9.4.2 MOU – HPA Owned & Shire Auspice

MEMORANDUM OF UNDERSTANDING (MOU)

1. Parties to the Memorandum of Understanding (MOU)

This Memorandum of Understanding provides the basis for a collaborative partnership for the design, development and construction of a Discovery Centre in Hyden, Western Australia. It is intended to be a high-level document and not to resolve all project details.

This Memorandum of Understanding (MOU) is entered into on this Insert Date by and between:

1. **The Shire of Kondinin** ("The Shire"), located at Gordon Street, Kondinin, WA 6367, represented by the Chief Executive Officer or his/her delegate, and
2. **The Hyden Progress Association** ("The Community Group"), located at P.O Box 14, Hyden, WA 6359, represented by the President or his/her delegate.

Collectively referred to as "the Parties."

2. Purpose

This MOU aims to support:

a. the delivery of a Discovery Centre in Hyden and sets out the roles and responsibilities of the Shire and the Community Group in relation to its design and development, construction and ongoing operations.
b. the securement of grant funding to support the development and the construction of the Discovery Centre.
c. Clarity in the definition and agreement of the respective roles and responsibilities of both the Shire and the Community Group throughout the project's life cycle, including but not limited to development, construction, and operations phases.
d. Clarity on the intended Governance structures and mechanisms to ensure effective management and decision-making throughout the project.
e. Positive collaboration and engagement, setting a foundation for a collaborative working relationship that ensures transparency, accountability, and mutual respect in the planning, execution, and ongoing operation of the Discovery Centre.

3. Background

a. In 2016 the Hyden Community Resource Centre (HCRC) approached the Shire requesting relocation of the HCRC to a more central and visible location, at the corner of Brookton Highway (Marshall Street) and MacPherson Street (then privately owned).

b. In 2018 the Community Group purchased this site with the intention of working with the HCRC and the Shire on the development of a true community building, with the added functionality of a visitor centre. A condition of purchase from the vendor was that the Great Western Woodlands component must continue within any new building.

c. A Working Group was formed consisting of the Shire, the Community Group and the HCRC to develop concept plans for the building and pursue funding of the construction and fit out. The working group identified the need for a Discovery Centre to serve as a hub for education, tourism, and community engagement, focusing on promoting local attractions, offering an interactive customer experience, providing office and library space to the Shire and HCRC and providing office, meeting and retail space for business and community.

d. Concept designs were prepared, and an unsuccessful application was made to BBRF (Federal Fund) in 2019. A further funding application was prepared for a later application to a tourism focussed post covid funding stream, however for a variety of reasons was not submitted. In 2024 an unsuccessful application was made to the rPPP Stream 1 for the costs of progressing the concept design to final design. Documentation, planning and funding applications have to date been led by the Shire, with some financial support provided by the Community Group.

e. During these years the costs of construction have escalated substantially, resulting in the necessity to recalibrate the project and undertake further preparation to ensure that the project scope continues to be relevant to the community, and to improve the likelihood of funding success.

4. Outcomes

This MOU will contribute to the following outcomes for the community of Hyden;

a. Ongoing supportive relationships between the local government and the community for a shared vision of economic and social development within the Hyden town centre.
b. Improved economic activity within the town centre.
c. Increased visibility and access to social and community services reducing isolation and increasing community connectivity for the Hyden community, especially for vulnerable community members.

d. Improved outcomes for children (resulting from the freeing up of the HCRC and the potential to relocate the early childhood centre to a more appropriate venue).
e. Improved outcomes for Aboriginal people within the Shire through expressions of reconciliation and acknowledgement, and opportunities for small business development in tourism related activities facilitated by the Discovery Centre.

5. Roles and Responsibilities

Roles and responsibilities for the delivery of various project outcomes are as follows:

5.1 The Community Group

The Community Group will assume the role of project lead, and will be responsible for:

5.1.1. Governance and Oversight:

- The Community Group will establish a Project Oversight Committee that includes representatives from both the Shire and the Community Group.
- The Community Group will be responsible for all project preparation and governance during the Project Development phase.
- The Community Group, in consultation with the Shire, will enter into an Auspice Agreement to reflect the relationship between the parties for any funding application
- Once capital funding has been secured, this MOU will be replaced with a contract between the Parties that replicates the funding agreement to the Shire (a 'backing contract') and provide to the Shire all necessary documentation and reporting to enable appropriate funding agreement acquittals.
- Once capital funding has been secured, the Community Group will appoint key personnel, including a Project Manager, to oversee the construction of the project.
- The Community Group will partner with the Shire to hold joint meetings with funders, government departments and regulatory bodies, as may be required to support fund raising efforts.
- The Community Group will provide dedicated leadership and decision-making authority for the project, ensuring that the Discovery Centre aligns with community values and aspirations.

5.1.2. Project Development:

- The Community Group will lead the refinement of the concept design to reduce the expected capital cost to no more than $10m, engaging architects and quantity surveyors as required. The Shire will be consulted during this process, with full engagement during the revised design process of components intended to be occupied or operated by the Shire.

- The Community Group will commission and fund the development of a Community Wellbeing Report for the Shire of Kondinin, to ensure that any identified community wellbeing needs can be taken into consideration during the revised design process.
- The Community Group will work with project architects and others to ensure that all required surveys and heritage assessments and tender preparation documents are completed as required, to progress the project to enable a 'design and construct' tender to be issued.
- The Community Group and the Shire will coordinate and facilitate community consultation processes, including public meetings and surveys, ensuring that the project aligns with community needs and desires.
- The Community Group will identify potential grant funding sources and provide financial and logistical support for grant applications, including the provision of necessary documentation including, but not limited to letters of support, relevant studies, updated economic impact and business case reports and ensure such funding applications are lodged in a timely manner with Shire as principal applicant.

5.1.3 Project Construction

- Upon securement of sufficient funding, and in consultation with the Shire, the Community Group will enter into a pre-sale contract for a strata lot to be occupied or controlled by the Shire as a minimum consistent with the value of the Shire's financial contribution towards the project (e.g. contribution of $1.4m towards a project cost of $10.3m would require a minimum or 13.6% of floor space to be allocated to Shire ownership). This is to be pre-determined and confirmed during the design phase.
- The pre-sale contract to allow for the transfer of funds (to enable to completion) with the title to issue post completion. In the interim, the Shire is to occupy the intended strata lot rent free, whilst the separation of title is being progressed.
- The Community Group will be responsible for the issuance of a design and construct contract for the Discovery Centre, in consultation with the architects who are to provide professional oversight of the contract process. The Design and Construct tender is to account for any requirements of the Grant funder.
- The Community Group will be responsible for the monitoring and acquittal of the construction contract and will engage professional expertise to support this activity.
- The Community Group will be responsible for any cost over-runs during the construction process. It may manage this through changes to scope in consultation with Grant Funders and the Project Oversight Committee.

5.1.4 Concurrent Development of Museum Fit Out

- Concurrent with applications for funding for the construction of the Discovery Centre, the Community Group will identify funding opportunities and make application thereto for the development of displays and museum content to fit out the Discovery Centre to ensure that the building can operate as intended once construction is completed. These funding applications may be in partnership with the Shire.
- The Community Group will identify a specialist to advise on the appropriate fit out for the Discovery Centre Museum space, and associated costs.
- The Community Group will manage the relationship with indigenous gallery and tour operator Michael Ward (Katter Kich Gallery and Tours) who occupies the existing building to be demolished to make way for the Discovery Centre, to ensure a smooth transition.

5.1.5. Post-Construction Operations:

- The Community Group will provide ongoing operational support as necessary, including facilities management and public amenities.
- In recognition of the importance of enabling the Discovery Centre to become a catalyst for the development of economic diversification and employment opportunities, and the intention that volunteers be enabled to support the social engagement and skills development of the community, the Community Group will financially support the engagement of a Discovery Centre executive officer under a shared funding model:
    - For the first five years, 10% of the FTE cost of an executive officer to;
        - Manage the non-Shire occupied spaces including the booking of hot offices, meeting rooms etc. The 90% balance to be met by the Shire.
        - Manage and coordinate volunteers for the Discovery Centre museum including the establishment of Volunteer policies and procedures, the completion of Volunteer insurance applications and the like to ensure compliance with Australian occupations health and safety and other workplace regulations.
        - Support the development of indigenous operated tours and tourism development generally within Hyden.
        - Undertake outcomes reporting to the Shire and other interested parties.
        - Oversee the day-to-day operations of the Discovery Centre including staffing, programming, and visitor services.
    - For years 6-10, 30% of the FTE cost of an executive officer as above (70% balance to be met by the Shire).
    - It is expected that by year 11, revenue from the Discovery Centre will be sufficient to fully support any ongoing costs.

- Preparation of the Role Description, and the recruitment and performance review of the relevant staff member to be undertaken as a collaboration between the parties.

5.1.5. Financial Contributions and In-kind Support:

- The Community Group will provide the land for the Discovery Centre at situated at lot 800 on deposit plan 421688, known as 36 Marshall Street Hyden.
- In addition to the land, the Community Group will contribute $400,000 towards the capital cost of the building.
- The Community Group will contribute $100,000 towards preliminary costs to further develop the project, including architect fees, required surveys and heritage assessments and tender preparation documents to progress the project to enable a 'design and construct' tender to be issued.
- The Community Group will lead the effort to identify community contributions (such as ground preparation and tree removal) that could be contributions in kind towards the project, reducing the capital amount required.
- The Community Group will retain and fund, in consultation with the Shire, a grant writer for up to four grant application forms to support the Shire's fund raising efforts.
- The Shire and the Community Group will identify and place a duly qualified and experienced Project Manager on a fixed term agreement to manage the project through execution, monitoring & controlling and closure. The costs of the Project Manager are to be incorporated into any Funding Application.
- The Community Group will account for the building maintenance as part of its annual maintenance schedule and allow for such costs within its long term planning.
- The Community Group will purchase and maintain all required insurances over the strata units that it owns, including public liability insurance and building insurances, although it may recoup costs in line with agreements with various tenants as determined from time to time.
- The Community Group will continue to contribute towards the costs of the Discovery Centre executive officer in line with the percentage allocated in 5.1.5 as may be varied by agreement with the Shire from time to time.
- The Community Group will ensure power, water and sanitation services are connected to the site. It will manage the ongoing costs of services to the site in line with agreements with various tenants as determined from time to time.
- The Community Group will retain responsibility for rubbish collection and cleaning of public areas unless these are otherwise contracted in writing to others.

5.2. The Shire

The Shire will support the Community Group and will be responsible for:

5.2.1. Project Development:

- The Shire will participate with the Project Oversight Committee in the design and conceptualization of the Discovery Centre, ensuring that the design aligns with the project's purpose and meets community needs, noting the need to reduce the expected capital cost of the facility.
- The Shire will take responsibility for the finalisation of construction and any fit out designs (including separate fit out costing if that is relevant) for the area of the building intended to transfer to the Shire as a strata unit upon completion.
- The Shire will provide all existing documentation on the project to the Community Group, including but not limited to:
    - Existing concept designs and costings, including introductions/handover to architects and quantity surveyors and others.
    - Existing Benefit Cost Analysis including introductions/handover to the relevant consultants.
    - Existing Business Case documents to allow updating/refinement, together with any necessary consents for use by the Community Group.
    - Existing site surveys.
- The Shire will manage any approvals or permits required for construction, ensuring that the project meets all local regulatory standards.
- The Shire will auspice grant funding applications to various funders (currently identified as Lotterywest and the Federal Government Growing Regions fund, however other opportunities may arise).
- The Shire, in consultation with the Community Group, will enter into an Auspice Agreement to reflect the relationship between the parties for any funding application.

5.2.2. Concurrent Development of Museum Fit Out

- Concurrent with applications for funding for the construction of the Discovery Centre, the Shire may partner with the Community Group Shire in funding applications for the development of displays and museum content to fit out the Discovery Centre to ensure that the building can operate as intended once construction is completed.
- The Shire will work with the Community Group to identify a specialist to advise on the appropriate fit out for the Discovery Centre Museum space, and associated costs.

5.2.3. Construction

- Upon securement of sufficient capital funding to allow for the construction of the Discovery Centre, the Shire will enter into a contract with the Community

Group that transfers the risks and accountability of the project to the Community Group in line with the agreed auspice contract.
- The Shire will retain responsibility for financial reporting of any grant funds and the management of the backing contract and funding agreement with the funding provider.

5.2.4. Post-Construction Operations:
- The Shire will assist in marketing and promoting the Discovery Centre to maximize its public engagement and usage.
- The Shire will be responsible for the staffing and operation of areas under it's direct control and/or usage.
- The Community Group will assist the Shire to identify and place a duly qualified and experienced Project Manager on a fixed term agreement to manage the project through execution, monitoring & controlling and closure. The costs of the Project Manager are to be incorporated into any Funding Application.
- The Community Group will continue to contribute towards the annual cost of the Discovery Centre executive officer in line with the percentage allocated in 5.2.3 as may be varied by agreement with the Shire from time to time.

5.2.3. Fundraising and Grant Applications:
- The Shire confirms its existing forward commitment of $1,400,000 towards project funding, in additional to the provision of in-kind services such as staff resources.
- The timing of the allocation of these funds is:
  - $250,000 towards preliminary costs to further develop the project, including architect fees, required surveys and heritage assessments and tender preparation documents to progress the project to enable a 'design and construct' tender to be issued.
  - $1,150,000 as the first progress payment/s to meet construction invoices for the development of the Discovery Centre (to be supported by invoices and reflect the contract of sale from the Community Group to the Shire of an agreed strata unit within the development with title to issue post construction).
- The Shire will respond in a timely manner to ensure that grant documentation prepared by the Community Group can be reviewed by the Shire and lodged by the Shire as applicant, within any grant funding round.
- In recognition of the importance of enabling the Discovery Centre to become a catalyst for the development of economic diversification and employment opportunities, and the intention that volunteers be enabled to support the social engagement and skills development of the community, the Shire will financially support the engagement of a Discovery Centre executive officer under a shared funding model:

  - For the first five years, 90% of the FTE cost (10% balance to be met by the Community Group) of an executive officer to;
    - Manage the non-Shire occupied spaces including the booking of hot offices, meeting rooms etc.
    - Manage and coordinate volunteers for the Discovery Centre museum including the establishment of Volunteer policies and procedures, the completion of Volunteer insurance applications and the like to ensure compliance with Australian occupations health and safety and other workplace regulations.
    - Support the development of indigenous operated tours and tourism development generally within Hyden.
    - Undertake outcomes reporting to the Shire and other interested parties.
    - Oversee the day-to-day operations of the Discovery Centre including staffing, programming, and visitor services.
  - For years 6-10, 70% of the FTE cost of an executive officer as above (30% to be met by the Community Group).
  - It is expected that by year 11, revenue from the Discovery Centre will be sufficient to fully support any ongoing costs.
  - Preparation of the Role Description, and the recruitment and performance review of the relevant staff member to be undertaken as a collaboration between the parties.

5.2.4. Community Engagement and Support:

- The Shire will support the Community Group's engagement efforts and, if agreed, may serve as the primary point of contact for residents and stakeholders, keeping the community informed and engaged throughout the project.
- The Shire will participate as a member of the Working Group and/or the Project Oversight Committee.

6. Governance Structure

6.1. Project Oversight Committee:

A Project Oversight Committee will be established, comprising representatives from both the Shire and the Community Group. This committee will meet regularly to:

- Ensure the project remains on schedule and within budget.
- Address any issues or challenges that arise during the development, construction, and operation phases.
- Provide strategic direction for the project and ensure its alignment with community goals.

6.2. Decision-Making Process:

- Decisions regarding the project will be made jointly, with an emphasis on consensus. However, if consensus cannot be reached, the Shire will have final authority in the case of financial, legal, regulatory, or governance issues, while the Community Group will have final authority on community engagement matters.

6.3 Communication

- Project Oversight Committee to meet at least quarterly with the agenda to include any proposed changes to project scope, timeline or risk.
- The Project Oversight Committee must be appraised of any proposed changes to scope, timeline or risk prior to a formal request for any variation to a funding agreement.

7. Timeline and phases of the project

7.1. Phase 1: Planning and Design (Months 1–8)

- Completion of the Community Wellbeing Report (completed).
- Review of existing design and quantify surveyor costings and development of a redefined scope that achieves a reduction in project capital cost with minimal disruption to community outcomes.
- Finalize project design
- Completion of designs/surveys/documentation to the requirements of a Design and Construct tender.
- Identification of funding streams and required supporting documentation.
- Updating of the Business Case and Economic Impact statement based upon the revised scope and costings.
- Obtain necessary permits and planning approvals.
- Update community consultation and engagement activities.
- Secure funding through grants and other sources.

7.2. Phase 2: Construction (Months 9–36)

- Issue Design and Construct tender in line with Procurement Rules and Regulations.
- Appoint specialised Project Manager.
- Appoint builder and secure all necessary building approvals.
- Monitor construction progress, ensuring that work stays within scope, schedule, and budget.
- Final inspection and quality assurance.

7.3. Phase 3: Museum Fit out (Months 6-36)

- Develop Museum Fit out plan
- Secure Funding
- Develop fit out resources.

7.4. Phase 4: Operations (Months 36+)

- Complete mobile fit out components, remaining landscaping and signage.
- Connect all services.
- Relocate Hyden Shire Office.
- Relocate Hyden Community Resource Centre.
- Update all marketing materials.
- Appoint Discovery Centre Executive Officer to take forward the operation of the Discovery Centre, including staffing and programming.

8. Variations to Project Costs

The Community Group acknowledges it maintains sole responsibility to meet any cost over-runs relating to the capital or maintenance costs of the Discovery Centre, both at construction and over its lifecycle.

The Community Group and the Shire commit to discussing how cost over-runs during the construction phase might be best accommodated, especially where a reduction in scope is anticipated.

9. Duration and termination

9.1. Term of Agreement:

This MOU shall remain in effect for the duration of the project from planning through to the operation phase, with a review period every six (6) months.

9.2. Termination:

Either Party may terminate this MOU with thirty (30) days' notice to the other party, should the terms not be met, or should circumstances change significantly.

10. CONFIDENTIALITY

Both parties agree to respect the confidentiality of sensitive information shared during the project, including financial, proprietary, and personal data.

11. Executed

By signing below, both Parties agree to the terms outlined in this MOU and commit to working together toward the successful development, construction, and operation of the Discovery Centre.

Shire Representative
Name:
Title:
Date:
Signature: ______________________________

Community Group Name Representative
Name:
Title:
Date:
Signature: ______________________________

This MOU serves as a formal agreement between the Shire and the Community Group but it is not legally binding. It represents the shared understanding and commitment of both parties to work together toward the success of the Discovery Centre project.

9.4.2 MOU – Shire Owned & Acting as Principal

MEMORANDUM OF UNDERSTANDING (MOU)

1. Parties to the Memorandum of Understanding (MOU)

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b. the securement of grant funding to support the development and the construction of the Discovery Centre.
c. Clarity in the definition and agreement of the respective roles and responsibilities of both the Shire and the Community Group throughout the project's life cycle, including but not limited to development, construction, and operations phases.
d. Clarity on the intended Governance structures and mechanisms to ensure effective management and decision-making throughout the project.
e. Positive collaboration and engagement, setting a foundation for a collaborative working relationship that ensures transparency, accountability, and mutual respect in the planning, execution, and ongoing operation of the Discovery Centre.

3. Background

a. In 2016 the Hyden Community Resource Centre (HCRC) approached the Shire requesting relocation of the HCRC to a more central and visible location, at the corner of Brookton Highway (Marshall Street) and MacPherson Street (then privately owned).

b. In 2018 the Community Group purchased this site with the intention of working with the NCRC and the Shire on the development of a true community building, with the added functionality of a visitor centre. A condition of purchase from the vendor was that the Great Western Woodlands component must continue within any new building.

c. A Working Group was formed consisting of the Shire, the Community Group and the HCRC to develop concept plans for the building and pursue funding of the construction and fit out. The working group identified the need for a Discovery Centre to serve as a hub for education, tourism, and community engagement, focusing on promoting local attractions, offering an interactive customer experience, providing office and library space to the Shire and HCRC and providing office, meeting and retail space for business and community.

d. Concept designs were prepared, and an unsuccessful application was made to BBRF (Federal Fund) in 2019. A further funding application was prepared for a later application to a tourism focussed post covid funding stream, however for a variety of reasons was not submitted. In 2024 an unsuccessful application was made to the rPPP Stream 1 for the costs of progressing the concept design to final design. Documentation, planning and funding applications have to date been led by the Shire, with some financial support provided by the Community Group.

e. During these years the costs of construction have escalated substantially, resulting in the necessity to recalibrate the project and undertake further preparation to ensure that the project scope continues to be relevant to the community, and to improve the likelihood of funding success.

4. Outcomes

This MOU will contribute to the following outcomes for the community of Hyden;

a. Ongoing supportive relationships between the local government and the community for a shared vision of economic and social development within the Hyden town centre.
b. Improved economic activity within the town centre.
c. Increased visibility and access to social and community services reducing isolation and increasing community connectivity for the Hyden community, especially for vulnerable community members.

d. Improved outcomes for children (resulting from the freeing up of the HCRC and the potential to relocate the early childhood centre to a more appropriate venue).
e. Improved outcomes for Aboriginal people within the Shire through expressions of reconciliation and acknowledgement, and opportunities for small business development in tourism related activities facilitated by the Discovery Centre.

5. Roles and Responsibilities

Roles and responsibilities for the delivery of various project outcomes are as follows:

5.1 The Shire

The Shire will continue to act as project lead. The Shire will be responsible for:

5.1.1. Governance and Oversight:

- The Shire will be responsible for all project governance including financial acquittals and reporting.
- The Shire will act as the primary liaison with funders, government departments and regulatory bodies.
- The Shire will establish a Project Oversight Committee that includes representatives from both the Shire and the Community Group.
- The Shire will provide dedicated leadership and decision-making authority for the project, ensuring that the Discovery Centre aligns with its mission and values.
- The Shire will appoint key personnel, including a Project Manager, to oversee the construction of the project.

5.1.2. Project Development:

- The Shire will work with the Community Group to refine the concept design to reduce the expected capital cost to no more than $10m, engaging architects and quantity surveyors as required. In this way, the Shire and Community Group will focus on ensuring community outcomes are met whilst limiting the capital expense.
- The Shire will work with project architects and others to ensure that all required surveys and heritage assessments and tender preparation documents are completed as required, to progress the project to enable a 'design and construct' tender to be issued.
- The Shire will coordinate and facilitate community consultation processes, including public meetings and surveys, ensuring that the project aligns with community needs and desires.
- The Shire will identify potential grant funding sources and provide financial and logistical support for grant applications, including the provision of

necessary documentation including, but not limited to letters of support, relevant studies, updated economic impact and business case reports and ensure such funding applications are lodged with Shire as principal applicant.

5.1.3 Project Construction

- Upon securement of sufficient funding, and in consultation with the Community Group, the Shire will assist with the transfer of land situated at lot 800 on deposit plan 421688, known as 36 Marshall Street Hyden. This land is to vest with the Shire at a cost of $1 prior to the commencement of construction.
- The Shire will be responsible for the issuance of a design and construct contract for the Discovery Centre in accordance with its Purchasing Policy and any requirements of the Grant funder, the management of the contract and funding agreement, and monitoring and acquittals of the project.
- The Shire will be responsible for any cost over-runs during the construction process. It may manage this through changes to scope in consultation with Grant Funders and the Project Oversight Committee.

5.1.4 Concurrent Development of Museum Fit Out

- Concurrent with applications for funding for the construction of the Discovery Centre, the Shire will identify funding opportunities and make application thereto for the development of displays and museum content to fit out the Discovery Centre to ensure that the building can operate as intended once construction is completed. These funding applications may be in partnership with the Community Group.
- The Shire will work with the Community Group to identify a specialist to advise on the appropriate fit out for the Discovery Centre Museum space, and associated costs.

5.1.5. Post-Construction Operations:

- The Shire will provide ongoing operational support as necessary, including facilities management and public amenities.
- The Shire will assist in marketing and promoting the Discovery Centre to maximize its public engagement and usage.
- The Shire will be responsible for the staffing and operation of areas under it’s direct control and/or usage.
- In recognition of the importance of enabling the Discovery Centre to become a catalyst for the development of economic diversification and employment opportunities, and the intention that volunteers be enabled to support the social engagement and skills development of the community, the Shire will financially support the engagement of a Discovery Centre executive officer under a shared funding model:
    - For the first five years, 80% of the FTE cost of an executive officer to;

        - Manage the non-Shire occupied spaces including the booking of hot offices, meeting rooms etc. The 20% balance to be met by the Community Group.
        - Manage and coordinate volunteers for the Discovery Centre museum including the establishment of Volunteer policies and procedures, the completion of Volunteer insurance applications and the like to ensure compliance with Australian occupations health and safety and other workplace regulations.
        - Support the development of indigenous operated tours and tourism development generally within Hyden.
        - Undertake outcomes reporting to the Shire and other interested parties.
        - Oversee the day-to-day operations of the Discovery Centre including staffing, programming, and visitor services.
    - For years 6-10, 50% of the FTE cost of an executive officer as above (equal shares with the Community Group).
    - It is expected that by year 11, revenue from the Discovery Centre will be sufficient to fully support any ongoing costs.
    - Preparation of the Role Description, and the recruitment and performance review of the relevant staff member to be undertaken as a collaboration between the parties.

5.1.5. Financial Contributions and In-kind Support:

- The Shire confirms its existing forward commitment of $1,400,000 towards project funding, in additional to the provision of in-kind services such as staff resources.
- The Shire sets aside $250,000 of this $1.4m funding to allow for preliminary costs to further develop the project, including architect fees, required surveys and heritage assessments and tender preparation documents to progress the project to enable a 'design and construct' tender to be issued. In addition, these funds may be utilised to update economic impact and business case reports to reflect the recalibration of the project to a capital cost of no more than $10m.
- The Shire will provide project management oversight during the development and construction phases, ensuring adherence to timelines and budgets.
- The Shire and the Community Group will identify and place a duly qualified and experienced Project Manager on a fixed term agreement to manage the project through execution, monitoring & controlling and closure. The costs of the Project Manager are to be incorporated into any Funding Application.
- The Shire will account for the building maintenance as part of its annual maintenance schedule and allow for such costs within its Long Term Financial Plan.

- The Shire will purchase and maintain all required insurances including public liability insurance and building insurances, although it may recoup costs in line with agreements with various tenants as determined from time to time.
- The Shire will continue to contribute towards the costs of the Discovery Centre executive officer in line with the percentage allocated in 5.1.4 as may be varied by agreement with the Community Group from time to time.
- The Shire will ensure power, water and sanitation services are connected to the site. It will manage the ongoing costs of services to the site in line with agreements with various tenants as determined from time to time.
- The Shire will retain responsibility for rubbish collection and cleaning of public areas unless these are otherwise contracted in writing to others.

5.2. The Community Group

The Community Group will support the Shire and will be responsible for:

5.2.1. Project Development and Design:

- The Community Group will provide the land for the Discovery Centre at situated at lot 800 on deposit plan 421688, known as 36 Marshall Street Hyden, which will be transferred to the Shire for consideration of $1 upon successful securement of construction funding, prior to the commencement of construction.
- The Community Group will participate with the Working Group in the design and conceptualization of the Discovery Centre, ensuring that the design aligns with the project's purpose and meets community needs, noting the need to reduce the expected capital cost of the facility.
- The Community Group will commission and fund the development of a Community Wellbeing Report for the Shire of Kondinin, to ensure that any identified community wellbeing needs can be taken into consideration during the revised design process.

5.2.2. Concurrent Development of Museum Fit Out

- Concurrent with applications for funding for the construction of the Discovery Centre, the Community Group may partner with the Shire in funding applications for the development of displays and museum content to fit out the Discovery Centre to ensure that the building can operate as intended once construction is completed.
- The Community Group will work with the Shire to identify a specialist to advise on the appropriate fit out for the Discovery Centre Museum space, and associated costs.
- The Community Group will manage the relationship with indigenous gallery and tour operator Michael Ward (Katter Kich Gallery and Tours) who occupies

the existing building to be demolished to make way for the Discovery Centre, to ensure a smooth transition.

5.2.3. Post-Construction Operations:

- The Community Group confirms its existing forward commitment of $500,000 towards project funding, in additional to the provision of in-kind services such as membership of the Project Oversight Committee, the provision of a Community Wellbeing Profile and a Grant Writer for up to 4 grant application forms.
- The Community Group sets aside $100,000 of this $500,000 funding as assistance to the Shire, to be directed specifically towards preliminary costs to further develop the project, including architect fees, required surveys and heritage assessments and tender preparation documents to progress the project to enable a 'design and construct' tender to be issued.
- The Community Group will assist the Shire to identify and place a duly qualified and experienced Project Manager on a fixed term agreement to manage the project through execution, monitoring & controlling and closure. The costs of the Project Manager are to be incorporated into any Funding Application.
- The Community Group will continue to contribute towards the annual cost of the Discovery Centre executive officer in line with the percentage allocated in 5.2.4 as may be varied by agreement with the Shire from time to time.

5.2.4. Fundraising and Grant Applications:

- In addition to the land, the Community Group will contribute $400,000 towards the capital cost of the building.
- The Community Group will lead the effort to identify community contributions (such as ground preparation and tree removal) that could be contributions in kind towards the project, reducing the capital amount required.
- The Community Group will collaborate with the Shire to provide timely letters of support to enhance grant applications.
- The Community Group will retain and fund, in consultation with the Shire, a grant writer for up to four grant application forms to support the Shire's fund raising efforts.
- In recognition of the importance of enabling the Discovery Centre to become a catalyst for the development of economic diversification and employment opportunities, and the intention that volunteers be enabled to support the social engagement and skills development of the community, the Community Group will financially support the engagement of a Discovery Centre executive officer under a shared funding model:
    - For the first five years, 20% of the FTE cost of an executive officer to;

        - Manage the non-Shire occupied spaces including the booking of hot offices, meeting rooms etc. The 80% balance to be met by the Shire.
        - Manage and coordinate volunteers for the Discovery Centre museum including the establishment of Volunteer policies and procedures, the completion of Volunteer insurance applications and the like to ensure compliance with Australian occupations health and safety and other workplace regulations.
        - Support the development of indigenous operated tours and tourism development generally within Hyden.
        - Undertake outcomes reporting to the Shire and other interested parties.
        - Oversee the day-to-day operations of the Discovery Centre including staffing, programming, and visitor services.
    - For years 6-10, 50% of the FTE cost of an executive officer as above (equal shares with the Shire).
    - It is expected that by year 11, revenue from the Discovery Centre will be sufficient to fully support any ongoing costs.
    - Preparation of the Role Description, and the recruitment and performance review of the relevant staff member to be undertaken as a collaboration between the parties.

5.2.5. Community Engagement and Support:

- The Community Group will support the Shire's engagement efforts and at the Shire's request may serve as the primary point of contact for residents and stakeholders, keeping the community informed and engaged throughout the project.
- The Community Group will participate as a member of the Working Group and/or the Project Oversight Committee.

6. Governance Structure

6.1. Project Oversight Committee:

A Project Oversight Committee will be established, comprising representatives from both the Shire and the Community Group. This committee will meet regularly to:

- Ensure the project remains on schedule and within budget.
- Address any issues or challenges that arise during the development, construction, and operation phases.
- Provide strategic direction for the project and ensure its alignment with community goals.

6.2. Decision-Making Process:

- Decisions regarding the project will be made jointly, with an emphasis on consensus. However, if consensus cannot be reached, the Shire will have final authority in the case of financial, legal, regulatory, or governance issues, while the Community Group will have final authority on community engagement matters.

6.3 Communication

- Project Oversight Committee to meet at least quarterly with the agenda to include any proposed changes to project scope, timeline or risk.
- The Project Oversight Committee must be appraised of any proposed changes to scope, timeline or risk prior to a formal request for any variation to a funding agreement.

7. Timeline and phases of the project

7.1. Phase 1: Planning and Design (Months 1–8)

- Completion of the Community Wellbeing Report (completed).
- Review of existing design and quantify surveyor costings and development of a redefined scope that achieves a reduction in project capital cost with minimal disruption to community outcomes.
- Finalize project design
- Completion of designs/surveys/documentation to the requirements of a Design and Construct tender.
- Identification of funding streams and required supporting documentation.
- Updating of the Business Case and Economic Impact statement based upon the revised scope and costings.
- Obtain necessary permits and planning approvals.
- Update community consultation and engagement activities.
- Secure funding through grants and other sources.

7.2. Phase 2: Construction (Months 9–36)

- Issue Design and Construct tender in line with Procurement Rules and Regulations.
- Appoint specialised Project Manager.
- Appoint builder and secure all necessary building approvals.
- Monitor construction progress, ensuring that work stays within scope, schedule, and budget.
- Final inspection and quality assurance.

7.3. Phase 3: Museum Fit out (Months 6-36)

- Develop Museum Fit out plan

- Secure Funding
- Develop fit out resources.

7.4. Phase 4: Operations (Months 36+)

- Complete mobile fit out components, remaining landscaping and signage.
- Connect all services.
- Relocate Hyden Shire Office.
- Relocate Hyden Community Resource Centre.
- Update all marketing materials.
- Appoint Discovery Centre Executive Officer to take forward the operation of the Discovery Centre, including staffing and programming.

8. Variations to Project Costs

The Shire acknowledges it maintains sole responsibility to meet any cost over-runs relating to the capital or maintenance costs of the Discovery Centre, both at construction and over its lifecycle.

The Community Group and the Shire commit to discussing how cost over-runs during the construction phase might be best accommodated, especially where a reduction in scope is anticipated.

9. Duration and termination

9.1. Term of Agreement:

This MOU shall remain in effect for the duration of the project from planning through to the operation phase, with a review period every six (6) months.

9.2. Termination:

Either Party may terminate this MOU with thirty (30) days' notice to the other party, should the terms not be met, or should circumstances change significantly.

10. CONFIDENTIALITY

Both parties agree to respect the confidentiality of sensitive information shared during the project, including financial, proprietary, and personal data.

11. Executed

By signing below, both Parties agree to the terms outlined in this MOU and commit to working together toward the successful development, construction, and operation of the Discovery Centre.

Shire Representative
Name:
Title:
Date:
Signature: ______________________________

Community Group Name Representative
Name:
Title:
Date:
Signature: ______________________________

This MOU serves as a formal agreement between the Shire and the Community Group but it is not legally binding. It represents the shared understanding and commitment of both parties to work together toward the success of the Discovery Centre project.

9.4.4 A Comparative Analysis of Regional Organisations of Councils in NSW & WA - July 2012
Regional Organisations of Councils (ROCS) The Emergence of Network Governance in Metropolitan and Rural Australia – 2003
GVROC Investment Project Prospectus 2025 to 2026
WEROC Strategic Plan
Cooperation-Shared-Services-July-2024
RoeRoc Committee Meeting Minutes – 4 September 2025
RoeRoc Memorandum of Understanding – Revised
RoeRoc Operational Guidelines – Revised
Shire of Wickepin – Request for Membership – Discussion Paper

A COMPARATIVE ANALYSIS
OF REGIONAL ORGANISATIONS OF COUNCILS IN NSW AND WESTERN AUSTRALIA

January 2012

ACELG
Australian Centre of Excellence for Local Government

NSROC
Northern Sydney Regional Organisation of Councils

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January 2012

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Citing this report

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Contents

Executive Summary

Regional organisations of councils (ROCs) have been a part of the Australian local government landscape for over seventy years and were once a prominent feature in all states. They have evolved into a wide range of forms, but their structure generally involves several common characteristics such as a contiguous geographic base and some degree of councillor engagement in their management. Unlike many other shared services arrangements, ROCs also tend to have a multi-purpose agenda, often taking a more strategic approach to broad regional issues.

Another part of the role of ROCs has been to overcome local government fragmentation in service delivery and regional management, especially in jurisdictions with large numbers of relatively small councils. However, in the past two decades, as many state governments around Australia have embarked on local government reform processes chiefly aimed at reducing the number of councils through amalgamation, ROCs themselves have been substantially restructured or have disappeared entirely.

Until recently, two jurisdictions on either side of the continent remained relatively untouched by these reform processes. NSW has seen a modest reduction in the number of councils to 152, still the largest number in Australia. Western Australia remains largely unchanged, with 139 councils – a very high degree of local governance fragmentation which is only partly explained by the state's size and geography. Both states have also retained a large number of ROCs and other regional structures, though these have developed quite differently. Now both NSW and Western Australia are undertaking local government reform processes, though these are also taking different directions with contrasting implications for ROCs.

An examination of the current situation of ROCs in both states and the implications of the different reform paths forms the basis for this partnership project, jointly funded by the Northern Sydney Regional Organisation of Councils (NSROC) and the Australian Centre of Excellence for Local Government (ACELG), with the participation of the Department of Local Government in Western Australia. The project has involved a brief review of recent relevant research, a desktop audit of NSW and Western Australian ROCs and interviews with a small group of ROC CEOs and other stakeholders in both states, examining their governance structures, financial models and range of functions, as well as the relationship between these.

The project has developed initial conclusions about broad typologies of ROCs and a more consistent framework for describing ROC activities. However the research indicates that in the case of NSW ROCs, while there is some consistency in specific aspects of their organisation structure, there is relatively little correlation between these characteristics and the size of the organisation or the range of activities undertaken by each ROC. The most important variables for regional organisations remain their own priority setting processes, the level of resources provided by their member councils and the amount of funding they can attract from other sources.

All NSW ROCs are involved in some form of shared service provision and regional capacity activities but only a relatively small number are involved in commercial operations. While there is some desire by the ROCs to expand their involvement in shared services, this is generally not at the expense of their continued engagement in regional capacity processes such as regional advocacy and regional planning and management.

In NSW the outcomes of the *Destination 2036* process, a government-convened workshop which involved all councils and ROCs in the state, combined with the state government's interest in the potential role of ROCs as an alternative form of consolidation for local government, would seem to indicate that regional organisations have a positive future in that state. However these developments are not without their challenges.

In Western Australia, the small size of voluntary regional organisations of councils (VROCs) in terms of membership and average populations reflects the dispersed population of the state's rural areas and the very fragmented nature of the state's local government sector. The structure of Western Australian ROCs is more uniform than in NSW, but again there is little correlation between this and the size of the organisation or the range of activities undertaken. As in NSW the level of commitment by member councils appears to be the most significant factor, but it is difficult for many VROCs to establish economies of scale or make major improvements to strategic capacity, especially when many have total populations of less than 10,000 people.

The lack of any formal recognition or legal structure also hampers the operations of VROCs. In addition the Western Australian government has an obvious desire to pursue alternative options for consolidation by encouraging councils to participate in new transitional and collaborative structures, bypassing the VROCs. This has obvious implications for their future.

The need for a wider range of incorporation options and increased, more secure funding for ROCs are common issues in NSW and Western Australia. However it is the widely diverging approaches to local government reform that is far more likely to redefine the future of ROCs and how they will continue to operate in both states.

1. Introduction

1.1 Background to the Project

This research project was initiated by the Northern Sydney Regional Organisation of Councils (NSROC) as part of a review of its priorities and operations given recent discussions about the modernisation of local government in NSW. It is a partnership project, jointly funded by NSROC and the Australian Centre of Excellence for Local Government (ACELG) through ACELG's Research Partnerships Scheme which funds original research that will benefit local government and build research capacity in the sector. The project has also involved input from the Department of Local Government in Western Australia and a range of other stakeholders including the Western Australian Local Government Association and the NSW Division of Local Government.

The project involved development of a research brief to examine the comparative structures, operations and activities of various regional organisations of councils (ROCs) in NSW and similar groups in Western Australia. After a call for expressions of interest, Gooding Davies Consultancy was engaged to undertake the project.

This research is very timely, given the various local government modernisation and reform processes currently underway in both NSW and Western Australia. As the 2011 ACELG report *Consolidation in Local Government: a Fresh Look* demonstrates, previous discussions on local government modernisation have tended to have a very narrow focus on amalgamations as the main type of 'reform', and cost saving as the primary goal. Alternative forms of consolidation and other policy objectives have often been treated superficially.

The dynamics of this debate are changing. While efficiency is obviously still an important outcome, there is an increasing realisation that the financial benefits of amalgamation often do not live up to expectations. There is also increasing recognition that there are other equally important objectives for local government reform such as increasing the strategic capacity of councils and achieving more effective regional and urban management outcomes.

1.2 Why Study Regional Organisations of Councils?

The *Consolidation in Local Government* research (in which the author was also involved) described a variety of alternative approaches to consolidation and the range of objectives and outcomes for the councils involved.

One of these forms of consolidation is the voluntary formation by councils of regional organisations. The Australian Local Government Association defines ROCs as 'partnerships' between groups of local government entities that agree to collaborate on matters of common interest' (ALGA nd). All ROCs share a common basis; they are geographically-based groupings of councils which are formed and managed by the councils themselves.

There are approximately 60 ROCs across Australia that vary greatly in size, structure and operation. For example, some ROCs are small unstaffed groupings of councils which concentrate on a handful of issues and projects while others are large organisations that play substantial roles in council shared service delivery and procurement, regional advocacy and even aspects of regional governance.

ROCs have not had extensive theoretical analysis either from the research community or from government policy makers. However in recent years there has been interest in ROCs as a potential form of consolidation. This is due in part to the state government reform agendas referred to earlier and the federal government's re-engagement in regional development. Other factors relate to broader community debates around such issues as the role of councils in the planning, governance and development of major cities and rural regions, the management of growth in outer urban and 'sea-change' regions, the pressures of servicing an ageing population and the impact of new technologies on the delivery of services.

