Local Government Elections 2011

Wollongong & Shellharbour

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FORWARD

The up-coming elections are an important milestone for the two local government areas of Wollongong and Shellharbour. The return of democracy to these areas represents an opportunity for the community to re-engage on local government issues and express their views on the future direction of these areas.

As a leading stakeholder in this community, the Illawarra Business Chamber is keen to have a conversation with the candidates standing for Lord Mayor and Councillor positions. We want to help them understand the business community’s perspective on local issues and share with them the many opportunities we see arising from the return of elected Councils in Wollongong and Shellharbour.

The key focus of the business community is ensuring we have a region that is open for business. This means a region that can attract new investment and grow existing businesses – both of which will support future jobs. We need to make sure the area does not become just a dormitory suburb for Sydney; supplying workers to the city who are forced to travel long distances each day. Becoming self-sustaining in terms of employment will, in turn, deliver a stronger local community that has the capacity to enjoy all that this region has to offer in terms of lifestyle.

Navigating a complex planning system and dealing with local government red tape are constant frustrations for the business community. Businesses are also reluctant to invest in a region if the local council is not prepared to make investments. The asset management policies of local council have a particularly important role to play in lifting the attractiveness and liveability of an area and sending a strong message that it is open for business. It is critical the new Councils look at ways to overcome these challenges if the region is to position itself as a great place in which to do business.

The business community is also seeking greater cooperation between the three Illawarra Councils of Wollongong, Shellharbour and Kiama. Working more closely together creates opportunities around shared service delivery, joint approaches to regional planning, linked economic development approaches and more co-ordinated advocacy efforts to attract NSW and Federal infrastructure funding. All of these factors underpin the creation of new opportunities in the region and in positioning it as being open for business.

Finally, the business community is looking to our new civic leaders to provide genuine leadership. This will help lift confidence in the area and play a key role in attracting and supporting business. We need Councils that are strategic and visionary whilst being engaged with the community. The Councils need to be ethical, to govern and to make decisions in the best interests of the constituency.

We’re encouraging all council candidates to engage in a conversation with the business community about how we can work together to make this region an even better place in which to operate a business.

Most importantly, we are putting forward our perspectives and views on what the region needs in its civic leaders to generate community debate and encourage people to think about what they want to see in the next era for Wollongong and Shellharbour.

Yours sincerely

Les Dion  
IBC President

Greg Fisher  
IBC CEO
The Illawarra Business Chambers 'Opportunities for a New Era' paper highlights three focus areas for the new councils to address. The paper discusses, in detail, the major issues associated with the key focus areas. The illustration below provides a visual summary of the content of this paper.
Delivering an Illawarra that is open for business can be divided into three key components. The new Councils must create a welcoming environment for business, coordinate services and advocacy efforts across the Illawarra and provide civic leadership.

A welcoming environment for business.

A Council that is easy to work with, encouraging of new and existing businesses and makes its own investments in the area will be well placed to support jobs growth into the future.

One of the main frustrations of business is dealing with the red tape that is prevalent at all levels of government. The IBC believes reducing this should be a major priority for the next Councils. A more efficient DA system that is operating at or better than state averages is an essential component of attracting new investment to the region and ensuring the Illawarra is open for business. Businesses are also more likely to commit to a region as they see Council committing to the region by playing their role in creating a pleasant place to live and work in.

Planning regulation

In terms of planning regulation, much of the frustration from the business sector stems from the implementation process, rather than the regulations themselves. Despite improvements in performance in recent years, some Illawarra Councils are still not meeting the processing time targets set by the state government. This is creating frustration amongst the business community, who face rising project costs the longer planning permission takes to obtain. The region needs a planning system that is clear and transparent but not too onerous.

It’s important to acknowledge that planning delays can occur for many reasons, including those generated by proponents of projects. Nevertheless, there are ways that the new elected Councils could strategically review the planning process to make it more business-friendly.

Council needs to show a level of support that encourages the proponent to invest in the region. This includes working with the proponent throughout the process & putting in place ways to closely measure customer satisfaction with the planning process and then use this information to target specific problem areas. For example, more regular reporting back to proponents about the progress of their project through the system might help reduce some of the current frustrations around planning and help increase understanding about why delays are occurring.

Non–planning red tape

In terms of non-planning regulations, local government could learn lessons from national and state governments. The NSW Government has just adopted an idea that originated in the UK around ‘one in one out’. This ensures that every time a new regulation or policy is to be introduced, a regulation or policy in the same area must be removed. This strategy should be adopted at local government level by the new Councils.

Another opportunity for the new Councils may arise from the Productivity Commission’s current benchmarking study into the regulatory burden of local government on business. This includes analysing how the final recommendations around best practice regulation or policy regimes could be applied to the Illawarra LGAs.

Another key part of being open for business is a Council that has a well developed asset maintenance program and a strategic plan to invest in new local infrastructure. The asset management policies of local council have a particularly important role to play in lifting the attractiveness and liveability of an area and sending a strong message that the Illawarra is open for business.

The new Councils must make infrastructure development and asset maintenance key priorities, in terms of planning for both the physical and financial aspects of such projects.
Increased information to the community about the asset maintenance program would be welcome. Council inevitably needs to continue to prioritise asset maintenance spending in terms of both the condition of assets and community priorities. Councils currently usually publish annual reports that identify which assets need attention, but there needs to be additional focus on how these projects are prioritised and strategies to gain funding for these projects (often from other levels of government).

