challenges   improvement   innovation   good governance

Local Government Reform Program - Promoting Better Practice

REVIEW REPORT

CESSNOCK CITY COUNCIL

DECEMBER 2006

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.

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

Review process

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

The process involves a Department of Local Government (DLG) review team 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.

Cessnock City Council Review

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

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

- How has council determined its ambitions and priorities?

- How do these ambitions and priorities drive the council's services and resources?

- How does council use its corporate capacity and systems to drive forward the organisation in an ambitious, challenging yet managed way?

- How does council measure the progress it is making with its agenda to ensure that its priorities are delivered and that service improvement is achieved?

Steve Woods, a Senior Risk Management Consultant acting for the Department of Local Government, conducted an on-site review of council from 26 June to 30 June 2006.

The on-site review consisted of discussions with council's senior staff, conducting interviews, attending a council briefing session, and the review of a number of council's policies and other documents. Council was invited to comment on the draft report, and council's comments are set out in section 7 of this report. Council's comments have been taken into account in finalising this report.

2. EXECUTIVE SUMMARY

Cessnock City Council has clearly articulated its vision, goals and charter in its strategic plan titled "Our People, Our Place, Our Future". This comprehensive strategic planning process was developed after extensive consultation with the community, local business leaders, councillors and staff.

The vision, goals and charter are integrated throughout council's management plan, city wide settlement strategies (residential and commercial/industrial), social, environmental and cultural plans. All planned activities in each of council's operational areas are tested to ensure that they are in keeping with council's long term goals and actual performance against targets are set out in the Annual Report.

Cessnock City Council generally has a mature approach by both council management and elected officials to decision-making. However, this can sometimes be undermined by in-fighting among elected councillors, and council must be mindful of the damage this does to council's reputation in the community.

Councillors attend regular briefing sessions to assist them to understand their role and keep them informed of current issues. 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 communities to higher levels of government.

In general, there is a cooperative working relationship between staff and councillors at Cessnock. One councillor raised a number of governance issues during the review, mainly relating to council's development operations, however discussions with the General Manager indicated that these matters are being adequately addressed.

Council is committed to the effective and efficient application of risk management principles and has a risk management policy as part of its integrated management system for works and services (design, construction and maintenance services for

roads, bridges, drainage systems and recreation areas), which has been certified against the ISO 9001, ISO14001 and AS 4801 and incorporates NSW RTA Single Invitation Contract Requirements.

However, council does not have an overall plan to guide its risk management activities organisation-wide. Directors review their division's exposure to risk as part of the management planning process and all major insurance risks are covered.

These matters were discussed with management and the review recommends that council should form a risk management committee to draft a risk management strategy and then develop a council-wide structured and integrated plan to cover all risks – financial, operational, customer service oriented, safety, security, environment, technical, commercial business activities (lawn cemeteries, swimming pools and residential land development) et al.

Council also does not have an internal audit function or an audit committee. These matters were also discussed with management and the review recommends that an internal audit plan should be developed based on a risk assessment to cover the council-wide risks identified above and seek to add value to council and that council consider sharing resources to form a Regional Audit Committee.

Council's overall financial position is satisfactory. Council has key elements of a good long-term financial planning framework, including asset maintenance programs and long-term asset planning for its infrastructure. Council also has a program of monthly investment reports to council, quarterly financial reviews and financial health checks that are satisfactory.

Council has a solid policy framework across its human resources area, including plans and/or procedures for equal employment opportunity (EEO), workplace harassment, induction, performance management, staff training, exit interviews, grievance handling, disciplinary procedures and occupational health & safety (OH&S), rehabilitation and workers' compensation return to work.

A recruitment kit has been drafted which includes all facets of the recruitment and selection process and a human resources plan to support council's strategic plan is almost complete. It would be good business practice to complete these documents as soon as practicable.

The council faces a future challenge with an ageing workforce. Council currently has no formal succession plan for key personnel and positions but discussions indicated that it could be formulated in a short period of time, having appointed a new General Manager and two new directors in the last year. The two new directors are in the process of reviewing the structure of their respective departments. It would be good business practice for council to ensure that a succession plan for key personnel and positions is developed within the next twelve months.

Cessnock City Council has a strong community service focus. The council understands its community and has comprehensive community services and activities to meet diverse community needs.

In summary, the council has the potential to strategically address the future needs for the Cessnock City Council area.

3. RECOMMENDATIONS

Governance

1. Council's statement of business ethics and code of conduct should be made more prominent on council's website, and council should examine how to better organise its "Codes Policies and Procedures" to make them more accessible and user friendly.

2. Council should include the requirements of the Protected Disclosures Act 1994 and internal reporting procedures in on-going training programs for staff and councillors.

3. Council should establish a Risk Management Committee to draft a Risk Management strategy and then develop a council-wide structured and integrated plan to cover all risks – financial, operational, customer service oriented, safety, security, environment, technical, commercial business activities (lawn cemeteries, swimming pools and residential land development) et al.

4. Council should develop a fraud policy and carry out fraud and corruption prevention risk assessments on a regular basis.

5. Council should develop a system for the internal reporting of legislative non-compliance or prosecutions against council.

6. Council should finalise its plan to manage the impact of a disaster/critical incident on its operations and test it, as soon as practicable.

7. Council should conduct a risk analysis of its procurement and disposal practices to ensure controls are adequate.

8. Council should develop an internal audit plan based on a risk assessment to cover all council-wide risks and seek to add value to council.

9. To ensure that any internal audit program is cost effective, council should consider any opportunity to share resources with other Hunter regional councils, including forming a Regional Audit Committee.

10. To ensure that councillors properly carry out their duties and allow them to be effective members of council's elected body, council should provide them with induction training to cover the following:

   - the legal and political context of local government (including a familiarisation with the relationships between the three tiers of government)
   - governance and conflict of interest issues, including case studies
   - meeting practice
   - the ethical responsibilities of an elected member, including maintaining confidentiality outside of council, and
   - teamwork skills (including conflict resolution).

Planning and Other Regulatory

11. Council should investigate the costs and benefits of establishing an Independent Hearing and Assessment Panel (IHAP) to consider development applications of a significant or contentious nature (including matters where council is the applicant).