These changes provide new opportunities for councils to work together in developing policy responses and innovative forms of service delivery. They also provide challenges for ROCs which have to 'compete' with a range of other service delivery models and organisations in providing these outcomes.

Part of the difficulty that ROCs have faced in 'selling' themselves is, ironically, their variability both in terms of their agendas and the scope and scale of their operations (Aulich 2011, p. 20). As a result researchers and policy-makers alike have found it difficult to come to grips with the range of their activities and a perception has developed that they are not consistent or reliable enough to provide a realistic policy option (Dollery and Marshall 2003, p. 244).

Few, however, have undertaken a detailed analysis of ROC activities or looked closely at the relationships between these activities and the organisation structure or financial models that underpin them.

1.3 Why New South Wales and Western Australia?

This paper attempts to undertake such an analysis through a detailed audit of ROCs in NSW and Western Australia. While all jurisdictions in Australia and New Zealand have some examples of regional cooperation between councils, NSW and Western Australia provide an interesting basis for comparison. Neither has undergone a major local government reform process in recent years and so both states have a relatively large number of councils compared with other jurisdictions (see Table 1).

Table 1: Summary Local Government Statistics, Australia

State	No. Councils (2010)	Average Council Population (2010 est.)	No. Councils under 2,000 Population	% under 2,000 Population	Reduction in councils 1990-2010 (%)
New South Wales	152	47,575	4	3%	14%
Victoria	79	70,192	0	-	62%
Queensland	74	60,998	25	34%	45%
South Australia	70	23,438	12	17%	45%
Western Australia	139	16,500	66	47%	-1%
Tasmania	29	17,505	2	7%	37%
Northern Territory	16	13,787	3	19%	27%
Australia	***559***	***39,272***	***112***	***20%***	*34%*

Source: ABS data

Both states also have a comparatively large number of ROCs, 17 in NSW and 16 in Western Australia, between them over half Australia's total number. To some extent these have evolved to provide economies of scale and scope for smaller councils, especially in Western Australia where, as indicated in Table 1, nearly half the councils have populations under 2,000. The ROCs have also assisted in overcoming fragmentation in regional and urban management resulting from the comparatively large number of councils in urban and some rural areas in both states.

By contrast, in Queensland, South Australia and Victoria, local government reforms and associated amalgamations in the last two decades have resulted in major reductions in the number of councils. A number of ROCs also disappeared directly or indirectly as a result of these processes, particularly in Victoria, while a number of 'surviving' ROCs in other states were changed or restructured.

Now governments in NSW and Western Australia are considering various options for local government reform. This process has obvious implications both for councils and ROCs and in both states there are debates about the extent to which regional collaboration can provide an alternative to amalgamation. Related to this are discussions about whether and how ROCs should be given a formal legislative basis for their operations and how ROCs compare to other options and structures for inter-council cooperation.

1.4 Summary of the Research Process

The research aims for the project were to gain a better understanding of the roles and operations of ROCs in the development of regionalism, reform and modernisation of local government activities, and to assist in informing the local government sector about the distinctive contribution of this form of collaboration.

The project was based on a brief review of recent relevant research and a desktop audit of NSW ROCs and Western Australian VROCs examining:

- *Governance* - representative and legal structures;
- *Function* - for example, engagement in advocacy, research, joint projects and procurement;
- *Finances* - the 'business model' structure of each organisation, and primary funding sources.

This was complemented by interviews with a small group of ROC CEOs and other stakeholders in both states. It also involved a brief analysis of the state of play in other jurisdictions and the role of other regional local government bodies that undertake activities similar to ROCs.

The research process has been used to develop initial conclusions about broad typologies of ROCs. In addition the project has identified some of the issues and challenges faced by ROCs and other regional structures, particularly in NSW and Western Australia, as well as areas of potential research. While there are overall similarities, there are also a number of significant differences between ROCs in NSW and Western Australia and the environment in which they operate. These are explored in more detail in this report.

Literature Review

As part of the project a review of selected research articles and reports, discussion papers, submissions and other documentation has been undertaken and cited in the bibliography. Key material that was analysed included:

- Academic research specifically about regional organisations of councils and similar organisations in recent years, as well as relevant studies in the related areas of local government reform and consolidation, regional management and development and urban planning and governance;

- Discussion papers, submissions, government reports and workshop proceedings relating to regional organisations and local government. In the main these have been prepared either by the relevant government departments and agencies or by the various Local Government Associations. In particular these documents have included:

  - NSW Division of Local Government (2011), *Collaborative Arrangements between Councils - Survey report.* This document outlines the findings of a survey of collaborative arrangements among NSW councils that was conducted in 2010 and included a section specifically on ROCs. This material has helped to inform the development of this project and the survey results have provided a basis for comparison with the current audit. In some cases material has been used directly from the survey if insufficient information was provided by the ROC;

  - Elton Consulting (2011), *Destination 2036: a path together - Outcomes Report* (prepared for the NSW Division of Local Government). The report summarises the outcomes of a two-day workshop for local government leaders that was held in Dubbo NSW in August 2011. Of the nearly eighty suggested actions proposed by the workshop, about a third relate directly or indirectly to regional cooperation, which has obvious significance for ROCs;

  - Western Australian Local Government Association (2011), *Submission to the Legislation Committee, Legislative Council, Parliament of Western Australia on the Local Government Amendment (Regional Subsidiaries) Bill 2010.* This submission outlines the case for regional subsidiaries, a legal model for regional cooperation already used in South Australia which has implications for ROCs.

Scan of the Legislative and Policy Framework

A scan of current legislation and policies, particularly in NSW and Western Australia was undertaken. The scan informs the legal and policy environment for ROCs and regional cooperation generally. A more detailed scan prepared for a parallel research study into shared services models is currently being conducted for ACELG. The report, entitled *Legal and Governance Models for Shared Services in Local Government,* is due to be released in February 2012.

ROC Publications

Apart from the research literature, the most significant data source for this project has been, in the case of the NSW ROCs at least, the publications of the organisations themselves. This material included annual reports, strategic and management plans, organisational structures and other background information. Unfortunately not all these publications were available or up to date and in these cases supplementary information was obtained from other sources.

Similar material was sought from Western Australian VROCs. However, given the fact that most VROCs have limited or no executive support and operate much more informally than their NSW counterparts, relatively few such publications are available.

Follow-up Interviews and Consultations

A selected number of interviews were conducted to supplement the published sources. Interviewees included representatives of the Division of Local Government (DLG) and the Local Government and Shires Associations (LG&SA) in NSW and in Western Australia the Department of Local Government and the Western Australian Local Government Association (WALGA). In addition interviews were held with selected executive officers of ROCs in NSW and VROCs and regional local governments in Western Australia. The author also made a presentation in October 2011 to a meeting of the NSW ROCs Network, which comprises the CEOs of NSW ROCs.

Based on the published information provided and these interviews, a two-page summary was prepared for each NSW ROC, outlining the ROC's organisation structure, financial model and range of activities. These were forwarded to each CEO with a request for comment. In the case of the Western Australian ROCs a simplified set of questions was circulated because of the smaller size of Western Australian ROCs and the consequent limited levels of executive support. However, as the response to this survey was relatively poor, it has been supplemented with material from WALGA and other sources.

2. Regional Cooperation - The Current Situation

2.1 What is a ROC?

As the Australian Local Government Association notes, while ROCs vary in many respects they share a set of common characteristics (ALGA nd). Expanding on ALGA's list, virtually all ROCs have the following features:

- Voluntary membership comprising local councils in a geographically contiguous area. A small number have additional non-council members such as catchment authorities or county councils, but these ROCs are still dominated by their council membership. Similarly some ROCs have a category of associate membership for councils that participate in some activities but which are not full members and therefore do not participate in the ROC's management.

- A constitution, memorandum of understanding or some other agreement between member councils which provide a framework for the ROC's management and operations. This will usually incorporate a broad statement of the organisation's aims and objectives.

- Management by a board or similar governing body comprising representatives nominated by the ROC's member councils. In almost all ROCs at least one of these representatives is a councillor, most commonly the Mayor.

- A set of agreed objectives, strategies and/or priorities to guide the activities of the ROC. In smaller ROCs this may simply be the aims and objectives incorporated in the organisation's constitution, but larger ROCs are likely to have a separate strategic or management plan and a process for setting and reviewing priorities.

- Contributions, either in-kind, financial or both by member councils to resource the ROC's activities. The most common form is an in-kind contribution of the time provided by councillors involved in ROC boards or other aspects of the organisation's management and similar inputs by council staff involved in professional groups or specific projects.

Beyond these characteristics there is considerable variation. Some differences relate to the arrangements in specific states - for example, all South Australian ROCs operate as regional subsidiaries. Even within jurisdictions, however, there can be a range of models; for example in NSW ROCs may or may not be incorporated, they may or may not have staff and General Managers may or may not be involved in representing member councils on their boards. As shall be seen later, ROCs also vary greatly in the size of their budgets, number of member councils, population totals and physical area.

It is perhaps more important to identify what distinguishes ROCs from other local government bodies. Some of the differences are more clear-cut; for example, ROCs differ from county councils in NSW, Regional Local Governments in Western Australia and similar bodies in other states in not being statutory local government authorities.

The differences between ROCs and other arrangements such as council shared services agreements are more subtle. As the NSW Division of Local Government points out, a range of formal and informal shared services agreements have operated since the 1950s though they have become more common in recent years (NSW DLG 2011, p. 15). These arrangements range from simple agreements between neighbouring councils to share plant and equipment through to more sophisticated alliances.

The main distinction appears to be around purpose; by their nature, shared services agreements aim to improve the effectiveness and efficiency of council services, while most ROCs have broader objectives. In addition the DLG survey indicated that the majority of such agreements in NSW were focussed on very specific activity areas, with only six multi-purpose strategic alliances being identified in the Division's 2010 survey of which only three had a 'strong strategic base' (NSW DLG 2011, p. 16). It is these strategic, multi-purpose arrangements which come closest to resembling ROCs.

While ROCs have been described as a form of regional collaboration (Marshall *et al.* 2006, p. 22), they differ from other regional collaborative arrangements in limiting their membership wholly or predominantly to councils. This does not preclude their ability to support or engage in such arrangements, particularly intergovernmental agreements, on behalf of their members.

Finally ROCs are also distinguishable from other council groupings such as the National Growth Areas Alliance (NGAA) which draw their membership from all over the country and which therefore do not have a contiguous regional base. In addition, most of these organisations are advocacy bodies which focus on specific issues (in the case of the NGAA, the concerns of councils in major growth areas) and which have little involvement in service delivery (NGAA nd).

2.2 Key Themes Relating to ROCs in Research Literature

This section provides a brief review of the academic literature relating to ROCs. While a small number of authors have discussed in detail the structure and operation of ROCs in their own right (for example, Dollery *et al.* 2005, Gibbs *et al.* 2002, Marshall *et al.* 2003, Marshall *et al.* 2006) most research has considered their role as part of broader discussions about local government service provision, council consolidation and urban and regional management. Although these discussions intersect and overlap, there are two key themes which are particularly relevant to ROCs.

Service Provision and Scale Economies

The first theme is primarily concerned with options for the efficient provision of local government services, usually within debates about the effectiveness of local government amalgamation in achieving economies of scale compared to 'competing' forms of consolidation such as ROCs. Examples of research in this area include Dollery and Johnson (2005), Dollery *et al.* (2007) and Aulich *et al.* (2011).

Dollery's work in particular has questioned the traditional assumptions that council amalgamations will result in significant cost savings through scale economies. It has also established key criteria in assessing other consolidation options. Dollery and Johnson (2005) summarise the case against amalgamation thus:

> In the first place, opponents of municipal amalgamation dispute the existence of significant economies of scale, on both theoretical and empirical grounds… Secondly it is argued that while economies of scope may be realised, there are cheaper alternative methods of capturing scope economies, like ROCs. Thirdly, although amalgamation may well boost administrative capacity, it can be acquired by other means at a lower cost (p. 20).

In this context ROCs are seen as one alternative model on a continuum of service delivery options. This extends from existing non-amalgamated small councils, through *ad hoc* resource sharing models, ROCs, area integration or joint board models, virtual local governments and agency models to amalgamated large councils.

Dollery and Johnson conclude that there is no systematic relationship between council size and council efficiency (Dollery and Johnson 2005, p. 21) citing the practical benefits provided by the alternatives, including ROCs. However, Dollery *et al.* (2007) note the lack of empirical analysis of most of these alternatives and attempt to provide some evidence on this point. Their conclusion is that while some savings can be achieved through all forms of consolidation, these are relatively modest (Dollery *et al.* 2007, p. 20).

These findings were broadly supported by Aulich *et al.* who conclude in *Consolidation in Local Government: A Fresh Look* (2011) that amalgamation does not yield economies of scale greater than those achieved through other forms of consolidation. This report – one of the most comprehensive reviews of consolidation models in local government – also raised questions about the effectiveness and consistency of regional cooperation models such as ROCs and strategic alliances, noting that '… the evidence suggest that relatively few voluntary regional organisations are really active across a substantial and lasting agenda' (Aulich *et al.* 2011, p. 20).

This appraisal echoes another criticism of ROCs – the lack of consistency in their performance and the inability to determine empirically the combination of variables that lead to successful ROCs (Dollery and Marshall 2003, p. 244). Dollery and Marshall conclude that the critical success factors were intangibles such as 'commitment, teamwork, regional vision, trust, openness, communication, leadership and a willingness to cooperate'. Marshall *et al.* added more tangible factors such as the specialised committee structures and linkages to external bodies that have been developed by most of the 'successful' ROCs. (Marshall *et al.* 2003, p. 176). It has to be noted, however, that this was one of the few discussions that considered the form of ROCs as well as their function.

Economies of scale are not the only measures of success in the delivery of council services. Recent discussions have centred on the importance of achieving economies of scope through consolidation and more specifically the development of council strategic capacity. As Aulich *et al.* note, these approaches emphasise development of the ability of local government to engage in strategic and policy planning, respond to regional issues more effectively and engage with other levels of government to achieve better outcomes (Aulich *et al.* 2011, pp. 21-22). However, while some aspects of strategic capacity outcomes relating to ROCs are discussed in the Aulich consolidation report, the effectiveness of regional organisations relative to other consolidation models is yet to be fully explored.

Regional and Metropolitan Governance

Discussions regarding strategic capacity link to the second key theme relevant to ROCs – the role of local government in regional and metropolitan management. The literature around this issue comes more from considerations of broader governance theories and issues rather than any specific assessment of local government service provision.

These discussions highlight several factors that are relevant to ROCs. The first is an account of the development of ROCs within the context of an assessment of federal government engagement in local government and regional development (for example, Collits 2008, Kelly *et al.* 2009, Marshall *et al.* 2003).

These commentators highlight the federal government's pivotal role in ROC creation. Although some groupings of councils predate the Whitlam era, Kelly *et al.* note that it was the regional policies of the Whitlam government in the 1970s that initiated the modern ROC movement. ROCs were created as mandatory and not voluntary organisations, primarily as a vehicle for federal funding directly to local government (Kelly *et al.* 2009, p. 177).

About 80 ROCs were created but the new structures faced opposition from state governments as well as many councils themselves. A few years later the Fraser government discontinued federal support for ROCs and abandoned many of its predecessor's regional programs. As a result most of the ROCs established through the Whitlam initiatives collapsed (Kelly *et al.* 2009, p. 179).

However, as Kelly *et al.* note, the main point of contention was the mandatory nature of Whitlam's regional policies rather than the concept of local government involvement in regional structures. Some ROCs from the Whitlam era survived with the support of their member councils, most notably those in areas of high economic disadvantage such as Western Sydney, Hunter and the Illawarra. These ROCs became templates for future ROCs. As Kelly *et al.* put it:

> It is at least feasible that the DURD's efforts helped lay groundwork for later regional municipal collaboration ... A novel, ongoing and evolving network of voluntary ROCs has since arisen from the ashes of DURD. Their purpose, however, is not to provide a channel for Commonwealth funding. Rather, they themselves seek revenue from any source available, with co-operative well-crafted grantsmanship skills derived from earlier experience (p. 180).

However, as Marshall *et al.* and others note, the results were patchy. When the Hawke/Keating government sought to re-engage with regional policies it initially looked to ROCs, but an assessment by the government found that progress had been very uneven, with many ROCs under-resourced or too parochial in their outlook. Some councils were also resistant to the further development of ROCs, fearing the creation of a fourth tier of government (Marshall *et al.* 2003, p. 172). As a result the federal government decided to bypass ROCs and establish separate regional structures involving a wider range of stakeholders – an enduring pattern of federal engagement in regional policies ever since. The most recent version of this arrangement is the creation of Regional Development Australia committees in 2008.

The second governance factor as noted by Bellamy and Brown and others has been the development of a general response to the increasing complexity of social problems which involves ' … a shifting emphasis across all areas of public policy from uncoordinated hierarchical top-down or program-specific approaches to more holistic "governance" approaches that emphasise inter-sectoral coordination and cross-scale co-operation' (Bellamy and Brown 2009, pp. 2-3).

This is particularly noticeable in rural regions where formal institutional arrangements are often relatively weak. Bellamy and Brown identify a topology to describe the full range of intersecting regional governance structures in a case study of Central Western Queensland (CWQ). These include hierarchies but also networks, 'centrally orchestrated multi-stakeholder collaborations', public-private cooperative partnerships and, the category containing ROCs, 'ad hoc and self-organising coalitions or partnerships'. Marshall et all take this argument one step further, claiming that in some cases ROCs have themselves evolved into 'semi-formal networks of regional governance' (Marshall *et al.* 2003, p. 184).

The third factor relates more specifically to urban and peri-urban areas. A number of authors have noted the comparatively high degree of governance fragmentation in Australian cities resulting from a combination of small metropolitan municipalities, sustained population growth and suburban expansion (Buxton 2006, Kübler 2007, Kübler and Randolph 2008). Kübler for example estimates that the geopolitical fragmentation of major Australian cities, measured as the number of councils per 100,000 people, is between three and ten times higher than comparable counterparts in other countries (Kübler 2007, p. 633).

In Sydney in particular the result has been a state of tension between the state government in its de facto role as a 'metropolitan government' and councils undertaking their role in developing and implementing local plans and managing local development. The resulting failures in resource allocation and infrastructure and services provision have also been well-documented (Gooding 2005, Kübler and Randolph 2008); more recently the Perth Metropolitan Local Government Review (MLGR) has called for a 'strategic approach to local government structure and governance' to overcome issues of fragmentation (MLGR 2011, p. 2).

Kübler contends that the classical approaches such as 'institutional consolidation compared with competition between governments' are of limited usefulness in describing, let alone dealing with, the complexity of Australian urban governance systems, especially in Sydney (Kübler 2007, p. 635). Kübler proposes joint decision systems and negotiated agreements based on positive coordination as an alternative. Kübler and Randolph sum up this approach as a shift toward 'new regionalism', suggesting that area-wide governance ' … ultimately results from the ability to produce coordination among stakeholders through collaborative processes and voluntary cooperation' (Kübler and Randolph 2008).

These and the other policy responses will not be discussed in detail here except to note that as with the broader debates around regional governance, ROCs have been identified by several commentators as a playing a potentially significant role in the new regional governance paradigm. There is however some of the ambivalence noted earlier in relation to service provision regarding the effectiveness of ROCs in regional governance, in part related to the ability of state and federal governments to ignore and even 'neuter' ROC initiatives through their regional policy responses – or lack thereof (Kübler and Randolph 2008, p. 149).

Another implicit criticism is the conclusion that only some ROCs have been able to achieve 'a seat at the table' in terms of engagement in regional governance. It also has to be noted that for some commentators at least the arguments against amalgamations are less persuasive from a regional governance perspective, especially in metropolitan areas, than they might be in relation to the delivery of local government services.

In summary, most discussion around ROCs has considered their roles rather than their structure – and then usually only as part of a wider consideration of local government functions. While these discussions cover a wide variety of issues, there are two themes particularly relevant to ROCs; their potential roles in leveraging economies of scale and scope in relation to local government service provision and in contributing to regional and urban governance.

These themes have informed the audit of ROCs in this report. It is timely to note here however that one difficulty with much of the literature is the lack of a consistent taxonomy to describe ROC functions. While there are broad similarities in the tasks described, there are often key differences in the specific terms used, which are often undefined. Sometimes these terms are confusing and appear to overlap; for example, 'lobbying' can be identified as a separate category to 'regional advocacy'. An attempt is made to address this issue in the audit section.

2.3 The Impetus for Reform

2.3.1 Federal Government

As noted earlier, the current federal government has continued the pattern of establishing separate regional structures with a broad focus on economic development involving a range of stakeholders including but not limited to local government. However in a departure from the previous government's policies it has also re-engaged with urban management issues including some of the governance fragmentation problems discussed in the previous section.

Regional Development Australia (RDA)

Regional Development Australia (RDA) is a federal government initiative intended to bring together all levels of government to support regional growth and development. It also aims to build partnerships between government, the private sector and other key stakeholders to 'provide a strategic and targeted response to issues in each region and to facilitate community leadership and resilience' (RDA 2009, p. 1).

Fifty-five RDA committees were established in 2008 with membership drawn from local government and key regional stakeholders have been established throughout Australia to provide a strategic framework for economic growth. Each committee has five key roles:

- Consultation and engagement with the community;
- Informed regional planning;
- Whole-of-government activities;
- Promotion of government programs;
- Community and economic development (RDA 2009, pp. 2-5).

In undertaking these activities RDA committees are required to reduce 'duplication and overlap' (RDA 2009, p. 1).

Separate Memoranda of Understanding have been developed in each jurisdiction to guide the relationship between the RDA committees and existing state and territory economic development structures as well as local government. In NSW, Victoria, Queensland, South Australia and the ACT, state and territory regional development board or equivalent organisations have been amalgamated with RDA committees. In Western Australia, Tasmania and the Northern Territory, however, these bodies remain as parallel networks, though it is intended that they will work closely with RDA committees (Australian Senate 2011, p. 105).

The RDA committee model is consistent with the trend described earlier of the federal government establishing separate structures as the vehicle for its engagement in regional development rather than using the ROCs, though on several RDA committees the local government representatives have been drawn from or via the relevant ROCs.

The RDA committees therefore present both an opportunity and a challenge for ROCs. The RDA model represents a significant engagement by the federal government with state and local governments over regional issues and in doing so acknowledges their importance. On the other hand, while the RDA model promises to avoid duplication, several of its key roles and responsibilities appear to cut across what a number of ROCs are already doing in the regional 'space'.

National Urban Policy initiative

Another federal government strategy which has implications for ROCs particularly in urban areas is the development of a national urban policy. The *Our Cities* discussion paper outlines the government's desire to ' … focus on better design and management of urban systems to reduce the economic and environmental cost of current urban models' (Australian Government 2010 Foreword).

The paper acknowledges that Australia's major cities are integral to the national economy and are also the places where the majority of Australians live. However it also identifies a range of urgent challenges that are 'unique to cities' and which require a national response. These include a lack of integration and the impact of 'poor strategic alignment of metropolitan planning and infrastructure delivery' both on urban performance and on local governments (Australian Government 2010, p. 2).

Specifically in relation to councils the paper recognises that urban management is made more difficult by local government fragmentation and asserts that most capital cities 'have acquired a patchwork of Local Government jurisdictions covering relatively small land areas' and that there is debate over 'wasted resources and opportunities' associated with smaller local authorities versus a local desire for adequate representation and decision-making power (p. 53). It suggests that there should be an assessment of the outcomes of recent amalgamations, also proposing:

> … a national and community discussion involving all levels of government on reforming Local Government through the creation of larger entities that can plan, finance and coordinate over larger population areas, and achieve greater economies of scale in service delivery and asset management (Australian Government 2010, p. 53).

The paper's support for larger local government entities therefore rests on a combination of the heavily contested arguments relating to economies of scale, recognition of the importance of developing strategic capacity and acknowledgement of the impact of governance fragmentation on urban management. However, while they are not mentioned explicitly, the federal government's endorsement of the merits of amalgamation as a form of consolidation may lead indirectly to the reassessment of ROCs as an alternative.

2.3.2 NSW

While the federal government may have provided the initial impetus for the formation of ROCs, it is state governments that usually have the most direct impact on their day-to-day operations, both directly through regional policy initiatives and indirectly through policies to encourage amalgamation.

One of the reasons NSW has a relatively strong ROC movement is the comparatively large number of councils and their relatively small size, especially in rural areas, compared to some other jurisdictions (though not Western Australia). NSW has had a number of amalgamations in recent years based on a process of regional reviews implemented by the state government in 2003 (NSW DLG 2006, p. 6). This has reduced the number of councils from 176 to 152 (Tiley and Dollery 2010, p. 17), though this has to be seen in the context of the much more substantial reductions in council numbers achieved by amalgamations over the past two decades in Queensland, South Australia, Victoria and New Zealand.

The amalgamations that have taken place in NSW have also left the metropolitan area largely untouched. There are 43 councils in Sydney, contributing to the high level of governance fragmentation noted earlier. In addition, most of the amalgamations that were achieved in NSW occurred over five years ago. Since that time the state government has pursued alternative policies, most notably the encouragement of strategic alliances, shared services agreements and other collaborative arrangements (Tiley and Dollery 2010, p. 27-28; NSW DLG 2007). Current government strategies are discussed below.

Initiatives Supporting Greater Collaboration and Partnerships

In 2010 the NSW Division of Local Government undertook an extensive survey of shared services arrangements among NSW councils. The survey built upon the Division's engagement with local government resource sharing initiatives that had commenced in 2005 with the convening of the first strategic alliance workshop and the subsequent formation of the Strategic Alliance Network Executive Committee in 2006.

Throughout this period the Division was primarily focused on service delivery, an approach that was reinforced in 2006 by the then Minister for Local Government's initiative to encourage councils to form business clusters. Council participation in these arrangements was encouraged and the results surveyed.

The 2007 paper *Collaboration and Partnerships between Councils - a guidance paper released by the Division* encouraged councils to form strategic alliances and business clusters with a primary focus on cooperation between councils to achieve economies of scale and reduced duplication through shared service delivery.

These options of collaboration did not necessarily require a ROCs framework. While ROCs were not excluded from the new collaborative arrangements it was clear that they were not seen as having a primary role in achieving shared services outcomes. Instead, councils were encouraged to form new alliances which prioritised relatively narrow definitions of service delivery rather than some of the broader objectives that some ROCs supported, such as regional advocacy and planning. This was despite the fact that many ROCs also pursued regional shared service outcomes.

The 2010 survey appears to have taken a more even-handed approach to these issues by seeking information from councils about their participation in all forms of shared services including those facilitated through ROCs. The results formed a basis for an assessment of non-ROC collaborative arrangements but this was complemented by a detailed survey of ROCs themselves. The resulting report, *Collaborative Arrangements Between Councils - Survey Report* was released in 2011 NSW (NSW DLG 2011a).

Councils participating in the survey identified over 800 collaborative arrangements, including membership of bodies such as the LGA&SA and partnerships with bodies other than councils. While the outcomes were mainly positive, the survey found that the most common ‘non-ROC’ models were based on single-purpose arrangements. Only six multi-purpose strategic alliances were identified, of which only three had a ‘strong strategic base’. The report acknowledged that ROCs were more ‘more likely to be used to fulfil a multi-purpose role’ (NSW DLG 2011a, p. 16) and subsequently concluded that ‘ROCs continue to be a primary model through which councils elect to identify, manage and conduct their resource sharing/collaborative programs’ (p. 25).

The report's findings in respect of ROCs are briefly summarised below. It should be noted that the following statements refer to the status of ROCs in 2010 as reported by the DLG and therefore do not necessarily reflect the current situation.

- ***Scope of activities:*** The survey analysed the scope of ROC activities based on the following classifications:
  - Advocacy;
  - Regional strategic planning;
  - Service provision (either to the public or to member councils);
  - Information sharing and problem solving.

  While noting that the balance between these functions varies widely between ROCs, the report concluded that advocacy was 'a relatively minor function' for a majority of ROCs, though it also noted that involvement in regional strategic planning was still significant for many organisations. The report identified service provision as a 'prime function' of many ROCs, delineating these in terms of procurement, services to councils and services to communities. Specific examples of service provision and of the fourth category, information sharing and problem solving were also provided.

  The DLG report's approach to reporting ROC activities will be discussed in more detail in the section on NSW ROCs.

- ***Governance:*** The survey found that about half of the ROCs are incorporated associations or companies; a number of others were interested in incorporation but saw the need for Ministerial approval under Section 358 of the *Local Government Act 1993* as an impediment. Other ROCs operate as a committee of one of the participating councils under Section 355 of the Act and saw no need to incorporate.

  The report noted that all ROCs have a Board with (usually) the Mayor and sometimes another councillor as delegates. This is usually supported by a General Managers group.

- ***Other outcomes:*** All the ROCs that responded to the survey have formal business plans and the majority have a clear evaluation framework. Most employ a full-time executive officer and others are considering doing so. Some also employ additional administrative and program specific staff.

- ***Factors critical to an effective ROC:*** These were identified by ROC CEOs and included factors such as a strong commitment by members and Mayors that 'get' regionalism, effective relationships and good planning. Other factors identified included appropriate administrative/operational processes and sound relationships with other levels of government.

- ***Key issues for further consideration:*** The ROCs raised a number of issues for further consideration. These included the development of model structures/guidelines to assist ROCs in the development of collaborative arrangements and better recognition of the role of ROCs in the Local Government Act, including provisions to facilitate tendering by ROCS on behalf of member councils.

  Other issues were the need to strengthen relationships between ROCs and State/Federal Governments including recognition of ROCs as a delivery mechanism for government services, development of formal agreements regarding regional outcomes and 'formalised representation' on key bodies and taskforces - including greater involvement in the State Plan and regional planning processes.

The Division of Local Government is preparing a discussion paper in response to the outcomes of the survey. It is understood the paper will support proposals to strengthen regional collaboration through mechanisms in areas such as strategic planning, service delivery and increasing the efficiency and effectiveness of councils. The key role of ROCs in these processes will be recognised, though the Division's priorities appear still to favour those activities which are connected with the development and delivery of shared services.

The discussion paper will include a proposed strategic approach to regional collaboration, identifying key principles, functions and issues to resolve as well as outlining a process for councils to provide input. However the structure and direction of the paper will be influenced by the outcomes of the *Destination 2036* process (see next section).

Destination 2036 and Current NSW Reform Initiatives

The new NSW state government has adopted a partnership approach to local government reform, with the Minister for Local Government indicating his desire to strengthen the sector in terms of financial sustainability, capacity and local decision-making.

A key component of the changed relationship has been the *Destination 2036* initiative. This was a two-day forum held in August 2011 involving Mayors and General Managers from every NSW council, their counterparts from all NSW county councils, the executive officer of all NSW ROCs, office-bearers from the LGSA and representatives from Local Government Managers Australia (LGMA) NSW and relevant unions and professional associations (Elton Consulting 2011).

The aim of the forum was to 'begin the strategic plan and delivery program for NSW local government'. This involved exploration of challenges and opportunities, the development of a vision for the sector, a 'roadmap' for the implementation of this vision, commencing with a set of short-term actions that could be achieved within four years. The forum also explored appropriate models for local government and was also intended to build trust between local government and state government.

The Minister called on the local government sector to 'recognise the need for change and to embrace reform'. He asked the sector to focus 'on achieving its own solutions' through co-operation and innovation rather than presenting the state government with a 'shopping list'.

One major outcome was the high level of support for regional cooperation and for ROCs. While there was a clear predisposition in the *Destination 2036* guidelines to support cooperation, the extent to which the forum process embraced proposals that either directly advocated or implied forms of regional collaboration seems to have exceeded the expectations of both forum planners and many of the attendees.

A list of suggested actions arising from the forum has been compiled; of the nearly eighty actions identified, around one third directly or indirectly involve regional cooperation, including several that relate directly to ROCs. These actions are listed in Section 10 of the 2011 Elton Consulting Report (*Destination 2036: Outcomes Report*), but they fall into three broad categories:

- *Structural changes to enhance the delivery of shared services*: for example, incorporating legislative arrangements for ROCs into the Local Government Act that allow them to incorporate and removing legal and other barriers to shared services.
- *Regional strategic planning and delivery of government services*: for example, aligning regional boundaries and integrating strategic planning processes across all levels of government, setting up processes for regular consultation between government and ROCs.

- *Other proposals with clear implications for ROCs*: for example, making it easier for local government to set up corporate entities and for councils to provide services to each other, developing models of local government with options for regional services delivery.

An Implementation Steering Committee (ISC) was established to prepare a draft Action Plan based on the outcomes from the *Destination 2036* workshop and other stakeholder input and to coordinate the implementation of the plan, with a primary focus on the next four years. The ISC comprises the DLG Chief Executive and representatives from the LGA&SA and LGMA.

In November 2011 the Minister, Don Page MP, reinforced his support for ROCs, announcing that they will have 'an expanded and more important role to play in the future of local government' and stating that ROCs 'are the primary model through which councils elect to identify, plan, manage and conduct their resource sharing arrangements and their collaborative programs' (Page 2011). Page asked two questions which are particularly relevant to this audit:

> ….`how do we capture a new role for regional organisations of councils in legislation?', and, `what should be the structure and framework of any expanded regional organisations of councils?' (Page 2011, p. 1).

The Minister also identified what some of these roles could be:

- Building member councils' strategic planning capacity;
- Delivering council services on a regional basis;
- Delivering shared corporate services on a regional basis;
- Providing a regional voice for member councils and their communities;
- Procurement of shared assets and resources for productivity and efficiency gains;
- Regional training and the regional development of employee skills;
- Being a reference point for both State and Federal Government (Page 2011, p. 1).

The roles identified by the Minister are similar to those identified in the literature and also nominated by NSW ROCs in the DLG audit. While the majority relate to the collaborative delivery of council services, at least two – 'providing a regional voice for member councils and their communities' and 'being a reference point for both State and Federal Government' – relate to regional capacity building and management.

The Minister's statement has been reinforced with the release of the *Destination 2036: draft Action Plan*, prepared by the ISC (NSW DLG 2011c). The ISC comments in the introduction to the draft Action Plan that it 'does not seek to answer or implement the actions that were suggested at Dubbo. Rather, it provides a pathway and a process for their more detailed consideration' (NSW DLG 2011c, p. 5).

While the release of the *draft Action Plan* has come too late to influence the direction of this audit or to be considered in detail, it is clear that the ISC's approach reflects the collaborative nature of local government reform in NSW and also the high level of interest in ROCs. The ISC notes that the *draft Action Plan* is an 'opening dialogue' in a conversation with the sector and that many of the proposals developed at *Destination 2036* require further research, consultation and in some cases legislative change.

Within this framework the facilitation of greater resource sharing and cooperation between councils has been identified as the first initiative under the Efficient and Effective Service Delivery strategic direction. The *draft Action Plan* states explicitly that the government sees ROCs as' a key regional planning, consultation and delivery mechanism for the new State Plan – NSW 2021, as well as other regional planning initiatives, such as Regional Transport Plans' (NSW DLG 2011c, p. 18). The Plan goes further:

> The State Government has indicated that it is keen to work with ROCs on regional planning matters and ROCs are encouraged to leverage off these opportunities and to develop networks within State Government agencies.
>
> In this context, the limited capacity of some of the smaller ROCs will need to be considered.
>
> Looking forward, there is a need to examine how the role of ROCs can be strengthened in regional strategic planning, tendering and procurement and Local Government service delivery and how the current barriers, including legislative, attitudinal, financial and administrative, can be overcome (NSW DLG 2011c, p. 18).

The first two activities identified for this initiative specifically relate to ROCs, as follows:

1a. Councils to work with their ROCs to identify the range of services and activities that ROCs can provide on their behalf.

1b. Develop and release for consultation a proposed strategy to support ROCs and strengthen collaboration on a regional basis (NSW DLG 2011c, p. 19).

There will be consultation on the *draft Action Plan* mid February 2012 after which it will be presented to the Minister for Local Government.

In addition state government's commitment to regional approaches in other policy areas referred to in the *draft Action Plan,* such as transport and the new State Plan has already commenced. For example the government released a circular to councils at the end of November 2011 announcing that it will consult with councils and communities to develop 'regional action plans aligned to NSW 2021' (NSW DLG 2011d, p. 1).

The regions identified in the circular do not match the existing ROC boundaries but they are broadly similar and ROCs are identified as one of the stakeholder groups invited to provide input. However this does raise the questions, first, of who defines government departmental regions and second, of the role that ROCs will have in regional initiatives not directly connected to local government.

2.3.3 Western Australia

As noted earlier, councils in Western Australia like their counterparts in NSW have not experienced a major wave of amalgamations in recent years. As a result the state has 139 councils, a comparatively high number compared to other jurisdictions except NSW. The average population of around 16,500 also masks the fact that 66 councils have populations under 2,000. There is an even higher level of governance fragmentation in the metropolitan area than there is in Sydney, with 30 councils in the Perth region which has a population of 1.7 million (WA DLG 2010a).

Unlike the proactive and often mandatory approaches in many other jurisdictions, there were few pressures on councils to amalgamate with successive state governments rejecting forced amalgamation until recently (Tiley and Dollery 2010, p. 22). In fact a number of new and comparatively small councils were created on the periphery of the Perth CBD in 1994 (Tiley and Dollery 2010a, p. 21).

While Western Australia, like NSW, has developed a range of regional structures in response to the large number of councils, these are more complex than the NSW arrangements: as well as Voluntary Regional Organisations of Councils (VROCs) there are Regional Local Governments (RLGs, which are very similar to county councils in NSW), Regional Transition Groups (RTGs) and Regional Collaboration Groups (RCGs).

There are two reform initiatives in Western Australia that have particular implications for ROCs, as well as a number of proposals developed by the Western Australian Local Government Association. These are considered below.

State Government Initiatives

Local Government Reform Process

In 2009 Minister for Local Government announced a voluntary reform process whose objective was to create fewer councils with a greater strategic capacity which would be better to 'plan, manage and implement services to their communities with a focus on social, environmental and economic sustainability' (Castrilli 2009).

As well as nominating strategic capacity the Minister also cited greater scale economies, a clearer focus on governance, an improvement in the capacity of councils to lobby state and federal governments and the need to 'increase competition for staff positions' in the local government sector (Castrilli 2009) as drivers of the reforms. The Western Australian Department of Local Government (WA DLG) also identified an improved ability to meet community expectations and more effective advocacy for local and regional communities as objectives of the reform process (WA DLG: 2010a, p. 10).

The aim of the reform process itself was to facilitate the voluntary amalgamation of councils and a reduction in the number of councillors to between six and nine per council. A Local Government Reform Steering Committee (LGRSC) was appointed, including representation from the public and private sectors and members of the Local Government Advisory Board, supported by four working groups (Castrilli 2009). Councils were required to complete a self-assessment checklist which was assessed by the Department and then to make a submission regarding amalgamation options and preferred regional grouping that was analysed by the steering committee.

These submissions were effectively rejected by the committee as being inadequate. The Minister then asked the department to 're-engage with the sector' on the basis of two regional models: regional transition groups (RTGs), in which two or more councils work to complete a regional business plan with a view to amalgamating in 2013, and regional collaborative groups (RCGs) to examine the potential for shared services arrangements in areas where the distances involved mean that amalgamation is not feasible (LGRSC 2010, p. 2). Participation in these groups is voluntary and funding and regional business planning tools are provided to support their operations.

The steering committee's report was frank in its assessment of both the depth of opposition among Western Australian councils to amalgamation and its causes. It also made a number of recommendations to support amalgamation processes. The committee was replaced in June 2010 by a Local Government Reform Implementation Committee supported by six working groups 'to oversee and progress the implementation' of the reform agenda (WA DLG 2010, p. 13).

Perth Metropolitan Local Government Review

In another indication that the voluntary amalgamation process was not producing the results it required, the Western Australian State Government recently initiated a parallel process with the appointment of an independent panel to review governance arrangement in metropolitan Perth.

The panel's terms of reference include identifying 'specific regional, social, environmental and economic issues' and other national and international factors likely to affect the growth of metropolitan Perth in the next 50 years, researching and preparing options to establish improved local government structures and governance models for the Perth metropolitan area, identifying new local government boundaries and a resultant reduction in the overall number of councils and presenting a limited list of achievable options together with a recommendation on the preferred option (MLGR 2011a, p. 1).

Describing the amalgamation proposals submitted by Perth councils as 'piecemeal', a background paper released by the review panel notes that the city is undergoing an 'intense period of transition and change' resulting from pressures such as the shift from an industrial to a knowledge-based economy and the ageing of the population. The paper also cites local government fragmentation as a key factor requiring a 'strategic approach to local government structure and governance' (MLGR 2011b, p. 2).

The Western Australian Government's local government reform processes have a number of implications for VROCs, which appear to have been largely marginalised by the reforms. Unlike their NSW counterparts they have not been considered as an interface with local government during the reform process, let alone as alternative structures to amalgamation. The Minister for Local Government was blunt in his assessment of the relationship of VROCs to the reform process:

> The sector said it needs reform and you also said, it has to be sector led. I have asked you for your views on how this should be achieved. I did say that I believed VROCs would not lead to the reforms needed. They seem to be a means to avoid reform (Castrilli 2010, p. 2).

Even where amalgamation is not being considered the government has decided to bypass the VROCs to establish RCGs, which it regards as providing ' … a more formal and substantive platform for regional collaboration than occurs under existing Voluntary Regional Organisation of Councils (VROCs)' (WA DLG 2010b, p. 2). In addition, while a number of the RTGs and RCGs are consistent with VROC regions, some cut across these boundaries.

