



SHOROC Submission

Revitalising Local Government

Final Report of the Independent Local Government Review Panel

March 2014

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1. Introduction

SHOROC is a partnership of Manly, Mosman, Pittwater and Warringah councils led by a Board of the council Mayors and General Managers. Collectively we represent a region of 288km² in north east Sydney which is home to over 280,000 residents contributing \$21 billion annually to the NSW economy.

SHOROC has a strong history of achievement in regional advocacy and intergovernmental relations, strategic planning, and coordinating joint projects, procurement and services.

As previously stated to the Minister and the Independent Local Government Review Panel, SHOROC fully supports the NSW Government's efforts to strengthen local government and agrees that regional collaboration is a central plank of a stronger local government sector.

This joint regional submission is an over-arching statement that should be read in conjunction with individual submissions of councils within our region. There are differing views in the region particularly around the proposals for structural reform. This submission focusses on the core question from a regional level: the optimal role and governance structures for regional collaboration of councils.

On this issue the councils of SHOROC are keen to work with the NSW Government to realise the potential for our region and councils from a stronger local-state partnership and more effective regional collaboration.

The model employed by SHOROC and our achievements to date provide a solid base on which to build a stronger regional collaboration model for local government. We have reviewed and considered various models in recent years as Destination 2036 and the Local Government Reviews progressed and are continually working to strengthen our operations to meet the needs of our councils.

SHOROC together with NSROC are well progressed in the process of building a new regional collaboration model for the 11 council of northern Sydney under a proposed Northern Metropolitan Council of Mayors. This proposed model presents an opportunity to work together to build a robust and effective regional grouping for northern Sydney that achieves the objectives of councils and the NSW Government.

Overview of this submission

The submission includes:

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2. SHOROC supports stronger local government

SHOROC fully supports the NSW Government's efforts to strengthen the local government sector.

We note from discussions with the Minister, the Office of Local Government and from numerous public statements that the NSW Government considers that stronger regional collaboration is central to local government reform. That the government is very interested in building or establishing regional bodies - be they called Regional Organisation of Councils (ROCs), Joint Organisations (JOs) or any other name - that can deliver on its objectives and that of councils.

It is positive that this position reiterates and puts into action the August 2011 Destination 2036 discussions in Dubbo. Destination 2036 was a ground-breaking event, with good buy-in and engagement by representatives from all 152 general purpose councils developing a shared vision and action plan for a strong and robust local government sector. A major element of this resulting action plan was to develop options and models to enhance collaboration on a regional basis through ROCs.

We also welcome that the Independent Local Government Review Panel clearly considers regional collaboration to be a central plank of stronger local government, has put forward the proposed Joint Organisation model and a proposed implementation framework to this effect.

Consideration of this core question from a regional level, the optimal role and governance structures for regional collaboration of councils, is the key focus of this submission.

In regard to the question of structural reform of individual councils through amalgamations or boundary adjustments, this is a matter for councils, their communities and the NSW Government.

The policy of SHOROC and our member councils is that we oppose forced amalgamations. The SHOROC Board has agreed that member councils should continue to collaborate regionally on policy and operational issues as an alternative to forced amalgamations.

3. Statutory framework for regional organisations

SHOROC supports the proposal to establish a more robust, statutory framework for regional organisations of councils under the Local Government Act.

It is critical this framework provide guidance but also flexibility for councils to determine the best approach depending on the varying needs of their communities and regions. In determining the high-level role and structure we also support a process whereby these are agreed between the councils of a region and the NSW Government.

This reform is an opportunity to take the strong elements of all the regional models available locally and internationally, to build on the existing ROCs and transition to a stronger model of regional collaboration.

Core functions strategic planning and intergovernmental relations

We agree the core functions are those proposed by the Independent Panel, regional strategic planning and intergovernmental relations, and that these roles are best performed by a regional 'Council of Mayors'.

As such the framework should establish this core role for the regional 'Council of Mayors' in whole-of-region NSW Government decision-making, strategy development and planning.

To confirm the 'seat at the table' for councils it should also prescribe that NSW Government agencies work with the regional organisations in planning and determining whole-of-region policies, plans and major infrastructure.

This includes for example Regional Actions Plans, Sub-regional delivery plans, infrastructure and land-use planning, economic, social and environmental issues, and regulation and reform of local government.

Amendments to the Local Government Act and Regulation should also enable Mayors to automatically be members of the regional body.

Flexibility for joint procurement and services

Joint strategic procurement, projects and services are also a priority on a regional level and have the potential to deliver significant efficiencies and productivity improvements.

However participation in specific services should not be mandated for councils. Flexibility is required for councils to 'opt-in' or not as the case may be at the project/service development stage depending on the needs of the individual council.

While a 'Council of Mayors' model has a role in enabling and facilitating joint services, it is not necessarily the appropriate governing body for ongoing management of any operational services.

Further information on the roles and operation of regional organisations are detailed in later sections.

4. Proposed regional organisation model for northern Sydney

Northern Metropolitan Council of Mayors (working title)

SHOROC is currently working with NSROC to establish a proposed Northern Metropolitan Council of Mayors (working title). This proposed Council of Mayors is planned to cover all of northern Sydney and include the 11 LGAs of the SHOROC and NSROC regions. The draft Terms of Reference for the proposed Northern Metropolitan Council of Mayors (working title) is attached for reference (**Tab A**) and its purpose and structure are outlined in the diagram below.

