

Mobile Food Vending Trading In Public Places Policy

Document Name	Document Version Number	Review Date
Mobile Food Vending Trading In Public Places	Insert Version Number Here	Click Here to Enter Date
Date Adopted	Minute Number	Status
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Purpose

Part 1 Statement of Policy Intent

It is the purpose of this policy to provide parameters to guide Council in the assessment of applications under Section 68 of the Local Government Act 1993 for the provision of outdoor high quality mobile food vending activities within Greater Hume Council area. It is the intent of policy to see mobile food vending activities supplementing the service already provided by local businesses.

Scope

This policy is applicable to all mobile food vendors who operate within Council controlled land within the Greater Hume Council area.

The policy aims to:

- Ensure that mobile food vendors operate in accordance with the rules and restrictions of Council controlled land;
- Ensure that food sold through mobile food vending vehicles is safe and fit for human consumption;
- Provide guidance and assistance to people wanting to operate a mobile food vending vehicle on Council controlled land in the Greater Hume Council area;
- Ensure the construction, fitting out and facilities for cleaning utensils, articles, fittings and appliances in vehicles are adequate;
- Minimise any potential adverse impacts of mobile food vending vehicles;
- Ensure the safe operation of mobile food vending vehicles;
- Ensure the operation of mobile food vending vehicles does not increase litter or waste in or from the trading location;
- Ensure that the operation of the mobile food vending vehicle does not adversely impact any surrounding sensitive land uses, and in particular residential amenity.

The policy applies to:

- All Council controlled land within the Greater Hume Council area.
- The Policy does not apply to any food truck or food van that is operating pursuant to a separate "events" authorisation and/or sporting ground licence issued by Council.
- The Policy does not apply to the use and operation of any food truck or food van that is used on private land. Such activities may be exempt from a requirement to obtain development consent, subject to the provisions of *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008*.

Definitions

Mobile Food Vehicle is a vehicle used for on-site food preparation/handling (e.g. hamburgers, hot dogs and kebabs), one-step food preparation (e.g. popcorn, fairy floss, coffee) and/or the sale of any type of food, including pre-packaged food.

Council Controlled land includes all of the land used for vehicular traffic and parking, as well as any footway, shoulder, kerb, and gutter.

Part 2 Responsibilities

- Councils have general responsibilities for the stewardship and management of public roads and public places. Councils have specific powers and responsibilities under the Local Government Act 1993 to control street vending activity and the Roads Act 1993, gives

Mobile Food Vending Trading In Public Places Policy

Councils power to control footway restaurants and structures on public roads. Under the Local Government Act 1993, Councils may use local approval policies to establish formal criteria for street vending approvals.

- 2.2 Roads and Maritime Services (RMS), in principle, does not favour street vending activities on classified roads for traffic flow and safety reasons.
- 2.3 NSW Police may undertake enforcement of the road transport legislation. In relation to street vending activities.
- 2.4 Mobile Food Vehicle operator:
 - a) In the first instance discuss your mobile food vendor proposal with Council by phoning 6036 0100. If the proposal is considered feasible, continue with the following steps.
 - (i) Register the Mobile Food Vehicle with Council using the relevant form. See www.greaterhume.nsw.gov.au. The appropriate application form is the Application for Food Stall at Temporary/Special Event document. Allow two weeks for processing.
 - (ii) Provide Council with written documentation outlining operator processes for ensuring the safety of users and the general public. This will include details regarding; vehicle, types of goods and services to be traded, a site risk assessment and safe operating procedures.
 - (iii) All mobile food vendors should be fully self-contained and not rely on Council to provide power, water or sewer services.

Part 3 Policy Content

3.1 Exemptions from the necessity to obtain Approval

There are no exemptions under the Policy for mobile food vehicles.

Note: Section 158(3) of the Local Government Act 1993 requires a Local Approvals Policy to specify the circumstances (if any) in which a person would be exempt from the necessity to obtain a particular approval from Council. To ensure the safety of food for human consumption, there will be no exemptions for compliance with the Policy in relation to mobile food vehicles.

3.2 Criteria Council must consider when determining applications for mobile food vendors

3.2.1 General Requirements of mobile food vendors

- a) Approval under the Local Government Act 1993 is required prior to commencement of operation of a mobile food vehicle on a Council controlled land. A mobile food vendor operating without the required approval is an offence.
- b) An application for approval to use a mobile food vehicle is to be made on the approved form. The prescribed fee is also to be paid before the application is assessed.
- c) Prior to the issue of an approval under this Policy, the mobile food vehicle is to be made available for inspection by Council's Regulatory Services officer/s. Council will charge a fee for inspecting the mobile food vehicle as per Council's adopted Fees and Charges Schedule.
- d) All Approvals will be issued with an end date of 30 June each year, to enable an annual review and re-issue of approvals.
- e) Operators are to notify the food business to Council using the relevant form found on Council website at www.greaterhume.nsw.gov.au.
- f) Applications to renew approvals are to be lodged with Council prior to the expiration of current approvals.
- g) The criteria to be used in the assessment of a mobile food vendor for approval will include all the relevant provisions contained in the standards as set out in Part 3 and 4

Mobile Food Vending Trading In Public Places Policy

of the Policy, the Food Act 2003, Food Regulation 2015 and the Food Standards Codes.

- h) Approvals will be issued subject to conditions, including but not limited to compliance with the Policy.
- i) Only the sale of foodstuffs and drinks will be allowed by mobile food vendors. No sale of alcohol, cigarettes or other products from mobile food vehicles will be approved.
- j) The applicant is to submit a copy of a broad form public liability insurance indemnifying the applicant against any actions, suits, claims, demands or proceedings for death or injury to any third party or parties or loss of, or damage to, any property, with an indemnity amount of not less than \$20,000,000 per occurrence and noting Council as an interested party. The Insurance is to be valid at all times from the date of approval through to the date the approval lapses.
- k) The applicant is to submit copies of valid insurance policies that protect the applicant:
 - (i) Against any injury to any third party or parties under Compulsory Third Party Insurance as required by the NSW Motor Accidents Act 1988; and
 - (ii) Against loss of, or damage to, any property whatsoever caused by the use of the vehicle when being driven by the Licensee, an employee of the Licensee, an independent contractor or any other person (including a person not employed by the Licensee). The policy is to have a limit of indemnity of not less than \$20,000,000 and shall be extended to include "CTP Gap Coverage Endorsement" cover. The policy shall note the interest of the Council as an insured.
 - (iii) The Insurance is to be valid at all times from the date of approval through to the date the approval lapses.

3.3 Criteria Council must consider when determining an application to operate a food vehicle

3.3.1 Location

Mobile food vendors permitted to operate on Council controlled land are to:

- a) Be located within existing lawful parking spaces.
- b) Comply with the local parking restrictions.
- c) Comply with relevant road rules.

Mobile food vendors permitted to operate on Council controlled land must not:

- a) Operate within 200 metres of a food and drink premise or boundary of an event licensed or approved to occur on Council land (this includes sporting group canteens).
- b) Sell to any person that is standing on a within an active vehicle pathway of a road (restriction includes carparks and other areas where customers could be standing in the way of an active vehicle path).
- c) Be within 5 metres of an intersection when making a sale, or attempting to make a sale.
- d) Impact on bicycle lanes, pedestrian ramps, footpaths, public street furniture, fire hydrants, telephone booths and post boxes, or the like.
- e) Be longer than 7.5m unless a separate Road Occupancy Permit is sought.
- f) Remain in any public, on-road location overnight.
- g) Provide tables or chairs, or other seating or furniture.
- h) Be on classified roads until the concurrence of the RMS has been provided. This restriction applies to any advertising that maybe planned to be installed on the classified road.

3.3.2 Proximity to existing comparable premises

No operating mobile food vendor is to be positioned within 200m of an operating food service premise or kiosk. This minimum distance requirement is measured in a straight line from the closest point of the food vehicle (location) to the main entrance of a food and drink premise, or kiosk, or boundary of a licensed event area.

Mobile Food Vending Trading In Public Places Policy

3.3.3 Parked mobile food vendors are to operate so as to:

- a) Not impact on or conflict with any marked bicycle lanes;
- b) Ensure access to pedestrian ramps and footpaths are not compromised;
- c) Ensure that access or egress from any building is not restricted by the operation of the food vehicle; and
- d) Ensure access to public street furniture such as seats, bicycle parking, drinking fountains, rubbish bins, fire hydrants, telephone booths and post boxes or the like.

Note: Council will use the following principles in determining the suitability of any mobile food vendor locations:

- Land use zoning and permissible uses within that zone (compatibility considerations).
- Proximity to residential properties (potential residential amenity impacts).
- Proposed hours of operation (consideration of other food and drink premises in proposed location).
- Road, road-user and pedestrian safety.
- Availability of alternate locations.

3.3.4 Vehicle Specifications

- Food vehicles must be no wider than 2.5m.
- Additionally, vehicles 7.5m or greater in length may require separate Road Occupancy Permits.

3.3.5 Registration Requirements

- If the mobile food vendor is based in the Greater Hume Council area, the operator will need to complete and submit the Food Business Registration form available from Council's website at www.greaterhume.nsw.gov.au. Upon being registered, the mobile food vendor will be inspected in accordance with their risk category.
- Should the mobile food vendor be based outside of the Greater Hume Council area, the operator will need to complete the Temporary Food Stall Application Form and provide a copy of a current (within the last 12 months) inspection report from the Council.

3.3.6 General Requirements in Accordance with Food Safety Standard 3.2.3

The design and construction of a mobile food vehicle is to:

- a) Be appropriate for the types of food produced and activities conducted;
- b) Provide adequate space for all activities and for all equipment to be used or stored;
- c) Allow easy cleaning/sanitising procedures of all structures and equipment;
- d) Prevent entry of pests, dust, fumes, smoke and other contaminants; and
- e) Exclude favourable sites for pests to harbour (live and breed).

Further details on these requirements are contained within the Guidelines for Mobile Food Vending Vehicles, prepared by the NSW Food Authority. All mobile food vendors approved by Council are required to comply with these guidelines.

Part 4 Other matters relating to approvals for mobile food vendors

4.1 Permitted days and hours of operation

The use of Council controlled land for the purpose of operating a mobile food vehicle is restricted to 6:00am to 10:00pm each day, but only for a maximum period of 5 hours inclusive of set up and pack up times. Mobile food vehicles are not to remain in any on-road location overnight.

4.2 Serving

Mobile food vendors are not to operate with their serving window opening onto any part of an active vehicle pathway or a cycleway.

Mobile Food Vending Trading In Public Places Policy

4.3 Customer seating

The placement of tables, chairs or other seating apparatus is not permitted at any time.

4.4 Waste Management and Recycling

Provisions for waste management are to include the following:

- a) Mobile food vendors are responsible for the waste materials generated during the trading period. Waste materials such as food packaging should be collected in bins or suitable receptacles, bagged or contained, and stored and disposed of at the cost of the operator.
- b) Any waste produced by the operation of the mobile food vendor is to be removed from the site via the mobile food vehicle at the end of the trading period.
- c) The trading area is to be left in a clean and tidy condition at the end of each trading interval.
- d) The trading approval holder is liable to reimburse Council for any cleaning cost incurred by Council during the duration of the trading period as a result of the operation of the mobile food vehicle.
- e) Disposal of all liquid wastes generated within the mobile food vehicle is to be discharged to the sewer or as approved by an authorised Council Officer. Under no circumstances is liquid waste to be discharged to the ground or in the stormwater drain.
- f) Details of liquid waste and garbage disposal arrangements must be supplied with the application for the mobile food vehicle.
- g) Where feasible the packaging used for the sale of food should be selected for its suitability for recycling in the Greater Hume Council area. Details are available on <http://www.greaterhume.nsw.gov.au>

Note: Approval of a mobile food vehicle is subject to compliance with the requirements of the Food Act 2003, Food Standard Code and all other conditions of approval.

The mobile food vendor approval issued by Council is to be displayed in a location that is clearly visible to customers at all times during operation. A copy of the full approval document is to be kept within the vehicle at all times and made available to an authorised Council officer upon request.

Failure to adhere to any condition of approval and/or legislative requirement may result in modification, suspension or revocation of an approval, in addition to the potential issuing of fines.

4.5 Signage

An approval under the Policy does not infer any approval for the erection or display of any sign or sign structure not directly attached to the mobile food vehicles. The Policy does not allow the use of any temporary signage (e.g. A-frame boards) in association with the operation of any mobile food vehicle.

4.6 Animals and Pests

All practicable measures are to be taken to prevent pests (including birds, spiders and flying insects) from entering or remaining in the vehicle. No animal is permitted to enter any vehicle, whether the vehicle is in operation or not.

4.7 Water supply

The vehicle must be provided with an adequate supply of potable water stored in approved containers and suitably protected against contamination, for hand washing, cleaning equipment and for use of food preparation. There must also be an adequate supply of hot water for these purposes. The vehicle is to be equipped with a waste water tank external to the vehicle, of at least 50 litre capacity with an outlet of sufficient diameter to facilitate easy

Mobile Food Vending Trading In Public Places Policy

flushing and cleaning. All hot water for washing purposes is to be supplied from a suitable hot water system and should be piped so it can be mixed with cold water.

4.8 Control of pollution

Operators are to comply with the Protection of the Environment Operations Act 1997, which contains provisions relating to pollution, including prevention of offensive noise, smoke, odour and waste water discharges.

Noise: the emission of noise associated with the use of the vehicle, including the operation of any mechanical plant and equipment, is to comply with the following:

- a) The use of the vehicle must be controlled so that any emitted noise is at a level so as not to create an "offensive noise" as defined in the Protection of the Environment Operations Act 1997.
- b) If any noise complaints are received and substantiated by an authorised Council officer, the officer may direct that the use of the food vehicle/business is to be suspended or moderated to prevent nuisance until attenuation measures are completed and Council has confirmed in writing that the use may resume.
- c) The operation of a mobile food vehicle is not to involve the use of any bell, music or other sound device to attract customers, nor while the vehicle is stationary.

4.9 Odour

If any odour or smoke complaints are received and substantiated by an authorised Council officer, then the use of the vehicle or apparatus is to be moderated as directed by an authorised Council officer as deemed necessary to prevent nuisance.

4.10 Food handling

The requirements for the handling of food for sale and human consumption are outlined in the Food Standards Code. The requirements also apply to pre-packaged food and low-risk food. Fact Sheets and user guides are available on the Food Standards Australia New Zealand website (www.foodstandards.gov.au).

4.11 Preparing food at home

A separate application and approval will be required for the preparation of food as part of a home business.

4.12 Use of separate premises

Where the operation of the mobile food vehicle involves the use of premises within the Greater Hume Council area, for the storage or preparation of food in conjunction with a mobile food vehicle, a Development Consent for such use may be required under the Environmental Planning and Assessment Act 1979. Any change in the permanent facilities is to be notified to Council.

4.13 Maintenance

The vehicle and its associated fixtures, fittings and equipment must be kept clean and in a good state of repair and working order, free from dirt, fumes, smoke, foul odours and other contaminants.

4.14 Non-compliance

Council's Authorised Officers may issue penalty infringement notices, orders, clean up notices, prevention notices or court attendance notices for noncompliance with the Policy and all related offences. Serious pollution incidences can also be prosecuted by state agencies such as the NSW Environment Protection Authority.

4.15 Fees and charges

The mobile food vendor will be required to pay the following charges

Mobile Food Vending Trading In Public Places Policy

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- a) A fee for inspecting the mobile food vehicle as per Council's adopted Fees and Charges Schedule.
 - b) A Section 68 Part F (7) Approval Fee as per Council's adopted Fees and Charges Schedule.

Part 5 Contact Information

Please contact Council or the NSW Food Authority for further information relating to information contained within the Policy.

Greater Hume Council

Tel: 02 6036 0100

Website: www.greaterhume.nsw.gov.au

NSW Food Authority

Tel: 1300 552 406

Fax: 02 9647 0026

Website: <http://www.foodauthority.nsw.gov.au>

Email: contact@foodauthority.nsw.gov.au

Food Standards Australia/New Zealand

Website: <http://foodstandards.gov.au>

Food Standards Code: <http://foodstandards.gov.au/foodstandards/foodstandardscode>

Links to Policy

Nil.

Links to Procedure

Nil.

Links to Forms

Nil.

References

Local Government Act 1993

Roads Act 1993

Food Act 2003

Food Regulation 2015

Responsibility

Nil.

Document Author

Nil.

Relevant Legislation

Nil.

Associated Records

Nil.

**ORDINARY MEETING OF GREATER HUME COUNCIL
TO BE HELD AT COUNCIL CHAMBERS, BALFOUR STREET, CULCAIRN
ON WEDNESDAY, 21 FEBRUARY 2018**

4. OFFICE OF LOCAL GOVERNMENT – JOINT ORGANISATIONS

Report prepared by General Manager – Steven Pinnuck

REASON FOR REPORT

For Council to consider formally resolving to form part of a Joint Organisation based on the current REROC membership.

REFERENCE TO DELIVERY PLAN ACTIONS

Strategy	Strong relationships and effective partnerships
Action 1.1.4.2	Cooperatively work with surrounding councils to identify where resources and costs can be shared

DISCUSSION

A preliminary report on the formation of Joint Organisations was presented to the December 2017 meeting of Council where by Council resolved the following:

That Greater Hume Council advise REROC that it is supportive of a Joint Organisation based on the current REROC membership with the addition of Albury and Federation if it is the desire of those Councils or alternatively a REROC Joint Organisation based on the current REROC membership.

The following information is provided to Councillors as background information.

The proposal to establish Joint Organisations was a key recommendation of the final report (released in October 2013) of the NSW Independent Local Government Review Panel (ILGRP) titled 'Revitalising Local Government'.

In that report it recommended that 15 JO's be established across the State excluding metropolitan Sydney and the Central Coast. The State Government response to the ILGRP report released in September 2014 supported the recommendation of the Panel.

The report recommended that Greater Hume Council be included in a JO with Albury and the then Corowa and Urana Councils (now Federation). Council argued strongly at the time that a JO with just four member Councils was far too small to be effective and that Council was a better fit with the Riverina JO.

In September 2014 the REROC Board resolved to embrace the JO process by volunteering to trial the concept as one of five pilot JO's. REROC lobbied the Office of Local Government to include Greater Hume Council in the pilot JO and who ultimately recognised the shared community of interest and agreed to the inclusion of Greater Hume Council.

REROC adopted a JO charter at the February 2015 Board meeting and the pilot was conducted over the course of that year. The conclusion of the JO pilot coincided with the announcement of proposed forced amalgamations that impacted 50% of the REROC General Purpose Councils. REROC, along with the four other Pilot JO's made recommendations to the Office of Local Government on how JO's could be enhanced.

Further background papers were released by the Office of Local Government in May and June 2016 with final proposed boundaries released later that year which included AlburyCity in the Riverina JO. The inclusion of AlburyCity in the proposal was not supported by that Council.

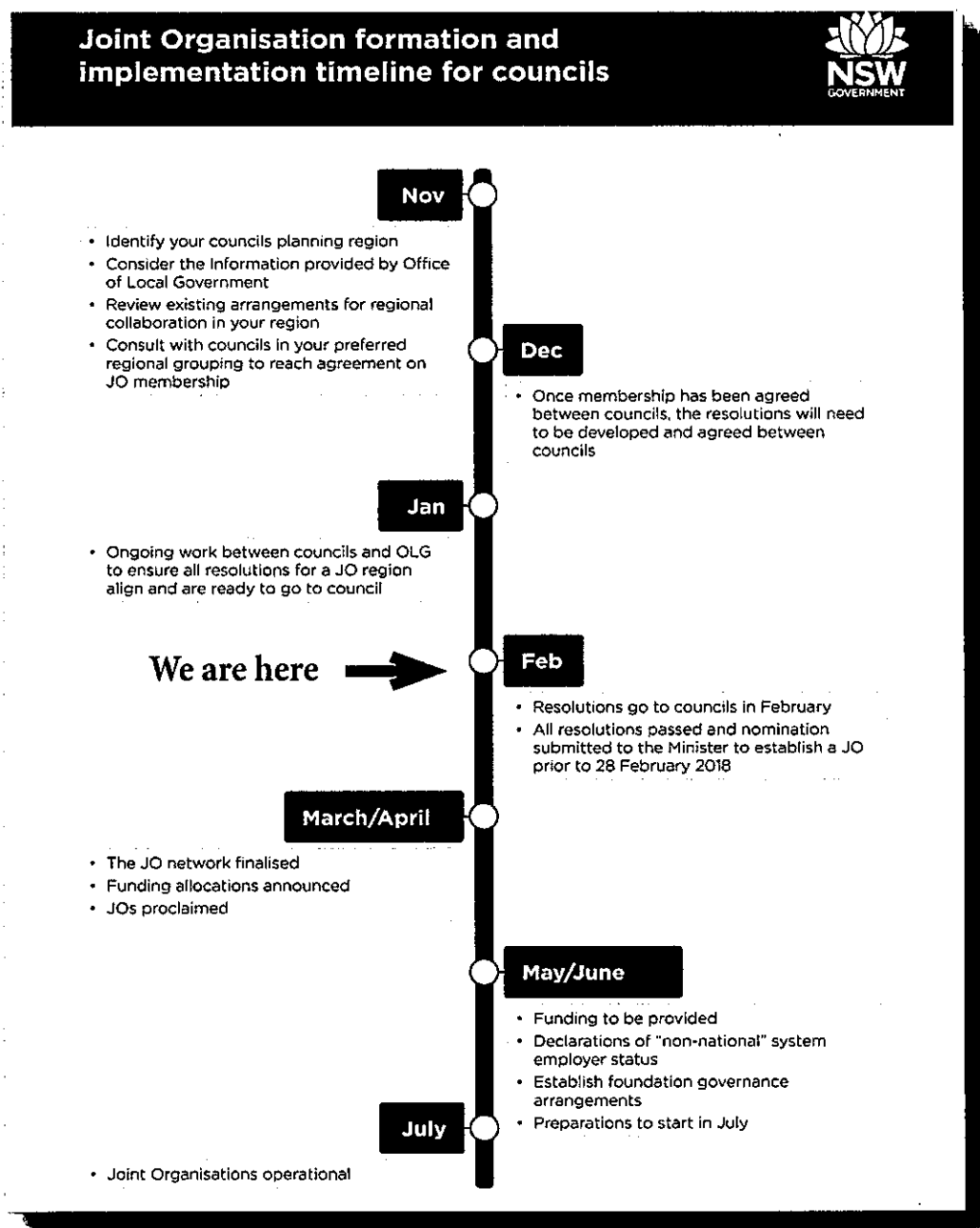
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OFFICE OF LOCAL GOVERNMENT – JOINT ORGANISATIONS [CONT'D]

In November 2017 the Office of Local Government announced that JO's would be established in rural NSW in 2018, however in a major departure for previous positions membership would be voluntary.