12. Council should formalise its swimming pool program to ensure compliance with the Swimming Pools Act 1992, as soon as practicable.

13. The local companion animals management plan should be completed and implemented as soon as practicable.

14. Council should ensure it reports *all* dog attacks to the department as required (refer to departmental circular 04/26).

15. The issues noted in the current State of Environment report regarding Hexham Swamp, drinking water, noise and waste and progress with

identified gaps should be addressed by council and progress reported on in the next report.

Asset and Financial Management

16. Council should implement strategies to improve its low unrestricted current ratio (UCR) as a matter of priority.

17. Council should review as a priority, the discrepancy in valuations between the assessment of the estimated costs to bring assets to satisfactory condition of $8.1 million in the financial accounts and the $40.1M for the same items in Special Schedule No. 7 in the Annual Report 2004-2005.

18. Council should adopt a formal information technology strategy to meet the business needs, standards and strategic directions of council.

Community and Consultation

19. The social and community plan should include a contents page, an executive summary and an outline of the methodology used in its development.

20. Council should continue to try and formalise an agreement or memorandum of understanding (MoU) with the local Aboriginal community.

Workforce Relations

21. Council should formalise its human resources plan and recruitment kit, as soon as practicable.

22. Council should consider adopting a formal policy covering internal appeals available to applicants for positions who are not happy with post-interview feedback from a Panel Convenor.

23. Council should conduct another employee attitude survey within the next year and take action to implement the actions identified based on the survey's findings.

24. As the Consultative Committee's aim should be to provide for two-way communication between management and staff, council should nominate alternative management representation to replace the two councillors currently on the Committee and should revise the constitution to comply with clause 27 of the Local Government (State) Award 2004.

25. Council should develop a formal succession plan for key personnel and positions in the next twelve months.

4.   CONTEXT

Cessnock Local Government Area is a city of rural, residential and village areas and lies between Australia's earliest European settlements – Sydney, the Hawkesbury and the Hunter. It is a sub-region of the Hunter Valley, approximately 120 kilometres north of Sydney. Around 48,000 people live in an area of 1,950 square kilometres and it is the traditional home of the Darkinjung Aboriginal people. It attracts 2.5 million visitors per year and has become the second most popular tourist destination in NSW.

Hunter Valley wine growing area in Cessnock City is Australia's oldest commercial wine region with around 4,500 acres under vine. The main vineyards are at Pokolbin, Rothbury, Mount View, Lovedale, Wollombi and Allandale.

The Cessnock LGA is one of thirteen that make up the area known as the Hunter Region and is the largest LGA located on the fringe of the urban-based Lower Hunter Sub-Region, supporting the lowest population density. It is characterised by a variety of geographic features that include large areas of state forest, national park, grazing land and areas for viticulture.

Cessnock and Kurri Kurri, as the two population hubs, have seen continued growth in recent years, and there is strong interest in tourist development in the vineyards district and increased interest in residential and commercial development in the Branxton area.

Although the rural atmosphere offers a unique lifestyle for its residents, it does present some challenges for council. Unemployment and public transport remain some of the priority issues for Cessnock City Council and the community.

Council has been proactive in establishing development control plans such as that for the Hunter Employment Zone (HEZ). The aims of the HEZ are to: foster and promote industrial development that is accessible to urban centres and arterial roads and retains the potential for rail access; has significant employment opportunities;

that incorporates the principles of ecologically sustainable development; and ensures a high level of environmental protection.

The employment profile of Cessnock is changing. Service industries provide an ever-increasing source of employment, particularly in tourism. Local educational institutions have responded to this demand with courses now run in hospitality, tourism and viticulture. Manufacturing is also important, employing many residents.

The recent sale by council of the former Cessnock Sportsground has seen the development of retail and specialty/bulky goods stores on the site. These retail developments are seen as contributing significantly to the strength of the Cessnock retailing sector and provide enhanced shopping opportunities for local residents. Employment opportunities and the retention of shoppers in the local area are also important benefits.

Council has also been proactive in providing incentives for on-going study by students who live in the Cessnock LGA by recently presenting the Mayoral Academic Awards to celebrate the academic excellence of young people.

Sport is also a passion with the City renowned for producing successful sportspeople for teams such as the Newcastle Knights NRL team. The funds obtained from the sale of the former sportsground were applied to the new sports facility at Baddeley Park, South Cessnock. This first class facility is set to become a regional facility. Other sporting projects completed recently include new tennis courts for Branxton and Wollombi and a full sized basketball court as part of the new multi-purpose centre at Greta.

Cessnock had an operating surplus of $5,765,000 before capital items in 2004-2005 compared to a surplus of $1,064,000 in the previous year.

The council has a total of 13 councillors, three (3) representatives from four (4) wards and the Mayor, who is elected by popular vote.

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

Cessnock City Council has clearly articulated its vision, goals and charter in its strategic plan titled "Our People, Our Place, Our Future". This comprehensive strategic planning process was started in 1997 when discussions were held across the City to find out what people wanted council to focus on into the new millennium. The results of these discussions were five clear goals for the future. These goals are as follows:

- to promote and provide quality services and facilities which focus on the needs of the community
- to protect, enhance and promote our natural, developed and cultural environment
- to actively foster the creation of employment and sustainable development opportunities acceptable to community and environmental standards
- to be a professionally managed and customer focused organisation which provides leadership through partnerships with the community and
- to identify needs, share information and provide opportunities for active participation and community consultation.

With these goals in place, council developed its strategic plan in 1999 after extensive consultation with the community, local business leaders, councillors and staff.

The vision, goals and charter are integrated throughout council's management plan, city wide settlement strategies (residential and commercial/industrial), social, environmental and cultural plans. All planned activities in each of council's

operational areas are tested to ensure that they are in keeping with council's long term goals and actual performance against targets are set out in the Annual Report.

Council is currently reviewing the strategic plan (which is appropriate given it is now 7 years old) and has established working and steering committees to review the content and format for the revised plan. A detailed community survey and interviews with a number of business and community leaders have been undertaken as part of the overall planning process.

