

# ORDINARY MEETING AGENDA

23 August 2017

Held in the Hilltops Council, Harden Chamber, 3 East Street, Harden

## 17/150 - END OF ADMINISTRATION PERIOD REPORT

Reference: File No. B5.5.2  
Responsible Officer: Administrator

### PURPOSE

The purpose of this report is to present a report on the end of the Administration period of Hilltops Council.

### REPORT

Hilltops Council was formed on 12 May 2016 along with a number of other new Councils across NSW by way of proclamation of the Governor.

The proclamation which can be found at;  
<https://www.legislation.nsw.gov.au/regulations/2016-242.pdf>

Detailed the Governance and Administrative arrangements that would be in place until the first meeting of the newly elected Hilltops Council. Election for the Council are to be held, 9 September 2017.

During the Administration period, Council has been focused on maintaining and improving existing services, setting up systems and structures that support an operationally efficient and effective organisation and developing policies, plans and strategies that will assist the new Council into the future post the first election.

As the Administration period nears an end, it is important to report back to the community on some of the key activities that have been undertaken during the Administration period to establish the new Council whilst delivering outcomes for the community.

An end of Administration period report has been prepared which is intended to provide an overview and examples of what has occurred during the Administration period. It is not intended to detail every action Council has taken since Amalgamation to bring the organisation together.

### ATTACHMENTS

Attachment 1 – End of Administration Period Report

### RECOMMENDATION

**Move that;**

- 1. the report be noted;**
- 2. a copy be made available on Councils website; and**
- 3. the report be forwarded to the Office of Local Government**



# END OF ADMINISTRATION REPORT





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## SUMMARY

### 1. ABOUT THIS REPORT

This report has been prepared to provide an overview of what has occurred during the Administration period following the creation of Hilltops Council on 12 May 2016. The report is not intended to detail everything that has occurred during the Administration period but outlines some of the key changes that have occurred, improvements that have been made and initiatives that have been commenced to support the Council into the future. Council will also be preparing an annual report that will provide more information on what has been undertaken throughout the 2016/17 year.

### 2. ABOUT HILLTOPS COUNCIL

Hilltops Council is a local government area in the South East and Tablelands region of New South Wales, Australia. This area was formed on 12 May 2016 through the merger of Boorowa, Harden and Young local government areas (LGAs) into one LGA known as the Hilltops Council.

The LGA area roughly corresponds to the Hilltops wine region and during the period since the merger has been governed by an Administrator, as per proclamation by the Governor of NSW, until the first meeting after the Local Government elections on 9 September 2017. There are eleven Councillor positions to be filled at the election on 9 September 2017 by an open vote (i.e. there are no wards).

The largest town within the Hilltops Council Local Government Area is Young and the other major urban centres are Boorowa and Harden-Murrumburrah.

The Hilltops Council area includes the localities of Barwang, Beggan Beggan, Bendick Murrell, Berremangra (part), Berthong, Boorowa, Bribbaree (part), Bulla Creek, Burrangong, Cooneys Creek, Crowther, Cunnigar, Frogmore, Galong, Godfreys Creek, Harden, Hovells Creek, Jugiong, Kikiamah, Kingsvale, Koorawatha (part), Maimuru, McMahons Reef, Memagong, Milvale (part), Monteagle, Morangarell (part), Mount Collins, Murringo, Murrumburrah, Nubba, Reids Flat, Rugby, Rye Park, Taylors Flat, Thuddungra, Tubbut, Weedallion, Wirrimah, Wombat, Wyangala (part) and Young.

