

ATTACHMENT 1

Addressing the Elements of Strategic Capacity

The following information demonstrates that, as a local government authority in metropolitan Sydney, Mosman Council is of a scale and capacity that can (and will continue to) deliver excellent local leadership and services, as well as being an effective partner at local, State and Federal level.

Mosman's model of governance proves that a smaller Council can work efficiently and that its size is no impediment to producing outcomes that are equal or superior to larger authorities. Strong regional collaboration is essential and Mosman Council, as a member of the Shore Regional Organisation of Councils (SHOROC) has been an active participant in (and beneficiary of) SHOROC operations.

Mosman Council's track record shows that with strong leadership, innovative thinking, willingness to work collaboratively, and sound management of people, finances and infrastructure, smaller councils are more than capable of strong performance. When combined with high levels of community connectedness, communication and local engagement Mosman Council is able to demonstrate that it continues to produce results that are of the highest quality and that best meet community needs and expectations.

It is recognised that further benefits and improvements can be achieved by strengthening and expanding the scope of regional collaboration already in place, and this can be done without the need for Council mergers. Good progress has already been made to advance a new cooperative model for northern Sydney.

Mosman Council's performance in relation to each of the 10 elements of Strategic Capacity (as determined by the Independent Local Government Review Panel) is discussed below. Individually and collectively this information shows Mosman Council to be a high performing, energetic, flexible and responsive organisation that is well connected locally, regionally and further afield.

1. *More robust revenue base and increased discretionary spending*

Mosman Council has for many years employed a high level of rigour in its financial planning and management practices. Its Long Term Financial Plan (LTFP), which was adopted after a comprehensive review including community consultation in February 2015, is able to demonstrate a thorough and critical analysis of key elements of financial sustainability. This LTFP was critical to IPART's approval in May 2015 of a 13% Special Rate Variation which has now ensured the Council's long term sustainability while providing the means to significantly improve performance in the area of asset renewal and maintenance.

Although the approved SRV (to be applied on a one-off permanent basis from 1 July 2015) has assisted in strengthening Council's financial position it is only the latest in a series of measures in recent years to secure the organisation's financial future. These measures, which are detailed in the February 2015 LTFP (see **Attachment 6** to this proposal) include:

- active take-up of Local Infrastructure Renewal Scheme opportunities (two loans of \$2 million have been approved under this scheme)
- multiple revenue streams including parking schemes and voluntary planning agreements (VPAs) - in 2014/15 parking revenues from ticketed parking is estimated at \$3.598 million and one VPA alone is currently providing income in excess of \$480,000 per year (2014/15 figures)
- Effective management of Council's investment property portfolio
- Establishment of retail operations at the Mosman Art Gallery
- Further focus (and subsequent success) on external grant funding opportunities. For example, external grants for arts and cultural programs have gone from a zero base in 2010 to more than \$100,000 per annum.
- Cost savings and efficiencies through joint procurement (the savings to Mosman Council from its participation in the SHOROC Joint Procurement Project alone are estimated at more than \$780,000 for the period 2010/11 to 2013/14), and partnerships such as the Kimbriki Recycling and Waste Disposal Centre, Northern Sydney Internal Audit Group and Shorelink Library Network

- An ongoing program of service reviews, assisted by an Expenditure Review Committee. In the past year service reviews have resulted in restructuring and other improvements in the areas of Compliance, Communications, Records, Customer Service, Assets and Services and Environmental Services.
- Implementation of new technologies and reductions in expenditure on operational assets (between 2000 and 2014 Mosman Council reduced the number of passenger vehicles in its fleet from 40 (mostly with private use benefits) to 10 (non-private use). Annual operating savings are estimated at over \$120,000 compared to 1999/2000.
- A contract negotiated by Council for the provision of local bus shelters, generating revenue to Council since 2002 of more than \$3 million, as well as removing the cost and responsibility for provision and maintenance of the shelters
- Recently negotiated agreements with local sporting bodies, resulting in significant staged increases in user fees for sporting facilities as well as capital contributions for facility improvements
- Sustainable energy and water initiatives over the last five years delivering Council almost \$100,000 per annum in cost savings

The Council is also continuing to actively investigate further opportunities which will not only provide a financial return to Council but deliver improved infrastructure and amenity for the community. These projects include the redevelopment of the Mosman Civic Centre site and a major public car park.

Collectively these kinds of measures mean that Mosman Council can deliver Operating Surpluses (before Capital Grants and Contributions) for at least the next decade. This financial position is certainly superior to some of the larger Councils operating in metropolitan Sydney.