Further correspondence on the proposal has now been received from the Office of Local Government providing precise detail on the timeline and how Council should frame a resolution to be part of a Joint Organisation

The timeline for the formation of JO's is outlined below.



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OFFICE OF LOCAL GOVERNMENT – JOINT ORGANISATIONS [CONT'D]

REROC hosted a workshop on the issue on 18 December 2017 where the consensus of member councils was that REROC should form a Riverina JO based on:

1. The current REROC membership along with Albury and Federation if that were desirous of participating or if Albury and Federation declined the invitation then
2. A Riverina JO based on the current REROC membership.

The matter was further considered by the REROC Board on 1 February where it was advised that neither Albury or Federations Councils were interested in participating in a Riverina JO.

The following is an extract from the minutes REROC Board Meeting held on 1 February.

Cr Firman invited J. Briggs to make some comments in relation to the operation of the Joint Organisation (JO) and the structural options under consideration. J. Briggs spoke in favour of Option One, after which she, T. Cornell and K. Hardy left the room.

Cr Firman opened the discussion expressing a desire for full and frank discussion in a respectful manner. The basis for the discussion was the Structure and Budget Options' Paper that had been distributed to the Members.

Option One – was presented by Cr Schirmer. Cr Schirmer spoke in favour of Option One, he was supportive of the CEO's comments; REROC was a successful model with tangible benefits. The Option provided a safety net with a view to making a balanced decision after two years. T. Donoghue explained the budget.

Option Two – was presented by Cr Smith. Cr Smith advised he was in favour of Option One but would attempt to give an unbiased presentation of the option which proposed disbanding REROC and combining the two organisations into a single JO. T. Donoghue explained the budget.

Option Three – was presented by Wagga City Council. Cr Conkey advised that he felt it was not an option to not be in a JO and that Wagga Wagga should be in one. P. Thompson acknowledged that Option Three was an eleventh hour proposal that arose after a special meeting of Wagga City.

P. Thompson spoke to the proposal that would result in the JO and REROC running completely independently of each other. This would be appropriate because they were performing different roles and required different skill sets. JOs would be where State funding will be allocated through in the future and the JO would be in a pivotal position to source funding. He believed the budget submitted in the Options Paper was incorrect and too expensive, Wagga Wagga City have a room that could be provided for the JO's use.

T. Donoghue spoke to the budget, advising that it had been costed as a completely separate entity and therefore included figures for commercial rent.

Cr Firman asked for general discussion. A. Crankanthorp questioned T. McDonald as to her opinion in relation to what the State wanted. She advised that it would not be appropriate to give an opinion on what the best option was, and that all options met the intention of the legislation.

S. Pinnuck moved the Executive's recommendation, which was seconded by Cr N. Smith. S. Pinnuck spoke in favour of Option One. R. Smith asked T. McDonald when the Regulations for the JOs would be available. She advised that she did not know but that she would follow-up with the OLG.

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OFFICE OF LOCAL GOVERNMENT – JOINT ORGANISATIONS [CONT'D]

Cr N. Smith, spoke in favour of the recommendation. Cr G. Conkey spoke against the recommendation. T. Donoghue spoke in favour of the recommendation. Cr T. Lord expressed concern over the time frames for making the decision.

P. Thompson asked if a council was not a member of the JO could the council continue to be a member of REROC.

It was noted that each council would need to take the resolution back to their council for confirmation and that the resolution was not binding on individual councils as it was a decision for each individual council as to whether or not the council would be involved in a JO.

Moved S Pinnuck, seconded Cr N. Smith REROC Board recommends the adoption of Option One and its Explanatory Notes to its Member Councils, with a full external review undertaken after 18 months of operation with the outcomes of the review to be put to the Board.

A vote was taken:

For: Bland, Coolamon, Cootamundra-Gundagai, Greater Hume, Junee, Lockhart, and Temora

Against: Wagga Wagga and Snowy Valleys

CARRIED

Moved S. Pinnuck, seconded Cr N. Smith that a Member Council of REROC be allowed to continue its membership of REROC if it chooses not to be in the REROC JO

CARRIED

Details on the Options 1 to 3 are ENCLOSED SEPARATELY for Councillors' information.

In voting against Option 1 it should be noted that Wagga Wagga have indicated their preparedness to participate in a JO with REROC member Councils but would prefer it to be a totally separate entity to REROC including a separate Executive Officer (Option 3).

The consensus of REROC Councils was the development of JO's is still very fluid with the Regulations governing JO's still to be released and Option One presented the least risk option to member Councils at this point. Option 1 was ultimately carried by the REROC Board.

In relation to the formation of a JO the Office of Local Government has been very specific in how a Council must resolve if it wishes to be part of a JO and this has been reflected in the recommendation.

BUDGET IMPLICATIONS

Assuming that all REROC member Councils ultimately participate in the Riverina JO the cost of membership will be in line with estimates included in forward projections.

29 April 2020

Cr Heather Wilton
Mayor
Greater Hume Shire Council
PO Box 99
HOLBROOK NSW 2644

Dear Heather

Review of the Riverina Joint Organisation and Riverina Eastern Regional Organisation of Councils Operations

I am writing to you in my dual capacities as Chairman of the Riverina Joint Organisation (RivJO) and Chairman of the Riverina Eastern Regional Organisation of Councils (REROC) in relation to the outcome of the above Review.

As you are aware, when the REROC Member Councils resolved to join the RivJO the decision was made on the basis that the operations of both organisations would be reviewed after 12 months of operation. Member Councils recognised that operating the two organisations side-by-side was not ideal but committed to the approach because the Members believed that it would facilitate a decision in relation to what the best way forward should be to achieve effective collaboration for our Region.

It was further agreed that the Review should be undertaken by an independent consultant. The RivJO commenced operating in October 2018, in late December 2019 the Boards of both organisations appointed Morrison Low to undertake the independent review. The firm commenced work in January 2020, the Terms of Reference for the Review were as follows:

1. Identify the strengths and weaknesses of REROC and the RivJO;
2. Measure and assess the compliance costs associated with the operation of both Organisations:
 - a. Identify the compliance regimes that apply to each
 - b. Determine costs associated with compliance including staff time and resources
 - c. Identify benefits of the compliance regime for each organisation;

3. Determine the minimum operating costs for both Organisations;
4. Measure and assess the cost of duplication associated with running both Organisations side-by-side;
5. Determine the most effective level of staff and resourcing for both Organisations;
6. Determine the opportunity cost of retaining both Organisations or losing one of them, including the implications for the Member Councils and the communities they represent; and
7. Make recommendations on the most efficient and effective way to represent the constituent councils and their communities to deliver the outcomes of in the areas of strategic planning and advocacy, as well as operational activities that benefit the Member Councils and by extension their communities.
8. Make recommendations for future operations including structures and budgets including identifying any constraints to implementing the recommendations.

A single sub-committee representing both Boards was created and tasked with responsibility of overseeing the Review. The sub-committee members were Cr Rick Firman, Cr John Seymour, Cr Abb McAlister, Cr Rodger Schirmer, Cr Neil Smith, Tony Donoghue, Ray Smith, Steve Pinnuck. I was tasked with responsibility for the day-to-day interactions with the consultants.

Morrison Low completed their Review in April, their Review Report (**Attachment One**) was initially considered by the sub-committee with a view to making a recommendation on the preferred way forward. The sub-committee met on April 17 to discuss the Review Report and to make recommendations. The outcome of those discussions is contained in **Attachment Two: Report to the Joint Organisation Board, Review of Operations of REROC and the Riverina Joint Organisation**

The sub-committee agreed that the best way to discuss the Review Report was at a joint workshop of the Riverina JO and REROC Boards. This Workshop was held on 23 April, 2020 with Mr Greg Smith and Mr Steve Bunting from Morrison Low attending to provide advice and respond to questions. A robust discussion ensued with all Members asking questions in relation to the Review Report and the recommendation made by the sub-committee.

At the conclusion of the Workshop it was agreed that sub-committee's recommendation would be taken to the meetings of both Boards for discussion and resolution. Subsequently, each Board considered the recommendation and both resolved as follows:

That as a result of the Review Process that the preferred way forward is the creation of a new Regional Organisation structured as a Company Limited by Guarantee.

The resolution will result in the creation of a single, regional organisation of councils under the governance of the Australian Securities and Investment Commission (ASIC). The vote to create the new organisation was not unanimous, but was passed 7 votes to one.

In resolving to take this pathway forward the Boards of both organisations acknowledge that there have been some significant successes with the operation of the Joint Organisation however, as is the case with many of the JOs in the rest of the State, the RivJO Board recognises that the JO structure is not financially sustainable. The current structure requires that either the State Government makes a significant on-going financial contribution to a JO's core operations or that Members increase their contributions significantly. The latter course of action is not desirable and the former, at least at this stage given current indications, seems unlikely.

The Boards acknowledge that the process of establishing a new organisation as a company limited by guarantee will require time and resources. However, the Boards of both organisations believe that the creation of the new organisation provides a compromise between the low level governance required by the incorporated association structure that dictates REROC's operations and the governance structure that applies to all JOs which mirrors those imposed on councils.

The new structure recognises the limits and resourcing of both REROC and the RivJO and provides members with a viable and we believe affordable way forward.

In making this recommendation the Boards of both organisations recognise that the proposed structure can only be put into place with the agreement of the Minister for Local Government. We propose making a request to the Minister to form the new regional organisation, if the majority of the current members of the RivJO and REROC resolve to take this direction. If the majority of the Member Councils of both organisations do not support the proposal then the Boards of both organisations will revisit the Morrison Low Report with a view to recommending a different pathway.

Further, I note that with the release of the COVID-19 Local Government Stimulus Package on 27 April 2020 circumstances have materially changed in relation to the operation of the JOs since the JO and REROC Boards met on 23 April. Information released by the OLG in relation to the Stimulus Package on 28 April states that *"councils that are members of a JO will need to work with member councils to continue to fund their JO for a period of two years as a condition of funding."*

At this stage this requirement appears to mean that councils who want to access the Stimulus Package funding must commit to funding their Joint Organisations for a period of two years. I have contacted our local State Members of Parliament and the LGNSW President to seek clarification about this funding condition which only affects councils that are members of a Joint Organisation.

The goal in this process is to deliver the best possible outcome for our member councils where they are represented by a sustainable, workable regional organisation. It is clear that councils will not be able to make a decision on the best way forward until the issues associated with access to the Stimulus Package are resolved. However we are hoping that councils will still be in a position to at least consider the recommendation and participate in discussions which will then provide us with guidance in relation to our next steps.

We are recommending that each council considers the following resolutions in relation to the proposed way forward:

- 1. Council provides in-principle support for the way forward determined in relation to the creation of a new regional organisation under the structure of a company limited by guarantee.**
- 2. A final decision on Council's participation in the new regional organisation be determined once the funding arrangements for the COVID-19 Local Government Stimulus package have been resolved.**

A number of questions have been raised in relation to the proposed way forward and we anticipate that councillors considering the recommendation will have similar questions. Therefore, we have included an Appendix to this letter that highlights questions and provides answers. We trust that this will assist in the decision-making.

I look forward to working with Members to action this resolution and to continue the high level local government collaborations that the eastern Riverina Region excels in. If you would like to discuss anything contained in this correspondence please do not hesitate to contact me on mobile 0429 204 060.

Thank you for your on-going support.

Yours sincerely



Cr Rick Firman OAM
Chairman

PO Box 646
Wagga Wagga, NSW 2650

APPENDIX: QUESTIONS AND ANSWERS

1. *What will the new organisation do?*

The new organisation will combine the strategic and lobbying activities of the RivJO with all of REROC's operational activities into a single entity.

2. *How much will this cost?*

Morrison Low provided some costs for the new organisation, estimating the cost of a single incorporated organisation to be \$308,000 with estimated council contributions of \$269,000. This is indicative only and provides us with some guidance. If we move forward the Review sub-committees will be tasked with creating a final budget for the new organisation. It is not envisaged that the cost of the organisation will be in excess of the \$308,000 estimated by Morrison Low and the Boards of organisations are keen to try and reduce costs as much as possible.

The members of the JO Review sub-committee are: Cr Rick Firman (Temora Shire), Cr John Seymour (Coolamon Shire), Cr Abb McAlister (Cootamundra-Gundagai Regional), Cr Rodger Schirmer (Lockhart Shire), Cr Neil Smith (Junee Shire), Tony Donoghue (Coolamon Shire), Ray Smith (Bland Shire), Steve Pinnuck (Greater Hume Shire), Peter Thompson (Wagga Wagga) and CEO Julie Briggs.

The members of the REROC Review sub-committee are: Cr Rick Firman (Temora Shire), Cr John Seymour (Coolamon Shire), Cr Abb McAlister (Cootamundra-Gundagai Regional), Cr Rodger Schirmer (Lockhart Shire), Cr Neil Smith (Junee Shire), Tony Donoghue (Coolamon Shire), Ray Smith (Bland Shire), Steve Pinnuck (Greater Hume Shire) and CEO Julie Briggs.

Once a final budget is determined, then a contributions' regime will need to be determined, which will take into consideration any earned income, e.g. REROC has budgeted earned income of \$40,000 for the 20/21 FY. As was the case with this year's budgeting process it is expected that several contributions models will be projected, at a minimum there will be a model that uses a base charge and then a charge per head of population (as is the current approach with REROC) and one that is a flat rate contribution (as is the current approach for the RivJO).

While the Morrison Low Report included some contributions' projections, these were merely a guide. The Review sub-committees will prepare final recommendations based on the final budget and it will be a matter for the Members of both organisations to decide what approach is adopted in relation to the financing the organisation.

3. *What is a Company Limited by Guarantee?*

A company limited by guarantee is a specialised form of public company designed for non-profit organisations (NFP). In Australia companies limited by guarantee are subject to the *Corporations*

Act 2001 (Cth) administered by the Australian Securities and Investments Commission (ASIC). The structure designates an organisation as a separate legal entity. It can be sued, legally lease a property, enter into contracts or hold assets in its name.

Many NFP organisations choose to incorporate this way and the structure covers a wide variety of NFP activities. Examples of organisations that are incorporated this way are the Western Sydney Regional Organisation of Councils (WESROC), Regional Arts NSW, the Wagga Wagga Country Club, Junee Golf Club, Temora Trotting Club and the Riverina Conservatorium of Music.

The term company limited by guarantee refers to what occurs in the winding up of this type of company. The members of a company limited by guarantee must specify the amount they are willing to contribute to the property of the company on its winding up and this will determine, or limit, the liability of the company's members. The amount is usually a nominal amount for say \$10 and the amount is nominated in the company's constitution.

Companies limited by guarantee cannot distribute dividends to its members; however surpluses can be applied to the operational costs of the organisation reducing the contributions members make or to increase services provided.

4. *What does being governed by ASIC mean - is it very onerous?*

Many councillors will already be familiar with the operations of a company limited by guarantee and so will be familiar with their operations. The company reports annually to ASIC, must be independently audited, and there is a strict process to be adhered to in relation to the appointment and resignation of auditors. The company must distribute annual reports to its members and hold Annual General Meetings.

Much of what the company is required to do for ASIC mirrors what REROC is already doing as an incorporated association and consequently should not result in any significant additional burdens to the Members.

5. *How many votes will the council have?*

A constitution will need to be prepared for the new organisation. The groundwork on this will be undertaken by the Review sub-committees. Amongst other things, including the name of the new organisation, the Constitution must include the voting rights for the member councils. At the moment each full member of REROC has two votes and each full member of RivJO has one vote. Associate members (county councils) do not currently have a vote in either organisation.

It is a matter for the membership to decide how many votes each full member and each associate member of the new organisation will have.

6. *Will the Organisation still be able to access grant funding?*

Here we fall-back on our experience with REROC. REROC as an incorporated association has attracted grant funding in the millions of dollars from both Federal and State governments. It is anticipated that there will be no change with a company limited by guarantee.

There are some grants that are limited to local government which the new organisation may not be able to apply for. In the past when this situation has arisen with REROC, one of the member councils has agreed to auspice the grant (usually Coolamon Shire). In this situation REROC has prepared the grant documentation and it has been lodged under the auspicing council's name. REROC has undertaken the grant delivery and reporting and again this has gone in under the auspicing council's name. State and Federal agencies have been fully aware of the arrangement and have supported it.

Conversely, there are some grants that are only open to NFP entities, in these cases the new organisation will be able to apply whereas the member councils would not. Again, in the past this has been a situation that REROC has taken advantage of.

7. *We will still have an open door to government?*

Not every grouping of councils in the State is operating within the JO structure. Morrison Low noted that "currently, ROCs remain the preferred regional organisation in the Sydney metropolitan area".

It is not anticipated that our standing with either the State or Federal governments will be diminished in anyway because members choose to adopt a different structure for collaboration. Indeed, the ROCs in metro areas operate under a number of structures including companies limited by guarantee, incorporated associations and s355 committees.

It is my view that structure does not determine the level of engagement; rather it is the quality of the engagement. My recent discussions with the local State Members of Parliament indicate that a change of structure will not hamper engagement.

In relation to engagement at a Federal level, the structure that members choose for collaboration is unlikely to influence engagement with the Federal government, one way or the other. We have visited Federal Parliament twice in the last 18 months, once as REROC and once as the RivJO and there was no difference in the level of engagement with the Federal Ministers.

8. *What happens to REROC and the RivJO?*

If the Minister gives the Members permission to establish a company limited by guarantee the following will occur:

REROC

REROC would need to be wound-up. The easiest way to do this would be to apply to NSW Fair Trading to transfer REROC's current registration to ASIC. See <https://www.fairtrading.nsw.gov.au/associations-and-co-operatives/associations/closing-an-association/transfer-of-incorporation> This would allow all the assets of the organisation to transfer to the new company. The transfer requires the passing of a Special Resolution of the REROC Board.

RivJO

There is no process to wind-up a Joint Organisation. The JO is created by statute and therefore continues to exist even where there are no members.

It is our understanding that councils would need to resolve to cease their membership of the JO. We anticipate that councils would be expected to ensure that all the debts and obligations of the JO are fulfilled prior to its resignation taking effect. This will have some impact as the JO is currently delivering the Capacity Building Project which will not be completed until early 2021. This is a matter that will need to be negotiated with the OLG and will depend on timeframes relating to the establishment of the new entity

9. *What happens if things change with regard to the JO's funding*

All JOs, including the Riverina JO, are lobbying for the State to provide on-going core funding for JOs. This lobbying activity has been on-going with it gaining momentum when the 13 JO Chairmen wrote and signed a letter to the Minister on 31 May 2019. Since that time the Joint JO Chairs' Forum has consistently raised the issue with the Minister and the OLG and will continue to do so.

If the State makes a commitment to on-going funding then this will change the context in which the recommendation has been made. It will mean that the Boards of both organisations will need to re-visit the resolution and again determine what is in the best interests of the members. At this stage we can only make a decisions based on what we currently know, if circumstances change at any time in the future, then the Boards of both organisations will need to reconsider their respective positions.

10. *What is process for moving forward*

We have identified the following steps for moving forward:

- a) Letter to each of the Member Councils advising of the resolution, requesting that the resolution be considered at their respective May council meetings for discussion and adoption of a resolution by the individual councils.
 - i. If the majority of councils do not support the recommendation then both Boards will need to return to the Morrison Low Report with a view to making a recommendation that does have the support of the membership.
- b) Cr Firman makes contact with local State Members of Parliament, Steph Cooke Mp, Justin Clancy MP and Dr Joe McGirr MP to advise them of the adoption of the resolution and seek their support for the new direction.
- c) At the end of May, assuming that the majority of Members adopt the resolution, a delegation of Members approach the Minister for Local Government to seek her approval for the establishment of a Company Limited by Guarantee.
- d) Work commences on a Constitution for the new organisation.
- e) Assuming the Minister agrees to the establishment of the new organisation, we request direction as to the process by which Member Councils can resign from the JO.
- f) Both Boards meet in early June to finalise the decision.
- g) Member councils will continue to be informed as information comes to hand.