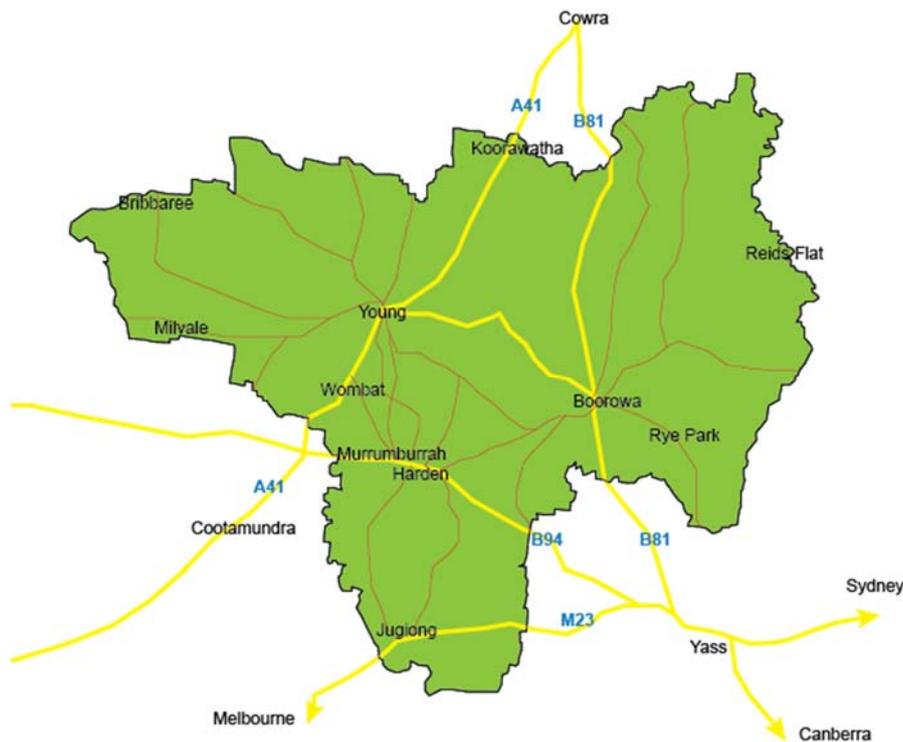
#### 2.1 Land use

The Hilltops Council area is predominantly rural, with several townships which include residential, commercial and industrial areas. Settlement is based mainly in the townships of Boorowa, Harden-Murrumburrah and Young, and the villages of Bendick Murrell, Bribbaree, Frogmore, Galong, Jugiong, Koorawatha, Monteagle, Murringo, Reids Flat, Rugby, Rye Park and Wombat. The Council area encompasses a total land area of over 7,100 square kilometres. Rural land is used mainly for stock grazing, cropping and orcharding (particularly cherries), poultry, pigs, viticulture and mining also being important industries.

#### 2.2 Transport

The Hilltops Council area is served by the Hume Highway, the Olympic Highway, Burley Griffin Way, Lachlan Valley Way and the Melbourne-Sydney railway line through Harden. Canberra Airport is the nearest airport, 1 hour and 10 minutes from the South-East boundary of the LGA and two hours from Young. Canberra Airport has recently commenced international flights and the Hilltops has major potential to leverage off this opportunity.





### 3. WHAT HAS COUNCIL ACHIEVED SINCE ITS CREATION?

During the Administration period, Council has been working on achieving outcomes that align with 9 key result areas. Each of those key result areas are identified below with a listing of actions supporting them. It should be noted that these lists may not necessarily be comprehensive but provide an overview and indication of some of the achievements completed and progress made.

#### 3.1 Service continuity with Smart Service Improvements

- Ability to make payments across any of Councils administrative sites regardless of former LGA.
- Consolidation of waste servicing contracts for former Boorowa and Young LGA's pending finalisation of comprehensive waste services review to determine best long term fully integrated waste servicing solution (noting Harden is still internally serviced).
- Progressing with planning for a water pipeline to connect Boorowa to Goldenfields water being the same bulk water provider as Harden and Young which will improve water services across the Hilltops and allow more standardisation of services. Discussions with stakeholders to value add by planning a dual trench of a Natural Gas pipeline to Harden through Galong.
- Commenced transition of the Southern Slopes County Council (SSCC) that was trading as Southern Slopes Noxious Plants Authority back into Hilltops Council due to the constituents of SSCC only being Hilltops and Yass post-merger. Hilltops to be able to deliver services with better administrative and operational support as well as contracting services to Yass.
- Development of "Hilltops Precincts" with grant application submitted to Smart Cities and Suburbs program. Hilltops Precincts will grow the regional economy, attract new industries, improve the way civic services are delivered through better use of emerging and new technology, provide enhanced education opportunities and ensure greater social and physical connectivity within our community.
- Grant application submitted to Fixing Country Truck wash program for Young, which will be resubmitted to round 2 (unsuccessful round 1 with improvements since made), with truck wash to service industry across the whole Hilltops.



