5) makes reference to two councillors as "father and son". While the two Councillors are not named, this reference makes it very evident as to who the two councillors are, which means they are effectively identified. Council suggests that the Department consider deleting the "father and son" reference and instead they be referred to as "two councillors" jointly owning a property.

Recommendation 9: "Council should complete a Fraud and Corruption Prevention Risk Assessment and develop guidelines for managing the risks, as soon as practicable."

Council supports this recommendation. As already acknowledged in the draft report (p 29), Council has a Fraud Control Policy. Council appreciates the acknowledgement in the draft report of its "high level of risk awareness", and its practice of identification, assessment and implementation of controls to reduce the likelihood of risks. Council also appreciates the recognition in the draft report that "Council has been proactive in appointing a risk management coordinator" and a risk management project has commenced.

Council believes that being risk-averse Council already has a high level of risk awareness, control and elimination practised by staff, the need for a frequent overall risk assessment was not a priority.

However, as mentioned under Recommendation 4 above, Council has recently developed a draft comprehensive enterprise wide top-down risk management policy and procedure based on the AS/NZS 4360-2003 Risk Management Standard. Under these, guidelines and treatment schedules for identified risks will be developed. The policy and procedure will soon be formalised and put in place.

Regulatory Affairs

Recommendation 10: "Council should consider developing a Local Approvals Policy under section 158 of the Local Government Act (LGA)."

Council has taken this recommendation on board and is preparing a policy. That Council has not had a formal Local Approvals Policy is based on two factors. First, the fact that circumstances in Bankstown did not necessitate the development of a formal policy which would only be rarely used and second, taking into consideration that section 158 of the *Act* does not in fact make it mandatory to do so.

Recommendation 11: "Council should investigate the circumstances of the three development applications outstanding from 2001/2002 in the Outstanding Development Applications by Responsible Officer report and re-assign responsibility for outstanding applications for the three staff that have recently left the Planning Unit."

Council has no development applications undetermined from 2001/2002. The DA tracking report will on occasions show applications as undetermined from that period but this relates to anomalies in the migration of data from our previous *Authority* to current *Pathways* tracking system. The report on Outstanding Development Applications by Responsible Officer is reviewed monthly and where such anomalies arise they are investigated and closed.

The report on outstanding applications per Responsible staff Member will occasionally show DA's allocated to staff that have left the Unit. This results from data entry errors where the file location field is updated but the responsible officer field is not. To ensure the integrity and correctness of the data the report is audited monthly by management and any inaccurate allocations corrected.

It may also be relevant to mention here that in the Department's latest Comparative Information Report Bankstown was reported as having the third lowest median DA determination time of any group 1, 2 or 3 council.

Recommendation 12: "Council should investigate the formal establishment of an IHAP to consider contentious DAs, DAs where council staff may have been doing consultancy work in the past and there could be a perceived conflict of interest, DAs for councillors, requests for review (section 82A) and contentious modifications to development consents

Council uses independent planning assessors when a real or perceived conflict of interest arises, and this would be the case if a DA arose from an applicant to whom Council's Civic Approvals Unit had provided consultancy services . The assessor reports direct to elected council overcoming any real or perceived conflict of interest. To date, we are not aware of either of the only two private sector large developers that Council's Civic Approval Unit provides consultancy services, who have carried out any developments within Bankstown.

s82A reviews are referred to Council where Council's Director, Planning, previously determined them.

Councillor applications are determined in the same as any other DA i.e. if there are variations or significant objections they go to Council but if not they are assessed under delegation. Councillors can only contact senior management in any dealing they have over a personal DA so this reduces the chance of any influence.

Council appreciates the recognition accorded in the draft report (in p 6) to the quality of its development assessment: "Councils development application (DA) assessment process is part of an accredited quality system and is both internally and externally audited on a regular basis. Built into the system are also peer reviews of DA .....to ensure that ...the process followed is sound."