ATTACHMENT ONE



Review of operations of REROC and the Riverina Joint Organisation

April 2020

**Document status**

Job #	Version	Approving Director	Date
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Contents

Executive summary	1
Introduction	4
Background	4
Methodology	5
Regional organisations	6
Current status	6
Organisational governance model	8
Stakeholder engagement	12
Interview and survey approach	12
Interviews and survey outcomes	12
Options and analysis	20
Option 1 - two entities - REROC & RivJO	20
Option 2 - RivJO - full time	21
Option 3 - RivJO - part time	22
Option 4 - RivJO - in-kind	22
Option 5 - RivJO - delegation	23
Option 6 - incorporated association and company	24
Financial analysis	25
Recommendations	30
Appendix A Letter to the local minister from the thirteen JO chairs	32
Appendix B Outline of governance and compliance requirements	33
Appendix C Copy of survey	34
Appendix D Financial forecasting model	35

Tables

Table 1 Assessment of governance models	11
Table 2 Survey future options	18
Table 3 Entity best placed to deliver functions	18
Table 4 Council member compliance activities	22
Table 5 Joint organisation core cost comparisons	25
Table 6 Financial forecast budget options	27
Table 7 Member contribution for each option	29
Table 8 Options assessment	30



Figures

Figure 1 NSW joint organisations

7

Executive summary

This report assesses the operations of the Riverina Eastern Regional Organisation of Councils (REROC) and the Riverina Joint Organisation (RivJO) with a view of providing the best way to deliver the value to its member councils into the future.

REROC was established in 1994 by the member councils, generating savings in excess of \$45million for its member councils. REROC's activities have encompassed advocacy and lobbying, strategic regional planning, aggregated procurements, conferences and workshops.

The RivJO was created in May 2018 as a legal entity created under the NSW Local Government Act. The structure and function of joint organisations (JOs) is intended to lift collaboration between councils and between local government and the state to new levels. The Act specifies core functions of a JO. The NSW Government is clear it's preferred method of regional partnering, planning, collaboration and funding with councils is through Jos.

The member councils agreed to run both organisations side-by-side, transferring the three core functional areas that were legislated for the JO to RivJO while REROC retained control of operational activities. The boards agreed that the review of the operations of the organisations would commence in early 2020.

Morrison Low was engaged to undertake a review of REROC and RivJO operations, developing a tailored approach incorporating extensive consultation with all stakeholders. This included interviews of all member council board members and a survey of councillors and senior staff of member councils.

REROC has been and still is a successful organisation that has the solid backing of almost all of its potential members. Unlike some other ROCs that have had limited success, members report REROC has a proven delivery track record, robust governance model and efficient cost structure that the current members are very satisfied with. Its ability to deliver cost savings through shared services to smaller size local governments is seen as most valuable.

There are currently thirteen JOs across the state of NSW supporting the essential need for regional organisations to represent, advocated and deliver outcomes for the betterment of all regions. The chairs have questioned the ongoing financial sustainability and have sought ongoing funding from the government.

For any entity there needs to be absolute clarity on why it exists and what it does. Commitment to sound governance is essential to achieve desired outcomes. The report identifies four operational governance models that may be suitable, namely section 355 committees, incorporated structures, county council and a joint organisation.

The extensive stakeholder engagement included all members, mayors and general managers, of both REROC and RivJO participating in the interview process, the CEO of REROC/Executive Office of RivJO and four external stakeholders. An online survey was developed to provide an opportunity for a broader range of stakeholders to have input into the review process with 40 respondents. A number of other JOs were contacted as part of the industry consultation process.

The key outcome of the interviews and surveys was the desire for one single entity for the future, as well as a strong preference for REROC when given the choice between REROC and RivJO. Whilst a significant number of the response saw no barriers, the main concern raised was the potential increase in member contributions. While there is a preference for REROC given its track record there was no clear direction on which type of entity is **best** for the future of the region. The challenge for members, and this report, is to compare and assess **current** performance and then project **future** performance to establish the best options for the entity to deliver regional and state government collaboration and regional shared service delivery.

Since future performance is dependent on a number of untested promises or unknown factors the ultimate solution is not without some risk. While it may be unlikely, there is no guarantee that any future government or member council will retain the same commitment and support for any entity in the future and therefore future regional collaboration entities are likely to change over time regardless.

A range of views as to the most appropriate entity were identified along with some solutions, with the main constraints being compliance requirements, obligations and costs.

Determining the future structure and governance model isn't straight forward. In coming to a position on the future governance model we have taken into consideration:

- the need to have a clear and unequivocal position on why any entity exists and what it does
- the commitment to sound governance to achieve effective outcomes and benefits
- the attributes identified in the operational governance model section of the report
- the key themes identified directly below
- the potential advantages and disadvantages of not being part of the state government's framework in terms of reputation and regional priorities and projects.

The following strong and consistent themes evolved from this process and were used in assessing the six options, along with the financial forecasts and estimated member contributions for each option:

- influencing and accessing government resources and funding
- duplication of effort and costs
- value for money
- what's best for the region
- affordability for member councils
- outcomes for the region and member councils
- effective and responsive entity.

As detailed in the options and analysis section, the six options are:

1. two entities – REROC and RivJO	4. RivJO – in-kind
2. RivJO - fulltime	5. RivJO – delegation
3. RivJO – part time	6. incorporated association (REROC) and company

The outcomes of this assessment indicate that option 5 (RivJO delegation) and option 4 (RivJO in-kind - slightly more expensive), are the most suitable. However, the incorporated structure (option 6) satisfies all the criteria except for those relating to a full partnership with the state government under the JO structure. If the state government were to commit to accepting the incorporated structure as the equivalent of JO for the purposes state/regional collaboration and funding, then this would alter that preference. Option 2 is somewhat more expensive and therefore less affordable for member councils, and with option 3 having less resources, it would be a less effective and responsive entity.

The government have made it clear that the JO structure provides the best opportunity for regions to have a 'seat at the table' with the state government and agencies to develop meaningful and sustainable relationships and partnerships. This will allow JOs to influence and recommend regional strategic direction and priorities. It should provide more certainty in being able to access and secure funding and resources to identify and deliver projects and programs for the betterment of the region.

However, there is the issue of ongoing sustainability of a JO, as the state government has not committed to regular funding of day to day activities. There is still a level of risk as to whether the JO structure will succeed longer term. However, a number of other JOs indicated it is the best chance to partner collaboratively with state government while leveraging their regional planning model to significantly improve the betterment of regional and local Australia.

The incorporated structure, in particular a not-for-profit (NFP) company limited by guarantee, will also afford the region and member councils with ongoing benefits within a leaner governance structure. Whether this can and will maximise the potential outcomes and benefits for the region, similar to that of a JO structure, is not without risks. The region is disadvantaged if all councils are not members under this structure, which is currently the situation with Wagga Wagga City Council.

Our recommendation is for a single entity and that if the councils are unable to obtain commitment of government to the incorporated structure as a 'proxy' JO, then the JO structure is the preferred approach. In moving to a JO, it must be acknowledged it is not without some risk in terms of longer-term viability of ongoing state government support and resources, member commitment and contribution. Ultimately members must weigh up the potential ease of operation and costs and benefits against the risks and the entity's likely sustainability to determine its preferred way forward.

Introduction

Morrison Low was engaged to undertake a review of the operations of REROC and RivJO to assess the most effective and efficient way to deliver the best value to its member councils.

Currently both REROC and RivJO are operating side-by-side, with REROC retaining control of operational activities while the three core functions of a JO, prescribed under the NSW Local Government Act, have been transferred to RivJO.

The review includes the assessment of the most efficient and effective way to represent the constituent councils and their communities to deliver the outcomes in the areas of strategic planning and advocacy, as well as operational activities that benefit the member councils and, by extension, their communities.

We noted that key issues for this review include:

- the strengths and weaknesses of both REROC and RivJO
- compliance requirements
- duplication of two similar organisations operating simultaneously
- most effective resourcing
- future organisation(s).

Consultation with key stakeholders is an important part of this project. In addition, to the brief requirements we have contacted a number of JOs as part of the assessment process.

There is a need to balance the current and future direction of the regional organisation with the ongoing financial sustainability and affordability, and the same time gauge the type and level of support and commitment from the state government.

Background

REROC was established in 1994 by the member councils. It has operated continuously since then, providing a platform to pursue activities and projects that harness the scale and capacity of the region to generate savings for the member councils. REROC is incorporated under the NSW Corporations Act.

Over the last 15 years of its operation, REROC estimates that it has generated savings in excess of \$45million for its member councils. REROC's activities have encompassed advocacy and lobbying, strategic regional planning, aggregated procurements, conferences and workshops, representation on a variety of committees as well as the delivery of projects in infrastructure, youth, waste and environment and town planning.

The RivJO was created by proclamation in May 2018. It was one of 9 new joint organisations created as a result of work undertaken by the NSW Government through the Office of Local Government. It followed a lengthy pilot that REROC had participated in and the structure and function of the new JOs was intended to lift collaboration, between councils and between local government and the state, to new levels.

The JOs are legal entities created under the NSW Local Government Act. The act specifies three core functions for JOs which are to:

- Establish strategic regional priorities for the JO area and develop strategies and plans for delivering these priorities.
- Provide regional leadership for the JO area and to be an advocate for strategic regional priorities.
- Identify and take up opportunities for inter-governmental cooperation on matters relating to the JO area.

The RivJO commenced operations formally with its first board meeting in October 2018.

The member councils were unsure of the future of the new JOs and consequently made the decision that rather than wind-up REROC and exclusively adopt the JO structure, that the members would instead run both organisations side-by-side. It was agreed that this arrangement would continue for a trial period after which a review would be undertaken to determine the future of both organisations.

The member councils agreed that work REROC had previously undertaken in the three core functional areas, that were legislated for the JO, would be transferred to the JO. Consequently, the JO became the organisation charged with the development and prosecution of strategic regional issues while REROC retained control of operational activities. Structures and processes were put into place to facilitate interaction between the two organisations, these formal arrangements were required because the JOs compliance regime mirrored that of the member councils.

The boards agreed that the review of the operations of the organisations would commence in early 2020.

Methodology

In undertaking the review for REROC and RivJO operations, we developed a tailored approach incorporating extensive consultation with all stakeholders. The following approach has been used for the completion of this project.



We conducted a range of interviews and issued a survey to gain a better understanding of the current situation, issues, opportunities, costs drivers, compliance matters and views on the future direction of the regional organisations.

In undertaking the review and preparing this report, we considered the terms of reference detailed in the client scope by exploring and assessing:

- The strengths and weaknesses, of REROC and RivJO, along with any opportunities and challenges.

- The compliance requirements and benefits for current and proposed organisation(s).
- Budget modelling for current and proposed operations to determine the operating costs and contribution levels.
- Any duplication of cost, opportunity cost and any implications on all stakeholders with the running of the two organisations.
- The most effective level of staff and resourcing requirements.
- Structural and operational models that will best fit the future strategic and operational requirements for member councils into the future.

Regional organisations

Current status

From the interviews and survey results, regional organisations were deemed essential - providing critical relationships and partnerships with governments in accessing and delivering outcomes for the region.

Prior to the legislation of JOs, there were a number of regional organisations of councils (ROCs) formed, largely on a geographical basis with councils of common interests. These took the form of company limited by guarantee; incorporated associations and section 355 committee under the Local Government Act. Currently ROCs remain the preferred regional organisation in the Sydney metropolitan area.

In the publication *A Comparative Analysis of Regional Organisations of Councils in NSW And Western Australia*, the research indicates that in the case of NSW ROCs, while there is some consistency in specific aspects of their organisation structure, there is relatively little correlation between these characteristics and the size of the organisation or the range of activities undertaken by each ROC. The most important variables for ROCs remain their own priority setting processes, the level of resources provided by their member councils and the amount of funding they can attract from other sources.¹

The state government introduced the joint organisation structure by creating legal entities under the NSW Local Government Act. Members are appointed through the Government Gazette. Part of this rationale was to create some consistency to regional organisations in NSW, along with a structure and process where regional organisations can better collaborate and partnership with state government in delivering regional outcomes. The key difference between ROCs and JOs is that ROCs are able to set their own functions where JOs are prescribed in legislation. In reality there is little practical difference between these functions.

The Act specifies three core functions for JOs which are to:

- Establish strategic regional priorities for the joint organisation area and develop strategies and plans for delivering these priorities.
- Provide regional leadership for the joint organisation area and to be an advocate for strategic regional priorities.

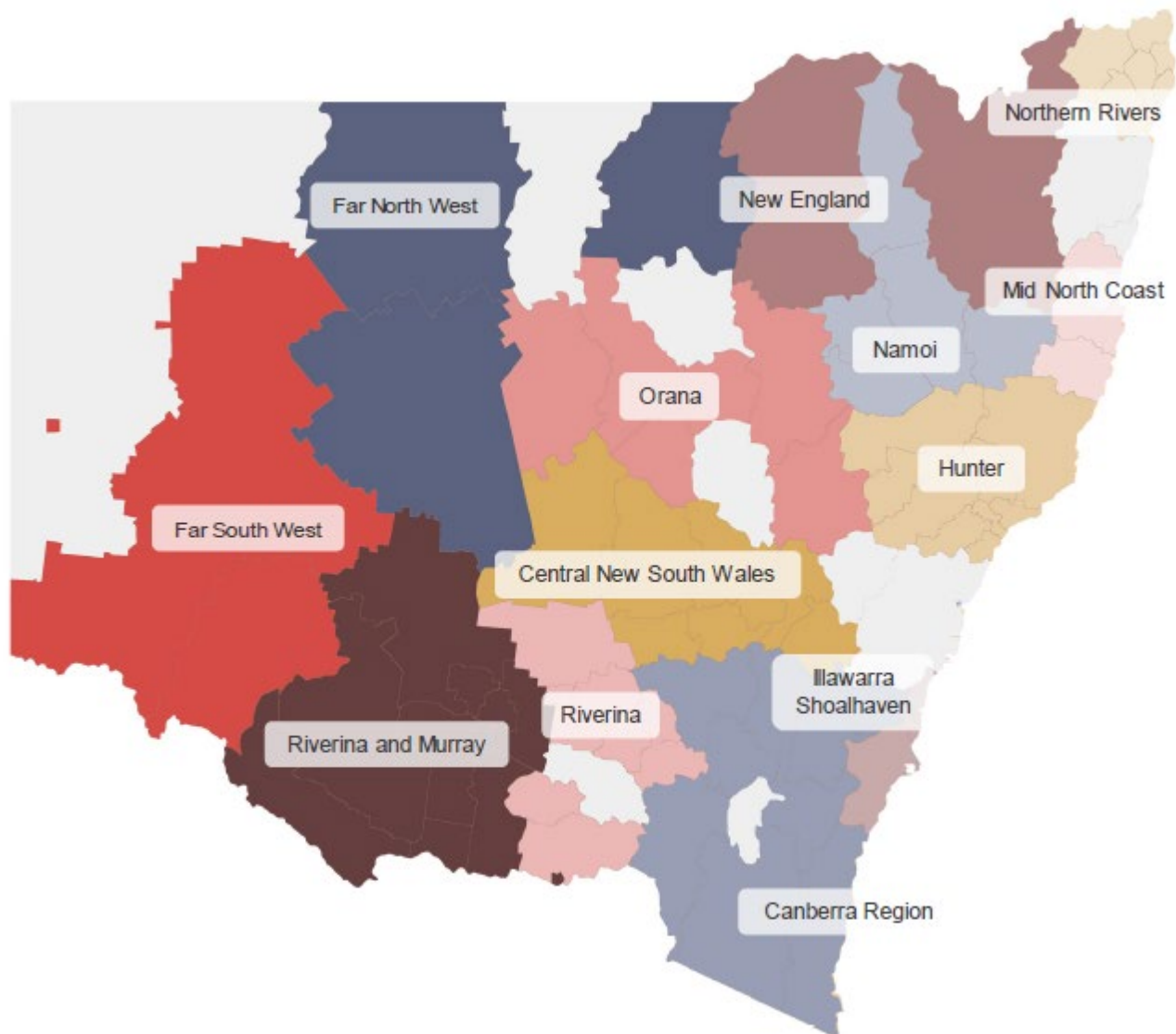
¹ Gooding, A, 2012. *A Comparative Analysis of Regional Organisations of Councils in NSW and Western Australia*, Australian Centre of Excellence for Local Government, University of Technology Sydney.

- Identify and take up opportunities for inter-governmental cooperation on matters relating to the joint organisation area.

Along with regional advocacy and collaboration with the state and Australian governments, the JOs can also engage in regional projects and share services with member councils.

There are currently thirteen JOs across the state of NSW as detailed in the figure below.

Figure 1 NSW joint organisations



Currently the Riverina Eastern Region have two organisations in the form of a ROC and a JO, namely REROC and RivJO. Members of both organisations are the same, with the exception of RivJO, as Wagga Wagga City Council has become member of RivJO since this project has commenced. There are now eight member councils and two associated members.

One of the current issues facing all JOs is the sustainability of funding for day to day operations. This was highlighted in a letter, **appendix A**, signed by all thirteen JO chairs to the local minister, seeking baseline funding of \$300,000 per year for three years. It is noted that the second \$150,000 payment is for projects, not for the day to day operations of JOs.

We understand that the Riverina and Murray JO (RAMJO) has decided that if they do not receive ongoing funding for their JO operations, they may revert back to the ROC structure.

Organisational governance model

To determine the most suitable organisational governance model for any organisation, there is a need to have a clear and unequivocal agreement/understanding on why any entity exists and what councils want it to do. Without commitment to sound governance, effective outcomes will mostly likely not be achieved.

Different entities bring varying cost and complexity into governance structures, but these should be outweighed by the improvements in transparency and accountability in delivering the desired outcome and benefits to members. Ideally for a regional organisation there should be a desire to have governance models based on collaboration, rather than competition between different levels of government. Collaborative regional organisations are sustainable where councils contribute as equals, driven by the same values, with a collective focus on the betterment of the region.

In determining the most appropriate governance model, the key considerations are managing risk and determining the control/authority that the entity needs to achieve its objectives.

Various governance models address the risks associated with the operation and management of an entity's activities in different ways. The key risk is the non-alignment between member councils' objectives, strategy and performance outcomes, to that of the separate entity. These need to be clearly articulated, documented and understood. Other risks include the councils' reputations in terms of the perception of how the entity manages and operates project and service type activities, financial and operational business risk and workplace health and safety.

How the member councils delegate/exert control over management and operations of the entity is an important consideration. The different governance models discussed in this report each have different methods for exerting control over the strategic and operational activities, and the different models also provide for the member councils to contribute in different ways.

A further consideration is the membership model in terms of representation and decision making. The model needs to equitably distribute the ability to influence the entity's direction and outcomes, while managing accountability, compliance and reporting.

There are a wide range of options in use by councils, regional and community organisations and governments across Australasia for the delivery of numerous activities/functions and services to the varying communities. Each of the options has different advantages, challenges and weaknesses that the regional organisation will need to consider. Specifically, for regional organisations we believe the following options are relevant:

- section 355 committees under the NSW Local Government Act
- incorporated structures
 - incorporated association

- company limited by guarantee (NFP – not for profit)
- county council
- JO as prescribed under NSW Local Government.

More broadly, there are other governance models such as joint ventures, partnerships, 'ordinary' pty limited company, fixed trust and a private equity company. It is considered that these models aren't suitable for a regional organisation.

The following is a broad description of the four models in terms of risks, control and outcome effectiveness of the model.

355 committees

A 355 committee is an arrangement where councils can work together on a regional basis with limited delegations, often requiring individual council resolutions on significant matters. Under this model a ring-fenced organisation would be established with specific responsibility and authority as determined and delegated by council to provide transparency, accountability and outcomes.

This model is somewhat cumbersome, inefficient and potentially ineffective in being able to deliver prioritised regional outcomes. This is mainly due to the decision-making process on key issues resulting from limited delegations from member councils. The key risk would be timely decision making of individual councils.

Incorporated association and company

The specific governance and compliance requirements for an incorporated association and an NFP company limited by guarantee are detailed in **appendix B** and are very similar. The major differences are committee members and directors' duties, and liabilities are a higher standard for company directors. There is greater onus on compliance and governance obligations for a company with these costs marginally higher.

These models offer strong control and effective decision-making regimes, as the board has to determine its own destiny and how it will achieve this.

The key issues for consideration include whether either of these models are the most appropriate in building strong and meaningful relationships with the state government and its agencies, that could lead to greater responsibility for regional organisations. Also, whether the region maybe disadvantaged in being unable to access state government resources, funds and agreements to deliver regional projects for the betterment of regional communities.