The proposal to establish this new Council of Mayors was initiated at a meeting of the Mayors and General Managers or their delegates from the 11 councils of the SHOROC and NSROC regions in 2013. Councils are currently formally considering a proposal to agree to the formation of the new group. It is envisaged the inaugural meeting will be held in late March/early April 2014 subject to council confirmation.

The purpose of the group is to provide strong leadership and a representative voice on behalf of all northern Sydney councils, to partner with the state and federal governments on regional planning and priorities, and to collaborate for enhanced financial sustainability.

This proposed Northern Metropolitan Council of Mayors aligns very closely to the Panel's proposed Joint Organisation for northern Sydney. This includes:

- Its boundaries and membership, which are also understood to align with the NSW Government's planned subregion for northern Sydney under the Metropolitan Strategy.
- Its major roles, focussed on leadership, advocacy and intergovernmental relations on whole-of-region issues, regional planning, strategies and programs in partnership with the NSW and Commonwealth governments, as well as supporting enhanced financial sustainability and capacity of councils.
- Its governance structure including the Board (Council of Mayors), equating to the Panel's 'Governing Body', small administration, and the identification of shared services as enabled by but separate to the Council of Mayors.

As such, the Panel's proposed geographic boundary and core roles of the regional grouping for northern Sydney are supported.

Regional Services Group

Under this proposed Northern Metropolitan Council of Mayors model the primary focus in the first stage is planning and intergovernmental relations.

The over-arching regional model developed also includes a proposal for a separately governed Regional Services Group. This group is to support enhanced financial sustainability and capacity of participating councils through a business improvement program and joint council strategic and service delivery initiatives.

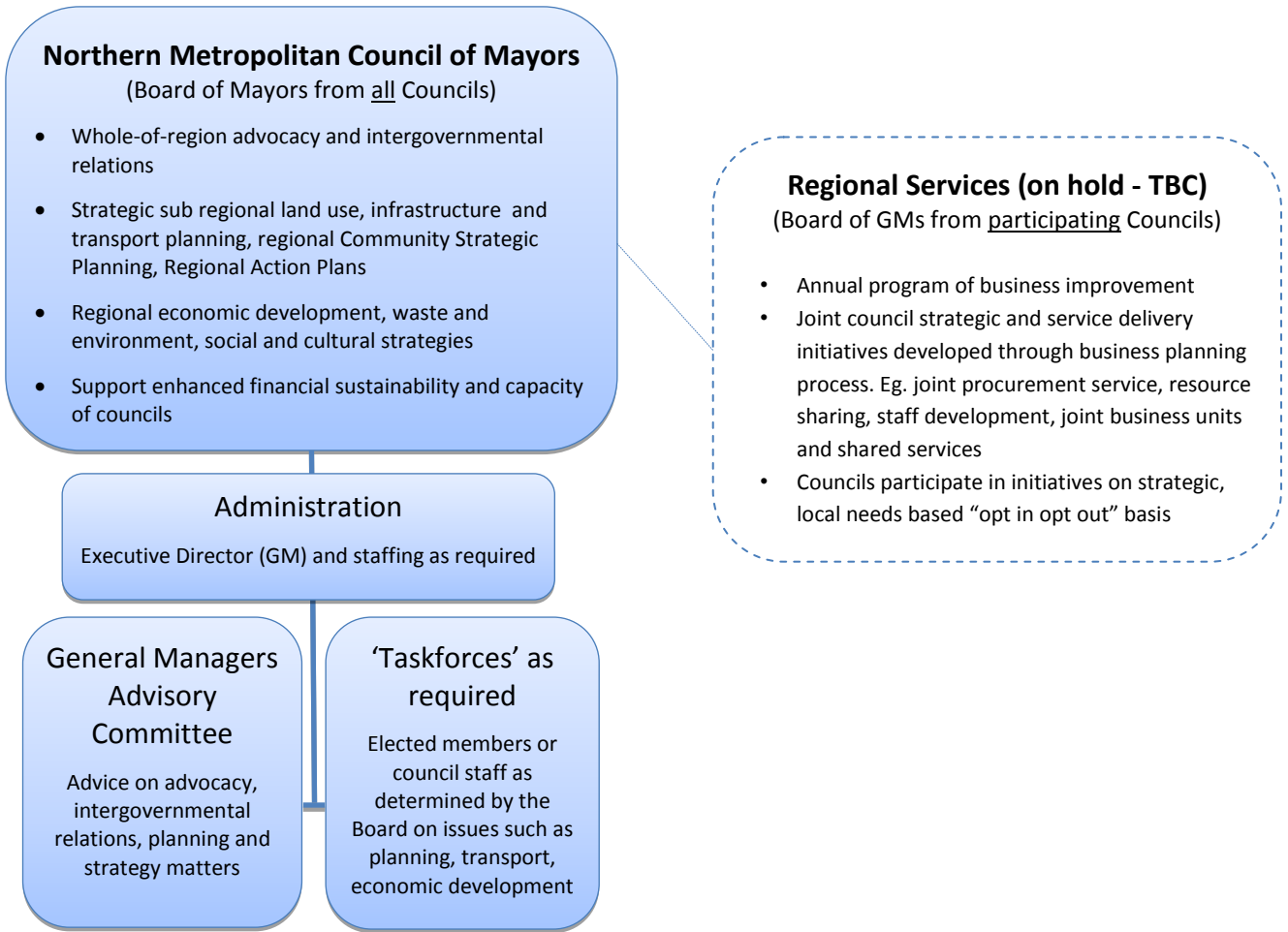
The formal establishment of this group is on hold until the Northern Metropolitan Council of Mayors is established and further clarity is provided by NSW Government regarding its plans for local government reform.

