

# NSROC Submission on Planning a Sustainable Future Options Paper March 2007

This submission has been prepared by NSROC in response to the Options Paper entitled "Planning a Sustainable Future", dated November 2006. The Paper is one of three to be released by the Department which seek to shape the future strategic and operational functions of local government. The submission has been endorsed by the NSROC General Managers Group and the NSROC Executive.



**Contact:** Dominic Johnson, Executive Director, NSROC  
**Phone:** (02) 9911 3595  
**Email:** [Djohnson@lanecove.nsw.gov.au](mailto:Djohnson@lanecove.nsw.gov.au)

## General

The NSROC Councils accept the basic principal that a review of the strategic planning and reporting function of local government is timely and appropriate. Whilst broad support for the notion of reviewing and potentially amending this function exists, the NSROC councils do not perceive that such a review will address the fundamental challenges which face local government (a lack of adequate resourcing, cost-shifting, and increased regulation by state government). NSROC also does not believe the introduction of mandatory strategic planning to be a panacea for the findings of the review regarding the role of local government in state reforms, integration of the various levels of government planning and confusion over responsibilities and roles of service providers and government entities.

As stated in the associated NSROC response to the 'New Direction for Local Government' position paper, NSROC contends that the chief issue local government is facing is a lack of adequate resourcing. The two factors which contribute most significantly to this are cost-shifting and rate-pegging. While a reform of the planning framework may prove beneficial, those benefits must be clearly demonstrated and must significantly outweigh the resource costs. New processes inevitably consume much time and effort and if Option 3 is to be pursued, the streamlining aspect of an integrated planning process must be given serious attention.

NSROC remains concerned that this options paper is an additional element of an overall trend of the current state government in limiting local government representative democracy. This trend includes the introduction of the Local Environment Plan template, the push to remove elected representatives from the development assessment process and the recent planning reforms which empower the Planning Minister to determine major developments without community input.

The proposals in this paper may, if poorly implemented, constrain new councillors from enacting the mandate they have received in being elected. It may also force them to adhere to a rigid and long-term plan which no longer reflects community opinion and which is strongly influenced by the State Plan, the State Infrastructure Plan and the Metropolitan Strategy; all of which were all completed without genuine local government consultation and with limited community input. A careful balance must therefore be struck between fostering a professional and strategic planning regime and enabling local communities to determine their own destinies, even if at times they make mistakes.

## **What is NSROC?**

The Northern Sydney Regional Organisation of Councils (NSROC) is a voluntary organisation of local governments established to provide strong local government leadership; to work co-operatively for the benefit of the Northern Sydney region; and to effectively advocate on agreed regional positions and priorities. The councils under the NSROC umbrella are; Hornsby, Willoughby, North Sydney, Lane Cove, Ryde, Ku-ring-gai and Hunters Hill.

The NSROC councils are committed to the sustainable management of an area which covers nearly 700 square kilometres, and they serve a population of over half-a-million people. The region is home to a diverse collection of landscapes and communities, ranging from scenic waterways, bush land parks and areas of historical significance through to residential high-rise living and thriving commercial and retail centres.

NSROC recognises local government in New South Wales is under significant pressure due to a combination of legislative, funding and operational factors which have been well documented in the recent independent inquiry into the financial sustainability of NSW Local Government titled 'Are Councils Sustainable' (May 2006). The co-incidence of changing community expectations, rate-pegging, cost-shifting, declining grants revenue from the Federal Government and the introduction of new reporting and operational requirements from the state have collectively resulted in a difficult operating environment for many councils.

In response to these challenges the NSROC councils have embarked on a process of continuous improvement and reform across their entire range of service, governance and legislative requirements. NSROC itself develops and adopts a multi-faceted strategic plan every two years which enacts the vision for the region identified in its constitution. The short time-frame of the strategic plan is due to the requirement of the organisation to be flexible and responsive to emerging issues, the continual changes in state government policy and funding arrangements, and the changing requirements of its members and their communities.

## Option 1 – Maintain the Status Quo

NSROC recognises that the current management planning framework does not take into account the various other plans that Councils are required to prepare under the Local Government Act or under other State or Commonwealth legislation or Government policies. It is time for a more streamlined and integrated approach.

The current planning framework could simply be improved by recognition of the requirements across Government for the range of plans to be prepared by Councils. In addition Government Ministers and agencies could be prevented from unilaterally putting in place legislation or enacting policies requiring Councils to develop further plans, without reference to the planning and reporting requirements already in existence.