There are number of fiduciary responsibilities and risks for councillors and staff being members and directors of incorporated entities ensuring the entities are legally compliant and that the boards are operating in a complaint and financial sustainable manner.

Further, the Minister for Local Government needs to approve the creation of a company limited by guarantee. Companies have been approved; however, this can be a long drawn out process, often delaying the timing of establishment and without guarantee of success.

County councils

County councils are an entity that can be formed under the Local Government Act for the purposes of service delivery and managing operations and assets on behalf of a group of member councils. They can employ staff and are a separate legal entity from the constituent councils. There is a requirement for councillors from each council to be county councillors, giving member councils control over the entity.

County councils have typically been established by a number of councils agreeing to provide services at a regional level such as water supply or weed control. County councils have provided a solution for regional and rural issues of capacity and capability advantages provide by creating larger organisations focused on a specific regional service. The major foreseeable risk is whether this type of entity would be accepted by state government as an alternate JO arrangement to partner in the development of regional strategies and priorities, and whether funding and resources would be forthcoming.

Given the JO model has been proclaimed, it is unlikely that this would be accepted as an alternative model.

Joint organisation

This governance model has been specifically created by the state government, incorporated into the NSW Local Government Act, for the operation of regional organisations. The objectives are specifically relevant to being able to develop regional communities. Sitting within a legislative and partnership framework these organisations can advocate and influence regional priorities with improved access to state government funding and resources.

With this governance model comes a compliance regime, similar to that of local councils. This places an additional burden on JOs in terms of compliance requirements and costs. The key issue for consideration is, does this governance model's operational requirements and costs outweigh the potential benefits for the region.

Council membership of JOs is voluntary and it is these members that control and determine the direction, strategy, regional priorities and projects of the entity. The main risk is the longer-term viability given the level of ongoing support and commitment by the state government.

The following is a high-level assessment of the governance models discussed above based on the elements of risk, control and outcome effectiveness an effective governance model.

Summary of Models

The assessment approach is based on how well the governance option addresses the elements and is as follows:

- ✓ the option addresses the criteria in a limited way
- ✓ ✓ the option addresses the criteria satisfactorily
- ✓ ✓ ✓ the option addresses the criteria very well.

Table 1 Assessment of governance models

Elements	S355 committee	County council	Incorporated association	Not for profit company	Joint organisation
Management of governance risk	✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
Council member controlled	✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓
Outcome effectiveness	✓	✓	✓ ✓	✓ ✓	✓ ✓ ✓

Based on this high-level assessment, the JOs and incorporated associations are the most suitable organisational governance models where collaborative partnerships, equitable council contributions and a collective focus on the betterment of the region are the desired outcome. In practice the success or failure of the governance model is influenced by the willingness and commitment of the participants.

Stakeholder engagement

Interview and survey approach

All members, mayors and general managers, of both REROC and RivJO participated in the interview process. The interviews were undertaken face to face over two days and, with those that could not make it, a telephone interview was conducted. The CEO of REROC/Executive Office of RivJO and four external stakeholders also completed the interview. Wagga Wagga City Council did not participate in the interview process.

An online survey was developed to provide an opportunity for a broader range of stakeholders to have input into the review process. The aim of the survey was firstly to obtain a baseline position on regional organisations' functions and structure and secondly allow stakeholders with an opportunity provide their views and options. The survey was distributed to all councillors of member councils and a number of senior staff within member councils. 40 people completed the survey, with a copy attached at **appendix C**.

A significant amount of any organisation's knowledge is held by the members of each regional organisation and the long-term CEO of REROC. In our experience, the most effective reviews are informed strongly by this knowledge. Engaging with members and staff was critical and enabled us to obtain a range of perspectives from those members and staff who represent a range of councils across the region.

Interviews and survey outcomes

The outcomes of the interviews and survey are incorporated in the analysis and option section of this report.

Strength and weakness

Strengths and advantages of REROC

The interviews and survey feedback provided a range of commentary in relation REROC operations. The current members reported a high level of satisfaction and support for REROC. There was overwhelming agreement that it has a proven record and has delivered many benefits to councils over a number of years. A number of members provided specific dollar savings over 20 years, ranging between \$3.5m to \$4.5m. This is further illustrated in the *Achieving Strategic Capacity Through Regional Collaboration Report* of June 2015. The report estimates REROC has provided \$45.3m of financial benefits to member councils over its 20 years of operation.

From a strategic regional perspective, REROC is seen as playing a strong advocacy role for member councils, representing the region and therefore in a good position to identify and prioritise the needs of member councils. REROC made a decision to transfer the advocacy and strategy responsibilities to RivJO aiming to further improve the region's strategic position, which has delivered some level of success.

There were a number of operational advantages identified by the stakeholders as detailed below:

- A credible, reputable, and efficient entity that comes from a long history and strong track record of delivery.
- REROC has provided tangible benefits to member councils, for example, procurement and a range of regional projects.

- An independent association, not controlled by legislative frameworks, and may be more responsive to address immediate issues informally.
- REROC is not overly bound by regulation and process – it is not burdened by legislative requirements of the Local Government Act or employment provisions of the Local Government Award.
- Not being accountable or beholden to state government policy or agency principles.
- Managing the competing interest of federal and state politics to achieve better outcomes for both governments and communities.
- Has an established brand in the community.
- Being nimble, cheap, flexible, pragmatic and operational.
- Information, knowledge sharing and networking between member councils.
- Local, voluntary membership with affordable entry cost for membership.
- Cost effective model for cost savings in resource sharing.
- Financial sustainability has produced many \$ savings to members.

There was feedback from a few respondents who were unsure or didn't believe that REROC provided any advantages. Further, there was some indication that the greater benefits/advantages flowed to smaller councils.

It is evident that REROC continues to provide a regional vehicle for a range of activities that member councils obtain significant benefits from. These include:

- a collaborative forum
- delivers on the ground practical solutions, programmes and training
- very good representation with established relationships
- excellent awareness of regional and local issues
- sharing resources
- collaboration and networking for all member councils
- delivers support and services to member councils such as procurement, waste and sharp deposits etc - generally things that individual councils haven't the resources to do.

Strengths and Advantages RivJO

The interviews and survey feedback provided some consistent observations around RivJO not currently providing any significant benefits to date. There was some concern regarding the value for money, whether the additional compliance costs/requirements were greater than potential benefits and the possibility that JOs may not deliver over the longer term. However, there is strong recognition that being part of the state government framework would provide a genuine platform for councils to collaborate, plan, set regional priorities and deliver important projects on a regional scale. Following are the members' responses regarding the advantages of a JO:

- strategic regional representation
- JOs have a seat at the table with the state government
- governance structure allows better regional functionality to employ joint staff, enter contracts etc

- aligns with government priorities and consistent approach across the state, enables access to JO resources and shared leadership/strategy
- an advocate for the whole region
- government has shown that it prefers to communicate less with smaller entities
- allows stronger regional strategic focus and alignment with state government
- legislative framework that binds agreements and strategies
- direct, meaningful relationship with state government, with the operation protected and empowered by legislation
- recognised by the NSW Government as its preferred model for regional collaboration – it appears to have the door open to engage and work with JOs
- perhaps the revised governance requirements are appropriate for JOs, none the less the additional compliance issues aren't significant
- easier access to government resources and policy decisions
- marginally stronger emphasis on links with regional strategies with the Department of Premier and Cabinet representative being involved
- this can be useful on larger scale and help deliver major projects by utilising local council resources - this will allow us to build expertise locally.

As a summary from a respondent, “it seems that RivJO has replaced the ear to state government from that of REROC. There appears to be a genuine commitment from government agencies towards Jos, although we can't point to any significant outcomes yet, rather just a commitment towards the process”.

The stakeholder engagement also highlighted a number of issues in relation to the JO operation including:

- no additional state funding has been forthcoming post implementation and the ongoing financial sustainability is questionable
- JO is more expensive to operate
- the JO will not function appropriately unless there is strategic alignment of the Riverina JO in advocating for regional outcomes
- perhaps better access to government but that has yet to be proven
- if the JO is to become a truly representative body for the Riverina it may work, but if it becomes a Wagga centric body, it will fail
- expensive duplication of an existing REROC structure that was excellent at saving councils' money not costing them money
- a JO adds an additional layer of costs, time requirement and a parallel organisation creating duplication and an unnecessary level of complexity.

Currently the JO structure has some challenges in being able to deliver benefits that outweigh costs and at the same time being financially sustainable. The JO should provide better advocacy pathways with acknowledgement from state government that having Wagga Wagga City Council (WWCC) as a member will improve broader regional alignment and future strategic opportunities.

External industry stakeholders

The state government sees the JO arrangement as an avenue to collaborate and work with regions to provide opportunities for JOs to help justify, prioritise and deliver regional strategies and projects. There is an expectation on the state government to be more accountable in justifying where and how they allocate and spend funds, JOs are in a strong position to obtain further benefits. Given these circumstances there is a greater opportunity for JOs to leverage their position to gain support and resources to help deliver the flow of benefits to the region. Comments and observations from other JOs indicate they have experienced a relatively straight forward transition to the JO structure. However, there were varying degrees of concern about the additional governance in terms of requirements and the ongoing compliance costs, with all indicating some form of ongoing funding for day to day activities. On balance all agreed it was the right decision to move to a JO.

External stakeholders argue this is the regional planning model created by the state government, so leveraging off their idea and working in partnership will present a range of opportunities not previously seen. The state government needs to give up some of their control/responsibilities for the JOs to be relevant and successful. This is giving member councils some direct and greater input into regional priorities and projects. This is evidenced with a mayor chairing a state committee. There was acknowledgement that time is needed for JOs to establish and mature into well performing organisations.

In the view of external stakeholders, should a region not take up the JO opportunity they could be somewhat disadvantaged in terms of how state government works with a regional organisation – “as a JO the state government takes you more seriously”. As the state government gains a better understanding and confidence there is an expect increase in the value proposition for them. This should lead to increased credibility and recognition of JOs and therefore increasing access to resources and funding.

Under the JO structure, regions are part of the state government’s legislative framework. This has created some additional compliance and procedural obligations, however, there appears to be a range of opportunities for JOs given:

- Treasury is a key agency on how funds are allocated for all state government projects and the way funds are allocated may change due to increased accountability.
- The JO structure is embedded into the state government requirements and governance for project and funding allocations.
- That REROC has the reputation, skills, experience, performance record and relationships, RivJO would be in a strong position to leverage greater benefits for the region.
- They increase the opportunity to influence and delivery larger and more complex regional projects, leading to regional capability development.
- The potential that state government will become more reliant on JOs to develop and deliver regional priorities and projects.

External stakeholders noted that the potential additional benefits of a JO include the greater opportunity to advocate and influence and be more involved in determining the future of the region through:

- planning for growth and industry development opportunities
- influencing and improving regional transport links and infrastructure to join people and markets
- projects that attract industry and jobs to region

- sharing and pooling resources to provide regional and local projects.

The very unfortunate circumstances with COVID-19 will require federal and state governments to provide stimulus programs to rejuvenate state, regional and local economies and communities. We understand governments are identifying and assessing a range of options, namely infrastructure projects including improvements to road networks in terms of improved safety and related facilities. Regional organisations and councils should be in a strong position to implement some of these initiatives.

There is uncertainty as to the future governments' commitment to JOs. The current government could change its policy on JOs and there is no telling on what a change of government would do with the JO arrangements. At this stage there is a reliance on the policy, relationship and trust that the state government will remain committed to developing, engaging and supporting JOs. Again, the state government hasn't committed to any ongoing funding for day-to-day operations of JOs.

Concerns relating to a single entity

The survey and interviews sought views on the potential barriers in establishing a single regional organisation entity. A significant number of the responses saw no significant barriers, as this would avoid duplication and additional costs, providing best value for the membership contributions. In fact, there was unanimous support and agreement, from the interview process, in having only one organisation. However, there was a range of views as to the most appropriate entity due to the compliance requirements, obligations and costs.

The most significant barrier to entry identified, for a JO as the single entity, was the increase in compliance requirements and costs. A common view is that JOs are more expensive, resource hungry and cumbersome. Further the regulation requirements will limit the adaptability to the ever-changing regional environment.

An issue raised by some councils was the affordability and capacity should the contributions significantly increase. However, having said this most members expected the total contributions to either stay the same or increase under a single entity structure. Of the seven member councils and the two associated members:

- two expected a total contribution decrease
- five expected the total contributions to remain the same, however three councils would consider an increase subject to benefits being derived
- two expected increases and both would remain members.

Acknowledging that councils are consistently under pressure to deliver more for their communities with the constraints of income, costs shifting by state government and involvement external associations, groups and committees, any increase in contributions must be offset by tangible benefits. An insight from one-member council is that "the fee is insignificant to the value we get – it always has been and will continue to do so".

There is a view that a single entity, other than REROC, would not be able to replicate the benefits it has achieved with the same membership cost structure. If there is a significant change in terms of benefits and costs, commitment towards remaining a member of a single entity would be drawn into question.

A challenge identified for members of JOs is to ensure that the JO doesn't become a further tier of government but remains as an independent regional body that is focused on the best interest of the region in terms of regional strategies, priorities and projects.

For a JO, their powers and the legislative framework would need to cater for binding agreements between the government and JOs to undertake regional projects. There needs to be commitment and guarantee from government to the priorities and projects.

Suggested solutions, from the stakeholder engagement process, to reduce the entry to a single entity were:

- dispensing with RivJO and revert back to REROC
- creating a hybrid arrangement where REROC is structured into the JO model.

A suggestion was provided that could lessen the barriers of entry to a single entity, particularly if it was a JO. This involved allocating member councils the responsibility to undertake the compliance requirements of the JO. An example provided was Coolamon Shire Council to do the financials. There appears to be very little value or benefit to member councils having the JO undertake the same compliance requirements to that of a council. This approach would significantly reduce the governance and compliance costs of the JO, with member resources/contributions being used more efficiently.

A further solution provided for the increased governance requirements and costs is the state government, through the OLG, providing the service or funding for each JO.

Future structure and governance model options

It was evident from the interviews and surveys that there is a strong preference for a single entity. However, there were a range of entity options and suggested solutions, as detailed in the previous section of this report. External stakeholders have a greater preference for the JO structure as the single entity for regional organisations, while internal stakeholders clearly prefer the REROC structure.

From the interviews, eight of the nine member councils indicated a strong preference for a single entity, along with the four external stakeholders that were interviewed. One council's preference was a JO with REROC as the operational arm and another suggested a hybrid arrangement incorporating REROC into the JO model.

In helping to assess which single entity would be best for the future, the interviewees identified a range of attributes that need to be considered, for a fit for purpose entity. The challenge is which of these attributes are more important than others in determining the future direction.

The attributes identified were adaptiveness and responsiveness, cost efficiency, clear regional identity, ability to influence the regional future and priorities, delivery of regional and council benefits, suitable level of compliance to be accountable and transparent, access to government funding, building and sustaining government relationships and partnerships, value for money for member councils and equal representation for all member councils regardless of size.

From the survey there was strong endorsement of the need for a regional organisation. As to the best option for the future, 37 of the 39 responses indicated one entity, as the following table illustrates.

Table 2 Survey future options

Best option for the future	Responses
REROC	16
RivJO	7
Both RivJO and REROC	2
A joint single entity	14

As to the question which entity is best place to deliver on the functions of the regional organisation, the following table indicates that one entity option is best placed to undertake the government and strategic functions (four functions) of a regional organisation, while REROC is best place to deliver the operational aspects (five functions). RivJO was not identified as a preferred option for any regional functions although those surveyed may have assumed 'one entity' included JO responsibilities.

Table 3 Entity best placed to deliver functions

Functions	REROC	RivJO	One entity
Regional advocacy	15	8	17
Government relationships	11	12	21
Collaboration and leadership	17	8	17
Regional strategy and priorities	15	7	18
Regional economic development	18	9	16
Resource sharing	24	5	14
Regional projects and services	19	5	16
Forum for communication and co-operation	17	9	16
Professional development	19	4	15

The survey results indicate overall that there is no preference for one particular option for the future.

Other matters and observations

At present there is no signed agreement in place between REROC/RivJO and Julie Briggs Management Services. For the purposes of allocating the executive services contract amount for our financial forecasting, we have relied on a copy of the service agreement executed on 28 February 2011 and advice from Julie Briggs.

As part of this review process it would be timely to reassess the need for this type of agreement. As part of this agreement reassessment we recommend some more clarity around the specific services/resources that are provided. It would appear the current arrangements are providing good value for money for REROC members.

From the interviews a few members raised the issue of the need to undertake succession planning for the current CEO/EO and some form of performance review should be put in place.

The following are our observations as part of the project:

- Governance requirements for JO meeting practices was raised consistently. A common practice to discuss matters in a less formal environment is to hold briefing sessions prior to the formal board meetings. This allows free flowing discussion often with an agreement/position taken on a particular matter.
- Meeting practices for councils and JOs are more formal then ROC meetings. At ROC meetings the CEO can play a greater role in how the meeting is run with a greater contribution/influence on the direction and outcome of the meeting. The meeting practices for a JO require the chair to manage the meeting in terms of the agenda.
- The challenge in this analysis is to weigh up the immediate costs and benefits versus the future costs and benefits of the best operational model. It is clear that the balance in costs and benefits are likely to change over time. The costs and benefits of REROc are well known and agreed by members. Currently there are financial advantages with RivJO while it attracts Government operational and project funding. The government have stated that this will not continue, at which point the cost will increase and unless government delivers on its promise of further regional benefits at that time, it may prove a less favourable option. The difficulty currently is although future benefits are promised by the JO structure, they are not quantifiable at present.

Options and analysis

The option and analysis phase aims to identify the best fit for purpose option(s) for the member councils to achieve the outcomes in the areas of strategic planning and advocacy as well as operational activities. This will provide member councils with a view of the future options in terms of structure, operation and estimated financial forecasts.

It is evident from the stakeholder engagement that there are a number of strong and consistent themes that will drive the options for consideration. These themes are:

- influencing priorities and accessing government resources and funding
- duplication of effort and costs
- value for money
- what's best for the region
- affordability for member councils
- outcomes for the region and member councils
- effective and responsive entity.

Our conclusion is that a single entity is the preferred option, however the future structure and governance model isn't straight forward. In coming to a position on the future governance model we have taken into consideration:

- the need to have a clear and unequivocal position on why any entity exists and what it does
- the commitment to sound governance to achieve effective outcomes and benefits
- the attributes identified in the future structure and governance model options section
- the key themes identified directly above
- the potential disadvantages of not being part of the state government's framework in terms of influence and access to regional priorities and projects.

Our recommended approach is to have one entity – either an incorporated structure or JO structure. Our financial options analysis that follows is based on this approach. We have evaluated six options which are described below. There are some limitations on the financial options analysis for the incorporated structures mainly due to the restricted breakdown of the current REROc management services contract amount and the alignment to the agreement, however we have made some assumptions for comparative purposes.

Option 1 - two entities - REROc & RivJO

This option continues with the status quo of operating the two entities, with RivJO undertaking the role as detailed in the Local Government Act and REROc continuing to undertake the operation aspects, namely services delivery and project management.

There are no cost savings, and over time you would expect the costs would increase exponentially due to significant duplication of operational and governance activities. It was evident from the interviews and survey that the level of corporate and governance duplication was unproductive. The most common theme was the duplication of member meetings and duplicated audit costs.

From the financial analysis it is the most expensive option in dollar terms, with ongoing duplication in a range of governance and compliance activities. From the contribution table below, member contributions will need to increase significantly to sustain the core activities and the operation of both entities.

The benefits are that REROC remains operational, which was a desire from most member councils, however it doesn't resolve or deal with the core themes of duplication of effort and costs, value for money and affordability for member councils. With two entities operating in the same regional space it may cause confusion and potential conflict for stakeholders. The state government may question member councils' full commitment to the JO arrangements, with the potential downside unknown.

Option 2 - RivJO - full time

This option assumes there is a full time executive officer (EO) employed by RivJO along with two part time positions totalling one full time position, namely 14 hours a week for finance and 21 hours week for corporate support. From our research, we deem these essential for core activities of the organisation. From our comparative research it is apparent that a level of administration, corporate and financial support is necessary to deliver on the core activities of a JO. RivJO can make other decisions in terms of type of positions and how they are employed.

The main issue with this option is the additional level of compliance imposed by the JO model under the Local Government Act. In affect it is similar to a local government council. There is a view that the additional compliance regime better aligns to the accountability and responsibility of a JO which is leading and delivering region strategies and projects with the support of state government. It is the mechanism by which state government will be satisfied that governance, controls and accountability is in place to allow and justify the allocation of resources and funding to regional organisations.

The additional compliance requirements and costs are a burden on member councils, and this is illustrated in financial forecast table 6 below, with the employment of additional staff and the increase in audit fees. There are a number office administrative savings totalling \$34,000.

With regard to member contributions, they will be slightly less than the option 1 scenario of the two entities. With the inclusion of Wagga Wagga City Council (WWCC), the current members' contributions increase, but less significantly as a result of their inclusion.

The benefits of this option are a significant reduction in governance duplication mainly around meetings as they will halve. The other key benefit is the certainty of RivJO having access to and support of state government in identifying and delivering regional priorities and projects. It is expected over the longer term the JO will develop strong relationships and partnerships with the state government and its agencies in the betterment of regional NSW.