Importantly creating a separate entity enables appropriate separation of regional strategic and advocacy functions from regional resource sharing, shared services and joint service delivery functions. It also supports decisions on participation in specific initiatives being made on a strategic local needs "opt-in opt-out" basis. While a 'Council of Mayors' model has a role in enabling and facilitating joint services, it is not necessarily the appropriate governing body for ongoing management of any operational services.

Pilot region

The NSW Government may wish to invite the proposed Northern Metropolitan Council of Mayors to pilot the new approach for stronger regional organisations. The strong alignment with the Panel's proposed Joint Organisation for northern Sydney, the history of success of SHOROC and NSROC in strategic planning and advocacy and the fact the group is in the establishment phase suggests it may be an ideal partnership opportunity. If this is of interest please contact SHOROC's Executive Director to discuss further.

An overview of proposed Northern Sydney council collaboration model



5. Proposed role and functions of regional organisations

SHOROC currently fulfils the majority of the roles for regional organisations outlined by the Independent Panel for its proposed “Joint Organisations” in Box 31 of the Panel’s Final Report. These roles are also those planned for the proposed Northern Metropolitan Council of Mayors. As such the core functions proposed that are relevant to metropolitan Sydney are supported.

SHOROC has a strong history of success, particularly in the areas the Panel and the Minister consider critical for local government reform: regional planning, advocacy and intergovernmental relations.

The significant alignment between the Panel’s proposal and our current role together with our recent history of success makes a strong case SHOROC should be transitioned to any new model developed.

The table below provides an overview of the proposed roles for regional organisations and our current role.

Roles proposed by Panel	SHOROC’s current role
Strategic regional and sub-regional planning	<ul style="list-style-type: none"> • Subregional strategic planning. Developed the regional strategic plan <i>Shaping Our Future</i> to deliver on the Metropolitan Strategy. This plan integrates regional land-use and infrastructure planning, bringing together major directions for housing and employment growth together with major regional infrastructure priorities for transport and health. • Regional Action Plan. Played a core role in development. The priorities identified in <i>Shaping Our Future</i> and the SHOROC submission based on regional priorities identified in council Community Strategic Plans formed the majority of the projects included in the Northern Beaches Regional Action Plan.

<p>Inter-government relations and regional advocacy</p>	<ul style="list-style-type: none"> • Partner with the NSW and Commonwealth governments. Established strong partnership between councils and local NSW and Commonwealth MPs, hosting 6-monthly MPs' and Mayors' Forums to agree and progress regional priorities including infrastructure and services. • Represent councils on high-level NSW Government project committees. This includes the Northern Beaches Hospital Inter-agency Working Group and regional transport planning working parties. Also represent councils on Task Groups under the Regional Action Plan (ageing and youth strategies) and in other government forums as required. • Joint submissions on major NSW Government reviews and reform. Includes Metropolitan Strategy, Transport Masterplan, Northern Beaches Regional Action Plan, NSW Infrastructure Strategy, NSW Planning System Reform Independent Local Government Review and Local Government Acts Review. • Advocate with a united voice. Agree a regional policy and advocate publicly and through meetings with Ministers and government staff. Current priorities are funding for major health and transport infrastructure with advocacy resulting in the NSW Government: <ul style="list-style-type: none"> ○ Building a major new Hospital at Frenchs Forest by 2018. ○ Planning for major public transport and road upgrades, including allocating over \$10M in recent years and publicly foreshadowing major public transport and road upgrades.
<p>Information and technical exchanges between member councils</p>	<ul style="list-style-type: none"> • Host council working groups for collaboration and knowledge sharing. Includes numerous groups such as planning, community services, environment, strategic planning, procurement, road works.
<p>Road network planning and major projects</p>	<ul style="list-style-type: none"> • Coordinate council involvement in region-wide transport planning. <ul style="list-style-type: none"> ○ Developed regional transport priorities under <i>Shaping Our Future</i>. ○ Represent councils on NSW Government regional transport planning working parties. ○ Coordinate with RMS regional transport forums for strategic and operational transport issues. • Manage regional tender for council road resealing works.
<p>Collaboration with state and federal agencies in infrastructure and service provision</p>	<ul style="list-style-type: none"> • Support role on NSW Government working parties. However no direct infrastructure or service provision under current framework.
<p>Strategic procurement (which could also include accessing state-wide contracts and arrangements)</p>	<ul style="list-style-type: none"> • Well-established strategic procurement role for tendering and contract management. Now totalling around \$20 million a year. Includes tenders for a range of essential items and services such as asphalt, linemarking, stationery, records, concrete and more. Plans for expansion of this service and greater collaboration with NSROC councils.