Our considered view is that the creation of an IHAP would require significant resources and would delay the determination of applications. It would also remain to be seen whether it has credibility with the community, particularly where the members of the IHAP change regularly due to their other commitments [for example, recent case at Canterbury Council]. This in turn makes it difficult for applicants to receive consistent advice and speedy decisions.

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For all these reasons, an IHAP may not be of any real benefit to our Council. They are useful at Councils that have circumstances different from ours and where many DA's end up in court with council spending money defending decisions based upon considerations other than applying the Act. This is rarely the case at Bankstown where we have a well documented assessment processes that promotes efficient decision-making, strong support by Councillors of assessment recommendations from professional staff and a very low appeal rate.

Recommendation 13: *"Council should review its State of the Environment documentation on its website to make it more user-friendly."*

Council acknowledges the fact that currently, on its website, there is only one link to the SoE Report via the Environment tab. This was also identified by Council's Website Working Group and the Group is now working on improving the visibility and ease of access to the SoE Report by adding an extra link from the *Documents* page of the website and also by creating a tab marked "State of the Environment Report" to the Environment Page.

Regarding the SoE being in sections - in its entirety the file size of the PDF version is 22Mb, far too big to easily download or email as a single document. Therefore, dividing the report into sections means faster and easier access and, in other words, it is more user friendly in a split format. Most people, including students, that access the document usually need information on one or two aspects of the local environment and therefore download only what they need. For a similar reason, it is also the current practice of the Department of Environment and Conservation (DEC) to provide their SoE Report in sections as we have done. Council is also currently assessing the option for an additional more web-friendly shorter version.

Recommendation 14: *"Council should develop a formal Enforcement and Prosecutions Policy and a Local Orders Policy under section 159 of the Local Government Act."*

As earlier mentioned in the attachment to questionnaire completed prior to the review (Q 2.37 & Q 2.38), Council is in the process of formalising a written enforcement and prosecutions policy to document what is already established Council policy and practice amongst staff in this area. For example, standard operation procedures exist and staff is aware of these and performs them on a daily basis. A formal policy will simply put these and other procedures into a single written document.

Recommendation 15: *"Council should develop an awareness program and a compliance audit program in place to ensure that it is notified of all new swimming pools in its area, and that swimming pools comply with the Swimming Pools Act 1992."*

As mentioned earlier in reply to Q.2.44 in the Self Assessment Checklist (Questionnaire) completed by Council prior to the Review by the Department's auditors, Council acknowledges that it does not have an adequate compliance program to monitor on an ongoing basis that all swimming pools in Bankstown continue to comply with the Swimming Pools Act 1992. This is mainly due to lack of resources and is an industry-wide problem already acknowledged by the Department in its review of the Swimming Pools Act compliance. However, Council's Civic Approvals Unit will assess the development application and the swimming pool after it is built to ensure that all regulations have been complied with. Council's health and building inspectors investigate complaints about swimming pools which may include non-adherence with fencing requirements. Non-

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compliance may result in Council serving a notice to comply within a reasonable time.

As mentioned earlier in reply to Q.2.45 in the Self Assessment Checklist (Questionnaire) completed by Council, as part of an awareness initiative, Council's Health Waste and Compliance Unit has developed a brochure, *Legal Pool Fence Requirements*, which provides pool owners with details about their responsibilities under the Act.

Asset and Financial Management

Recommendation 16: "Council should develop and implement a long-term finance plan, as soon as practicable."

Council appreciates the acknowledgement in the draft report (p 8) that it "has key elements of a good financial planning framework, including asset maintenance programs and long-term asset planning for its infrastructure."

As outlined in discussions with the review team, Council has implemented a number of short to medium term financial strategies to manage its operational costs, the replacement of its operational assets, ensuring a reasonable/affordable level of funds are allocated towards replacing community assets and developing cash reserve strategies for certain future initiatives (e.g. developing our urban villages and responding to grant opportunities). As part of our 2007/08 budget process, Council will further strengthen its planning process, whereby it will look to project the City's needs over the next five years by incorporating all its existing long-term strategies (i.e. asset management plans), and be better able to manage outcomes from a financial perspective.