However, there is still the risk that a future government may change the ground rules for JOs and possibly dismantle the regime altogether. The current lack of operational funding will place a further financial burden on member councils, who may choose not to remain members. The government, however, has indicated a strong commitment to partnering with JOs help identify and develop regional priorities that will drive development, growth and community wellbeing, as means of helping JOs mature and develop as a regional organisation.

Option 3 - RivJO - part time

This option assumes there is a part time (28 hours a week) EO employed by RivJO along with two part time positions, totalling one full time position, that we deem essential for core activities of the organisation. From our comparative research it is apparent that a level of administration, corporate and financial support is necessary to deliver on the core activities of a JO.

The discussion on this option is similar to option 2 above, with the exception of the full time EO role. From our discussions with members and the REROC/RivJO CEO/EO it will be a challenge to deliver all current strategic and operational obligations with a part time EO. We do note that all the JOs included in the comparative analysis above have full time EOs, except the Hunter JO, where the EO role is only half a position with the other half assigned to Strategic Services Australia Limited.

With the reduction in hours there is a slight reduction in overall costs, with member contributions similar to the current REROC/RivJO contributions in table 7, remembering WWCC is included. Even though the duplication issues have largely been dealt with, whether there are adequate resources to meet and deliver the core activities of RivJO is in question.

This may impact on capacity to deal with and respond to regional opportunities in a timely manner, potentially disadvantaging the region. There is a need for adequate resources to enable the entity to be effective and responsive ensuring benefits are delivered and member councils obtain value for their contributions.

Option 4 - RivJO - in-kind

This option stems from a suggestion during the interview process. The assumptions are a full time EO with two part time positions - finance support 7 hours week and corporate support 14 hours weeks - with in-kind contributions from member councils to undertake the majority of the compliance requirements. The premise of this option is that each council will agree to undertake a component of the governance requirements of RivJO. The following table is an illustration of how the option may work, however more discussion and consideration of each council's capacity and capability is required in the assignment of the compliance activities.

Table 4 Council member compliance activities

Compliance activity	Nominated council
Code of Conduct	Greater Hume Shire Council
Procedures of Administration of Code of Conduct	Greater Hume Shire Council
Code of Meeting Practice	Lockhart Shire Council
JO Charter	Lockhart Shire Council
Board Expenses and Facilities	Bland Shire Council
Revenue Policy	Coolamon Shire Council
Agency Information Guide (GIPA)	Coolamon Shire Council
Privacy Management Plan	Bland Shire Council

Compliance activity	Nominated council
Related Parties Disclosure Policy	Junee Shire Council
Internal Reporting Policy	Junee Shire Council
Disaster Recovery Plan	Cootamundra-Gundagai Shire Council
IT Security Plan	Cootamundra-Gundagai Shire Council
Records Management Policy	Temora Shire Council
Enterprise Risk Management Policy	Temora Shire Council
WHS Policy	Greater Hume Shire Council
Fraud Control Policy	Bland Shire Council
Gathering Information Policy	Cootamundra-Gundagai Shire Council
Compliance and Reporting Documents	Wagga Wagga City Council
End of year Performance Statement	Wagga Wagga City Council
General Purpose Financial Statements	Wagga Wagga City Council
Others:	
> Minute taking and preparation	Temora Shire Council
> Meeting logistics	Temora Shire Council

The key challenge for RivJO is managing the timing and logistics of the review and preparation processes for each of the compliance activities. From a council perspective they will need to incorporate these processes into the usual work programs. Effectively RivJO will be contract managing a number of deliverables to a predetermined timeframe and standard.

The value proposition for member councils is that estimated contributions are slightly higher than the current contributions, as they aren't paying the full compliance cost through their contributions, refer to table 6. This option significantly reduces the duplication of governance issues with councils undertaking the majority of the activities more effectively and efficiently.

Option 5 - RivJO - delegation

The assumptions for this option are a full time EO employed by RivJO along with a part time position of 14 hours a week for corporate support, with all the governance and compliance obligations delegated to a member council. This option is based on the member council not charging to provide this service. The other option is a fee for service arrangement, however detailed analysis and negotiations would be required to finalise the arrangement. We have been advised this approach has been considered previously.

Currently Tamworth Regional Council has agreed to undertake all the JO governance and compliance requirements, through Namoi JO delegating all the obligations to council. We understand the rationale is that council is committed to a regional role in terms of leadership and contribution. The council area is the major economic driver for the region through businesses, public services and population, therefore a beneficiary directly and indirectly of most regional projects.

Council has acknowledged these benefits and the greater good for the region by undertaking the JO governance and compliance activities. All the JO governance and compliance requirements and costs were incorporated into the daily operations of council, without the need for additional staff. The impact on councils' operations has been very minimal. Under this option there would be limited governance risk exposure for the JO provided the member councils had the confidence in, a sound relationship with and trust in the council undertaking these activities.

This is the most cost effective of the JO options with all current member contributions estimated to decrease, based on table 6 with the inclusion of WWCC. This option eliminates all duplication of governance and compliance obligations and costs as these are incorporated into the daily operations of the host council. Further member council contributions would not include compliance costs representing both effective use of resources and value for money for all members and their communities.

We have also been advised that Tamworth Regional Council provides all the office space, technology and all employee support requirements. Under option 5 this represents a further estimated annual saving of \$48,500, reducing total member contributions to \$257,000.

Option 6 - incorporated association and company

For the purposes of this option we have used REROC operations. As discussed in the operational governance model section of this report, the compliance and governance obligations are higher for a company, with the associated costs marginally higher as well.

The risks for councillors and staff being members and directors are fiduciary responsibilities of incorporated entities, ensuring the entities are legally compliant and that the boards are operating in an ethical and financially sustainable manner.

The incorporated entity approach has been operating very effectively through the REROC organisation. It is well established and delivered significant tangible benefits to member councils and by extension their communities. It has been able to take advantage of numerous opportunities for the regional communities while creating a financial sustainable organisation.

From our observations and interpretation of the financial information and management agreement provided, it appears that the arrangement is heavily weighted in favour of member councils. As we understand the current payment of \$175,500 by REROC for executive services is solely for REROC operations. We acknowledge there has been additional resources of both funding and staff to deliver projects, however it is unclear if this has contributed to the core activities of REROC. For comparison purposes we have increased this amount by \$74,500 to be comparable to the other options.

It is our view, should the management agreement be renewed for this option, that it is highly likely the cost to deliver the services detailed in the previous agreement will be significantly higher. To undertake a more meaningful financial forecast for this option there would be a need to evaluate the most recent management service agreement and estimate the costs for the itemised services and facilities. Based on the information provided and subsequent advice, this option currently provides the best value for all member councils.

The key risk is that both these models sit outside the state government legislative framework for JOs, which are effectively the regional organisations. The question is, will this structure be acceptable in building strong and meaningful relationships with the state government and its agencies that could lead to greater responsibility for regional organisations. The region could be disadvantaged in terms of not being a 'full partner' with the state government and unable to maximise the access to state government resources, funds and agreements to deliver additional regional projects for the betterment of regional communities.

A further matter for consideration is that WWCC has only joined as member of RivJO and not REROC. The incorporated structure option may not be suitable for their purposes. This would have a detrimental impact on the region's longer-term ability to partner with state government to deliver broader regional benefits and improvements.

Financial analysis

The basis of the financial analysis is to establish the core operating costs of the single entity using the 2019/20 budgets. This excludes any grant related or fee for service projects. This allows us to determine the membership contributions that will support core capability year-on-year.

For consistency and comparison purposes, we have estimated employee costs based on the JO directly employing staff. The alternative is to contract out part, or all, of the part time staff which may either reduce the costs or increase the hours of work for each position. Again, we have included positions that are required for the core functioning of the JO entity. For the incorporated structure we have relied on the current REROC budget.

In determining the core operating costs, we have relied on the information provided by REOC and RivJO in the form of 2019/20 budgets, excluding project costs and advice from Julie Briggs. Further research was undertaken to ascertain some comparative information with other JOs in terms of core operating costs. The following table details the estimated core costs and the level of staffing.

Table 5 Joint organisation core cost comparisons

Joint organisation	Estimated annual core costs 2019/20	Employees - FTE	Estimated employee costs 2019/20
RAMJO	\$306,500	1 FTE - EO plus budget for casual admin support	\$243,500*
Namoni JO	\$325,000	1 FTE - EO	\$216,500 [#]
Canberra JO	\$648,500	2 FTE – 1 FTE EO and 1 FTE government relations	\$480,000 [^]
Hunter JO	\$648,000	2.5 FTE - .5 FTE EO, .5 FTE EA, .5 FTE communications, 1 FTE policy officer	\$369,000 ⁺ excludes back off costs

Joint organisation	Estimated annual core costs 2019/20	Employees - FTE	Estimated employee costs 2019/20
Central NSW JO	\$369,500	2 FTE – 1FTE EO and 1 FTE executive assistance and finance	\$331,000@
Option 2 -RivJO full time	\$436,700	2.0 FTE – 1FTE CO, .6 FTE finance, .4 FTE corporate support	\$308,700

* - estimated from 2018/19 budget

- from Financial Report (31/12/19) to board meeting (04/02/2020)

^ - proposed 2019/20 budget at board meeting (05/08/2019)

+ - CEO report to board meeting (09/05/2019)

@ - Budget and Statement of Revenue Policy 2019-2020 (Report 29/6/19)

It is worth noting that all the above JOs have transitioned from their former governance model structure to the JO structure.

The following financial forecasting establishes the estimated income and expenses of operating a single entity, excluding projects. The financial options analysis that is in the following table details the estimated financial forecasts based on the 2019/20 budgets for each option, using the current status as the base for comparison. A copy of the full model with assumptions and member contribution options is at **appendix D**.

Table 6 Financial forecast budget options

Description	Option 1 REROC & RIVJO combined	Option 2 RivJO full time EO + 2 part time staff	Estimated savings from option 1 to option 2	Option 3 RivJO part time 28 hr EO + 2 part time staff	Estimated savings from option 1 to option 3	Option 4 RivJO in-kind full time EO	Estimated savings from option 1 to option 4	Option 5 RivJO delegation full time EO	Estimated savings from option 1 to option 5	Option 6 REROC incorporate structure
Income										
Council contributions	247,171.00	Contribution amount at bottom line of this table				Contribution amount at bottom line of this table				
Interest on Investments	7,500.00	7,500.00	-	7,500.00	-	7,500.00	-	7,500.00	-	5,000.00
Sundry income	2,000.00	2,000.00	-	2,000.00	-	2,000.00	-	2,000.00	-	2,000.00
Meetings and catering income	-								-	
JO operations contributions	11,506.00		- 11,506.00		- 11,506.00		- 11,506.00		- 11,506.00	
Special projects - income	-		-		-		-		-	
	2,000.00	2,000.00	-	2,000.00	-	2,000.00	-	2,000.00	-	2,000.00
	30,000.00	30,000.00	-	30,000.00	-	30,000.00	-	30,000.00	-	30,000.00
	-									
	300,177.00	41,500.00	- 11,506.00	41,500.00	- 11,506.00	41,500.00	- 11,506.00	41,500.00	- 11,506.00	39,000.00
Expenditure										
Executive officer services	197,609.00	176,400.00	- 21,209.00	141,120.00	- 56,489.00	176,400.00	- 21,209.00	176,400.00	- 21,209.00	189,000.00
EO On-costs	10,384.00	44,100.00	33,716.00	35,280.00	24,896.00	44,100.00	33,716.00	44,100.00	33,716.00	
Admin support	24,000.00	-	- 24,000.00	-	- 24,000.00	-	- 24,000.00	-	- 24,000.00	24,000.00
Office Expenses (Elect: p/copy: computer: etc)	30,000.00	20,000.00	- 10,000.00	17,500.00	- 12,500.00	15,000.00	- 15,000.00	12,500.00	- 17,500.00	30,000.00
Car	7,000.00	8,500.00	1,500.00	7,000.00	-	8,500.00	1,500.00	8,500.00	1,500.00	7,000.00
Secretarial support	25,000.00	-	- 25,000.00	-	- 25,000.00	-	- 25,000.00	-	- 25,000.00	
Finance support staff	-	43,680.00	43,680.00	43,680.00	43,680.00	21,840.00	21,840.00	-	-	
FS On-costs	-	10,920.00	10,920.00	10,920.00	10,920.00	5,460.00	5,460.00	-	-	
Corporate support staff	-	35,280.00	35,280.00	35,280.00	35,280.00	23,520.00	23,520.00	16,800.00	16,800.00	
CS On-costs	-	8,820.00	8,820.00	8,820.00	8,820.00	5,880.00	5,880.00	4,200.00	4,200.00	
Projects & planning	25,000.00	15,000.00	- 10,000.00	15,000.00	- 10,000.00	15,000.00	- 10,000.00	15,000.00	- 10,000.00	

Description	Option 1 REROC & RIVJO combined	Option 2 RivJO full time EO + 2 part time staff	Estimated savings from option 1 to option 2	Option 3 RivJO part time 28 hr EO + 2 part time staff	Estimated savings from option 1 to option 3	Option 4 RivJO in-kind full time EO	Estimated savings from option 1 to option 4	Option 5 RivJO delegation full time EO	Estimated savings from option 1 to option 5	Option 6 REROC incorporate structure
Evaluation of Operations	15,000.00	-		-		-			-	
Phone	9,266.00	5,000.00	- 4,266.00	4,000.00	- 5,266.00	4,000.00	- 5,266.00	3,000.00	- 6,266.00	4,266.00
Printing/stationery/postage	8,500.00	6,500.00	- 2,000.00	5,000.00	- 3,500.00	6,500.00	- 2,000.00	4,000.00	- 4,500.00	6,500.00
Advertising	1,600.00	1,600.00	-	1,400.00	- 200.00	1,600.00	-	1,600.00	-	1,600.00
Insurance	13,531.00	5,000.00	- 8,531.00	5,000.00	- 8,531.00	5,000.00	- 8,531.00	5,000.00	- 8,531.00	8,531.00
Rent / office lease	32,621.00	22,821.00	- 9,800.00	22,821.00	- 9,800.00	22,821.00	- 9,800.00	22,821.00	- 9,800.00	22,821.00
Travel	5,500.00	4,000.00	- 1,500.00	3,500.00	- 2,000.00	4,000.00	- 1,500.00	4,000.00	- 1,500.00	1,500.00
It & web site	6,500.00	3,000.00	- 3,500.00	3,000.00	- 3,500.00	3,000.00	- 3,500.00	3,000.00	- 3,500.00	1,500.00
Board meetings/catering	8,550.00	4,000.00	- 4,550.00	4,000.00	- 4,550.00	4,000.00	- 4,550.00	4,000.00	- 4,550.00	2,550.00
Representations	7,000.00	7,000.00	-	6,000.00	- 1,000.00	7,000.00	-	7,000.00	-	-
Legal/accounting/audit	26,000.00	20,000.00	- 6,000.00	20,000.00	- 6,000.00	20,000.00	- 6,000.00	20,000.00	- 6,000.00	6,000.00
Research & resources	-	-	-	-	-	-	-	-	-	-
Subscriptions	732.00	600.00	- 132.00	600.00	- 132.00	600.00	- 132.00	600.00	- 132.00	732.00
Equipment consumables	3,000.00	3,000.00	-	2,000.00	- 1,000.00	2,000.00	- 1,000.00	3,000.00	-	
Special projects	-		-		-		-		-	
	2,000.00	2,000.00	-	2,000.00	-	2,000.00	-	2,000.00	-	2,000.00
	458,793.00	447,221.00	3,428.00	393,921.00	- 49,872.00	398,221.00	- 45,572.00	357,521.00	- 86,272.00	308,000.00
Operating result	(158,616.00)	405,721.00	14,934.00	352,421.00	- 38,366.00	356,721.00	- 34,066.00	316,021.00	- 74,766.00	269,000.00
Estimated council contribution	405,787.00	405,721.00		352,421.00		356,721.00		316,021.00		269,000.00

The following member contribution table is based on 2/3 fixed base and 1/3 population, it includes Wagga Wagga and is for comparison purposes only for this report. In **appendix C** there is a contribution tab that has a range of contribution approaches for consideration.

Table 7 Member contribution for each option

Proposed contributions	2/3 FIXED BASE + 1/3 POPULATION BASED						
	Current REROC/RIVJO	Option 1 REROC & RIVJO balanced budget	Option 2	Option 3	Option 4	Option 5	Option 6
Bland Shire Council	30,668.88	37,401.00	36,914.00	32,483.00	32,879.00	29,128.00	24,793.94
Coolamon Shire Council	29,588.88	35,378.00	34,891.00	30,726.00	31,100.00	27,552.00	23,452.44
Cootamundra-Gundagai Shire Council	34,083.88	43,798.00	43,310.00	38,039.00	38,503.00	34,110.00	29,034.66
Greater Hume Shire Council	33,563.88	42,824.00	42,336.00	37,193.00	37,646.00	33,351.00	28,388.59
Junee Shire Council	30,892.88	37,820.00	37,333.00	32,847.00	33,248.00	29,455.00	25,072.29
Lockhart Shire Council	28,800.88	33,903.00	33,416.00	29,445.00	29,803.00	26,403.00	22,474.41
Temora Shire Council	30,770.88	37,592.00	37,105.00	32,649.00	33,047.00	29,277.00	24,920.77
Snowy Valleys Shire Council	-	-	-	-	-	-	-
Wagga Wagga City Council	-	107,012.00	106,514.00	92,940.00	94,073.00	83,340.00	70,939.55
Goldenfields Water County Council	14,400.44	15,028.00	16,948.00	13,051.00	13,211.00	11,703.00	9,961.67
Riverina Water	14,400.44	15,028.00	16,948.00	13,051.00	13,211.00	11,703.00	9,961.67
Total	247,171.00	405,784.00	405,715.00	352,424.00	356,721.00	316,022.00	269,000.00

Recommendations

The following is an assessment of the six options based on the criteria that has been established in this report. The aim is to help ascertain which option is most suitable for your regional organisation.

Table 8 Options assessment

Criteria	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
Influencing priorities and accessing government resources and funding	✓ ✓	✓ ✓ ✓	✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓
Duplication of effort and costs	x	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓
Value for money	✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓ ✓
Affordability for member councils	✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓ ✓	✓ ✓ ✓
Governance	✓	✓ ✓ ✓	✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓
Outcomes for the region and member councils	✓ ✓	✓ ✓ ✓	✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓
Effective and responsive entity	✓	✓ ✓	✓	✓ ✓	✓ ✓	✓ ✓ ✓
Accountability	✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓

The evaluation methodology is based on how well each option addresses the criteria and is as follows:

- x the option does not address the criteria
- ✓ the option addresses the criteria in a limited way
- ✓ ✓ the option mostly addresses the criteria
- ✓ ✓ ✓ the option fully addresses the criteria.

The outcomes of this assessment indicate that option 5 (RivJO delegation) and option 4 (RivJO in-kind - slightly more expensive), are the most suitable. However, the incorporated structure (option 6) satisfies all the criteria except for those relating to a full partnership with the state government under the JO structure. Member councils may wish to confirm with the state government that if REROC were to continue in preference to RivJO, for the reasons outlined in this report, that it would, or would not, receive the same recognition, partnering and funding as a RivJO. Option 2 is somewhat more expensive and therefore less affordable for member councils, and with option 3 having less resources, it would not be an effective and responsive entity.



This report is future looking and whilst REROC has served the majority of the region exceptionally well, in our view, if REROC is not recognised as a suitable partner for state government, then the JO structure provides the best opportunity for the region to have a 'seat at the table' with the state government and agencies and to develop meaningful and sustainable relationships and partnerships, provided the government remains committed to supporting JOs. This will allow the regional organisation to influence and recommend regional strategic direction and priorities. It should also provide more certainty in being able to access and secure funding and resources to identify and deliver projects and programs for the betterment of the region.

However, there is the issue of the ongoing sustainability of a JO, as the state government has not committed to regular funding of day-to-day activities. There is still a level of risk as to whether the JO structure will succeed longer term. However, a number of other JOs indicated it is the best chance to partner collaboratively with state government whilst leveraging their regional planning model to significantly improve the betterment of regional and local Australia.

The incorporated structure, in particular an NFP company limited by guarantee, will also afford the region and member councils with ongoing benefits within a leaner governance structure. Whether this can and will maximise the potential outcomes and benefits for the region, similar to that of a JO structure, without government support, is questionable.



Appendix A Letter to the local minister from the thirteen JO chairs

30 May 2019

Hon Shelley Hancock MP
Minister for Local Government
Parliament House
Macquarie St
SYDNEY NSW 2000

Dear Minister

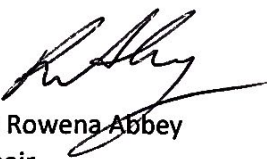
We write on behalf of all thirteen NSW Joint Organisations, following our facilitated meeting today to discuss a framework for collaboration with the NSW Government.