Given the relatively small size of many Western Australian VROCs, it is likely that some would simply disappear if amalgamations proceed. The Perth local government review process could also accelerate that outcome for the remaining VROCs in the metropolitan area.

WALGA Initiatives

As in NSW, Western Australia VROCs do not have a specific form of incorporation and, unlike NSW, they mostly remain informal bodies (WA DLG 2010, p. 8). This is in part because the Western Australian *Local Government Act* is explicit in prohibiting council participation in companies with some limited exceptions contained in the relevant regulations (WALGA 2010a, p. 9). The only formal form of shared services structure that councils can establish are Regional Local Governments, similar to county councils in NSW, which have a significant compliance burden (WALGA 2010b, p. 2).

WALGA has proposed several policy responses, of which the two most significant are discussed here. The first is a proposal for councils to be able to establish Local Government Enterprises, subject to community consultation, which would allow them to undertake a range of commercial activities (WALGA 2010a). The second, which is particularly relevant to VROCs, is to allow councils to establish regional subsidiaries. Under this model (based on similar bodies permitted under South Australian legislation) two or more councils would be able to establish a regional subsidiary to undertake shared service delivery.

Regional subsidiaries would differ from regional local governments in that their charter rather than legislative compliance would be their primary governance and regulatory instrument (WALGA 2010b, p. 3). Part of the distinction is also symbolic; the intent is for these bodies to be seen as subsidiaries rather than independent local governments and for their boards to act primarily in the interests of their member councils.
WALGA identified two key drivers for the proposal; the first is to find innovative ways to provide high-quality services; the second is to provide an alternative to amalgamations to achieve cost savings. Somewhat optimistically in light of the recent government reform processes outlined above, WALGA claims that:

> There is little evidence to suggest that amalgamations have brought about significant efficiency gains or wholesale cost savings for Local Governments. Consequently the focus of Local Government reforms has shifted towards shared service models as a means to achieve efficiency gains and economies of scale appropriate to particular municipal services (WALGA 2010b, p. 7).

A private member's bill to amend the *Local Government Act* to permit regional subsidiaries was introduced to state parliament and referred to an upper house committee for consideration. The Committee concluded that the bill contained insufficient description and recommended a number of changes be made before it proceeded further, such as the inclusion of provisions to clarify duty of care, the nature of the relationship between a regional subsidiary and its participating councils and protection from liability for the regional subsidiary (Legislative Council 2011, p. 43-44).

The proposed legislation is not universally supported. There are suggestions for example from some regional local governments that a reduction in the compliance requirements of RLGs (which WALGA also supports) would be adequate to achieve the same ends. Consistent with the views quoted earlier about VROCs, there is also a concern among some in government that councils might see the regional subsidiary model as a 'back door' way of avoiding the government's push for amalgamation.

2.4 Conclusion

The roles of ROCs in leveraging economies of scale and scope in local government service provision and their contribution to regional and urban governance, two key themes identified in the literature, have been viewed very differently by the federal, NSW and Western Australian governments.

The federal government has a long history of engagement with regionalism which included the creation of the modern ROC 'template' but which subsequently involved the formation of other regional bodies. The current government has renewed this commitment but also continues to maintain its own structures through the implementation of the RDA initiative. It has also recognised some of the problems caused by governance fragmentation in large urban centres, although its policy response appears to favour larger councils as the main form of governance consolidation.

These policy approaches are a mixed blessing for ROCs. On the one hand, the federal government's commitments to increasing strategic capacity at the regional level and reducing governance fragmentation provide a positive environment for ROCs. On the other, the government appears to have a clear preference for its own regional structures and for larger urban councils rather than ROCs as appropriate policy responses.

In NSW, ROCs are beginning to enjoy a much more positive relationship with the state government. The outcomes of the NSW DLG's 2010 survey provided the government with a greater appreciation of their potential to achieve significant scale and scope economies. The state government has further embraced ROCs through the *Destination 2036* process and has made a number of announcements about the development of regional approaches involving ROCs in policy areas other than local government, thus highlighting their potential to contribute to regional capacity building.

While this provides a marked contrast with the policies of the previous state government, the seemingly open-ended nature of the government's new approach could be problematic. The audit outlined in the next section suggests that many ROCs would need additional resourcing to undertake this expanded role. There are concerns however that this approach could lead to ROCs being co-opted by government, losing their identity as bodies which are 'owned' by their member councils.

Despite these concerns the current situation and future prospects of ROCs in NSW are much brighter than for their counterparts in Western Australia. The state government has cited the need to achieve economies of scale and scope as the basis for local government reform, but has taken almost the opposite approach to its counterpart in NSW, bypassing ROCs to set up alternative structures as a precursor to amalgamation. Even in areas where amalgamations are not contemplated, alternative collaborative options are being explored and it is likely that ROCs will end up being further marginalised.

3. Audit of NSW Regional Organisations

3.1 Overview

This section considers the outcomes of the audit of NSW Regional Organisations of Councils. It has been informed by the following source material and processes:

- A review of the NSW Division of Local Government (NSW DLG 2011a), *Collaborative Arrangements between Councils - Survey report*;
- The report of the *Consolidation in Local Government: a Fresh Look* (Aulich *et al.* 2011) study conducted by ACELG, the Local Government Association of South Australia and Local Government New Zealand;
- A range of publications about each ROC such as annual reports, strategic plans and financial statements;
- A summary which was prepared for each ROC and forwarded to the relevant CEO for comment. The summary covered:
    - Organisation structure, including the type of ROC, its composition, governance and staffing arrangements;
    - Business model, including the overall budget size, the main sources (including the proportion from memberships, government grants, procurement rebates and other sources) and the main expenditure areas;
    - Current key priorities, activities and projects. This was divided into shared services, regional capacity and commercial services;
    - Organisation planning and review, which identified the most recent review or strategic planning process and if there was any significant changes to the ROC as a result.

  While there was a wide range in the level of detail provided by each ROC, only one declined to provide any comments in response to the summary;
- ROC CEOs were also asked a further range of questions about the adequacy of their ROC's current structural arrangements and if their ROC had plans to change these. These questions were asked on the basis that they would not be attributed to individual CEOs but would help inform the analysis of ROC operations. About half the CEOs responded. Other interviews were conducted with selected CEOs and with other stakeholders including the DLG and the NSW LGA&SA;
- A range of other sources, including the DLG Local Government Directory and Australian Bureau of Statistics data.

It should be stressed that the purpose of the audit was not to evaluate or rate the performance of ROCs in any way, but rather to document their structures, financial models and activities, as well as the relationships between these elements. The fact that these vary greatly is not a commentary on how well a ROC is operating; instead, as the DLG notes and the audit affirms, these differences largely reflect ' ... the resourcing provided by member councils to ROCs, varied size and geographic location of member councils and regional priorities as established by member councils.' (NSW DLG 2011a, p. 17).

Furthermore, these elements also change over time. This applies particularly to funding; the only reasonably constant source is membership contributions, while grants, contributions for one-off projects from members or from joint purchase rebates can vary considerably from year to year. This means that the data in this section should be used with a degree of caution.

3.2 Comparison of ROCs and ROC Membership

This section summarises the outcomes of the NSW ROC audit process. First however, it is necessary to look at the extent to which councils in NSW are members of ROCs.

Table 2 demonstrates the high level of membership in NSW. Less than 10% of NSW councils are not a member of any ROC. Two of these 13 councils are in the far west of the state where the large distances make participation in a ROC difficult. Another two are in the Sydney metropolitan area and a fifth is in the central west of NSW.

The majority of councils that are not currently involved in a ROC are former members of the New England Local Government Group, which ceased operations when a number of participating councils joined the New England Strategic Alliance of Councils (NESAC) which itself subsequently collapsed. Of these, three are not a member of any ROC, while another four are now members of Border Regional Organisation of Councils (BROC), a ROC involving councils on both sides of the Queensland border which deals specifically with border-related issues. It has been difficult to obtain further information about BROC, which because of its specialist and cross-border membership has not been included in this audit.

Of the 26 councils that are members of two ROCs, the majority (15) are members of the Sydney Coastal Councils Group (SCCG) which is a special purpose ROC as well as another 'general purpose' ROC. Only nine NSW councils are members of two neighbouring general purpose ROCs - only one such council is in the metropolitan area.

Table 2 also provides a snapshot of the key attributes of the 17 operational ROCs in NSW, based on the summaries developed for each ROC. These key attributes are discussed in more detail in this section.

Table 2: Summary of NSW Regional Organisations of Councils (ROCs)

Regional Organisation of Councils (ROC)	Founded	Members: Councils	Other	Size: Area (km^2)	Population (2010 est.)
Central Coast Regional Organisation of Councils (CCROC)	1994	2	-	1,680	319,715
Central NSW Councils (CENTROC)	1989	16	1	70,043	210,566
Hunter Councils Group	1955	11	-	29,391	651,622
Macarthur (MACROC)	1986	3	-	3,070	254,081
Mid North Coast Group of Councils (MIDGOC)	2002	8	-	21,394	301,471
Namoi Councils	2000	5	1	39,270	96,731
Northern Rivers Regional Organisation of Councils (NOROC)	1992	7	2	20,733	296,677
Northern Sydney Regional Organisation of Councils (NSROC)	1989	7	-	637	567,194
Orana Regional Organisation of Councils (OROC)	1997	11	-	190,015	91,198
Riverina and Murray Regional Organisation of Councils (RAMROC)	2008#	18	-	126,593	168,485
Riverina East Regional Organisation of Councils (REROC)	1994	13	2	47,920	140,332
South East Regional Organisation of Councils (SEROC)	2010	12	-	45,392	185,730
SHOROC	1996	4	-	263	276,869
Southern Councils Group	1985	7	-	18,008	507,756
Southern Sydney Regional Organisation of Councils (SSROC)	1986	16	-	679	1,569,870
Sydney Coastal Councils Group	1989	15	-	1,237	1,436,531
Western Sydney Regional Organisation of Councils (WSROC)	1973	10	-	5,470	1,559,990
Total ROC membership		**165***	**6**		
Total councils that are members of more than one ROC		**26**			
Total councils that are not a member of any ROC		**13**			
Total councils that are ROC members		**139**			
Total NSW councils		**152**			

Notes: # RAMROC formed in 2008 from the merger of two other ROCs
** Total ROC membership includes councils that are members of more than one ROC*
Source: Information provided by ROCs, NSW DLG and ABS data

3.2.1 Structure

Type and Composition

There are a number of ways in which ROCs can be categorised. One way is to group them according to type. This is difficult in NSW given the very diverse areas some ROCs cover and the range of councils which make up their membership, especially outside the Sydney region. Nonetheless, some broad distinctions can be made.

Table 3 shows the breakdown of ROCs according to the following types:

- **Metro:** ROCs that are based wholly within the Sydney metropolitan area. Obviously the councils involved are mainly urban in nature, ranging from established inner and middle suburbs to new release areas at the city's fringe, although there is still agriculture present in some of the outer urban councils. All but two of Sydney's 44 councils belong to one of the six metropolitan ROCs, with one council belonging to two ROCs.

- **Regional Centres:** ROCs that draw their membership from councils located in and around the major regional centres of Newcastle and Illawarra. Both these ROCs have very diverse membership, ranging from urban centres to predominantly rural areas. All 18 councils in the Hunter and Illawarra regions belong to a regional ROC.

- **Rural:** These are generally ROCs based on river catchments such as the Murray and the Namoi, or on agricultural regions and smaller regional centres. These eight ROCs have 90 members, though there are eight councils which are members of either two rural ROCs or a rural and regional ROC.

    - The rural ROCs have been further subdivided into coastal ROCs, of which there are only two with a combined membership of 15 councils and the six inland ROCs which have a total of 75 members (although it has one council member on the coast, SEROC has been counted as an inland ROC because all its other members are landlocked).

- **Special:** Special purpose ROCs which focus on a specific activity area. There is only one such ROC, the Sydney Coastal Councils Group, which concentrates on coastal and estuarine issues. This ROC could also be regarded as a metropolitan ROC, but because all 15 of its members are Sydney councils which also belong to another metropolitan ROC it has been regarded for the purpose of this study only as a special purpose ROC.

Table 3: Types of NSW ROCs

ROC Type	No. member Councils*	Population (2010 est.)*
Metro		
CCROC	2	319,715
MACROC	3	254,081
NSROC	7	567,194
SHOROC	4	276,869
SSROC	16	1,569,870
WSROC	10	1,559,990
Metro Total	***42***	***4,547,719***
Regional Centres		
Hunter CG	11	651,622
Southern CG	7	507,756
Regional Centres Total	***18***	***1,159,378***
Rural-coastal		
MIDGOC	8	301,471
NOROC	7	296,677
Rural-coastal Total	***15***	***598,148***
Rural		
CENTROC	16	210,566
Namoi Councils	5	96,731
OROC	11	91,198
RAMROC	18	168,485
REROC	13	140,332
SEROC	12	185,730
Rural Total	***75***	***893,042***
Special		
Sydney Coastal CG	15	1,436,531
Special Total	***15***	***1,436,531***
Total	**165***	

Note   * Totals of member councils and populations include councils that are members of more than one ROC
Source: ROC information and ABS data

Another way of categorising ROCs is by size. This can be done in various ways; area, population or number of member councils. These dimensions are explored in tables 4 and 5.

Table 4: NSW ROCs ranked by membership numbers

ROC	Council membership	Area km^2	Population (2010 est.)	Type
Central Coast	2	1,680	319,715	Metro
MACROC	3	3,070	254,081	Metro
SHOROC	4	263	276,869	Metro
Namoi Councils	5	39,270	96,731	Rural
NOROC	7	20,733	296,677	Rural-coastal
NSROC	7	637	567,194	Metro
Southern CG	7	18,008	507,756	Regional
Mid GOC	8	21,394	301,471	Rural-coastal
WSROC	10	5,470	1,559,990	Metro
Hunter CG	11	29,391	651,622	Regional
OROC	11	190,015	91,198	Rural
SEROC	12	45,392	185,730	Rural
REROC	13	47,920	140,332	Rural
Sydney Coastal CG	15	1,237	1,436,531	Special
CENTROC	16	70,043	210,566	Rural
SSROC	16	679	1,569,870	Metro
RAMROC	18	126,593	168,485	Rural
Average*	**9.7**			

*Note * Average includes councils that are members of more than one ROC*
Source: ROC information and ABS data

Table 5: NSW ROCs ranked by population size

ROC	Council membership	Area km^2	Population (2010 est.)	Type
OROC	11	190,015	91,198	Rural
Namoi Councils	5	39,270	96,731	Rural
REROC	13	47,920	140,332	Rural
RAMROC	18	126,593	168,485	Rural
SEROC	12	45,392	185,730	Rural
CENTROC	16	70,043	210,566	Rural
MACROC	3	3,070	254,081	Metro
SHOROC	4	263	276,869	Metro
NOROC	7	20,733	296,677	Rural-coastal
MIDGOC	8	21,394	301,471	Rural-coastal
Central Coast	2	1,680	319,715	Metro
Southern CG	7	18,008	507,756	Regional
NSROC	7	637	567,194	Metro
Hunter CG	11	29,391	651,622	Regional
Sydney Coastal CG	15	1,237	1,436,531	Special
WSROC	10	5,470	1,559,990	Metro
SSROC	16	679	1,569,870	Metro
Average*			**507,930**	

*Note * Average includes populations of councils that are members of more than one ROC*
Source: ROC information and ABS data

In most respects the outcomes are not surprising:

- NSW ROCs range in size from just two councils (CCROC) to 18 (RAMROC). They are almost evenly divided between those with less than 10 member councils each and those with 10 or more. Some of the larger ROCs are the result of a process of consolidation, for example, RAMROC is the result of a 2008 merger of two smaller ROCs, while SSROC in Sydney's south has absorbed a number of inner metropolitan councils from the now-defunct IMROC (see Table 4).
- The smallest ROCs in terms of membership numbers (CCROC, MACROC and SHOROC) are all located in the Sydney metropolitan area, while the other metropolitan ROCs are considerably larger in terms of members and population. This pattern is the result of historic and geographical factors; for example, CCROC's membership reflects to some extent the Central Coast's unique identity and physical separation from the rest of the Sydney metropolitan area and the Hunter.
- The largest ROCs by area and those with the smallest populations tend to be in rural areas; the largest ROCs by population are the three largest metropolitan ROCs, Sydney Coastal Councils and the two regional ones. The largest rural ROCs by population are the two coastal ones, which are larger than the two smaller metropolitan ROCs. These patterns obviously reflect the concentration of population along the NSW coast (see Table 5).

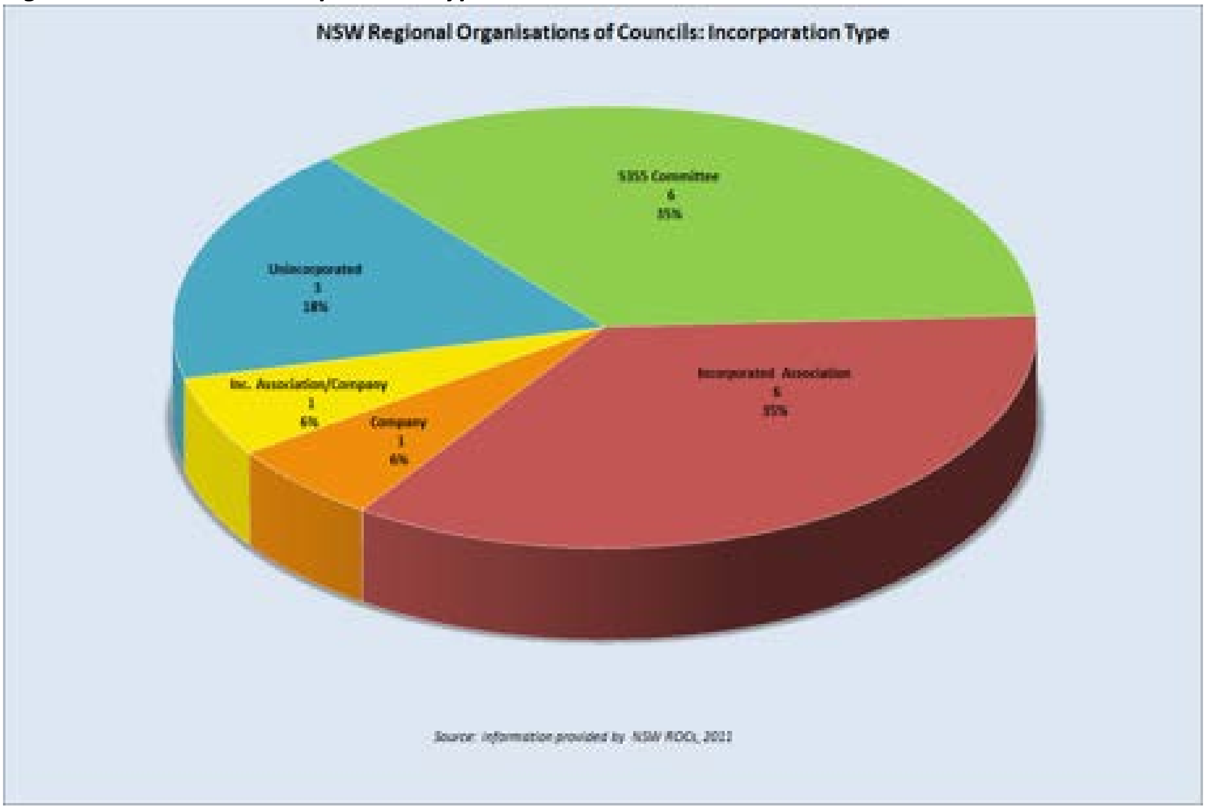
Other dimensions of the size of ROCs such number of staff, total budget or range of activities will be explored below.

Governance

Legal Structure

Figure 1 summarises the legal arrangements which NSW ROCs have adopted.

Figure 1: NSW ROCs: Incorporation Type



These can be divided into three groupings:

- Six ROCs have adopted the provisions of Section 355 of the NSW *Local Government Act* which allows councils to delegate certain functions to committees including ROCs. These ROCs also use the delegating council (or in some cases, another member council) to employ staff, sign contracts etc.

- Eight ROCs have been incorporated under either the NSW Incorporated Associations Act or as non-profit companies under Federal corporations legislation. Of these, six are incorporated associations, one (WSROC) is a company and another (Hunter Councils Group) has two operational arms one of which is an incorporated association and the other a company. These ROCs can employ staff or sign contracts in their own right. It should be noted that it is a common practice for councils that are members of incorporated ROCs to also designate the ROC as a Section 355 Committee for the purposes of appointing delegates and delegating matters to the ROC.

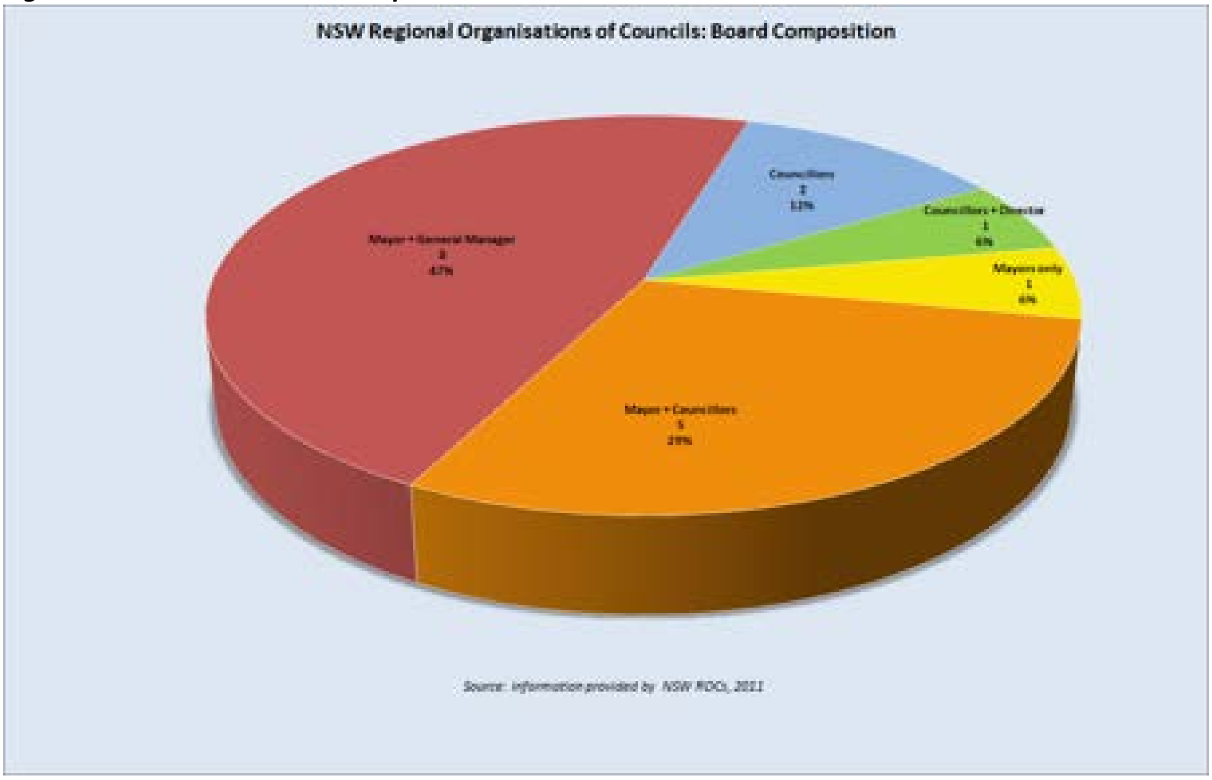
- Three ROCs do not have any formal legal structure, of these at least one (MIDGOC) is actively seeking to be recognised as a Section 355 committee. Like ROCs which are S355 committees, these ROCs rely upon a member council to employ staff and sign contracts.

Apart from the fact that all the larger ROCs have some sort of legal structure, there is surprisingly little correlation between size, location or ROC type with legal entity. For example, the two regional ROCs (which are also the two largest ROC employers) have very different legal structures. One, Southern Councils Group is a Section 355 committee, while as described earlier Hunter Councils is both a company and an incorporated association.

Management structure and Board composition
All NSW ROCs have boards with overall responsibility for managing the organisation. Eleven ROCs indicated that they also had an executive comprising the organisation's office bearers (it is likely that in at least some of the other ROCs the office bearers also operate collectively as an informal Executive).

Figure 2 shows the various options which ROCs have adopted in relation to board composition.

Figure 2: NSW ROCs: Board Composition



While there is a wide variety, a common element across 14 of the 17 ROCs is that the Mayor is either required or expected to be one of the representatives from each council, while CCROC requires Mayoral membership of its Executive.

In the case of councils under administration the Administrator usually represents the council concerned; for those ROCs where organisations other than councils are members the equivalent of the Mayor sits on the Board. Only Sydney Coastal Councils and WSROC do not have any Mayoral requirement in relation to their boards or executive.

The level of engagement of General Managers in the management of ROCs is also significant. At the Board level, eight of the 17 ROCs have a requirement or expectation that a General Manager will be one of the delegates, providing for a Mayor-General Manager combination at all these ROCs. In Hunter Councils, General Managers are not involved in the Board of the incorporated association arm, but form the Board of the company arm.

General Managers are also involved in other ways. Almost all ROCs have a General Managers Advisory Committee (GMAC) or equivalent grouping. One exception is Sydney Coastal Councils, where due to the organisation's specialised focus the function of a GMAC is performed by other bodies involving council Directors.

The role of the GMAC varies, from being mainly advisory to having more direct input in the organisation's operations. In some ROCs individual General Managers also act as project leaders for specific projects.

As well as a GMAC most ROCs have a number of committees or working groups usually comprising professional staff from member councils. These committees or groups often report to the organisation via the GMAC, especially those committees which deal with council services.

In summary, the hierarchy of a Board with Mayoral (and often General Manager) participation, Executive, GMAC and professional committees has become a template for the structure of the majority of ROCs in NSW.

CEO Responses

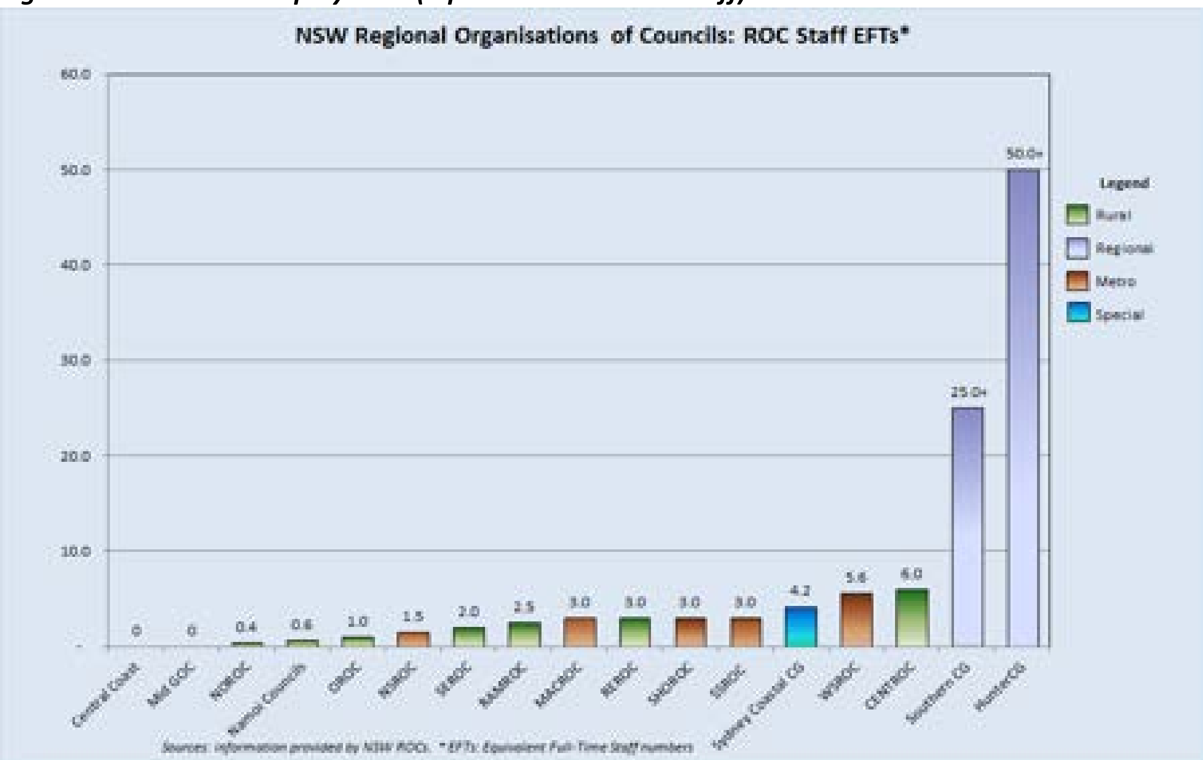
ROC CEOs were asked specifically to comment on the capacity of their organisation's structural capacity in additional questions. The majority believed that their current capacity was adequate, though several observed that they could always do more with more resources. However one organisation was actively reviewing its structure, while another (an incorporated association) was considering a form of incorporation more appropriate to its expanding activities. On the other hand two ROCs that were not currently incorporated were considering becoming incorporated associations to more appropriately manage risk.

Staffing

While information was provided regarding the staffing levels of most ROCs, this should be regarded with some caution. As several ROCs have advised, staffing levels vary greatly over time with changes in funding levels, particularly in relation to one-off projects funded by grants or by the member councils themselves. It is also not always easy to distinguish between these latter positions, those funded by 'core' membership payments or those funded from other sources, for example joint purchase rebates.

Figure 3 summarises ROC employment numbers.

Figure 3: NSW ROCs: Employment (Equivalent Full-Time Staff)



Only two ROCs, CCROC and MIDGOC do not currently employ or contract any staff and MIDGOC is seeking to do so. Three other ROCs, NOROC, OROC and REROC, do not employ their own staff but contract consultants to provide executive and other services (an estimate of the equivalent full-time positions for each of these ROCs is provided in the graph).

The ROCs with employed or contracted staff vary greatly in employment levels, from less than half of an equivalent full time (EFT) position to over 50, although between these two extremes there is some consistency.

The three ROCs with one staff member or less are all rural ROCs which have only relatively recently begun to employ (or contract) staff; of the next two largest ROCs in terms of staffing, with two or less staff members, one is a metropolitan ROC, the other rural.

The most common group with five ROCs are those which employ between 2.5 and four staff, with another three employ between 4.2 and nine. There is only a limited correlation between ROC population size and staff numbers; by far the largest ROCs in staffing terms are Hunter Councils (50+) and Southern Councils Group (25+) which are fourth and sixth in population size respectively.

While there are exceptions, there is a broadly consistent pattern of ROC employment. All ROCs with staff employ or contract an Executive Officer, CEO, General Manager or similar position who oversees the delivery of the organisation's strategic priorities. In smaller ROCs with the equivalent of only one full-time position or less, the CEO can have a very ‘hands on’ role in delivering most aspects of the organisation's services, though in some cases support is provided by a member council, which for example may assist with administrative assistance.

In slightly larger ROCs which have up to one extra employee, the additional position usually provides administrative support. In organisations with two or three additional employees the positions are either administrative or undertake specific aspects of program delivery which are funded through membership fees or grants, or they are a combination of both.

Larger ROCs with more than four staff obviously have a higher degree of specialisation. In addition to the CEO these ROCs usually have at least one administrative position (often full-time) and a range of full-time and part-time staff with specific skills, often to deliver complex projects. A higher proportion of these positions are either funded through grants, additional contributions by member councils for one-off projects or, in the case of the three ROCs which have commercial operations, by some of the proceeds of these activities.

Obviously the CEOs of ROCs with larger staff numbers will have more management responsibilities than those of smaller ROCs, but in most cases the organisation's workload means that they still have a role in some aspects of direct service delivery such as the organisation's advocacy activities.

3.2.2 Business Models

This section explores the different approaches that ROCs take to funding their provision of services. The figures relating to ROC finances need to be treated with even greater caution than the staffing data because they can vary greatly from year to year depending on changes in grant levels and other factors such as one-off member contributions for specific projects. In addition, a number of ROCs have provided limited financial data, some citing commercial-in-confidence reasons.

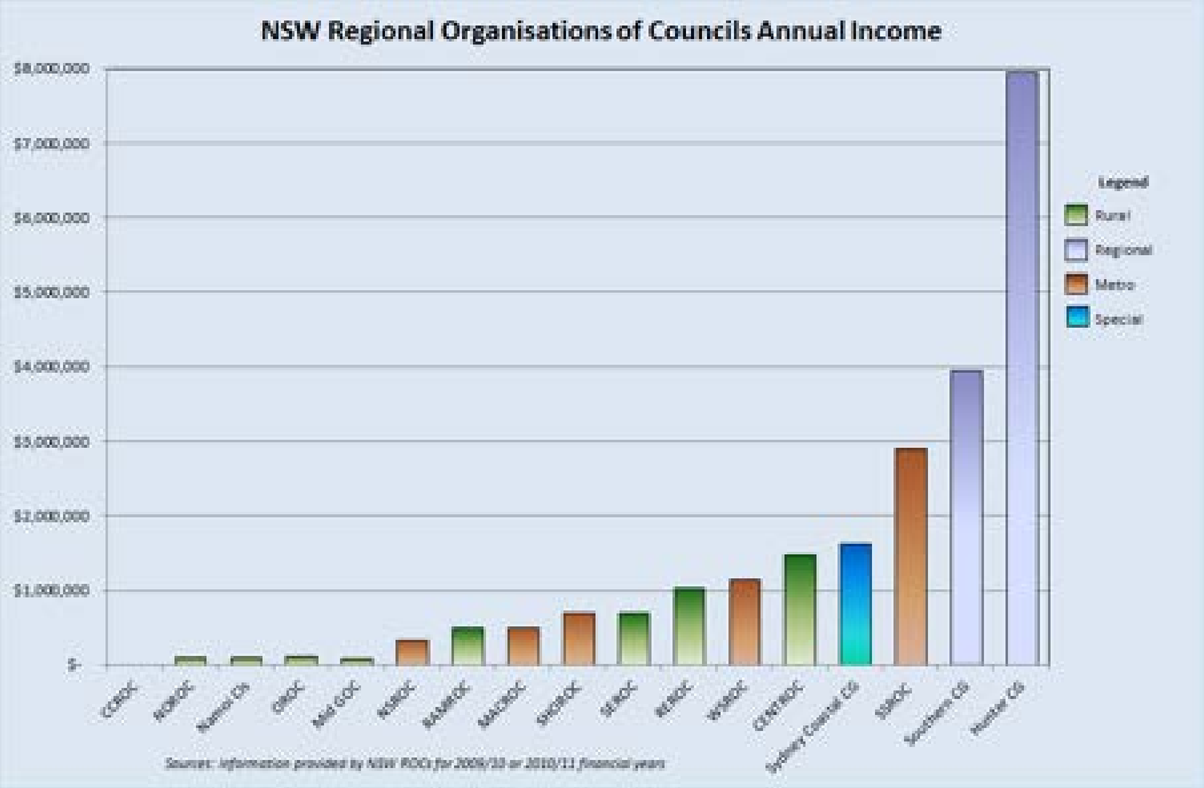
For the majority of ROCs annual financial statements have been the initial source of financial information. At the time of writing the most recent publicly-available reports were for the 2009-10 financial year, some ROCs have updated their figures to the 2010-11 financial year but not all have been able to do so. In other cases ROCs have provided averaged figures and for a few organisations older published data has had to be used.

Another complication is the variety in accounting methods used, due in part to the approaches by which ROC have established their legal status - Section 355 committees, incorporated associations and companies – or non-status, in the case of unincorporated associations. This means for example that not all the income for projects which a ROC manages will be consolidated into its accounts, especially when projects are auspiced by one or more member councils. The treatment of items such as grants carried forward and one-off membership contributions for special projects also varies from ROC to ROC.

Overall Budget

Figure 4 shows the most recent annual income totals for NSW ROCs.

Figure 4: NSW ROCs: Annual Income

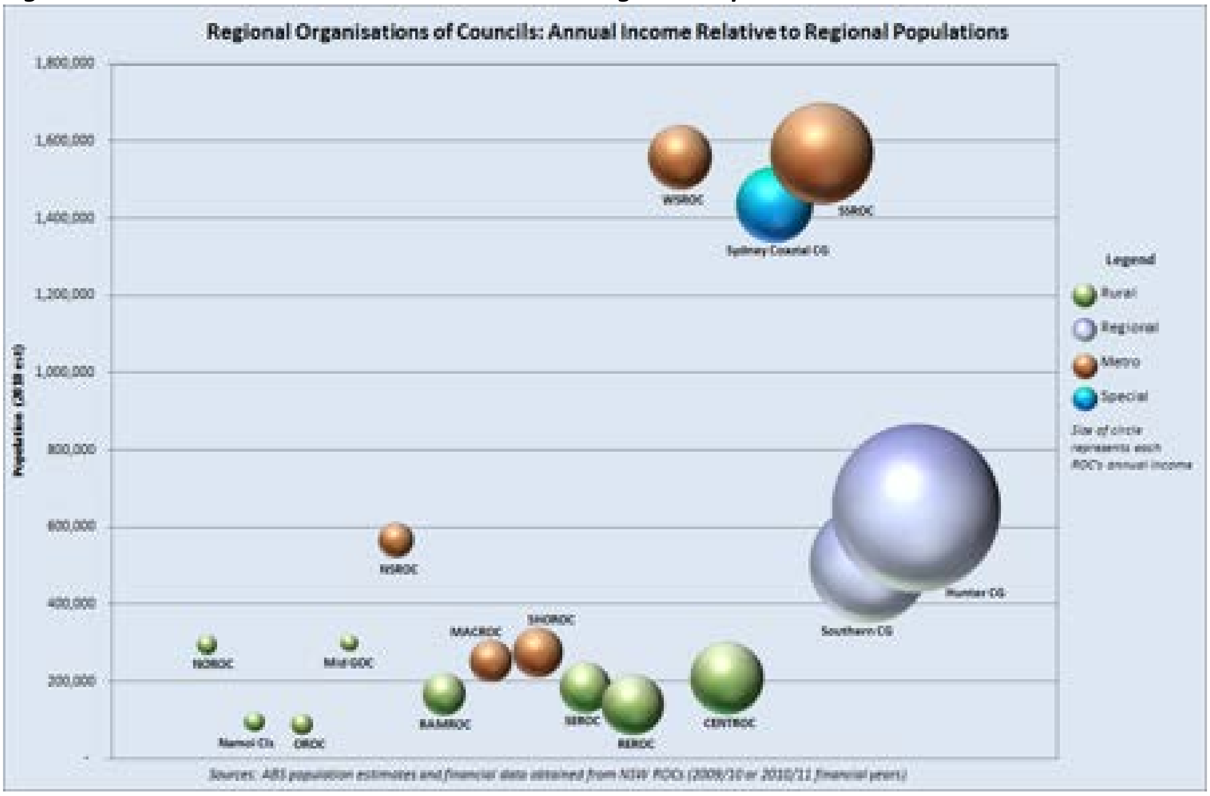


Five ROCs have annual incomes under $200,000. Apart from CCROC, which comprises only two members and has no income, all these ROCs are rural. At the other end of the scale, three ROCs have annual budgets ranging from $2.5 million to nearly eight million - SSROC, Southern Councils Group and Hunter Councils Group respectively. Apart from these extremes there is a mix of rural and metro councils in all the other bands.

Figure 5 explores the relationship between ROC population size (as shown by the vertical axis) and annual income (as shown by the size of each bubble). This graph excludes CCROC which does not receive an income.

Generally speaking the larger ROCs in terms of population are better-resourced than smaller ones, but there are significant exceptions. Again, the Hunter Councils and Southern Councils Groups have very large incomes relative to their populations, while the three smallest metropolitan ROCs and in particular NSROC have lower incomes than some rural ROCs which are smaller in population.

Figure 5: NSW ROCs: Annual Income Relative to Regional Populations



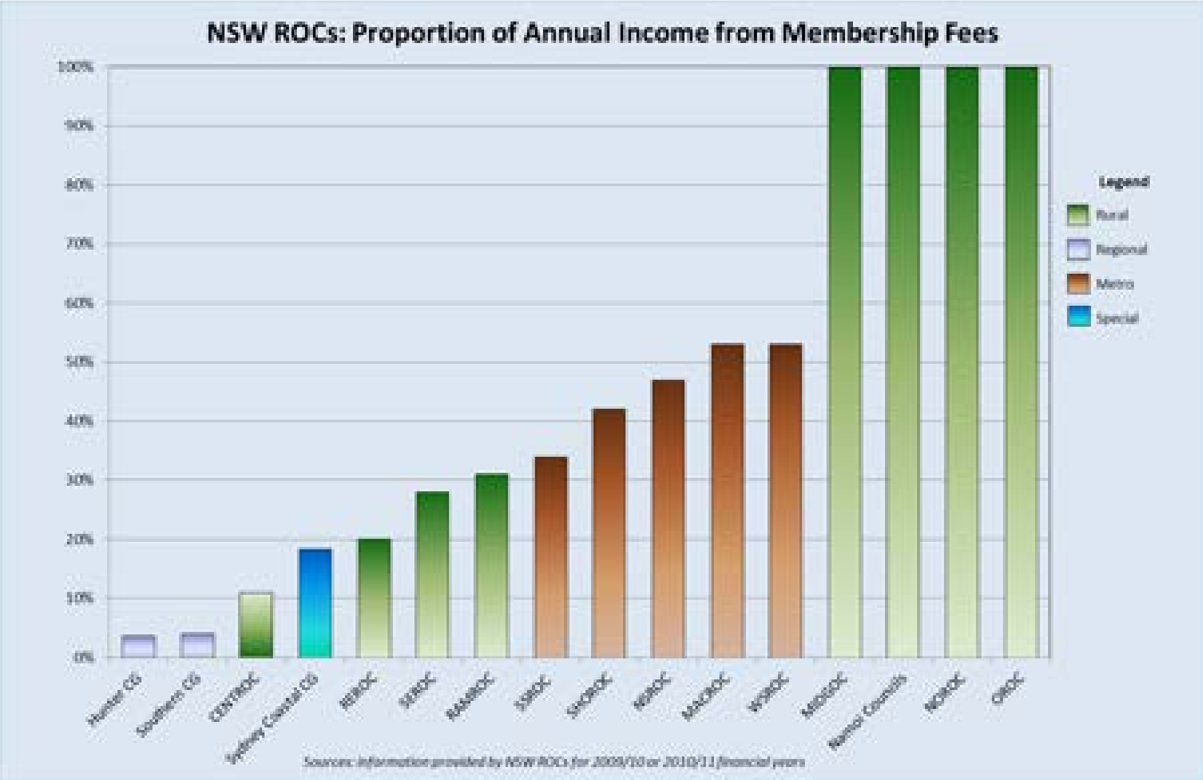
Main Income Sources

Annual membership fees were, overall, the largest and most consistently reported income source, though ROCs use a variety of methods to calculate these. Some use a flat fee while others have a sliding scale which involves flat and variable components, the latter related to population or council budget size.