<p>Other joint activities specified in the proclamation, such as major infrastructure projects, regional waste and environmental management (including weeds and floodplain management), regional economic development, regional library services and 'high level' corporate services or 'back office' functions</p>	<ul style="list-style-type: none"> • Regional waste management. <ul style="list-style-type: none"> ○ Development of a regional waste avoidance and resource recovery strategy (EPA grant). ○ Coordination of introduction of new common waste collection system across all four councils. Includes regional tender development, communication programs and investigations into a potential shared service model for waste management. ○ Regional waste committee of Councillors and public. • Regional economic development. <ul style="list-style-type: none"> ○ Current priority to identify and coordinate delivery of collaborative projects to grow the local economy, supporting small business and collaborating on regional visitor and tourism strategies. ○ Warringah and Pittwater councils also collaborate on regional economic development planning. • Collaborative projects for regional KPIs and sustainability <ul style="list-style-type: none"> ○ Annual 'health of the region' report of regional indicators (www.shoroc.com/ourregion). ○ Regional sustainability strategy. • Business improvement. <ul style="list-style-type: none"> ○ Implementing a regional business improvement program with selected councils which is currently reviewing opportunities for potential shared services. <p>A major additional regional collaboration of councils across SHOROC includes:</p> <ul style="list-style-type: none"> • Kimbriki regional resource recovery centre <ul style="list-style-type: none"> ○ Councils formed Kimbriki Environmental Enterprises Pty Ltd (KEE) to sustainably manage the region's waste, managed by an independent board with the councils as shareholders. KEE is progressing a major project to construct alternative waste treatment facilities on site over the coming years to process and recycle waste from across the region and manage the landfill in perpetuity.
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6. Governance and opportunities to strength the regional model

Whilst SHOROC has had good success in recent years and currently fulfils the majority of the functions outlined by the Panel for its proposed Joint Organisations, there are significant opportunities to strengthen this regional model.

The first as outlined above is to establish a robust but flexible statutory framework for regional organisations of councils under the Local Government Act.

There are numerous potential models being used across Australia and internationally such as New Zealand's Council Controlled Organisations, Queensland's Council of Mayors, South Australia's Regional Subsidiaries and models being used in NSW such as incorporated associations, corporations, county councils, joint ventures, alliances or cooperatives.

This reform is an opportunity to take the strong elements of these models, to establish the legislative framework, and to build on the existing ROCs, their strengths and resources and transition to a stronger model of regional collaboration.

The governing body

SHOROC supports a 'Council of Mayors' model whereby the Mayors of the member councils form the governing body. This is consistent with the Panel's proposal and also we understand aligns to the model supported by many other regions including Hunter Councils and Southern Sydney Councils. Amendments to the Local Government Act and Regulation should enable Mayors to automatically be members of the regional governing body.

In establishing this framework the roles and responsibilities of the Mayor in representing the interests of their council and the region need to be clearly defined. Protocols for communication and engagement with Councillors and staff from member councils are also critical.

Intergovernmental relations and regional and sub-regional planning

The core functions for regional bodies should be those proposed by the Independent Panel: regional strategic planning and intergovernmental relations.

The major priority is to effectively build a truly collaborative framework for state-local cooperation on a regional basis. Having a designated 'seat at the table' for regional organisations in major regional strategic planning and requiring that NSW Government agencies work with the regional organisations is a good first step. To be successful it must go beyond this and become a partnership.

Getting this right will then enable more robust and effective regional planning and service delivery.

The strength of the SHOROC model currently is the ability of the regional organisation to speak with one voice on major regional issues, and for the state to be confident this one voice represents a united position.

This has been the basis of the strong partnership established between our Board and our local NSW and Commonwealth MPs. One voice enabled an agreement with our local MPs on major regional priorities. This enabled our MPs to advocate strongly for the region's identified priorities and needs in Cabinet when the government considered major infrastructure investment confident they have the agreement of the regional organisation and the member councils.

It has also lead to a 'seat at the table' for SHOROC on NSW Government project committees including the Northern Beaches Hospital Inter-agency Working Group, regional transport planning working parties and regional ageing and youth strategy task groups.

Much of what the Panel proposes in regard to strengthening intergovernmental relations and planning is supported. It is vital the regional framework formally establish the core role for the regional 'Council of Mayors' in whole-of-region NSW Government decision-making, strategy development and planning.

Opportunities to strengthen the regional model include:

- Formal recognition by the NSW Government of regional organisations as a partner organisation, with a requirement for state agencies to work with the regional organisations in planning and determining whole-of-region policies, plans and major infrastructure
- Designated representation, as proposed by the Panel, on the Regional Leadership Group, regional planning bodies and regional transport and other infrastructure planning groups.
- Nesting the Council of Mayors model with the proposed Subregional planning boards
- Building the capacity of regional organisations to enable involvement, negotiation and collaboration on an equal playing field as well as delivery
- Conferring core responsibilities on regional organisations including the role in inter-governmental relations and strategic planning
- Focussing core functions on working with the NSW Government on development and implementation of Regional Action Plans, Subregional delivery plans and associated major infrastructure, economic development and other whole-of-region strategies and policies.