The meeting of Joint Organisation (JO) Chairs which followed the above meeting discussed its outcomes and the way forward. The JO Chairs have unanimously resolved that we write to you to advise that we agree that JOs require a more collaborative partnership approach to the proposed business model of funding. We agree that the provision of on-going baseline funding of \$300,000 per JO, each year for the next three years, would recognise the need for capacity building funding which would allow JOs and the State to work collaboratively to continue development on sustainable financial pathways for the new organisations.


It was noted during the facilitated session that JOs were reporting deficit budgets, during our JO Chairs' meeting it was agreed that this approach was not sustainable. Given the realised benefits of collaboration between JOs, State Government and councils to drive outcomes, we believe that a commitment from State Government to ensuring the financial sustainability of the JOs during their establishment phase is in the best interests of regional NSW.

We would welcome the opportunity to discuss the concerns raised in this letter with you. We are agreed that as we enter into a second Financial Year of operations for the JOs that the issue of a collaborative funding model must be suitably resolved to provide our member councils with confidence about the future of JOs. Your response to our correspondence, within 28 days would be appreciated.

Yours sincerely



Cr Rowena Abbey
Chair
Canberra Region JO



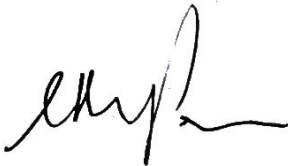
Cr John Metcalf
Chair
Central NSW JO



Cr Ryan Palmer
Acting Chair
Hunter JO



Cr Liz Campbell
Chair
Mid-North Coast JO



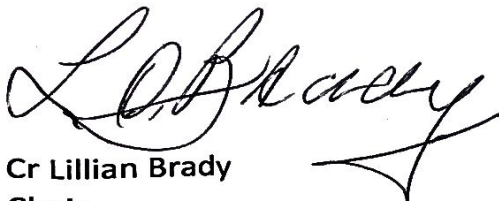
Cr Michael Pearce
Chair
New England JO




Cr Craig Davies
Acting Chair
Orana JO



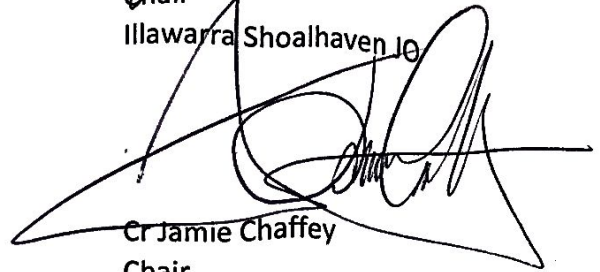
Cr Kevin Mack
Chair
Riverina and Murray JO



Cr Lillian Brady
Chair
Far North West JO



Cr Gordon Bradbery OAM
Chair
Illawarra Shoalhaven JO



Cr Jamie Chaffey
Chair
Namoi Unlimited



Cr Danielle Mulholland
Chair
Northern Rivers JO



Cr Rick Firman OAM
Chair
Riverina JO

Cr Melissa Hederics
Chair
Far South West JO



Appendix B Outline of governance and compliance requirements

OUTLINE OF INCORPORATED ASSOCIATION AGAINST A PUBLIC COMPANY LIMITED BY GUARANTEE

INCORPORATED ASSOCIATION		PUBLIC COMPANY LIMITED BY GUARANTEE
Structure Company - national recognition	<p>An incorporated association is a body corporate with a legal personality separate from its members.</p> <p>Incorporated associations are registered and regulated by the <i>Associations Incorporation Act 2009</i> (NSW) ("Act"), which is administered by NSW Fair Trading.</p> <p>The Act provides a simple and affordable means of creating a separate legal entity for small, community-based groups with limited resources, which operate only in New South Wales.</p> <p>The Act imposes less onerous conditions than the Corporations Act which governs the activities of companies.</p>	<p>Companies limited by guarantee are public companies constituted by members and governed by a board of directors.</p> <p>Companies limited by guarantee are registered and regulated by the <i>Corporations Act 2001</i> (Cth) ("Corporations Act"), which is administered by ASIC.</p> <p>A company's registration is recognised Australia wide.</p>
Legal Status No real difference	<p>The association itself has a legal existence independent of its members. This means that as an entity it may:</p> <ul style="list-style-type: none"> (a) sue and be sued; (b) acquire, hold and dispose of property; (c) act as a trustee; (d) make contracts and enter into tenancy agreements; (e) receive a bequest or gift from a will; and (f) have perpetual succession. That is, the association will remain in existence regardless of who is a member until it is disbanded by operation of the law. 	<p>A company limited by guarantee has broad powers equivalent to the legal capacity of an individual and a body corporate (except for the power to issue shares).</p> <p>Registration of a company creates a legal entity separate from its members. This means that, as with an incorporated association, a company may:</p> <ul style="list-style-type: none"> (a) sue and be sued; (b) acquire, hold and dispose of property; (c) act as a trustee; (d) make contracts and enter into tenancy agreements; (e) receive a bequest or gift from a will; and (f) have perpetual succession. The company remains in existence until it is disbanded by operation of the law.

INCORPORATED ASSOCIATION		PUBLIC COMPANY LIMITED BY GUARANTEE
Trading ability <i>No State boundaries for a company. Primary purpose is trade.</i>	<p>A primary limitation of incorporated associations is that whereas a company may trade nationally, an incorporated association is confined to trade within the State in which it is registered.</p> <p>An association incorporated in New South Wales which proposed to carry on business in another Australian jurisdiction has two alternatives:</p> <ul style="list-style-type: none"> (a) to incorporate as another legal entity under the equivalent associations incorporation legislation in each jurisdiction in which it intends to carry on business; or (more commonly) (b) to register as an Australian Registrable Body (ARB) under the Corporations Act. An incorporated association which registers as an ARB will have compliance obligations under both the associations incorporation legislation and the corporations law. 	<p>Once a company is registered under the Corporations Act it can operate anywhere in Australia. A company is entitled to carry on business nationally without having to separately incorporate in each State and Territory or register as an ARB.</p> <p>A company may conduct trade with the public as a primary purpose. In contrast, an incorporated association may only trade with the public if that trade is ancillary to the association's purpose.</p>
Winding up and the liability of members <i>No real difference</i>	<p>Members are not liable to contribute towards the payment of the debts and liabilities of the incorporated association or the costs, charges and expenses of the winding up of the incorporated association.</p> <p>The liability of members of an incorporated association (including members who are committee members) in the event of a winding up is limited to amounts due to the association by way of unpaid subscriptions, joining fees or other amounts payable under the Rules of the association.</p>	<p>A company has limited liability if wound up and is a separate legal entity distinct from its members.</p> <p>"Limited by guarantee" means the liability of the company's members is limited to the amount of the guarantee (that is, the amount a member has agreed to contribute if the company is wound up). The amount of the guarantee is usually specified in the company's constitution and is often fixed at a nominal amount. The guarantee is only called upon in a winding up situation.</p>
Committee Members and Directors Duties and Liabilities	<p>Under the Act the committee of an association incorporated in New South Wales must include 3 or more members, each of whom is aged 18 years or more and at least 3 of whom are ordinarily resident in Australia.</p>	<p>The Board of a company is structured as decided by the organisation and set out in its constitution.</p> <p>Directors of company's limited by guarantee are subject to the same equitable and common law duties as directors of</p>

	INCORPORATED ASSOCIATION	PUBLIC COMPANY LIMITED BY GUARANTEE
Higher standard for company directors	<p>The Act requires each committee member to carry out his or her functions for the benefit, so far as practicable, of the association and with due care and diligence.</p> <p>The common law imposes fiduciary duties on committee members. These fiduciary duties require them to:</p> <ul style="list-style-type: none"> (a) act honestly (b) act in good faith; and (c) in what they consider to be the best interests of the incorporated association. <p>If they fail in any of these duties, committee members may be liable to personally compensate members (or the association) who suffer loss.</p> <p>The Act provides protection for committee members against being held personally responsible for the association's liabilities.</p> <p>Unless there are exceptional circumstances the "veil" of incorporation will not be lifted to expose an association's members or council members to personal liability in relation to the business carried on by the association</p>	<p>incorporated associations. These fiduciary duties require directors to:</p> <ul style="list-style-type: none"> (a) act in good faith in the best interests of the company; (b) act for a proper purpose; and (c) give adequate consideration to decisions and keep discretions unfettered. <p>If they fail in any of these duties, directors may be liable to personally compensate members who suffer loss.</p> <p>In addition, a company limited by guarantee attracts the statutory directors' duties under the Corporations Act.</p> <p>These statutory duties include duties to:</p> <ul style="list-style-type: none"> (a) act in good faith and in the best interests of the company; (b) act with due care and diligence; (c) act for a proper purpose (that is, not for personal advantage or to the company's detriment); (d) not use information acquired for personal advantage or to the company's detriment; (e) disclose material personal interests; (f) not to vote on a matter involving a material personal interest, nor be present when such matters are considered; (g) avoid insolvent trading;

INCORPORATED ASSOCIATION		PUBLIC COMPANY LIMITED BY GUARANTEE
		<p>(h) retain appropriate discretions, for example when delegating functions to sub-committees of the board; and</p> <p>(i) avoid conflicts of interest.</p> <p>Directors of companies who breach these duties are exposed to both civil and criminal penalties. They may be individually liable for penalties up to \$200,000. The company also may be liable for penalties up to \$1 million.</p> <p>The Corporations Act does provide that, in certain circumstances, a company may indemnify its directors and officers against personal liability which they could incur in the course of performing their duties.</p>
Compliance and Governance Obligations <i>Higher onus for company</i>	<p>The Act imposes a range of compliance obligations on incorporated associations. These include the following matters:</p> <ul style="list-style-type: none"> (a) Having at least 5 members; (b) Must not be formed or carried on for the purposes of providing financial gain for its members; (c) An alteration of the rules of an incorporated association must be lodged and registered before it takes effect; (d) Ensure the association complies with its rules about calling and holding meetings; (e) An incorporated association must hold an annual general meeting (AGM) each calendar year within 6 months of the end of the financial year of the incorporated association; (f) An incorporated association must submit to its members at an AGM, a statement containing details of all income and expenditure during the last financial year, assets and 	<p>A company's compliance obligations are more onerous than those associated with incorporated associations. Under the Corporations Act companies limited by guarantee are subject to the disclosure requirements that apply to public companies. These include:</p> <ul style="list-style-type: none"> (a) Requirements to notify ASIC of all material changes in administration and governance of the company, including change of name, address, company secretary, directors and constitution; (b) Hold an annual general meeting (AGM) each calendar year within 5 months of the end of the financial year of the incorporated association. (c) Requirement to lodge annual statements of solvency; (d) Requirements regarding the administration of company business such as the conduct of formal meetings, passing and recording resolutions;

INCORPORATED ASSOCIATION	PUBLIC COMPANY LIMITED BY GUARANTEE
<p>liabilities, mortgages, charges and securities affecting any of the incorporated association's property, and details relating to any trust of which the association was trustee during the previous financial year, or any trust which contains funds of the incorporated association and the statement must be kept for at least 7 years after the date of submission;</p> <p>(g) The association accounts must be audited and also provided to members at an AGM;</p> <p>(h) At, or soon after, the AGM, a committee member must certify that the committee member attended the AGM and that the statement referred to in (d) was submitted to members at the AGM;</p> <p>(i) The association must have a Secretary;</p> <p>(j) An incorporated association must maintain adequate and accurate accounting records of its financial transactions; and</p> <p>(k) Be governed in accordance with the Association's Rules.</p>	<p>(e) Requirements relating to maintenance of company financial records;</p> <p>(f) Requirements relating to the maintenance of company registers;</p> <p>(g) Detailed procedures must be followed in relation to the appointment and removal of auditors.</p> <p>(h) Have at least 3 directors and 1 secretary;</p> <p>(i) Have at least 1 member;</p> <p>(j) Have a registered office address and principal place of business located, open and accessible in Australia;</p> <p>(k) Be managed by a Constitution or Replaceable rules;</p> <p>(l) Maintain a record of all directors' and members' meeting minutes and resolutions;</p> <p>(m) Appoint a registered company auditor within 1 month of its registration; and</p> <p>(n) Receive and review an annual company statement and pay an annual review fee. A charitable or not-for-profit company may be eligible for a reduced annual review fee if it meets the criteria under the definition of 'special purpose company' in regulation 3(a), (b), (c) or (d) of the Corporations (Review Fees) Regulations 2003;</p> <p>Company members are entitled to vote at annual general meetings and extraordinary general meetings. The members vote on issues such as changes to the company's constitution and the appointment of directors.</p> <p>Operating as a company limited by guarantee also imposes more onerous accounting and financial obligations.</p>

INCORPORATED ASSOCIATION		PUBLIC COMPANY LIMITED BY GUARANTEE
Profits <i>Profits may be distributed to members</i>	<p>Incorporated associations may not be formed for the purposes of earning profit for members. If the association earns a profit from commercial activity, this profit may not be distributed amongst the members. Profits are used to further the objectives of the association and not to provide personal gain for its members. Any profit must be used for activities carried on by the association.</p>	<p>As a company limited by guarantee, there are no restrictions on the entity's ability to trade, earn and distribute profits.</p> <p>A company limited by guarantee cannot issue shares. However, unless restricted by its constitution, a company limited by guarantee may make distributions to its members. The constitution of the company will specify the purposes for which profits may be used – for example, in furtherance of the company's principal objectives.</p> <p>Companies limited by guarantee are often used for 'not-for-profit' activities. If BMG becomes a company limited by guarantee under the Corporations Act it can most likely retain its not-for-profit status.</p> <p>Generally, companies limited by guarantee must use the word "limited" or the abbreviation "Ltd" in their name, but ASIC may waive this requirement for a not-for-profit company. To do so, the company must pursue charitable purposes only and apply its income in promoting those purposes, it must not make distributions to its members or pay fees to its directors and the directors of the company must approve all other payments the company makes to its directors.</p>
Costs <i>Higher costs for company</i>	<p>The costs associated with an incorporated association in administration should generally be minor.</p>	<p>There are maintenance costs to be incurred under both entities, such as registration fees and lodgement of annual returns. These costs are marginally higher for a company, however these costs are not prohibitive.</p> <p>The fees associated with compliance obligations under the Corporations Act are generally more than the fees required for the administration of associations. There are also substantial late fees imposed on the notification requirements which are strictly enforced by ASIC.</p>



Appendix C Copy of survey



REROC and Riverina JO

Member Feedback Survey

REROC and Riverina JO have decided to undertake a review of these two organisations to determine the most cost effective and efficient way to deliver regional collaboration and operational activities in the best interest of its Member Councils and, by extension, their communities.

The Boards have appointed Morrison Low Consultants Pty Ltd to undertake this review, part of which is to engage with key stakeholders across the region.

The key objectives for consideration are:

- > Financial sustainability
- > Best value for money
- > Compliance simplicity
- > Community benefits
- > Achievements and delivery

Given your understanding and/or involvement, the Boards are seeking input into the organisational reviews and the operational future of the two entities. It is the intention of both Boards to use this review and its recommendations as the basis for determining the future operations of both Organisations.

1. Please select your Council

2. How important are regional organisations to your Council?

	Very Important	Important	Neither	Not Important
REROC	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Riverina JO	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. Which of the following entities is best placed to undertake the following functions, with 1 being the best and 3 being the worst.

	REROC	Riverina JO	One Entity
Regional Advocacy	<input type="text"/>	<input type="text"/>	<input type="text"/>
Government Relationships	<input type="text"/>	<input type="text"/>	<input type="text"/>
Collaboration and Leadership	<input type="text"/>	<input type="text"/>	<input type="text"/>
Regional Strategy and Priorities	<input type="text"/>	<input type="text"/>	<input type="text"/>
Regional Economic Development	<input type="text"/>	<input type="text"/>	<input type="text"/>
Resource Sharing	<input type="text"/>	<input type="text"/>	<input type="text"/>
Regional Projects and Services	<input type="text"/>	<input type="text"/>	<input type="text"/>
A forum for communication and co-operation	<input type="text"/>	<input type="text"/>	<input type="text"/>
Professional Development	<input type="text"/>	<input type="text"/>	<input type="text"/>

4. What are the advantages of REROC?

5. What are the advantages of Riverina JO?

6. Do you see any significant barriers for a single entity?

If Yes, please specify.

7. Considering your responses, what do you believe is the best option for the future?

- ☐ REROC
- ☐ Riverina JO
- ☐ Both REROC and Riverina JO
- ☐ A joint single entity

Other (please specify)

8. If you would like to provide further information or talk to someone please use the following contacts:
g.smith@morrisonlow.com or s.bunting@morrisonlow.com or Mobile: 0407 294765



Appendix D Financial forecasting model

A copy of the financial forecasting model will be provided separately to this report in the form of an Excel spreadsheet.

ATTACHMENT TWO

Report to the Joint Organisation Board
Review of Operations of REROC and the Riverina Joint Organisation

The Report from Morrison Low was received by myself on 9 April. I distributed the Report to the JO's Review Sub-committee on 14 April and the committee met on 17 April to discuss the contents. The sub-committee members are Cr Rick Firman, Cr John Seymour, Cr Abb McAlister, Cr Rodger Schirmer, Cr Neil Smith, Tony Donoghue, Ray Smith, Steve Pinnuck. Cr Schirmer was not available for the 17 April meeting, but I briefed Cr Schirmer on the meeting afterwards.

Morrison Low recommended six structural options which are summarised below:

OPTION	SUMMARY STRUCTURE	ESTIMATED COST
1. Two Entities - REROC and RivJO	This would be a continuation of the current arrangements.	\$458,793
2. RivJO – Full Time	One organisation, being a JO with a full-time Executive Officer (EO) and two part-time support staff (14hrs for finance and 21 hours per week corporate support).	\$447,221
3. RivJO- part-time	One organisation, being a JO with a part-time EO (28 hrs per week) and two part-time support staff that would equate to one full-time staff member.	\$393,921
4. RivJO – in-kind	One organisation, being a JO with a part-time EO (14 hrs per week) and two part-time support staff. (7 hours per week finance and 14 hours per week corporate support). Member Councils provide governance support.	\$398,221 (plus council in-kind support)
5. RivJO - Delegation	One organisation, being a JO with a full-time EO and one part-time support staff (14 hours per week). All compliance and governance obligations delegated to a member council with the member council not charging for the service.	\$357,521 (plus Member Council providing services free of charge)
6. Incorporated association or company	One organisation, being either an incorporated association (as per the current REROC arrangement) or a company limited by guarantee with executive services contracted out.	\$308,000

The Committee considered each of the Options with the goal of identifying the one that would provide Members with the best possible value for money outcome. The Committee weighed this against the possible gains or losses that each of the proposed structures provided.

The Committee agreed that their belief was that the Member Councils' preferred option would be for a single organisation. The current arrangement operating two separate organisations was less than ideal and carried with it a level of duplication that was not sustainable. After considering all the options the Committee short-listed two options: Option 2 and Option 6.

Both options will provide Member Councils with a single dedicated organisation that is not reliant on the Member Councils to deliver core activities such as compliance and governance. The new organisation will deliver both the strategic activities of the current JO and the operational activities undertaken by REROC.

In weighing up the two options the Committee was very aware of the vision that the State Government had committed to for the JOs. They were to have been the mechanism by which the State delivered infrastructure and services into the Regions. However after almost 2 years of operation, apart from the significant funding that has been invested in the Far West JOs, no infrastructure or service delivery initiatives have been specifically channelled through any of the JOs and to date there are none planned.

Some JOs in the State have accessed funding for Biodiversity Conservation Reform project officers and Contaminated Land project officers, however access to this funding was not restricted to JOs. In our Region this funding was accessed by REROC and in the Central West by a single council hosting the projects. In each case the funding had to be supplemented by funding from the host. The State has opened some funding like Stronger Country Communities to JOs however this occurred when the funding was opened to a wide range of third parties and JOs were required to compete with their Member Councils for the funding.

Morrison Low noted that a move away from the JO structure could jeopardise the Member Councils' ability to partner with the State on project delivery and that being part of the JO "provides the best opportunity for the region to have a 'seat at the table' with the state government and agencies and to develop meaningful and sustainable relationships and partnerships, providing that the government remains committed to supporting JOs."

Feeding into our discussions was the knowledge gained through my participation in the Joint Chairs' meetings where the repeated requests by the Joint Chairs for recurrent JO funding, which started in earnest in May 2019, have not been actioned. The work of the JO Ministerial Advisory Committee, as per the briefing paper that was distributed at the last Board meeting is now very much focused on how JOs can fund themselves without State support. The recent grant of \$150,000 for Capacity Building will not address the underlying structural deficits most JOs are experiencing because the funding cannot be used for "business as usual".

RivJO has now been in operation for 18 months and during that time it has been in constant contact with other JOs. However the major focus of that contact has not been on furthering the sector or the regions but on the JOs' financial sustainability. While many thought that the JO structure would provide a greater voice for the regions, a focus on survival has undermined that promise.

The Committee expressed their dissatisfaction with the level of governance and compliance required for the JO operations and concern that the JO will be caught by the introduction of the new ARIC arrangements, further increasing costs.

In considering Option 6, the Committee agreed that continuing with the incorporated association structure that REROc currently uses does not necessarily provide the level of governance that an organisation that has handled millions of dollars in public funding requires.