## Option 2 – Add to the existing framework

This is the methodology that has been adopted by a number of the NSROC councils which have added a long term strategic plan which guides the management plan and the annual plans. This approach has been successful in that it identifies council and community aspirations for the future. These are then incorporated into Council's Management Plan as Key Areas, with programs developed to meet the long-term goals on a three-year rolling basis.

There remain however a range of other plans, such as the State of the Environment Report and the Social Plan, which sit outside of this framework.

## Option 3 – Reshape the framework

NSROC's preferred approach is to reshape the framework. This involves a move from a management planning framework to an integrated strategic planning framework. This would encompass a longer timeframe, and incorporate within it social and community planning, environmental planning, financial planning and governance planning. The various plans, which are currently separate, would become linked components of the integrated planning framework.

At present the majority of NSROC councils already do some form of long term strategic planning as illustrated by the table below:

<b>Council</b>	<b>Strategic Plan Name</b>	<b>Time Frame/Expiry</b>
North Sydney	2020 Vision – A Plan for our Community's Future	Expires 2020
Lane Cove	Lane Cove Council 2005 > 2020 Corporate Plan	Expires 2020
Willoughby	Willoughby City Strategy - Together	15 Years

City	towards tomorrow	2006 > 2021
Ku-ring-gai	Ku-ring-gai Management Plan	2006 > 2010
Hunter's Hill	Strategic Management Plan	2007/08 > 2010/11
City of Ryde	Ryde Council Management Plan Sectoral Strategic Plans of varied duration which could be amalgamated to form Strategic Plan	2006 > 2009
Hornsby	Hornsby Council Management Plan <sup>9</sup> Sectoral Strategic Plans of varied duration which could be amalgamated to form Strategic Plan	2006/7 > 2008/9

The goal of reshaping the existing planning framework should be to create an integrated planning system that:

1. encourages long term strategic and financial planning;
2. is not an unreasonable drain on resources;
3. is capable of evaluation;
4. avoids current duplication of reporting; and
5. adds value

The proposed planning framework should contain a longer-term strategic plan, a medium-term corporate plan, or "delivery" program" and a short-term business or operational plan. It makes sense to relate the strategic planning framework timeframes to the Council four-year cycles. Therefore, the longer-term strategic plan could cover a minimum of 8 years, with 12 or 16 years being options. The corporate or delivery plan would be a rolling plan spanning 4 years. In this proposed model, there would be a review of the strategic plan with community consultation every four years. The approach of rationalising all planning under the key areas of Social, Environment, Economic and Governance is endorsed.

NSROC believes that the most important aspects in the reshaping of the existing framework are that it must be done in a consultative manner; it must be adequately resourced and the streamlining benefits of the process must be clearly demonstrable. The NSROC Councils do not accept the contention of the Department that local government is inefficient but it does believe local government is under significant financial pressure. The last thing that local government needs in New South Wales is the introduction of yet another mandatory reporting requirement unless the benefits are compelling.

The Deputy Director General of the Department has suggested that better or new strategic planning will assist local government in making new or more robust claims for financial assistance or rate increases. Such statements are not sufficient in themselves to justify this exercise as local government already has sufficient information to make a compelling case for financial relief (such as the recently completed Inquiry into Local Government Sustainability and comparisons with other states and international jurisdictions). Nor is there any

guarantee that the additional resource demands will ultimately assist in influencing state and federal policies. The only benefits that can be demonstrated in an immediate and indisputable manner will be those that are gained by streamlining the current system so that local government does less planning and less reporting but that it is more useful and of a higher standard.

## **Key questions**

### **Concepts**

#### ***Which of the proposed models would work best for council?***

As stated in the introduction, Option 3 or a new integrated framework is considered to be the best option for the NSROC councils.

#### ***What are some of the advantages/disadvantages of the models proposed?***

The advantages of the model are:

- Ensures long-term strategic and financial planning involving the Council and the community;
- Provides a clear way of identifying the strategies for meeting the long-term aspirations, as well as the budget required to achieve the goals; and
- Integrates all aspects of Council planning into the one framework

The disadvantages of the model are:

- it will require a sophisticated and organised approach to planning; and
- it will require a significant level of resourcing to do the planning well.

