

1 ACTION PLAN

Lachlan Shire Council faces a number of challenges, particularly in relation to improving its governance framework and achieving financial sustainability.

The review team has prepared the following Action Plan to record the areas requiring development and proposed actions arising from the Promoting Better Practice Review. Areas and actions already captured in the Council's Organisation Development Plan have been noted in the Progress Report Column. A notional risk rating for each area has also been included in the priority column.

The Council is asked to review each area, the proposed actions and the risk ratings allocated. It is suggested that once confirmed, the additional areas and actions identified by the review team be included in the Council Improvement Plan. The Council is encouraged to include start and finish dates based on priority as soon as practicable. It is critical that the Senior Management Team monitor progress against the tasks in the Council Improvement Plan and report to the Council quarterly.

The Council is also encouraged to review the linkages between the Council Improvement Plan and its suite of Integrated Planning and Reporting documents. As part of this process, start and completion dates, as well as indicative costs, should also be included in the Council Improvement Plan.

	Areas for Development	Priority	Action Proposed	Timeframe	Responsibility	Progress Report
LEADERSHIP AND GOVERNANCE						
1.	Review of policies	High	<ul style="list-style-type: none"> - Review all policies and procedures to align with a standard format. - Introduce version control and an up-to-date policy register. - Provide training to relevant staff. 	Complete by 30.06.15	MANEX	<ul style="list-style-type: none"> • Standardised format developed; version control and TRIM references included; review work underway • Relevant training being developed and induction manual updated • Infrastructure Services currently reviewing Asset Management Policy, Signs as remote Supervision Policy, Gravel Quarries and Royalty Payments policy, School Bus Policy. Future Development will be required on the Trade Waste policy and Pressure Sewer Policy. • Finance policies reviewed in October, except Purchasing & Procurement Policy which is currently under review in conjunction with overall procurement policy & procedures review • A number of Environment and Planning Policies

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						have been reviewed. This review will be completed prior to the end of 2015.
2.	Legislative compliance	High	- Put in place a system or process to ensure legislative and regulatory obligations are met.	Complete by 30.04.15	DCSG	<ul style="list-style-type: none"> Children's Services Policies under review and to be presented to February meeting Completed
3.	Business Continuity Plan	High	- Test the existing Business Continuity arrangements to ensure that the Council can operate in the event of a catastrophic disaster or emergency.	Complete by 31.03.15	DCSG	<ul style="list-style-type: none"> Development of BCP completed and adopted by Council at its July Ordinary Meeting Investigation underway to identify alternative emergency command centre Current BC arrangements to undergo testing to identify existing gaps Recent enforced testing identified areas to be reviewed currently being incorporated into plan
4.	Risk management/ fraud control	High	- Develop an enterprise risk management plan to identify and address all key business risks facing the Council.	Complete by 31/10/15	GM	<ul style="list-style-type: none"> Statewide to facilitate ERM Plan. Training for managers and supervisors held. Plan under development.

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5.	Internal audit	High	<ul style="list-style-type: none"> - Implement an internal audit capability using a shared service approach with neighbouring councils (i.e. CENTROC councils). 	Complete by 30/06/15	CFO	<ul style="list-style-type: none"> • Grant Thornton completed a review of financial controls and procurement in March 2015 • Internal Audit Committee established and initial meeting held 8 October 2015.
6.	Procurement, disposal and tendering	High	<ul style="list-style-type: none"> - Review all policies, guidelines, practices and procedures in this area. - Develop policies, guidelines and practices relating to overall contract management and monitoring the performance of contractors - Provide training to relevant staff. 	Complete by 30/3/15	CFO	<ul style="list-style-type: none"> • ARC Blue initial consultation and report being investigated, policies and procedures under review Grant Thornton completed a review of financial controls and procurement in March 2015 • Recommendations from that review currently being assessed with a view to implementing recommendations by 31st January 2016 • Contact has been made with Tender link to discuss training by remote delivery • Procurement review Team established and

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7						has commenced review of all aspects of procurement
	Asset Management	High	<ul style="list-style-type: none"> - Establish up to date data base of all assets - Also see Recommendation 25 	Complete by 31/10/15	CFO	<ul style="list-style-type: none"> • Completed for Council's roads infrastructure assets. • JRA to be consulted with a view to similar review for other infrastructure assets by 31 December 2015. • Staff continuing to update Water & Sewer data and will shortly begin on Parks and Gardens assets. JRA engaged to look at utilities Special Schedule 7 data • Review of Building Asset Management Plan completed in house with guidance of JRA
8.	Policy on staff interactions with the Mayor and councillors	Medium	Develop a policy on: <ul style="list-style-type: none"> - the interaction between the Mayor and General Manager. - the interaction between councillors and staff. - Access to information by councillors. 	Complete by 30/3/15	GM	Completed