Morrison Low noted that "the incorporated structure, in particular an NFP [Not-for-Profit] company limited by guarantee, will also afford the region and member councils with ongoing benefits within a leaner governance structure." The Report goes on to say "whether this can and will maximise the potential outcomes and benefits for the region, similar to that of a JO structure, without government support, is questionable".

The Committee considered the question of government support, at this stage, government support for the JO structure could be best described as "moral support". In discussions I have held with Ministers, they have indicated that providing a group of councils were working together, in a structure other than a JO, the councils would still have an ear to Government. Morrison Low note that "ROCs remain the preferred regional organisation in the Sydney Metropolitan area." WESROC has the ear of government and operates as a company limited by guarantee.

The Committee agreed that valuable lessons have been learned as a result of operating RivJO and REROc side-by-side. Member Councils have been able to develop a clear understanding of what they want from their regional organisation and give serious consideration to how they want it to operate.

The Committee compared the cost of operating each Option noting that Option 2 was \$140,000 per annum more than Option 6. The Committee is very aware of the budget constraints all our Member Councils are facing.

Having weighed up the costs and benefits, and the potential opportunity cost should the State make a decision to provide dedicated funding to JOs, the Committee is recommending the following:
the creation of a new Regional Organisation structured as a Company Limited by Guarantee

In making this recommendation the Committee notes that the formation of the proposed new regional organisation under this structure will require ministerial approval.

The adoption of the above recommendation would provide the following benefits to the Member Councils including those noted by Morrison Low:

- The new Regional Organisation would not be bound by the compliance and governance requirements of the JO but would be answerable to ASIC.
- Lower operating costs for Members
- Increased flexibility
- Value for money
- Effective and responsive
- High levels of accountability

Morrison Low noted that this structure could reduce the ability of the Member Councils to influence priorities and access government resources and funding. However, we note previous assurances provided by the Government that REROC would not be disadvantaged if it decided not to become a JO and note that councils that have not committed to the JO structure have still been able to influence outcomes and attract funding.

The new Australian Securities and Investments Commission (ASIC) regulated structure would enhance the standing of the Regional Organisation; the Committee noted that the regional organisation does not only deal with the State government but also with the Federal Government and industry.

The proposed structure is more affordable and as such would mean RivJO Members would cease being part of the constant lobbying for funding for JOs.

However there are a number of issues that need to be considered in relation to the adoption of the approach, in addition to the need to obtain the Minister's approval:

- A new company limited by guarantee needs to be established. Members would need to apply to ASIC for registration for the new company.
- A new constitution for the company would need to be prepared.
- REROC would need to be wound-up. The easiest way to do this would be to apply to NSW Fair Trading to transfer REROC's current registration to ASIC. See <https://www.fairtrading.nsw.gov.au/associations-and-co-operatives/associations/closing-an-association/transfer-of-incorporation> This would allow all the assets of the organisation to transfer to the new company. The transfer requires the passing of a Special Resolution of the REROC Board.

The above will take time perhaps until the end of the current calendar year. This will have impacts on Members' budgets. In addition, once RivJO enters into another financial year it will be required to undertake all the compliance obligations for that year including the audit and the release of the Annual Performance Statement. Even if it performs no functions the JO will still be bound by its legislative obligations.

In making the above recommendation I would like to reiterate the level of commitment that the Member Councils have shown to the JO structure. As REROC we committed to the pilot process to test the structure and as RivJO we have participated fully in every facet of the development of the JO model, looking for opportunities to work with the State and other JOs towards its success.

The Committee strongly believes that every decision we make in relation to the way we co-operate as a region must be with the goal of furthering the opportunities for our Member Councils and by extension the communities they represent. Our Member Councils are strongly committed to working together, the survey undertaken by Morrison Low clearly shows that our Members understand that when we work together everyone benefits. It is now a matter for Members to decide on the best structure to make that happen.

Suggested Way Forward

1. If the Board adopts the recommendation then we suggest the following actions:
 - a. That a verbal report be made at the RivJO Board meeting that will allow a formal resolution to adopt the Workshop recommendation.
 - b. Letter to each of the Member Councils advising of the resolution, requesting that the resolution be considered at their respective May council meetings for discussion and adoption by the individual councils.
 - c. I contact each of the local members to advise them of the adoption of the resolution and seek their support for the new direction.
 - d. At the end of May, assuming that the majority of Members adopt the resolution, a delegation of Members approach the Minister for Local Government to seek her approval for the establishment of a Company Limited by Guarantee.
 - e. A sub-committee be formed to commence work on a Constitution for the new organisation. I am suggesting the same sub-committee that has worked on the Review to date.
 - f. Assuming the Minister agrees to the establishment of the new organisation, we request direction as to the process by which Member Councils can resign from the JO.
 - g. Both Boards meet in early June to finalise the decision.
2. If the Board does not adopt the recommendation then we suggest:
 - a. The sub-committee considers the position of the Members in relation to the Review.
 - b. The sub-committee prepares a report that reflects the Member' position and recommendations that are consistent with those views.
 - c. Another workshop is held to discuss and agree on a way forward.

Recommendation:

That the Workshop recommend to the RivJO Board that as a result of the Review Process that the preferred way forward is the creation of a new Regional Organisation structured as a Company Limited by Guarantee.



Cr Rick Firman OAM
Chairman



Greater
Hume
Council

Council Review

Q3, 2019/2020

1: Leadership and Communication

Objective: We lead a vibrant, connected and inclusive community.

1.1: Leadership and advocacy is demonstrated and encouraged in our communities

1.1.1: Plan and lead good governance having a clear framework for strategic planning, policies, procedures and service standards and financial sustainability with effective financial management that is transparent and accountable

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
1.1.1.1	Establish and implement a structured policy review process including subscription to legislative updates service	Continue structured policy review process	75%	Policy review progressing with new and amended policies reported to Council progressively. Total of 19 policies reviewed to date.	Director Corporate & Community Services
1.1.1.2	Modify the structure of Council's budget to align with the themes and strategies established in Council's IP&R planing documents	Review budget process and commence development of a new budget structure to align with IP&R planning documents	25%	No further action.	Director Corporate & Community Services
1.1.1.3	Implement best practice financial management processes	Complete Council's annual financial statements in accordance with accounting standards and audit requirements	100%	Financial Statements completed and lodged with all statutory requirements met	Director Corporate & Community Services

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Update Council's Long Term Financial Plan on an annual basis taking into consideration other Resourcing Strategy documents and Delivery Program requirements	100%	LTFP updated in line with adopted 2019/2020 budget	Director Corporate & Community Services
		Review Council's loan portfolio to ensure appropriate borrowing levels are maintained and infrastructure spending maximised	100%	Future loan borrowings adopted as part of budget adoption process. Potential increases to current borrowings will be considered if other projects arise, subject to Council endorsement.	Director Corporate & Community Services
1.1.1.4	Actions and strategies detailed in Council's IP&R plans are implemented and status reviews presented to Council on a quarterly basis	IP&R status reports presented to Council on quarterly basis	75%	Achieved and ongoing	General Manager
1.1.1.5	Implement effective governance strategies	Progressively implement strategies outlined in Council's Fit for the Future	50%	Internal audit program ensure continuous improvements of Council's systems.	General Manager

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Improvement Action Plan			
1.1.1.6	Maintain effective and open complaints handling processes	Undertake effective investigation and resolution of complaints	75%	Customer Action Request reports submitted to Council monthly. Staff continually working on ways to improve responsiveness and reporting.	Director Corporate & Community Services
1.1.1.7	Implement effective risk management programs to minimise Council's exposure to risk and ensure continuity of critical business functions	Review Council's Integrated Risk Management Plan and develop and implement supporting processes to ensure ongoing integration of risk management principles into Council's day to day operations	75%	Continued roll out of Risk Management Plan continuing.	General Manager
1.1.1.8	Implement organisation wide service and efficiency reviews	Implement service and efficiency reviews in accordance with Council's Fit for the Future Improvement Action Plan	75%	Currently implementing recommendations of Stores audit	General Manager

1.1.2: Council is responsive to community needs and priorities

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
1.1.2.1	Engagement by Council to demonstrate Council leadership	Continued implementation of the GHSC Communication Plan	25%	Ongoing implementation.	Executive Assistant
1.1.2.2	Improve community attendance at Council meetings and provide greater contact with local councillors	Facilitate the advertising of information regarding Council meetings and events in accordance with legislation and time requirements and include on Council's website	75%	Achieved and ongoing.	General Manager
1.1.2.3	Improve community attendance at Council Meetings and provide greater contact with local councillors	Hold a minimum of two Council Meetings per annum at venues other than Culcairn or Holbrook	100%	November 2019 meeting held at Henty and March 2020 held at Lankeys Creek	General Manager

1.1.3: Successfully engage Australian and State governments to advocate on issues important to the community

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
1.1.3.1	Councillors and senior staff represent the interests of Greater Hume Shire to State and Federal members and government departments	Lobby State and Federal politicians on issues of importance to our community	75%	Significant representations were made to both the State Member for Albury and the Federal Member for Farrer in relation to eligibility for landholders for bush fire funding.	General Manager

1.1.4: Strong relationships and effective partnerships

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
1.1.4.1	Lobby Australian and State governments for increased funding	Meet with local Australian and State government parliamentarians at least annually	100%	Greater Hume Council participated in meeting with Federal parliamentarians in Canberra in September and State Parliamentarians in Sydney in February.	General Manager
		Actively participate in Local Government NSW Annual Conference	100%	The Deputy Mayor and one Councillor along with the Director Corporate and Community Services attended.	General Manager

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
1.1.4.2	Cooperatively work with surrounding councils to identify where resources and costs can be shared	Continue as an active participant in REROC / JO initiatives	75%	All meetings of RivJo and REROC attended. GM has continued to serve on the Executive of REROC and Chair of the Workforce Development Committee. Margaret Killalea is an active representative on the REROC/RivJO Drought Committee.	General Manager
		Continue current programs. Joint spray sealing contract procured AlburyCity - waste - museums Lockhart - Road Safety Officer, Youth Officer, Joint Spray Seal Operator	75%	Council maintains strong relationships with neighbouring Councils, particularly Lockhart and Albury.	General Manager

1.2: There is open and two way communication both with communities and within our communities, the community is consulted on decisions that effect them and consultation processes are inclusive

1.2.1: Accessible and inclusive Communications Strategy and active use of the Community Engagement Toolkit and Council's website is accessible

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
1.2.1.1	Implement the planned community engagement processes using various communication strategies	Maintain membership of community engagement peak bodies and networks	25%	IAP 2 membership renewed. No attendance at network events this quarter due to bush fire and COVID-19.	Executive Assistant
		Relevant staff to undertake IAP2 and/or other community engagement training	0%	No action this quarter due to other priorities	Executive Assistant
		Councillors training plan includes IAP2 community engagement training module	0%	No action this quarter.	Executive Assistant
		Develop two Council newsletters (Autumn and Spring) and rates notice insert whilst ensuring effective and targeted content	75%	Developing GHC Newsletter first 2020	Executive Assistant Tourism & Promotions

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Investigate contemporary community engagement techniques to establish a reference group for the testing of proposed projects and ideas	0%	Utilising Have Your Say page on website for public exhibition of strategies and plans. Toolkit used for strategy considerations for town and entrance signage program. Complementary posts to social media Facebook page.	Executive Assistant

1.3: Residents feel a sense of belonging, are able to reach their potential, work productively, and there is a sense of mutual respect, inclusiveness, ownership and pride in their community

1.3.1: Council's values, actions and decisions are inclusive. Access and Inclusion Reference group established Community Health and Wellbeing Alliance continues

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
1.3.1.1	Acknowledge all volunteers and those providing welfare, and genuinely engage them in council decisions, policy and meaningful dialogue to improve outcomes for those that are disadvantaged.	<p>Invite volunteers to present information about their work to council</p> <p>Seek out opportunities to support welfare work through funding, special grants & material aid</p>	50%	Pre COVID-19 plan was to invite volunteers to May meeting to coincide with National Volunteer Week and select 2 volunteer groups/individuals from each main town to present on their group and what they have been doing. As this is no longer able to happen an agenda item to recognise and acknowledge the work of volunteers with information about the 8 selected groups to go to the May meeting. Additionally information to be provided on website and facebook page	Manager Community Services
1.3.1.2	Undertake work to ensure that young people, people who are disadvantaged, and people with a disability can exercise their rights	Establish a process/system for young people, people who are disadvantaged and people with a disability to participate on the Youth	75%	Ongoing consultation with high schools continuing. A further six students from Billabong High have been appointed to the Youth Advisory Committee	Director Corporate & Community Services

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
	as equal citizens in areas such as council elections, council meetings, council consultation processes, council policy, and membership of council's committees involving community representatives and in making complaints.	Council and participate in decision making processes.			
1.3.1.3	Implement Greater Hume Shire Disability Inclusion Action Plan (DIAP)	Promote NSW Carers Charter and Carers rights to GHSC Staff	0%		Manager Community Services
		Progressively audit Council functions, facilities, services and information sources against Access to Premises Standards and other relevant standards for inclusiveness and implement recommended improvements	100%	All Council offices and libraries have been assessed and access stickers installed at the entrance to each.	Manager Community Services
		Engineering and Environment staff apply the provisions of the Disability Inclusion Act and Continuous	75%	Provisions of the act are being implemented as required in designs and works being undertaken where appropriate	Director Engineering

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Accessible Path and Travel (CAPT)			
		All new signage is compliant with the provisions of the Disability Inclusion Act	75%	All new signage is being made to requirements of the act	Director Engineering
		Review GHSC employment HR policy and processes for inclusiveness	100%	Recruitment & Selection policy updated December 2019	Manager Corporate Services
		Include inclusiveness in the Workplace Inspirations Day	100%	Another very successful Work Inspiration Day was held on the 18 October showcasing some of Council's Trainees.	General Manager
		Customer Service Staff are aware of the resources needed to respond to PwD/Carers	100%	Access at a glance assessment assessed customer service staff. All staff assessed were aware of services available.	Manager Community Services
		GHSC Policies and procedures reflect the needs of PwD/Carers	0%		Manager Community Services
		Criteria for Council Community grants includes diversity,	100%	Policies require accessibility and inclusiveness are assessed as one of the criteria.	Manager Community Services

Council review 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		accessibility and inclusiveness			
		Support and resource DIAP reference group	40%	Reference groups established. Meeting in December cancelled due to insufficient numbers. Dates for Q3 & Q4 set	Manager Community Services

2: Healthy Lifestyle

Objective: we create health, inclusive and resilient communities, acknowledge or volunteers and value our youth.

2.1: Welcoming, resilient and involved communities

2.1.1: Welcome people from diverse cultures to live, work and settle in Greater Hume Shire

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.1.1.1	Encourage more residents to be involved in the Greater Hume Shire and events	Continue to rotate the Australia Day function across towns in the shire	100%	Australia Day 2020 in Greater Hume was held at the Culcairn Recreation Ground, Culcairn, it was a fabulous ceremony, with over 500 people attending. Some of the highlights were the inspiring addresses given by our Australia Day Ambassador, Bob Turner, captains of Billabong High School, April Kennedy and Elisha Muller, Justin Clancy, Member for Albury and Cr Heather Wilton, Mayor, Greater Hume Council. The Australian flag was jointly raised by Lincoln Wright, Culcairn Public School Captain and Vincent Cheng, Saint Joseph's Primary School Captain and Jacob Wilksch performed during	Executive Assistant Tourism & Promotions

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				the ceremony. Elizabeth Papworth, Holbrook and Edith Ventura, Henty were given a warm welcome as new Australian's during a citizenship ceremony conducted by Mayor, Councillor Heather Wilton. Congratulations to all the award nominees and winners who were recognised for their hard work on behalf of the Greater Hume community.	
2.1.1.2	Provide and promote a range of cultural and personal development opportunities for youth	Implement actions and projects detailed in the annual youth plan	70%	<p>January 2020 to March 2020</p> <ul style="list-style-type: none"> Six students from Billabong High School have received their letters of acceptance to join the Greater Hume Council Youth Advisory Committee. The Greater Hume Youth Officer has successfully started the Seasons for Growth program at Billabong High 	Team Leader Library & Youth Services

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				<p>School. The program is designed to help and support young people through the process of grief and loss, especially throughout the effects of the drought and fires.</p> <ul style="list-style-type: none"> All Youth Week activities have been postponed until October 2020 <p>September 19 to December 19</p> <ul style="list-style-type: none"> The Greater Hume Youth Officer have now established a Youth Committee at Billabong High School. From the Work Inspiration Day two St Pauls Students will undertake work placement and experience within the Greater Hume Council 	

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				<ul style="list-style-type: none"> The Senior Youth Advisory Committee are currently working on a film project that will encourage nurses and families to work in our local hospitals. 	
2.1.1.3	Develop partnerships with schools and other	Regular communication with local high schools to	70%	Meetings were organised with Billabong High School	Team Leader Library & Youth Services

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
	community organisations to deliver and promote targeted health and wellbeing programs to youth	establish need and partnership opportunities		and St Paul's Walla Walla College in late November to discuss the way forward if successful with the SCCF Adulting 101 grant application. A discussion with St Paul's Walla Walla College was also held in October as a result of the Work Inspirational Day held at Council in October regarding two School Base Trainees to commence in February 2020. This was put on hold due to COVID 19 and will be revisited in the next couple of months.	
2.1.1.4	Recognise the contribution of volunteers in communities and assist with recruitment and retention	In National Volunteer Week each year, acknowledge and celebrate the shire's volunteers	0%		Manager Community Services
		Work Health & Safety volunteer induction and training provided	0%		General Manager
		Provide advice and support to volunteer community organisations	100%	Ongoing. Liaising by way of correspondence provided to committees of council in respect of financial reporting	Manager Corporate Services

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		in governance and financial management		and the provision of assistance as they require.	

2.1.2: Local education and local career opportunities

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.1.2.1	GHC to lead and exercise responsibility as an equal opportunity employers and community leaders to work with others to enhance local employment and mentoring opportunities for young people, people who are disadvantaged, and people with a disability.	Review the application of EEO principles across all areas of council	0%		Director Corporate & Community Services
		Continue to support traineeships for local young people	60%	Council has engaged Trainees / Cadets in the areas of Water & Wastewater, Children Services and Finance. Arrangements are underway with St Pauls College Walla Walla for the engagement of two Yr 11 students under the School Bases Traineeship program however finalisation of the program has been delayed by the impacts of the COVID-19 pandemic and resultant school closures	Director Corporate & Community Services

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Participate in regional youth focused mentoring programs	100%	Emily Jones and 8 Billabong Students went to Wagga Wagga CSU and participated in 2019	Manager Community Services
2.1.2.2	Work with TAFE and other Registered Training Organisations to provide entry level certificates and qualifications locally.	Continue to support VET providers in the local community.	100%	Changes to TAFE NSW has meant that no training programs are running through our libraries, however, video conferencing facilities remain. An assessment was carried out in December. Continue to liaise with other VET providers for traineeships.	Manager Community Services
2.1.2.3	Maintain contemporary information and computing technology facilities for education purposes.	Undertake an annual review of GHC community ICT facilities to monitor use, value and upgrade as required	100%	Reviewed as part of annual planning processes and current budget process for 20/21 for libraries and children services.	Manager Community Services

2.2: We have services to promote and deliver health and wellbeing for all ages

2.2.1: Continue the Community Health and Wellbeing Alliance and implement the CH&W Plan

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.2.1.1	Facilitate mental and physical health awareness information	Partner with community organisations and health services to deliver a mental health program in October each year	100%	Mental Health Grief and Loss Weekend in Henty October 2019, GHC partnered with Henty LHAC with funding support through Murrumbidgee health.	Manager Community Services
		List health and wellbeing events and links to community health services on the GHSC website	50%		Manager Community Services
2.2.1.2	Greater Hume Shire Council becomes a health promoting shire	GHSC supports and approves the actions of the Community Health and Wellbeing Alliance	50%		Manager Community Services
		Undertake a review of the Community Health & Wellbeing Plan	10%		Manager Community Services
2.2.1.6	Develop partnerships with local health services to plan & implement key health promotion initiatives:	Engage the Community Health and Wellbeing Alliance in health promotion initiatives and support local, regional	60%		Manager Community Services

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
	injury prevention, farm/work safety promotion, cancer prevention (particularly skin cancer prevention) & active community (physical activity promotion and nutrition).	and national programs			

2.2.2: Develop a Greater Hume Shire Youth Plan and continue Youth Advisory Committee

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.2.2.1	Provide training and mentoring opportunities for young leaders	Implement a young leaders training and mentoring action program	50%	The Youth Leadership Plan has been developed for 2019/20. Part of the leadership plan was the establishment of Youth Advisory Committees in both local High Schools, to date a committee has been established at Billabong High School. Further discussions with St Pauls College Walla Walla have been postponed due to COVID 19. The GHC Youth Officer continues to post relevant information for	Team Leader Library & Youth Services

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				young people regarding online training and initiatives that will impact on their life's on social media.	