Council sees itself fulfilling a number of roles in achieving the community's aspirations. These include direct service provider, regulator, developer, partner, facilitator and advocate. Examples include economic development, major project construction, land development, supporting the Tourism Board and local business chambers, establishing strategic land use objectives, facilities management and contributions to Tidy Town Committees.

Departmental directors meet monthly with the General Manager to discuss progress and each quarter a report is provided to council on progress in achieving the strategies set out in the management plan and program budget. A quarterly review of the budget is also undertaken and a quarterly community report is distributed widely throughout the City.

Council is also prominent is sharing resources with other councils to provide cost-effective services to residents including:

- Hunter Resource Recovery (with Maitland City Council and Lake Macquarie City Council) to provide a recycling service
- Hunter Integrated Resources (with Maitland City Council, Lake Macquarie City Council and Newcastle City Council) to investigate and implement waste management services using environmentally sustainable techniques, and
- Hunter Councils Limited and Hunter Council's Inc (with Dungog, Gloucester, Great Lakes, Lake Macquarie, Maitland, Upper Hunter, Muswellbrook, Newcastle, Port Stephens and Singleton Councils) to promote and strengthen local government in the Hunter Region.

Council is also a member of the Hunter Valley Wine Country Tourism Inc to promote tourism and associated economic development in the City.

Ageing population

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

Between 2004 and 2022 Cessnock's population is projected to increase in size by 7 per cent. Its youth population is projected to decline in size, its working age population to grow minutely and its elderly population to grow substantially.

Approximately 13.4 per cent of the Cessnock population is currently aged at 65+ years and this is projected to grow by 70 percent by 2022 to 21.3 per. At an average increase of 0.44 percentage points per year, this force of ageing is faster than that projected for NSW as a whole (0.33). Cessnock 85+ population is projected to increase in proportion from 1.5 to 2.1 per cent of the population, representing an increase of approximately 50 per cent.

Cessnock currently has a labour market entry/exit ration of 1.2:1, meaning that it has around 12 people at labour market entry age (15-24 years) to every 10 approaching retirement age (55-64 years). This ratio is expected to become negative by 2011 and decline to 0.8:1 by 2022. By comparison the entry/exit ratio for NSW total is currently 1.3 and will decline to 0.9, the cross over to more exits than entrants coming around 2018.

Reflecting these trends, Cessnock's total working age population (15-64 years) is projected to fall from its current 65.3 per cent of the population, to around 61.7 per cent by 2022. However, it is projected to actually increase fractionally in size by approximately 1 per cent.

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

- providing information on what is happening with the general population trends and access to population projection information for each local government area,

- providing information on the existing and likely diversity amongst older people,

- providing evidence on what population ageing means for all roles that councils perform, and

- encouraging councils to examine their numbers and proportion of older people and their rate of population ageing, in conjunction with the evidence on impacts, and to identify what roles they may need to change.

The department encourages councils to use this paper in its planning process.

Cessnock City Council's social plan includes a number of valuable strategies for older people including transport, social activities, mature aged employment, education and training, access to health services and respite services. It is evident that council has integrated strategies across all its functional areas to address this challenge.

Council reviews progress in relation to these priorities both on an annual basis with the local area planning team and also on a bi-monthly basis to update progress on key performance indicators. It is reported on a quarterly basis via management plan reports as well as annually in the council's Annual Report.

6. DELIVERING AND ACHIEVING

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

Overview

In general there is a co-operative working relationship between staff and councillors at Cessnock. Councillors attend regular briefing sessions to assist them to understand their role and keep them informed of current issues. While council at times displays a mature approach to decision-making, there is a need for council to avoid occasional incidents of significant in-fighting between councillors that serve to damage council's reputation in the community.

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 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*

What is working well

Ethics and values

Council has developed a specific set of values that are included in its strategic plan, "Our People, Our Place, Our Future". Those values are also aligned to the key principles included in its code of conduct and the council's charter. Council has also developed a statement of business ethics, adopted in March 2005, that reflects council's values.

Council's current code of conduct was adopted in March 2005 and a number of briefing sessions have been conducted for Councillors and staff outlining the operations and requirements. New staff members are introduced to the code of conduct as part of council's induction process and regular refresher training sessions are available.

Council has included its strategic plan on the council's website along with its statement of business ethics and its code of conduct. However, these and other key documents are grouped together in a large list of "Codes Policies and Procedures", and are not readily identifiable on the site. It would be good business practice to the statement of business ethics to contractors. The statement and the code should be made more prominent on the website. Further, the "Codes Policies and Procedures page should be reorganised to make it more user friendly. *(Recommendation 1)*

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 a "Handling of Disclosures under the Protected Disclosure Act" procedure 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. This procedure was last updated in February 2005, but council has not had to use it to date.

Section 10 of council's code of conduct also refers to the Act in addressing reporting of breaches, investigation procedures and sanctions.

Council includes the requirements of the Protected Disclosures Act 1994 and internal reporting procedures in its induction training for new staff and councillors but it provides no on-going training on these matters. It would be good business practice to include it in on-going training programs for staff and councillors. *(Recommendation 2)*

Pecuniary interest

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 adopted a code of meeting practice that identifies what interests need to be declared and what do not and rules for disclosure and participation in meetings. Pecuniary and non-pecuniary conflicts of interest are also defined in section 6 of the code of conduct. The standard of returns examined was satisfactory and there appear no significant issues in this area for council to address.

