

SHOROC INCORPORATED

EXTRAORDINARY GENERAL MEETING MINUTES

Wednesday, 16 October 2014, 1-3pm

SHOROC Board Room, 33/42-46 Wattle Rd Brookvale



Board Members Present

Cr Jacqueline Townsend	Mayor of Pittwater, SHOROC President
Cr Jean Hay AM	Mayor of Manly, SHOROC Vice-President
Cr Peter Abelson	Mayor of Mosman
Cr Michael Regan	Mayor of Warringah
Veronica Lee	General Manager Mosman Council, SHOROC Treasurer
Henry Wong	General Manager Manly Council
Mark Ferguson	General Manager Pittwater Council
Rik Hart	General Manager Warringah Council

In attendance

Ben Taylor	Executive Director SHOROC
Jacqui Fishpool	Communications and Office Manager SHOROC

Item 1 Welcome and apologies

Cr Jacqueline Townsend SHOROC President chaired the meeting and welcomed all Board members.

Item 2 Adoption of 6 August 2014 minutes

RESOLUTION

The SHOROC Board resolved to:

- Defer adoption of the 6 August 2014 Board Meeting minutes until the SHOROC Board Meeting on 26 November 2014.

Moved Henry Wong/seconded Veronica Lee

Carried unanimously

Item 3 Local Government Reform *Fit for the Future* plan

REGIONAL PRIORITY Strengthen regional model to improve capacity and to respond to NSW Government local government and planning reform agenda.

SHOROC ACTION Work with NSW Govt to strengthen regional collaboration model as part of local government and planning reform.

SUMMARY

Consideration of the response to the NSW Government's *Fit for the Future* package.

REPORT

Background

The NSW Government announced its Local Government Reform package *Fit for the Future* on 10 September 2014 in response to the Independent Local Government Review Panel and Local Government Acts Taskforce recommendations (**Tab A** and www.fitforthefuture.nsw.gov.au).

Announced as a \$1 billion package, funding under the key elements of the package include:

- \$258m in funding for councils who have decided to merge to make the transition.
- \$13m to support local transition committees.
- \$5.3m to establish new regional Joint Organisations (in rural and regional areas).

The package also includes further changes to the local government system, including the Local Government Act, the way the State works with councils and the support that councils receive (**Tab B**).

The reform process

The *Fit for the Future* Blueprint outlines that the process (**Tab C**) involves four stages:

1. Self-assessment

Councils will receive a Self-Assessment tool (October 2014) to help them review their current performance against the *Fit for the Future* criteria.

2. Preparing a roadmap

Councils will need to prepare a roadmap for becoming *Fit for the Future*, taking account of their community's needs and future outlook...and submit it by 30 June 2015.

3. Review

The Expert Panel will review each council's roadmap...and make recommendations to the Minister for Local Government based on its assessment.

4. Implementation

From October 2015 Councils who are *Fit for the Future* (as assessed in Stage 1) will begin to implement their roadmaps.

Council mergers are to be completed by September 2016 and newly formed councils are expected to then provide a plan for how they will meet the other three *Fit for the Future* criteria.

A new Local Government Act will also be in place by September 2016.

Fit for the Future criteria

The Office of Local Government (OLG) has developed a criteria and benchmarks for a *Fit for the Future* council (**Tab D**). The Blueprint outlines that a *Fit for the Future* council is one that is:

- Sustainable
- Efficient
- Effectively manages infrastructure and delivers services for communities
- Has the scale and capacity to engage effectively across community, industry and government.

The Roadmap and support for its preparation

Councils will need to prepare a roadmap for becoming *Fit for the Future* by 30 June 2015.

The Blueprint states:

Consideration of scale and capacity will be the starting point, based on the Independent Panel's recommendations. Councils may submit proposals for scale and capacity that are different to the recommendations made by the Panel, so long as they are broadly consistent with the Panel's recommendations. Councils will not need to address the other three criteria until they have made the changes to have the right scale and capacity.

Councils that already have the right scale and capacity, based on the Panel's recommendations, will need to prepare a roadmap for how they will address the other three criteria; sustainability, efficiency and effective services and infrastructure.

The Minister for Local Government and Acting Chief Executive of the OLG advised at the 29 September 2014 *Fit for the Future* information session that proposals for structural reform are required to be agreed by all councils involved in the reform plan.