Procurement and joint services

Joint strategic procurement, projects and services have the potential to deliver significant efficiencies and productivity improvements. However these should not be mandated core roles for regional organisations and participation in specific services should not be mandated for councils.

There should be flexibility for a regional organisation to determine if it is a priority for the group and flexibility for councils to 'opt-in/out' at the project/service development stage depending on the needs of their individual council.

Under the SHOROC model we currently manage a Business Improvement Program which includes joint procurement (currently totalling around \$20 million a year) and investigation of potential joint services. The program is managed by a working group which includes the General Managers of participating councils. Warringah Council does not participate in the program as it does not consider there is value in participation for its council. However other non-member councils have started participating in the program and the plan is to expand this capability.

This program is a perfect example of why a service doesn't necessarily fit 'neatly' into a set boundary and decisions must be made on a case by case basis as to the operational value for individual member councils.

Financial sustainability and capacity of councils are key objectives for SHOROC and for the proposed Northern Metropolitan Council of Mayors.

As such there is a central role in these models for enabling and facilitating innovation and joint service proposals and it is envisaged these joint services will grow over time. This role will also enable innovative service delivery options to be considered in determining regional strategic policies and plans.

However while a 'Council of Mayors' model has a role in enabling and facilitating joint services, it is not necessarily the appropriate governing body for ongoing management of operational services. The most appropriate vehicle for any joint service should be determined on a case by case basis depending on the proposal. It may be that the service is most effective as a stand-alone entity, as a 'centre of excellence' with one council leading.

In addition, it is considered this role is most appropriately overseen by a 'Taskforce' of General Managers participating in the program of business improvement, potentially incorporating independents with appropriate skills and experience. The objectives relate to the operational arms of council and as such should reflect the separation powers similar to that employed in councils, with elected representatives responsible for strategic planning, policy and intergovernmental relations and operational service delivery overseen by general managers.

The proposed Regional Services Group model being considered for northern Sydney and employed in other areas such as Hunter Councils Ltd is a good base on which to build.

Other joint activities

The range of other joint activities should be determined by the region. Current joint activities being delivered by SHOROC focus on waste and environmental management as well as economic development.

Structure and administration

The structure of a regional organisation should be flexible and determined by the councils of a region in consultation with the NSW Government, subject to the requirement that it have the capacity to fulfil the core functions of intergovernmental relations and strategic planning. The broad structure proposed by the Panel is largely aligned to the SHOROC and Northern Metropolitan Council of Mayors model and so is largely supported as an option.

Similarly the administration should not be prescribed but established in consultation with the NSW Government. It should be 'lean', not create significant additional overheads and the perception of another 'tier of government' but also have sufficient capacity to fulfil the agreed core functions particularly of intergovernmental relations and strategic planning.

Consideration should also be given to enabling staff employment arrangements similar to general purpose councils or the capacity for declaration as 'not a national system employer', meaning the NSW state industrial relations jurisdiction and the Local Government (State) Award applies.

7. Comments on each of the Panel's recommendations regarding regional collaboration

Note comments only made in regard to the Panel's recommendations regarding the role and governance structures for regional collaboration of councils

Panel Recommendation	SHOROC comments
Section: Advance Structural Reform	
<p>Recommendation 31 Introduce additional options for local government structures, including regional Joint Organisations, 'Rural Councils' and Community Boards, to facilitate a better response to the needs and circumstances of different regions (10.1). This includes:</p> <ul style="list-style-type: none"> Regional 'Joint Organisations' – statutory groupings of local councils established under the Local Government Act that undertake a range of 'high-level' functions on behalf of their members (the precise mix of functions can vary from region to region) 	Support proposal for creating option for Joint Organisations.
Section: Regional Joint Organisations	
<p>Overview "The Panel sees stronger regional cooperation as a central plank of local government reform. This will enhance the role of councils and facilitate more productive State-local relations, especially in strategic planning, economic development, infrastructure provision and service delivery. The Panel's objective is to create a robust but flexible framework within which councils can negotiate the establishment of statutory regional organisations that will undertake strategic planning and other joint activities, and provide a platform for much more extensive and effective State-local dialogue and cooperation."</p>	Support.
<p>Recommendation 35 Establish new Joint Organisations for each of the regions shown on Map 2 by means of individual proclamations negotiated under new provisions of the Local Government Act that replace those for County Councils(11.5)</p> <ul style="list-style-type: none"> Defer establishment of JOs in the Sydney metropolitan region, except for sub-regional strategic planning, pending further consideration of options for council mergers (11.5) Enter into discussions with 2-3 regions to establish 'pilot' JOs (11.5) Set the core functions of Joint Organisations by means of Ministerial Guidelines (11.6) Seek federal government agreement to make JOs eligible for general-purpose FAGs (11.6) 	<p>Support Joint Organisations be established by means of individual proclamations <u>negotiated</u> under new provisions of the Local Government Act.</p> <p>Support the proposed northern Sydney region as it accords with the proposed Northern Metropolitan Council of Mayors under negotiation between SHOROC and NSROC and their constituent councils.</p> <p>Support. Piloting the approach is sensible and suggest an invitation be extended to the Northern Metropolitan Council of Mayors to participate.</p> <p>Support core functions should be set by Ministerial guidelines but be limited to intergovernmental relations regional strategic planning.</p>
<p>Box 30 Framework for Establishing New Joint Organisations</p> <ul style="list-style-type: none"> JOs would be regional bodies established under new provisions of the Local Government Act replacing those for County Councils Membership and ongoing active participation by councils would be mandatory Each JO would be established by a separate proclamation which would be negotiated amongst the member councils and with the Minister, with the assistance of expert facilitators provided by the State government 	<p>Support.</p> <p>Core roles for the regional organisation should be mandatory rather than membership.</p> <p>Support proclamation negotiated with region and member councils. ROCs should transition to the new regional framework.</p>

