



LOCAL GOVERNMENT ACT REVIEW ►► DELIVERING FOR THE COMMUNITY

DETAILED
DISCUSSION PAPER

INCLUSIVE

Integrated Planning and Reporting

Our vision is for the local government sector to be agile, smart and inclusive.

Our objective is to reform local government so that it is empowered to better deliver quality governance and services to their communities now and into the future.

A new Local Government Act will be drafted, Transforming Local Government.

Inclusive includes topics that focus specifically on how local governments represent and involve their communities in decision-making. As the tier of government closest to the community, there is an expectation that local governments represent the whole community, recognise diversity within their district and are responsive to community needs.

The topics addressed in this theme are:

- Elections;
- Community engagement;
- Integrated planning and reporting; and
- Complaints management.

Have your say!

We need your input to inform how local government will work for future generations.

Submissions

The simplest way to have your say is to answer the questions via the online surveys.

The survey questions relate to the matters discussed in the papers and we encourage you to read the relevant paper before completing the survey.

While you may lodge multiple written submissions via email at actreview@dlgsc.wa.gov.au, you will only be able to complete each online topic survey once. The public submission period closes on 31 March 2019. This is the last day that you will be able to respond to the surveys.

Note: Unless marked as confidential, your submission (including survey responses) will be made public and published in full on the Department of Local Government, Sport and Cultural Industries' (the Department) website. Submissions that contain defamatory or offensive material will not be published.

Introduction

Integrated Planning and Reporting (IPR) is a foundation of modern local government. IPR enables community members and stakeholders to participate in shaping the future of the community and in identifying issues and solutions. IPR is a process designed to:

- Articulate the community's vision, outcomes and priorities;
- Allocate resources to achieve the vision, striking a considered balance between aspirations and affordability; and
- Monitor and report progress.

In addition, IPR aims to encourage local governments to link with and influence planning by others that also impact on community outcomes including regional planning bodies, State and Federal agencies and community organisations.

Prior to IPR being introduced in Western Australia, the following performance and sustainability issues in the sector were identified:

- Strategic planning systems that did not deliver accountable and measurable linkages between community aspirations, financial capacity and practical service delivery;
- Financial planning systems that failed to accurately demonstrate a local government's capacity to deliver services and manage assets that can sustain their communities into the future;
- Asset management systems lacking the rigour of process and integrity of data to accurately reflect true asset management costs; and
- General lack of a formal approach to workforce planning across the sector.

IPR addresses these concerns with processes to:

- Ensure community input is explicitly and reliably generated and informs the long and medium-term objectives of the local government;
- Develop plans to meet the objectives; and
- Identify the resourcing required to deliver the plans and enable rigorous and transparent prioritisation within resource constraints before finalising the plans.

IPR Framework and Guidelines

In 2010, the [IPR Framework and Guidelines](#) were introduced in Western Australia to assist local governments with the IPR process.

The Framework and Guidelines are aligned with nationally consistent practices. The Guidelines outline each component of the IPR Framework – its purpose; the process; the role of the community, council and administration – and how the components fit together. The following key local government planning processes are addressed in the Guidelines:

Preparation of the **Strategic Community Plan**, resulting in a ten year plan informed by community aspirations.

Preparation of the **Corporate Business Plan**, resulting in a plan that mobilises resources to implement the first four years of the Strategic Community Plan.

The Framework and Guidelines also establish mechanisms to review and report on all elements of the IPR process.

Strategic Community Plan

The Strategic Community Plan is the council's principal ten year strategy and planning document that reflects the community's aspirations for the long and medium term. It includes a clear definition of the council's strategic priorities, intentions for asset management and service delivery, and resourcing implications over the ten year period.

The Strategic Community Plan is structured with the local government's choice of strategic framework. Usually this will include outcome areas of social, economic and environmental wellbeing, and good governance. A long term financial profile should be included and the strategic risks considered in the plan.

Corporate Business Plan

The Corporate Business Plan is the council's four year planning document. It gives effect to the first four years of the Strategic Community Plan and is pivotal in ensuring that the medium-term commitments are both strategically aligned and affordable.

The desired work program is developed and costed in detail. Generally, the first attempt will exceed what is considered affordable. After further prioritisation, a realistic work program with accompanying financial projections is settled upon.

The IPR process takes into account how the community is changing over time, with respect to demography, the nature of economic activity, people's expectations and so on. Technology is changing the way we communicate and interact with each other. The future may require different assets and services. The process also acknowledges that aspirations will almost always exceed resources and does not provide carte blanche for either unfunded commitments or unbridled rates increases.

