

Strengthening local government in NSW

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Premier & Cabinet
Division of Local Government

Overview

- Understanding NSW Local Government
- Division of Local Government
- NSW improvement framework
 - Integrated Planning and Reporting
 - Promoting Better Practice
- Future improvements

Understanding NSW Local Government



- Total NSW Population = 7.92 million.
- 152 Local Government areas and 14 County Councils.
- 38 (25%) councils are in Sydney
- 75% of NSW population resides in Greater Metropolitan Sydney

Understanding NSW Local Government



Councils are different and serve unique communities:

- **Size** – 5.7km² (Hunters Hill) to 53,508.6 km² (Central Darling)
- **Population** – 1,261 (Urana) to over 307,000 (Blacktown)
- **Density** - 0.00013km² (Waverley) to 26.58km²/capita (Central Darling)
- **Population Growth** – -1.96% (Bourke) to 3.45% (Auburn)
- **Indigenous pop'n** – 0.11% (Ku-ring-gai) to 59.52% (Brewarrina)
- **NESB pop'n** – 0.8% (Guyra) to 49.7% (Auburn)
- **Income** - \$5.9 m (Urana) to \$457m (Sydney)
- **Employees** –30 (Urana) to 1,632 (Sydney)

The Division's purpose

Purpose

To strengthen the Local Government sector



Outcome

Successful councils
engaging and
supporting their
communities

Integrated Planning and reporting



Promoting Better Practice

Promoting Better Practice
in local government is
a *review and improvement* process.

The program aims to improve the performance and
sustainability of councils.

Objectives

1. To assist in strengthening the local government sector through promoting continuous improvement
2. To provide councils with feedback on areas for possible improvement and further development, and assist in developing solutions
3. To encourage and facilitate innovation through promotion of better practices
4. To foster a cooperative approach to working with councils to promote strong relationships within the sector
5. To identify trends and issues arising from reviews to support legislative and policy changes for the local government sector.

What do we mean by better practice?

Better practice

- Beyond or above minimum compliance requirements and good practice indicators.
- Innovative and/or very effective.
- Contributes to continuous improvement within the sector.

In need of improvement or further development

- Does not satisfactorily meet minimum compliance and good practice indicators and may impact negatively on council operations.
- Significant improvement initiatives that are in progress and which need to be continued.

Key steps of a review

Preparing: Council self-assessment



Assessing: Understanding local circumstances



Checking: Reality check / visit to council



Analysing: How can the council improve / develop?



Reporting: Feedback, action plan and monitoring

Performance and efficiency drivers

- Health check of a cross section of procedures, practices and systems
- Improvement feedback provided on councils performance measurement systems (IP&R)
- Action plan guides the required improvements
- DLG provides information, tools and resources
- DLG has targeted initiatives to improve practice in a range of areas.

Current status

- All 152 councils to participate in a review by 2015
- 110 completed reviews
- 11 underway
- 31 councils remaining
- Most county councils will also be reviewed

In retrospect

- 92 PBP reports examined in 2011
- Improvements were identified across a range of areas:
 - 3167 recommendations = average of 21 per council
 - Ranged from 1 to 75 recommendations
- Limited better and noteworthy practice examples
- Self assessment checklist focuses on compliance

Better practices

<i>Better Practice Examples</i>	<i>Number of Councils</i>
<ul style="list-style-type: none">• Social & community planning	7
<i>Noteworthy Examples</i>	<i>Number of Councils</i>
<ul style="list-style-type: none">• DA processes	13
<ul style="list-style-type: none">• Complaints handling	10
<ul style="list-style-type: none">• Social & community planning	10

Areas to improve

<i>Areas for Further Development</i>	<i>Number of Councils</i>
• Risk Management	66
• Internal Audit	65
• Asset Management	64
• Financial Management	63
• Strategic Planning	61
• Workforce planning	59
• Enforcement	53

STRONG COMMUNITIES THROUGH PARTNERSHIPS

EFFICIENT AND EFFECTIVE SERVICE DELIVERY

- 1 Facilitate greater resource sharing and cooperation between councils.
- 2 Establish Local Government as an employer of choice.
- 3 Encourage and facilitate innovation.
- 4 Enable a range of operating frameworks to be utilised to achieve efficient service delivery.

QUALITY GOVERNANCE

- 5 Incorporate into the proposed Local Government Act review the recommendations and findings from relevant *Destination 2036* actions.
- 6 Ensure the legislation provides flexibility and reduces red tape.
- 7 Ensure strong and effective local governance.

FINANCIAL SUSTAINABILITY

- 8 Review the revenue system to ensure greater flexibility and self reliance.
- 9 Develop strategies that maximise opportunities to secure funding from other levels of government.
- 10 Establish a range of funding models to enable the long term maintenance, replacement and creation of different classes of assets.

APPROPRIATE STRUCTURES

- 11 Develop a number of different structural models for local government.
- 12 Encourage and facilitate voluntary amalgamations and boundary alterations

STRONG RELATIONSHIPS

- 13 More clearly define the functions, roles and responsibilities of Local and State Government.
- 14 Align State and Local Government planning frameworks.
- 15 Negotiate a new Inter-Governmental Agreement (IGA).
- 16 Recognise Local Government as a legitimate and important sphere of government.

Future improvements

- More effective identification and sharing of better practice
- Sector-led improvement
- Capacity building opportunities
- Opportunities for peer involvement
- Performance Measurement Framework

THANK YOU