Community and Consultation

Recommendation 17: "Council should ensure that its Social Plan provides details of the methodology used to consult with the community."

Council appreciates the Draft Review Report's recognition (p-39) of its *Social Plan 2004-09* as a document which is "comprehensive and clearly complies with all legislative requirements for social planning." Council also appreciates recognition (p 40) in the Draft Report that "Council has an in-house community research facility and routinely undertakes extensive community research, using its *In The Know* consultation protocol, including.........." It is also inspiring to note the Draft Report's listing (pp 40-41) of various community consultation techniques and methodologies utilised by Council.

While acknowledging that community consultation methodologies used for developing the Social Plan could be further elaborated, Council's *Social Plan 2004-09* includes (p 9) a section entitled *Developing Bankstown's Social Plan*. This section lists the community engagement methodologies utilised. It also lists Council's 14 other social policy documents from which the *Social Plan* drew upon. Appropriate and extensive community consultation methodologies were utilised to develop each of these social policy/plan.

Recommendation 18: "Council should consider developing a tourism plan as part of its Economic Strategy, and promoting Bankstown Airport should be considered as an option to increase tourism in conjunction with the establishment of a tourism business network incorporating the Airport owners, the Commonwealth Government, the Australian Aviation Museum, various charter joy flight operators and including potential promoters of general aviation air shows."

In 1991, Council had developed a Tourism Plan. Subsequently in 1997, Council developed a Business Investment Strategy with general economic development objectives, subsuming the need for a separate tourism plan. The Business Investment Strategy, which is currently being reviewed, will be replaced with an economic development strategy and will include elements of a tourism plan in it.

It should be noted that Bankstown is not seen as a tourist destination in the traditional sense of the term. Its opportunities are predominantly limited to visitors to places like Dunc Gray Velodrome, Memorial Oval, Georges River National and Mirambeena Regional Parks, and the Aviation Museum. This is however not to imply that Bankstown has no tourism potential. With its current limited tourism attractions and hospitality infrastructure, Bankstown attracts 2.1 million visitors annually who contribute $232.8 million to the local economy. Approximately two third of the 2.1 million annual visitors are day visitors and domestic overnight stayers. It is believed that a considerable proportion of the total 740,000 annual international visitors are family and friends. (Source: *Tourism Impact Model for Australian Local Government*, Australian Government, Department of Industry, Tourism and Resources, 2006).

Council organises annual events like *Bankstown Bites* multicultural food festival and Bankstown Games. Some of these events are advertised in mainstream media as well as local newspapers across Sydney to attract visitors from across regions.

The latest review of Council's Business Investment Strategy, which is currently underway, will explore ways how the tourism potential could be further exploited.

Regarding establishment of a tourism business network, it may be relevant to add here that Council's ongoing networking with local businesses includes, among others, local airport, aviation businesses, hotel industry, exporters and CALD businesses. A draft MOU recently finalised between Council and Bankstown Airport is likely to enable both parties explore cooperatively opportunities for the City.

Recommendation 19: "Council should establish a formal agreement or MOU with the local Aboriginal Land Council or local Aboriginal community, as soon as practicable.

Since 2001, Council has an Aboriginal and/or Torres Strait Islander Advisory Committee, which meet quarterly. Bankstown Koori Interagency meets monthly. Council tries to ensure that the Advisory Committee and the Interagency have an ongoing partnership in meeting the needs of Aboriginal and Torres Strait Islander community in the Bankstown area. At its meeting held on 24th August 2006, the Advisory Committee emphasised the "need for a Memorandum of Understanding between the two LALCs [Local Aboriginal Land Councils] and the Advisory Committee."

Workforce Relations

Recommendation 20: "Council should develop formal succession planning for key positions/personnel."

Although Council does not have a formal succession policy for key positions, it currently has in place wider succession planning initiatives to achieve similar objectives across the organisation. It has initiated a cadet/graduate program to facilitate entry and upskilling of young talents in its human resources pool. Council is also developing a Leadership Model to identify, retain and groom potential leaders across the organisation to prepare them for assuming key positions in future.