2. Scope to undertake new functions and major projects

Mosman Council's size (compared either to the merger proposed by the ILGRP or to other larger Councils) has not proven to be an impediment to its desire or capacity to seek out, respond to or deliver new functions and projects. At times Council's size relative to larger entities works in its favour as it facilitates a more nimble, flexible and responsive approach. Some examples of Mosman

Council's success in undertaking new functions and major projects in recent years, which are in turn illustrative of the organisation's scope for further activities, include:

- The major redevelopment of lands owned by the Sydney Harbour Federation Trust, in an area known as Drill Hall Common, for a new community, recreation and sporting precinct between 2008 and 2010. This multi-million dollar redevelopment culminated in the opening of the state-of-the-art Marie Bashir Mosman Sports Centre in December 2010, complementing a multi-use community hall, outdoor netball courts and associated amenities. Approximately \$6 million was invested in the project, with the Sports Centre alone costing close to \$4 million (aided by a \$2 million grant from the Federal Government Stimulus Package)
- Redevelopment of major sites at Spit Junction between 1998 and 2003, negotiated to deliver new public amenities in the form of a multi-level public car park, and an indoor swim centre, together with a retail tenancy providing an ongoing revenue stream to Council
- Major refurbishments and improvement works during the last three years to the Mosman Library, Mosman Art Gallery and Mosman Seniors Centre
- Establishment of a new Community Bus Service, the 'Mosman Rider' in December 2009 to complement public transport in Mosman, seven days a week. This service has since been comprehensively reviewed with significant savings achieved in annual operating costs. Between 2013 and 2015 contract costs have been reduced by \$80,000 per annum.
- A major foreshore amenities upgrade program was undertaken in 2010 at a cost of \$1.8 million, funded completely from revenues from pay-and-display parking. Architecturally designed facilities replaced tired amenities making use of energy and water technologies.
- In recent years Council's Library Service has evolved and refocussed its activities in tandem with changing library uses world-wide. New technologies have produced new service delivery models and the development of a true 'community hub'
- 'New' functions such as integrated planning and reporting have been fully implemented, well in advance of statutory requirements. Mosman Council's Community Strategic Plan, MOSPLAN pre-dated legislative reforms and is embedded in Council operations. In August 2013 Mosman Council was Highly Commended in the RH Dougherty Awards for its 2012 End of Term Reporting.

- In 2000 Council successfully applied for a Special Rate Variation in the form of a 5% Community Environmental Contract levy to undertake a major program of environmental infrastructure works. This program has since been completed, delivering an estimated \$11 million in projects that have also benefitted from \$4 million in external grant funding.
- In recent years the Mosman Art Gallery has significantly improved its level of external funding, hand-in-hand with a more diverse and expansive exhibition program, gallery spaces and performances and a growing reputation as a major contributor to the arts in Sydney. This has all been achieved (together with the doubling of visitations over the last three years) within existing budgets and making use of external funding sources wherever possible.
- There have been numerous new services delivered by Mosman Council over the past few years, typically delivered with existing budgets and staff resources, or otherwise augmented by external revenue streams and other resources such as the Council's 'army' of volunteers. These services include the Saturday Respite Service, Monday Matters talks at Mosman Library, a new Interactive Learning Centre and regular Technology Tuesday talks at the Library, and a new retail operation at Mosman Art Gallery
- Mosman Council has demonstrated scope and capability to also facilitate projects within the local community. Recent successes have included the establishment by Council in 2012 of the Mosman Men's Shed, a project which is now fully managed independently by a community management committee. Council also contributed to the establishment of a new Community Garden in 2012 through lobbying of State agencies and practical operational support for a community-based organisation.
- Mosman Council continues to demonstrate scope to undertake new functions and major projects through its current feasibility work on opportunities for the Mosman Civic Centre site and Raglan Street (West) Car park. The Council is also working cooperatively beyond its borders on the proposed redevelopment of a site owned jointly by Mosman and North Sydney Councils.

3. Ability to employ wider range of skilled staff

Mosman Council can demonstrate that the range and skills of staff currently employed is well suited to its operations and capable of delivering excellent service, new ideas, collaborative approaches and strong skills sets at both strategic and operational level.

The Council was also an industry leader in contracted services, meaning that a significant proportion of services are delivered under contracts which are regularly reviewed and market-tested for value. The practice of outsourcing which began with outdoor workforces in the 1980's still continues as appropriate, with the 2013 Family Day Care partnership with children's services provider The Infants Home being one of the more recent examples.

The 'contracting culture' is well embedded, meaning that specific skill sets for new or complex tasks are acquired externally as and when required, and not necessarily reliant on internal staff resources. When new public facilities are constructed a contracted service often produces the best results - the Mosman Swim Centre for example has, as a contracted service delivered a revenue stream to Council, whereas internally operated swim centres in other local government areas have consistently run at a loss.