Panel Recommendation	SHOROC comments
<ul style="list-style-type: none"> • The proclamation would set out the name, area, membership, functions, staffing and governance and financial arrangements (including payment of any 'dividends' to member councils) • In finalising a proclamation the Minister would act on the advice of a Ministerial Advisory Group • The governing body would comprise the mayor of each member council, but the proclamation could provide for additional council representatives and for 'participating observers' or advisers from outside local government • Each JO would prepare a 10 year Strategic Business Plan and 4-year Delivery Program to guide (but not restrict) operations, both to be endorsed by member councils and updated as required • JOs would be able to establish subsidiaries to undertake specific functions, and would incorporate existing County Councils (for which transitional provisions would apply) • Subsidiaries would have their own boards, which would be skills-based, and could include senior council staff and people with relevant expertise drawn from outside local government • Subsidiaries would be required to agree an annual Statement of Intent with the governing body to ensure that their activities and priorities align with those of the JO and its member councils • JOs would hold annual general meetings open to all councillors of member councils and to the public, at which they would report on and account for their activities, and at which priorities and strategies for the coming year could be discussed • Other provisions of the Act would apply to JOs as they do to councils, but variations could be made by Regulations or the terms of proclamations (eg to eliminate unwarranted compliance processes) 	<p>Ministerial Advisory Group not required for this purpose.</p> <p>Supported - aligns with proposed 'Council of Mayors'.</p> <p>Support.</p> <p>Support.</p> <p>Support.</p> <p>Support.</p> <p>Support.</p> <p>Support.</p>
<p>Box 31 Proposed Core Functions of Joint Organisations</p> <ul style="list-style-type: none"> • Strategic regional and sub-regional planning • Inter-government relations and regional advocacy • Information and technical exchanges between member councils • Activities of existing County Councils • Regional alliances of local government water utilities • Road network planning and major projects (through Regional Roads Groups as discussed in section 7.4) • Collaboration with State and federal agencies in infrastructure and service provision • Strategic procurement (which could also include accessing state-wide contracts and arrangements) • Other joint activities specified in the proclamation, such as major infrastructure projects, regional waste and environmental management (including weeds and floodplain management), regional economic development, regional library services and 'high level' corporate services or 'back office' functions • Administrative and technical support for any 'Rural Councils' established within the JO's area (see section 12.1). 	<p>Support. Aligns with SHOROC role and that proposed for Northern Metropolitan Council of Mayors and Regional Services Group.</p> <p>Core roles strategic regional and sub-regional planning and inter-government relations and regional advocacy.</p> <p>Other roles to be determined by individual area and flexible, with capacity for participation in specific services/initiatives being made on a strategic local needs "opt-in opt-out" basis.</p> <p>Need to ensure appropriate separation of policy/strategy from operational matters.</p> <p>Existing County Councils and Water Alliances not applicable to region.</p>
<p>Recommendation 37</p> <p>Develop close working partnerships between Joint Organisations and State agencies for strategic planning, infrastructure development and regional service delivery (11.8), and</p> <ul style="list-style-type: none"> • Add representatives of Joint Organisations to State agency Regional Leadership Groups (11.8) • Give particular attention to cross-border issues and relationships in the operations of Joint Organisations and in future regional strategies 	<p>Support. Aligns with SHOROC role and that proposed for Northern Metropolitan Council of Mayors.</p>