Management Plan and Annual Report

The management plan is produced and updated annually. The plan is linked to council's strategic plan. Sections 403 and 404 of the Local Government Act 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. In May each year, the community are invited to formally comment on the draft management plan, during a four week public exhibition period. However, before it gets to this stage, the plan

goes through a rigorous process (as set out below in the 2006-2009 Plan and the attached diagram) before the draft plan is submitted to council.
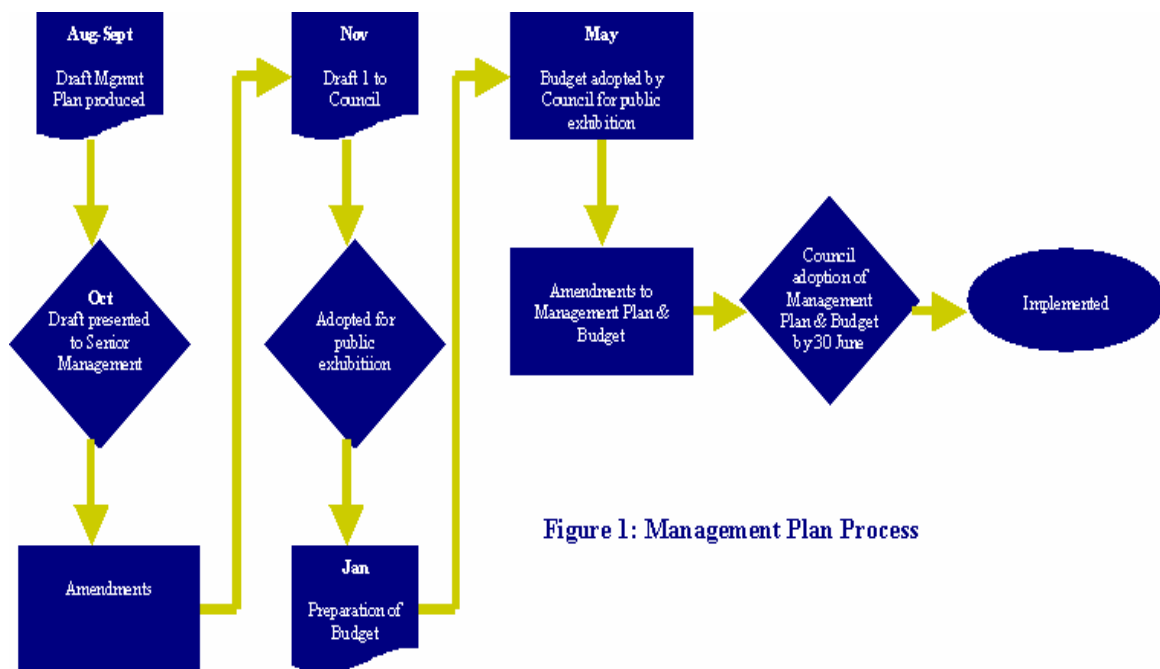

Figure 1: Management Plan Process

A public submission form is attached for comment within the public exhibition period and at any time throughout the year following.

Council's 2005-2008 management plan was examined and appears to have been prepared in accordance with the relevant provisions of the Local Government Act and Regulation.

Council's annual report 2004-2005 is well presented, easy to read and appears to meet legislative requirements. The recently updated requirements in clause 217 of the regulation, which requires that reporting on remuneration of senior staff be split-up into salary, superannuation and non-cash components, were overlooked in the 2004-2005 annual report, but council advises these details have been included in the latest annual report.

Record keeping

Council is required to make and keep full and accurate records of its activities in accordance with section 12 of the State Records Act 1998. Council has a records management policy and program that conforms to the requirements of this Act. It

also has a records disaster recovery plan based on the State Records New South Wales Guidelines on Counter Disaster Strategies.

Challenges to improve

Risk management and internal control

A risk management plan provides council with a framework to proactively identify and manage generic and specific risks.

Council is committed to the effective and efficient application of risk management principles and has a risk management policy as part of its integrated management system for works and services (design, construction and maintenance services for roads, bridges, drainage systems and recreation areas). This has been certified against the Australian and International Standards: ISO 9001, 14001 and AS 4801 and incorporates the Roads and Traffic Authority Single Invitation Contract Requirements.

However, council does not have an overall plan to guide its risk management activities organisation-wide. Directors review their division's exposure to risk as part of the management planning process and all major insurance risks are covered.

These matters were discussed with management and council should look to forming a risk management committee to draft a risk management strategy. Council should develop a council-wide structured and integrated plan to cover all risks – financial, operational, customer service oriented, safety, security, environment, technical, and commercial business activities (eg. lawn cemeteries, swimming pools and residential land development) *(Recommendation 3)*

Divisions should still own their individual risk plans but they should be a subset of the council-wide Risk Management Plan.

Fraud is a specific risk facing all councils across their operations. Council does not have a fraud policy and has not carried out a fraud and corruption prevention risk assessment. Council has recently faced some issues connected with investigations

into alleged improper conduct on the part of council rangers (matters that relate to former staff and that have been under investigation). This experience should underline the need for a systematic approach to corruption prevention. Council should conduct regular fraud risk assessments as part of its risk management processes. *(Recommendation 4)*

Council does not have a system for the internal reporting of legislative non-compliance or prosecutions against council. Council should act promptly to develop such systems in order to assist it to ensure it is meeting required standards of compliance. *(Recommendation 5)*

Council does not have a plan to manage the impact of a disaster/critical incident on its operations, including maintaining business continuity (other than in the records area). Discussions with management indicated that this was in progress. Council should act promptly to develop such a plan and test it, as soon as practicable. *(Recommendation 6)*

Tendering and Procurement

Council has a purchasing manual, policies on purchasing of goods and services (tenders) and purchasing and disposal of council vehicles. Council has not conducted a risk analysis of its procurement and disposal practices in the past two years. A small sample of tenders and contracts revealed that although controls were satisfactory, in general, records of staff preparing and issuing tender documents are not always on file and there is no evidence on file of staff declarations regarding any conflicts of interest in tenders, including tender assessment panel members. It would be good business practice to conduct a risk analysis to ensure controls are adequate. *(Recommendation 7)*

Internal Audit

Council does not have an internal audit function or an audit committee. These matters were discussed with management. Council should develop an internal audit plan based on a risk assessment to cover the council-wide risks identified above and seek to add value to council. *(Recommendation 8)*

Council does not have an IT audit capability to review progress of the Information Technology Strategy, Business Continuity, IT project management, environment controls et al.

To ensure that any Internal Audit program developed is cost effective, council should consider any opportunity to share resources with other Hunter regional councils, including the option of forming a regional Audit Committee. *(Recommendation 9)*

On-going training for councillors

Council has an induction program for elected members consisting of briefings covering topics such as the council's charter, strategic planning, management planning, finance, development and planning controls.

However, there is no ongoing program of training for its elected members. Councillors are free to nominate to attend training on certain topics and/or attend sessions run by the Local Government and Shires Associations. Council does not keep records of all training undertaken by its councillors.