Staff are also effectively shared between Councils where appropriate. For instance, Mosman together with six other Councils in northern Sydney shares an Internal Audit team based at Willoughby Council. Audit outputs are delivered specifically and independently for Mosman and the other participating Councils, with the added value of a highly qualified and reliable audit team.

The Shore Regional Organisation of Councils (SHOROC) also provides its constituent Councils with specific expertise and resources. Currently, for example, the SHOROC Regional Waste Coordinator and Regional Procurement Manager are not only providing high quality outputs for the region, but cost-savings and efficiencies for SHOROC partners who are in turn able to deliver regional projects with their own 'local flavour'. As a further bonus, the shared resourcing of some activities at ROC level has increased opportunities for external project funding.

As a smaller authority, Mosman Council has also proven to be an attractive employer for highly skilled government professionals interested in a more multi-dimensional working life. Mosman's size has not proven to be a barrier even for the recruitment of Senior Staff. The Council's General Manager was previously employed in high-level State government roles and the Director Community Development previously held executive and management roles at large metropolitan Councils. The inter-relationship of roles and responsibilities helps to produce innovative solutions, co-operative decision-making and a stronger understanding of cross-organisational demands and issues.

It is recognised of course that some functions are best delivered in-house. In this regard Mosman Council's prudent financial management, ongoing program of service reviews, and achievement of operating efficiencies through new systems and approaches has collectively enabled Council to create new staff positions, reinvent service models and recruit the necessary expertise where appropriate to address community priorities without compromising longer term sustainability. Recent examples

include the recruitment of a Communications Manager and structural changes to create a new Communications Team, as well as the employment of an in-house Landscape Architect to provide improved service levels in these areas. Service reviews regularly enable Council to revisit services and to direct staff into priority areas and positions.

Mosman Council also provides a flexible workplace, with numerous arrangements in place for contract, temporary, part-time and job-share positions. This level of flexibility enables roles to be highly focussed producing outputs and outcomes efficiently and effectively.

Council also maintains a strong 'volunteer workforce' of almost 400 volunteers who work across diverse areas such as Meals on Wheels, Home Library, Mosman Art Gallery, Bush Care, Community Transport, Community Restaurant, Computer Pals, and Tax Help. As well as coordinating these volunteers for local services, Mosman Council is also responsible for coordination of the Community Visitor Scheme across the wider northern Sydney region. It is the connection with the local Mosman community that is the primary driver for most volunteers, helping build and maintain a sense of community and belonging for both the volunteers and the people they serve.

4. Knowledge, creativity and innovation

Mosman Council has been able to demonstrate a high level of creativity and innovation over many years, and Council has been presented with numerous awards in recognition of these efforts. Staff and elected members have also regularly participated in opportunities to share knowledge across the industry. **Attachment 3** to this Proposal provides, in some detail, an account of the types of Awards, Recognition and Contributions made to and by Mosman Council over the last five years alone. The content bears testament to Mosman Council's standing in local government and its continued pursuit of excellence for its community.

Other examples of Mosman Council's commitment to and demonstration of knowledge, innovation and creativity in recent years include:

- The Biennial Mosman Design Awards - this award program provides recognition to outstanding architects, developers and community initiatives in Mosman

- Social media - Mosman was the first metropolitan Council in Australia to have a Twitter account and now operates across multiple social media channels
- Marie Bashir Mosman Sports Centre - this sporting facility includes state-of-the-art environmental efficiencies including solar collection, water amplification and waste re-use
- Mosman Library (now known as the Barry O'Keefe Library) is consistently in the Top 5 NSW Libraries for loans per capita and has pioneered initiatives such as 'HSC Lock-ins' for Year 12 students
- In 2013 Mosman Council was the first local Council to establish a Philanthropy Officer position to lead local philanthropic efforts for the arts and culture in Mosman. This innovation was undertaken in partnership with local resident and philanthropist Neil Balnaves
- Mosman Art Gallery, managed by Council has expanded its reputation as a creative, innovative and ground-breaking venue, resulting in a doubling in visitation over the last three years
- A 'Carer Café' has been established in Mosman in partnership with an external operator, providing a regular opportunity for care-givers and those they care for to come together in a supportive environment
- The Mosman Men's Shed, although by no means the first of its kind, was established in 2012 through tenacity, capacity building, working in partnership with residents and other organisations, and providing innovative solutions with limited resources
- An Interactive Learning Centre for Seniors was established at Mosman Library with the assistance of external funding in late 2013. Various projects at Mosman Library have been funded from relatively limited State library budgets, demonstrating faith in the Library's capacity to deliver new and innovative projects such as the 'Doing Our Bit' World War 1 Project and the , Interactive Learning Centre. The excellent results achieved in accessing Library Development Grants in recent years, particularly given the size of Mosman Council relative to other applicants, has reflected the innovative nature of the projects put forward.