Some ROCs also have discounted membership fees for associate members, for councils which are members of another ROC or for non-council members. For these reasons it is not appropriate to try to average or directly compare average membership fees per council, though these appear to range from less than $10,000 to over $70,000.

The overall proportion of income each ROC raises by total membership fees is somewhat more directly comparable, even though this can vary from year to year (figure 6). There is a considerable range, with membership fees making up from less than 5% to 100% of a ROC's income. The ROCs with the lowest proportions are Hunter Councils Group, Southern Councils Group, CENTROC, Sydney Coastal Councils, SEROC and REROC (CCROC has not been considered because it does not have an income).

Figure 6: NSW ROCs: proportion of annual income from membership fees



Note: incomes based on 2009/10 or 2010/11 financial reports and/or other data (CCROC not shown as it has no income)
Source: information provided by ROCs

Hunter Councils has taken a distinctly different approach to all other ROCs; while like other organisations it has been successful in attracting grant income, it has also been able to use its significant commercial operations to offset and reduce membership fees.

Southern Councils Group also has a commercial income stream, but the bulk of its income has come from government grants totalling over $2.5 million. CENTROC, REROC, SEROC and Sydney Coastal Councils also derive significant income from grants. CENTROC has also attracted substantial income from member councils for one-off projects.

At the other end of the scale, the four ROCs which derive all of their income from membership fees are all rural ROCs with comparatively small budgets and low staff numbers; in several cases they have only recently employed staff and started development of their work programs. It is likely that over time the proportion of their income derived from other sources will increase.

SSROC derives around a third of its income from memberships, with the balance coming from fee-for-service payments and procurement rebates. The remaining metropolitan ROCs receive around half of their income from membership fees, somewhat higher than the established rural and regional ROCs. The balance has come from either grants (for example, WSROC) or one-off contributions from members (SHOROC).

There are several possible reasons for these differences. Metropolitan ROCs are composed mainly of large councils in terms of population and income compared to rural councils; this means that traditionally they have been in a position to provide a higher level of resourcing to their ROCs. Metropolitan ROCs have also tended historically to prioritise activity areas such as regional advocacy, planning and economic development, all issues which are less likely to attract grants, especially for continuing projects.

On the other hand, rural ROCs have member councils with smaller populations and resources, especially in remote and more isolated areas. As a result these ROCs tend to have lower levels of membership income, which may encourage them to be more proactive in seeking funding from other sources. It has also been suggested that governments have historically provided more funding to support natural resource management and to counter social disadvantage in rural areas.

After membership fees the next highest income source reported by ROCs in the period surveyed was grant funding for regional projects, which made up about 25% of total ROC income. About half of NSW ROCs received grants from ranging from $10,000 to over $2.5 million. One-off contributions from members for specific projects are utilised by eight ROCs and provided around 13% of total ROC income, though again there was a wide range in the amounts involved, from $30,000 to over $1.5 million. Sources such as interest on investments provided the balance of income.

It is important to note that because of the project-specific nature of grant and one-off membership contributions, the contribution from these sources can vary greatly from year to year. By contrast, annual membership fee income is both more consistent over time and also between ROCs. Ten ROCs each received between $150,000 and $300,000 annually in fees, despite the considerable range discussed earlier in overall income, membership fees per council and other variables such as population or number of members. This probably reflects the role that annual membership fees play in supporting the core of the ROC staffing levels discussed earlier.

3.2.3 Activities

Approaches to Categorisation

As noted earlier, there are many ways to describe the activities of Regional Organisations of Councils. These have ranged from the broadly generic, such as the three headings nominated by Marshall *et al.* (2003) of 'regional advocacy, political lobbying and fostering cooperation between councils' to more specific lists such as that prepared by Gibbs *et al.* in 2002 which listed a range of regional facilitation and management activities. While these examples capture the range of ROC activities they do not necessarily provide a consistent basis for categorising them. For example, Marshall's groupings of regional advocacy and political lobbying would seem to overlap with each other.

The recent DLG survey has attempted to address these problems by proposing four categories:

- Advocacy;
- Regional strategic planning;
- Service provision (either to the public or to member councils);
- Information sharing and problem solving (p. 17).

While this approach is an improvement it still does not provide a sufficiently clear distinction between the different spheres of the operational areas of ROCs. For example, there are likely to be strong links between advocacy and regional strategic planning. Information and problem solving as described by DLG would also seem to be a form of service provision to member councils.

This report therefore uses a revised approach to more clearly delineate the primary targets of ROC activities, as follows:

- ***Shared services.*** Similar to the DLG service provision category, this incorporates all the services provided by ROCs for and on behalf of member councils, including:

  - Internal services: 'back of house' services for member councils including training, HR, IT, payroll management, assets management, landfill operations, etc. This sub-category also includes information sharing, professional development, benchmarking and best practice processes as well as advocacy around local government rather than regional issues;

  - External services: these are the 'front of house' services which councils would normally provide to their communities, including waste collection, resource recovery and recycling, library or community services, tourism centres, etc.;

  - Joint procurement: this sub-category includes all aspects of joint tendering and procurement.

- ***Regional capacity.*** This category contains all activities undertaken by the ROC for and on behalf of the region the ROC covers rather than its member councils. For many ROCs, engagement in regional capacity building has involved a continuum between all aspects of regional engagement. These sub-categories include:

  - Research and advocacy: this involves all aspects of ROC research around regional issues (environmental, economic, social etc.). Research often underpins the other aspects of regional activity, starting with advocacy which includes all forms of lobbying as well as participating in consultation processes on regional issues;

  - Planning and management: this includes the development of strategic plans in relation to regional issues and their implementation and management. These are distinct from the regional planning and delivery of 'traditional' council services;

  - Cooperation and collaboration with Federal and State Government: Increasingly, ROCs are requested to deliver services for other levels of government or to participate in government-initiated planning or regional development initiatives.

- ***Commercial services***. A small but increasing number of ROCs provide services on a commercial basis to the wider community or even to councils or businesses outside the region. These services can be undertaken to provide an income stream for the organisation or alternatively to provide an otherwise non-viable facility for local communities which would otherwise be provided by the commercial sector.

Activities Summary

Table 6 summarises the levels of activity across the areas outlined above. This demonstrates a high degree of participation by all ROCs in each of the broad categories of shared service provision and regional capacity building. Only four ROCs indicated any involvement in commercial services. It is at the next level of groupings within the major categories that a wider variation can be seen and these are discussed in more detail below.

Table 6: NSW ROC Activity Engagement by Category and Sub-Category

ROC	Shared Services	Internal	External	Joint Proc.	Regional Capacity	Advocacy	Planning	Collab.	Com'cial
Central Coast	**Yes**	Yes	Yes		**Yes**	Yes	Yes		
CENTROC	**Yes**	Yes	Yes	Yes	**Yes**	Yes	Yes	Yes	**Yes**
Hunter CG	**Yes**	Yes		Yes	**Yes**	Yes	Yes		**Yes**
MACROC	**Yes**	Yes	Yes		**Yes**	Yes	Yes	Yes	
MIDGOC	**Yes**	Yes	Yes		**Yes**	Yes			
Namoi Councils	**Yes**	Yes	Yes		**Yes**	Yes	Yes		
NOROC	**Yes**	Yes	Yes	Yes	**Yes**	Yes	Yes		
NSROC	**Yes**	Yes	Yes	Yes	**Yes**	Yes	Yes		
OROC	**Yes**	Yes	Yes	Yes	**Yes**	Yes		Yes	
RAMROC	**Yes**	Yes	Yes		**Yes**	Yes			
REROC	**Yes**	Yes		Yes	**Yes**	Yes	Yes	Yes	
SEROC	**Yes**	Yes	Yes	Yes	**Yes**	Yes	Yes		
SHOROC	**Yes**	Yes	yes	Yes	**Yes**	Yes	Yes	Yes	
Southern CG	**Yes**	Yes	Yes	Yes	**Yes**	Yes	Yes	Yes	**Yes**
SSROC	**Yes**	Yes	Yes	Yes	**Yes**	Yes			**Yes**
Sydney Coastal CG	**Yes**	Yes			**Yes**	Yes	Yes	Yes	
WSROC	**Yes**	Yes		Yes	**Yes**	Yes	Yes		
Total/ *Average*	**17**	**17**	**13**	**11**	**17**	**17**	**13**	**7**	**4**

Source: information provided by ROCs

Shared Services

Almost all ROCs have engagement at some level in the provision of shared services for member councils. The list of regional projects is extensive and as expected mirrors that identified by the DLG survey (though there are some differences in the categorisation of these activities).

Internal Services

All ROCs are involved in some level in the support of internal services, even if that is just providing a framework for professional officers to meet and exchange information. The majority of ROCs however provide a wider range of internal services, including:

- Information exchange and professional development;
- Staff training and responding to skills shortages;
- Shared/temporary staff;
- Aspects of HR management;
- OHS and risk management;
- Records management;
- Benchmarking of council service delivery;
- Policy development;
- Internal audit;
- Standardised document development;
- Regional funding applications;
- Compliance cost saving;
- GIS/mapping projects;

- Development of specialist manuals for council staff;
- Scoping studies of potential shared services projects;
- Assessment of climate change impacts;
- Lobbying on specifically local government rather than regional issues, for example, local government reform, cost shifting, financial sustainability, constitutional recognition or retaining council control of water and sewerage in regional areas.

External Services

Thirteen ROCs are involved in one or more example of a shared activity involving delivery of council services to the wider community. The range includes:

- Public campaigns around waste minimisation and litter reduction;
- Land management services;
- Weeds and stormwater management;
- Waste collection and disposal;
- Composting;
- Tourism;
- Community services;
- Street lighting improvement;
- Weight of loads;
- Road information website.

Joint Procurement

This area of shared services activity is undergoing expansion, with a number of ROCs indicating that they were looking to increase their involvement in regional purchasing activities. Eleven ROCs participate in some form of joint purchase, including:

- Line marking and road signage;
- General signage;
- General hardware;
- Asphalt, bitumen and other road laying materials and services;
- Electricity;
- Street lighting;
- Small plant;
- Vehicles, tyres and fuel;
- Bulk chemicals and insecticides;
- Banking services and Insurance;
- Scrap metal and waste oil collection;
- Work clothing;
- GIS and planning software;
- IT;
- GPS equipment;
- CCTV;
- Ready-mix concrete;
- Stationery and office products;
- Hygiene services;
- Library materials and RFID;
- Traffic control;
- Management systems (e.g. carbon management, tendering).

In addition the provision of the internal and external services mentioned earlier will often involve a joint tendering and contract process, as will some of the areas of regional capacity development to be discussed in the next section.

Obviously each ROC is engaged in only a selection of these activities, with the most common areas of involvement being asphalt and associated products and services, signage, hygiene services, general hardware and stationery and office supplies. Many ROCs are seeking to expand into other aspects of the 'menu' of activities outlined above as well as into less common areas such as aerial photography, regional software platforms, small plant hire or even, in the case of one rural ROC, a regional radar and weather station.

Regional procurement and the provision of shared services generally by ROCs need further research. Partly because of the complexity involved in calculating a return to councils, the different approaches used to handling discounts and rebates and the fact that some aspects of these arrangements are commercial-in-confidence, information was not sought regarding the total cost savings or net benefits.

These are likely to be significant, however; one ROC alone estimated the total value of the regional procurements projects it helped to manage to be around $40 million annually. It is therefore likely that the total value of NSW ROC procurement contracts is likely to be in the order of hundreds of millions of dollars, and the resulting savings to councils to be tens of millions annually.

There is also a range of less tangible but still significant benefits, even in relation to some of the smaller regional procurement projects. A regional approach brings shared expertise, especially when the tendering process for a particular product or service involves a degree of complexity or specialist knowledge. Regional tenders can also result in the provision of more consistent and higher-quality products and services to councils and communities across the region. These outcomes demonstrate that economies of scope as well as scale are significant even in relation to joint procurement.

Regional Capacity

Despite the expansion of their involvement in shared services, the regional capacity components and in particular regional advocacy remain the 'bread and butter' for most ROCs.

Concerns regarding common issues affecting the region rather than their own service delivery was the impetus behind the formation of most ROCs - and all ROCs, even those ROCs which now prioritise shared services, still retain some involvement at least in regional advocacy and often in some of the other aspects of regional capacity development.

The members of these ROCs still seem to look to their ROCs to lobby on issues of regional significance. In addition the emergence of other regional bodies and the renewed interest of other levels of government in regional service delivery particularly in relation to environmental management have resulted in the development of more collaborative approaches involving ROCs.

Research and advocacy

As indicated earlier all ROCs are involved in some form of regional research and advocacy around regional rather than 'traditional' local government service issues. These activities cover the full range of research, lobbying and advocacy, including:

- Identification and prioritisation of key regional issues;
- Research related to these issues, either in-house or contracted out to consultants, universities or other institutions;

- Correspondence with government departments, ministers, politicians and other stakeholders on regional issues;
- Preparation of submissions on regional issues to government or in response to public inquiries and the development of common regional information for councils to use in their submissions;
- Participation in interagency meetings, consultations, focus groups and other activities conducted by government agencies;
- Media releases and interviews and in some cases the development of communications strategies;
- Meetings with and delegations to ministers and shadow ministers;
- Appearances before parliamentary and other public inquiries;
- Regional summits, forums and conferences;
- Preparation of issues papers and candidate questionnaires, meetings with candidates and party leaders and other strategies in the run-up to state or federal elections;
- Development of regional demographic and economic information profiles.

All ROCs, even those that clearly prioritise shared services, have at least identified issues of regional concern and written on occasion to MPs or the relevant ministers and shadow ministers. Most ROCs have undertaken some of the more complex advocacy tasks and several, in particular some of the metropolitan ROCs, have been involved in a large proportion of these activities at some point in their operations.

Engagement in these activities also varies over time with the emergence of major regional issues - for example, the management of water flows in the Murray-Darling Basin - or key events, such as the calling of government inquiries or the commencement of election campaigns.

The range of advocacy issues identified by ROCs is very extensive and includes:

- Development of key roads corridors;
- Public transport infrastructure and services;
- High speed rail;
- Freight infrastructure;
- Environmental protection and sustainability;
- The NBN roll-out and telecommunications infrastructure;
- Health and hospital services;
- Water infrastructure and catchment management;
- Food production and agriculture issues;
- Education and skills shortages;
- Coastal and estuarine management;
- Economic development and employment issues;
- NSW State Plan;
- The metropolitan strategy and regional plans;
- Social issues and community services provision.

To some extent the issues in which ROCs participate also vary with location. Obviously rural ROCs will be more engaged in issues relating to food production and agriculture (though some regional and outer metropolitan ROCs are also interested in these issues), while for urban and regional ROCs metropolitan planning is likely to be more significant. However a surprising number of issues have been identified by ROCs across the state.

Planning and Management
For some ROCs the development of regional plans is the next logical step in the regional capacity process. Thirteen ROCs have initiated some form of regional planning and management exercise. These activities have been funded from core funding, through additional one-off contributions from member councils or by grants - or by a combination of these sources.

In most cases the issues involved are informed by each ROC's research and advocacy activities and so relate to the list outlined above. Within these parameters the range of activities is quite diverse:

- Environmental sustainability and management strategies;
- Catchment management plans;
- Environmental awareness and community engagement programs;
- Coastal and estuarine management projects;
- Economic development strategies;
- Regional landuse and transport plans and strategies;
- ‘Health of the region’ indicators;
- Regional promotion strategies;
- Film production facilitation strategies;
- Small business development programs;
- Regional tourism and visitor services strategies;
- Agriculture development and protection strategies;
- Regional cultural plans;
- Specialist education programs;
- Health and exercise promotion.

This list includes a mixture of plans and strategies which guide the actions of the ROC, member councils and in some cases other stakeholders as well as activity programs and specific projects. The plans and strategies also provide input to the development of the ROC's own strategic and management plans and help prioritise further activities. Specifically they also often provide a basis for the organisation's ongoing advocacy and research.

Sometimes these plans are developed in conjunction with the relevant government departments and agencies and with government funding; in some cases the strategies have been developed because of a perception by the ROC that there has been a lack of appropriate planning by state or federal governments.

Cooperation and Collaboration with Federal and State Government
Increasingly government departments and agencies particularly at the state level are turning to ROCs to assist them in delivering services. These initiatives can take several forms, the most common being ROC involvement in State and/or Federal forums, steering committees, reference groups and Boards which deliver government services. Seven ROCs indicated that they were involved in these activities. Examples include:

- Involvement with Federal and State Government Regional Development Australia (RDA) regional committees which are responsible for regional economic development strategies;
- Participation in government transport corridor (road or public transport) studies;
- Membership of agriculture, environmental and catchment reference groups.

A number of ROCs also have formal MoUs with government agencies or regular liaison with regional directors or their counterparts from government departments. Sydney Coastal Councils Group also has a number of partnership agreements and MoUs with universities relating to coastal and estuarine research and management.

From time to time ROCs have entered into agreements to auspice the delivery of services by a government department. These arrangements usually involve the ROC receiving funding to employ specialist staff to implement a program which is initiated and designed by the government agency with little or no input by the ROC, though obviously these agreements are only entered into where the program aims are consistent with those of the hosting agency. Only a few such arrangements were identified by ROCs, including provision of a brokerage service for a fully-funded carer program.

The distinction between these forms of regional cooperation and collaboration and the grant-funded activities grouped under planning and management is admittedly a fine one. However it is important to try to distinguish between those activities which are initiated by the ROC, often through its regional research and advocacy work, and those which while they have resulted from this advocacy are initiated and controlled by government.

Commercial Services

As indicated earlier, commercial services are those that provide an income stream for the organisation or alternatively to provide an otherwise non-viable facility for local communities which would normally be provided by the commercial sector. In relation to the former, the services involved are often initially provided by the ROC to its members and then extended on a commercial basis to councils outside the region and/or to agencies, businesses and other consumers outside local government.

Only four ROCs indicated that they are involved in commercial services. By far the most active is Hunter Councils. The Hunter Councils 'story' is discussed in detail in Aulich (*et al.* 2011). It is sufficient to note the range of activities the organisation is involved which includes environment services, training, procurement, records storage, consultancy services and Screen Hunter Central Coast. The organisation is also investigating a regional data management facility. These commercial services have contributed to the organisation's total income of around $8 million annually.

The other three ROCs actively engaged in commercial services are CENTROC, SSROC and Southern Councils Group. These activities include:

- Fee for service from non-member councils for involvement in regional procurement contracts;
- Training services;
- Weeds management;
- Services to SMEs for water, waste and energy efficiency.

Some of the ROCs not currently involved in commercial operations are investigating strategies for limited involvement in these areas, for example by expanding services such as regional procurement to neighbouring councils.

Summary

While it is appropriate to highlight the role of shared services and to redress the tendency in some past assessments to neglect their significance, the significance of the expansion of shared services activities by some ROCs can be overstated. The outcomes of this audit do not support suggestions that advocacy is declining in importance or that the balance has shifted decisively to shared service provision.

This perspective was reinforced by the responses to the additional questions asked of ROC CEOs regarding the balance of activity and effort in their organisations between the broader categories. While on average the CEOs nominated shared services and commercial activities (which several ROCs combined) as receiving a slightly higher percentage than regional capacity activities, the difference was relatively small. No organisation had more than a 75:25 split either way and several regarded their efforts as being divided roughly 50:50.

While these estimates are subjective and should be treated with some caution, they suggest that regional capacity remains a key area of engagement for ROCs. On the other hand, advocacy by the ROCs around specifically local government matters is relatively minor and it may be that this area of lobbying is being left to an increasing degree to the LGA&SA.

3.2.4 Organisation Planning and Review

Fifteen ROCs provided information indicating that they had all undertaken some form of strategic planning within the past two years. In the main these planning processes concentrated on reviewing the strategic directions and priorities for each ROC rather than the structure of the organisation.

Activities

In the main the changes identified generally represented a consolidation and expansion (or in some cases a reduction) of each ROC's current activities, rather than a radical change. Four ROCs sought to increase their involvement in shared services, while two sought to increase involvement in regional capacity activities and four planned to increase involvement in both.

The emphasis on shared services that these responses represent should not be overstated. Those ROCs that focused on increasing their involvement in this area did not necessarily see it as an ‘either/or’ proposition but rather an expansion; for example, a number were looking at how these activities could be self-funded or even subsidise the organisation's other activities.

Some of the changed priorities identified in these strategic planning processes included:

Shared services:

- Improving communications with member councils and other stakeholders;
- Expansion of resource sharing and joint procurement activities;
- Development of cost saving and efficiency programs for member councils;
- Exploration of the provision of shared operational services;
- Development shared policies and joint initiatives to recruit staff and provide professional development.

Regional Capacity:

- Seeking additional resources for the region, including grant funding;
- Expansion of current advocacy and lobbying activities (for example, establishing the ROC as the ‘voice of the region’);
- Development of additional activities identified in regional strategic plans;
- Adoption of additional regional issues as a focus for regional advocacy and planning;
- Expansion of the auspicing and coordination of regional community services and projects.

Commercial Services:

- Development of new income streams;
- Expansion of fee for service provision to other councils and agencies;
- Expansion of joint purchase arrangements to other councils.

Organisation Structure
Only five ROCs identified structural changes that had been implemented or were being implemented as a result of recent organisation reviews. The changes being mode or considered included:

- Streamlining or restructuring the organisation's executive structure;
- Considering establishment as an incorporated association;
- Establishment of a new, separate company to offer services to councils and government agencies;
- Employment of the organisation's first executive officer.

NSROC also indicated that it was considering structural changes in response to modernisation trends and to maximise shared service and regional collaboration responsibilities.

3.3 Conclusion

3.3.1 Implications of the Proposals to Increase Regional Cooperation
The *Destination 2036* outcomes are clearly significant for NSW ROCs. Not only are regional organisations themselves mentioned throughout the outcomes report and the list of suggested actions, but more generally regions have been identified as a key framework for state and federal government service delivery. There is also little doubt that ROCs were seen by many *Destination 2036* participants as the key player in most of the actions with a regional component, a view no doubt reinforced by the findings of the DLG survey discussed earlier.

Broadly speaking the suggested actions relevant to ROCs fall into three categories:

- *Structural changes to enhance the delivery of shared services:* for example, allowing ROCs to incorporate, removing legal and other barriers to shared services, resources and even a regional workforce;

- *Regional strategic planning and delivery of government services:* for example, aligning regional boundaries and integrating strategic planning processes across all levels of government including regionally, setting up processes for regular consultation between government agencies and ROCs;

- *Other proposals with clear implications for ROCs:* for example, making it easier for local government to set up corporate entities and for councils to provide services to each other, developing local government models with regional service delivery options.

These outcomes clearly present ROCs with an opportunity to become more 'strategic' and to increase the benefits of regional cooperation in terms of economies of scale and scope. If as *Destination 2036* and the earlier DLG survey suggest there is a groundswell of support by councils for ROCs as the primary vehicle for regional collaboration, this has been matched by the apparent willingness of the state government to also embrace ROCs as a basis not only for achieving greater efficiency in local government but also for consultation and even for the delivery of some of its own services.

This is potentially an important issue for many ROCs. There is a perception that the previous government had little desire to engage with ROCs in the strategic planning process, despite (or even because of) their expertise in regional advocacy and capacity building and despite the obvious problems involved in trying to work directly at a strategic level with over 150 councils. The act of including ROCs in the *Destination 2036* process was itself symbolic of a significant policy shift in attitudes towards regional organisations.

On the other hand, the apparent new-found enthusiasm of both local and state governments for regional cooperation in general and for ROCs in particular also brings a set of challenges. One of the more obvious is the issue of resourcing.

Most ROCs are comparatively small organisations with limited capacity which would need significant budget support to expand their operations. Ironically, while *Destination 2036* suggested a number of actions to boost council finances it was comparatively silent on the issue of regional funding mechanisms. Even if funding is available, the process of expanding to increase the range of services envisaged in the *Destination 2036* outcomes would be particularly challenging for smaller ROCs.

Another challenge is the potential for ROCs to be 'co-opted' by the state government as the delivery agent for state services. There is no suggestion that this is a conscious aim, but it could occur over time. ROCs already act on occasion as the auspice for the provision of specific state government projects and services; these arrangements seem to work best when there is the relationship is carefully specified and there is an understanding that it will not affect the ability of the ROC to continue operations in other areas such as advocacy.

Expanding these relationships to cover wider areas of government activity could be problematic. There is a risk that this process could be perceived as 'diluting' the primacy of ROCs as local government bodies - or, alternatively, as becoming a de-facto form of regional governance.

However, it is acknowledged that it is too early to predict how *Destination 2036* will affect ROCs, a point that was pointed out by the majority of ROC CEOs who responded anonymously to the additional questions. Most CEOs also believe that at this stage the changes their organisations will make only minor changes and incremental increases in the level of their activities.

3.3.2 Proposed Typology of ROCs and Activities

One of the aims of the audit process, apart from surveying the current status of ROCs, was to develop a typology to describe the structure of ROCs and their activities.

This study has examined ROCs on terms of a range of variables relating to their structure, business models and activities, identifying sets of categories to describe each of these. However this exercise has been complicated by a number of factors, the most important of which is the different approaches that ROCs take to describing themselves and classifying their own data.

For example, the fact that NSW ROCs have four different approaches to incorporation (unincorporated, incorporated, company or Section 355 committee) and several different sources of funding (membership, grant, project-specific member contributions and joint purchase rebates, for example) which may or may not be consolidated into a single set of accounts means that it is very hard to compare 'apples with apples' when it comes to assessing financial models.

The variability of this data also reflects some of the fundamental differences between NSW ROCs. While there is consistency in some aspects (for example, the models of board and organisation hierarchies are generally similar), there is much greater variation in most of their other features - with relatively little correlation between these characteristics.

Despite these difficulties it has been possible to develop a more consistent framework for describing ROC activities, one that will hopefully be useful as a basis for further research. This framework has also demonstrated the continuing importance of ROC activities in areas beyond shared services such as regional advocacy.

The most important variables for regional organisations remain their own priority setting processes, the level of resources provided by their member councils and the level of funding they can attract from other sources. These in turn reflect the nature of the regions each ROC represents and the relative size and wealth of its member councils. Therefore ROCs whose members comprise small rural councils especially in remote areas are themselves small and modestly-resourced organisations, while ROCs in the metropolitan area and major regional centres tend to be better resourced - though there are also exceptions to this rule.

While unsurprising, the range in organisation size and capacity has major implications for any proposals to greatly expand the level and range of activities undertaken by NSW ROCs. Additional resources would be required to expand the capacity of ROCs, especially the smaller organisations, along with a reassessment of their organisation structure.

4. Audit of Western Australian Regional Organisations

4.1 Overview

This section considers the outcomes of the audit of Western Australian Regional Organisations of Councils. It has been informed by the following source material and processes:

- Department of Local Government publications and presentations, including material available on the Department's website;
- Material on the Perth Metropolitan Local Government Review website;
- Publications of the Western Australian Local Government Association (WALGA). These include the *Western Australian Local Government Directory 2011* and material on the WALGA website;
- Publications obtained from VROCs. It should be noted that the range of material available from the VROCs themselves is far more limited than was the case with the NSW ROCs;
- A survey of Western Australian VROC executive officers or other contact staff. This was a considerably simplified version of the NSW ROC survey but unfortunately received a relatively limited number of responses;
- Interviews with a small number of VROC executive officers as well as the CEOs of two Regional Local Governments;
- Interviews with other stakeholders including representatives of the DLG and WALGA;
- A range of other sources, including Australian Bureau of Statistics data.

As with the NSW ROC section, the purpose of the audit was not to evaluate or rate the performance of VROCs in any way, but rather to attempt to document their structures, financial models and activities, as well as the relationships between these elements.

One important difference between the NSW and Western Australian audit processes is that the amount of information available from the ROCs themselves is far more limited in Western Australia This reflects differences in the ROCs themselves; on average, Western Australia VROCs tend to have fewer and smaller member councils and consequently are far more modestly resourced than their NSW counterparts.

As a consequence the majority have no dedicated staff and are therefore less able to provide the data that was requested. Only half of the ROCs provided material either through the survey or in the interviews referred to earlier, so much greater use has been made of secondary sources. Even this material is relatively limited (for example, very few VROCs have a website or produce annual reports) so the Western Australian audit is not nearly as detailed as the NSW section.

Another factor that may have impacted on the audit process is the implementation of the government's amalgamation and other local government reform strategies. The impact of these will be discussed later but it is understood that some ROCs may be scaling back or even suspending their operations.

4.2 Comparison of VROCs

Table 7 provides a snapshot of the key attributes of the 16 VROCs in 2010. Approximately 80 councils or fewer than 58% of Western Australia's 139 councils are members of the state's 16 VROCs, a much lower proportion than in NSW (only two councils are members of more than one ROC). Around 35% of the state's population and 43% of its land area are covered by ROCs – again, much lower than the comparable figures in NSW.

Table 7: Western Australian ROCs Summary

Regional Organisation of Councils (ROCs)*	Council Membership**	Population (2010 est.)**	Area km^2
Rural			
4WD (Wagin, Woodanilling, Williams, West Arthur, Dumbleyung)	5	4,897	10,757
Avon Regional Organisation of Councils (AROC)	6	23,235	10,601
Batavia Regional Organisation of Councils (BROC)	4	46,799	28,904
Bunbury Wellington Group of Councils	6	100,212	6,150
Cape Regional Organisation of Councils (CapeROC)	2	44,276	3,578
Central Midlands Voluntary Regional Organisation of Councils (CMVROC)	4	6,347	16,924
Dryandra Regional Organisation of Councils (DROC)	6	8,998	8,064
Goldfields Voluntary Regional Organisation of Councils (GVROC)	10	59,816	952,427
North Eastern Wheatbelt Regional Organisation of Councils (NEWROC)	6	2,826	20,883
Rainbow Coast Regional Council	3	42,566	9,449
Roe Regional Organisation of Councils (ROEROC)	4	4,048	18,665
South East Avon Voluntary Region al Organisation of councils (SEAVROC)	5	8,778	9,990
Southern Link Voluntary Regional Organisation of Councils (SLVROC)	4	9,709	13,697
Wheatbelt East Regional Organisation of Councils (WEROC)	5	7,532	41,662
Rural Total	**70**	**370,039**	**1,151,752**
Metro			
South West Group (SWG)	6	363,066	620
Western Suburbs Regional Organisation of Councils (WESROC)	6	70,672	41
Metro Total	**12**	**433,738**	**662**
Total*	**82**	**803,777**	**1,152,413**

Note   ** Number and composition of ROCs in 2010*
*** Totals include councils that are members of more than one ROC.*
Sources: ROC information, Western Australian DLG, WALGA and ABS data

4.2.1 Structure

Type and Composition
Table 7 also illustrates the divide between metropolitan and rural ROCs in Western Australia. Only 40% of metropolitan councils covering less than 26% of the urban population belong to one of the only two metropolitan ROCs. Of this pair, South West Group is much larger in population; with over 360,000 people it is the largest ROC in the state by a considerable margin.

In rural areas the proportions are a little higher overall. Around 62% of the population live in a council that belongs to one of the 14 rural ROCs.

Western Australian ROCs have between two and ten members and lower average membership numbers than their NSW counterparts. This and the much smaller populations of Western Australian councils compared to those in NSW mean that the VROCs are also much smaller in population terms.

With the exception of the rural Bunbury-Wellington Group of Councils and the metropolitan-based South West Group, all Western Australian ROCs have total populations under 100,000 and are smaller than the two smallest NSW ROCs. Eight VROCs have populations less than 10,000 each and the average size of a VROC in population terms of just over 50,000 is less than 10% of the NSW average.

On the other hand it might be assumed that West Australian ROCs are much larger than their NSW counterparts. While it is true that at just over 72,000 square kilometres the average size of Western Australian ROC is double the NSW average, this is skewed greatly by the vast size of GVROC (952,427 square kilometres). Without GVROC, the average size of Western Australian ROCs would be only a little over a third that of NSW ROCs.

Governance

Legal Structure
All the Western Australian ROCs that responded indicated that they have no form of legal incorporation, with most relying on a memorandum of understanding (MoU) to guide their activities. Typically these will identify the ROC's purpose and objectives, how members are appointed, election of office bearers and where relevant arrangements for funding contributions and the appointment of an executive officer. A small number of ROCs indicated that they had only an informal agreement. Douglas sums up the nature of many of the VROC MoUs:

> In addition to [the purpose and objectives], the MOU has an eclectic mix of broadly expressed 'General Principles' and some details of specific matters such as the appointment and membership of the 'committee' (of SEAVROC) and its decision making process, the financial contributions of each party and detailed provisions relating to projects that may be proposed and undertaken by SEAVROC … However the MOU is largely silent on the proposed functions and activities that SEAVROC would undertake (Douglas 2009, p. 6).

Some VROCs attempt to overcome the limited nature of their organisations by working in collaboration with other more formal structures such as incorporated associations, thus using these as a vehicle for their activities. For example, the South West Group in Perth works with the South West Corridor Development Foundation (SWCDeF) which is an incorporated association. SWCDeF acts as a project facilitation entity and a coordinating body bringing together stakeholders from outside local government (SWG 2011).

Management Structure and Board Composition
Despite their informal status, Western Australian ROCs show a high degree of consistency in their management arrangements. Almost all ROCs have a board (though it may not be identified as such) comprising the Mayors or Presidents and the CEOs of the participating councils. There are relatively few office bearers; in most ROCs these appear to be a Chair and Deputy Chair. In some ROCs the regular meetings of the board alternate with meetings of a CEO-only group.

A number of VROCs have working groups or committees of professional officers and this is where they seem to be most active. This reflects their limited resources and informal status, with the VROC providing a vehicle for coordinated action between small groups of neighbouring councils.

Staffing
The majority of Western Australian ROCs have no dedicated staff, relying on instead on the resources of their member councils. Those that do have some level of dedicated resources often contract individuals or firms to provide executive support services on a part-time consultancy basis. Only a small number have a dedicated full-time position, usually employed through a member council.

4.2.2 Business Models
The majority of VROCs appear to have no income base. This does not mean that no funds are expended on their behalf; as one response noted, member councils will often provide additional funds on a project-by-project basis, with these projects being auspiced through a member council. South West Council Group, the only VROC to publish detailed and accessible information on its finances, has an annual income of $351,000 (2010/11) which is likely to make it Western Australia's best-resourced ROC.

4.2.3 Activities
This section uses the same broad typology of activities used earlier to classify the activities of the NSW ROCs. While the discussion has drawn on the responses from VROCs, this has had to be supplemented because of the issues discussed earlier with information from the *Western Australian Local Government Directory 2011* (WALGA 2011) and other material from WALGA.

As a result that the activities are likely that have occurred over a longer period than is the case for the NSW ROCs, with whom it was easier to establish a 'snapshot' of current activities. In addition the South West Group as the largest VROC and to a lesser extent the other VROCs with contracted executive support tend to have more comprehensive involvement in some of the categories of activities listed below than those ROCs that rely completely on council staff. In other words, there is less 'density' of involvement by individual VROCs in these activities than there would be for their NSW counterparts, which are able to support them with their own staff resources.

Shared Services

Internal Services
Most of the ROCs appear to have some involvement in shared internal services, though for many this involvement is limited. Identified projects include:

- Land use planning;
- Environmental and natural resource planning;
- Environmental health management;
- Waste management;
- Staff training;

- Disability awareness training;
- Resource and staff sharing;
- Councillor development;
- Centralised IT;
- Regional records archive;
- Regional staff housing;
- Common council document templates;
- Risk and emergency management;
- Asphalting and road works;
- Sharing of plant;
- Development of a shared services charter;
- Lobbying on local government issues.

External Services
Involvement in external services is more limited than for NSW ROCs. Examples include:

- Waste disposal site management;
- Tourism signage;
- Community safety and crime prevention strategies;
- Disability access and inclusion plans;
- Graffiti removal;
- Regional library services;
- Regional recycling program.

Joint Procurement
Involvement in joint procurement also seems to be much more limited than in NSW ROCs, which in part probably reflects the fact that opportunities for legal incorporation are even more limited than in NSW. It may also be that engagement in this area of activity has been understated. Examples include:

- Investigating joint contracting of consulting engineering and planning services;
- Common software procurement;
- Road sealing.

Regional Capacity

Research and Advocacy
Perhaps surprisingly a large number of VROCs are involved in some form of regional advocacy. In most cases this was in the form of submissions and correspondence and meetings with local MPs and Ministers. Some VROCs in rural areas also act as a contact point for federal and state government agencies. The range of activities includes:

- Area promotion;
- Information exchange with government agencies;
- Lobbying over road safety;
- Submissions and delegations on infrastructure, transport and environmental issues;
- Advocacy over the NBN rollout;
- Demographic analysis.

Planning and Management
Again and despite limited resourcing a number of VROCs are also involved in regional planning and management activities. These include:

- Business and economic development planning;
- Integrated transport planning;
- Indigenous business planning;
- Workforce development;
- Provision of aged housing;
- Tourism facilities management;
- Environmental management and remediation;
- Industry cluster development;
- International bilateral trade agreement.

Cooperation and collaboration with Federal and State Government
Few VROCs indicated involvement in collaborative processes with other levels of government, reflecting both their limited resources and, possibly, the state government's attitude towards VROCs. Nominated projects included:

- ARC Linkage Grant participation;
- Assistance in the allocation of government funding grants;
- Medical centre provision.

Commercial Services
No VROC nominated involvement in the provision of commercial services. This is not surprising given the informal nature of these organisations and the limits on Western Australian councils forming corporations.

4.3 Other Regional Structures

4.3.1 Regional Local Governments
As indicated earlier, the Western Australian regional environment is more complex than in NSW. To a limited extent Regional Local Governments (RLGs), the equivalent of NSW county councils, fill some of the roles that ROCs do in NSW. Although the majority of RLGs are single-purpose bodies like their NSW counterparts, dealing with waste management, catchment management and similar issues, a number have wider roles.

For example, the Eastern Metropolitan Regional Council (EMRC) offers a range of services including waste management, environmental services and regional development to eastern half of Perth (EMRC 2011). As a local government body the EMRC is able to run a regional waste facility on a commercial basis and with the support of its member councils use some of the resulting income stream to support other regional services.

Although it does not have an income stream from waste facilities, the Pilbara Regional Council is able to use its local government status to provide support services for the dispersed councils and communities of the Pilbara. However the associated compliance requirements are a significant burden for smaller RLGs such as the Pilbara.

It should be noted that while they both incorporate' Regional Council' in their names and the term is still widely used in Western Australia, these bodies are formally referred to as Regional Local

Governments in the current Western Australian *Local Government Act 1995*. To add to the potential for confusion, at least one VROC also incorporates the term regional council in its name.

4.3.2 Regional Transition Groups and Regional Collaborative Groups

The state government has introduced Regional Transition Groups (RTGs) as the key mechanism for councils considering amalgamations. The RTG is intended to 'facilitate the harmonisation of core functions and services across the participating local governments' into a single entity with a deadline of 2013 (WA DLG 2010c, p. 1). As such, an RTG will provide the structure for transitioning several local governments into a single entity by 2013. The main activity of an RTG is to develop a regional business plan to scope services and transition costs, though the business plan is also intended to ensure that community engagement and representation processes are fully incorporated in the processes of the new council.

The voluntary RTG process contrasts with the forced amalgamation processes used in Queensland and Victoria and has some similarities with the transition process used in South Australia. To reassure local communities, the Minister has indicated that consideration will be given to continue existing councillor representation from each of amalgamating councils for two full election cycles post-amalgamation.

While the RTG is a precursor to amalgamation, the alternative Regional Collaborative Group (RCG) are intended to provide a framework for much greater implementation of shared services, particularly in remote areas. Like the RTG the development of a regional business plan is the central activity of a RCG, but with a focus on regional collaboration. The government has claimed that the RCG option is 'less costly and has fewer compliance requirements' but in a clear signal that it does not believe that VROCs provide an effective model for shared services it has claimed that RCGs provide 'a more formal and substantive platform for regional collaboration than occurs under existing Voluntary Regional Organisation of Councils' (WA DLG 2010b, p. 2).