Panel Recommendation	SHOROC comments
Metropolitan Sydney	
Recommendation 40 Strengthen arrangements within State government for coordinated metropolitan planning and governance, and to ensure more effective collaboration with local government (13.1)	Support. Aligns with SHOROC role and that proposed for Northern Metropolitan Council of Mayors and Regional Services Group.
Recommendation 43 Pending any future action on mergers, establish Joint organisations of councils for the purposes of strategic sub-regional planning (13.5)	Support first step of establishing Joint Organisations of councils for the purposes of strategic sub-regional planning. ROCs should be supported to transition to new group.
Recommendation 46 Promote the establishment of a Metropolitan Council of Mayors (13.8)	Support.
Section: State-Local Government Relations	
Recommendation 57 Introduce new arrangements for collaborative, whole-of-government strategic planning at a regional level (17.3). Opportunities include: <ul style="list-style-type: none"> • Inclusion of a regional component in councils' Community Strategic Plans, as proposed in section 11.8, in part to provide 'feedstock' for the strategic plans of State agencies, as well as key inputs to the State Plan • Formulation of the next generation of regional strategies to deliver the State Plan – local council or Joint Organisation projects could be included alongside State initiatives to enhance integration and investment, as well as to maximise opportunities to achieve service delivery efficiencies • In the future, high performing JO's could be a vehicle for regional State Government services, on a negotiated funding basis 	Support.
Section: Driving and Monitoring Reform	
Recommendation 63 Adopt in principle the proposed priority initial implementation package set out in Box 42, as a basis for discussions with LGNSW under the State-Local Government Agreement (18.3). Including: <ol style="list-style-type: none"> 1. Establish the new regional Joint Organisations (including Regional Roads Groups, Water Alliances and sub-regional planning groups in metro Sydney): negotiations in 2-3 'pilot' regions could be launched immediately. 2. Build a 3-way strategic planning process that brings together a new regional component of IPR, DP&I Regional Growth Plans, and Premiers Department Regional Action Plans. 	Support, with qualification. ROCs should be supported to transition to new group.
Recommendation 64 Further develop the proposals for legislative changes detailed in Boxes 43 and 44, and seek to introduce the amendments listed in Box 43 in early 2014 (18.5) Box 43 Proposed Interim Amendments to Local Government Act, Regulations and Guidelines includes: <ul style="list-style-type: none"> • Provisions for Joint Organisations, 'Rural Councils' and Community Boards 	Support provisions for Joint Organisations.
Recommendation 65 Adopt in principle the proposed implementation timeline (18.6) Includes: <ul style="list-style-type: none"> • Complete establishment of sub-regional groups in metropolitan Sydney for strategic planning by June 2014 	Support.

***Tab A - Draft Terms of Reference for Northern Metropolitan Council
of Mayors (working title)***

Northern Metropolitan Council of Mayors

(working title for discussion)

DRAFT Terms of Reference

Draft Terms of Reference (FOR DISCUSSION)

1. Name

The name of the organisation is the NORTHERN METROPOLITAN COUNCIL OF MAYORS (Working title - To be confirmed) hereunder referred to as “The Organisation”.

2. Mission

To provide strong leadership and a representative voice on behalf of all Northern Sydney councils, to partner with the state and federal governments on regional planning and priorities, and to collaborate for enhanced financial sustainability.

3. Objectives

The objectives of The Organisation are to:

- Provide a collective voice for the councils and communities of Northern Sydney on whole-of-region issues including infrastructure, land-use planning, economic, social and environmental issues, and regulation and reform of the local government sector.
- Facilitate effective and efficient intergovernmental relations and partnerships between all levels of government on regional strategic planning, projects and programs for the benefit of Northern Sydney.
- Support enhanced financial sustainability and capacity of councils and assist councils to adapt or respond to NSW Government policy and legislative change.

4. Major role and structure

The Organisation comprises:

- a **Membership** of councils from across the Northern Sydney area
- a **Board (Council of Mayors)** consisting of all member Mayors and an elected **Executive**
- a **General Managers Advisory Committee** consisting of all member General Managers
- an **Administration** including an Executive Director and associated staffing as required.

The major roles of The Organisation are as follows:

- Leadership, advocacy and intergovernmental relations on whole-of-region issues.
- Coordinating strategic regional planning in partnership with the NSW and Commonwealth governments
- Leading and coordinating regional and subregional strategies and programs.

An overview of Northern Metropolitan Council of Mayors



Funding of The Organisation is to include an equal *'Membership fee'* for advocacy and regional planning for all member councils and contributions for any specific programs or services on a case by case basis as agreed by the Board.

5. Draft Operating Rules

5.1 Membership

Membership of The Organisation shall be open to the following Councils: Hornsby, Hunter's Hill, Kuring-gai, Lane Cove, Manly, Mosman, North Sydney, Pittwater, Ryde City, Warringah, Willoughby City.

5.2 Board (Council of Mayors) representation, role and decision-making

A member council will be represented on the Board by the Mayor as its delegate.

Delegates to the organisation shall collectively be known as the Board.

Where the Mayor of a council is unable to attend a meeting of the Board, the Council may be represented by the Deputy Mayor or another Councillor for the purpose of being an alternative delegate.

Subject to the Act, the Regulation and this constitution and to any resolution passed by the Organisation in a general meeting, the role of the Board is to control and manage the affairs of The Organisation including:

- Adopt an annual business plan
- Monitor the performance of The Organisation
- Adopt annual estimates of revenue and expenditure having regard for the business plan
- Approve additional resources for priority regional projects from time to time and review the business plan and its contents as required
- Make broad policy decisions within the objectives of The Organisation
- Exercise such other functions as may be exercised by The Organisation other than those functions that are required to be exercised by a general meeting.

Board meetings will be held at least four times per year, initially bi-monthly.

5.3 Quorum and voting

A quorum at a general meeting of the Board shall consist of a number being half the number of delegates plus one.

All delegates will have one equal vote.

The Organisation operates on a basis of mutuality. Where voting is required decision-making will be by consensus, where consensus is deemed to be 75% of delegates present at a meeting.

The Chair will have both a deliberative and a casting vote.

All votes must be given personally.

5.4 Executive

The Executive of the Board shall consist of:

- The President
- Three Vice Presidents

The election of the Executive is to take place at the Annual General Meeting biennially by a system determined by the members to ensure representation of geographic regions if practical.