In relation to the kinds of activities referred to above, it is noted that creative, innovative approaches can actually be fostered by being small and nimble. It is also noted that being innovative and creative at Mosman hasn't meant losing links with the past or dismissing an area's heritage.

5. *Advanced skills in strategic planning and policy development*

Current staff at Mosman Council have strong backgrounds and capacity in the areas of strategic planning and policy development, particularly at Executive Team and senior management levels. The General Manager has broad experience across this area at both State and local level, and has previously been responsible for preparation of National Intergovernmental Agreements. The Director Community Development also has significant experience in the fields of policy and planning, previously holding the positions of Director Strategy and Policy at Warringah Council and Manager Strategy and Policy at Bankstown Council.

Strong policy development and planning skills are actively fostered throughout the organisation, as well as being a function of Council's recruitment processes – particularly for management positions. There are well-defined processes in place through Council's (administrative) Policy, Corporate Practices and Procedures Panel, which is responsible for critical cross-organisational review of draft policies and procedures. Council's key strategic planning document, the Community Strategic Plan (MOSPLAN), is coordinated at Executive level.

Major strategic planning processes such as the development of Council's Asset Management Strategy, Policy and Plans have helped inform the approach taken by other Councils, with Mosman presenting to industry bodies such as the Local Government Professionals (NSW) Finance Professionals Network. Mosman's planning processes have also received industry recognition:

- In 2010 Council's consultation for the draft Mosman Local Environmental Plan won a Planning Achievement Award from the Planning Institute of Australia.
- In 2014 Council also received a Commendation from the Planning Institute of Australia in the Planning Excellence Promotion of Planning category for increasing community awareness of planners and planning issues.

- Mosman Council, as a Category 1 Council, was one of the first local government authorities in NSW to formally implement the State Government's integrated planning and reporting reforms, receiving a High Commendation in the 2013 RH Dougherty Award for its first End of Term Report to the Mosman community in 2012.

At the time of the reforms Mosman Council was already well advanced in its approach to strategic and corporate planning, having previously presented to an ICMA Conference in the United States as well as to other NSW Councils and the Japan Local Government Centre on its strategic/management plan (MOSPLAN).

The Asset and Workforce Planning elements of MOSPLAN are well developed, together with Council's Long Term Financial Plan which was most recently formally revised in February this year. MOSPLAN is also supported by a range of other strategic analysis and policy research such as the Mosman Health Needs Analysis Report, the Social Directions Report and the Mosman Community Connections Strategy produced in March 2012, August 2012 and October 2014 respectively. These publications have assisted in guiding local service priorities, not only for Council but for other government and non-government agencies.

Mosman Council also endeavours to make the most of local community expertise in helping contribute to strategic thinking and policy development. This has included making use of the professional knowledge and experience of residents as well as local knowledge more generally. The involvement of community members has been particularly valuable in several of Council's Community Consultative Committees, the Mosman Youth Forum, Audit Committee and Asset Reference Group.

Major strategic exercises have either recently been completed by Council or are currently underway. In 2014/15 for instance the Mosman Parking Strategy has been developed to address one of the most significant and ongoing issues for the Mosman community. In late 2014 a new Access Strategy for people with disabilities was completed with the assistance of Council's Access and Mobility Community Consultative Committee. A further strategic exercise of major significance to the community is the current feasibility and concept planning being undertaken for the Mosman Civic Centre site.

6. *Effective regional collaboration*

Mosman Council has and continues to engage in an extensive range of collaborations at regional level. These partnerships and cooperative activities have expanded over recent years and Council has demonstrated a willingness to pursue both new arrangements and to undertake existing partnerships on a larger scale.

The following information provides an overview of Mosman's involvement in and contribution to effective regional collaboration in recent years. It is expected that this level of collaboration will be further expanded and Mosman's current size presents no impediment to wider and even more successful and productive partnerships.

Shore Regional Organisation of Councils (SHOROC):

Mosman Council is a member of the Shore Regional Organisation of Councils (SHOROC), together with Manly, Warringah and Pittwater Councils. The SHOROC region covers an area of 288 sq km in north eastern Sydney, being home to approximately 280,000 residents. Mosman Council's Mayor, Councillor Peter Abelson, is currently SHOROC President.

SHOROC has a strong history of achievement in regional advocacy and intergovernmental relations, in strategic planning and coordinating joint projects, procurement and services. It is regarded by the Premier of NSW, the Office of Local Government, other ROCs and professional associations as a leader in local government regional coordination. The success of SHOROC can be attributed to both the commitment of its member organisations and the high level of professional expertise provided by the SHOROC Executive and administration.