4.4 Conclusion

While the small size of Western Australian VROCs in terms of membership and average populations reflects the dispersed population of the state's rural areas, it is also a function of the nature of the state's local government sector. Even when they represent more than a handful of councils, it is difficult for regional organisations to establish economies of scale or make major improvements to strategic capacity when they have total populations of less than 10,000 people.

While the lack of any formal recognition or legal structure hampers the operation of VROCs, the South West Group provides an example of how an organisation with 'critical mass' can achieve more substantial outcomes. That said, the provision of a suitable legal framework such as WALGA's regional subsidiary proposal might provide some certainty for VROCs and allow them to expand operationally and in terms of membership.

However the state government has a clear desire to pursue new options by encouraging councils to participate in RTGs and RCGs. While both these alternatives have obvious implications for VROCs, it is far from clear that they will succeed or whether RCGs in particular will provide better outcomes than might have been achieved by resourcing the existing VROC structure.

4.4.1 Proposed Typology of ROCs and Activities

Broadly speaking it is much easier to describe most aspects of Western Australian VROCs than NSW ROCs. Essentially the former have only minor variations on a consistent and relatively simple organisation structure and financial model. Even those VROCs with staff are relatively straightforward.

At first glance the typology of activities proposed earlier to classify the operations of NSW ROCs seems to be applicable to VROCs as well. However, given the limited amount of information available about VROCs and their work programs, further research needs to be undertaken in this area, especially around the consistency of the definitions used within each of the broader work program areas.

5. Conclusions

5.1 Comparison of Audit Outcomes

There are obvious differences between ROCs in NSW and Western Australia. While NSW ROCs are relatively modest organisations they are considerably better resourced than their Western Australian counterparts. As a result they have evolved a wider range of structures and undertake a more diverse range of activities. All but two NSW ROCs employ staff, compared to a handful of Western Australian ROCs which enjoy executive support.

There are two key reasons for the differences between the two states in relation to ROCs. The first as described earlier is the small populations of some Western Australian councils compared with their NSW counterparts. In turn this has contributed to the creation of ROCs with much smaller populations compared to those in NSW.

The second is the extent to which the limitations on the ability of councils in Western Australia to form corporations have affected VROCs. While it can be argued that the restrictions on NSW councils have posed difficulties for ROCs in that state, the lack of options for legal incorporation has had a much greater impact on Western Australian VROCs in both practical and symbolic terms, with their informal status contributing to a rationale that VROCs will never be able to provide an effective alternative form of local government consolidation.

Despite these differences there are some common conclusions that can be drawn about ROCs in both states. The first is that, apart from the impact of the different approaches in the two states towards incorporation, there is little relationship between organisation structure and the range of activities a ROC undertakes. In NSW where ROCs have evolved several organisation structure options there is no correlation between structural form and the size or range of activities of the ROC. In Western Australia, the more uniform structure of ROCs has not prevented the development of a range of activities and different levels of service.

In both states the main ‘success’ factors for ROCs appear to be the size, number and comparative wealth of each organisation’s council membership base and the level of support both financial and in-kind that these councils provide – not to mention, of course, the priorities they ask the ROC to undertake. While there are exceptions, a ROC with a number of moderately-sized, financially secure councils that are strongly supportive of their regional organisation and who provide adequate resources and a strong direction for its operations is more likely to achieve the critical mass required to achieve effective outcomes. This is not to say that a group of smaller and fewer councils cannot support a viable ROC, but this will require a proportionally greater level of support from each council.

In NSW this relationship has been demonstrated by a number of ROCs in urban, regional and rural areas. In Western Australia the evidence is more limited, but the success of the South West Group in metropolitan Perth is an example. In rural areas it would appear that those VROCs which receive at least some level of resourcing have been able to achieve a greater range of outcomes.

The proposed typology of ROC activities used in this report seems to provide a useful basis for describing the work programs of ROCs in both states. However as indicated earlier more research needs to be undertaken, especially to test this framework in other jurisdictions.

5.2 What Do ROCs Want to Do?

As independent organisations established and managed by their member councils, the range of activities that ROCs undertake is obviously diverse. Virtually all ROCs undertake both shared services and regional capacity activities, and the while there is some desire to increase engagement in the former this is not necessarily at the expense of the latter. Indeed there is a suggestion that as well as being an important priority in its own right, the sense of regional identity that comes from engagement in regional capacity activities provides an essential rationale for the existence of some regional organisations. In addition a number of ROCs are interested in increasing the involvement in regional capacity building through partnerships in planning and even service delivery with other levels of government.

For some ROCs however greater engagement in shared services and in particular joint procurement is the next logical step in their development. It is a number of these ROCs that are questioning the limitations of the current range of incorporation options in both NSW and Western Australia. These also restrict ROCs which want to engage in commercial activities, though it has to be noted that most ROCs either do not see this as a priority or at most want to expand a limited range of activities.

5.3 What Do ROCs Need?

5.3.1 Structure

Although only a number of ROCs raised the current limits on incorporation as being a significant problem, it is clear that this will become a more important issue as ROCs increase their involvement in shared services and commercial activities.

For example, while incorporated association and company status allows some NSW ROCs to sign contracts for the supply of goods and services to the organisation itself, it is more difficult to do this on behalf of their member councils. In particular, councils are unable to delegate their tendering responsibilities to ROCs, which means that developing a regional tendering process is cumbersome and complex. The ability to facilitate regional tendering is something that could be provided either in conjunction with existing arrangements or as part of new models of incorporation.

Any form of incorporation for ROCs should allow them easily to employ staff in their own right and to receive grants and handle funds. Again, NSW ROCs are able to do this if they are an incorporated association or a company, but these two options are not necessarily the most appropriate for the other activities they may want to undertake, for example, making investments in shared assets such as regional infrastructure projects.

Incorporated association status in particular has a number of limitations in both states relating to maximum turnover, the ability to distribute a dividend to member councils – and more significantly for some councils, the ability to retain ownership of any joint assets if the organisation is wound up. Incorporation should also allow ROCs to limit their liability and those of their member councils when involved in major and complex projects.

Finally any form of ROC incorporation should provide them with an appropriate level of community and political credibility. The lack of any 'corporate identity' has obviously had a major impact on Western Australian ROCs and while their NSW counterparts have more options available to them, none of these seem entirely appropriate for a regional local government organisation. Conversely, while forming a Regional Local Government seems to be a more readily available option in Western Australia, it has rarely been taken up because of the excessive compliance burden involved.

Three options have been proposed to address the needs identified above. These are not necessarily mutually exclusive and all three could in theory be applied in NSW, Western Australia or elsewhere. They are also applicable to groups of councils other than ROCs:

- *Joint tendering/contract facility.* This is the simplest option and has already been discussed in NSW. It would allow a ROC to undertake a regional tender on behalf of its member councils, subject to appropriate safeguards. This mechanism could be auspiced either by the ROC or a participating council. While not strictly speaking a form of incorporation, this model would be attractive either as a 'stand-alone' option for informal groups of councils or as an 'add-on' for ROCs that are already incorporated.

- *Regional subsidiary model.* The regional subsidiary model described earlier is being promoted by WALGA and is already used by ROCs in South Australia. Under this model two or more councils would be able to establish a regional subsidiary to undertake shared service delivery. While having the protection of being recognised as a local government body, regional subsidiaries would not have the same compliance burden (WALGA 2010b). Subject to further development along the lines proposed by the Western Australia upper house committee (Legislative Council 2011), this option may be the most attractive for many ROCs.

- *Revamped County Council/Regional Local Government model.* WALGA has also proposed that the compliance burdens associated with Regional Local Governments (similar to those required of county councils in NSW) be reviewed and reduced (WALGA 2010b p.22). While for most ROCs and their member councils the regional subsidiary option (or another existing form of incorporation in NSW) is still likely to be more attractive, a more flexible RLG or county council model may be appropriate for some larger ROCs, especially those that wish to undertake more commercial operations.

There are a number of issues that will need to be considered in conjunction with an assessment of these and the other options for incorporation. These include the need to ensure that appropriate probity and national competition requirements are met. Another issue is the importance of retaining of a sense of 'ownership' by member councils, especially in an environment (in NSW) where the state government is seeking to establish a much closer relationship.

5.3.2 Business Models

Just as important as the creation of an appropriate organisation structure for ROCs is the development of appropriate business models. Again, the audits in both states did not reveal any strong statistical relationship between specific forms of funding and organisational outcomes, but a number of tentative conclusions can be drawn.

First, ROCs need a basic level of funding and other support from their member councils. While regional structures without financial support can achieve a modest level of outcomes, it is clear that having enough resources to employ a minimum of one dedicated staff member, even part-time, can make a significant difference to the organisation's output.

Second, although it is difficult to quantify, the audit outcomes particularly in NSW also suggest that providing enough funding to support two or (ideally) at least three staff members provides a certain critical mass which allows the organisation to employ more specialised staff and also provide the capacity to develop new projects and investigate additional grant and other funding options.

Third, ROCs need a degree of certainty about at least the core proportion of their income in order to plan their activities. This implies a level of medium to long-term commitment by the member councils to either provide funding directly through membership fees and/or seek other stable sources of income.

Fourth (and related to the above point), ROCs benefit from having a range of income sources in addition to membership fees. This provides a higher degree of financial security and enables ROCs to undertake additional projects. Ideally ROCs should be able to use their core funding as 'leverage' to obtain extra resources, thus demonstrating a practical financial benefit to their members. Additional sources include grants, one-off contributions from member councils for specific projects, joint purchase rebates, administration fees from auspicing government projects and income from commercial operations.

There is a range of views however on the extent to which ROCs should seek external funding, especially from the auspicing of government services or from commercial sources. While some see these external sources as a having the potential to reduce significantly reduce the contribution made by their member councils, others are concerned that this could reduce the sense of 'ownership' that their members have regarding the organisation.

5.4 Redefining the Future of ROCs

The reform processes underway in NSW and Western Australia have taken very divergent paths with starkly different implications for ROCs. In Western Australia there is a strong prospect that ROCs could be further marginalised. The state government seems to have decided that the ROCs as relatively small and informal organisations are not a viable alternative to amalgamation. Even where amalgamation is not contemplated they have been passed over in favour of other forms of consolidation such as shared services delivery based on the RTGs.

In NSW the prospects for ROCs are very different. Policies have moved in the opposite direction, from a few years ago when (akin to the Western Australian strategy) the state government sought largely to bypass ROCs, to the current situation with a new government which has clearly decided to embrace ROCs as a major and possibly the primary form of local government consolidation. This approach has received the endorsement of the Minister for Local Government and strong support from the sector itself, as indicated at the *Destination 2036* forum.

This embrace has its risks however. As indicated earlier there is a risk of co-option by the government and a loss of council ownership of ROCs. Some of the fears that councils have had in the past about ROCs forming the basis for a 'fourth tier' or even for future amalgamations could resurface. The United Services Union has also expressed a range of concerns over the *Destination 2036* proposed actions, including the proposals for an increased role for ROCs, fearing that these initiatives could lead to a loss of jobs and a reduction in community accountability.

The different approaches to local government reform are likely to redefine the future of ROCs and how they will continue to operate in both states. As well as attempting to provide an outline of the current situation in both NSW and Western Australia, this audit may provide a basis for future assessment of how these changes have affected Regional Organisations of Councils in both states.

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ABOUT ACELG

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REGIONAL ORGANISATIONS OF COUNCILS (ROCS): THE EMERGENCE OF NETWORK GOVERNANCE IN METROPOLITAN AND RURAL AUSTRALIA?

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ABSTRACT: Regional Organisations of Councils (ROCs) comprise groupings of neighbouring local authorities seeking mutual benefits from joint action. During the early 1990s ROCs were viewed as a useful means for promoting local economic development and implementing Commonwealth policy objectives. After only a few years, however, they fell from federal favour and largely disappeared from the national arena. This article explores what has happened to ROCs since the mid 1990s. A survey conducted in 2001/02 established that many ROCs are performing well and continue to play an important role across adjoining communities. More than this, though, it is argued that the higher performing ROCs have evolved into quite sophisticated regional governing networks. The article examines the notion of 'governing networks' and applies the concept to three short case studies of successful ROCs. Discussion concludes that ROCs, though low profile organisations, undertake a critical governance role in metropolitan and rural Australia.

1. INTRODUCTION

Over the years local governments around Australia have developed various arrangements to facilitate cooperation with each other (Osborn and Robin, 1989). One such arrangement is the regional organisation of councils (ROC). ROCs consist of voluntary groupings of neighbouring local authorities formed to implement mutually beneficial economic, social and political goals. Such goals usually include: exchanging information, problem solving, coordinating activities across jurisdictions, improving intergovernmental relations and resource sharing (resulting in economies of scale and improved efficiencies of operation). ROCs also act as regional lobbyists and advocates.

During the early 1990s, with the encouragement of the Hawke and Keating governments, the number of ROCs around Australia grew substantially. They were viewed not only as a useful instrument for promoting regional development, but also as a potential vehicle for delivering Commonwealth policies. Many ROCs did in fact perform very effectively in meeting either or both of these objectives. By the mid 1990s, however, support for the ROC movement at the federal level had evaporated. They disappeared off the intergovernmental agenda and faced an uncertain future.

This article explores what has happened to ROCs since 1996 when the last major evaluation of their progress was undertaken (Cutts, 1996). We demonstrate that a considerable proportion of these organisations continue to carry out an important regional role and are highly valued by their member councils. We further argue that the most successful of the ROCs have evolved considerably beyond the purposes for which they were originally intended. They have linked with relevant private and public sector organisations to form comprehensive networks of activity. These networks, we argue, perform a critical regional governance function.

The analysis falls into five sections. The first reviews the development of the ROC movement in the early 1990s and places the issue in context. The second provides a snapshot of the status of ROCs today. This discussion draws heavily on Marshall and Witherby's questionnaire of 31 ROCs completed in 2002. The material obtained from this survey provided us with indications that some ROCs may have matured into networks. Consequently the third section examines the concept of governing networks as contained in the international literature. The survey then provides the theoretical framework for three short case studies of successful ROCs – the focus of the fourth section. The final section of the article concludes that some of the more sophisticated ROCs in Australia have developed quite elaborate regional governance networks.

2. BACKGROUND

The first documented ROC was established in Northern Tasmania in 1922. Occasional additional ROCs were created across the states in the course of subsequent decades. During the 1970s there was a significant increase in the number of organisations formed as a result of the regional policies implemented by the Whitlam government. Although the great proportion of these had collapsed before the end of the decade (Grounds, 1987, pp.1-2)[1], the mid-1980s

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[1] In 1973 the Department of Urban and Regional Development introduced a program designed to promote interaction between local authorities; 'Councils in geographical groupings were encouraged to develop a co-operative approach which would begin to transcend parochially-based interests, and establish a process of identification of local priorities and needs' (McPhail, 1978: 111). Two years later, 76 regions across Australia had been created and backed by a small administrative grant. Major financial support for the initiative was supposed to have come from the Area Improvement Plan which was intended to assist with infrastructure requirements, community services, and to find strategic solutions to particular regional problems. However, only 13 of the 76 designated areas received funding in 1975 before the Labour government was dismissed and the program wound up (Sandercock 1979: 147). Very few of the Whitlam era ROCs survive. Of the 31 organisations surveyed by Marshall and Witherby in 2002, just two originated in this period. Nevertheless, one of these, the Western Sydney Regional Organisation of

saw a second upsurge in the emergence of new ROCs. The major reason for this was the role played by the Commonwealth's Office of Local Government between 1984 and 1993. Through its Local Government Development Program, the Office provided some $1.3 million to assist with the establishment of ROCs, and a further $4.6 million to encourage their growth (VRC, 1993, p.1). The program was designed to expand the economic capacity of regions, enhance collaboration between local authorities, business and government agencies and promote more efficient management practices within councils. The initiative was an outcome of the Hawke government's growing conviction that local authorities could make a more positive contribution to the Commonwealth's national economic reform strategy. By the early 1990s this view had crystallized into a policy perspective that saw regional economic development playing a critical role in the long-term growth of the country with local government taking greater responsibility for service delivery (Fulop, 1993, pp.129-130; Garlick, 1999).

That ROCs might offer a structural mechanism with which to implement policies emerged in 1990 when a review of the ROC program reported favourably on their progress. The report noted the ability of ROCs to develop regional responses to a range of issues, and to work with higher levels of government. The positive conclusion of the report provided the basis for the first National Conference on Regional Cooperation held in May 1990. In a subsequent submission from conference delegates to the Minister for Local Government, it was argued that the ROC structure had not been developed to its fullest extent and should be utilised more effectively as a means to help achieve Commonwealth objectives. Impressed with the possibilities, the Minister funded four investigation projects to examine the potential capacities of ROCs in relation to resource sharing, human services, information systems and economic development (NCRC, 1993, p.6).

A second national conference was held in February 1992. Attended by 150 delegates representing ROCs, local government associations and Commonwealth and state agencies, it reaffirmed the usefulness of ROCs in meeting regional needs and acting as a partner to the Commonwealth in addressing national objectives. The conference moved to formalise the federal ROC structure by establishing the National Committee on Regional Cooperation (NCRC) and developing protocols for interacting with state and federal local government associations (VRC, 1993,pp.vi-xi). The Minister for Local Government subsequently provided two further tranches of $150,000 to consolidate the ROC movement and to appoint a national convenor to administer the framework.

By 1993, however, the Commonwealth had cooled on the idea of using ROCs to create regional policy platforms. The findings of the four research reports, completed in mid 1992, painted a picture of uneven progress across the regional landscape. Many were under-resourced and/or focused too narrowly on research and lobbying activities. A good proportion possessed limited capacity for information processing and lacked the appropriate administrative

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Councils (WSROC), went on to become perhaps the most successful of all the nation's ROCs. It constitutes one of the case studies considered in this article.

infrastructure to deliver programs (NCRC, 1993, pp.7-14) Additionally, some local authorities were resistant to the creation of a national framework, fearing the imposition of a fourth level of government and a consequent reduction in local autonomy (VRC, 1993, p.19). Overall, the results clearly did not provide a solid foundation on which to build regional mechanisms which could implement Commonwealth objectives.

In fact, federal Labor had already begun to turn elsewhere in its search for suitable structures. During 1993 two influential reports had been tabled; the Industry Commission's, *Impediments to Regional Industry Adjustment*, and the Kelty Taskforce on Regional Development (Fulop and Brennan, 1999, pp.207-208). Both documents subsequently shaped the thrust of regional policy outlined in the Keating government's *Working Nation*, released in May 1994. *Working Nation* provided $150 million over three years to create a series of Regional Economic Development Organisations (REDOs). The policy initiative was intended to operate as a 'bottom-up' exercise providing local communities with the opportunity to identify, agree upon and set about achieving local economic development priorities. It was to be a self-help, inclusive operation involving the participation of key players from business, education, trade unions, environment and local government sectors (Garlick, 1997, p. 283; Sorensen, 1994). In all, forty-seven REDOs were established over the next few years (Fulop and Brennan, 1999, p. 198).

The Keating government's decision to pursue REDOs effectively relegated the ROC movement to the shadows of federal regional activity. With no prospect of further funding forthcoming from either the Commonwealth or the states, options to promote new initiatives were limited. At the fourth, and last, National Conference on Voluntary Regional Cooperation held in November 1994, the National Committee on Regional Cooperation did its best to put a positive spin on the situation. The Committee pointed out that ROCs embraced a more comprehensive range of functions than did REDOs and therefore still had a critical role to fulfil. Moreover, ROCs were well placed to participate in the creation of successful REDOs. ROCs, the Committee emphasised at the conference, had evolved into a 'flourishing movement' (NCRC, 1994, p.28). In this regard the NCRC was correct. Though ROCs were first and foremost the result of local initiatives, the Local Government Development Program of the 1980s, and the establishment of the Voluntary Regional Cooperation group of the 1990s, had clearly acted as a catalyst. In 1995 there were 50 ROCS nation-wide covering 45% of councils and 75% of the population (Northwood, 1995, p.1). Well over half of these had been formed during the period 1983-95 (NCRC, 1994, p. 28; Grounds, 1987, pp. 57-61)). Moreover, the movement had made considerable progress over that period.

The extent of this progress was demonstrated in May 1996 when Cutts published her detailed evaluation of 37 ROCs across the country (the study had been commissioned by the NCRC) (Cutts, 1996). She acknowledged that there were wide variations in capacity and capability, and many continued to suffer from the defects identified in the four 1992 investigative reports. Nevertheless, she viewed the potential future development of ROCs as promising and pointed out that the performance of a number of them had been ‘outstanding’ (Cutts, 1996, Summary). As a whole, she concluded that these bodies had become important entities for addressing common concerns among neighbouring councils. They were highly responsive to the particular requirements of individual localities, and offered significant benefits in terms of improved efficiency and effectiveness. Certainly the great majority of participating councils regarded the work of their ROC as at least worthwhile; 57 per cent rated them ‘satisfactory’, while 21 per cent ranked them as ‘excellent’ (Cutts, 1996, pp.16-17).

Despite the positive thrust of the evaluation, the future of ROCs in 1996 looked less than encouraging. By the middle of that decade a proliferation of regional organizations and programs – mounted by Commonwealth and state agencies, and community groups – had sprung up across Australia (Beer, 2000; Sorensen 2002). In 1999 Garlick observed that federal agencies alone had spawned 24 programs directed at regional issues (1999, p. 180). The ability of ROCs to survive in such a fragmented and and contested milieu was questionable. In particular, there was great concern that ROCs would not be able to compete with REDOs (NCRC, 1994, p. 7). Cutts herself was doubtful about the future of ROCs in the absence of financial support from central governments (1996, p. 32). Certainly, some ROCs were subsequently discarded by their member councils in favour of REDOs (for example Northwood, 1995, p. 5)[2]. The prospects for ROCs took a further dive when a number of them were wound up following extensive amalgamations in Victoria, South Australia and Tasmania during the mid-1990s.

However, despite their fall from federal grace, and the lack of publicity accorded them during the late 1990s, many ROCs continued to quietly prosper in their regional localities. This is the subject of the next section.

3. A SNAPSHOT OF ROCS IN 2002

Early in 2002 Marshall and Witherby completed a country-wide survey of ROCs. The purpose of the study was to determine; the size and structure of all ROCs in Australia; how they operate, the activities they are involved in, and which factors might encourage success. Completed questionnaires were received from 31 out of an estimated 55 ROCs: a response rate of 56% which was sufficient to provide a reasonable cross-section of these organisations for analysis (though not all ROCs answered all questions).

ROCs from all six states were represented in the study; 14 came from New South Wales, seven from Queensland, five from South Australia, three from Western Australia and one each from Tasmania and Victoria. Twenty-seven of these bodies were established between 1973 and 1998, with 11 being founded over the four years 1991 to 1994. The most recent was created in 1998. The largest of the ROCs surveyed comprised 18 member councils. Eight had between 10 and 15 members, 16 had between five and 10, and four had less than 5

[2] It is not clear how many ROCs were transformed into REDOs during the mid-1990s. This is an aspect of regional development in Australia that has received little attention.

members. In 25 cases the ROCs were bound by a constitution, an agreement, a charter, or had been incorporated. Eight operated in the absence of any formal arrangements.

Core Business – When asked what their primary functions were, the replies of the 29 ROCs which answered this question showed strong similarities. Their core business could be covered under three generic headings; regional advocacy, political lobbying and fostering cooperation between member councils. Only two of the ROCs listed single focus objectives for their organization (coastal management and regional planning). Many organisations also chose to specify additional goals: economic growth (13 responses), resource sharing (11), strategic planning (8), community well-being (8) and the environment (4). The scope and emphases of these functions are very close to those outlined in Cutt's evaluation (1996, p. 4), indicating that the essential purposes of ROCs have changed little in recent years.

Finance – Participants were questioned about their ROC's sources of funds. Of the 31 replies, 10 stated that they received equal financial support from member councils. Cash contributions from member councils ranged from \$100 - \$48,400, with half of these falling under the \$16,000 mark. A further 15 required an annual base fee plus a pro rata contribution in terms of population or rate income. Four ROCs appeared to have no central budget and managed on donations from affiliated councils. Twenty ROCs reported receiving in-kind contributions from their member councils. This included such services as administrative assistance and technical expertise. An additional important source of finance for many ROCs was grant revenue from state/federal agencies for specific projects. For some ROCs these grants constitute a significant portion of their overall income. This represents an interesting change from Cutt's 1996 study where she noted that grants were 'an insignificant revenue source' for the majority of ROCs (p.14). Many organisations appear to have become much more adept at winning such funds.

Governing Boards – Twenty-nine of the ROCs surveyed provided information about the nature of representation on their boards; 45 per cent comprised elected members only, while 55 per cent also included CEOs. Though three ROCs made provision solely for the appointment of councillors to the board, in actuality it is rare for a mayor not to serve on the ROC. Overall, ROC boards would appear to be first and foremost a meeting of regional mayors. The majority of ROC boards meet regularly: 19 per cent convene on a four to six weekly basis, 39 per cent bi-monthly, and 39 per cent quarterly. It is clear from the comments made by most respondents that board meetings are fairly relaxed and informal affairs with discussion ranging across a broad spectrum of issues.

Executive Administrative Structures – When asked about their internal structures, 18 of the 31 ROCs stated that they possessed an executive committee. These bodies usually comprise between three and eight members, and consist of mayors, councillors and CEOs. The role of the executive committees is to manage the day-to-day affairs of the organisation, though some clearly play a strong strategic function in determining directions and purpose.

Twenty-one of the ROCs also reported that they had two or more permanent standing committees. Fifteen supported between two and four committees while six had four or more. These specialist committees covered a wide array of issues with natural resources/environment being the most widely cited (9), followed by transport (8), and strategic planning (7). The majority of ROCs also reported that they appointed ad hoc project groups as the need arose. Most subordinate committees meet on a quarterly basis. With regard to secretariats, 16 of 30 ROCs (53%) stated that they employed a full-time executive officer along with one or more full-time or part-time staff. Seven other ROCs employed a part time executive officer working one or more days per week.

Achievements - 29 out of 31 ROCs (94 percent) responded enthusiastically to this question by providing an extensive list of positive outcomes in recent years. Political lobbying and strategic planning were the two arenas in particular where almost all ROCs claimed significant ‘wins’. Relatively few ROCs, on the other hand, were willing to acknowledge failures. Only 11 out of 30 (37 per cent) put forward projects/activities that had produced a negative result. Certainly there is a strong perception among ROC members that their organisation fulfils an important function in the region.

Effectiveness – a major objective of the survey was to try and identify those factors which most contributed to building a successful ROC. After examining such variables as rates income, geographical size, population density, cultural homogeneity, length of time since establishment or industrial base, Marshall and Witherby were unable to identify any correlation which might account for the relative success of some ROCs. Rather, high performing organisations appeared to be built on less tangible elements The survey asked respondents to list those factors they thought constituted the critical building blocks of an effective ROC. There were 26 replies to this question. The attribute considered most important by respondents was the committed support of the organisation’s member councils (15 replies). This was followed by trust, understanding and openness (11). Six emphasised teamwork and cooperation, and five cited leadership as vital.

External Linkages - This question in the survey dealt with the extent to which ROCs interact with external public sector and private sector bodies. In relation to the public sector, of the 29 replies received, 21 stated they had developed extensive linkages with regional public sector entities such as economic development committees, area consultative committees and state and federal agencies. There was a weaker response in relation to the private sector. Eleven ROCs indicated they possessed limited links with commercial operators, while a further eight said they had fostered widespread connections with business associations. Overall, quite a few ROCs appear to have made substantive inroads into the broader community landscape.

The data presented so far suggests that the ROC movement as a whole is alive and well in Australia. In the view of Marshall and Witherby, of the 31 organisations surveyed, seven could be classified as high performers, 20 were in good health and two were in obvious decline. The concerns expressed in the mid-1990s that ROCs would not survive seem to be unfounded. In particular, predictions that ROCs were destined for extinction following amalgamations in Tasmania, South Australia and Victoria have not eventuated. Indeed, there are indications that ROCs may be emerging again in these states in fresh configurations. Clearly, many councils believe that the effort and resources involved are sound investments which can result in substantive returns for the region generally, and for individual local authorities in particular.

Additionally, however, the findings of the survey pointed to more than simply that ROCs had survived into the new millennium. The data suggested that some of the higher performing organisations had progressed beyond their primary objective of functioning as a cooperative forum for neighbouring councils. Several of the ROCs covered by the survey exhibited characteristics normally associated with network governance. Such features included: the specialized committee structure developed by organisations, the extensive linkages with external bodies, the importance placed on trust, openness and commitment and a strong record of positive outcomes.

To see if indeed some ROCs were evolving into governing networks, we explored three of our survey respondents in greater depth. These case studies follow shortly. First, however, it is necessary to explore briefly the concept of governing networks.

4. NETWORK GOVERNANCE

Network theory has evolved through the literature of a number social science disciplines - political science, economics, organisation theory, and policy studies - over the last two decades or so (Borzel, 1998; Kickert *et al.*, 1997). Though the use of the term ‘network’ varies across these disciplines (and within them), one understanding of the concept that has emerged is that of the network as an alternative form of governance to hierarchies and markets. It is this perspective of network that is adopted in the current analysis.

The use of network to describe a style of governance emerged in the course of the later post-war years. Modern western nations were being subjected to growing social differentiation and sectorisation of function, as well as blurring of the private and public sectors. Governments in turn experienced overload as they attempted to grapple with ever expanding and increasingly complex, multi-layered policy arenas. In a number of contexts, traditional approaches to governance – hierarchies (bureaucracy) and markets – proved inadequate as instruments of coordination. Hierarchies can become overly routinised and inflexible, and fail to satisfactorily safeguard minority interests (Borzel, 1998, p. 261; Lowndes and Skelcher, 1998, p. 318). Markets offer participants a high degree of flexibility, but competition may not be conducive to cooperation, and transaction costs – such as complexity, and power and information asymmetries - can be unacceptably high (Hindmoor, 1998, pp. 30-31; Wallis, 2003).

Networks may be described as arenas of interaction between organisations with similar interests who seek to achieve goals and solutions to problems. They encompass a variety of participants from both the public and private spheres. These actors seek to cooperate with each other because they lack the resources to pursue strategies individually. Networks thus constitute a series of interdependent relationships; organisations agree to exchange and mobilize joint resources to achieve common outcomes. To function effectively, organisations within the network must develop shared purposes. This is achieved through negotiation and adjustment. Over time networks may become institutionalised in function and stable in operation. Power is widely dispersed; they are non-hierarchical arenas involving horizontal interaction (Rhodes, 1997, Ch.2; Kickert *et al*., 1997, Ch. 2; Borzel, 1998; Wallis and Dollery, 2002). Clearly, such a framework overcomes many of the coordination problems usually associated with hierarchies and markets.

The generation of social capital is a critical ingredient underpinning the growth of successful networks. The concept helps to explain why some networks burgeon and others do not. Social capital arises out of the quality of the relationship developed between individuals and groups. Discourse creates shared meanings and understandings (Hardy *et al*., 1998). This outcome, in turn, can become a cumulative and self-reinforcing experience; successive meetings between participants engenders cooperation, reciprocity and loyalty. A 'radius of trust', to use Fukuyama's expression (2001, p. 8), emerges to envelop people and communities. Such attributes provide the foundation for the sustained civic engagement that enables broader polities to function cooperatively over time, and to develop the resilience necessary to overcome periods of stress and conflict (Putnam, 1993, Rhodes, 1997).

The formation of networks can be facilitated by building on existing stocks of social capital. Prospective groups and individuals are less likely to be deterred by the dilemmas normally associated with investing in collective ventures. Repeated interactions – or 'conversations' (Hardy *et al.,* 1998) – between participants can further reinforce a sense of mutual commitment and common values. Through such regularized contact over time players establish the operating understandings and codes of conduct which expedite negotiation and lead to workable compromises. These attributes constitute vital lubricants in network activity and build strength, cohesion and certainty for the longer-term (Putnam, 1993; Cox, 1999; Ostrom, 1990)[3]. Consequently, in terms of the

[33] Theoretical perspectives dealing with social capital and networks are not without their critics, particularly in relation to political science. Peres, for example, points to the problem of logical circularity. He states that:

> *As a property of communities and nations rather than individuals, social capital is simultaneously a cause and effect. It leads to positive outcomes, such as economic development and less crime, and its existence is inferred from the same outcomes. Cities that are well governed and moving ahead economically do so because they have high social capital; poorer cities lack in this civic virtue* (Peres, 1998, p. 19).

In a more general context, Hardy and Philips (1998) provide an interesting discussion pointing out that collaboration may not always be the best means of resolving disputes among organizations and that conflict is not necessarily a bad thing.

current analysis, the extent to which ROC networks have been able to fabricate reserves of social capital in their regions is likely to be an important factor in determining why some operate more effectively than others.

Networks have also become an important dimension of the 'New Regionalism' literature. Theorists in this field argue that over recent decades regions across different nations have been subjected to greater competitive pressures as a result of globalisation, and forced to consider new strategies to ensure sustainable development. Regions that respond successfully to such demands exhibit common characteristics. They have moved from a dependence on traditional institutional structures of government to systems of governance where the public and private sectors share responsibility for policy initiatives. These systems are relatively open and elastic and are characterised by formal and informal networks of activity. Networks emphasise collaboration and conflict resolution, and fostering a sense of trust (social capital) between members. Moreover, regions that succeed in building strong cohesive networks and a sense of regional identity are well-placed to exploit local capacities and improve overall competitive performance (Kanter, 2000; Wallis, 2000).

It is in terms of this broad theoretical perspective of network governance that the three case studies in the following section are considered.

5. THREE CASE STUDIES

Each of the following case studies was compiled from published materials available to the general public. In relation to WSROC and REROC, documentary analysis was supplemented by an interview with the organisation's Chief Executive Officer.

5.1 Case Study One: Western Sydney Regional Organisation of Councils (WSROC)

WSROC is 5741 square kilometres in area, contains 1,245,000 people and is made up of 11 member councils. Established in 1973, it is one of the longest surviving and best-known ROCs (Fulop, 1997; Wettenhall, 1988). Its strategic objectives are broad: 'to advance the interests of Western Sydney' (WSROC, 2003). The organisation's output has been consistent and substantial; between 1977 and 1999 it made 145 submissions to state and federal governments, and produced 159 reports on a range of matters (WSROC, 2000, pp. 27-34). Certainly, it has enjoyed considerable success in terms of outcomes achieved (WSROC, 2000, pp. 18-25; Grounds, 1987, pp. 19-20). Three of its more salient accomplishments in recent years include: helping to found the University of Western Sydney (1987), making a decisive contribution to the Regional Public Transport Strategy (1995) and persuading the NSW government to appoint a Minister for Western Sydney (1997).

WSROC's impressive performance has been due in part to its strong strategic direction (formally reviewed every four years) and partly to its professional committee structure which has grown in reach and sophistication. From just two such committees in 1977, the organisation now encompasses 13 specialist bodies. These committees conduct research, gather information, develop policy proposals, administer grants, monitor service delivery and coordinate activities across localities. They draw upon the knowledge and skills of member councils and interact closely with state and federal agencies, other professional associations and community bodies. The Environmental and Strategic Planners Committee, for example, acts as a forum for the NSW Department of Urban Affairs and Planning (WSROC, 2000, p. 11). The Social Planners Group, for its part, works in conjunction with relevant state commissions and peak regional groups (WSROC, 2000, p. 12).

By the mid 1990s, WSROC's operating environment had changed noticeably in relation to spread and complexity. The nature of policy discourse had become increasingly detailed and demanding. In addition, a growing number of interest groups was filling the Western Sydney arena. An audit in 1996 revealed that at least 80 regional organizations were jostling to be heard (Gooding, 1999, p. 260). Some of these entities – such as the Western Sydney Waste Board (established in 1996) - were the results of WSROC's own previous lobbying efforts. In a number of cases, these new competitors were able to draw on expertise and resources that exceeded those available to WSROC itself. The consequence of this changed landscape was that the provision of advice to state and federal governments became increasingly fragmented and, on occasions, conflicting (Gibbs *et al*., 2002, p. 7; Dore and Woodhill, 1999).

In response to this situation, WSROC developed two related strategies. First, it created TeamWest in 1996. TeamWest (in addition to WSROC itself) consists of 11 peak Western Sydney organizations including the Economic Development Board, Catch Management Trust, Water Board, Chamber of Commerce, and the University of Western Sydney (TeamWest, 2003). Its purpose is to promote the economic, social and environmental interests of Western Sydney, and to ensure that relevant activity across groups is coordinated, thus ensuring the region speaks with one voice on critical concerns. Individuals and organisations become involved with particular issues in terms of the resources and expertise they can contribute. TeamWest possesses no formal structure, secretariat or funded personnel; it is a 'virtual organisation' (Gibbs *et al.,* 2002, p. 7). The only meeting is a bi-annual forum where some 200 members prepare a regional priorities agenda.

TeamWest is essentially a process of interaction that depends entirely upon the trust, commitment, enthusiasm and goodwill of its members to function effectively (Gooding, 1999, p.261). It is a 'horizontal organisation' (Dore and Woodhill, 1999, p. 136) that works around and between existing institutional actors. Members are part of a pervasive network of activity that extends throughout Western Sydney. The Greater Western Sydney Economic Development Board (a core member of TeamWest) for example, sits on top of a myriad of subordinate associations (TeamWest, 2003). As a whole, the process is intended to facilitate cooperation between the government, business and community sectors that embrace the region.

The second strategy adopted by WSROC, and one that is currently being pursued vigorously, has been to develop partnership arrangements with State and federal agencies (Gooding, 2003). This approach consolidates WSROC's status as the key representative of Western Sydney's regional interests and ensures that the organisation becomes established as the first point of contact when higher levels of government initiate new programs (Gibbs *et al*., 2002, p. 8). Taken together, TeamWest and Strategic Partnerships have enabled WSROC to publicly describe its role as one of leadership, management and regional governance (WSROC, 2003).

5.2 Case Study Two: South Eastern Queensland Regional Organisaton of Councils (SEQROC*)*

SEQROC comprises 18 member councils, covers an area of 24,400 square kilometres and contains 2.2 million residents (66% of Queensland's total population). The area generates 62% of Queensland's Gross State Product (10% of Australia's Gross Domestic Product).

The catalyst which lead to the formation of SEQROC was the State government's decision in 1990 to convene a community conference to address the problem of population expansion in South East Queensland. Numbers were projected to increase by 50 per cent within 20 years. The conference, which was titled *SEQ 2001 – Framework for Managing Growth*, recommended the establishment of a broad based group to examine the consequences of future development and to prepare a suitable management strategy (Abbott, 1995, p. 135). The 18 councils occupying the South East corner of the State became concerned that, to deal with the issue, cabinet would create a new planning authority which would override the autonomy of local governments in the area. The possibility of this outcome prodded the previously uncooperative collection of municipalities into action. In 1991 they established SEQROC to enable them to directly confront state authorities with a single, unified 'whole of local government position for the region' (Bertelsen, 2002, p. 4). State cabinet subsequently established a regional planning advisory group to oversee *SEQ 2001*. This group consisted of SEQROC, several state ministers, a senior Commonwealth public servant and representatives from the peak bodies for the environment, community, business, union, industry and professional sectors (Abbott, 1995, p. 135).

Over the following few years, SEQROC emerged as a significant driving force behind the planning body. Its member councils provided specialist personnel for *SEQ 2001's* working groups, as well as supplying relevant information and expertise. This input undoubtedly contributed to the nature of the planning body's eventual recommendations, which were regarded as highly effective (Abbott, 2001, p. 117). Indeed, Bertelsen has suggested that SEQROC's role in the development of *SEQ 2001* can be considered 'one of its most significant achievements' (2002, p.4). It was, nonetheless, a hard won outcome. Abbott reflected that 'the working group process was slow, tedious and at times torrid as a level of understanding and agreement between the sectors on policy positions was built up by consensus' (1995, p. 136) He added later that the groups, 'had to learn to work face to face, to find areas of agreement and to develop trust' (Abbott, 2001, p. 116).

The experience gained from involvement with the *SEQ 2001* exercise shaped the direction and operational dynamics subsequently adopted by SEQROC. Following the organisation's establishment in 1991, it quickly became evident that SEQROC was too large and cumbersome to cover all the needs of South East Queensland. It was subdivided into three constituent ROCs which deal with the detailed requirements of their localities. The 18 member councils, and four sub-ROCs, are closely bound together by SEQROC's elaborate system of working/project groups (11 in 2003). These bodies ensure that the views of all member councils are accommodated and coordinated in relation to a range of policy issues (Bertelsen, 2002, p. 5). The constituent ROCs also have their own structure of working groups, many of which overlap with SEQROC's groups (for example, WESROC, 2003).

The mayors and CEOs of all 18 councils attend the six weekly meetings of the SEQROC board. Each has an equal vote, regardless of size and population. Decisions 'are almost always reached by consensus' (SEQROC, 2003). SEQROC has clearly made good use of the contacts generated at the *SEQ 2001* forums. The high-level linkages brokered in this arena have been transferred to the SEQROC boardroom. Here, mayors and CEOs have 'face to face' discussions 'on issues of concern' with ministers and departmental secretaries from both State and Commonwealth agencies (SEQROC, 2003). These encounters 'often enable rapid and effective responses to issues by crystallising positions, clarifying misunderstandings and reaching agreements that would not be otherwise practical to achieve' (SEQROC, 2003).