The Blue Mile, in Wollongong, is an ongoing success story and a key part of the revitalisation of the city. It is improving the attractiveness of the area for locals and tourists alike. The next focus in Wollongong needs to be the inner CBD area around the Mall. Plans are already underway for this project, but the IBC continues to believe that current planned investment is only an asset maintenance approach and that wholesale investment, including opening up the mall to traffic, is needed to make a genuine difference to lifting the attractiveness of the area to shop and work in.

For Shellharbour Council, the key project remains the Shell Cove development and moving that project into the job creation stage with the building of the marina and associated business opportunities.
The three Councils of the Illawarra (Wollongong, Kiama and Shellharbour) need to work more closely together. This increased co-operation will deliver a range of benefits to the region as a whole that will make it easier to position the area as open for business.

Opportunities for closer engagement include:

**Service Delivery**

Businesses are always trying to improve how they deliver their products by lifting productivity, improving systems and lowering costs. This approach can be applied to local government as well. Service sharing arrangements across the three Councils would see a range of services being supplied by the lowest cost provider. This might be one of the existing Council departments or it might be an external contractor.

This approach could be applied to a range of Council services such as:

- Food safety inspections/licensing,
- Other business licensing (waste disposal, vegetation disposal, outdoor cafe seating, outdoor fitness operations)
- Basic planning approvals (driveways, small extensions and complying development processing).

The service sharing model would create economies of scale across the Illawarra and deliver better value outcomes for rate-payers.

**Region Wide Planning**

One of the ideas featured in our *10 Big Ideas to Grow the Illawarra* was to develop a comprehensive Illawarra Plan. The existing, less-comprehensive, Illawarra Regional Strategy is about to be reviewed and the three local governments must have an active role in this process, working with local stakeholders and the NSW Government to deliver a plan that will support & attract investment.

**Economic Development**

The IBC has been a strong advocate of economic development strategies at the local government level for many years, particularly during the administration period at Wollongong City Council. This has been well received and many of the ideas the IBC put forward are being put in place and built on. The next step in this process is increased co-operation between the three Councils to ensure that, as a region, they are working towards the same goals and supporting each other’s activities to achieve these goals. This includes working together on projects that will reduce the region’s carbon footprint and lift its sustainability credentials. The region, as a whole, will not be open for business unless there is increased co-operation and policy co-ordination.

**Advocacy**

The three Councils of the Illawarra (Wollongong, Kiama and Shellharbour) need to work more closely together to drive infrastructure investment by co-ordinating applications to Infrastructure Australia, Infrastructure NSW and other local government funding pools, such as the regional funds available as part of the carbon tax package.

This includes:

- Joint submissions for funding
- Joint advocacy approaches
- Regular joint formal meetings with the Minister for the Illawarra to ensure the region is well represented within NSW Cabinet.
The third, and final, element that the business community is looking for in the new Councils is civic leadership. The local community needs a Council that all residents can engage with, have confidence in, hold accountable and be proud of.

The IBC sees four key aspects to delivering this civic leadership.

**A Council that is strategic & visionary**

The new Councils should:

- Focus on strategic level decision-making and take a long-term view that considers sustainability not just the immediate impact.
- They should provide a vision for the city and its residents, which includes addressing the needs of business and facilitating employment generation.
- They should engage with community to build a vision for the region and be able to articulate that vision.
- Create an environment that encourages innovative thinking within the organisation of Council. This means developing a culture that supports new ideas and also putting in place the policies that drive that innovation – such as how ideas are collected, worked on, prioritised and ultimately delivered.

**A Council that is engaged with the community & held accountable**

The new Councils should take an active role in a broad cross-section of community life, attend functions, consult regularly and engage with a range of stakeholder groups. The Councils should have mechanisms to effectively monitor their performance (such as KPIs) and ensure the community is getting quality services.

**An ethical Council that acts in the overall interests of their constituency**

The new Councils must make decisions in the interests of the residents and stakeholders, including business, not themselves or any political party with which they are aligned. At the same time, they should consider generational equity, to ensure decisions are also in the interests of future residents. This includes considering the impact on the region’s future environmental & economic sustainability.

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**“The local community needs a Council that all residents can engage with, have confidence in, hold accountable and be proud of.”**

**A Council that is an effective & informed decision-making body**

The new Councils must:

- Engage in robust and constructive debate that respects everyone’s input.
- Be able to stand by the decision of the collective and explain the rational of decisions to their constituents and various stakeholder groups, even when those decisions do not satisfy the wishes of all.
- Understand financial reports and the importance of financial sustainability. They have a duty to manage financial and civic assets responsibly and effectively.
- Be well informed prior to the debate, be orderly and constructive, be able to move towards consensus rather than divisiveness, and respect the consensus view once made.
- Avoid undermining debate before it happens, and avoid undermining actions once decisions have been made.
- Remain open-minded during Council meeting debates, and avoid caucusing around pre-determined outcomes that may not be in the interests of the community.
- Be able to articulate a responsible message to the community about the finding a balance between spending on services for today and asset management for the future.
- Understand risk and ensures effective risk management and compliance. Part of this process is ensuring they are fully informed when making decisions. Another part is to ensure that the organisation has strong governance policies, procedures and practices in place to protect Councils assets, people and community and ensure all necessary compliance.
Part of the process of becoming well informed on issues is to take advice from experts and the community. Council management should also play a key role in this informing process, with Councillors respecting their independent, frank and fearless advice and recommendations. Council will not always approve management recommendations, but the community will be well served if they are always informed and consider all options before making a decision.