Achievements in recent years under this highly effective model include over \$1 billion in NSW Government regional investment for roads, public transport and hospitals. They also include:

- Developing a regional strategic plan "*Shaping our Future*" to deliver on the State Government's Metropolitan Strategy. This plan brought together major directions for housing and employment growth, together with major regional infrastructure priorities for transport and health

- Playing a core role in development of a Regional Action Plan for the Northern Beaches, including Mosman
- Representing member Councils, including Mosman, on high-level NSW Government project committees
- Convening six-monthly MP's and Mayors Forums to agree and progress regional priorities including infrastructure and services
- Preparing joint submissions on major NSW Government reviews and reforms including the Metropolitan Strategy, Transport Masterplan, Northern Beaches Regional Action Plan, NSW Infrastructure Strategy, NSW Planning System Reforms, the Independent Local Government Review and Review of the Building Professionals Act
- Hosting Council working groups for collaboration and knowledge sharing
- Coordinating Council involvement in region-wide transport planning, including regional RMS transport forums for strategic and operational transport issues
- Undertaking a strategic procurement role for tendering and contract management
- Developing a regional waste avoidance and resource recovery strategy
- Coordinating the introduction of a common waste collection system across the local government areas managed by member Councils
- Coordinating regional knowledge sharing and collaboration on economic development
- Developing (in collaboration with member Councils) and monitoring a series of regional key performance indicators
- Implementing a regional business improvement program with selected councils

In November 2014 SHOROC received the highest honour for excellence in NSW planning, receiving the 'President's Award' from the Planning Institute of Australia. This award, together with a commendation in the 'Hard Won Victory' category, was for

SHOROC's *Shaping Our Future* strategy together with its advocacy and partnership with the NSW and Commonwealth governments, resulting in a \$1 billion investment in health and transport infrastructure in the region.

As well as the highly successful role of SHOROC in regional advocacy, procurement and environmental initiatives (see later discussion), the relationships developed between the SHOROC Councils have also resulted in other major collaborations such as the 24/7 Film Festival - an annual short film festival for young people and joint marketing campaigns on issues of common interest. Most recently these joint campaigns have been undertaken in relation to issues such as illegal dumping and no-stopping zones, with an earlier, externally-focussed joint marketing (and advocacy) campaign on e-waste also being extremely successful.

Notably, costs to SHOROC member councils are declining and will continue to do so in the years ahead under the current SHOROC model, which is now 53% funded from external sources (up from 40% in 2014/15 and 10% in 2013-14).

A strengthened and expanded role for regional organisations in northern Sydney, potentially as some form of joint authority across the current NSROC and SHOROC catchments undertaking a more extensive role in joint procurement and service delivery, is supported. While Mosman Council's current participation in SHOROC assists in delivering appropriate scale and capacity, an expanded and formalised form of joint authority has the potential to deliver further benefits while maintaining Mosman's independence.

Shorelink Library Network:

The Shorelink Library Network was established in 1983 and comprises the Councils of Mosman, Lane Cove, Manly, North Sydney and Willoughby Councils. Member communities have access to the resources of all the libraries (more than 830,000 items).

Shorelink demonstrates the benefits of cooperation which include significant cost savings in the areas of the Library Management System (which was the subject of a new joint contract in 2012-2013), the telecommunications infrastructure (which supports public access Internet and Wi-Fi) and the two specialist staff that the five libraries share. The cost of running a standalone system would be considerably higher, and Council would lose the advantage of shared expertise which extends beyond the Library Management System to areas such as strategic planning, information technology, collection management and customer service.

Other areas where the Shorelink libraries share costs include cooperative purchasing of resources (e.g. eBooks), and a daily courier service between the libraries.

The cost of Mosman's membership of the Shorelink Library Network between 2011 and 2015 has been:

- 2011-2012 - \$75,714 (13% of total members' costs)
- 2012-2013 - \$66,224 (13% of total members' costs)
- 2014-2015 - \$63,418 (12% of total members' costs)

The reduction in costs over this period reflect the excellent results achieved through the Library Management System tender process in 2012-2013, combined with a small cumulative increase in loans/membership at Lane Cove and Willoughby libraries which has subsequently reduced the proportionate membership fee payable by Mosman.

Kimbriki Recycling and Waste Disposal Centre:

Mosman Council is a shareholder in the Kimbriki Recycling and Waste Disposal Centre along with Warringah, Manly and Pittwater Councils. Kimbriki is a recycling and non-putrescible waste disposal centre operating since the late 1960s. It is one of only a few landfills in Sydney which has a long-term capacity and has a clear policy of maximising resource recovery and minimising waste disposal to landfill. Kimbriki also operates at a profit, returning to the respective councils dividends according to their shareholdings.

This example of resource sharing has been of significant importance to Council's sustainability over many years providing a landfill site in reasonable proximity to Mosman, guaranteeing its residents access to the centre at discounted rates and providing income to Council.