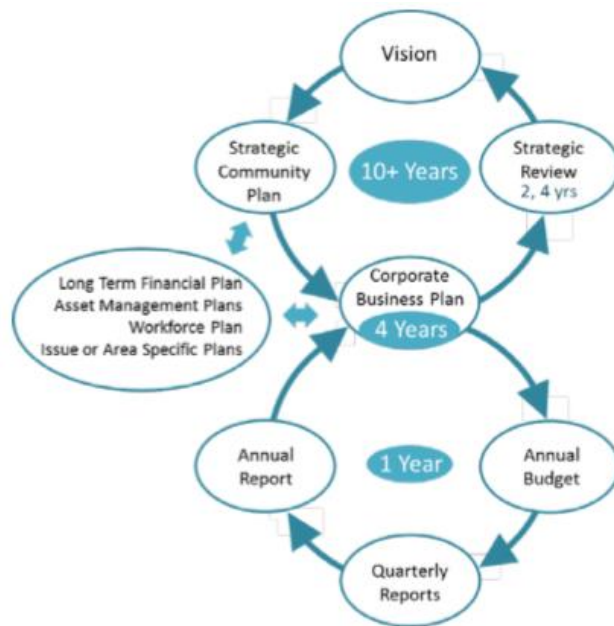


Figure 1. Integrated Reporting and Planning Cycle

Regulatory requirements

Section 5.56 of the *Local Government Act 1995* (the Act) and the associated Regulations require local governments to plan for the future of their district. At a minimum, regulations require local governments to develop a ten year Strategic Community Plan and a four year Corporate Business Plan that delivers on the Strategic Plan. Other provisions in the Act regulate the Annual Budget and Annual Report of local governments.

What are the opportunities for reform?

Planning

IPR is cyclical and normally begins with the development of a Strategic Community Plan. The Strategic Community Plan should be informed by community aspirations and reflects the community's vision, strategic direction, long and medium-term priorities and resourcing implications over a ten year period.

The Corporate Business Plan should activate the Strategic Community Plan through a four-year delivery program and incorporate the local government's other planning instruments such as asset, financial and workforce management plans.

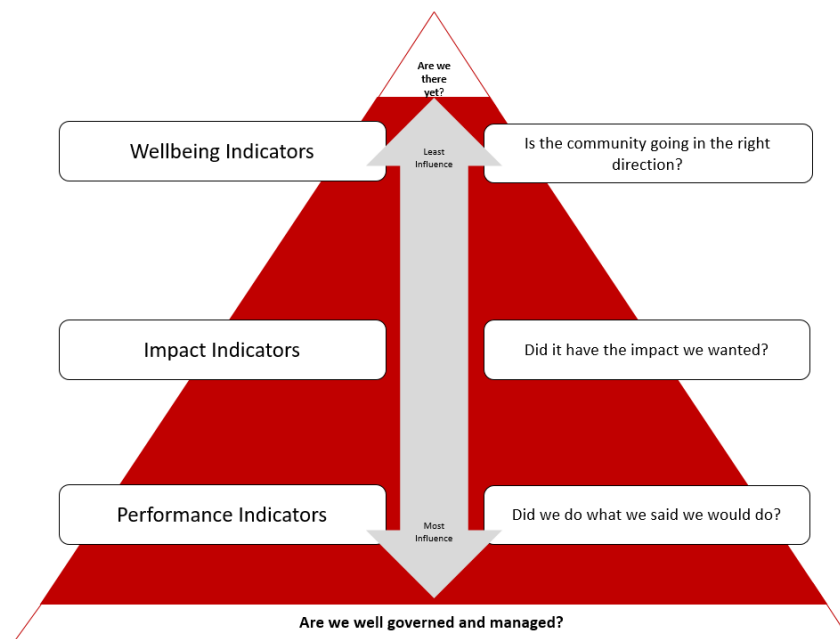
For IPR to be effective, the plans also need to be understandable and easily communicated. The local governments successfully implementing IPR have straightforward plans appropriate for the size of their organisation which are understood by their whole administration, council and the community.

The plans should be realistic and take into account the local government's available resources, requiring community expectations to be managed. Community consultation must be undertaken in conjunction with the local government's financial plan so that the prioritisation of resources can be understood and accepted by the community.

Reporting

The IPR framework incorporates two distinct but integrated parts, planning and reporting. IPR provides a structure for local government to report on their progress meeting strategic objectives and community aspirations informed by engagement and achievements.

Local governments are required to have regard to strategic performance indicators the ways of measuring its strategic performance by the application of those indicators in the Strategic Community Plan. This requirement is supported by the [IPR Framework and Guidelines](#), which recommends that local governments measure progress delivering their IPR through a monitoring framework.