Each member of the Executive is, subject to this Constitution, to hold office for a term of two years until the conclusion of the second Annual General Meeting following the date of the election, but is eligible for re-election.

If a person who is a member of the Executive ceases to be a delegate then a casual vacancy occurs. A casual vacancy can be filled at an Ordinary Meeting of the Board in such a proper manner as the Board may direct.

5.4.1 Role of the Executive

Between meetings of the Board the role of the Executive shall be to determine matters relevant to the Board's responsibility in circumstances where:

- in the opinion of the Executive the matter is such that it must be determined prior to the next ordinary meeting of the Board, and
- it would be impractical to convene an extraordinary meeting of the Board.

The Executive will also bring matters forward for consideration of the Board where considered appropriate.

This role does not have the authority to vary the adopted Business Plan and Budget or review a regional policy or position that have been adopted by decision of the Board.

5.4.2 Role of the President

The President shall preside at all meetings of the Board.

The President, unless otherwise directed by resolution of the Board shall:

- Chair meetings of the Board.
- Represent The Organisation and act as the principal spokesperson
- Exercise leadership and give direction to The Organisation.
- Guide the Board and Executive meetings according to the agenda, emerging issues and the time available
- Represent The Organisation to other Agencies and Governments.
- Present The Organisation and its decisions in a positive way to the community, media, government and other interested groups.
- Together with the GMAC authorise the expenditure of funds provided within the adopted budget.
- Call special general meetings as required.

5.4.3 Role of the Vice Presidents

The Vice Presidents, unless otherwise directed by resolution of the Board shall:

- Represent The Organisation where requested by the Board or the President and act as the spokesperson, for example on issues relevant to specific geographic areas
- Support the President in exercising leadership and giving direction to The Organisation.
- Represent The Organisation to other Agencies and Governments where requested by the Board or President.
- Present The Organisation and its decisions in a positive way to the community, media, government and other interested groups.

5.5 General Manager Advisory Committee (GMAC)

Delegates of each Council who are General Managers shall comprise the General Manager Advisory Committee (GMAC). One General Manager shall be appointed chairperson for a period of two years at the first meeting following the Annual General Meeting where the Executive is elected.

The role of the GMAC will be to:

- Advise on administrative and planning matters relating to the role of the Board (Council of Mayors).
- Exercise general supervision of The Organisation's staff and resources including the authorisation of expenditure within the budget approved by the Board.
- Submit reports and recommendations to the Board for policy decision.
- Prepare and submit a Business Plan to the Board for adoption.
- Have general supervision of projects and activities in the Business Plan.
- The exercise of such functions as the Board may delegate to GMAC from time to time by resolution.

5.6 Delegation to sub-committee

The Board may delegate to one or more sub-committees (consisting of such members of the Board or its member councils as the Board thinks fit) the exercise of functions of the Board as is deemed appropriate.

5.7 Administration and staffing

The organisation shall have the power to appoint such staff as the organisation may require from time to time.

5.8 Legal structure

Due to foreshadowed changes in legislation regarding regional organisations, The Organisation will be established initially by Memorandum of Understanding (MOU) between member councils and an implementation plan to an appropriate legal structure will be developed.

5.9 Financial model

The Organisation will be funded by:

- A 'Membership' contribution by all members for administration of the Council of Mayors including regional advocacy, planning and intergovernmental relations, which is equal or as otherwise agreed as adopted by unanimous decision of the Board.
- Contributions for any specific programs and activities on a case by case basis.

5.10 Powers of The Organisation

The Organisation shall, for the mutual benefit of the areas of the member Councils have power, in accordance with this Constitution, to:

- Make submissions to governments and other agencies in respect of the areas of the member Councils, consistent with the objectives of The Organisation and adopted Business Plan
- Carry out the objectives of The Organisation
- Receive funds in respect of the:
 - staffing of The Organisation
 - carrying out of projects or studies agreed by The Organisation
 - for any purpose that may be authorised by The Organisation.

The above shall not affect the right of an individual Council acting in its own right on any matters.

The control, regulation, maintenance and management of the exercise of these powers is vested in the meetings of delegates in accordance with this Constitution subject to any delegation of authority which may have been granted.

By resolution, and within limits defined in such resolution, to authorise the Executive or a properly appointed sub-committee consisting either whole or part of elected representatives, staff or other persons to exercise or perform on behalf of The Organisation any power, authority, duty or function other than any power, authority, duty or function, The Organisation, by resolution, reserves for itself.

6. Other items to be added in final based on standard constitutional clauses

Include: Administrative issues including annual and financial reporting, meeting procedure, Resolution of internal disputes, resignation of members, termination of the organisation, media policy, Code of Conduct policy.

7. Northern Sydney Regional Services Group

The planned regional model for Northern Sydney also includes the establishment of a separately governed *Northern Sydney Regional Services Group* to support enhanced financial sustainability and capacity of participating councils through a business improvement program and joint council strategic and service delivery initiatives.

This enables appropriate separation of regional strategic and advocacy functions from regional resource sharing, shared services and joint service delivery functions, where participation in specific initiatives is based on a strategic local needs “opt-in opt-out” basis.

The formal establishment of the proposed Regional Services Group is on hold until the Northern Metropolitan Council of Mayors is established and further clarity is provided by NSW Government regarding its plans for local government reform.