Waste Management:

As well as jointly operating the Kimbriki Recycling and Waste Disposal Centre, SHOROC Councils including Mosman have been actively planning for the expansion and improvement of this centre's recycling capacity, with a major recycling facility due to be in operation in the next few years. As part of this project the SHOROC Councils have also agreed to a common waste collection system which will most effectively work in tandem with the new recycling facility.

This is a major undertaking that has required the ongoing commitment of member Councils over several years. The project is now progressing alongside implementation of the regional Waste Avoidance and Resource Recovery Strategy.

Northern Sydney Internal Audit Group:

In 2009, Mosman Council was the initiating Council for the establishment of the Northern Sydney Internal Audit Group which now comprises Mosman, Manly, North Sydney, Willoughby, Lane Cove, Hunters Hill and Ku-ring-gai Councils. The Group has employed a Head of Internal Audit and two Auditors who undertake a planned audit program agreed to by all General Managers and their respective Audit Committees. This has enabled the participating Councils to set up an effective internal audit function which they would not otherwise have been able to appropriately resource.

Joint Procurement Arrangements:

In order to obtain procurement scale benefits, where available, Council participates in joint tendering services with other Councils. As part of the Shore Regional Organisation of Councils (SHOROC) Council has entered into the following joint contracts with Warringah, Manly and Pittwater Councils:

- Civil Works
- Stormwater Works
- External Audit Services
- Banking Services
- Ticket Parking Machines Supply and Maintenance
- Supply and Lay Turf

The estimated savings to Mosman Council resulting from its participation in the SHOROC Joint Procurement project have been estimated at \$780,250 for the period 2010/11 to 2013/14.

The ability to participate in these larger contracts with other organisations provides large scale benefits. Joint purchasing arrangements are now being extended to include NSROC Councils, further enhancing purchasing power.

Council has also used other procurement agencies including Local Government Procurement, State Government Contracts, SSROC and HunterRoc's Regional Procurement Initiatives to enter into contracts such as:

- Telecommunications
- IT Hardware and Software
- Printing and Stationery
- Cash Collection Services
- Road Pavement Resealing
- Line Marking and Signage
- Hygienic Services
- Fire Services Maintenance
- Plant Hire
- Air Conditioning Maintenance
- Electricity Supply and Street Lighting

Community Transport:

A very recent example of collaboration has involved Mosman Council working with other (non-government) providers of community transport in northern Sydney over the past year to build a new regional governance model for this service. Council has contributed to the initial costs associated with developing the relevant governance model and will be continuing to work with project partners to deliver a community transport service model which is regionally administered yet attuned to local service needs.

Other Collaborations and Observations:

Mosman's record of effective regional collaboration works alongside high quality, targeted local service delivery tailored to local needs, expectations and sensitivities. Council, for example, enjoys positive working relationships and undertakes partnership projects with the Mosman Chamber of Commerce, as well as regional collaboration on economic development through SHOROC and the Sydney Business Chamber. In March this year a Community Group Forum was co-hosted by Council and Mosman Rotary

to help build further networks, build capacity in the community to deliver services, and respond most effectively to community needs individually and collectively.

Local service delivery by Mosman Council also has regional reach and benefit. For example, the Mosman Art Gallery and monthly Mosman Markets are addressing priorities for the local community while also delivering benefits to the wider region. There is strong local commitment, involvement and focus on major annual events such as the Mosman Art Prize and Mosman Youth Awards in Literature which attract entries not only from Mosman but from much further afield. The Mosman Art Prize is one of the most entered and prestigious regional art prizes in Australia.

Strong linkages have also been built with major local stakeholders whose reach extends far beyond the boundaries of the Mosman. These include Taronga Zoo, the National Parks and Wildlife Service and the Sydney Harbour Federation Trust.

Further, Mosman Council's record of collaboration has not been limited to the immediate region of northern Sydney; rather collaboration and partnerships are sought on the basis of communities of interest reflecting shared needs and objectives. Mosman's involvement in the SSROC Street Lighting Improvement Program, the Sydney Coastal Council's Group and projects with friendship cities (including assistance for the education of girls in rural Chinese communities and assistance for disadvantaged indigenous communities in rural NSW) are evidence of wider collaboration and support.

In a general sense, Mosman Council's current relationships with northern beaches Councils are as strong (if not stronger) than with lower north shore councils. Not only has this been developed over time through Mosman's membership of SHOROC, there is much more day-to-day collaboration with Manly on our northern border than with North Sydney on our eastern border, although this latter relationship has also been developed further through collaborative discussions in recent months.