To ensure that councillors properly carry out their duties and allow them to be effective members of council's elected body, it would be good practice for council to provide training to develop a more complete range of skills to cover the following:

- the legal and political context of local government (including a familiarisation with the relationships between the three tiers of government)
- governance and conflict of interest issues, including case studies
- meeting practice (one Cessnock councillor may be seen as currently hindering progress during some meetings)
- the ethical responsibilities of an elected member, including maintaining confidentiality outside of council, and
- teamwork skills (including conflict resolution).

(Recommendation 10)

Hunter Employment Zone Planner

During the course of this review, concerns have been expressed over a number of governance matters impacting on council. The matter of most concern was discussed in meetings with the councillor, the General Manager and relevant director.

The matter related to council having a perceived conflict of roles as regulator/operator in relation to the Hunter Employment Zone (HEZ). The council employs an executive planner for the HEZ, whose contract is underwritten by a developer. Concern has been raised that the position description states the planner must "provide a positive image of council to major investors into the HEZ", which may generate concerns about the role of the planner. This matter had been formally addressed to the General Manager, who indicated that the position description may benefit from alteration to remove ambiguity.

The HEZ development is subject to a higher level of scrutiny than most other proposals and that the HEZ executive planner has no delegated authority to determine proposals, resulting in most matters being reported to the elected Council for determination.

The fundamental role of the HEZ executive planner remains the processing of the Cessnock local environmental plan, DCPs and section 94 plan in accordance with legislation. Any alterations would have to be approved by council and, in some instances, the NSW Department of Planning. But given developers are funding the position, the department encourages council to consider amending the word "positive" to read "professional" in the executive planner's position description.

6.2   Planning and 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*

What is working well

Strategic planning instruments

Council has a strategic framework for the City's growth, land use, employment and economic development – the city wide settlement strategy (CWSS). As stated previously, the CWSS is integrated into council's overall strategic plan titled "Our People, Our Place, Our Future".

From a resourcing perspective, council decided to prepare the CWSS in two stages - Stage 1 residential (focus on rural, residential, tourism and related conservation components) and Stage 2 commercial/industrial (examination of future needs). These strategies were also initially prepared as a major component of council's response to ecologically sustainable development (ESD).

An ESD strategy has since been adopted that embraces council's vision statement, goals and charter and provides the commitment to applying ESD principles within all services, functions and activities.

Council also has a single current local environmental plan, the Cessnock LEP 1989, which has incorporated a number of amendments since its original gazettal, including the 1998 Vineyards District Study.

In accordance with an agreed timetable set with the Department of Planning (DoP) in June 2006, council now has two years to develop a new LEP consistent with the CWSS and DoP reforms and has obtained $50,000 in grant funding to undertake the work. During the period of this review a councillor briefing on the new LEP changes to plan making and procedures was held.

Availability of planning information

Council assists the community in obtaining land use information by making available relevant information in the following ways;

- zoning maps (GIS) available on council's website
- face to face enquiries made at the council office, and
- members of the public can view copies of all policies at the council office (or the website) and can contact specific council officers for information.

Council integrates and links its management plan with its LEP, DCPs, state of the environment report and other planning policies by including these instruments and stated objectives in the management plan and through monthly reporting towards achievement.

Development application(DA) process

Council is committed to effective pre-lodgement advice for development application (DA) customers. Council's DA service is reflective of best practice. Council has a pre-lodgement advice service for applicants, development application guides for each type of development and has a list of FAQs on its website.

Council has a system for monitoring progress and turnaround times for DAs and reports 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. Any objections to DAs are considered by the elected council. It would be good practice for council to investigate the establishment of such a panel to consider large and contentious applications, and applications where council is the applicant. *(Recommendation 11)*

Council has evaluated its planning function in the last two years, and has completed a restructure involving reviewed roles and responsibilities of individual officers so as to improve the service provided to the community.

Council does provide facilities for electronic lodgement but not on-line tracking of DAs and assessments. The latter is planned for the second half of 2006.

A monthly report is provided to council that includes information relating to all determinations made under delegated authority (currently 96% of DAs).

Council applies the 'stop the clock' provisions of the EP&A regulation (clause 109-112) in accordance with these regulations and the council's procedure manual. Council's corporate information system utilises a built-in stop the clock functionality.

The council provides a review process for applications for development consent and for approval under section 82A of the Environmental Planning and Assessment Act and section 100 of the Local Government Act. Requests are reported to the next higher level of delegation than previously determined or reported to council. Council provides information to applications on the availability of these rights.

Section 94
Council has prepared and adopted section 94 contribution plans for its residential and tourist areas.

A draft revised residential contributions plan is currently on public exhibition and will be presented to council later in July 2006.

Residential developers pay a lot fee and other charges to cover community halls, bushfire services, libraries, flood studies and administration.

The council maintains a section 94 contributions register that ensures that section 94 contributions are monitored and spent within a reasonable time and in an area to which they relate.

BASIX

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

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.

Cessnock City Council has established a draft swimming pool program to ensure it is notified of all swimming pools in its council area, and that swimming pools comply with the Swimming Pools Act. Council follows-up and investigates complaints about improperly fenced pools and take appropriate action to require upgrading. Council should formalise its draft program as soon as practicable. *(Recommendation 12)*

Companion animals

The adoption of a Companion Animals Management Plan is recognised as good practice to plan, manage and resource its responsibilities in this area. Council is in the process of re-building its enforcement department following the departure of several senior ranger staff. Council has recently begun drafting a Local Companion Animals Management Plan, which will provide it with the means to fulfil its responsibilities under the Companion Animals Act and Regulation by determining relevant objectives and priorities along with a clear program of implementation. The plan should be completed, as soon as practicable. *(Recommendation 13)*

Council delivers a community education program on companion animals at a number of levels, such as talking to people in the community and also programs on specific issues relating to the topic.

Council also has a database of all cross-breed restricted dogs for information purposes and action, as required. Data on any dog attack is collected and any that has warranted an investigation is reported to the department by email. This falls short of council's obligation, which is to report all dog attacks (see Circular 04/26). (*Recommendation 14*).