It is currently open to local governments to design complementary means of reporting progress and outcomes to the community. There are good examples in the sector, including video reports, user friendly newspaper inserts and displays at the local market. However, in other local governments the monitoring and reporting in respect to IPR could be improved.

In the decade since IPR's introduction, attention has been largely focused on embedding the planning aspects of the framework within the sector. Beyond the requirement for local governments to have regard for the strategic performance indicators and report certain financial measures in their annual financial report, which are collated and presented on MyCouncil.wa.gov.au, there is no formal performance reporting mechanism for local government in Western Australia.

Measuring achievement across local government has significant benefits. It enables identification of the success or failure of social policies and programs, or where greater investment may be required. It further provides a means to increase local government accountability and performance to the community and tools for the community and council to make evidence based decisions when assessing performance.

The concept of a central reporting framework has been visited several times in Western Australia and implemented to varying extents in other jurisdictions. Victoria has adopted the most ambitious program where local governments report progress on over 80 indicators annually on a central website. The Victorian approach includes standardised efficiency and effectiveness measures for diverse services such as animal management, roads, statutory planning, and governance. Local governments in Victoria are also required by law to conduct a community satisfaction review annually according to a set methodology.

A central reporting framework requires the development of specified and consistent measures and methods. One of IPR's strengths is its flexibility and adaptability to all local governments regardless of size and capacity. Under IPR, local governments may choose their own performance indicators because different local governments offer many different services and have different priorities.

The collection and reporting of this information also comes at a cost. While Victoria's approach has merits, Victorian local governments have greater resources and capacity. The budget of the smallest local government in Victoria (the Borough of Queenscliffe) is larger than 83 of WA's 137 local governments.

Integration and alignment

Integration is critical to the effectiveness of IPR. Integration can include alignment across the organisation with other activities, ensuring that the strategies are delivered, and alignment between the long, medium and short term.

Some local governments integrate IPR into their whole organisation's structure and processes by incorporating it into their Chief Executive Officer's Key Performance Indicators, flowing right down to their officers' position descriptions. Other local government plans are less integrated and function as standalone documents.

It is important to also link any issue specific strategies and plans, such as an information and communication technology (ICT) plan, recreation strategy or age-friendly community plan into the IPR suite.

State Government and local government alignment

The State Government has a number of statutory plans which local governments are required to develop such as Local Health Plans, Disability and Access Plans and Town Planning Schemes. Currently there is no requirement for these plans to be integrated with the IPR documents and each plan has different timeframes for completion and review. Administrative efficiencies are likely to result from integrating these plans with IPR and this would also assist in informing the IPR process. These statutory plans are controlled by different State Government departments which can make alignment challenging. If there was support for this approach the Department would work with these other agencies to better align the requirements with IPR.

The IPR process could also be used as a tool for communicating and realising priorities through the State Government. It is well recognised that local governments have a strong relationship with their constituents and are an effective vehicle for engaging

with the community. A stronger partnership between the State Government and local government through the development of IPR documents could result in greater consistency between State and local priorities and enhancing the delivery of both State and local policy and programs.

Community engagement

Community consultation and engagement plays a pivotal role in the IPR process. A number of local governments have adopted engagement plans which are recommended in the IPR Framework and Guidelines.

The IPR Framework and Guidelines includes a section on community engagement good practice and how local governments can have better collaboration with the community. The Framework and Guidelines are not prescriptive and remain flexible recognising that the engagement process will often differ depending on the local government's size, location and demographics.

Involving council members

The council sets the local government's strategic and policy directions and makes the final judgement call on the best balance between aspirations and affordability. The council has a formal role in adopting the Strategic Community Plan, Corporate Business Plan and Annual Budget.

Flexibility of IPR

The IPR Framework and Guidelines establish that IPR is not a "one size fits all" model and each local government should use IPR at a scale appropriate to the size and needs of their organisation and community. It is also recognised that local governments will have different approaches to IPR. The Framework and Guidelines were deliberately written with the flexibility that reflects this.

Some local governments like the ability to establish their own methodologies according to their particular circumstances. However, some local governments have indicated they would like more direction in the Framework and Guidelines to assist them in the IPR process and ensure consistency across all local governments.

Advisory Standards

The Advisory Standards published by the Department refer to the minimum regulatory requirements as well as "Achieving", "Intermediate" and "Advanced" Standards of IPR performance. It was expected that local governments should be on a pathway of continuous improvement, moving steadily through Achieving, Intermediate or Advanced Standards of IPR. Some local governments feel as though the advisory standards are not appropriate for them due to their size, location or capacity. For example, a small local government may not be able move from the "Achieving Standard" in regards to a Workforce Plan as the criteria in the "Intermediate Standard" is not relevant to them.