SEQROC's working groups, too, have also evolved in scope and focus. Originally designated as technical working parties, they were upgraded to working groups in 1999 as recognition that they increasingly embraced critical strategic and political issues. Membership gradually changed so that councillors and policy officers became as much involved as technical staff. Like the SEQROC board, these groups link up directly with state and federal authorities (Bertelsen, 2002, p. 5). In fact, SEQROC's associations with external groups became such an extensive – and important – dimension of its activities that its constitution was amended in 2000 to incorporate this function. The new clause empowers SEQROC 'to collectively represent members on bodies that influence the operations of the State, region, subregion and the communities of individual Councils' (SEQROC, 2001; Section 2e).

Certainly, SEQROC has achieved many significant outcomes in the course of its 12 years. In particular, it has taken the lead on a number of occasions to formulate and implement policy initiatives of special relevance to the region. Such issues have ranged from research into playground equipment and the future of rural communities to the creation of the SEQ Water Corporation and the sustainable reuse of bio-solids (Bertelsen, 2002, p. 5; SEQROC, 2003).

5.3 Case Study Three: Riverina Eastern Regional Organisation of Councils (REROC)

In stark contrast to both WSROC and SEQROC, REROC presides over a population of just 120,000 residents. It is a rural ROC located in Southern NSW, made up of 13 councils and spread over 41,000 square kilometres.

REROC began life with rather narrow aims and a limited structure, but grew rapidly in scope and ambition. When established in 1994, its primary role was to facilitate resource sharing; specifically, the group purchase of products. By 2001, however, policy development and lobbying shared equal billing with resource sharing as REROC's major functions (REROC, 2001a). Members now prepare submissions, mount delegations to higher levels of government and develop policy proposals in such diverse areas as telecommunications, waste disposal, the provision of air and train services, geographical information systems and road safety. In just a few years the nature of REROC's functions increased significantly in complexity.

The organisation's operational arena, too, expanded substantially. In the mid-1990s REROC's focus was confined largely to board meetings and the deliberations of a few technical committees drawn from member councils. Over the following seven years REROC developed extensive links with such bodies as the Riverina Development Board, the Area Consultative Committee, several State and Commonwealth agencies and a range of community bodies. REROC's CEO was herself surprised at the extent of the progress that had been made, describing the organisation's diversity of activity in 2002 as 'extraordinary' (REROC, 2002, p. 5).

The reason underlying REROC's rapid development was that it had performed very effectively in terms of meeting its objectives. In relation to resource sharing, it had achieved major gains. Over a five and a half year period between 1997 and 2003 it secured $4.68 million in savings for its member councils across a number of areas (REROC, 2003, Appendix One). The organisation was also consistently successful in obtaining grants from state and federal agencies, receiving some $600,000 in funding over the three year period 1998 – 2000 (REROC, 1999; 2000; 2001). REROC also made good progress in tackling critical policy issues. For example, a sub-committee appointed to find the most appropriate means of implementing the GST across member councils resulted in rare praise from the Australian Taxation Office who described REROC members as 'the most informed and aware group of councils they had addressed in NSW' (REROC, 2000, p. 4). Moreover, in seeking solutions to problems, REROC working groups demonstrated an innovative and entrepreneurial flair on a number of occasions. A planning approach to on-site sewage management developed by REROC proved to be so useful that it was subsequently packaged as a 'kit' and sold to other councils in NSW for a profit (REROC, 1999, pp. 8-9). Indeed, REROC won both national and a state awards for innovation in the late 1990s (REROC, 1998, p. 1; 1999, p. 2). Finally, REROC turned out to be a very effective lobbyist. Working groups put considerable effort into developing well-researched submissions, and it is clear that the organisation secured some significant 'wins' on important issues (for example, REROC, 1999, p. 5). Certainly, there was a widespread perception across the Riverina that REROC was performing well (REROC, 2000, p. 4).

REROC's success became a self-fulfilling exercise. Real achievements in one sector gave the organisation the confidence to tackle ventures in others. Such ventures often involved external groups who were happy to benefit from

REROC's interest and expertise. REROC, in turn, was able to use these networks to develop fresh policy initiatives directed at regional needs. A good example of this process was the Community Services Planning and Development Group which dealt with social problems. It was made up of representatives from state agencies and peak community bodies, and REROC. REROC observed, however, that the group's energies were focused largely on the City of Wagga Wagga (REROC, 1998, p. 12). REROC was subsequently instrumental in persuading the group to extend its programs to take in smaller surrounding rural centres (REROC, 1999, p. 13). REROC then developed further social policy initiatives of its own in areas considered of particular importance to its member councils. In 2002, for example, it convened the district's first youth summit (REROC, 2002, pp. 14-15).

REROC's success in these activities can be attributed to the fact that it was able to persuade participants from diverse organisations to work constructively together. Skilled individuals from member municipalities (and external bodies) were willing to embrace a genuinely regional perspective on policy problems, and to put in the additional time and effort required to try and resolve them. REROC's *1998 Annual Report* noted that across the councils 'professional staff are now working and cooperating in a manner not previously experienced' (p.2). Such attitudes were fostered by the supportive and transparent context in which forums were convened. REROC board meetings – which invariably have a 100 per cent attendance rate (Briggs, 2003) – are conducted in an 'inclusive and collegial atmosphere' (Briggs, 2003). Debate is open and unrestricted with all members encouraged to express their views. Participants are not bound to support particular projects or decisions. However, such is the nature of interaction that in the 'vast majority of occasions, discussion leads to unanimous action' (REROC, 2002, p. 1).

6. ROCS AS GOVERNING NETWORKS

The three ROCs discussed above differ significantly in terms of their origins, size, geographical spread and the characteristics of the communities they serve. Yet there are also obvious similarities in structure, process and evolution.

All three, relative to their particular environments, have constructed extensive systems of working groups which, in turn, are linked to a range of external bodies. These networks vary in composition and density. WSROC's use of TeamWest has created an array of loose, unstructured players who, together, makeup a comprehensive web of interaction across Western Sydney. The SEQROC approach, on the other hand, is more institutionalised with its committee system anchored to a established administrative apparatus. These metropolitan and rural networks also vary in complexity and size. The SEQROC arena, consisting as it does of ROCs within a ROC, comprises a series of interlocking forums that knit almost imperceptibly with public and private agencies. REROC's structure and scope is altogether more simple than its urban counterparts, but nevertheless embraces the same format.

All three ROC networks are made up of interdependent players who contribute expertise, information and resources in pursuit of mutually beneficial outcomes. The networks constitute level arenas of involvement where diverse groups and individuals engage on an equal footing. Even SEQROC's structure is not hierarchical. The three smaller ROCs that make up SEQROC are not subordinate groups. Moreover, there is a strong perception that authority is, and should be, widely dispersed among actors. Support for this value is clearly demonstrated by the fact that 30 out of the31 respondents to the Marshall and Witherby survey concurred with the SEQROC's stance that at board meetings each member council possesses an equal vote, regardless of size and population.

The effectiveness of WSROC, SEQROC and REROC can be attributed to the manner in which participants interact with each other. In each case the networks grew through a process of developing trust, commitment and goodwill among those involved. Building social capital such as this requires time and effort; the importance of reciprocation, and the norms of compromise and adjustment have to be grasped by all sides. In the case of SEQROC members developed their operating understandings through the intensive SEQ2001 experience. WSROC, for its part, took many years to establish its reputation and influence in the Western Sydney arena. REROC's success at building a viable network – after only five years or so – may have been due to the smaller community involved and the familiarity of the social terrain.

We argue that these networks constitute more than just arenas of cooperation. We suggest that the more highly developed ROCs, such as WSROC, SEQROC and REROC, have evolved into semi-formal networks of regional governance similar to the governing networks outlined in the theoretical discussion above. It is our contention that such arenas of activity play a vital role in coordinating and implementing policy initiatives between the three formal levels of government, act as a lubricant on sticky issues and fill in the policy interstices that are inevitably created in a federal jurisdiction. A good example of this is TeamWest's strategy of working around and between existing institutions. More than this, though, in carrying out such functions, the networks operate with a degree of independence and autonomy. Because they are well positioned to take a comprehensive overview of community requirements and control information and resources, they can - and do - set agendas and make policy. REROC's social policy initiative, mentioned in the previous section, is a direct instance of a ROC filling in gaps in programs overlooked by state and community agencies.

7. CONCLUDING COMMENTS

Far from fading away, a number of ROCs have emerged as low-profile, but significant players in Australia's regional landscape. They have responded to a congested political milieu by creating comprehensive networks of inter-organisational activity. These networks perform a critical governance function in so far as they provide a coordinating mechanism for diverse views, and find solutions to specialised problems that are not catered for by existing hierarchies and market systems. That ROCs have expanded to fill this role and not some other regional body may be partially attributable to the fact that they consist of elected representatives. They have grown out of existing democratic structures, and this foundation perhaps provides them with a degree of legitimacy and credibility in the public eye that state and federal agencies cannot claim.

In the longer-term, it is probable that ROCs will survive further future programs of amalgamation across the states. They embrace a genuinely regional perspective and it seems unlikely that any single amalgamated council will be sufficiently large to undertake this function. It is possible, however, that ROC networks will become increasingly institutionalised as they mature. Some aspects of the loose and fluid arrangements which prevail may harden into more clearly defined relationships. The WSROC experience – with its shift to developing partnerships in particular policy areas – may be indicative of this change. ROCs could mature into organisations which have a formalised core, circled by a series of informal, overlapping networks. Certainly partnership agreements would simplify the intergovernmental framework; ROCs offer the potential to become stable mechanisms for implementing the regional policies of Commonwealth and state agencies. Indeed, such agreements are being discussed by some states (Dollery and Marshall, 2003). Interestingly, the creation of such structures would herald a return to the proposals originally put forward by the Hawke and Keating governments in the early 1990s.

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INVESTMENT PROJECT PROSPECTUS

2025/26

www.gvroc.com

CONTENTS

ABOUT US

The Goldfields Voluntary Regional Organisation of Councils (GVROC) was formed in 2007, with the overarching principle to develop a strategic alliance of Local Governments in the Goldfields, who contribute and work together to ensure development and retention of infrastructure and community services and undertake joint economic development initiatives, through grant funding with the State and Federal governments plus the private sector, to enhance the region.

It consists of the:

- Shire of Coolgardie
- Shire of Dundas
- Shire of Esperance
- City of Kalgoorlie-Boulder
- Shire of Laverton
- Shire of Leonora
- Shire of Menzies
- Shire of Ngaanyatjarraku
- Shire of Wiluna

The GVROC also look to enhance service delivery and infrastructure for its collective and individual communities and to achieve a sustainable, cost-effective model for sharing of resources.

ABOUT THIS PROSPECTUS

This prospectus contains a showcase of projects which will serve to enhance the economic and social fabric of the Goldfields Esperance Region. The projects detailed in this prospectus have been meticulously selected to align with the GVROC's goals, each chosen for its potential to deliver significant economic and community benefits to the region.

Economic benefits are multifaceted, encompassing job creation, business growth, and infrastructure development. Projects that promise to spur our local economies, attract investment, and create employment opportunities have been given precedence.

The GVROC recognize that economic vitality is a key driver of regional sustainability and growth. Equally important are the community benefits these projects promise. The GVROC understand that economic growth must go hand in hand with social well-being.

Therefore, the projects chosen focus on enhancing community cohesion, liveability and improving access to essential services.

The projects presented in this prospectus require major capital investment from State and/or Federal Government in order to proceed. They fall into the four major themes of housing; transport; utilities; and community development with most of them being shovel ready, awaiting funding.

HOUSING

Western Australia's and the Goldfields Esperance regional housing markets are struggling to respond to a sustained increase in demand and are suffering a housing availability crisis.

The lack of access to appropriate housing options is limiting access to workers, increasing business and living costs, discouraging investment, and constraining business activity across regional WA. While the effects are most notably experienced in regional communities, this acute housing shortage is hindering the social and economic development of the region and WA.

Given similar housing supply challenges nationwide, these challenges are not unique to the Goldfields Esperance region or regional Western Australia and it is clear that multifaceted approaches involving all levels of government, the private and not for profit sectors is required to effectively tackle the current nationwide housing crisis.

Housing stress has reached critical levels in many areas of the region. The local government areas of Wiluna, Menzies and Laverton are all within the top ten worst affected by housing stress in WA as determined by a recent Community Housing Industry Association study.[1]

Strong commodity prices are driving a boom in mining sector activity, post-COVID government stimulus measures have increased consumer confidence and general economic activity, favourable agricultural conditions and global demand have contributed to non-mining sector activity, domestic tourism is on the rise, and the State Government is providing focused investment and stimulus in renewable energy projects.

These factors have all contributed to rapidly increasing demand for housing and land in the region (both residential and industrial demand).

Supply has been unable to meet this demand, due to a range of systemic issues and constraints. As a result, the worsening gap between supply and demand is becoming a major issue for the community, with affordable and appropriate housing becoming more difficult to secure, especially for government and key workers and those on low-to-moderate incomes.

Local governments alone cannot resolve the current housing challenges and the GVROC Local Government members are therefore committed to working in partnership with State and Federal Governments, the private sector and non-government organisations to overcome barriers to regional housing investment and to make housing markets more sustainable.

The GVROC has developed a Housing Strategy plus an Audit and Action Plan that is guiding the individual and collective efforts of members to remove barriers to housing investment and to increase supply, diversity and availability of housing within their towns.

The GVROC members have identified a range of priority project, funding and planning initiatives that will encourage and enable short and long term private, public and not for profit investment in housing supply in the Goldfields Esperance region.

[1] Community Housing Industry Association. 2022. *Quantifying Australia's unmet housing need*. https://cityfutures.ada.unsw.edu.au/social-and-affordable-housing-needs-costs-and-subsidy-gaps-by-region/

If supported, these initiatives will help to underpin the next phase of the Goldfields Esperance region's economic development, supporting sustainable regional population growth, increasing employment opportunities, improving the availability and quality of services, and reducing regional disadvantage.

All GVROC members are working proactively and collaboratively with their local communities to increase housing supply, and they have identified a number of priority housing project opportunities for which they are keen to attract funding, investment and delivery partners.

Each community is unique in its housing demand pressures, supply requirements and potential investment opportunities. However, across the local governments, there is an attractive suite of housing priority project opportunities that have the potential to deliver much needed short and long-term housing solutions.

Current Goldfields Esperance Housing Key Issues and Constraints

- **Land Availability**

Across many GVROC communities there is a lack of available developed and serviced land for residential, industrial and commercial development. In most locations there is existing undeveloped land that would be suitable for residential, commercial or industrial development however, for a variety of reasons this land is currently not being used, or is unable to be used, for the benefit of the community.

Land tenure issues represent a significant constraint to land availability and access across the region. Difficulties in resolving issues including undetermined Native Title and the presence of mining tenements represent a significant constraint to improving land availability.

- **Existing housing stock**

The state of existing housing stock across the region is constraining LGAs' ability to capitalise on current social and economic development opportunities.

A significant proportion of the housing stock in the region is ageing, with properties reaching the end of their useful life and in need of full refurbishment or replacement.

The lack of available trades and high costs results in a lack of investment and maintenance of existing housing stock further exacerbating the problem.

As a consequence, there a significant number of vacant properties across the region that are unable to be used to provide safe and secure housing. Given the cost of replacing housing and the difficulties in attracting funding for new housing stock, the underutilisation of existing housing stock is highly inefficient for the community.

These challenges are intensified by challenging client groups and a lack of management and investment in State owned housing across the region resulting in poorly maintained and vacant housing.

- **Housing Market Capacity**

The region currently lacks an at-scale not-for-profit provider of affordable housing services that is able to bring significant affordable housing management capability and additional housing investment into the region. In other regions across WA, not-for-profit community housing providers are able to manage and own substantial assets and are able to use their cashflows to invest in additional affordable housing. There are three providers currently operating in the region – Community Housing Limited, Stellar Living Limited and Goldfields Indigenous Community Organisation (GIHO) – none of which operates at significant scale. As a consequence, there is a heavy reliance on the Department of Communities (DoC) for the delivery of social and affordable housing.

- **Housing and financing constraints**

LGAs and private investors in the Goldfields-Esperance region face significant challenges in its ability to secure financing to fund home purchases and new housing supply. Due to the traditional market volatility experienced across the region, strict lending practices are applied for financing applications. Conservative regulation by the Australian Prudential Regulation Authority and lending policies of the major banks place significant barriers to home finance for borrowers seeking finance.

For GVROC members, while the State Government encourages the LGA's to invest in housing, the WA Treasury Corporation lending rules limit the ability of LGA's to access low-cost government backed debt to finance lending for new GROH housing supply.

While there is consistent demand for State Government employee housing, the current funding model for GROH and WACHS staffing requirements has resulted in a lack of capital funding for direct property investment by government. A lack of available capital investment in these programs by the State Government has resulted in inadequate service delivery, and often leaves LGAs no choice but to manage this issue for their communities. This is evidenced by a number of GVROC LGA's providing accommodation to State Government employees.

- **Market Dynamics**

There are a range of market dynamics at play that prevent the region's housing market from operating efficiently and discourage investment in housing. Due to the isolation of the region, the limited number of suppliers, competition for resources, and a lack of critical scale, the region has traditionally been a high-cost environment. Land development costs largely associated with infrastructure, servicing and civil works charges are also high due to the requirement for fill, competition for heavy machinery, and the high cost of utility provision that is being passed on. Recent supply chain and labour shortages across the housing industry have further increased construction costs across the region.

- **Government Social and GROH housing**

While there is funding available for social housing from DoC's spot purchasing and capital investment programs, but due to the high cost of new housing construction or refurbishment and the value of the end asset being lower than its cost, construction or spot purchasing in the Northern Goldfields towns does not represent value-for-money and thus the funding is often determined to be more effectively spent elsewhere. The pool of funding for these programs is limited and unable to meet overall demand. Overall social housing demand in the Goldfields-Esperance region is comparatively low to other regions, which reduces the quantum of funding being allocated to the region.

Given the uncertainty of long-term housing demand, high construction costs, and historical low capital growth in housing values across the region, the GROH leasing model is largely unviable in most GVROC communities. So, while the State Government has encouraged GVROC LGAs to invest in housing for GROH under the leasing model, two significant challenges exist:

1. the investment metrics do not support the option as being a low-risk option delivering sound financial returns;
2. the current lending policies of WATC limit the ability of local governments to access debt to fund any investment in GROH housing.

GVROC Priority Housing Objectives

To ensure clarity of effort and purpose in GVROC's approach to increase access to land and quality housing within its communities its Action Plan focuses on achieving the following Priority Objectives:

1. Increase utilisation of existing residential land and housing within GVROC communities:
    a. Identify and maintain an understanding of vacant land and housing
    b. Encourage the upgrading and reoccupation of vacant public and private housing stock
    c. Activate vacant residential zoned land within townsites
    d. Encourage appropriate densification (e.g. use of ancillary dwellings and tiny homes)
    e. Encourage the sale of vacant houses and land
2. Increase investment in new housing supply through:
    a. State Government direct investment
    b. Attracting alternative investment through not-for-profit, Indigenous businesses or other ownership arrangements
    c. Private investment by business and individual households
    d. Targeted funding proposals for key cohorts and projects
    e. Direct LGA investment
3. Improve ability to enable development of residential, industrial and commercial land uses:
    a. Efficient and effective process and approval support with State Government
    b. Streamline local approval processes, documentation, specifications
    c. Increase access to expertise and resources to maintain focus and effort
4. Build regional housing market capacity
    a. Increase capacity for LGA investment in housing
    b. Create opportunities for housing aggregation
    c. Enable increased coordination, aggregation and efficiency in housing maintenance services
    d. Establish a pool of builders who can deliver projects in the region

ESPERANCE KEY WORKER ACCOMMODATION PROJECT

Project Value	LGA Commitment	Funding Required
$7.95 Million	**$1.5 Million**	**$6.45 Million**

PROJECT DESCRIPTION/OVERVIEW

The Esperance Key Worker Accommodation Project is designed to help provide a sustainable, long-term solution to the ongoing lack of low cost, key worker accommodation in the Shire of Esperance.

Located in the centre of town the Shire is proposing a 20-unit purpose-built facility on land owned by the Shire with the potential for additional units dependent on funding availability.

The project will support local workforce attraction and retention and enable further economic development in the area.

Esperance is a key regional centre in southern Western Australia. It plays a critical role supporting the agricultural and broader mining industry and has an expanding tourism sector. With a GDP of $1.27 billion per annum and a range of businesses and industry looking to establish themselves and expand in Esperance, access to affordable and diverse housing is critical to the region's growth and sustainability.

The proposed $7.95m key worker accommodation project will provide significant and tangible benefits to the Esperance region during both the construction and operational phases. The accommodation is expected to house 20 households and approximately 30 key workers in affordable housing helping to retain critical skills in the region.

The Shire is open to partnerships with private, non for profit or State government agencies to advance this project

PROJECT BENEFITS

- Ensure business can continue to operate and grow- contributing to the States growth and development
- Address existing housing shortfall which is resulting in heightened needs for social and at-risk services
- Demonstrate to the private sector the viability of infill housing in Esperance
- Improve the diversity of housing options; and
- Support the activation and development of the Esperance town centre.

PROJECT STATUS - Shovel ready – requires funding.

TRANSPORT

The demands on the Local Government transport networks in regional Western Australia, and in particular the Goldfields Region, are continuing to grow, while at the same time Local Government Authorities (LGAs) are experiencing significant increases in the costs to undertake critical transport infrastructure (airport and road maintenance, renewal and new construction) works.

Roads

Given the increasing demand in the Goldfields Esperance Region from all sectors of the resources industry (gold, nickel, lithium, rare earths, iron ore, gravel) as well as the agricultural sector (with an expected record harvest) resulting in record use of the regional road network in the Goldfields Esperance region as well as an increase in the size of heavy vehicle configurations, the GVROC is seeking that the State and Federal Governments need to consider a better and fairer system towards road funding allocations.

Current State and Federal Road funding arrangements do not reflect or fairly recognise the increased demands, needs and costs in the current funding agreements and distribution of funds. This increased demand is placing financial pressure on both GVROC LGAs and Main Roads WA (MRWA) to manage, maintain and upgrade the road networks in the region against other competing local government cost pressures. Another factor contributing to all of this is the availability of road construction contractors, LGA staff, planning and design of road-intersections and materials in the current economic climate.

The current distribution of State and Federal Government funding for roads, particularly to the regional LGA sector in WA, compared to the government revenue raised from taxes and mining royalties that should be allocated back into managing, maintaining, and upgrading the road networks used to provide this government mining revenue is unfair and disproportionate.

The GVROC would like to see across all State and Federal Government Road funding programs with LGAs, consideration of the following:

- An increase in the road funding pool and percentages towards regional road works.
- A change in the methodology and terminology around what is considered for road funding so that rather than just undertaking preservation and maintenance of roads that it also allows for improvements. E.g. many problems with roads that need fixing due to increased usage of road trains or natural disaster events like flooding occur again if just replaced to what was there before, rather than the alternative of using the funding to improve the design so that the works do not fail again and again.
- Provision of assistance to LGAs to increase the capacity and capability to undertake the road works and spend the allocated road funds when distributed.
- An increase in investment decision-making opportunities for local governments through the Regional Road Group.

The GVROC would also like to leverage $20m or $30m per annum from the State Government with matching funding from the Commonwealth Government's Roads to Recovery Program into a dedicated Goldfields Regional Road Group Funding Pool, which would be allocated based on a GVROC prioritised list of roads of strategic importance. This would provide all GVROC Local Governments a guaranteed funding stream for their annual road maintenance and upgrade programmes and ensure that the regions roads do not impede the ability for the region's potential economic growth.

Airports

Airports are particularly vital in vast and remote regions like Western Australia and the Goldfields Esperance Region. They provide essential connectivity for local residents allowing for efficient travel to capital cities and beyond and meet the requirements for the mining sector in the region to allow its fly in fly out workforce.

This connectivity is crucial for accessing healthcare, education, and employment opportunities that might not be available locally. Furthermore, airports support the transport of goods, particularly perishable items, enhancing the efficiency of regional supply chains and opening markets for local producers.

By facilitating tourism, airports also help boost local economies, as visitors bring revenue to hospitality, retail, and service sectors. In emergency situations, such as medical evacuations and disaster relief, the presence of functional airports can be life-saving.

Despite their importance, local governments in regional Western Australia often face significant challenges in funding the upkeep and development of airports. The costs associated with maintaining and upgrading airports are substantial, and the revenue bases of regional councils are typically limited.

Moreover, regional areas sch as the Goldfields Esperance region frequently contend with harsher environmental conditions that can accelerate wear and tear on airport infrastructure. Extreme weather events, such as floods can cause extensive damage, requiring costly repairs and upgrades. The vast distances and low traffic volumes further complicate the economic viability of maintaining the airports at optimal levels.

Addressing these challenges requires coordinated efforts and sustained investment from all levels of government to ensure that regional communities remain connected, prosperous, and resilient.

Rail

Rail throughout the Goldfields Esperance region facilitates the efficient transport of essential supplies such as food, goods, and mining equipment and produce, which are otherwise difficult and costly to deliver over vast distances. It also provides a reliable means of exporting gold, iron ore and other minerals to markets, bolstering the region's economic significance and linking it to global trade networks.

Beyond economic benefits, the existing rail also plays a vital role in connecting isolated communities and fostering regional development along their routes. The rail in the region is not merely a logistical solution but a transformative force that underpins the growth, sustainability, and integration of the Goldfields region into Western Australia's broader economy and society.

Also of note around the rail is the Goldfields Esperance Development Commission (GEDC)'s recent funding of consultants to provide technical services to deliver the Kalgoorlie Rail Realignment Project (KRRP).

The KRRP is a significant infrastructure proposal exploring regional freight, intermodal terminal (IMT) and rail network opportunities that could unlock new economic and industry opportunities in Kalgoorlie-Boulder.

The GEDC is the lead agency for this regionally strategic project, being delivered from the region in partnership with the Australian and State Government. The KRRP is supported with $2.5 million in funding from the Australian and Western Australian Governments.

There have been significant changes, locally and nationally, that are driving this current KRRP, including the opening of new industrial land and industry adjacent to the rail and road corridor in West Kalgoorlie, expansion of existing mining operations, global moves towards decarbonisation and the need to increase supply chain resilience in transportation networks following disruption from natural disasters and emergencies.

The KRRP includes conducting studies and industry engagement to understand the current and forecast freight task across transport modes, supply chain analysis and land use and feasibility assessments to identify and examine potential rail realignment and intermodal terminal options in Kalgoorlie-Boulder.

A detailed business case for a preferred option, will also evaluate costs and benefits, funding and financial models, approval pathways and engineering designs for the infrastructure proposals.

As part of this work the GVROC would also like consideration taken by the State Government to undertake a feasibility study to reopen the railway line from Leonora to Laverton. Reopening this rail would have the benefits of:

- A reduction in the heavy transport of base minerals from Laverton to Malcolm rail head.
- A reduction in possible major road incidents with the current increase in triple road trains, double road trains and quads on the roads in the region.
- A reduction in base minerals being transported from West Musgrave and Nico Resources west of Warburton along the great central to Malcolm rail head.

Additionally, the GVROC would like the State and Federal Government to provide funding towards the rail network to address:

- Potentially increasing rail freight;
- High network costs;
- Potential congestion at the Aurizon Kalgoorlie Yard and Esperance; and
- An upgrade to the rail infrastructure in the Northern Goldfields and Esperance lines to accommodate further resource sector development.

ESPERANCE AIRPORT RUNWAY UPGRADES

Project Value	LGA Commitment	Funding Required
$25 Million	**$6 Million**	**$19 Million**

PROJECT DESCRIPTION/OVERVIEW

The Esperance Airport is located 23km north of the Esperance townsite and facilitates the only air passenger service available within almost 400km's. Two independent assessments of the airstrip have deemed that the main runway subgrade and pavement needs to be reconstructed. To ensure this vital service continues, plus the ongoing future growth of the region is catered for, the Shire is seeking to upgrade and lengthen the airstrip.

An upgrade to the main runway has been identified as a priority by the Shire of Esperance. The airport is a key piece of infrastructure within excess of 55,000 RPT passengers per annum.

The airport also incorporates a range of other uses, including:

- 250 RFDS flights per annum
- small water bombers over harvest period and during major fire events
- commercial air operators (agricultural and tourism related)
- Prisoner transfer

In total through 2023 there was 5,311 aircraft movements utilising the Esperance airport, an increase of over 13% on the previous year even with the reduction in use by larger planes due to the degradation of the runway surface.

This highlights the importance of the airport to the region as well as the growth in its use. It is both an important community asset and a significant economic driver in its own right.

The upgrades will enable aircraft up to the size of large air tankers (used for fire response (737 and Hercules) to utilise the airport further supporting the economic and community outcomes provided.

PROJECT BENEFITS

- Futureproof airport for foreseeable future
- Enable Large Air Tankers to operate from Esperance
- Undertake upgrades while ensuring passenger and RFDS services can continue

PROJECT STATUS - Detailed Design work and Business Case being developed – requires funding.

WILUNA AIRPORT RECONSTRUCTION

Project Value	LGA Commitment	Funding Required
$9-12 Million	**$3-4 Million**	**$6-8 Million**

PROJECT DESCRIPTION/OVERVIEW

The Shire has commissioned a number or reports relating to the serviceability of the Wiluna Airport over the past several years. Those reports have identified that although the airport infrastructure is in fair condition, reconstruction of the runway, taxiway and apron areas was overdue. This was identified in a 2016 report prepared by Core Business Australia.

The runway is exhibiting cracking and rutting.

Repairs completed in the recent past have stood up well, although the cracking and rutting is appearing in other places.

It is considered that the cracking and rutting is occurring due to ingress of moisture under the seal, heavy aircraft operations, particularly the Dash 8 Q100 (16.5 tonnes Maximum Take-off Weight [MTOW]) and Q300 (18.6 tonnes MTOW) regular passenger service operated by Skippers and a lack of timely maintenance.

As the need for reconstruction was identified at least eight years ago, that scenario now needs serious attention.

There will be a need to construct a new apron area to accommodate parking of design aircraft. The existing apron area is too small to accommodate anything larger than the current Dash 8-300 operations. This would involve a new 23-metre-wide taxiway.

A geotechnical investigation of the sub-grade properties will most likely need to be commissioned.

The opportunity to use waste rock from the nearby mine will continue to be investigated further. In January 2024 it was determined that some rock samples met the particle size distribution required for pavement material.

The improvements will require some lighting upgrades as existing lighting is situated within the graded runway strip which will need to be raised. Aerodrome Management Services suggest that this would be a good opportunity to upgrade to a new Low Intensity Runway Lighting System.

Another hydrology study may also be needed. Although hydrology studies have been completed in the past, they haven't been undertaken for the design now being recommended.

Should require maintenance to the surface of the runway, apron and taxi areas not be undertaken there exists a major consequence that the aerodrome will no longer be able to provide service as an aerodrome such that aircraft will no longer be able to safely operate into, on and from the facility.

The re-development option recommended would cost approximately $9-12 million. It would be expected that external funding of between $6-8 million could be available. This would not include a new terminal building. Submissions for funding have now been completed while others are being finalised.

PROJECT BENEFITS

- Risk that without these works the airport will become unserviceable.
- Handle increased mining aircraft, especially with closure of Mt Keith airstrip
- Continue to accept RFDS aircraft.
- Increased pavement classification to 28-30.

PROJECT STATUS - Several reports have been completed. Hydrology report still needs to be completed and some geotechnical works. Could be ready for tender in 12 months. Most design work done.

BAYLEY ST COOLGARDIE UPGRADE

Project Value	LGA Commitment	Funding Required
$7.5 Million	**$1.5 Million**	**$6 Million**

PROJECT DESCRIPTION/OVERVIEW

Bayley Steet is under the jurisdiction of Main Roads WA. However, due to the wide nature of this main road through Coolgardie and the fact that the external sections of the road and the footpaths are under the control of the Shire of Coolgardie there are multiple facets of input that are required.

In this instance it is proposed that Main Roads WA with additional funding from the State Government fund the major engineering works that are required to upgrade the traveling surface of the road and the impacts on drainage and other underground infrastructure and kerbing etc as these are all affected by the significant road width.

The Shire of Coolgardie is willing to contribute to ensuring that the local infrastructure like the footpaths and other infrastructure, which is also significant is tied in to ensure that the upgrade is long lasting and meets the community expectations.

PROJECT BENEFITS

- Road Surface is in poor state and due to the amount of heavy haulage using the road now the structure of the road needs considerable improvement to take the extra load mass.
- Impacts of such a wide road being a major storm water collection, the storm water infrastructure improvements will greatly lessen impacts on buildings and other infrastructure.
- Improvements to the town centre aesthetics and useability for the residents.
- Improvements made prior to significant damage occurs and major disruption occurs to the mining companies transporting significant ore and commodities on this road and the negative economic impact a non-expected closure would cause.

PROJECT STATUS

Full Engineering Design needs to be prepared and costed as part of the project. WML Consultant Engineers are aware of the project and would be able to proceed with the commencement design if a preliminary budget is approved by the State and or Main Roads WA and a suggested amount for this design work would be $250,000.

HEAVY HAULAGE BYPASS AROUND LEONORA

Project Value	LGA Commitment	Funding Required
$3-4 Million	**$1 Million**	**$2-3 Million**

PROJECT DESCRIPTION/OVERVIEW

The Shire of Leonora is currently undertaking costing and feasibility on sealing the informal heavy haulage bypass around Leonora.

This will include sealing approximately 1.2kms and redesigning 3 intersections to allow for RAV access. The current situation involves super quad road trains weighing over 120 tonnes traveling at 50km/h down the main street of Leonora within meters of pedestrians.

This has been on the Shire's Strategic Community Plan for some time. Preliminary estimates put the project at $3-4m.

PROJECT BENEFITS

- Community Safety by removing quad road trains from the main street of Leonora.

PROJECT STATUS – Funding required.

NORSEMAN UPGRADE TO ALL ROADS CROSSING PRINSEP STREET/COOLGARDIE ESPERANCE HIGHWAY

Project Value	LGA Commitment	Funding Required
$10.3 Million	**$2.3 Million**	**$8 Million**

PROJECT DESCRIPTION/OVERVIEW

The Shire of Dundas is looking to upgrade all the roads crossing Prinsep Street/Coolgardie Esperance Highway in Norseman, part of which is the Main Roads WA's area of responsibility. In addition to the estimated project value of $10.3 million listed above, it is estimated that the Main Roads WA separate project component to asphalt Prinsep Street will be a further $15.2 Million.

The purpose of this project is to enhance Norseman's infrastructure, focusing on sound reduction, road safety, and heavy vehicle management along the 2.9 km corridor as listed below.

1. Sound Reduction

Noise Barriers: Install sound barriers along key residential areas near sensitive facilities such as the Medical Centre, Town Hall, and residential units. These barriers could be constructed with eco-friendly materials and vegetation for aesthetic appeal.

Low Noise Road Surface: Use noise-reducing asphalt on the 2.9 km stretch to decrease traffic noise, especially for heavy vehicles.

Green Buffers: Introduce landscaped buffer zones with trees and shrubs to reduce noise and improve air quality.

2. Safer Road Crossings

Upgraded Crossings: Enhance the ten road crossings with:

- Pedestrian-operated traffic lights at high traffic points like the Ramsay Street roundabout.
- Raised pedestrian crossings to improve visibility and reduce vehicle speeds.

Lighting and Visibility Improvements: Install LED lighting and high-visibility signage at all crossings, particularly near public facilities such as the Medical Centre, St John and Bush Fire Brigade, and Norseman Pensioner Units.

Dedicated Bike Paths: Add separated cycling lanes along the 2.9 km corridor, ensuring safe passage for cyclists.

3. Heavy Vehicle Management

Dedicated Truck Lanes: Designate heavy vehicle lanes or bypass routes to separate truck traffic from local and pedestrian traffic, reducing congestion and improving safety.

Truck Waiting Bays: Create waiting zones for heavy vehicles near the BP and Ampol stations, equipped with amenities to keep trucks off residential roads.

Traffic Flow Optimization: Redesign the Ramsay Street roundabout to accommodate high heavy vehicle volumes, including slip lanes for smoother transitions.

4. Road and Intersection Upgrades

Widening and Strengthening: Expand and reinforce key road sections to handle the high volume of trucks.

Smart Traffic Management: Introduce adaptive traffic signals prioritising heavy vehicles at critical junctions to minimize stoppage time.

Rail Crossing Improvements: Upgrade the rail crossing with automated safety gates, soundproof barriers, and pedestrian-friendly pathways.

5. Community and Active Transport Facilities

Shared Pathways: Build a shared pedestrian and cycling pathway connecting major facilities like the Great Western Hotel, Visitor Centre, and Phoenix Park.

Noise Resilient Public Spaces: Upgrade public areas like Phoenix Park and the Men's Shed with noise mitigation features such as earth mounds and acoustically treated shelters.

6. Environmental Enhancements

Rain Gardens: Install stormwater management systems like rain gardens along the corridor to improve drainage and reduce runoff impacts.

Renewable Energy Features: Use solarpowered streetlights and traffic signals to promote sustainability.

Implementing these projects will significantly improve Norseman's infrastructure, enhance safety, reduce noise pollution, and effectively manage heavy vehicle traffic.

PROJECT BENEFITS

Implementing the proposed upgrades to the 2.9 km corridor along Prinsep Street/Coolgardie Esperance Highway would bring substantial benefits to the Norseman community, visitors, and the transport industry as follows:

- **1. Enhanced Quality of Life for Residents**
  - Noise Reduction: Sound barriers, low-noise road surfaces, and green buffers will create a quieter and more pleasant environment for residents, particularly near sensitive areas like the Medical Centre, Town Hall, and pensioner units.
  - Air Quality Improvement: Vegetation in green buffers will help reduce air pollution from vehicle emissions.
- **2. Improved Road Safety**
  - Safer Crossings: Upgraded pedestrian crossings with raised platforms, improved lighting, and high-visibility signage will reduce accidents and improve accessibility for all, including vulnerable populations.
  - Cyclist and Pedestrian Safety: Dedicated bike paths and shared pathways will encourage active transport, reducing the risk of accidents involving cyclists and pedestrians.

- **3. Streamlined Heavy Vehicle Traffic**
  - Efficient Traffic Flow: Dedicated truck lanes, optimized roundabouts, and truck waiting bays will separate heavy vehicles from local traffic, reducing congestion and improving overall traffic flow.
  - Safety Enhancements for Freightliners: Improved Road surfaces and rail crossings with automated gates will decrease accidents and delays for freight operators.
- **4. Increased Attractiveness for Visitors**
  - Public Space Enhancements: Upgraded parks and community spaces with noise mitigation features will make Norseman more appealing for tourists, improving the experience at destinations like Phoenix Park and the Visitor Centre.
  - Better Connectivity: Shared pathways connecting key sites will make it easier for visitors to explore the town on foot or bike.
- **5. Economic Benefits**
  - Support for Freight and Mining Industries: Improved infrastructure will facilitate smoother operations for mining companies and freightliners, boosting economic activity and reducing delays.
  - Local Job Creation: Construction and maintenance projects will create short-term and long-term job opportunities for locals.
- **6. Sustainability and Environmental Impact**
  - Stormwater Management: Rain gardens will address drainage issues and minimize runoff impacts, protecting local ecosystems.
  - Renewable Energy Use: Solar-powered lighting will reduce energy costs and promote sustainable practices in the community.
- **7. Alignment with Regional Development Goals**
  - Increased Appeal for Funding: The project's focus on safety, sustainability, and active transport aligns with government funding programs, making it a strong candidate for financial support.
  - Enhanced Town Image: Norseman will be seen as a progressive and well-maintained town, encouraging further investments and tourism.
  - Impact on Key Stakeholders
  - Residents: Improved living conditions through noise reduction and safety enhancements.
  - Visitors and Tourists: Better access to attractions and a more welcoming environment.
  - Freight and Mining Operators: Enhanced logistics with reduced travel times and improved infrastructure.
  - Local Businesses: Increased foot traffic and visitor satisfaction may lead to higher economic activity.
  - The proposed improvements will transform Norseman into a safer, more sustainable, and visitor-friendly town, benefiting all who live, work, or travel through the area.

PROJECT STATUS – Awaiting Financial Commitment, before Detailed Design

NEW QUARANTINE STATION ON THE WA BORDER FOR THE GREAT CENTRAL ROAD IN LAVERTON WA

Project Value	LGA Commitment	Funding Required
$10 Million	$Nil	$10 Million

PROJECT DESCRIPTION/OVERVIEW

A new Quarantine station along the Great Central Road in Laverton WA is urgently required as the great central road and outback highway is developed and sealed with recent funding announced by the State and Federal Governments.

Once the road is sealed it will provide open access into the State and the number of tourists/visitors will increase. With this increase comes the increase in risk for quarantine issues with disease and pests coming into WA damaging our economic prosperity and safety for industry sectors, in particular the local Agriculture sector.

Due to this risk the Shire of Laverton is requesting that the State and Federal Governments urgently look to allocate funding towards the design and establishment of new quarantine facilities at the WA Border along the Great Central Road.

PROJECT BENEFITS

- Prevention and spread of biosecurity hazards, diseases and pests into Western Australia.
- Laverton will capture all transport routes into WA from the Northern Territory and South Australia.

PROJECT STATUS – Requires commitment by State Government, development of a detailed business case and funding allocated.

COMMUNITY DEVELOPMENT

Community development projects are pivotal in attracting and retaining residents to the Goldfields Esperance region. These types of projects help to create vibrant, attractive, and sustainable regional communities that can compete with metropolitan areas in terms of amenities and quality of life.