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Conclusion

In conclusion, Council would like to comment on two statements included in Section 6.3 *Asset and Financial Management*, in the main body of the draft report. At page 36 (last paragraph), the draft report states that:

(a)   " [Council] .....uses property development as a source of income."

This statement may imply that Council is utilising proceeds from the sale of property as a source of income to manage/balance its annual funding requirements. Council would like to clarify that its approach to managing property sales is quite fixed in that all net proceeds are placed in a reserve titled the Land Investment Fund and utilised for income generating opportunities or for specific community initiatives of a capital nature. These funds are not generally used to support our recurrent operations.

(b)   "Council is also currently considering the potential use of infrastructure bonds."

Council is not sure where this information came from and would like to confirm that it is not now, nor has ever contemplated the use of infrastructure bonds. Council therefore suggests that the Department consider deleting this statement from the final report.

Council would like to acknowledge the usefulness of the summary of *What's Working Well & Challenges* provided at the end (pp 47-48) of the draft review report. However, Council is of the opinion that in future the Department could consider a qualitative or quantitative rating of a reviewed council in key performance areas, to make the review outcome more useful and comparable, somthing more like a report card.

Council considers the review undertaken by the Department as a positive experience and a usefull management tool. The recognition accorded in the draft report on Council's achievements in various areas is appreciated and will help us to sustain those areas. Where there is genuine need for improvement identified in the draft report, these issues will be vigorously pursued.

Should your officers require further information or wish to discuss any of our responses in more detail they should contact myself or Council's Group Manager, Strategy & Governance, Mr. Greg Brown (02-9707 9526).

Richard Colley
GENERAL MANAGER

BANKSTOWN CITY COUNCIL

BANKSTOWN
City of Progress

STATEMENT OF BUSINESS ETHICS

For business dealings between the Bankstown City Council, the private sector and other parties

WHY A STATEMENT OF BUSINESS ETHICS?

Our statement of business ethics has been developed to assist those dealing with the Bankstown City Council to understand the ethical standards that the community expects from both the Council employee and those that enter into a business relationship with Council. The principles outlined in this Statement reflect Council's values, expressed in Council's Management Plan (CITYPLAN) and its Code of Conduct.

By complying with our Statement of Business Ethics, you will be able to advance your business objectives and interests in a fair and ethical manner.

The Council expects all its customers to comply with this Statement and to know and understand the standards the Statement promotes.

It is important to be aware of the consequences of not complying with Council's ethical requirements when doing business with us.

COUNCIL'S COMMITMENTS TO THE COMMUNITY

- We will have a Vision for the City and plans and actions that are consistent with achieving that Vision
- We will ensure that in all our dealings we are fair, honest and open
- We will ensure high levels of community consultation in respect of our decisions and activities
- We will responsibly manage all of the community assets over which we have custody
- We will care for the natural environment
- We will pursue social justice and respect cultural diversity
- We will treat our customers with respect, courtesy and friendliness
- We will provide services of the highest possible quality and will focus totally upon the needs and expectations of our customers
- We will be creative and innovative
- We will ensure that services cost no more than necessary
- We will ensure that service levels and spending reflect the overall and relative priorities of the community.

Councillors, staff and delegates must maintain the highest standards of conduct and shall abide by the Vision and outcomes critical in Council's CITYPLAN:

- *Community:* A sense of pride and positive citizenship amongst the diverse communities of Bankstown
- *Environment:* A safe, planned, sustainable City which protects and enhances its natural assets
- *Infrastructure:* All residents are provided with a range of services and assets that are well managed and meet their needs
- *Governance:* Good governance across Council operations (*Council is viewed as an ethical, accountable and transparent organisation - CITYPLAN Sub Outcome G6*)

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Our Corporate Vision: Bankstown Council will participate in creating a proud, safe, sustainable community and provide services and facilities that meet needs, respect the environment and acknowledge diversity.

Our Corporate Mission: To provide community leadership, sound management and employment practices, and a collaborative approach to service provision.