Challenges to improve

State of the Environment Reporting
Council uses the Department of Local Government's environmental guidelines: "State of the Environment Reporting by Local Government". Council has prepared a supplementary report of the environment as an annexure to its 2004-2005 Annual Report pursuant to section 428(2)(c) of the Act in the last year, and this report meets the requirements of the Local Government (General) Regulation 2005.

In general, the state of environment (SoE) report is relatively complete and comprehensive. It gives the reader a good picture of the LGA, the state/pressure/response format is consistently used throughout, there is recognition of the challenges faced.

Council has undertaken a number of initiatives across most sectors and there is evidence of community involvement in projects and the development of appropriate strategies.

Only a few minor matters were noted:

- The report contains material that is obviously derived from other sources and on page 26 of the SoE there is discussion for a habitat (Hexham Swamp) that does not exist in the LGA but in a neighbouring one. There are also

references to drinking water on page 7 for which Hunter Water, rather than the council, has responsibility,

- Noise and waste are environmental sectors required to be specifically addressed by SoE but are rolled into a category called human settlements, and

- Identified gaps – most were already identified in the previous comprehensive report and this may indicate either no or slow progress in doing something about them which in turn may limit the development of new strategies and initiatives.

The above-mentioned matters should be addressed in the next SoE report. *(Recommendation 15)*

6.3   Asset & 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 these 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

Council achieved a surplus operating result before capital items of $5.8 million for 2004-2005. A surplus result was also recorded for the past two years. The previous two years to that returned a deficit result.

Over the past four years, council achieved increasing surplus results after capital items ranging from $2.6 million in 2001-2002 to $9.2 million in 2004-2005. Grants and contributions provided for capital purposes during 2004-2005 accounted for 16% of revenues.

Council has a recent history of under-budgeting materials and contracts expenses, depreciation and grants and contributions for capital purposes.   While it is acknowledged that grants and contributions are sometimes difficult to budget for due to decisions outside of council's control, and materials and contracts expenditure is determined by operating activity levels. Depreciation expense should be relatively easy to budget, as the base amount should not alter unless there are revaluations. Depreciation expense has been substantially under-budgeted by over $7 million in each of the last four years, with only $305K budgeted for 2006-2007.

This matter was discussed with senior management, and they advised that roads, drainage and plant equipment had not been budgeted for in recent years and that

this had been corrected for the 2006-2007 budget with an amount of $7.8 million provided for.

Liquidity and cash position

Council's unrestricted current ratio (UCR) was low at 1.7 in 2004/05. This was down from 1.85 in the previous year.

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

As the UCR has been low over a five-year period, this was raised with council by the department during the 2004-2005 financial review. Council indicated that they were looking at strategies to improve on their UCR and the strategies were to form part of the next budget.

This matter was discussed with senior management, who advised at the time of the review that new strategies had not been developed and that the impact in the current financial year had not been assessed to date. Council has since reiterated that strategies have been developed and are reflected in the current year's budget. It is essential that council implement these strategies, and that council achieves a sustained improvement in its UCR. *(Recommendation 16)*

Council's unrestricted cash was $2.86M in the last financial year 2004/05. The rates and annual charges outstanding percentage (RACO%) was satisfactory at 5.3%. The RACO% assesses the impact of uncollected rates and charges on liquidity and the efficiency of debt recovery.

Council had a good debt service ratio (DSR) of 3.99% in the last financial year 2004/05. This indicator assesses the degree to which revenues from ordinary activities are committed to the repayment of debt.

Total loans outstanding at 30 June 2005 amounted to $7.4M. New loans applied for and raised in the 2004/05 financial period were $450K for proposed infrastructure.

Employee leave entitlements (ELE) is cash funded to 30% by internal restricted reserves.

What is working well

Financial monitoring

Council's overall financial position is satisfactory. Council has key elements of a good long-term financial planning framework, including asset maintenance programs and long-term asset planning for its infrastructure. Council also has a program of monthly investment reports to council, quarterly financial reviews and financial health checks that are satisfactory.

The only financial issue noted where council is exposed for 2006-2007 is the final cost of its unsuccessful appeal in the Land and Environment Court regarding the private crematorium at Nulkaba, where the consent has been issued and costs awarded against council. It is anticipated that legal costs will amount to $250,000 - $300,000. The decision to undertake the appeal was taken by a full vote of council and, it is understood, contrary to legal advice. Council's decision appears to have been unwise and will have what is an avoidable impact on council's financial position. Council should ensure that this liability does not impact on the delivery of core services.

Asset management planning

Council has an asset management plan and maintenance programs for a range of assets. The programs are developed predominantly from asset systems and/or service specifications.

Council maintains a register of infrastructure, which includes asset identification, valuation and condition assessments. Council has a complete register of all assets that includes asset ID, valuation and replacement frequency.

Council has recently conducted a condition and funding review of road assets within the Cessnock LGA. Council has prepared a draft community assets management

plan for community halls, other community facilities and childcare facilities and has also prepared a draft outdoor recreation and open space plan. All of these plans are linked to the council's strategic plan.

Commercial activities

Council operates two lawn cemeteries – Gordon Williams Memorial and Kurri Kurri - and is the owner of three public swimming pools – Cessnock, Branxton and Kurri Kurri, the last-mentioned, operated under contract by the YMCA.

Council also is a developer of residential land at Mount View Road, Cessnock and the ninth stage of a twelve stage 300 lot subdivision is now available for sale. Council initially financed the project through loan and reserve funds and the return on funds employed has played a significant role in guaranteeing a strong financial future for the council.

Challenges to improve

Infrastructure maintenance

The written down value/total valuation % (WDV%) of council's assets for 2004-2005 period are as follows:

- Roads, bridges and footpaths at 39%
- Stormwater drainage at 72%.

The department considers that WDV below 50% maybe cause for concern.

Council's estimated costs to bring assets to a satisfactory condition were $8.1M in 2004-2005. In 2003-04, council estimated costs of $37.4M to bring assets to a satisfactory standard.

Council estimated required annual maintenance for 2004-2005 at $5.7M while programmed maintenance was $6.67M.