One of the primary challenges for regional towns in Western Australia and the Goldfields Esperance Region is their often-vast distances from each compared to the Perth metropolitan area – with its full suite of facilities that are not always afforded to the regions. Indeed, the Goldfields Esperance region covers more than a third of Western Australia's land mass, which exacerbates this challenge.

Increasing liveability in the Goldfields Esperance regional towns is crucial for attracting new residents and retaining existing ones. High-quality community facilities and services can make regional living more appealing by offering conveniences and opportunities similar to those found in the metropolitan area. These projects can include modern libraries, sport and recreation complexes, art and cultural centres, and vibrant public spaces, all of which contribute to a well-rounded and fulfilling lifestyle. When residents have access to such amenities, they are more likely to stay in the region, reducing population decline and fostering community stability.

Community development projects also play a significant role in promoting tourism. Well-developed facilities and attractions can draw visitors, generating economic benefits for the region. Tourism infrastructure such as visitor centres, museums, heritage sites, and event spaces can highlight the unique cultural and natural assets of the region, attracting tourists seeking diverse experiences. Improved amenities and services not only enhance the visitor experience but also encourage repeat visits and positive word-of-mouth recommendations.

Residents and visitors alike expect up-to-date facilities and services comparable to those found in capital cities and metropolitan areas.

The development and upgrade of community facilities often requires substantial upfront investment. Regional Local Governments, like those in the GVROC frequently face financial constraints, with local governments operating on limited budgets that are insufficient to cover the high costs of major projects.

Staging these projects over several phases can help manage costs, but significant investment from state and federal governments is typically necessary to initiate and sustain progress. Without this external support, many community development projects would remain unfeasible.

The following GVROC community development projects will assist the local governments in the region to meet their communities' expectations and to allow growth in their towns.

ESPERANCE JAMES STREET CULTURAL PRECINCT

Project Value	LGA Commitment	Funding Required
$30 Million	$7.5 Million	$22.5 Million

PROJECT DESCRIPTION/OVERVIEW

The James Street Cultural Precinct (JSCP) is a major transformative project that will be developed in the Esperance Central Business District. Located in the heart of the coastal town of Esperance, this site will provide a strategic link between the beautiful foreshore and the vibrant town centre. This project embraces the heritage building that is currently home to our museum, while also providing a much-needed new library and visitors' centre. The precinct will serve as a crucial meeting place and activity hub for both visitors and locals.

As a significant community infrastructure project, the James Street Precinct will offer the Shire of Esperance a central hub for the community and visitors. The redevelopment of this site will include the provision of spaces, such as a library; volunteer centre; tourism information centre; café; function centre; and flexible spaces.

The JSCP was an award-winning project before construction began, having been awarded the outstanding regional project and presidents award by the planning institute of Australia. All aspects of this project respond directly to the community's aspirations, cultural and historical values, unique location, and environmental considerations.

Stage 1 of the precinct development is a new Cultural and Tourism Hub including new interactive museum, library, visitor centre and retail and commercial facilities to create a unique visitor experience in the Esperance town centre. The proposal includes the construction of a new landmark architecturally designed, double storey facility which will offer high-quality and flexible event, community and creative spaces, all overlooking the new Esperance Waterfront, ocean pool and the Esperance Tanker Jetty, and with scenic views of the islands of the Recherché Archipelago, all from the heart of Esperance town centre. The total cost to deliver the full masterplan is estimated at $60 million, with Stage 1, estimated at $30 million (excl. GST). The Shire of Esperance has committed $7.5 million to the project and is seeking the remaining funding from the State and Federal Government.

PROJECT BENEFITS

- Improving both community and visitor experience and access to services
- Holistic integration of tourism, commerce, culture, recreation and municipal service
- Setting a new standard for activation of public space to serve diverse community needs.

PROJECT STATUS – Funding required.

James Street Cultural Precinct

KALGOORLIE BOULDER – GOLDFIELDS OASIS

Project Value	LGA Commitment	Funding Required
$44 Million	$13M (including $8M contribution from the Federal Government's Priority Community Infrastructure Program)	$30 Million

PROJECT DESCRIPTION/OVERVIEW

The Oasis is Kalgoorlie-Boulder's primary indoor sport and aquatic centre. It was initially constructed in 1999 and apart from a series of expanded outdoor water play and energy saving initiatives, it has remained consistent with its original development.

While it continues to be a valuable asset to the community, the Oasis no longer fully caters to the expanding needs and expectations of the community, falling short on several critical requirements.

Community consultations led to development the 2023 Master Plan, which includes a facility audit, lifecycle scheduling, maintenance plans, and urgent repairs. A concept design with cost estimates proposes improvements such as disability access, support for seniors, and increased access for First Nations communities. Key features include a new 50-metre outdoor pool, upgraded outdoor water play, and optimised plant room infrastructure.

The need for an outdoor pool arose after the 1999 closure of the Lord Forrest Olympic Pool, which was redeveloped into a youth precinct in 2017. Since then, community demand has grown, as the nearest outdoor facility is 40 km away in Coolgardie.

The City of Kalgoorlie-Boulder (CKB) has secured a commitment of $8M from the Federal Government's Priority Community Infrastructure Program to partially fund the 50-metre outdoor lagoon pool. CKB has applied for a $2.5M contribution towards the development of pool through the 2024/25 State Government's Community Sporting and Recreation Facilities Fund (CSRFF).

The estimated cost for the upgrade and extension of the existing outdoor pool area of the Oasis is $44M, which will need to be sourced through external funding sources.

These costings include:

- the Full development of the 50-metre outdoor lagoon pool.
- Landscaping of all outdoor areas.
- BBQ, shade, seating, viewing, walkways and external seasonal kiosk.
- Consolidation of new and existing plant servicing the indoor and outdoor area to support all water bodies.
- Replacement of current water slides and outdoor water play infrastructure.

PROJECT BENEFITS

- The new space will serve as a multifunctional area, enhancing the capacity for programmable water activities, especially during the summer months when temperatures exceed 40 degrees.

- Provides recreational opportunities for people of all ages, including those with disabilities and seniors, who have specific requirements for health, well-being, and rehabilitation.
- Increases patron safety and comfort.
- Builds and strengthens the social and economic benefits for the community.

PROJECT STATUS

It is proposed that Construction of the 50-metre outdoor lagoon pool will commence in the 2025/26 FY to allow for leveraged funding to be secured in the 2024/25 FY. This will also allow time for the completion of detailed designs, final operational design consultation and costings.

Costs are currently estimated on an OPC (revised August 2024) and will require plans to be well-advanced to provide final costings for consideration in the 2025/26 budget. The development of the outdoor pool has been endorsed by Council and it is included in the CKB's Long Term Financial Plan.

KALGOORLIE BOULDER MULTI-PURPOSE COMMUNITY PAVILION

Project Value	LGA Commitment	Funding Required
$10.617 Million	**$3.5 Million**	**$7.1 Million**

PROJECT DESCRIPTION/OVERVIEW

The City of Kalgoorlie-Boulder (CKB) plans to create a contemporary, all weather, pavilion for a variety of community uses in Kalgoorlie-Boulder at the Goldfields Arts Centre (GAC) located in Cheetham Street, Kalgoorlie.

The multi-purpose pavilion will support activities and experiences which positively impact the social and economic development of Kalgoorlie-Boulder while enhancing public spaces to support community gatherings. The pavilion will also host daytime and night-time activations delivered by CKB and other event organisers in the city.

A key feature of the project is to develop an artistic space to recognise and celebrate First Nations peoples through cultural expression, connection, and healing. This space will build on the strong relationships the CKB has formed with First Nations artists through the recent Kal City Centre First Nations Public Art Project.

The pavilion will also act as a safe space for vulnerable people in the community, particularly young people, to access outreach services delivered by local organisations and agencies. In addition, the project will contribute to regional liveability through the increased community vibrancy and social capital generated by new public engagement and interaction opportunities.

Inherently, the project will contribute to the creation of an Arts and Cultural Precinct (ACP) within the Kalgoorlie Central Business District (CBD) supporting by the existing GAC acting as a key anchor and attraction of the precinct. The ACP will generate increased visitation as a standalone destination and establish critical linkages to other priority precincts in the CBD.

The proposed pavilion is a 50m x 60m steel structure with a curved roof and a floor area of 3000m^2, accommodating up to 2,100 people when seated. The facility will have a shell roof with curves to generate greater interest in the architectural form and elevate the structure to a public building of merit to fit aesthetically with a variety of different uses.

The roof of the structure will have significant height clearances and spans to accommodate exhibitions and events with large equipment and event infrastructure, and additional elements including insulated roller doors, exterior digital panels, automatic wall shutters, and fencing.

PROJECT BENEFITS

- Supporting and showcasing First Nations creative industries, and providing spaces which support cultural expression, connection, and healing.
- Serving as a cultural hub and providing access to events, activations and experiences that enrich community life while fostering community harmony and cohesion.
- Contributing to the creation of safer streets and spaces in the city, particularly for vulnerable people by providing access to a regular program of events coordinated by local service providers.
- Enhancing and activating the arts and cultural precinct through the provision of unique cultural experiences and opportunities for the community.
- Enabling the facilitation and staging of significant community events which enhance the local economy through the attraction of visitors and tourists to Kalgoorlie-Boulder.

PROJECT STATUS

Stakeholder and community engagement was completed between 2017 to 2024, concept designs have also been completed with the project currently in the tendering phase.

RESTORING THE LEONORA BARNES THEATRE

Project Value	LGA Commitment	Funding Required
$4 Million	**$1-2 Million**	**$2-3 Million**

PROJECT DESCRIPTION/OVERVIEW

The Barnes Theatre in Leonora, Western Australia, opened in 1901, was once considered the best hall outside of Perth, hosting numerous events, including performances by artists like Slim Dusty. The Barnes Theatre is very important to the community but is not currently in use due to its condition.

In 2021, the Shire of Leonora received a grant of $100,000 to assist with the theatre's restoration. This funding facilitated initial assessments by specialized structural and heritage engineers.

The preliminary report from the engineers for restoring the Barnes Theatre estimates that the restoration will cost $4m, however further work is needed to complete detailed design and business case for the restoration works.

The main reason for the current costings is the need to completely replace the roof back to the original design. This will also require significant structural work to the walls due to the new roof pushing the walls outwards.

PROJECT BENEFITS

- Community will regain a community hall and meeting place for use.

PROJECT STATUS – Detailed Design work and Business Case needs to be developed – requires funding.

KAMBALDA YOUTH PRECINCT

Project Value	LGA Commitment	Funding Required
$300,000	$75,000	$225,000

PROJECT DESCRIPTION/OVERVIEW

The Shire of Coolgardie has been working with the Kambalda Youth and the local community to facilitate the provision of a Youth Precinct.

The Shire currently holds monthly Kambalda Youth Sport Nights for 8-18 year olds at the Kambalda Community Recreation Facility, which is not sufficient for the requirement of a permanent youth centre nor is it suitable or fit for purpose.

The Council are looking to make a permanent location for the Youth Centre in the old Kambalda Squash Court that is no longer utilised for sporting activities.

This would enable the Kambalda youth to utilise a structure in the town site on a permanent basis, rather than just a monthly event. The squash court building is an existing Shire owned facility so its use as a youth Centre can be monitored and maintained.

The building is available and is only storing defunct equipment currently. The allocation of the space to the project would be Shire's allocation to the project and provided rent free, whilst also proving building maintenance would see Council being a long-term contributor to the Youth Precinct.

The funding requested is for some required upgrades that need to occur to the existing squash court and provide the materials and items to convert the space into an effective youth centre

PROJECT BENEFITS

- A dedicated Youth Precinct /Space that they don't currently have.
- Ability for the Youth to take ownership of the Space and create their own area.
- Close to service provided like the Police, St Johns and Kambalda Ambulance Service and Shire Staff and other Shire Facilities.
- Close for youth to access to the Kambalda residents.
- Shire Community Bus is housed nearby for activities and excursions
- As it's a Shire existing structure there is no requirement for a new facility to be constructed and as such forms part of the Shire's contribution to the project.

PROJECT STATUS – Requires Funding.

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PROVISION OF DIALYSIS TREATMENT FACILITIES AT LEONORA HOSPITAL

Project Value	LGA Commitment	Funding Required
$100,000	**$0**	**$100,000**

PROJECT DESCRIPTION/OVERVIEW

Leonora Hospital currently does not have any Dialysis treatment facilities available.

A number of residents, predominantly Aboriginal, have to travel the 460km round trip to Kalgoorlie for treatment multiple times per week.

The Shire of Leonora would like to see this State and Federal Government provide funding so this situation is rectified, and the community can seek treatment locally in Leonora without having to travel long distances.

PROJECT BENEFITS

- Increased community health and wellbeing.

PROJECT STATUS – Funding required.

RESTORATION OF LAVERTON STATE BATTERY SITE FOR TOURISM

Project Value	LGA Commitment	Funding Required
$2.4 Million	**$1.2 Million**	**$1.2 Million**

PROJECT DESCRIPTION/OVERVIEW

State Batteries in Western Australia were government owned and run ore-crushing facilities for the gold mining industry. Western Australia was the only Australian state to provide batteries to assist gold prospectors and small mines. They existed in almost all of the mineral fields of Western Australia, including one in the Town of Laverton. Laverton's battery dates to 1902 and is believed to cease operations in 1941. The current site is owned by the Western Australia Mint.

The Shire of Laverton would like to restore the facility back to its working times and set this up as a tourism facility. The site has contamination in the tailings areas and needs remediation, which once completed will enhance it as a historical site for the recognition of mining past, present and future. The tourist facility will incorporate recognition of the mining industry, and the Shire will seek input from various local mining companies including gold, nickel and rare earths to both highlight the past and the future of mining in the region

The Shire of Laverton is working with the West Australian Mint to seek for the reserve to be transferred to the Council for tourism purposes. The Shire has been advised by the West Australian Mint that they are reviewing the use of their existing battery sites, including the Laverton site.

The Shire of Laverton is also seeking initial funding assistance from the State or Federal Governments to help clean up the contaminated areas of the reserve, which it is committed to contribute financially to match any funding from received from government.

PROJECT BENEFITS

- Increased tourism opportunities aligned to the sealing of the outback highway.
- Employment opportunities to run the tourism facility once restored.

PROJECT STATUS – Funding required.

UTILITIES

Having fit-for-purpose and updated power, water, gas and waste facilities is crucial for the sustainability and well-being of regional communities in the Goldfields Esperance region and Western Australia. Modern utility infrastructure is essential for mitigating environmental impacts, safeguarding public health, and meeting contemporary community needs and expectations.

Water security is essential for economic growth and liveability in the region, especially with the current drying climate and impacts being felt in the region. The GVROC is currently working with the Goldfields Esperance Development Commission to address this issue through the development of a Regional Drought Resilience Plan (RDRP). One of the key areas being look at in the RDRP is the reuse of treated water to irrigate public areas and sport and recreational grounds can lead to long term cost savings, alleviation of the pressure on freshwater supplies, and environmental benefits.

However, providing and maintaining such state-of-the-art infrastructure poses significant financial challenges for regional local governments. Regional local governments often operate with limited budgets and smaller revenue bases compared to their urban counterparts. This financial constraint is exacerbated by the dispersed population and vast geographical areas typical of the Goldfields Esperance region and regional Western Australia, which increase the costs of implementing new utility infrastructure.

Additionally, regional areas like the Goldfields Esperance region, may face higher costs for attracting and retaining skilled personnel to manage and operate these new facilities.

Despite these challenges, it is imperative that updated power, water, gas, waste and water re-use facilities are designed to be efficient and cost-effective. Investing in updated and well-planned utility infrastructure can lead to long-term savings by reducing operational costs, minimizing environmental remediation expenses, and extending the lifespan of current infrastructure. Efficient utility management systems can also attract businesses and residents who value sustainability, contributing to the economic vitality of the region.

Taking the above into consideration the GVROC would like the State and Federal Governments to maintain and upgrade the utilities to the region by:

- Improving the natural gas distribution and pipeline access;
- Increasing electricity generation and distribution including support for the development of alternative power sources, i.e. Renewable Hydrogen, Solar and / or wind:
    - Ensuring energy security on the SWIS;
    - Upgrading electricity supply;
- Improving water supply to address potable water scarcity and cost including:
    - Drought proofing infrastructure, particularly in the Rangelands area of GVROC;
    - possible support for development of a water pipeline from Argyle to Kalgoorlie via inland towns; and/or
    - desalination plant in Esperance and piping though the Goldfields rather than a reliance on water solely from Perth.

KALGOORLIE-BOULDER WATER BANK PROJECT (STAGE 1)

Project Value	LGA Commitment	Funding Required
$19.036 Million	**$9.518 Million**	**$9.518 Million**

PROJECT DESCRIPTION/OVERVIEW

The increasing demand for potable and fit-for-purpose industry water across the region requires a collaborative approach and government support. Water security is essential for economic growth and liveability in Kalgoorlie-Boulder, whose sole potable water supply is piped 600km from Perth at a high cost and even higher carbon footprint.

The City of Kalgoorlie-Boulder (CKB) is one of the few local governments in Australia that recycles treated effluent and harvested stormwater for re-use as a non-potable water supply. This water is used to irrigate the CKB's open spaces and community facilities such as schools, and to supply some water on a commercial level for mining and processing operations.

The KBWB Project (Stages 0 to 3) has been developed to be delivered in four (4) priority stages:

Completed Stage:

- Stage 0 - comprised of the South Boulder Waste Water Treatment Plant (SB WWTP) Lagoons upgrade, a new pipeline and pump facility, and Old Boulder Lagoons Pump Station upgrade, costing $12.2 million, was completed between 2020-23 and funded by CKB.

Three (3) Future Stages are planned:

- Stage 1 will comprise of the SB WWTP Enhancement construction works (including Rock Filter upgrade), and construction of a new water recycling dam (Basin 3) at the existing Racecourse Dam site, which will result in improved recycled water treatment infrastructure (enabling a Class B outcome) and additional water basin storage (129ML).
- Stage 2 – Construction of two further dams (Basins 1 and 2) and enhanced recycled water movement from the SB WWTP to the Swan Lakes Dam (pipeline and pump station).
- Stage 3 – Construction of one dam (Basin 4), a desalination pilot processing plant in partnership with industry, and evaporative controls on selected dams/basins.

PROJECT BENEFITS

- The availability of non-potable water to service public open space (POS) will reduce hurdles for developers in progressing residential development in Kalgoorlie-Boulder. At present the supply of non-potable water is a major constraint for new development.
- Improve CKB's capture of stormwater; enhance the movement of recycled water; and improve the quality of recycled water for community usage; thereby building water resilience and enhancing environmental sustainability.

Basin Locations (Basins 1 – 3)

Water Basin 3 – Red Circle Identifying the Location

PROJECT STATUS

CKB has undertaken significant project planning including a full business case and is ready to commence its water infrastructure project.

CKB applied for two Federal grants in 2022/23 and 2023/24 to complete this project which were unsuccessful. At present, CKB has another application pending with the National Water Grid Fund, for Stage 1 works.

As a local government authority, CKB does not require regulatory and/or development approvals to build Basin 3 or conduct the improvements to the WWTP and can immediately commence with procurement of the necessary contractors or plant equipment immediately following approval.

GVROC CONTACTS

Further details on these projects can be obtained by contacting the relevant Local Government Authority undertaking the project or through the GVROC as per the contacts below:

Shire of Coolgardie
A/CEO - Aaron Cook
Aaron.cook@coolgardie.wa.gov.au

Shire of Dundas
CEO - Peter Fitchat
ceo@dundas.wa.gov.au

Shire of Esperance
CEO - Shane Burge
Shane.Burge@Esperance.wa.gov.au

City of Kalgoorlie Boulder
CEO - Andrew Brien
Andrew.Brien@ckb.wa.gov.au

Shire of Laverton
CEO – Phil Marshall
ceo@laverton.wa.gov.au

Shire of Leonora
CEO – Ty Matson
ty.matson@leonora.wa.gov.au

Shire of Menzies
A/CEO – Peter Bentley
ceo@menzies.wa.gov.au

Shire of Ngaanyatjarraku
CEO – David Mosel
david.mosel@ngaanyatjarraku.wa.gov.au

Shire of Wiluna
CEO – Matt McIntyre
matt.mcintyre@wiluna.wa.gov.au

GVROC
Executive Officer – Andrew Mann
mannadvisory@bigpond.com

WEROC INC.

STRATEGIC PLAN

REVISED OCTOBER 2022

WEROC
Wheatbelt East Regional Organisation of Councils Inc.

E: rebekah@150square.com.au
W: www.weroc.com.au

TABLE OF CONTENTS

INTRODUCTION

The Wheatbelt East Regional Organisation of Councils (WEROC) Inc. is an incorporated not-for-profit organisation whose membership is comprised of representatives from the Eastern Wheatbelt Shire's of Bruce Rock, Kellerberrin, Merredin, Tammin, Westonia and Yilgarn.

WEROC Inc. exists to support the growth and development of the Eastern Wheatbelt through:

Leadership: Taking an active interest in and being a strong partner and voice on all matters impacting on the people and industry of the Eastern Wheatbelt.

Action: Delivering projects and services considered beneficial to the whole of the Eastern Wheatbelt region.

Promotion: Gaining greater recognition of the Eastern Wheatbelt as an ideal place to visit, do business and live.

Collaboration: Achieving real outcomes for the Eastern Wheatbelt through strengthened partnerships and understanding that we work smarter and better together.

OUR REGION

The WEROC region covers an area of 43,136km^2 in the Central Eastern Wheatbelt, encompassing six Local Government areas and several townsites and smaller settlements. The population of the WEROC region is 7,043 [1]. Merredin as the largest town within the WEROC region, acts as a hub for government, population services and commerce.

The WEROC area is a region of small businesses with 54% of registered businesses being non-employing and a further 43% employing less than 20 people [2]. Agriculture is the largest industry by volume of registered businesses (47% of all registered businesses are classified as agricultural) and is also the principal industry of employment across the WEROC region. While agriculture is still an important employer within the Shire of Yilgarn, as a percentage of employed persons mining (gold and iron ore) is the largest industry of employment.

The WEROC regions Gross Regional Product (GRP) is estimated at $1.896 billion (25% of the total GRP for the Wheatbelt) [3]. Bruce Rock contributes $75.381 million, Kellerberrin $88.610 million, Merredin $337.821 million, Tammin $33.404 million, Westonia $151.241 million and Yilgarn $1.210 billion.

Unemployment across the region has typically remained lower than the state average and this holds true for most WEROC Local Governments in 2022 (4.2% for Western Australia in the March quarter 2022 compared to the Shire's of Merredin 3.7%, Bruce Rock 3.7%, Westonia 2.2%, and Yilgarn 2.2%). Record low unemployment rates in Western Australia has, however, resulted in a shift in this trend for the Shires of Kellerberrin (5.4%) and Tammin (5.7%) [4].

At an estimated $1.201 billion, mining is the largest value-added contributor to the WEROC region's economy. Mining in the WEROC region accounts for 78% of the mining value-add for the entire Wheatbelt region. Agriculture, Forestry and Fishing is the second largest value-adding industry with a contribution of approximately $128 million.

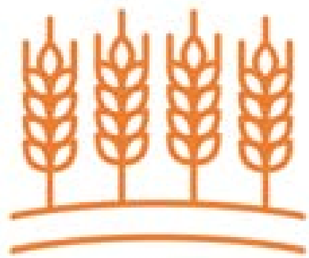
The population of the WEROC Region is expected to decline over the coming decade. The WA Planning Commission predicts that by 2031 the population will have reduced by ~2% down to 6,900 persons [5]. The greatest population decline is projected to occur in the Shire's of Westonia and Yilgarn. Conversely Merredin (up 12.7% to 3,515 persons), Tammin (up 3.6% to 400 persons) and Kellerberrin (up 1.5% to 1,155 persons) are expected to experience modest to strong growth over this period.

7,043

POPULATION

1.89 BILLION

GROSS REGIONAL PRODUCT



47%

OF BUSSINESSES ARE AGRICULTURAL

$1.201 BILLION

MINING INDUSTRY

[1] ABS Census 2021
[2] ABS (2020), Counts of Australian Businesses, including entries and exits July 2017 to June 2021.
[3] REMPLAN Economy Profile, Wheatbelt Region, data accessed on 31 October 2022
[4] National Skills Commission, LGA Data Tables Small Area Labour Market, March Quarter 2022
[5] Western Australian Department of Planning, Lands and Heritage (2018), Western Australia Tomorrow Population Report 11

Risks & Opportunities

OPPORTUNITIES

INTERNAL

- Broader collaboration through better engagement with other Regional Organisations of Councils.
- A strong voice for our region by having a clear direction and pathway forward for WEROC Inc.
- Improved two-way communication with Local Members of State and Federal Parliament.
- Deliver cost savings and greater efficiencies to Member Councils through aggregated procurement and shared resources/ infrastructure.
- Funding driven opportunities to enable action on priority projects.

EXTERNAL

- Continued provision of essential aged care services and accommodation through CEACA.
- Capitalising on the momentum created by COVID-19 for local buying and intra-state travel by supporting local businesses and enhancing tourism product and amenity in the region.
- Improved digital coverage and connectivity creating greater opportunities for e-commerce and efficiencies in service delivery.

RISKS

INTERNAL

- Changes in Local Government structures and/or key personnel could alter the focus and commitment to WEROC Inc.
- Boundaries for regional groupings are not the same for all Member Councils (e.g. regional roads groups, tourism groups).
- Potential for WEROC Inc. to lack direction and have limited impact as an advocate for the Eastern Wheatbelt.
- Communication gap with stakeholders resulting in limited understanding of what WEROC does and why it exists.

EXTERNAL

- The population of the WEROC region overall is in decline.
- Opportunities to source funding for priority projects are diminishing.
- Limited appeal of the Eastern Wheatbelt as a place to live, work, visit or invest.

STRATEGIC CONTEXT

STATE PRIORITIES

The State Planning Strategy 2050 is an overarching strategic document that provides direction for all State, regional and local planning strategies, policies and approvals.

The State Planning Strategy identifies five interrelated strategic goals to support the vision of "sustained growth and prosperity" for Western Australia:

1. Global competitiveness will be enhanced through continued economic diversification.
2. Strong and resilient regions will be built through economic expansion and inter-regional collaboration.
3. Sustainable communities will be enhanced by investment in infrastructure and social capital.
4. Infrastructure planning and coordination will achieve efficiencies and synergy in pursuit of economic growth.
5. Conservation of the environment will be enhanced by sustainable development and efficient resource use.

REGIONAL PRIORITIES

The Wheatbelt Development Commission's Strategic Plan 2020-2023 identifies a vision for the Wheatbelt to have a "diversified and growing economy with vibrant and dynamic communities, creating a prosperous and sustainable future for Western Australia.

To achieve this vision, the Wheatbelt Development Commission has identified the following strategic priorities:

- Enabling infrastructure. Focusing on water and power infrastructure, digital connectivity, transport and logistics investment and land assembly.
- Diversify the economic base. Focusing on economic diversification, local procurement and employment, and regional collaboration.
- Entrepreneurship and innovation. Focusing on entrepreneurship in industry development and innovation in regional development.
- Sustainable landscapes and communities. Focusing on environmental entrepreneurship, environmental and economic resilience and supporting new industry opportunities.
- Organisational excellence. Focusing on leadership and partnerships, governance, and workplace diversity and inclusion.

The Strategic Plan has a strong focus on facilitating economic diversification, building environmental and economic resilience, and advocating for enabling infrastructure.

LOCAL PRIORITIES

The following Local Government priorities have been extrapolated from a desktop review of the WEROC Inc. Member Council's Strategic Community Plan's. The priorities have been grouped into four key themes:

Theme	Priorities
Economy	• Local business and employment growth • New industry development • Tourism • Roads/transport networks • Telecommunications • Housing
Community	• Shire owned facilities and public spaces • Population services (health, education, childcare, aged care/accommodation, youth services) • Arts, culture, and heritage • Support for volunteers and community groups • Safety and emergency management
Environment	• Waste management • Renewable energy • Protection of the natural environment • Water reuse
Leadership	• Community engagement • Regional partnerships • Council leadership • Advocacy/lobbying • Compliance

FUTURE DIRECTION

Vision

For the Wheatbelt East to grow and prosper

Mission

Working together to enhance the regions sustainability through investment and innovation

Values

Commitment to our Region: We will ensure that in everything we do, we consider the best interests of the people that live and work in or visit the communities of the Eastern Wheatbelt.

Collaboration: We will work together as a united group to prioritise and address important issues impacting on our region, and to achieve outcomes that cannot be accomplished individually.

Accountability: We are committed to good governance and accountability in delivering outcomes for our region. We will ensure our stakeholders have genuine involvement in decision making and that we communication openly, accurately, and effectively with all those who are impacted by the decisions or actions that we take.

Innovation & Excellence: We value innovation and strive for continuous improvement in delivering positive outcomes for our region.

Integrity: We will act with integrity, building lasting partnerships based on honesty and trust.

Regional Leadership: We will be a strong partner and voice representing our region.

ACTION PLAN

The Board of WEROC Inc. have identified five strategic priorities which will guide the actions and activities of the organisation over the near term (one to three years). These were determined based on alignment to identified state, regional and local priorities, and the capacity for WEROC to influence and create change for the better.

Priority 1: Sustainability

Objective	Actions	Desired Outcomes
A socially, economically and environmentally sustainable region	1. Implement the WEROC Strategic Waste Management Plan and Landfill Rationalization Study 2. Identify opportunities to support local sustainability initiatives including drought resilience programs 3. Monitor the Regional Climate Alliance Program pilot and drought management initiatives, and apply for future funding opportunities as they arise 4. Continue to support the annual Wheatbelt Medical Student Immersion Program	• Consolidated waste management equipment/ infrastructure • Improved resource recovery • A region that is responsive and resilient to a changing climate • Leverage existing programs and funding opportunities • Sustainable communities that have improved access to rural medical practitioners

Priority 2: Tourism Product Development

Objective	Actions	Desired Outcomes
Increased regional visitor economy	1. Implement priority actions arising from the 2021 WEROC Tourism Product Audit 2. Continue to work with the Central Wheatbelt Visitors Centre and other regional tourism groups on cooperative marketing initiatives 3. Investigate the potential to establish a destination development officer as a dedicated tourism resource across the WEROC Local Governments	• New tourism products • Increased visitor numbers • Increased visitor spend in local tourism, hospitality, and retail businesses • Improved tourism product reviews and traveller ratings

ACTION PLAN

Priority 3: Strengthening our Economy through Local Business Development

Objective	Actions	Desired Outcomes
Sustained economic growth	1. Lend support to initiatives of regional chambers of commerce and the Wheatbelt Business Network 2. Investigate the feasibility of establishing regional panels of preferred suppliers	• Increased business turnover • Retention of businesses • Simpler process for suppliers to do business with WEROC Local Governments

Priority 4: WEROC Digital Connectivity

Objective	Actions	Desired Outcomes
High capacity telecommunications network and linkages that support digital access and connectivity	1. Establish partnerships to collaboratively address deficiencies in digital connectivity and capacity across the Eastern Wheatbelt 2. Liaise with key stakeholders including the Wheatbelt Development Commission, NEWROC and ROEROC 3. Work with telecommunications providers (e.g., Telstra, Optus, NBN Co.) to target improvements in fixed and mobile connectivity. 4. Lend support to existing initiatives that have the potential to improve digital connectivity across the WEROC region (e.g., Crisp wireless)	• Access to affordable and reliable digital communications technology across the WEROC region. • Reduction in mobile communication black spots

ACTION PLAN

Priority 5: Inter-Council Cooperation

Objective

Achieve greater efficiency and cost savings for WEROC Member Councils through resource sharing

Actions

1. Develop a suite of record keeping policies aligned to the new Standard for Records Management
2. Develop a regional Public Health Plan that links to local Public Health Plans
3. Investigate the feasibility of establishing a regional waste coordinator position to support WEROC Local Governments in implementing the WEROC Strategic Waste Management Plan
4. Support the development of a worker accommodation solution for the Eastern Wheatbelt
5. Investigate opportunities for inter-council training and development for critical roles

Desired Outcomes

- Greater efficiency and cost savings to Member Councils
- Compliance with legislative requirements
- Members are provided with value for money from collaboration on projects

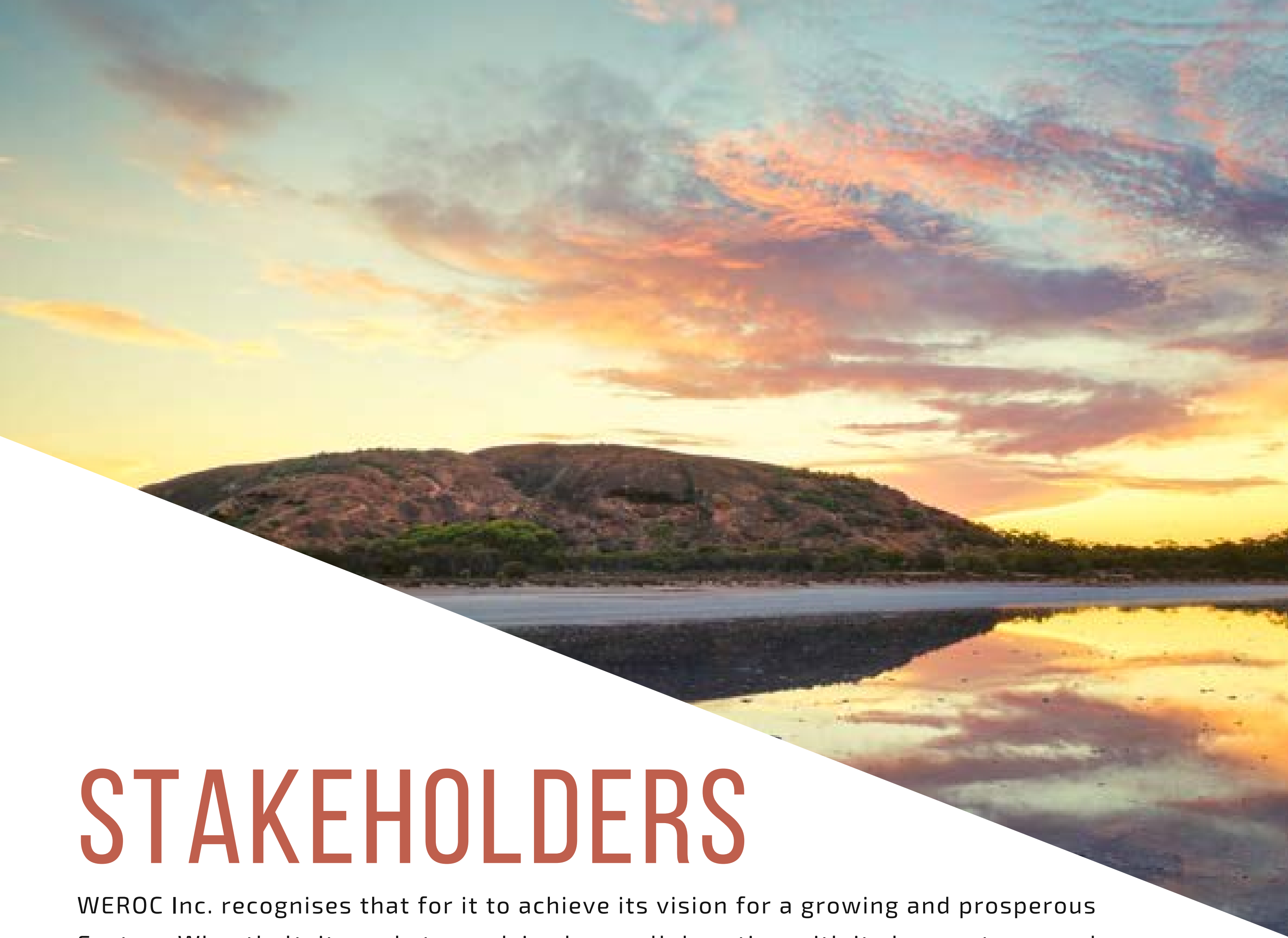
IMPLEMENTATION

The Strategic Plan is intended to guide the programs and activities of WEROC Inc. over the next three years.

The WEROC Inc. board will direct the implementation of this Plan including setting priorities and milestones for specific activities and providing accountability for implementation.

The Board will monitor progress toward implementation of this Plan and adjust the plan as needed in response to changing context and opportunity.

To activate these opportunities the Board will seek to build strategic partnerships and leverage funding opportunities from government and corporate sponsors.



STAKEHOLDERS

WEROC Inc. recognises that for it to achieve its vision for a growing and prosperous Eastern Wheatbelt, it needs to work in close collaboration with its key partners and stakeholders. WEROC Inc. also recognises that close engagement, regular communication and support of its stakeholders will lead to more successful outcomes for the Eastern Wheatbelt.

The WEROC Inc. Board have identified the following people and organisations as key partners and stakeholders:

Community

- Sporting Bodies
- Special interest groups
- Educational Institutions (e.g. school, TAFE)
- Community Resource Centres
- Local media

Government

- Federal Member for O'Connor
- State Member for the Central Wheatbelt
- Members for the Agricultural Region
- Department of Primary Industries & Regional Development
- Department of Local Government, Sport and Cultural Industries
- Regional Organisations of Councils

Industry

- Wheatbelt Business Network
- Chambers of Commerce
- Regional Tourism Groups (e.g. Central Wheatbelt Visitors Centre, Australia's Golden Outback)

Peak Bodies

- WALGA
- Wheatbelt NRM
- Wheatbelt Development Commission
- RDA Wheatbelt
- CEACA
- LG Professionals
- Landcare Groups

Cooperation & Shared Services

July 2024

WALGA

Influence. Support. Expertise.

Contents

July 2024

Local Governments in Western Australia have a strong history of working collaboratively to maximise resources to deliver outcomes that would be difficult to achieve alone.

They do this in a number of ways, through formal legislative arrangements for specific services such as Regional Councils, through less formal governance arrangements such as Voluntary Groups of Local Governments (ROCs) for regional planning and projects, and by using a range of other arrangements such as Incorporated Bodies, Memorandums of Understanding and Service Delivery Agreements on a fee for service basis for specific services or functions.

They have access to a range of governance arrangements ranging from formal legislative structures to less formal and ad hoc arrangements which together provide Local Governments with flexibility and scalability relative to risk, scope, capacity and capability and the collaborating Local Governments.

It is important to note that Local Governments also actively seek to work collaboratively with Government agencies, industry, local business, and civil society in delivering community outcomes. Across regional WA, Local Governments work closely with Regional Development Commissions and regional offices of the Commonwealth's Regional Development Australia (RDA) network to undertake regional planning, develop regional projects, and leverage State and Federal funding.

This compilation of Cooperation and Shared Services across Western Australia is a result of information gathering from the sector and may not be exhaustive.

Any additions or corrections should be sent to Naoimh Donaghy at ndonaghy@walga.asn.au

Regional Cooperation

Regional Councils can be established under section 3.61-3.68 of the *Local Government Act 1995* into formal entities that operate with the same governance requirements as Local Governments. Regional Councils were established primarily to provide regional waste services; however, some have gradually diversified the provision of service delivery to their member Councils.

Regional Local Governments

Eastern Metropolitan Regional Council (EMRC)
Bassendean
Bayswater
Mundaring
Swan

Rivers Regional Council
Armadale
Gosnells
Mandurah
Murray
Serpentine-Jarrahdale
South Perth

Resource Recovery Group
East Fremantle
Fremantle
Melville

Catalina Regional Council
Cambridge
Joondalup
Perth
Stirling
Victoria Park
Vincent
Wanneroo

Western Metropolitan Regional Council
Claremont
Cottesloe
Mosman Park
Peppermint Grove
Subiaco

Bunbury Harvey Regional Council
Harvey
Bunbury

Murchison Regional Vermin Council
Cue
Meekatharra
Mt Magnet
Sandstone
Yalgoo

Mindarie Regional Council
Cambridge
Joondalup
Perth
Stirling
Victoria Park
Vincent
Wanneroo

Regional Cooperation

A number of voluntary organisations of Councils have been established to work collaboratively for regional planning and shared projects that benefit a region. Governance arrangements can vary, but most operate under a memorandum of understanding with administrative support often provided by the members' Councils.

Voluntary Regional Organisation of Councils

4WDL VROC
Dumbleyung
Lake Grace
Wagin
West Arthur
Williams
Woodanilling
AROC (Avon)
Goomalling
Northam
Toodyay
Victoria Plains
York
GVROC (Goldfields)
Coolgardie
Dundas
Esperance
Kalgoorlie-Boulder
Laverton
Leonora
Menzies
Ngaanyatjarraku
Wiluna

WEROC – Wheatbelt East
Bruce Rock
Kellerberrin
Merredin
Tammin
Westonia
Yilgarn
MZSG (Murchison Zone Strategy Group) MEG (Murchison Executive Group)
Cue
Meekatharra
Mt Magnet
Murchison
Sandstone
Yalgoo
Southern Link VROC
Cranbrook
Kojonup
Plantagenet
Broomehill-Tambellup
Gnowangerup
Katanning

Regional Cooperation

Voluntary Regional Organisation of Councils continued

Western Suburbs Alliance
Claremont
Cambridge
Subiaco
Nedlands
Cottesloe
Mosman Park
Peppermint Grove

NEWROC (North Eastern Wheatbelt Regional Organisation of Councils)
Dowerin
Koorda
Mount Marshall
Mukinbudin
Nungarin
Trayning
Wyalkatchem

ROEROC – Roe District
Corrigin
Kondinin
Kulin
Narembeen

Bunbury Geographe Group of Councils
Bunbury
Capel
Collie
Donnybrook Balingup
Dardanup
Harvey

Perth South West Metropolitan Alliance
Cockburn
East Fremantle
Fremantle
Kwinana
Melville
Rockingham

The Kimberley Regional Group
Broome
Derby/West Kimberley
Halls Creek
Wyndham/East Kimberley

Perth Inner City Group
Collaboration to enhance the strategic outcomes of each organisation as innovators in local government, create appealing destinations for local community, industry, and investors.
Perth
Subiaco
Vincent
Victoria Park
South Perth

Regional Cooperation

Some Local Governments have established and participate in other forums, most commonly incorporated bodies, and often with an economic development focus. Some forums include other stakeholders apart from Local Governments.