The OLG will provide the following support:

- A One Stop Shop: Regional Relationship Managers to assist councils.
- Facilitators (funded by OLG) to assist in bringing councils to the table to identify risks, benefits and options for voluntary mergers
- Panel of technical experts (council funded) with skills in financial analysis, asset management and governance, to support councils gaining access to the information and skills
- Structural change expert panel (50/50 funded) for councils that commit to structural change, to provide access to technical advice to explore merger options, undertake due diligence and community consultation to support voluntary merger proposals.

Advice from OLG regarding facilitators sought at the request of Board members is attached (**Tab E**).

Should councils determine to participate in discussions regarding the *Fit for the Future* plan, the existing forums, expertise and resources of SHOROC could be utilised to assist if deemed appropriate.

Regional implications

'Effective regional collaboration' is a key element of strategic capacity as defined by the Independent Review Panel.

SHOROC and other NSW ROCs are council-owned entities performing this role (and that of the proposed Joint Organisations) in metropolitan Sydney predominantly focused on regional strategic planning, advocacy and intergovernmental relations. It is vital for the region that this role continues as usual during the local government reform process to ensure delivery of key projects and advocacy as planned.

The Panel recommended that, as consideration is given by councils of potential structural reform, a single regional grouping of councils for northern Sydney be formed to undertake joint sub-regional strategic planning and intergovernmental relations. As such, it is considered discussion regarding the future form of regional collaboration should be included in any future planning undertaken.

RESOLUTION

The SHOROC Board resolved:

- That SHOROC convene a workshop of the three councils identified in the Independent Local Government Review Panel's report, namely Manly, Pittwater and Warringah, to discuss *Fit for the Future* and options for further cooperation in early November.
- That the three councils indicate items not on the workshop Agenda prior to the workshop.
- To invite neighbouring councils to attend.

Moved Cr Peter Abelson/seconded Cr Jacqueline Townsend

For: Cr Jacqueline Townsend, Cr Jean Hay AM, Cr Peter Abelson, Cr Michael Regan, Veronica Lee, Henry Wong, Mark Ferguson

Against: Rik Hart

Carried

Item 4 Northern Sydney Council of Mayors

REGIONAL PRIORITY	Strengthen regional model to improve capacity and to respond to NSW Government local government and planning reform agenda.
SHOROC ACTION	Lead establishment of proposed North Metro Council of Mayors and provide admin Transition SHOROC to new North Metro Council of Mayors at suitable time.

SUMMARY

Update on the progress of formation of the proposed Northern Sydney Council of Mayors.

REPORT

Background

The SHOROC Board resolved at its 7 May 2014 meeting that the SHOROC Board supports the proposed formation of the Northern Sydney Council of Mayors via an MOU and encourages member councils to support the formation of, and participation in, the proposed new group.

Following a number of joint meetings to progress this plan, a meeting of Mayors and their delegates from 10 northern Sydney councils on 11 June 2014:

- Agreed to form the new regional grouping of councils for northern Sydney called the Northern Sydney Council of Mayors.
- Approved the Memorandum of Understanding and Terms of Reference, subject to minor amendments.
- Agreed the Presidents of NSROC and SHOROC act as interim co-chairs for the Northern Sydney Council of Mayors working party for a period of up to two months to enable Hornsby, Warringah and Ku-ring-gai councils to consider formally ratifying the MOU.
- Agreed the next steps, including development of proposed initial priorities by the co-chairs and ROC Executive Directors for consideration at the next meeting to form the basis of the business plan for the Northern Sydney Council of Mayors.

However following this meeting the planned next steps were put on hold pending the release of the NSW Government's local government reform plan. The NSW Government has now released its *Fit for the Future* plan and a meeting of Mayors from councils of northern Sydney has been convened for 14 November 2014.

The NSROC President has written to SHOROC (**Tab F**) proposing that the purpose of this meeting be to "share information on what the Fit for the Future package means for northern Sydney and how best we may work together to ensure the final outcome is a positive one".