What do you think?

The easiest way to have a say on the future of your community is to complete the survey available [here](#).

Your responses to this survey will inform the review and will take approximately 15 minutes to complete.

We ask that you take care in completing a survey. While you may lodge multiple written submissions via email at actreview@dlgsc.wa.gov.au, you will only be able to complete each online topic survey once.

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The questions in the survey are provided below but we encourage you to complete the survey online which is available [here](#).

Survey - Integrated Planning and Reporting

1. Have you read the discussion paper associated with this survey?
 - a. Yes
 - b. No
2. Who are you completing this submission on behalf of?
 - a. Yourself
 - b. An organisation, including a local government, peak body or business
3. What is the name of that organisation? Shire of Carnarvon
4. What is your name? David Burton
5. What best describes your relationship to local government?
 - a. Resident / ratepayer
 - b. Staff member or CEO
 - c. Council member, including Mayor or President
 - d. Peak body
 - e. State Government agency
 - f. Supplier or commercial partner
 - g. Community organisation
6. What best describes your gender?
 - a. Male
 - b. Female
 - c. Other
 - d. Not applicable / the submission is from an organisation
7. What is your age?
 - a. 0 – 18
 - b. 19 – 35
 - c. 36 – 45
 - d. 46 – 55
 - e. 56 – 65
 - f. 66 – 75
 - g. 76+
 - h. Not applicable
8. Which Local Government do you interact with most? Shire of Carnarvon
9. Would you like to be updated on the progress of the *Local Government Act 1995* review and further opportunities to have your say?
 - a. Yes
 - b. No
10. Do you wish for your response to this survey to be confidential?
 - a. Yes
 - b. No
11. What is your email address? [REDACTED]

12. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
“Long-term and operational planning is an area where reform is required.”				x	
“A local government should be free to conduct its long-term and operational planning in whatever manner it wishes.”			x		
“Local governments should conduct their long-term and operational planning in the same way.”		x			
“Local governments with smaller populations and fewer staff should have fewer rules for how they conduct long-term and operational planning.”				x	
Local Governments with larger populations and more staff should have fewer rules setting how they conduct long-term and operational planning.”		x			
“Integrated Planning and Reporting documents need to be reviewed too frequently.”				x	
“The timelines for reviewing Integrated Planning and Reporting documents need to be synchronised with council election cycles.”			x		
“There should be consequences for not complying with Integrated Planning and Reporting requirements.”			x		

13. Should Integrated Planning and Reporting requirements differ based on any of the following criteria?

	Yes	No	Unsure
Population size	x		
Geographical size	x		
Location	x		
Salaries and Allowances Tribunal banding	x		

	Yes	No	Unsure
Other, please specify			

14. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
“Local governments should be required to publish measures of success in implementing their long-term and operational plans.”				x	
“Local governments should be required to publish measures of success against uniform key performance indicators.”				x	
“It is important that measures of success are comparable.”				x	
“Local governments should determine if they publish measures of success and what these measures should be.”			x		

15. To what extent do you support the following statements?

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
“The State Government should use local government Integrated Planning and Reporting documents to inform policy and service delivery.”				x	
“All local government plans, including Local Public Health Plans, Disability Access Plans and Town Planning Schemes, should be combined under Integrated Planning and Reporting.”		x			

	Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive
“Local government Integrated Planning and Reporting needs to be conducted at a regional level to influence State Government policy and service delivery.”			x		

16. What should the role of the community be in Integrated Planning and Reporting?

	Yes	No	Unsure
To be actively involved in the development of the Strategic Community Plan	x		
To provide feedback to the local government on Draft Strategic Community Plans and Corporate Business Plans	x		
To be notified of a local government’s plans and reports (for example, publication of these documents on the local government’s website)	x		
To assess the local government’s success in achieving the priorities identified in the Strategic Community Plan			x

17. Should all Local Governments have to meet the following community engagement requirements when developing their IPR documents?

	Yes	No	Unsure
A minimum number of people or percentage of people involved in the engagement process		x	
Ensure that community engagement is representative of the community’s diverse population	x		
Demonstrate the community has been engaged in the development of plans	x		
Demonstrate the community has been consulted on the completion of draft plans	x		

	Yes	No	Unsure
Other (please specify)			

18. Should community engagement requirements be the same for all local governments?

a. Yes

b. No

c. Unsure

19. Do you have any other comments on the topic of Integrated Planning and Reporting? Additional information can also be provided to the review team via email at actreview@dlgsc.wa.gov.au.