CONSEQUENCES OF UNETHICAL BEHAVIOUR

Corrupt or unethical behaviour could lead to:

- Termination of contracts
- Loss of future opportunities with Council
- Loss of reputation
- Investigation for corruption
- Matters being referred for investigation

Consequences for Councillors, staff and delegates may include:

- Investigation
- Misconduct charges
- Loss of civic office for Councillors
- Disciplinary action including termination of employment
- Potential criminal charges

WHAT YOU CAN EXPECT FROM US

Council will ensure that all its policies, procedures and practices relating to tendering, contracting, purchasing of goods and services, assessment of development applications, use of consultants and/or contractors and interaction with lobbyists are all consistent with best practice and the highest standards of ethical conduct.

Council's Code of Conduct binds councillors, staff and delegates. When doing business with the community or private sector, councillors, staff and delegates are accountable for their actions and are expected to:

- Use Council resources efficiently and effectively
- Act honestly and ethically when dealing with the community and others
- Avoid conflicts of interest, both real and perceived
- Observe environmental sustainability considerations
- Comply with Occupational Health and Safety requirements

To achieve probity, Council will consider at all stages of the purchasing, tendering, contracting and development application processes the following essential factors:

- Transparency of process
- Accountability
- Ethically managing potential conflicts of interest
- Obtaining best value
- Monitoring and evaluation of performance

Council's dealings will be transparent, accountable and open to public scrutiny whenever possible. However, there will be times when confidentiality will be required by Council. Council will only maintain relevant records of organisations and individuals with which business has been conducted.

WHAT WE ASK OF YOU

We require all suppliers of goods and services, applicants, consultants, contractors, owners and applicants of development applications and anyone doing business with the Council to observe the following principals:

- Act ethically and honestly in the dealings with the Council
- Declare actual or perceived conflicts of interest as soon as you become aware of the conflict
- Comply with Council's procurement policies and procedures
- Provide accurate and reliable information when required
- Take all reasonable measures to prevent disclosure of confidential Council information
- Refrain from engaging in any form of collusive practice offering councillors, staff and delegates inducements or incentives designed to improperly influence the conduct of their duties
- Assist Council to prevent unethical practices in our business relationships
- Comply with privacy legislation in relation to personal information obtained through dealings with Council or work undertaken for Council
- Comply with all the on-site occupational health and safety requirements
- Provide accurate and reliable advice and information
- Deliver quality and value for money
- Act without discrimination and on the basis of informed cultural understanding
- Respect the environment, comply with environmental laws and have sustainable practices in the use of resources and waste management

GUIDANCE NOTES

Gifts and Benefits

Customers doing business with Council should not offer (and Councillors, staff and delegates are not permitted to accept) a wide range of gifts and benefits, including hospitality, in accordance with requirements under Council's Code of Conduct.

Token gifts may be accepted by councillors, staff and delegates with the approval of their supervisor/manager. All gifts of value must be declared by councillors and staff in Council's gift and benefits register. All attempts should be made to decline gifts of value where possible.

Conflicts of Interest

Conflicts or potential conflicts of interest must be disclosed by councillors, staff and delegates and (where relevant) our customers to ensure their actions withstand public scrutiny.

Conflicts of interest exist when it is likely that a councillor, staff member or delegate may be influenced or perceived to be influenced by a personal interest in carrying out their public duty.

Conflicts of interest that lead to partial decision-making may constitute corrupt conduct. Perceptions of a conflict of interest can be as important as actual conflicts.

Councillors, staff, delegates and customers doing business with Council are required to disclose in writing any perceived or actual conflicts and have that recorded on the relevant file.

Corporate Information

The Council maintains a large amount of information about our customers and the community.

Council has an obligation to protect this information and maintain its integrity in its systems.

Council expects that customers will treat all information appropriately and all information collected must be used for the purpose it was provided.

Confidentiality

All Council information should be treated as confidential unless otherwise indicated.

Intellectual Property

In business relationships with Council, all parties will respect each others intellectual property rights and will formally negotiate any access, licence or use of intellectual property.