One partnership with North Sydney Council has been Mosman's joint ownership of land occupied by the Cremorne Early Childhood Health Centre and ongoing contributions to maintenance of that centre. Recently, Mosman Council has been involved in North Sydney Council's proposed redevelopment of this site to provide improvements to community and car parking facilities. Mosman Council also partners with North Sydney and other northern Sydney Councils annually to deliver the Shorefest Music Festival during Youth Week, bringing together a wide range of ideas and perspectives.

Further collaboration is routinely undertaken through a variety of local government organisations including Local Government NSW, Local Government Professionals(NSW) and, more recently, through the Sydney Metropolitan Mayors.

7. *Credibility for more effective advocacy*

Mosman Council is able to demonstrate that it is a credible and effective advocate for its local community. Council has successfully advocated for new or changed services, infrastructure and approaches by other spheres of government through both local and regional efforts. Further opportunities for more effective advocacy do exist, but do not require the amalgamation of local government authorities.

The success of SHOROC as an advocate and lobbying body for Mosman and the northern beaches of Sydney is an example of effective regional cooperation and a demonstration of how both local and regional interests can be addressed through a common voice. SHOROC has been able to show that a common voice is not reliant on there being only one local government authority in a region; rather advocating for the 'whole' can produce benefits for the many while still respecting priorities and imperatives at the local level. Negotiations within SHOROC in recent years have proven that local interests can be protected if common objectives are clearly defined.

It is not accepted that a larger local government authority could be a more credible advocate for Mosman than the current model of regional advocacy and cooperation achieved through SHOROC and other locally-based efforts. The six monthly forums between SHOROC Mayors and local State Members and annual meetings between SHOROC Mayors and Federal Members have been particularly valuable. So too have been opportunities to participate in joint submissions and make joint representations in meetings with Ministers and senior staffers at State level in particular.

As noted above, it is also highly relevant that discussions for broader collaboration across Northern Sydney have been progressing, and that Council supports further work toward the development of one Regional Organisation of Councils representing the current SHOROC and NSROC catchments. It is also noted that there have been previous advances amongst northern Sydney Councils for a Northern Metropolitan Council of Mayors (working title) and/or other form of joint organisation/authority, although these discussions have been put on hold pending the results of the current Fit for the Future process. While the Councils are not proceeding at this stage towards any formal arrangements, regular forums and discussions are continuing on matters of common interest including sub-regional planning.

Locally, Mosman Council has taken a strong leadership role on matters of interest and concern to the local community and its recent efforts as local advocate have produced results - particularly in the areas of traffic management and planning. Community-

based advocacy has also played its own role in Mosman, with the most recent (high profile) example being the protection of lands at Middle Head.

8. Capable partner for State and Federal agencies

Mosman Council works regularly and successfully with State and Federal agencies at both strategic and operational level to deliver outcomes for the local community. These partnerships and relationships have been forged one-on-one with other agencies, as part of working groups or networks involving multiple agencies and with Council as a member of regional organisations such as SHOROC.

The achievements of SHOROC over recent years, particularly in advancing transport and health solutions for northern Sydney, are worthy of note. Mosman Council has and continues to be an active participant in the SHOROC alliance, with Mosman Mayor Peter Abelson being the current SHOROC President. The benefits of regional cooperation when dealing with major infrastructure projects are recognised, and the SHOROC organisation has proven to be a very capable vehicle for advancing common objectives across the region. Collectively, SHOROC has been able to influence key decisions as well as directly participate in major regional projects to the benefit of its members.

At a local and more direct level Mosman Council has a strong track record of working cooperatively and successfully with State and Federal agencies. Some examples of these kinds of partnerships include:

- Delivery of local traffic management plan and traffic calming works in association with Roads and Maritime Services
- Participation on regional community and health networks with State and Federal agencies
- Active participation in workshops and forums for the Sydney East Regional Leadership Network (Department of Premier and Cabinet) and for development of the Regional Action Plan
- Cooperation with Sydney Harbour Federation Trust to provide community and recreational facilities on Trust land - including sporting fields, men's shed and cultural facilities

- Cooperative delivery of stormwater and roadworks with Taronga Zoo
- Cooperative delivery of roadworks with National Parks and Wildlife Service
- Participation in local emergency management in conjunction with the NSW State Emergency Service, NSW Police and other agencies
- Partnerships with Sydney Harbour Federation Trust to deliver major regional cultural events
- Cooperative arrangements with National Parks and Wildlife Service for artist in residency programs
- Productive working relationships between Mosman Regional Art Gallery and ArtsNSW
- Cooperation with NSW Police on safety matters, Local Traffic Committee and major special event planning
- Mosman Rider Bus Service - supplementing transport services delivered by state and private transport services
- Aboriginal Heritage Education Project, delivered in conjunction with various agencies including National Parks and Wildlife Service
- Local and regional marketing and events promotion with Destination NSW and Sydney Ferries
- Contribution to regional (State) strategies on Ageing and Youth - Mosman Council was one of the regional leads engaging with State agencies on the Ageing Strategy developed in 2014.
- Day-to-day operational assistance and cooperation - initiatives include hosting and promoting the Small Biz bus in Mosman

9. Resources to cope with complex and unexpected change

Situated in the 'inner ring' of metropolitan Sydney Councils, Mosman Council has proven itself adept at operating in the midst of the complex and often unexpected change that can occur in any major City. The Council can demonstrate that not only has it coped with such change, it has been able to thrive, continuing to deliver excellent levels of service to its community, participate as a valued partner in broader collaborations and build a financially sustainable path for its future.