2.2.3: Continue to support the enhancement of children services across the Shire

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.2.3.1	Continue to review adequacy of existing childcare services and identify gaps in the provision of services according to the needs of local families	Undertake a biannual review of existing childcare services provided through engagement with preschools and other children's services	60%	Review of FDC services and Henty and Walla Walla services completed in December 2019,	Manager Community Services
2.2.3.2	Ensure that Greater Hume Children Services remains a relevant and reliable service	Implement the Greater Hume Children Services Strategic Plan including the implementation of a targeted marketing strategy	70%		Manager Community Services
		Monitor operations of centre based Henty and Walla Walla Children Services	75%	Operations of the Walla Walla and Henty childcare centres is ongoing. Council has also taken over operations at the	Director Corporate & Community Services

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				Holbrook Early Learning Centre. Operations at all centres has been impacted by COVID-19 with reduced attendances and changes to funding arrangements	

2.2.4: Develop a Memorandum of Understanding with Community Transport provider to improve community transport outcomes

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.2.4.1	Establish effective local community transport options	Support the ongoing Community Transport Reference Group and provide advocacy where required	100%	Support for improved transport services provided and point to point service proving to be well used and successful in better meeting needs of communities.	Manager Community Services

2.2.5: Advocate for safe work practices and employment standards

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.2.5.1	Implement best practice human resource policies and strategies to attract, engage, develop and retain the best and highly skilled staff to strengthen workforce capacity	Implement the strategies from the Workforce Management Plan	75%	Ongoing	Director Corporate & Community Services
2.2.5.2	Provide a safe work environment	Integrated risk management system developed and implemented	75%	Risk Management System continually reviewed and improved where practicable. Quarterly meetings continue to be held. Last meeting held 14 March 2020.	General Manager

2.3: Volunteering is inclusive, well acknowledged and supported**2.3.1: Council acknowledges, partners and supports community committees and organisations and celebrates volunteering**

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.3.1.1	Support self-help/support and interest groups such as men's shed, friendly	Continue to acknowledge and work with local groups assisting with funding	60%		Manager Community Services

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
	visiting, craft groups and service clubs to be sustainable, accessible and inclusive.	and resources to ensure there are accessible, affordable and inclusive.			

2.4: Our residents feel safe

2.4.1: Street lighting is effective and energy efficient

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.4.1.1	Implement the street light installation priority program	Continue the installation of new streetlights in accordance with the agreed priority program	30%	New LED streetlighting in all towns and villages are planned to be installed in last quarter of 2020. We are currently planning to have additional lights requested by the community to be installed as part of the LED rollout following discussions with Essential Energy. The only lights that have been requested but wont be installed are where new poles are required. We will revisit those sites once the rollout is complete	Director Engineering

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.4.1.2	Expand the utilisation of solar powered and LED technology in streetlighting	Work with REROC to seek agreement with electricity authorities to implement LED technology for new and existing streetlights	75%	All Existing streetlights to be replaced with LED later this year as part of Essential Energy Statewide Program	Director Engineering

2.4.2: Implement Council's Road Safety Strategy

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.4.2.1	Work with RMS, Lockhart Shire and the community to implement the Roads Safety Strategy	Implement the Road Safety Strategy annual priorities	75%	All priorities are being implemented as programmed	Director Engineering

2.4.3: Engage community in developing and expanding accessible pedestrian cycle ways and walking track networks

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.4.3.1	Council to investigate opportunities and invest in liveability infrastructure such as recreation facilities, cycleways, footpaths,	Implement actions from existing four year cycle ways plan	10%	No funding received this year, All projects relodged in next years Active Transport Program, Next years program announcement expected in June	Director Engineering

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
	recreational walking tracks	Implement actions from existing capital works program	25%	Discussion with Albury City on proposed Lavington to Jindera shared path has commenced. Options looking at cost and possible funding of the path are being investigated.	Director Engineering

2.5: Council provides learning and development opportunities for all

2.5.1: Community spaces allow our residents to learn and engage

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
2.5.1.1	Investigate feasibility of developing additional libraries within the shire or improving access to library facilities and information services	Investigate alternative methods of service delivery to rural and remote communities	70%	Library staff from Henty provided a gingerbread men activity at the Children Services Christmas party. Over 50 children enjoyed icing, decorating and eating ginger bread men. Tech Savvy Seniors was scheduled to be held on the Mobile Library in March however, due to COVID 19 has been postponed.	Team Leader Library & Youth Services

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Create and promote traditional and online library services	70%	Greater Hume Council Libraries closed on a temporary basis on 23 March. The closure of the libraries has meant library staff are now focusing on the delivery of online services replacing traditional services. The services include storytime sessions, holiday program activities, book reviews and posts on new eResources available for the customer. The GHC are working closely with RRL to ensure that the customer is up to date throughout the COVID 19 pandemic. Library staff have also applied for a COVID-19 Seniors Staying Social grant to ensure those isolate older people living in care facilities will have access to technology resources and programs to connect with family and friends.	Team Leader Library & Youth Services
		Investigate and implement new and innovative programs in Council's libraries	70%	January - March programs implemented at the Greater Hume Libraries have included the commencement of	Team Leader Library & Youth Services

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				<p>Storytime, Homework Club and an intergenerational Festival of Seniors event held at Henty, Culcairn and Jindera Libraries. Further programs were postponed due to COVID-19 and the closure of the libraries.</p> <p>The following programs have been implemented at Greater Hume Council Libraries since September - December 19</p> <p>Jindera Library</p> <p>Croc Encounters and Ginger Bread Men</p> <p>Henty Library</p> <p>Ghoulish Treats, Christmas Party with Children Services, and Gingerbread Men.</p> <p>Culcairn Library</p> <p>Mummies, Gingerbread Men and Reindeer Hot Chocolate.</p>	

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				Holbrook Library Allegro Ballet Company from Wagga, Sphereo Balls and Creative Coral Reefs	
		Promote existing programs to increase library participation	70%	Library membership and participation in library programs are presented on a quarterly basis to Council.	Team Leader Library & Youth Services
2.5.1.2	Create an environment that attracts and enables caring and qualified staff	Library staff to attend a minimum of two training information days with RRL annually	70%	From January to March staff have not attended training with RRL however, due to COVID-19 are undertaking Professional Development training that includes: Reader Advisory Social Media Accounting Microsoft - Word and excel	Team Leader Library & Youth Services

Council review | **2019/2020**

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				Staff have also developed skills in presenting online Storytime, book reviews and the use of technology such as Zoom for communication to other staff members.	

3: Growth and Sustainability

Objective: We are revitalising our communities, welcoming visitors, growing our economy and promoting the lifestyle, culture and heritage offered in our communities.

3.1: We have prosperous and diverse local businesses and a growing economy

3.1.2: Partner with local, state and national departments and organisations to grow and expand accessible and inclusive local business

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
3.1.2.1	Promote industrial development to enhance employment opportunities	Promote the existing industrial land development at Holbrook and Jindera	75%	Six Lots sold at Jindera and a small extension of the subdivision planned. Council continues to received enquiries at both Jindera and Holbrook.	General Manager
		Assess development opportunities for industrial land development elsewhere in the shire	50%	Jindera Industrial Estate Signage erected. A total of 21 tenants participated in the program.	Executive Assistant
3.1.2.2	Encourage and support local businesses to enhance employment opportunities	Implement Stage 3 Buy Local in Greater Hume campaign	35%	Stage 3 investigated a EFTpos Gift Card initiative for use in Greater Hume, but unfortunately due to insufficient take-up by spend points and load	Executive Assistant

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				up points across the shire, project has not progressed. A fresh print run of Buy Local in Greater Hume Business Directory will be undertaken in the fourth quarter. Buy Local Signage was been refreshed in 3 of 5 towns of the shire, with signage at Walla Walla and Jindera yet to be installed.	
		Review Council's procurement practices to promote local purchasing where a fit for purpose and cost effective option is available	75%	Vendor Panel continues to be expanded to encourage registration by local contractors, suppliers and trades. Procurement Officer trialled for 12 month period with the view of centralising purchasing to ensure best value. Procurement practices particularly compliance with policy and procedures improving significantly.	General Manager

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Promote and support business mentoring and training services	50%	Collaboration with Business Enterprise Centre to run training workshops with digital interface. Encourage business owners to take up Zoom How To courses being offered due to COVID restrictions. Planning for and partnered with NSW Dept Primary Industries Climate Change Research Strategy to conduct an Energy and Recovery Forum in April.	Executive Assistant
3.1.2.3	Advocate for employment opportunities with new and existing business/industry and local training	Continue to promote the buy local policies and invest in attracting new business to improve employment	30%	Business newsletter issued March 2020 and distributed digitally via database and posted to Council's website. Buy Local article included in Council's community newsletter.	Executive Assistant
3.1.2.4	Review the provision of Council's services and take action to address services that	Investigate and adopt an option that allows remote access to Council's Culcairn	75%		Director Environment & Planning

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
	impede the smooth operation of local businesses	Waste Management Facility			
3.1.2.5	Council look for opportunities to address organic material in the waste stream	Investigate funding opportunities to process organic materials	0%		Director Environment & Planning

3.2: Our towns and villages are revitalised

3.2.1: Implement inclusive and accessible Small Town Revitalisation Initiatives for all villages and towns as part of the Master Planning Process

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
3.2.1.1	Undertake community consultation and undertake data collection and research to inform amendments to GHLEP 2012	Investigate options for amendments to GHLEP 2012 to support more opportunities for residential development	90%	Council is preparing individual planning proposals to attempt to expediate the process of rezoning	Director Environment & Planning
3.2.1.2	Continue to support and develop sporting facilities and other community infrastructure	Provide assistance to community groups in the development of funding applications	50%	Provided grant writing workshops in all towns to support applications for November 2019. Successful	Manager Community Services
		Promote Council's loans to community groups policy to encourage	0%		Manager Community Services

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		maximum uptake of available low interest loans			
3.2.1.3	For Council to lead the strategic direction for each town and village	Develop a community development charter and facilitate community workshops in individual towns and villages with a view to reviewing current or developing plans	0%		Manager Community Services

3.2.2: Develop a New Resident Attraction Strategy for Greater Hume Shire and expand new residential estates

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
3.2.2.1	Promote residential development	Investigate the cost of residential land developments	75%	Agreement has been reached on the 'Option to Purchase' residential land at Culcairn and Council is awaiting the final documentation for occupation. Two Lots sold at Walla Walla.	General Manager
		Investigate the cost of construction for residential land developments and initiate	50%	Upon signing the 'Option to Purchase' Council will engage a consultant to prepare a market analysis to inform a Business Case	General Manager

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		where approved by Council		to be presented to the July Council meeting.	
3.2.2.2	Attract new residents to the shire	Continue partnership with Country Change program auspiced by RDA Riverina	25%	Council has committed to Country Change for 2019/2020. Resident Attraction Strategy is a key action for this officer for 2020.	Executive Assistant
		Develop new resident attraction strategy and collatorals	15%	New Resident Attraction Strategy a key action for 2020. Have commenced new photography bank for this project. Preliminary costings for print collatorial to hand. Planning commenced for social media Greater Hume featured month of June	Executive Assistant

3.3: Increased number of visitors enjoy our shire

3.3.1: Develop a local tourism operator forum and strategy

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
3.3.1.1	Implement the Greater Hume Shire Visitor Experience Plan	Encourage development, promotion, funding and management skills of events which are family orientated, locally led and unique.	75%	Most events in Greater Hume cancelled for 2020 due to COVID 19.	Executive Assistant Tourism & Promotions
		Support Greater Hume Shire's tourism operators and event organisers to participate in Awards at local, regional, state and national level.	75%	Awards for 2020 on cancelled due to COVID 19.	Executive Assistant Tourism & Promotions
		Identify and develop interpretational signage for towns/villages, attractions and historical areas.	75%	Ongoing as required.	Executive Assistant Tourism & Promotions
		Work collaboratively with local, state and federal governments and organisations to enhance our visitor experience.	75%	Achieved and ongoing	Executive Assistant Tourism & Promotions

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Create an ambassador/famil program and develop workshops to promote the visitor experience.	75%	On hold until later in 2020.	Executive Assistant Tourism & Promotions
		Ongoing development of Visitor Information Point network, with a greater emphasis on communication, training and famils	75%	Ongoing liaison. Communicating with new owners of Gerogery Supply Store.	Executive Assistant Tourism & Promotions
		Redevelopment of visitgreaterhume.com.au through OpenCities including ATDW and corporate pages.	75%	ATDW is continuing to be updated and new operators added. Visitgreaterhume website is being developed.	Executive Assistant Tourism & Promotions
		Liaise with media by offering to arrange interviews, testimonials, new developments, special events, awards, articles, photography or regular spots on radio and TV or articles in print and social media.	75%	Ongoing, media liasion for Consequences Exhibition throughout Greater Hume. Liaison with Murray Regional Tourism who managed the filming of the Today Show Breakfast broadcast at Albury on 29 January. Greater Hume – Holbrook (inc Submarine, bakery, caravan park, art gallery and gift shop and pub) was featured as a 40 sec film after the 8am	Executive Assistant Tourism & Promotions

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				news. It was great positive coverage following the impact of the 2020 bushfires and was funded by Visit Victoria.	
		Continue to promote Greater Hume Shire's social media presence on Facebook and develop resources (eg photography and film) to expand into other sites such as twitter, Google maps, YouTube, Instagram and Pinterest.	75%	Achieved and ongoing - social media is now an integral part of Greater Hume communication. Now have 1974 followers to Greater Hume Council facebook page and 420 to Greater Hume's instagram page.	Executive Assistant Tourism & Promotions
		Develop self drive and walk/bike/ride tour itineraries incorporating historical and environmental attractions in towns/villages and shire.	75%	currently being incorporated into a new visitgreaterhume guide.	Executive Assistant Tourism & Promotions
		Incorporate into budget attendance/presence at specialist events such as caravan and camping shows, travel shows and other specialist events by either tourism staff or operators.	75%	Achieved and Ongoing	Executive Assistant Tourism & Promotions

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Greater Hume Tourism Public Forums held quarterly in different community locations where tourism operators, event organisers and interested members of the public are invited to discuss current tourism trends, initiatives and opportunities	75%	ongoing - have also now developed regular newsletters to tourism operators which provide a lot of information on tourism and promotions in Greater Hume, this is proving to give a greater reach than tourism public forums.	Executive Assistant Tourism & Promotions
		History and Heritage - Museums Program to provide guidance, training and expertise to our public and private museums and historical society's such as museum advisors, grants and volunteer and skill development workshops.	75%	Museums have now been closed due to COVID 19.	Executive Assistant Tourism & Promotions
		Natural Environment - Liaise with NSW Government agencies to further develop the natural areas of Lake Hume, Doodie Cooma Swamp, Gum Swamp, Woomargama National Park, Murray River, Benambra National Park, Billabong Creek.	75%	On hold due to bushfires and COVID 19.	Executive Assistant Tourism & Promotions

Council review | 2019/2020

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Agri Tourism - Encourage individuals and agricultural businesses to development farm gate and niche produce and participation in Murray Regional Tourism's Food and Agri Tourism Program.	75%	On hold until end of 2020.	Executive Assistant Tourism & Promotions

4: Good infrastructure and facilities

Objective: Our development and maintenance is sustainable, environmentally responsible, accessible and enjoyed by our community.

4.1: Infrastructure and facilities meet the needs of our communities

4.1.1: Develop and implement five yearly Asset Management Strategy and Plans

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.1.1.1	Identify opportunities for external grant funding	Seek grant opportunities and advertise on Council's website	75%	Grants are advertised in newspaper and updated on website.	Executive Assistant
		Council actively seeks and applies for grant funding for non-budgeted identified priority projects	25%	Funding application for the Drought Communities Program and Bushfire Community Resilience and Economic Recovery Program has been submitted and approved.	General Manager
4.1.1.2	Ensure investment in the upgrade of roads infrastructure is targeted and prioritised	Review and implement Council's Roads Strategy	50%	Road Strategy review has been delayed by other priorities. To be undertaken later in 2020. Council's resheeting and resealing programs have been completed for 2019/20 year	Director Engineering

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
		Continue to collect and record asset data in order to inform current and future asset management strategies and plans	10%	Some work undertaken , however other projects have delayed review of AMP's	Director Engineering
4.1.1.4	Develop an Integrated Asset Management Plan for all of Council's assets	Review the Asset Management Policy	10%	Some work undertaken, with Asset management Policy to be reviewed later this year.	Director Engineering

4.1.2: Engage the community to develop Recreation Plan describing accessible and age friendly public facilities in our spaces and places • Parks Playgrounds and Reserves • Public Toilets • Sporting Fields • Swimming Pools • Public Halls

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.1.2.1	Support with long term planning and maintenance at recreation grounds	Develop a master plan for sporting grounds in each of the five major towns incorporating drainage, irrigation and turfing options	75%	Masterplans have been developed for Henty and Jindera Sportsgrounds. Specific upgrades to sportsground ovals are being undertaken for Culcairn, Holbrook , Henty and Jindera	Director Engineering
4.1.2.3	Review current Public Toilet Upgrade Program and develop	Implement a process to review public toilet upgrade program and develop an upgrade	0%	Review delayed by other priorities, and will be now planned to be undertaken in 2020/21	Director Engineering

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
	an upgrade program for playgrounds	program for playgrounds			

4.1.3: Affordable, accessible housing supports the needs of the community

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.1.3.1	Continue to provide social housing and consider supporting housing for disadvantaged younger people and families linking them to local services for support	Review social housing facilities and develop a 5-year improvement works program	60%	Processes being established for all council housing and changes to legislation in 2019 being included	Manager Community Services

4.1.5: Improve streetscapes of our towns and villages

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.1.5.1	Develop and implement a street tree plan for each town and village	Map all street trees in towns and villages on Council's GIS mapping system	0%	This project has been delayed for commencement until staff are available to undertake project	Director Engineering

4.1.6: Expand waste water strategies into villages

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.1.6.1	Investigate and develop concept designs for waste water collection and treatment in Gerogery and Woomargama and Burrumbuttock	Scope and cost schemes in each of the identified villages	30%	Being completed as part of IWCM project	Director Engineering

4.1.7: Develop a Storm Water Capital Works Program

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.1.7.1	Develop an Asset Management Plan for stormwater assets	Develop and Asset Management Plan	100%	Updated Stormwater AMP has been completed	Director Engineering

4.1.8: Mitigate against natural disasters (Flood and Bushfire Management)

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.1.8.1	Implement strategies identified in the adopted Flood Plain Risk Management Plans and Bushfire Risk Management Plans with successful funding applications	Submit funding applications for flood and bushfire mitigation works and implement works if funding is successful	75%	Survey and Design Works completed for Culcairn, Henty and Holbrook flood management works. Funding has been received to undertake survey and design of Jindera and Walla Walla	Director Engineering

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
				flood managements works.	

4.3: We minimise the impact on the environment

4.3.1: Waste Management Strategy incorporates recycling and carbon reduction actions

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.3.1.1	Develop a Waste Management Strategy that includes a transition to a waste facility with a Environmental Protection Licence	Undertake the adopted recommendations arising from the first year of Greater Hume Waste Strategy 2018-2023	100%		Director Environment & Planning

4.3.2: On-site Sewerage Management systems are environmentally sustainable

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.3.2.1	Continue to improve and monitor the management of onsite effluent disposal within the shire	Implement the On Site Sewerage Management (OSSM) Policy	90%	Inspections are ongoing with emphasis on pre-purchase inspections. Other approvals to operate have been issued.	Director Environment & Planning

4.3.3: Best practice waste water management

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.3.3.1	Manage waste water and effluent in a sustainable manner	Provide and maintain sewerage disposal and effluent reuse systems that meet the needs of residents of the shire	75%	All sewerage systems are operating to required standards	Director Engineering

4.3.4: Best practice weed management

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.3.4.1	Continue to support effective weeds management (private and public lands)	Actively participate in the Murray Weed Action Plan	0%	Council staff have been attending weed management meetings.	Director Environment & Planning
		Undertake inspections on private and public land to detect and assess weed infestations	90%		Director Environment & Planning

4.3.5: Drive energy efficiency with implementation of renewable and efficient assets and resources

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.3.5.1	Investigate opportunities to reduce the energy and water costs at Council's sporting facilities	Installation of energy saving infrastructure at recreation grounds across the shire as recommended by the energy audit	5%	Review of energy use at all recreation grounds being investigated, to determine if installation of energy savings infrastructure is feasible	Director Engineering
4.3.5.2	Develop an energy efficiency plan for all Council assets and facilities including Council's small plant fleet	Undertake an energy efficiency upgrade at Council facilities nominated within the 2019/2020 operational budget. Swimming Pools, Sewer Pump Stations	85%	All the pools have been completed except Walla Walla which is underway.	Director Environment & Planning

4.3.6: Manage water resources and water quality responsibly

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.3.6.1	Implement the program of works identified in the Drinking Water Quality Management Plan	Implement the program of works identified in the Drinking Water Quality Management Plan for 2017/2018	75%	Works identified in Plan are being implemented as required	Director Engineering

4.3.7: Manage and protect significant environmental assets across the shire

DP Action Code	DP Action	Action	Progress	Comments	Responsibility
4.3.7.1	For Council to be proactive in relation to environmental management practices	Promote household hazardous waste collection at a number of sites across the shire (program being run by RivJO in 2019/2020)	0%		Director Environment & Planning