Legislative and Policy Requirements

Where councillors, staff, delegates and customers are involved in the contracting or tendering for services or supplies, or other business, all legislative and policy requirements must be adhered to by all parties.

Development Applications and other Approval Processes

Throughout the Development Application process all parties, including councillors, staff and delegates, should understand that Council in its formal role in determining a Development Application has to consider the matters prescribed in legislation in a way that is open and transparent and is seen to be fair to all parties involved.

Support or objections etc. for proposals for applications may be seen to influence the application making process.

Councillors, staff and delegates should not be expected to offer support or otherwise for any party associated with the Development Application process. Councillors and staff are professional people and will treat all aspects of the Development Application process in a professional and ethical manner.

These principles apply equally to all other regulatory application processes, such as the rezoning and subdivision of land, construction certificates and tree preservation orders.

Compliance Inspections and Investigations by Council Staff

Council has responsibility to undertake inspections and investigate activities relating to non-compliance with legislative requirements, in relation to buildings and the operation of business premises to ensure the health and safety of the public. Council staff will conduct all aspects of these processes in a professional and ethical manner.

Council Resources

The Council's resources should only be used for Council purposes and in the public interest. Councillors, members of staff, delegates and customers doing business with council are expected to be efficient, economical and ethical in their use and management of Council resources, including staff time.

Public Comment

Only staff who are specifically delegated to do so by the General Manager may make public comment about Council matters.

Other than those who are specifically delegated, you must not make any public comment or statement that would lead anyone to believe that you are representing Council, or expressing its views or policies. This includes comments or statements made at public and community meetings, via the media, or when it is reasonably foreseeable that the comments, or statements, will become known to the public at large.

Reporting Unethical Behaviour (Whistleblower's Policy)

The Council is committed to promoting ethical behaviour. Reports of unethical behaviour, fraud, corruption, maladministration or waste can be made to your supervisor, Group Manager, General Manager or the Council's Public Officer on 9707 9937 or Council's Manager, Internal Audit on 9707 9928. External reporting can also be made to:

Independent Commission Against Corruption	8281 5999
NSW Ombudsman	9286 1000
NSW Department of Local Government	4428 4100

Public officials reporting corrupt conduct, maladministration or waste can be protected by the *Protected Disclosures Act 1994*. This Act protects public officials who are disclosing corrupt conduct from reprisal or detrimental action and ensures disclosures are properly investigated. The Council has an adopted policy on *Internal Reporting under the Protected Disclosures Act 1994*.

Who to Contact

The Guidance Notes relate to a number of supporting policies. If you have any questions regarding this Statement of Business Ethics or these policies, including how it applies to you, please contact Bankstown City Council's Public Officer on 9707 9937 or Council's Manager, Internal Audit on 9707 9928.

8. SUMMARY- WHAT'S WORKING WELL & CHALLENGES

COUNCIL'S PRIORITIES AND FOCUS

What is working well

- clear vision formed from community consultation and research

- vision integrated throughout council's principal activities

- continuous improvement process

- meeting the needs of an ageing population

GOVERNANCE

What is working well

- Ethics and values

- Protected disclosures

- Management Plan and Annual Report

- Risk management

- Decision-making

- Access to information

Challenges to improve

- Fraud prevention

REGULATORY

What is working well

- Strategic planning instruments

- Development applications, Section 94 and BASIX

- Water safety

- Companion animals

- State of the Environment reporting

Challenges to improve

- Enforcement

- Swimming pools

ASSET AND FINANCIAL MANAGEMENT

What is working well

- Financial Management, Asset Management Planning and Land Assets
- National Competition policy
- Insurance and Information technology

Challenges to improve

- Finance Plan

COMMUNITY AND CONSULTATION

What is working well

- Social and community planning and cultural planning
- Customer service
- Tourism and economic development

WORKPLACE RELATIONS

What is working well

- Human resource strategy and policy framework
- Recruitment and selection and job descriptions
- Occupational health and safety

Challenges to improve

- Succession planning