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9.	Code of Conduct	Medium	<ul style="list-style-type: none"> - Implement strategies to reinforce awareness of the Code to Council delegates, the public and contractors. - Promote awareness of Protected Interest Disclosure and related notification procedures. 	Complete by 30/3/15	DCSG	Completed
10.	Delegations	High	<ul style="list-style-type: none"> - Complete current review of delegations. - Establish a standard instrument of delegations or register. - Provide appropriate induction, training and support for staff accountable for enacting delegations. - Develop monitoring mechanisms to ensure that delegations are appropriately applied. 	Complete by 28/2/15	DCSG	<ul style="list-style-type: none"> • Adopted July Meeting – revision incorporating financial updates presented to November meeting for adoption • Completed • Individual delegations to be included in induction and attached to Position Descriptions • Financial delegations to be reviewed following Procurement Review • Include review/monitoring in internal audit program
11.	Statement of business ethics	Medium	<ul style="list-style-type: none"> - Link the revised Procurement Policy to the Council's Code of Conduct. - Develop a statement to guide external parties (such as suppliers and contractors) on the standards that are required when dealing with the Council or acting on the Council's behalf. 	Complete by 30/3/15	GM	Completed
12.	Legal services	Medium	<ul style="list-style-type: none"> - Finalise review of provision of legal services to the Council. - Establish a legal advice panel. 	Complete by 30/3/15	GM	Completed
13.	Privacy management	Medium	<ul style="list-style-type: none"> - Prepare and adopt a privacy management plan. - Provide training on privacy management to 	Complete by 30/3/15	GM	Completed

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14.	Supporting Council's committees (s355)	Medium	councillors and refresher training to relevant staff as required. - Provide committees with a constitution or charter setting out their role and membership, as well as documented procedures and relevant training.	Complete by 30/6/15	DCSG	<ul style="list-style-type: none"> • Review underway to establish consistent Terms of Reference roles and responsibilities • Committee handbook being developed • Training including Code of Conduct to be incorporated
15.	The Friendship Alliance with Penrith City Council	Medium	- Utilise the alliance with Penrith City Council to assist in strengthening existing governance arrangements.	Complete by 30/3/15	GM	Completed but ongoing.
COMMUNITY STRATEGIC PLANNING FOR THE FUTURE						
16.	Improved linkages between all of the Council's plans and strategies	Medium	<ul style="list-style-type: none"> - Review and improve links between the Resourcing Strategy and the Delivery Program and Operational Plan. - Better integrate the individual plans within the Resourcing Strategy (ie Long-Term Financial Plan, Asset Management Plan and Workforce Strategy). 	Complete by 31/12/15	DCSG CFO	Completed
17.	Long-Term Financial Plan	High	<ul style="list-style-type: none"> - - Include Key Performance Indicators as required - Provide commentary to explain scenarios. - Carry out a sensitivity analysis 	Complete by 30/6/15	CFO DCSG	Completed.

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DELIVERING A SUSTAINABLE FUTURE						
18.	Update the Resourcing Strategy and Delivery Program	High	<ul style="list-style-type: none"> - Once the Asset Management Plans have been updated to include the Fair Valuation of Assets (value and depreciation), the Council should also update its Long-Term Financial Plan and Delivery Program accordingly. - The updated Asset Management Plans should also include full asset maintenance costs. - The Long-Term Financial Plan should include the costs of initiatives from the Workforce Management Plan. 	Complete by 30/6/15	All Directors	Completed
19.	Alignment of financial data for the Resourcing Strategy and Delivery Program	High	<ul style="list-style-type: none"> - Once the Asset Management Plans and the Workforce Plan have been updated, the financial data contained in those plans should agree with the information in the Long-Term Financial Plan and the Delivery Program. 	Complete by 30/6/15	CFO	Roads infrastructure assets management plans have been updated and financial data now included in the Long Term Financial Plan and Delivery Program
20.	Quarterly Budget Review Statement	High	<ul style="list-style-type: none"> - The Council should recommence the preparation of a Quarterly Budget Review Statement, as per legislation. 	Complete by 30/3/15	CFO	Completed
21.	Water Fund	High	<ul style="list-style-type: none"> - The Council should prepare a business plan for its Water Fund as per the National Competition Policy. - The Council should increase its water rates or reduce expenditure to enable the fund to at least break even in line with the National Competition Policy. 	Complete by 30/6/15	DIS CFO	Completed. There is some need to complete an analysis of the Water & Sewer services to see what areas of the network are being subsidised by other areas and ultimately what the earning potential of the water business is with the updated figures to the 450kl going out to 600kl.
22.	Sewerage Fund	High	<ul style="list-style-type: none"> - The Council should consider increasing its sewerage rates to at least bring the Fund to a break even position. 	Complete by 30/6/15	CFO	Completed

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23.	Succession Plan	Medium	- The Council should develop a succession plan.	Complete by 31/12/15	DCSG	Completed
24.	Workforce Plan	Medium	- The Council should clearly address the workforce requirements of the Delivery Program, and ensure that costs associated with proposed workforce actions are addressed in the Long-Term Financial Plan.	Complete by 30/6/15	DCSG	Completed
25.	Asset Management Review	High	- Establish up to date data base of all assets and complete asset management plans	Complete by 30/9/15	CFO	<ul style="list-style-type: none"> • Completed for Roads infrastructure assets. • Completed for building assets • JRA engaged to do similar review for other infrastructure assets by 31 December 2015 • JRA updating Water & Sewer data and will shortly begin on Parks and Gardens assets. • JRA engaged to look at utilities AMPs • All financial data to be centralised in the Civica Authority CVR system by March 2016 • Technical data to be incorporated in the JRA Datashare system by

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26.						March 2016.
	Procurement Policy - Review	High	- Engage Grant Thornton to review Procurement. Council to implement recommendations.	Complete by 30/9/15	CFO	Review completed. Not all recommendations implemented.