The rate of change in the way society interacts, the kinds of services it demands, and the tools at its disposal have arguably changed more in the last few decades than at any other time in Sydney's history. And through that change Mosman Council has shown its capacity to listen, respond, predict and deliver. The necessary resources, be they people, finances or infrastructure, have been well managed, directed at the areas of greatest need, shared where appropriate and sought from external sources through the best possible conduits at local or regional level.

As a contracting Council, Mosman is able to respecify and redirect resources for the best possible results. By managing staffing and infrastructure resources appropriately, Mosman Council is also able to predict and respond to peaks and troughs in community need, such as the quick response it was able to provide in relation to the expansion of local out of school hours services in January 2014. The Council's smaller size and skilled employee base has meant that it has been able to implement technological changes (eg website redesign) at significantly lower cost than larger organisations, with comparable results.

Mosman Council's comparatively small size makes it flexible, nimble and ready for change. The way its resources are managed means that there is significant scope to redirect these resources towards new or changing priorities of Council and/or its community. Partnering with an external children's services operator in 2013 to administer the Family Day Care service previously operated in-house provided the best outcome for the local community as well as divesting Council of risk and resourcing issues associated with changing legislation and increasingly complex challenges in the child care market.

The recent success of Council's application for a 13% Special Rate Variation in 2015/16 has shored up Council's capacity to deal with 'budget shocks' in future, providing an added element of flexibility and strengthening opportunities for further discretionary spending based on long term planning as well as any unexpected changes in Council's operating environment.

Council's rolling program of service reviews also means that it is best placed to deal with complex change and to also proactively address uncertainty, such as the changing funding landscape for community services at State and Commonwealth level. In 2013 Council's Aged and Disability Services operations were comprehensively reviewed and a new framework put in place to ensure that the team was best prepared for potential changes to both funding and service delivery.

10. High quality political and managerial leadership

As an independent local government authority, Mosman Council has achieved exceptional community satisfaction ratings, with 91% of respondents to the 2014 Mosman Community Survey stating that they are at least 'somewhat satisfied' with Council's performance. Without high quality political and managerial leadership it is argued that these kinds of results would not be achievable.

Mosman's current (popularly elected) Mayor, Councillor Peter Abelson, has served on Mosman Council for 11 years. Prior to his re-election in 2012, Councillor Abelson was also an elected member between 1979 and 1987 (including two years as Mayor and one as Deputy Mayor) and has an excellent understanding of local government and the local community. He has published several papers of relevance to local government and is a recognised expert in the field of economics. Several other serving Councillors hold post-graduate qualifications. The size of Mosman Council has proven an incentive rather than a barrier to attracting elected members of the highest calibre.

A community and Council-led decision to reduce the previous elected Council from 12 to seven members, with a popularly elected Mayor, resulted in the current Council being elected to office in September 2012. The change to a popularly elected Mayor has provided a further level of stability in political leadership, particularly given only three members of the current Council were also members of the nine-person Council elected for the 2008-2012 term.

In relation to day-to-day management of Mosman Council, the General Manager Veronica Lee has a lengthy career in State government and, more recently, local government. The position of General Manager was last advertised in mid 2013, attracting a strong field of Australian and international candidates. The Executive Team comprises both long-standing and more recent members, including a Director who has previously held senior management positions at two large Sydney Councils. The team is

an experienced and cohesive unit and is supported by a Senior Management Team representing each of the key service areas of Council.

The governance framework at Mosman Council is also supported by an Expenditure Review Committee comprising the Mayor and two Councillors which meets regularly to consider operational efficiencies. Council Administration is also assisted by the Policy, Corporate Practice and Review Panel which meets bi-monthly to consider and recommend changes to key policies and supporting documentation.

Council operations are also strongly focussed on regular and genuine consultation and communication with the community. This has assisted in ensuring that the services provided are in line with community needs and expectations (as demonstrated by Community Survey results), as well as building community confidence in Council leadership. It is considered that this confidence in Council leadership can - at least to some degree - explain the local community's support for the Special Rate Variation (and commensurate improvements to infrastructure performance) proposed in the current financial year.