These matters were discussed with senior management and it was agreed that the WDV % was a concern and it would appear that the infrastructure was not in as good

a condition as it should be. It was also acknowledged that there had been a change in rating factors used in the assessment of the estimated costs to bring assets to satisfactory condition for the financial accounts figure of $8.1M. However, this contrasted with a $40.1M disclosed in the Special Schedule No. 7 in the 2004-2005 Annual Report. A review of this discrepancy in valuations is being undertaken. It would be appropriate to give this review a high priority. (*Recommendation 17)*

Information technology

Council leases all its computer hardware and has not adopted a formal information strategy that incorporates plans of action for information technology, information management and information systems. It would be good business practice to adopt an information technology strategy to meet the business needs, standards and strategic directions of council. (*Recommendation 18)*

6.4 Community & Consultation

A council's charter requires that a council:

- Provides services after due consultation
- Facilitates the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and coordination of local government
- Actively promotes the principles of multiculturalism
- Plans, promotes and provides for the needs of children, and
- Keeps the local community and State government informed about its activities

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

- *The methods council uses to involve and determine the views of its community*
- *Social and community functions of council*
- *Annual reporting*
- *Cultural planning*
- *Ethnic affairs obligations*
- *Reporting to the community and keeping the State government informed about its activities*

What is working well

Social and community planning
Cessnock City Council has done a good job of integrating its social and community planning and reporting with direct links between their management plan and Annual Report. The social and community plan is clearly being used to inform the management plan eg. updating community profiles.

However, the social and community plan would be easier to navigate for their community with the inclusion of a contents page and an executive summary.

Other minor matters include:

- The management plan does not identify every action that will be implemented as these are listed in the social and community plan and are updated when the local area planning team meets council bi-monthly, and
- There is no outline of the methodology used to develop the plan

The above-mentioned matters should be addressed in the next social and community plan. *(Recommendation 19)*

Community development and facilities

Council works directly and indirectly with the community to assist them in building their own networks of support and facilities including: provision, maintenance and management of community halls and centres, community based pre-schools and childcare centres, partnerships with a range of government and non-government service providers, continued support and co-ordination of the access advisory committee, the Aboriginal advisory committee and the youth council.

Cultural planning

Council has a cultural plan and a cultural planning and development committee and undertakes the following cultural planning activities:

- completing management plans for significant sites such as Richmond Main and Kitchener Poppet Head
- maintaining heritage sites under its control, such as Marthaville
- working with the local indigenous community in developing an indigenous arts strategy
- supporting carols in the park and Australia Day musical extravaganzas
- exhibitions of paintings, and
- supporting NAIDOC Week, Seniors' Week, Youth Week, International Day of People with a Disability, Harmony Day, etc.

Economic Development and Tourism

Creation of employment opportunities for Cessnock LGA is one of council's primary concerns. The survey of residents undertaken in 2001 indicated that residents

thought that council could make Cessnock a better place by increasing employment, attracting industries and supporting local business.

In August 2005 Cessnock City Council exhibited at Country Week Expo held in Sydney and business owners who were polled at the expo said they were interested in moving to country areas for cheaper real estate, lower operating costs and to get a more reliable workforce. Approximately 100 visitors requested more information on employment and relocation opportunities in Cessnock.

Council has an economic development strategy and promotes economic development in the following ways:

- employing a major projects & economic development team whose focus is on encouraging and facilitating local development and promotion and marketing of the area,
- supporting the programs and initiatives of the Lower Hunter Business Enterprise Centre and Cessnock Community Renewal Scheme,
- facilitating and assisting with Main Street Programs for Kurri Kurri and Cessnock,
- developing business letters, holding business breakfasts and supports various economic development forums,
- participating in various projects such as Sunny Cessnock and various committees such as the Civic Precinct Committee, and
- ensuring relevant information is available for existing and prospective businesses and applying for grant funding if opportunities arise such as the Cessnock CBD strategy.

Council also has a tourism plan and last financial year spent $361,000 on tourism. It has collaborative programs with the Hunter Valley Vineyard Association, Hunter Valley Wine Country Tourism and the Lovedale Chamber of Commerce focussing on research and strategic outcomes for tourism. Council also operates and maintains the Vintage Hunter Wine and Visitors Centre.

Communications Strategy

Council has drafted a communications strategy which it has placed on its website. This has been developed from information from council's community survey and an additional survey completed through Kurri Kurri High School's Telecommunication Centre. The strategy covers goals for:

- promoting the services and facilities offered by council,

- promoting the positive features of Cessnock LGA,

- identifying needs, share information and provide opportunities for active participation and community consultation,

- ensuring staff are aware of the importance of communication and planning, and

- continually improving communication mechanisms and ensure they meet the needs of the community.

This strategy is planned to be revised in 2007 in conjunction with council's management plan.

Challenges to improve

Formal Agreement or MoU with local Aboriginals

The council does not have a formal agreement or MOU with the local Aboriginal community, but the council works with the City's Aboriginal population to ensure protection and promotion of their heritage. For example, recent consultations for the Greta Moon community festival and the East Cessnock Gateway project. The council has tried in the past to formalise an agreement with the various local indigenous communities and it would be good community practice to continue to try and formalise an agreement or MoU. (*Recommendation 20*)

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:

- *Consultative committee processes*
- *Job descriptions and job evaluation*
- *Recruitment and selection processes*
- *Employee remuneration*
- *Equal employment opportunity*
- *Staff development*
- *Grievance management*
- *Occupational health and safety*
- *Secondary employment*

Overview of the organisation

The executive management team is made up of the General Manager and three directors. A revised organisation structure was adopted by council in April 2006. The council employs 278 staff – 81.7% of the workforce is aged 25-54 and 10.8% aged 55 and over. Women represent 30% of staff.

The total salary expenditure for 2004-2005 was $8.7 million, which was 2.7% below budget due primarily to turnover of staff and delay in recruiting replacements. The value of overtime paid during the last financial year was $454K.

What is working well

Human resources strategy and policy framework

Council has a solid policy framework across its human resources area, including plans and/or procedures for equal employment opportunity (EEO), workplace

harassment, induction, performance management, staff training, exit interviews, grievance handling, disciplinary procedures and occupational health, safety (OH&S), rehabilitation and workers compensation return to work.