- Integrated mapping of key freight transport routes across the Hilltops undertaken (rather than in isolation as three separate LGA's) allowing prioritisation of funding applications and assessment of routes for higher productivity vehicle access. Working in consultation with the local Transport Industry and stakeholders.
- Integrated single website developed and implemented rapidly for interim arrangements whilst final fully integrated website developed which is expected to "go live" around time of election results.
- EOI submitted jointly with Cowra and Blayney Council to have rail line reopened to remove road freight burden with application for full section between Demondrille to the northern side of Lachlan River at Cowra (in addition to the previously committed \$5m to reopen between Demondrille and Maimaru)
- New Hilltops Tourism and Visitor guides launched.
- Hilltops tourism partnership with Visit Canberra established including cross promotion and marketing as well as \$10,000 sponsorship from visit Canberra towards Hilltops events.
- Consolidated tendering for roads sealing leading to considerable financial savings.



### 3.2 Robust governance that delivers confidence to communities

- Establishment of three Local Representative Committees (LRC's) during transition period providing additional mechanism for community to raise issues for consideration, for Council to provide information to the community and to maintain a level of continuity to ensure local community based issues being considered pre-merger were not "lost". LRC's also provided input into decisions around Stronger Communities Funds allocation and reviewing the Budget and Operational Plan for the 2017/18 year.
- Establishment of an Implementation Advisory Group (IAG) consisting of the chairs of the three LRC's. The IAG provided a mechanism for reviewing holistically any recommendations coming through to Council from LRC's, provide advice on consolidation of policies, review transitional plan progress and to generally guide the Administrator on localised input into the transition whilst considering the holistic interests of Hilltops.
- Review of committees in place prior to merger undertaken with majority re-established to ensure continuity of community involvement in addressing community issues and influencing Council decision making.



- A number of new regional committees established with the aim of ensuring broader community involvement in understanding and guiding decisions in what are considered areas of strategic priority including:
  - Economic Development
  - Tourism
  - Arts and Culture
  - Youth Initiatives
  - Environmental Initiatives
  - Access
  - Traffic
- Review of policies and development of integrated policies as a priority where a high degree of policy variation between former areas has been identified
- Establishment of an Audit and Risk Improvement committee that includes independent member and an independent chair.



### 3.3 Easy to do business with, in person and online

- Introduction of across the board online payments (not formerly in place in all former Councils).
- Maintenance of customer service contact points in all three main centres.
- Preparation for a Voice Over Internet Protocol (VOIP) telephone system that will enable direct phone linkage between all Council sites and will also lead to savings. This will be enacted in coming months as Councils microwave data link system between sites comes on line.
- New Local Government Information System (LGIS) which will allow more direct access for customers to interact with Council remotely and do things like track progress of DA's online and lodge customer requests online.
- Development and introduction of staff values which are:
  - **Customer Centric Services** - the community are our customers that deserve the best from us in every interaction we have and every action we take.
  - **Collaboration** – we are a team and will always achieve more as a team than as individuals – communication is the key.
  - **Continuous Improvement** – we may never reach perfection but that will always be our target.
- Identification of most cost-effective solution to be able to connect sites to allow improved online services. Microwave solution currently being implemented.



### 3.4 Engaged staff who understand their Roles and how they contribute to the New Council

- New staff consultative committee established with representatives from across the organisation and different unions established early with clear and agreed governance framework.
- Initial Executive and Management Team structure quickly put in place to separate responsibilities of senior managers.
- Comprehensive organisational structure review undertaken in consultation with staff.
- All existing indoor employees still with Council since merger in roles in new organisation structure.
- Recruitment of a several new roles undertaken able to be achieved by restructuring of senior management roles.
- Successful team in Rural Management Challenge.
- Recruitment of a number of trainees, apprentices and cadets.
- Regular briefings to all staff on changes as they have been planned or occurred.
- Regular staff newsletters distributed.

### TRAINEES/CADETS/APPRENTICES



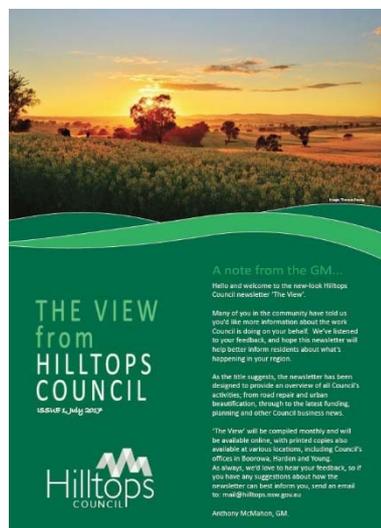
### 3.5 Involved communities who have their say

- Community forums undertaken on a number of key initiatives including:
  - Stronger communities fund small grants program
  - Economic development strategy
  - Stronger Communities Fund Major projects, Operational Plan and Budget
  - Disability Inclusion Action Plan
  - Flying Fox Management Plan
  - Development system
  - Business Marketing and Promotion
  - Food handling and safety

- Pop up community stands for the public to ask questions and provide feedback on the draft operational plan and budget.