Comment

There remains a strong case for the formation of this larger regional organisation of councils:

- Aligning the grouping of councils for northern Sydney to NSW Government planning boundaries for land-use, transport, community services, education etc. will enable stronger partnerships with NSW Government agencies and increase the effectiveness of the ROC for member councils in strategic planning and intergovernmental relations.
- A larger grouping will increase the 'voice' for advocacy, and also provide a comparable voice for advocacy to the ROCs of southern and western Sydney.
- The Independent Review Panel
 - identified 'effective regional collaboration' as a key element of strategic capacity and stronger local government
 - recommended that, at the same time as councils consider potential structural reform, a single regional grouping of councils for northern Sydney be formed to undertake joint sub-regional strategic planning and intergovernmental relations (consistent with the scale of the proposed Northern Sydney Council of Mayors).

- There was strong support for the formation of this larger group from local NSW MPs The Hon. Jillian Skinner MP, The Brad Hazzard MP, The Hon. Rob Stokes MP and Mr Jonathan O’Dea MP at the most recent SHOROC leaders forum, and by the Minister for Local Government’s Chief of Staff at a meeting with the Executive Director following the release of the *Fit for the Future* plan.

However at this stage it is considered unlikely that this proposal will be able to be progressed significantly unless circumstances change, particularly considering the significance of the NSW Government’s local government reform agenda and the associated varying views of NSROC councils regarding the proposal.

It is recommended that the best course of action at this point is to:

- Continue to strengthen the collaboration between councils and ROCs on a more informal basis until such time as council plans regarding the *fit for the Future* plan become clearer by:
 - Agreeing with the NSROC proposal that the purpose of the 14 November 2014 meeting is to “share information on what the Fit for the Future package means for northern Sydney and how best we may work together to ensure the final outcome is a positive one”.
 - Proposing at the meeting of 14 November 2014 that the Northern Sydney Council of Mayors is formed informally as a regularly convened forum for information sharing on *Fit for the Future* and collaboration of councils across northern Sydney, and that the SHOROC and NSROC Presidents and Executive Directors meet on a regular basis to collaborate on strategic planning and advocacy.
- Incorporate consideration of the future form of regional collaboration in any discussions regarding local government reform, noting that the Independent Panel recommended that, at the same time as councils consider potential structural reform, a single regional grouping of councils for northern Sydney be formed to undertake joint sub-regional strategic planning and intergovernmental relations.

RESOLUTION

The SHOROC Board resolved to:

- Note the letter from NSROC regarding the 14 November 2014 meeting of Mayors and General Managers of councils of northern Sydney.
- Agree with the NSROC proposal that the purpose of the 14 November 2014 meeting is to “share information on what the *Fit for the Future* package means for northern Sydney and how best we may work together to ensure the final outcome is a positive one”.
- Agree that the SHOROC Board continues to support the proposed formation of a Northern Sydney Council of Mayors as a larger regional grouping of councils for northern Sydney as a key element of stronger local government.
- Agree the focus of the proposed Northern Sydney Council of Mayors is strategic planning, advocacy and intergovernmental relations, noting this focus and the planned scale aligns with the recommendations of the Independent Review Panel and the new subregional planning grouping for northern Sydney.
- Propose at the meeting of 14 November 2014 that the Northern Sydney Council of Mayors is formed informally as a regularly convened forum for information sharing on *Fit for the Future* and collaboration of councils across northern Sydney, and that the SHOROC and NSROC Presidents and Executive Directors meet on a regular basis to collaborate on strategic planning and advocacy.
- Note that the Independent Review Panel recommended a single regional grouping of councils for northern Sydney be formed to undertake joint sub-regional strategic planning and intergovernmental relations at the same time as councils consider structural reform.
- Agree to write to NSROC to advise of the SHOROC Board’s resolution.

Moved Cr Jean Hay AM/seconded Cr Michael Regan

Carried unanimously

Item 5 Confirm time and date of next meeting

Next ordinary meeting: 26 November 2014 2-4pm.

Annual General Meeting: 26 November 2014, 4-6pm

ATTACHMENTS

Tab A *Fit for the Future* Blueprint

Tab B *Fit for the Future* incentives and other reform elements

Tab C *Fit for the Future* reform process overview

Tab D *Fit for the Future* criteria and benchmarks

Tab E *Advice from Office of Local Government regarding facilitators*

Tab F Letter from NSROC