A recruitment kit has been drafted that includes all facets of the recruitment and selection process. A human resources plan to support the council's strategic plan is almost complete. All positions have written job descriptions and council has a documented salary system. It would be good practice to complete these documents as soon as practicable. (*Recommendation 21*)

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.

The council does not have an internal appeal process but applicants for positions have the right to ask for post-interview feedback from the panel convenor. This issue is also covered indirectly in council's grievance handling policy but would be enhanced by adopting a specific formal policy covering internal appeals. (*Recommendation 22*)

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 formal policy and practice for the review of job descriptions.

Equal employment opportunities

Council has an equal employment opportunity management plan, albeit a basic plan. It completes EEO surveys and reports on EEO activities in its Annual Report. The consultative committee also reviews performance of the EEO management plan.

Employee survey

Council completed an employee survey in 2004 to help build a staff profile and look at leadership, performance, morale and staff recognition issues.

The survey was completed by a specialist people development organisation and has provided useful information about staff and identified council's strengths and areas for improvement. For example, it has been used in the restructuring of several departments. It would be appropriate for council to conduct a further employee attitude survey within the next year. (*Recommendation 23*)

Staff development

Council has a policy and procedures that requires managers to assess the performance of their staff against identified performance targets. This is called an employee development review and recognises achievements, identifies areas for improvement, including development needs and priorities and presents an opportunity for feedback from both employee and supervisor.

Council has developed a training plan as required by the Local Government (State) Award 2004.

Grievance management

Council has a grievance handling policy and procedure, including a workplace grievance notification form that complies with clause 30 of the Local Government (State) Award 2004. All documentation is required to be kept on file in records.

Secondary employment

Council has a policy and procedures on secondary employment, including an application form seeking approval from the General Manager. Any specific conditions of approval granted require formal acknowledgment by the staff member concerned.

Occupational Health and Safety

Council has a well-developed OH&S policy and procedural framework and has a practice of conducting systematic OH&S risk assessments.

Council has a formally constituted occupational health and safety committee and conducts systematic occupational health and safety risk assessments. Occupational health and safety staff and committee members regularly conduct safety visits and audits at different work sites. An incident reporting system identifies workplace injuries and lost time. OH&S committee minutes are forwarded to the senior executive team for review and action.

Challenges to improve

Consultative Committee

The constitution of the consultative committee includes two representatives of council, nine employee representatives and two senior executives. As the committee's aim should be to provide for two way communication between management and staff, the department does not consider that councillors are appropriate as management representatives, and the council should take steps to update the constitution of the committee accordingly. (*Recommendation 24*)

The consultative committee has met 11 times in the last twelve months, has sub-committees to address pertinent matters and keeps appropriate minutes of all its deliberations.

Succession planning

Cessnock, like many other councils, is exposed to a number of workforce issues, such as:

- shortages of specialised skills in certain areas, such as engineers and planners,
- an ageing workforce,
- a change in workload for certain sections as council's and government priorities change, and
- increases in career opportunities outside the area.

Council currently has no formal succession plan for key personnel and positions but indications are that it can be formulated in a short period of time, having appointed a

new General Manager and two new directors in the last year. The two new directors are in the process of reviewing the structure of their respective departments. It would be good business practice for council to ensure that a succession plan for key personnel and positions is developed within the next twelve months. (*Recommendation 25*)

7. COUNCIL'S RESPONSE

CESSNOCK
CITY COUNCIL

Mr G Payne
Director General
Department of Local Government
Locked Bag 3015
NOWRA 2541

Contact: Mr Bernie Mortomore
Our Ref: 533046
Your Ref: A71201

Dear Mr Payne

PROMOTING BETTER PRACTICE REVIEW - DRAFT REPORT

I refer to your letter of 2 November 2006 in regard to the draft report on the Promoting Better Practice Review conducted on Council and advise that Council has no real issues with the content of the report.

In regard to a number of the specific recommendations, the following comments are made.

Recommendation 1 – Both documents are available on Council's website within "Codes, Policies and Procedures". Both documents could be made more prominent on the website if considered necessary.

Recommendation 3 – This information has been included in the 2005/2006 Annual Report.

Recommendation 18 – This has been carried out; revised figures form part of the 2005/06 Annual Financial Statement and 2005/06 Annual Report.

On receipt of the final report, it will be tabled at the next available Council Meeting and an action plan will be completed in response to the report's recommendations.
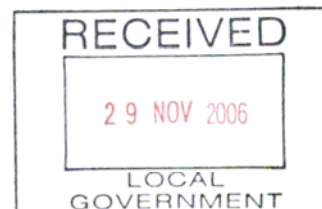
Council looks forward to working with the Department to improve our current practices.

Yours faithfully

B R MORTOMORE
GENERAL MANAGER

27 November 2006

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LOCAL
GOVERNMENT

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dlg

8. SUMMARY- WHAT'S WORKING WELL & CHALLENGES

COUNCIL'S PRIORITIES AND FOCUS

What is working well

- vision and goals integrated throughout council's principal activities

Challenges to Improve

- councillor in-fighting

GOVERNANCE

What is working well

- Ethics and values, protected disclosures and pecuniary interests
- Management Plan and Annual Report
- Record keeping

Challenges to improve

- Risk management and internal control
- Tender procurement
- Internal Audit
- On-going training for councillors

REGULATORY

What is working well

- Strategic planning
- Development applications and Section 94
- BASIX, Swimming pools and companion animals

Challenges to improve

- State of the Environment reporting

ASSET AND FINANCIAL MANAGEMENT

What is working well

- Financial Management, Asset Management Planning and Land Assets
- Commercial activities

Challenges to improve

- Infrastructure maintenance
- Information technology

COMMUNITY, COMMUNICATION AND CONSULTATION

What is working well

- Social and community planning, community development, cultural planning
- Tourism and economic development
- Communications strategy

Challenges to improve

- Formal agreement or MoU with local Aboriginals
- Ethnic affairs priority statement

WORKPLACE RELATIONS

What is working well

- Human resource strategy and policy framework
- Recruitment and selection, job descriptions and evaluation
- Equal employment opportunities and employee surveys
- Staff development
- Grievance management
- Secondary employment
- Occupational health and safety

Challenges to improve

- Consultative committee
- Succession planning