- New committee structures put in place as previously discussed.
- Continuation of Youth Council.
- Attendance at a number of village community meetings.
- Regular meetings with numerous village progress associations.
- Newsletters distributed to inform the community of initiatives being undertaken and provide opportunities for feedback.
- Active social media platforms as a way to distributed information and monitor community responses.
- Publicly advertising key policy and planning documents inviting submissions from the public.



### 3.6 Communities can readily identify with the new council

- New Council brand mark was developed and publicly launched early following merger.
- New interim website with branding developed and live early following merger.
- New building signage in place on key buildings in the Council area including administration offices.
- New LGA boundary and village signage designed and being installed.
- New staff uniforms distributed and being worn by staff.
- Plant Hilltops branded.



### 3.7 A shared vision and direction for the whole community

- Clear explanation to the community that it will be the role of the new Council when elected to partner with the community to develop a shared long-term vision.
- Explanation to the community that during the Administration period, Council had focused on building on the previous similar priorities of the former Councils which had been developed with the community.

### 3.8 Rates maintained within existing pathways and resources used wisely to serve the entire council area

- Existing rate paths currently being maintained in accordance with NSW Government expectations.
- Policy in place to simplify and provide consistency in rating for landholders straddling former LGA boundaries.

### 3.9 A newly elected council working for the whole community

- Extensive promotion of the upcoming election and key dates for people to undertake necessary steps with Electoral Commission.
- Facilitation of candidate information sessions to assist potential candidates understand the role of a Councillor.
- Councillor induction and development program prepared for Councillors when elected.

## 4. WHAT IS COUNCIL'S FINANCIAL POSITION?

Council has budgeted for a strong financial result for the 2016/17 financial year with financial statements currently being finalised to be provided to external audit. The audited financial statements will be included in Council annual report to be presented to the newly elected Council.

As part of the projected results for the 2016/17 financial year a significant operating surplus is expected which is heavily influenced by timing of grant payments relative to expenditure. This includes Council receiving merger grants (transitional and projects) during the 2016/17 financial year which were unspent at the end of the financial year. The result is also heavily influenced by Council receiving a six-month advanced (early) payment of the Financial Assistance Grants which will be spent during the 2017/18 year. Council finished the financial year with in excess of \$50 million in unrestricted cash and investments, however, again this figure is heavily influenced as a result of advanced grant payments.

The 2017/18 budget is forecast to deliver a more balanced result with an operating deficit forecast and a reduction in unrestricted cash and reserves. This is due the fact that income used to offset expenditure (both capital and operational) during the year was received in the 2016/17 year and accounted of in that year (as described above) rather than the year it will be spent in.

During the 2016/17 year, Councils budgeted operating income was approximately \$81m compared to \$50m in 2017/18, with operating expenses approximately \$57m across both years. A further comparison and information (including graphical representations) on Councils financial position is available within Councils Operational Plan and budget that can be found at <http://hilltops.nsw.gov.au/wp-content/uploads/2017/07/Operational-Plan-adopted-28-June-2017.pdf> or by navigating under the policies and plans section of Councils website.



During the year, Council also allocated funds in two rounds under the Stronger Communities Fund, the first allocation being for smaller community projects and the second for Major projects. The projects that were funded are listed in the tables below:

### STRONGER COMMUNITIES FUND – MAJOR PROJECTS

|   |                     |
|---|---------------------|
| <b>Strengthen our Economy</b>                           |                     |
| Boorowa Caravan park - New Cabin and camp kitchen       | 200,000             |
| Harden Caravan park - Camp kitchen                      | 100,000             |
| Boorowa Urban Growth                                    | 1,000,000           |
|   | -                   |
| <b>Improving Transport Links</b>                        |                     |
| Road network improvement program                        | 700,000             |
| <b>Valuing our culture and Environment</b>              |                     |
| Chinese Cemetery Murrumburrah                           | 50,000              |
| Young Regional Library                                  | 2,000,000           |
| Lambing Flat Chinese Tribute Garden                     | 300,000             |
| Solar Power for Council facilities                      | 328,995             |
| Burrangong Creek Beautification & connectivity          | 1,500,000           |
| Murrumbulla Creek Beautification & connectivity         | 1,100,000           |
| <b>Encouraging healthy lifestyles</b>                   |                     |
| Harden pool renewals                                    | 300,000             |
| Young Swimming Pool Turnstiles & Entrance               | 2,000,000           |
| Trinity Centre Refurbishment                            | 100,000             |
| Mechanics Institute Reneals works                       | 250,000             |
| Boorowa Tennis Courts                                   | 300,000             |
| Young Tennis Courts                                     | 1,000,000           |
| Boorowa Playground Softfall and upgrades                | 250,000             |
| Harden playground Refurbishments                        | 350,000             |
| Harden Sports Fields                                    | 1,000,000           |
| Boorowa Sports Fields Improvements incl Lighting        | 500,000             |
| Blackguard Gully precinct                               | 500,000             |
| <b>Total Stronger Communities Fund - Major Projects</b> | <b>\$13,828,995</b> |



## STRONGER COMMUNITIES FUND – COMMUNITY PROJECTS

|  |                    |
|--|--------------------|
| Boorowa Amateur Swimming Club Inc                              | \$ 22,000          |
| Boorowa and District Historical Society Inc                    | \$ 1,900           |
| Boorowa Cricket Club   | \$ 18,524          |
| Boorowa Gun Club Incorporated                                  | \$ 25,000          |
| Boorowa Gun Club Incorporated                                  | \$ 25,000          |
| Boorowa Junior Rugby League Club Inc                           | \$ 4,745           |
| Boorowa Men's Den Inc  | \$ 15,814          |
| Boorowa Show Society   | \$ 18,735          |
| Boorowa Tennis Club Incorporated                               | \$ 50,000          |
| Bribbaree Show Society Inc                                     | \$ 50,000          |
| Harden Murrumburrah Arts Council                               | \$ 47,748          |
| Harden Murrumburrah Men's Shed                                 | \$ 1,067           |
| Harden Regional Development Corporation Education Subcommittee | \$ 50,000          |
| Harden Tennis Club Inc   | \$ 25,000          |
| Jugiong Development Group                                      | \$ 22,000          |
| Jugiong Polocrosse Club  | \$ 5,515           |
| Koorawatha Progress Association                                | \$ 50,000          |
| Milvale Progress Association Inc                               | \$ 35,124          |
| Murringo Community Association                                 | \$ 23,100          |
| Roberts Park Trust   | \$ 49,500          |
| Rye Park Soldiers Memorial Hall Inc                            | \$ 20,000          |
| The Rotary Club of Boorowa                                     | \$ 6,019           |
| Wombat Equestrian Group Incorporated                           | \$ 32,850          |
| Young Amateur Swimming Club Inc                                | \$ 8,000           |
| Young Dressage Association Inc                                 | \$ 38,170          |
| Young District Arts Council                                    | \$ 50,000          |
| Young Junior Rugby League                                      | \$ 15,400          |
| Young Junior Rugby Union                                       | \$ 16,500          |
| Young Lions Soccer Club  | \$ 36,240          |
| Young Neighbourhood Centre Inc                                 | \$ 50,000          |
| Young Pony Club Incorporated                                   | \$ 50,000          |
| Young Regional School of Music                                 | \$ 34,069          |
| Young Rugby League   | \$ 44,478          |
| Young Rugby Union Football Club Inc                            | \$ 50,000          |
| Young Touch Association  | \$ 4,347           |
| Bendick Murrell Community Hall Trust                           | \$ 30,000          |
| Frogmore Hall & Recreation Reserve Trust                       | \$ 10,847          |
| Galong Progress Association - (S355)                           | \$ 16,135          |
| Monteagle Hall Committee - (S355)                              | \$ 50,000          |
| Wombat Progress Association - (S355)                           | \$ 14,498          |
| Wombat Progress Association - (S355)                           | \$ 18,320          |
| Young Bowling Club Limited                                     | \$ 34,360          |
| <b>Total Stronger Communities Funds - Community Projects</b>   | <b>\$1,171,005</b> |



## 5. WHAT'S NEXT?

### 5.1 Welcoming elected councillors

The first election of the Hilltops Council occurs on 9 September 2017 with 18 candidates standing for 11 positions to be openly elected across the whole area. Following the election, the Councillors will be required to elect their Mayor (and Deputy Mayor). The election of the Mayor is required to take place within three weeks of the Council election and will occur at an Extraordinary meeting of Council where the Councillors will also set their ordinary meeting schedule for the year.