Other Cooperative Bodies & Forums

South Coast Alliance Inc.
Regional collaborative Alliance with a common purpose to deliver regional economic development outcomes
Albany
Denmark
Plantagenet
Jerramungup

Warren Blackwood Alliance of Councils
The WBAC aims to highlight and progress key issues that have a regional impact and to be a voice for the Warren Blackwood area. It also leads the way in partnership development, relationship building and progressing projects by establishing a respected reputation with key stakeholders
Bridgetown-Greenbushes
Manjimup
Nannup

Marradong VROC
The VROC has been established following the winding up of the Hotham Williams Voluntary Regional Organisation, and has been established to progress major initiatives, including those of the previous HWEDA, within the group's boundaries.
Boddington
Wandering
Williams
Cuballing

Growth Alliance Perth and Peel (GAPP)
GAPP Councils are advocates for the development of a special purpose fund that will enable the WA State and Local Governments to collaborate and build major outer metropolitan sporting facilities
Armadale
Cockburn
Gosnells
Kalamunda
Kwinana
Mandurah
Rockingham
Serpentine-Jarrahdale
Swan
Wanneroo

Central East Accommodation and Care Alliance
Collaboration for the provision of independent living units in all shires through an incorporated body
Bruce Rock
Kellerberrin
Merredin
Mt Marshall
Mukinbudin
Westonia
Wyalkatchem
Yilgarn

Cockburn Sound Coastal Alliance
Regional partnership to assist with coastal adaptation by building and sharing knowledge and assisting with the development of strategies
Cockburn
Fremantle
Kwinana
Rockingham

Regional Cooperation

Other Cooperative Bodies & Forums Continued

WA Regional Capitals Alliance
RCAWA advocates for strategic planning for growth and investment in Western Australia's regional capitals.
Albany
Broome
Bunbury
Busselton
Esperance
Greater-Geraldton
Kalgoorlie-Boulder
Karratha
Port Hedland
Northam

Peron Naturaliste Partnership
Regional partnership to consider the implications of climate change on the coastline and develop flexible adaptation pathways.
Bunbury
Busselton
Capel
Dardanup
Harvey
Mandurah
Murray
Rockingham
Waroona

LinkWA – Freight and Logistics Alliance
Link WA is Western Australia's key freight and logistics hub for local, regional, national, and international freight movements.
Belmont
Canning
Kalamunda
Swan

Wheatbelt South Aged Housing Alliance (WSAHA)
Collaboration for the provision of independent living units in all Shires through an incorporated body
Wickepin
Corrigin
Cuballing
Kondinin
Kulin
Narembeen
Narrogin
Wandering

Perth Hills Tourism Alliance (PHTA)
The Perth Hills Tourism Alliance (PHTA) is a strategic alliance and demand driver to provide joint tourism marketing spread across the Perth Hills region
Mundaring
Kalamunda
Armadale
Serpentine-Jarrahdale
Swan

Bunbury Geographe Economic Alliance (BGEA)
The BGEA vision is to facilitate the economic development and promote the Bunbury Geographe region through partnership.
Albemarle Lithium
City of Bunbury
Edith Cowan University
Harvey Water
Shire of Dardanup
Shire of Donnybrook Balingup
Shire of Harvey
WA Plantation Resources

Regional Cooperation

Other Cooperative Bodies & Forums Continued

Bunbury Geographe Tourism Partnership
We exist to grow the visitor economy through leadership, promotion, and development.
Bunbury
Capel
Collie
Donnybrook-Balingup
Dardanup
Harvey
Australia's South West Development Commission

Murchison GeoRegion
A cooperative body to promote Geo Tourism in the region
Mt Magnet
Cue
Sandstone
Yalgoo
Meekatharra
Wiluna
Murchison

Global Advanced Industry Hub (Planning Framework)
MoU between the LGAs and the WAPC to establish a pathway to standardise planning controls over the Global Advanced Industry Hub (Western Trade Coast).
Rockingham
Kwinana
Cockburn

Shared Services

Many Local Governments across Western Australia work collaboratively with other Local Governments to maximise their resources for the delivery of specific services.

Arrangements may be ad hoc or more formalised through contracts and shared service arrangements, often on a fee for service basis.

In 2018 WALGA undertook a project to identify where Local Governments across the State are working collaboratively with each other to maximise their resources. Forty-nine valid responses were received across a wide range of areas including:

Building Services

Financial Services

Planning Services

Community Services

Health and Aged Care Services

Plant & Equipment

Ranger Services

Economic Development

ICT & Communications

Records Management

Emergency Management

Landcare and Environmental Management

Tourism

Environmental Health

Library Services

Waste Management

Shared Services

Although not exhaustive, the following summary provides a snapshot of the range and longevity of many collaborative arrangements in operation that often respond to capacity challenges. This demonstrates how Local Government as a sector has been consistently looking for innovative ways to create efficiencies, improve productivity, and deliver important services to their communities.

Local Governments identified the following benefits of cooperation:

- Access to cost effective additional expert staff resources
- Increased sharing of knowledge and expertise improves decision-making
- Maximising human, capital and financial resources on an 'as needs' basis
- Increased success with grant funding applications
- Stronger advocacy and negotiating position
- Ability to provide important services that would be otherwise unaffordable

Despite the benefits, the following challenges were identified:

- Resources required or initial start-up of a cooperative arrangement including time, money, shared expectations, agreement on deliverables
- Establishing systems and processes
- Travel distances for shared staff
- Dealing with conflict
- Parochialism

Shared Services

Key success factors:

- Formalising governance and service delivery arrangements
- Meeting legislative and compliance requirements
- Shared commitment at all levels (political and administrative)
- Consistent communication and messaging
- Flexibility
- Access to professional staff
- Community satisfaction with outcomes
- Council satisfaction with outcomes

Other areas to explore cooperation opportunities were identified as:

- Asset Management
- Road Maintenance
- Community Development
- Process Mapping and development of Systems and Procedures

The sector would appreciate assistance with:

- Model Agreement/Template Contracts
- Facilitation of regional cooperation
- Shared portal of useful resources and case studies

Current Shared Services

Building Services

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Albany	Cranbrook Jerramungup Ravensthorpe	Provision of Building Services and Mentoring Service by City of Albany	Service Agreement with Fee for Service	2-5 years
Chittering	Gingin Koorda	Provision of Building Services by Shire of Chittering	Service Agreement with Fee for Service	Less than 2 years
Claremont	Claremont Peppermint Grove	Provision of Building Maintenance Services by Town of Claremont	Memorandum of Understanding	1 year
Dandaragan	Cocos-Keeling Coorow	Provision of Building Services by Shire of Dandaragan	Service Agreement with Fee for Service	Cocos – 1 year Coorow – 2 years
Derby/West Kimberley	Derby/West Kimberley/Kwinana	Process Mapping and development of Systems and Procedures	Service Agreement with Fee for Service	< 1 year
Nedlands	Claremont Nedlands Peppermint Grove Waroona	Provision of Building Services and pool inspections programs by City of Nedlands	Service Agreement with Fee for Service	2-5 years
Greater Geraldton	Carnamah Carnarvon Irwin Mingenew Morawa Northampton Perenjori Three Springs Shark Bay	Provision of Building Services by City of Greater Geraldton	Memorandum of Understanding	Less than 2 years
Kalamunda	Bruce Rock Corrigin Narembeen Wandering West Arthur	Provision of Building Services by Shire of Kalamunda	Memorandum of Understanding	2-5 years
Karratha	Ashburton	Provision of Building Services by City of Karratha	Service Agreement with Fee for Service	2-5 years
Kojonup	Cranbrook	Provision of Building Services by Shire of Kojonup	Shared Service with Fee for Service	Less than 3 years

Current Shared Services

Building Services Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Mount Magnet	Cue Cranbrook Menzies Sandstone Yalgoo	Provision of Building and Environmental Health Services by Shire of Mount Magnet	Shared Service with Fee for Service	2-5 years
Narrogin	Dumbleyung Kent Kojonup Lake Grace Wickepin Woodanilling	Provision of Building Services by Shire of Narrogin	Service Agreement with Fee for Service	2-10 years
Northampton	Shark Bay	Provision of Building Services by Shire of Northampton	Service Agreement with Fee for Service	5-10 years
Wagin	Williams	Provision of Building Services by Shire of Wagin	Service Agreement with Fee for Service	
Victoria Park	Derby/West Kimberley	Provision of Building Query Services	Memorandum of Understanding	2-5 years

Community Services & Community Development

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Joondalup & Stirling	Joondalup Stirling	Annual Skate & BMX Event	Memorandum of Understanding	-

Current Shared Services

Economic Development

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Lead Local Government Rotates	Cue Meekatharra Mount Magnet Murchison Sandstone Yalgoo	Regional cooperation on projects that contribute to regional economic development outcomes. Development of the Murchison sub-Regional Economic Development Plan aligned with Midwest Development Commission Regional Blueprint	Murchison Executive Group (MEG) Voluntary Regional Group Murchison Economic Development Strategy	Less than 2 years
Joondalup & Wanneroo	Joondalup Wanneroo	Cooperation and liaison between respective Economic Development Units for information sharing, advocacy, and cooperation for the region	Ad Hoc	5-10
Toodyay	Goomalling Northam Toodyay York	Regional cooperation on projects that contribute to regional economic development outcomes including regional aged care needs, recreation facilities audit, freight network funding, events, and distribution of the regional component of the Country Local Government Fund.	Voluntary Regional Group - Avon Regional Organisation of Councils (AROC)	10+
Williams	Dumbleyung Lake Grace Kent Wagin West Arthur Williams Woodanilling	Regional cooperation on projects that contribute to regional economic development outcomes including the construction of well-aged housing across all Shires	Voluntary Regional Group – 4WDL ROC	5-10
Augusta-Margaret River (rotates)	Augusta-Margaret River Busselton	Regional cooperation on projects that contribute to regional economic outcomes	Voluntary Regional Group - Cape ROC	

Current Shared Services

Economic Development Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Lead Local Government Rotates	Bridgetown-Greenbushes Boyup Brook Donnybrook-Balingup Manjimup Nannup	Development of Residential Prospectus resulting from Talison Lithium Expansion in Greenbushes	Collaboration with South West Development Commission and Talison Lithium	Less than 2 years
Lead Local Government Rotates	Bunbury Capel Dardanup Harvey	Bunbury Geographe Reconciliation Action Plan 'Reflect'	Plan	1 year
Managed by Regional Development Australia	Augusta-Margaret River Boyup Brook Bridgetown-Greenbushes Bunbury Busselton Capel Collie Dardanup Donnybrook-Balingup Harvey Manjimup Nannup	South West Councils and Regional Development Australia – South West. To buy and have access to Economic and Community Data to inform community and Council in decisions	Memorandum of Understanding	
Dardanup	Augusta-Margaret River Boyup Brook Bunbury Busselton Collie Dardanup Donnybrook-Balingup Harvey Manjimup Nannup	Designated Area Migration Agreement	Memorandum of Understanding	MoU effective until the Feasibility Study and Implementation Plan to establish a Designated Area Migration Agreement has been completed
Kwinana	Cockburn East Fremantle Fremantle Kwinana Melville Rockingham	Perth South West Metropolitan Alliance	The Board is supported by a committee structure that provides input into business activities and technical advice in specialist areas where specific expertise is required	United Regional Vision 2036

Current Shared Services

All Local Governments across Western Australia participate in Local Emergency Management Committees and share Local Emergency Management Arrangements in accordance with the *Emergency Management Act 2005* in partnership with Department of Fire and Emergency Services (DFES). In addition to their obligations under the Act, many Local Governments work collaboratively to ensure they can meet these obligations and add value to the important task of keeping their communities safe, which often includes the sharing of a Community Emergency Services Manager (CESM) under a Memorandum of Understanding with DFES.

Emergency Management

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Brookton	Brookton Corrigin Pingelly	Shared Community Emergency Services Manager		
Bunbury	Augusta-Margaret River Boyup Brook Bridgetown-Greenbushes Bunbury Busselton Capel Collie Dardanup Donnybrook-Balingup Harvey Manjimup Nannup	Shared emergency response and recovery activities in case of a regional emergency event	Memorandum of Understanding	Ongoing
Bunbury	Bunbury Dardanup Donnybrook-Balingup Manjimup	Bushfire Risk Management Planning Coordinator	Memorandum of Understanding	2 years
Collie	Collie West Arthur	Shared Community Emergency Services Manager	Memorandum of Understanding	1 year
Shared	Carnamah Coorow Irwin	Sharing of a Community Emergency Services Manager		
Shared	Carnamah Coorow Irwin	Sharing of a Bushfire Risk Mitigation Coordinator		
Carnamah	Carnamah Morawa Perenjori Coorow Irwin	Provision of Mutual Aid during Emergencies and Post Incident Recovery		

Current Shared Services

Emergency Management Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Corrigin	Beverley Brookton Corrigin Cuballing Dumbleyung Kulin Lake Grace Narrogin Pingelly Quairading Wagin Wandering West Arthur Wickepin Williams	Provision of Mutual Aid during Emergencies and Post Incident Recovery	Memorandum of Understanding	Currently under review
Cuballing	Cuballing Narrogin	Combined Local Emergency Management Committee	Memorandum of Understanding	
Dandaragan	Coorow Dandaragan Irwin	Bushfire Risk Management Planning Officer		
Dandaragan	Dandaragan Murray Mandurah Rockingham Waroona	Shared emergency recovery activities in case of a regional emergency recovery event	Memorandum of Understanding	2-5 years
Dandaragan	Ashburton Dandaragan East Pilbara Karratha Port Hedland South West Zone of WALGA (12 Local Governments)	Shared emergency recovery activities in case of a regional emergency recovery event	Memorandum of Understanding	5-10 years
Jerramungup	Jerramungup Ravensthorpe	Sharing of a Bushfire Risk Management Planning Officer (BRMPO)	Memorandum of Understanding	1 year
Mandurah	Rockingham Mandurah Murray Serpentine Jarrahdale Waroona	Provision of mutual aid during emergencies and recovery efforts	Memorandum of Understanding	8 years

Current Shared Services

Emergency Management Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Nungarin	Nungarin Trayning	Joint Local Emergency Management Committee	Partnering Agreement	Ongoing – established 2023
Quairading	Cunderdin Tammin Quairading	Provision of a Shared Community Emergency Services Manager	Memorandum of Understanding	Less than 2 years
Quairading	DFES Kellerberrin Northam Quairading	The establishment and sharing of a Bushfire Risk Mitigation Coordinator	Partnering Agreement	
Ravensthorpe	Jerramungup Ravensthorpe	Sharing of a Community Emergency Services Manager (CESM) under a Memorandum of Understanding with DFES.	Memorandum of Understanding	4 years
Wanneroo	Bassendean Joondalup Kalamunda Mundaring Stirling Swan Wanneroo	Metro North & East Recovery Group for the provision of mutual aid for recovery during emergencies	Partnering Agreement	10+
Western Central Local Emergency Management Group	Cambridge Claremont Cottesloe Mosman Park Nedlands Peppermint Grove Subiaco Vincent	Combined Local Emergency Management Committee	Memorandum of Understanding	2-5 years
Western Central Local Emergency Management Group	Broome Derby/West Kimberley Halls Creek Wyndham/East Kimberley	Agreement between DFES and participating Local Governments to manage *Bush Fires Act* responsibilities	Memorandum of Understanding	5+ years

Current Shared Services

Environmental Health

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Albany	Jerramungup Ravensthorpe	Provision of Environmental Health Services by City of Albany	Service Agreement with Fee for Service	2 years
Bassendean	Bassendean Bayswater Belmont Swan Victoria Park	East Swan River Contiguous Local Authority Group (ESR CLAG) The ESR CLAG meets bi-monthly during the mosquito season, sharing information regarding complaints and trapping data, to measure the effectiveness of mosquito control measures. A representative from DoH WA also attends the meetings to provide technical assistance and updates on state-wide issues, as well as the latest Ross River Virus and Barmah Forest Virus figures for cases identified within each member Council.	Memorandum of Understanding	10+ years
Bunbury	Bunbury Dardanup Harvey	Health (Mosquito Management – Leschenault CLAG)	Memorandum of Understanding	15+ years
Bunbury	Bunbury Busselton Capel Dardanup Harvey	Health (Joint Public Awareness Mosquito Management – Leschenault & Geographe CLAGs)	Memorandum of Understanding	5 years
Corrigin	Corrigin Kondinin Kulin Lake Grace Narembeen	Provision of Environmental Health Services to members of RoeROC plus Lake Grace	Agreement under Voluntary Regional Group (RoeROC)	5-10 years
Cottesloe	Peppermint Grove	Provision of Environmental Health Services by Town of Cottesloe	Service Agreement with fee for service	2-5 years
Dandaragan	Cocos-Keeling Coorow Gingin Moora	Provision of Environmental Health Services by Shire of Dandaragan	Service Agreement with Fee for Service	Cocos – 1 Coorow – 2 Gingin – as needs Moora – 2

Current Shared Services

Environmental Health Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Greater Geraldton	Mid West Local Governments	Provision of Environmental Health Services (ad hoc on request) by the Shire of Greater Geraldton	Fee for Service upon request	As required
Irwin	Carnamah Mingenew Three Springs	Provision of Environmental Health Services – shared environmental health officer – by Shire of Irwin	Memorandum of Agreement	>2 years
Joondalup & Wanneroo Shared	Joondalup Wanneroo	Midge Management Strategy Partnership for the management of nuisance midges within the wetland system of Yellagonga Regional Park	Midge Partnership Agreement	10+ years
Merredin	Kellerberrin	Provision of Environmental Health Services by Shire of Merredin	Contracted Shared Service with fee for service	>2 years
Mount Magnet	Cranbrook Cue Menzies Sandstone Wiluna Yalgoo	Provision of Environmental Health Services – shared environmental health officer – by Shire of Mount Magnet	Contracted Shared Service with fee for service	2-5 years
Narrogin	Wandering West Arthur Wickepin	Provision of Environmental Health Services by the Shire of Narrogin (ad hoc on request)	Service Agreement with Fee for Service	2-5 years
Narrogin	Wickepin Wagin Williams Wandering	Provision of Environmental Health Services by Shire of Narrogin	Service Agreement with fee for service	>2 years
Northampton	Chapman Valley Shark Bay	Provision of Environmental Health Services by Shire of Northampton	Service Agreement with Fee for Service	5-10 years
Victoria Park	Morawa	Provision of Environmental Health Services by the Town of Victoria Park	Memorandum of Understanding	5+ years

Current Shared Services

Financial Services

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Williams	Wandering Williams	Provision of Financial Management Service	Memorandum of Understanding	< 2 years

Health & Aged Care Services

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Shared	Claremont Cottesloe Mosman Park Peppermint Grove	Provision of Home and Community Care Services by Shine Community Services and Curtin Care	Legal Contract	5-10 years
Narrogin	Boddington Cuballing Narrogin Pingelly Wagin Wickepin Williams	Homecare (HACC) and Community Health Care Support Packages with clients through these local governments	With individual clients through Care Packages	< 2 years
Pingelly	Brookton Beverley Pingelly	Provision of Aged Support and Care Services	Memorandum of Understanding	2-5 years
Trayning	Mt Marshall Mukinbudin Nungarin Trayning	Provision of support to the Kununoppin Practice	Memorandum of Understanding	
Wagin	Wagin West Arthur	Provision of homecare services	Memorandum of Understanding	1-2 years
Shared	Bunbury Dardanup Harvey	Greater Bunbury Age-Friendly Communities Strategy	Strategy	2 years
Shared	Carnamah Coorow Three Springs	Sharing of Medical Services		
Wyalkatchem	Koorda Wyalkatchem	Jointly contribute to a GP service	Partnership	

Current Shared Services

Health & Aged Care Services Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Shared	Joondalup Stirling Wanneroo	Tri-Cities Agreement to align the development of Age-Friendly Strategies, coordinate priorities and collaborate on shared projects.	Ad hoc	< 2 years
Shared	Bruce Rock Kellerberrin Merredin Mt Marshall Mukinbudin Nungarin Westonia Wyalkatchem Yilgarn	Research in conjunction with the Wheatbelt Development Commission and Regional Development Australia Wheatbelt in regard to housing, health care beds and other age-appropriate related resources across the region	Central East Accommodation and Care Alliance	

ICT/Communications

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Bunbury	Bunbury WA Police – Bunbury	Monitoring of CCTV	Memorandum of Understanding	4 years
Greater Geraldton	Chapman Valley	Synergy Software patch updates	Upon request for fee for service	Ad hoc
Greater Geraldton	Chapman Valley Perenjori	Hosting of services and storage for both Production and Disaster Recovery by the Shire of Greater Geraldton	Contracted Service via Geraldton data centre – Shared Services Agreement	1+ years
Manjimup	Manjimup Nannup	Provision of ICT Services	Service Agreement with fee for service	10+ years
Stirling	Catalina Regional Council	Provision of IT and Governance support by the City of Stirling	Memorandum of Understanding	2+ years

Current Shared Services

Landcare & Environmental Management

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Melville	Cockburn East Fremantle Fremantle Kwinana Melville	Regional Management of Environmental Assets in the South West Metropolitan Region	Consultant Contract Reference Group chaired by Elected Member	Reference Group since 2013 Consultant Contract 2016/17 – 2019/20
Mount Magnet	Cue Meekatharra Mount Magnet Sandstone Yalgoo	Murchison Regional Vermin Council – construction and maintenance of vermin fences	Memorandum of Understanding	10+ years
Shared	Joondalup Wanneroo	Yellagonga Integrated Catchment Management Plan in partnership with Department of Biodiversity, Conservation and Attractions (DCA)	Memorandum of Understanding	5-10 years
Shared	Boddington Cuballing Wandering Williams	Funding of a Natural Resource Management (NRM) Coordinator who is managed by the Peel Harvey Catchment Council and supports the Local Governments	Memorandum of Understanding	2-5 years
Shared	Armadale Gosnells Serpentine-Jarrahdale	Collaboration in the work of a Landcare Group to deliver the environmental education program 'Switch Your Thinking'	Alliance	10+ years
Wagin	Wagin Woodanilling	Provision of a Natural Resource Management Officer	Memorandum of Understanding	10+ years

Current Shared Services

Many Local Governments across regional Western Australia participate in a Regional Library Scheme under an Agreement with the State Library of WA. Under this arrangement, a regional public library provides support services to small public libraries in accordance with an agreed Annual Activity Plan. Regional Libraries receive funding from the State Government via the State Library for the provision of this service. These arrangements have not been included in the list of examples of cooperation and shared services between public libraries below.

However, in additional to these regional services, the City of Albany, the City of Port Hedland, the City of Karratha, the City of Greater Geraldton, and the Shire of Merredin seek additional funds from Local Governments within their region for a range of services such as coordinating author visits, providing training and workshops, providing bulk loans and supporting a regional library computer management system (LMS). Some also host an annual professional development forum with contributing funding from libraries in the region and the State Library.

Library Services

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Albany	Albany Broomehill-Tambellup Cranbrook Denmark Gnowangerup Jerramungup Katanning Kojonup Murray Plantagenet	Southern WA Library Consortium - shared cost of Library Management System to share Library resources. System administration services delivered by City of Albany.	Participation Agreement	5 years
Dardanup	Boddington Boyup Brook Bridgetown-Greenbushes Bunbury Busselton Capel Dardanup Donnybrook-Balingup Harvey Manjimup Nannup	South West Libraries Consortia – shared cost of a Library Management System to connect and combine the shared resources of libraries across the South West	Legal Contract	< 2 years
Greater Geraldton	Carnarvon Chapman Valley Coorow Dandaragan Greater Geraldton Mingenew Northampton	Coordination of the Mid-West Sirsi Dynix Consortium for Library Management System (LMS)		
Shared	Claremont Cottesloe Mosman Park Nedlands Peppermint Grove Subiaco	Western Suburbs Regional Library Services Group (WSLG) – includes a shared Library Management IT System.	Joint Tender process for procurement of LMS. Shared Strategic Plan	10+ years
Peppermint Grove	Cottesloe Mosman Park Peppermint Grove	Joint library	Legal Agreement	10+ years

Current Shared Services

Library Services Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Melville	Canning Mandurah Melville Victoria Park	Consortia arrangement for purchase of e-books	Consortia Agreement	< 1 year
Wanneroo Swan Joondalup (shared)	Joondalup Swan Wanneroo	Reciprocal agreement to lend locally owned library materials via inter library loan between the Local Governments.	Memorandum of Understanding	5-10 years
Shared	Bunbury Capel Dardanup	Greater Bunbury Early Years Strategy	Strategy	2018-2023
Facilitated by WALGA	Armadale, Bayswater, Bassendean, Belmont, Cambridge, Canning, Cockburn, Fremantle, Gosnells, Joondalup, Kalamunda, Kwinana, Mandurah, Melville, Shire of Mundaring, Nedlands, Shire of Peppermint Grove, Perth, Rockingham, Shire of Serpentine Jarrahdale, South Perth, Stirling, Subiaco, Swan, Victoria Park, Vincent, Wanneroo	WALGA facilitates an inter-loan courier service for the return of library stocks through the Public Libraries WA metropolitan network under a shared cost arrangement. This is contracted through Alinea under a WA Disability Enterprise arrangement.	WALGA Preferred Supplier Contract	7+years

Ranger Services

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Broomehill-Tambellup	Broomehill-Tambellup Kojanup	Provision of Ranger Services	Service Agreement with Fee for Service	
Bunbury	Bunbury Capel Dardanup	Animal Re Homing Service (B.A.R.R.C. and S.A.F.E.)	Memorandum of Understanding	< 2 years
Collie	West Arthur	Provision of Ranger Services	Memorandum of Understanding	10+ years
Cottesloe	Peppermint Grove	Provision of Ranger Services	Service Agreement with Fee for Service	2-5 years

Current Shared Services

Ranger Services Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Merredin	Nungarin Westonia	Provision of Ranger Services	Memorandum of Understanding	5-10 years
Narrogin	Cuballing Wickepin	Provision of Ranger Services	Service Agreement with Fee for Service	< 2 years
Shared	Goomalling Northam Toodyay Victoria Plains	Ad hoc Ranger Relief Services	Ad hoc	< 2 years
Shared	Cue Laverton Leonora Meekatharra Menzies Mt Magnet Yalgoo	Animal Control	Contracted Shared Service with Fee for Service	2-5 years

Records Management

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Broomehill-Tambellup	Broomehill-Tambellup Cranbrook Kojonup Plantagenet	Shared Resource for the Shared Archive Repository	Administered through the Southern Link Voluntary Regional Group	5-10 years
Broomehill-Tambellup	Broomehill-Tambellup Cranbrook Kojonup Plantagenet	Archive Storage Facility	Memorandum of Understanding	2-5 years
Coolgardie	Coolgardie Dundas Esperance Kalgoorlie-Boulder Laverton Leonora	Storage and Disposal of Records	Administered through the Goldfields Voluntary Regional Group (GVROC)	2-5 years
Greater Geraldton	Greater Geraldton Perenjori	Review of Record Keeping Plan and preparation for Submission to State Records Officer (SRO)	Fee for Service upon request	Ad hoc
Greater Geraldton	Greater Geraldton Mingenew	Application of General Disposal Authority (GDA) and End Of year Disposal Preparation	Fee for Service upon request	Ad hoc

Current Shared Services

Waste Management

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Corrigin	Corrigin Kondinin Kulin Narembeen	Shared Waste Contract for collection services and ownership of a shared landfill facility	Roe Voluntary Group of Councils (RoeROC)	5-10 years
Greater Geraldton	Chapman Valley Greater Geraldton Irwin Northampton	Refuse Removal and Disposal for the Region	Legal Contract	2-5 years
Narrogin	Cuballing	Shared regional waste site	Legal Contract	5+ years
Ravensthorpe	Jerramungup Ravensthorpe	Regional Waste Site with shared approach to waste management	Memorandum of Understanding	4 years
Toodyay	Goomalling Northam Toodyay Victoria Plains York	Waste Minimisation Plan	Ad hoc	2-5 years

Planning Services

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Bayswater	Bassendean	Provision of Design Review Panel Services by the City of Bayswater	Service Agreement with Fee for Service	2 – 5 years
Chapman Valley	Coorow Menzies Mingenew Perenjori Three Springs	Provision of Planning Services on a needs basis by the Shire of Chapman Valley	Ad hoc	5-10 years
Dandaragan	Coorow Cocos-Keeling	Provision of Planning Services by the Shire of Dandaragan	Service Agreement with Fee for Service	Coorow – 2 Cocos – 1
Esperance	Ravensthorpe	Provision of Planning Services by the Shire of Esperance	Service Agreement with Fee for Service	2 – 5 years
Narrogin	Kent Wagin Wandering Wickepin	Provision of Planning Services by the Shire of Narrogin	Legal Contract	< 2 years
Toodyay	Dowerin Goomalling	Provision of Planning Services by the Shire of Toodyay	Service Agreement with Fee for Service	< 2 years

Current Shared Services

Across the State, particularly in regional Western Australia, Local Governments support tourism in a number of ways. This ranges from the provision of infrastructure and services to support visitors; regional promotion; development of trails, museums and visitors' centres; to supporting local and regional tourism associations and destination marketing organisations. The following represents a range of approaches adopted by Local Governments.

Tourism

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Australia's Coral Coast	Coorow Greater Geraldton Irwin Northampton	Development of a Collaborative model for visitor Information Services	Collaborative Project across the Coral Coast Region	
Bridgetown-Greenbushes	Boyup Brook Bridgetown-Greenbushes Donnybrook-Balingup Manjimup Nannup	The WBAC acts as an advocacy group by supporting or undertaking significant projects relating to promoting economic development and diversity and encouraging regional population growth.	Memorandum of Agreement	Since 2001
Central Wheatbelt Visitors Centre	Bruce Rock Corrigin Cunderdin Dowerin Kellerberrin Kondinin Koorda Kulin Lake Grace Merredin Mt Marshall Mukinbudin Narembeen Nungarin Quairading Tammin Trayning Westonia Wyalkatchem Yilgarn	Coordination of Visitor Services	Memorandum of Understanding	5-10 years
Great Geraldton	Carnamah Coorow Greater Geraldton Irwin Morawa	Regional Events Calendar		< 2

Current Shared Services

Tourism Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Hidden Treasures	Broomehill-Tambellup Cranbrook Gnowangerup Katanning Kent Kojonup Plantagenet Woodanilling	Hidden Treasures: Regional Tourism Organisation	Incorporated Association	
Joondalup	Joondalup Stirling Wanneroo	Production of the Sunset Coast Holiday Planner	Service Agreement with Fee for Service	5-10 years
Marradong Country	Boddington Wandering Williams	Sub Regional Economic Development and Tourism including Marradong Self Drive Tourist Trail	Incorporated Body	
Narrogin	Cuballing Narrogin	Narrogin & Dryandra Visitor Centre		10+ years
Outback Pathways	Cue Meekatharra Mt Magnet Murchison Sandstone Upper Gascoyne Wiluna Yalgoo	Collaboration on promotion of Regional Tourism including funding to Australian's Golden Outback for 'Outback Pathways', working with Mid West Development Commission on Geo Tourism Strategy and Regional Visitors' Planner	Murchison Executive Group	
Pioneers Pathway	Dowerin Goomalling Merredin Nungarin Toodyay Wyalkatchem	Tourism trail	MoU for Advisory Committee	
ROE Tourism	Bruce Rock Corrigin Kondinin Kulin Lake Grace Narembeen Quairading	Pathways to Wave Rock	Incorporated Body	

Current Shared Services

Tourism Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Southern Forests and Blackwood Valleys Tourism Association	Warren Blackwood Alliance of Councils	Regional Tourism Organisation	Incorporated Body with funding from Alliance and representation on the Board	Less than 1 year
Western Australia's Wildflower Country Inc.	Carnamah Coorow Dalwallinu Greater Geraldton Irwin Mingenew Moora Morawa Perenjori Three Springs	Joint planning and investigating tourism infrastructure needs in the region	Incorporated Association	Under Review
Wheatbelt Way	Dowerin Koorda Mount Marshall Mukinbudin Nungarin Trayning Westonia Wyalkatchem	NEWTravel Tourism organisation initiated by the North Eastern Wheatbelt Regional Organisation of Councils (NEWROC)	Incorporated Body	More than 5 years
Shared	Ashburton East Pilbara Karratha Port Hedland	Joint planning, investing and advocacy for the development of key tourist infrastructure including increased accommodation options, tourism attractions and signage		Less than 2 years
Shared	Greater Geraldton Northampton	Joint Planning and Investigating Tourism Infrastructure Update to the Pink Lake	Collaboration with Mid West Development Commission	

Current Shared Services

Other

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Bayswater	Bassendean	Provision of plant workshop to service equipment	Memorandum of Understanding	1+ years
Dandaragan	Coorow	Provision of Support for Sporting Club Development by the Shire of Dandaragan	Service Agreement between Shire of Dandaragan and DLGSC and support provided to Shire of Coorow	2 – 5 years
Inner City Collaboration	Perth South Perth Subiaco Victoria Park Vincent	Collaboration on Common Strategic Issues	Memorandum of Understanding	< 1 year
Laverton	Laverton Leonora Menzies Wiluna	Statutory Compliance Services provided by Third Party	Tender Process for Provider of Services for a 4 Year Contract. Annual fee averaged for participating Local Governments and charged to each Local Government by Provider	< 1 year
Morawa	Victoria Park	Strategic alliance to share information, services, resources, initiatives and partner on issues	Memorandum of Understanding	5+ years
Mosman Park	Cottesloe Peppermint Grove	Development of Public Health Plans		2 years
Mundaring Swan	Mundaring Swan	Midvale Hub Parenting Service	Memorandum of Understanding	30 years
Narrogin	Cuballing Narrogin Wagin Wickepin	Street Sweeping Services	Fee for Service	< 2 years

Current Shared Services

Other Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Northern Growth Alliance	Chittering Dandaragan Gingin	Collaboration on Common Strategic Issues	Memorandum of Understanding	< 1 year
South East Corridor Councils Alliance (SECCA)	Armadale Canning Gosnells Victoria Park	Collaboration on Common Strategic Issues	Memorandum of Understanding	4 years
South Perth	Victoria Park	Provision of animal pound facilities and vegetation propagation services	Memorandum of Understanding	
Stirling	Stirling Swan	Settlement Engagement and Transition Support Program (Perth North East)	Service Level Agreement	1 year
Victoria Park	South Perth	Ad hoc/sweeping services provided by the Town of Victoria Park	Memorandum of Understanding	
Shared	Joondalup Stirling South Perth Swan	Shared Strategic Safety Resource	Memorandum of Understanding with Local Government Insurance Services	
GVROC Regional Climate Alliance (RCA)	Coolgardie Dundas Esperance Kalgoorlie-Boulder Laverton Leonora Menzies Ngaanyatjarraku Wiluna	Supports the appointment of a Regional Climate Alliance Coordinator to develop capacity building activities, implement climate adaptation and mitigation projects by assisting collaboration across the region through its nine members		

Current Shared Services

Local Governments often initiate or participate in inter agency forums to focus on critical community issues. Other agencies come from State Government and the not for profit sector and may involve community groups and representatives.

Inter Agency Collaboration

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Currently Anglicare WA lead	Kwinana Mandurah Murray Rockingham Waroona	Peel Rockingham and Kwinana Suicide Community Response Group	Currently developing Terms of Reference to be in place by EOFY	7 years
Headspace Rockingham	Rockingham	Headspace Rockingham Consortium	Terms of Reference	8 years
Joondalup & Wanneroo	Joondalup Wanneroo	Establishment of the Joondalup Wanneroo Interagency Homelessness Action Group (JWIHAG) which includes 15 local agencies and community groups to develop a Regional Homelessness Strategy	Ad hoc	5-10 years
Office of Homelessness WA Alliance to End Homelessness	Kwinana Mandurah Rockingham	Project Zero – Rough Sleeper Coordination Group (formerly Grassroots Working Group)	Terms of Reference & MoU	3 years
Rockingham	Kwinana Rockingham	Homelessness Interagency Network	Terms of Reference	10 years
Rockingham	Rockingham	Emergency Relief Providers Network	Alliance	2022 onwards
Rockingham	Kwinana Rockingham	Safe Family Alliance	Memorandum of Understanding/ Alliance	6 years
Rockingham	Kwinana Rockingham	Kwinana Rockingham Action for Tomorrow's Youth	Alliance	18 years
Rockingham	Kwinana Rockingham	Local Drug Action Group	Alliance	10 years
Rockingham	Kwinana Rockingham	Rockingham Liquor Accord - Licence premise and alcohol management	Terms of Reference	2022 onwards

Current Shared Services

Inter Agency Collaboration Continued

Lead Local Government	Participating Local Governments	Description	Governance Mechanism	Years Operating
Rockingham	Cockburn Kwinana Mandurah Rockingham	Mandurah Kwinana and Rockingham Access and Inclusion Network	Terms of Reference	6 + Years
Rockingham	Kwinana Rockingham	Customised Employment network	Terms of Reference (in development)	New this F/Y
Rockingham	Rockingham	Age Friendly Rockingham Network (previously Active Aging Network)	Terms of Reference	15 years
Rockingham	Rockingham	Rockingham Early Years Network	Alliance	10 years
WA Alliance to End Homelessness	Kwinana Mandurah Rockingham	Project Zero – Improvement Team	Terms of Reference & MoU	3 years
	Mandurah Murray Rockingham Waroona	Peel Mosquito Management Group works to control mosquitoes in the Peel Region working with the Department of Health	Memorandum of Understanding	MoU to 2025
	Mandurah Kwinana Rockingham	Local Government Community Safety Network	Alliance	2 years
	Department of Health Kwinana Rockingham	Mental Health Subnetwork	Terms of Reference under the Mental Health Commission	5 years

Mechanisms for Cooperation and the Provision of Shared Services

Mechanism	Structure	Purpose
Regional Council	*The Local Government Act 1995* refers to Regional Local Governments in Part 3 (Division 4) as 'two or more Local Governments; who may (subject to Minister's approval) establish a regional Local Government to do things, for the participants, for any purpose for which a Local Government can do things under this Act or any other Act.	Regional Local Governments or Regional Councils (as they are often known) may exist in specialist areas and are formed to oversee management of a particular function, traditionally waste management services. A landfill site, for example, may serve six Local Governments, rather than each of them having individual facilities. A Regional Council may then be established, consisting of members of each Council, to manage this facility. Some Regional Councils have extended the scope of services provided to their member Local Governments beyond the management of waste and waste facilities. There are currently eight Regional Councils in Western Australia in both metropolitan and regional areas.
Voluntary Regional Organisations of Councils (VROCs)	Governance arrangements can vary, but most operate under a Memorandum of Understanding generally with administrative support provided by the members Councils on a rotational basis. Memorandums of Understanding commonly outline the scope of activities, membership arrangements, funding arrangements and administrative support.	VROCs are established to work collaboratively for regional planning and shared projects that benefit a region. Projects are often related to regional service delivery, environmental issues, regional facility planning, tourism projects, waste management and strategic issues in common. There are currently sixteen VROCs operating in Western Australia in both metropolitan, and more commonly, regional areas.
Incorporated Bodies	Some Local Governments participate in associations or alliances formed for a specific purpose under the WA *Incorporated Associations Act*.	Some Local Governments collaborate to form incorporated associations in order to provide a formal governance arrangement for the conduct of a particular activity most often outside the normal functions of a local government. These associations often include members that are not a Local Government. They may be formed to undertake tourism/economic development activities or to deliver a specific regional project or service, such as aged housing.

Mechanisms for Cooperation and the Provision of Shared Services continued

Mechanism	Structure	Purpose
Regional Subsidiaries	A Regional Subsidiary is a semi-independent collaborative organisation established by two or more local governments to provide new or existing services that can be more effectively delivered together than by one local government alone. It is established under the *Local Government Act 1995* with the agreement of two or more local governments. Local Governments wishing to establish a Regional Subsidiary must develop a Charter and Business Plan and seek feedback from their respective communities. Each Local Government must approve the Charter and Business Plan before seeking the approval of the Minister for Local Government, Sport and Cultural Industries.	A Regional Subsidiary can deliver one or more services currently delivered or functions performed by a local government. These could include rating services, records management, environmental health services, finance functions, procurement to name a few. It can also initiate new opportunities such as tourism, aged care, procurement, etc. The purposes of a Regional Subsidiary are captured in its Charter and Business Plan.
Beneficial Enterprises	Beneficial Enterprises (or Council Controlled Organisations) are arms-length entities that can deliver projects and services required by the community. They provide a vehicle for greater efficiency and improved partnering practices for Local Government and can provide services & facilities that are not attractive to private investors or where market failure occurs. Beneficial Enterprises cannot carry out any regulatory function of a Local Government and have a Skills Based Board. They are not intended for outsourcing essential services. **Example activities could be:** • Affordable housing projects • Urban regeneration • Measures to address economic decline in Regional WA • Arts Facilities - Activity requiring flexibility	WALGA is continuing to advocate for Local Governments to be able to establish Beneficial Enterprises.

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