### **Roles and responsibilities**

#### ***What role should the Mayor and councillors play in planning for the community's future and reporting on achievements?***

The Mayor and Councillors must have ownership of the development of the key strategic themes and future goals of the plan and in reporting achievements against the plan. The long-term strategic plan and its means of delivery must be the Council's Plan. Concern is raised regarding Councillors' ability to make available the time needed to undertake a greater strategic role, including training, as proposed by the DLG, given that Councillors often work in paid employment.

#### ***Should special responsibilities be assigned to the Mayor in this regard?***

The Mayor needs to represent the vision to the community and be seen as a leader in achieving the vision. The Mayor also needs to be the main lobbyist with state, federal, business and regional partners to work towards the vision.

***What role and responsibilities should be assigned to the General Manager in planning for the community's future and reporting on achievements?***

The General Manager should have responsibility for facilitating the development of the long-term strategic plan and delivery mechanisms with and on behalf of the Mayor and Councillors. Such a role would include identifying and presenting to council options on how to achieve elements of the vision then preparing and managing the delivery and operational plans.

The General Manager should also ensure that the Mayor and Councillors have all the relevant information and a good understanding of this information to develop a vision that is based upon as much objectivity as possible.

Finally, the General Manager should be required to prepare the reports on achievements to the satisfaction of the Council.

***How could people with differing views work together to develop shared long-term plans for the community?***

People with differing views can be brought together through a facilitated consultation process and through strategic workshops.

***How could councillors and council staff work together to develop a Community Strategic Plan?***

Through the General Manager, staff provide the people resources to develop a Community Strategic Plan for and with the Councillors.

***How could social, environmental, land use planners and asset managers work together to develop the Community Strategic Plan?***

Council organisations are not silos, and staff from the different functional areas already work together in a collaborative way to develop many and deliver many initiatives.

***What assistance would new councillors need to help them participate in the strategic planning process?***

The Department of Local Government should produce guidelines on the strategic planning process. The Department can identify particular councils, which are doing integrated planning and reporting well and provide case study examples. Training should be provided to new and existing Councillors on strategic planning.

## **Reporting**

### ***How could the annual report be streamlined, while still maintaining accountability to communities?***

The current Annual Report format is extremely unwieldy and requires an unnecessary level of detail about internal operations. It is not useful for reporting to council or the community. It is completed to comply with Departmental reporting requirements.

Ensuring that KPIs are strategic, measurable, achievable, realistic and time-related is vital. Gathering and interpreting performance data needs to be coordinated. Councils should be working towards providing their communities with high-level indications of how the Council and the area are travelling - particularly in relation to community priorities. The detailed information should be available, but reporting on a strategic level should be easy-to-digest and relevant to community interest.

The timeframes for the strategic plan and corporate/delivery plan should be related to the four year Council cycle. The reporting would then follow with quarterly reporting to Council being on the details of ongoing Council operational performance, annual reporting being on outputs, and biennial and four yearly reporting being on outcomes.

### ***How could Catchment Management Authorities and local councils work together to improve environmental reporting outcomes?***

Councils and CMAs should identify common environmental goals in their strategic plans. CMAs can also help councils by assisting local government in the production of regional State of Environment Reports, such as the regional SoE produced by the NSROC region each year.

### ***What reporting requirements should be imposed on the proposed Delivery Program in Option 3?***

Reporting against Key Performance Indicators in the Delivery Program should be part of the Annual Report, however there should also be a biennial and four-yearly report on outcomes.

### ***Do you have any suggestions for further streamlining local government reporting, under the Local Government Act 1993?***

Councils have been informed at the workshops held by the Department of Local Government that only the Local Government Act and the Environment and Planning Assessment Act were initially considered as part of the review and possible reform of local government planning and reporting. There remains a plethora of reports, plans and strategies which are required by the state government outside of these two pieces of legislation and the Department should take a lead role in bring all state agencies into the reform

process to ensure the maximum benefit from the integrated and streamlined process.

## **Implementation**

### ***Could your council's current planning framework be readily adapted to the integrated model? Why/why not?***

As discussed in the response to Option 3, the majority of NSROC councils already do some level of strategic long term planning. As such most of the planning frameworks of the NSROC councils could be adapted to an integrated model however this would still take significant time and resources, and vary from council to council.

### ***What training/information/assistance is required to help councils implement Options 2 or 3?***

Funding for the additional impost that the introduction of mandatory strategic planning entails is the most necessary assistance to assist councils implement Option 3. Guidelines, case studies and templates would also be useful. Training on strategic planning for Councillors and staff would be of benefit for those Councils that have not yet participated in strategic planning.