### 5.2 Maintaining momentum

The new Councillors will have the opportunity to review future priorities and commence planning for the long-term future of the Hilltops. There is a lot of good work and exciting projects underway that the new Council will have the opportunity to take carriage of and work with the community to deliver.

In addition to the initiatives already underway, the new Council will have two major long term initiatives to lead that will require extensive community engagement.

The first initiative is to develop a new Integrated Planning and Report framework that will include a Community Strategic Plan (CSP), Delivery Program (DP) and Operational Plan (OP), supported by a Resourcing Strategy (RS). The CSP will be developed in consultation with the community and set a clear vision and direction accompanied by strategies for the community and Council to strive to achieve with the support of other levels of Government and other stakeholders. The DP will outline in further detail how all key stakeholders will assist in delivering on the strategies identified in the CSP and this will include a number of objectives and actions which will span over the term of Council. The OP will include in further detail on annual basis the actions that will be undertaken and who will be responsible for them with clear linkages to how those actions will assist in moving towards the communities' long-term vision. The resourcing strategy includes asset management plans and strategies as well as a Long Term Financial Plan which will identify how Council is going to balance its resources to deliver on the OP, DP and CSP.

The second major initiative is to develop a new Local Environment Plan (LEP), that covers the whole of the Hilltops LGA to replace the three separate LEPS's currently in operation. In addition to the LEP the new Council, will review Development Control Plans (DCP's), as well as Developer Contributions Plans (94, 94A and 64 Plans). Although this will be a priority it is expected to take considerable time to complete and will require broad and extensive community consultation to get right.

At the first ordinary meeting of Council (following the ordinary meeting to elect the Mayor and Deputy Mayor and set meeting dates), the Council will consider which committees it has in place. With many of the existing committees in place providing valuable input into current Council initiatives, it will be critical for Council to maintain the correct balance of committees to maintain momentum. There may also be an opportunity to initiate further committees or consolidate others.



## 6. DELIVERING BENEFITS

### 6.1 Strategic and Scale Driven

As a larger Council, Hilltops has far greater opportunity to think and plan strategically for its future by identifying complimentary opportunities across different parts of the community. An example of this already being considered is a shared trench to support a gas pipeline to provide natural gas from Boorowa through Galong to Harden and water in the other direction from Harden through Galong and back to Boorowa (it should also be noted this project is still dependent upon feasibility studies). This project would open up our regional economy to new opportunities.

Similarly, a new Regional Library and University facility being planned in Young will deliver benefits to our whole community and will be planned to meet the needs of all of Hilltops region, including the opportunity for interlinking facilities. Although in the past as three individual we did consider each other, we did not plan strategically well together. As time passes more and more opportunity to capitalise on our new strategic capacity will deliver benefits to the whole community.

Council is currently preparing a submission to participate in a review of crown lands across the whole LGA which is a further example of how our larger scale will be able to deliver outcomes that benefit our whole community.

### 6.2 Financial and Service Driven

Since the creation of Hilltops Council there have been several areas where obvious savings have been able to be achieved with examples including through reduced insurance premiums, savings through bulk procurement and a reduction in duplication of administrative processes, reporting and licensing. It is anticipated that further opportunities for savings will gradually be identified.

Since the merger there has been significant internal structural change which has been aimed at better allocating Councils wage resources to deliver more efficient and a broader range of services. Changes that have occurred are a reduction in senior management positions and an increase in some technical areas such as planning and building, engineering, procurement (to drive further savings) and Work Health and Safety. In addition, resources have been reallocated to community support and grants officer positions to assist in new initiatives to support and partner with the community as well as try and generate additional revenue (grants). Although the new structure has been developed it is still being populated which has taken an extended period of time due to restrictions under the local government act as well as the need to prioritise opportunities for existing employees. As the structure is further populated it is expected that services will gradually be expanded. In addition, it is expected that once Council develops the CSP with the community and subsequently the DP, OP and the accompanying resourcing strategy there may be readjustments in the service mix provided.

As the Administration period of Council concludes upon the new Council being elected, I wish to thank the Interim General Manager, the Executive Management team, and the staff for the enormous undertaking to transition the merged entities and the outstanding role they have performed during this challenging period.

Wendy M Tuckerman