

# ADDITIONAL ITEM

23 February 2011  
To the Ordinary Meeting

Director's Report  
Corporate Services Department

## 7.7 Integrated Planning and Reporting Framework - Council Group Nomination

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### SUMMARY

The Department of Local Government have given councils an opportunity to reconsider a nomination from Group 2 to Group 3 for Integrated Planning reporting.

### RECOMMENDATION

***That Council amend its nomination from "Group 2" to "Group 3" for phasing in of the new planning and reporting legislation.***

### BACKGROUND

The *Local Government Amendment (Planning and Reporting) Act 2009* was assented to by the Governor on 9 October 2009 and gave effect to the Integrated Planning and Reporting Framework.

The Act provides transitional provisions for the phasing of the new legislative requirements over a three-year period. All councils were required to nominate for one of the following three groups for staged implementation timeframes:

- **Group 1** – Community Strategic Plan, Delivery Program and Resourcing Strategy adopted by 30 June 2010.
- **Group 2** – Community Strategic Plan, Delivery Program and Resourcing Strategy adopted by 30 June 2011 (Council's current nominated timeframe).
- **Group 3** – Community Strategic Plan, Delivery Program and Resourcing Strategy adopted by 30 June 2012.

Councils were to consider:

- Their capacity to meet the new legislative requirements within the timeframe.
- That sufficient time was available to effectively engage its community in the development of the Community Strategic Plan.
- The status of Council's Resourcing Strategy development. It is deemed essential that the elected council had adequate information to inform its decision when adopting the Strategic Plan including its first 4 Year Delivery Program and Annual Plan.

## **7.7 Integrated Planning and Reporting Framework - Council Group Nomination (contd)**

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On 10 February 2010 Council resolved:

*"That Council nominate for "Group 2" for the phasing in of the new planning and reporting legislation."*

Since Council's original determination there has been a change of General Manager and subsequent major changes in the organisation (SDR), business planning, budgeting process and ancillary processes – to the point where the approach WSC is now taking to Integrated Planning requires more time to achieve a successful transition.

### **THE PROPOSAL**

It is proposed that Wyong Shire Council amend its nomination from Group 2 to Group 3.

While Council now has an adopted Shire Strategic Vision on-going planning work includes the integration of service delivery to act as a base for the new 4 Year Delivery Program and Operational Plan.

This work on defining services and products (and hence workload) is the cornerstone of developing a sound Strategic plan complete with the supporting Long-Term Financial Strategy, Asset Management Strategy and Workforce Management Strategy.

The Community Plan (SSV) will need revision to properly inform Council's strategies and further engagement with, and feedback from, the community is essential and required to be in accordance with the Integrated Planning & Reporting Guidelines.

The Group 3 deadline (30 June 2012) would provide for any proposed variation to Council's rates that might be required and which could be fully aligned with planning for the 2012-13 financial year.

A change to the commencement date for complying with the Integrated Planning model requires a resolution of Council.

### **OPTIONS**

Two options are as follows:

- Group 2 -Council's current deadline of 30 June 2011 will make it difficult to provide a well integrated Strategic Plan within the required timeframe for all Group 2 councils.

This option now compresses the timeframe for meaningful Council and community engagement as it limits working with the Strategic Finance Committee in development of all components of the Long Term Financial Strategy and engagement of the community in the process.

Disadvantages include the potential for the DLG to unfavourably consider any request for special rate rise until after the Strategic Plan is adopted. Any delay could prejudice the issuing of rates for 2011/12.

## **7.7 Integrated Planning and Reporting Framework - Council Group Nomination (contd)**

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- Group 3 -- The mandatory 30 June 2012 deadline required of all Group 3 councils would ensure that the deadlines are met and there is no delay in issuing rates. In addition, it would allow more flexibility and time for more thorough liaison with the Strategic Finance Committee and development of all components of the Long Term Financial Strategy as well as engagement of the community in the process. One disadvantage would be the need to continue to produce an annual Management Plan and Annual Report with State of the Shire report.

### **STRATEGIC LINKS**

#### **Management Plan**

The Delivery Program and future Annual Plan will replace the current Management Plan. Management Plans will need to continue to be produced until the WSC Strategic Plan is adopted

#### **Financial Implications**

This recommendation does not require additional funds or resources.

#### **Principles of Sustainability**

The principles of sustainability form the framework for the Shire Strategic Vision and therefore must be incorporated in the development of the Wyong Shire Council Strategic Plan.

### **CONCLUSION**

The original decision to be a "Group 2" Council was made at a time when major organisational change was not foreseen as impacting WSC's ability to prepare itself for the new planning regime.

However the organisation has been through a period of major change to its structures and systems and that has compressed the time available for establishing robust outcomes and comprehensive engagement with the community.

There is little to be gained and a lot to be lost by attempting compliance with the new regime before the organisation is ready.

Organisational changes will continue unaffected. Changes to our planning and budgeting methodology have occurred and will benefit from a period of consolidation.

The DLG has offered Councils the opportunity to change Group.

### **ATTACHMENTS**

*Nil.*