



Queanbeyan–Palering Regional Council

Resourcing Strategy



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Executive Summary

The *Local Government Act 1993* requires NSW councils to prepare a Resourcing Strategy.

The recently updated Integrated Planning and Reporting Guidelines describe the Resourcing Strategy as:

The Resourcing Strategy is the point where the council explains to its community how it intends to perform all of its functions, including implementing the strategies set out in the Community Strategic Plan.

Some strategies in the Community Strategic Plan will clearly be the responsibility of the Council, some will be the responsibility of other levels of government and some will rely on input from business and industry groups, community groups or individuals.

The Resourcing Strategy focuses in detail on matters that are the responsibility of the council and considers, in general terms, matters that are the responsibility of others. The Resourcing Strategy articulates how the council will allocate resources to deliver the objectives under its responsibility.

QPRC's Resourcing Strategy has identified five key components strategies that were revised and refreshed during 2019-21:

- **Workforce Strategy** - aims to provide the Council with the people best able to inform its strategic direction, develop innovative approaches to complex issues and deliver appropriate services effectively and efficiently.
- **Asset Management Strategy** – takes a 'whole of life' asset management from planning, purchase, operation, and maintenance to disposal of assets. It also encompasses integration of asset and service outcomes.
- **Long Term Financial Plan** - long term community aspirations and goals are tested against financial realities, and decide what resources councils need to influence and work with other parties
- **ICT Strategy** – identifies what digital and process tools mobilise delivery of services by staff and access to information by community
- **Risk Management Strategy** – establishes governance and assigns accountabilities for management of risk, and identification of risk appetite
- **Climate Change Action Plan** - highlights pathways and opportunities for Council and to the community to make significant reductions in greenhouse gas emissions through a cost-effective program of actions. Furthermore, the plans focus upon measures to ensure climate change resilience and preparedness across the local government area.

The ideal climate for making decisions is one of certainty, where the outcome of each alternative is known. The reality is that our environment is constantly changing and decisions are made to adjust to these changes. Dealing with uncertainty and risk is an integral part of decision-making.

RESOURCING STRATEGY

The Resourcing Strategy and its component strategies has been prepared utilising the DPSIR Model which is an analytical framework that identifies the relationship between Drivers (underlying needs), Pressures (activities), States, Impacts and Responses.

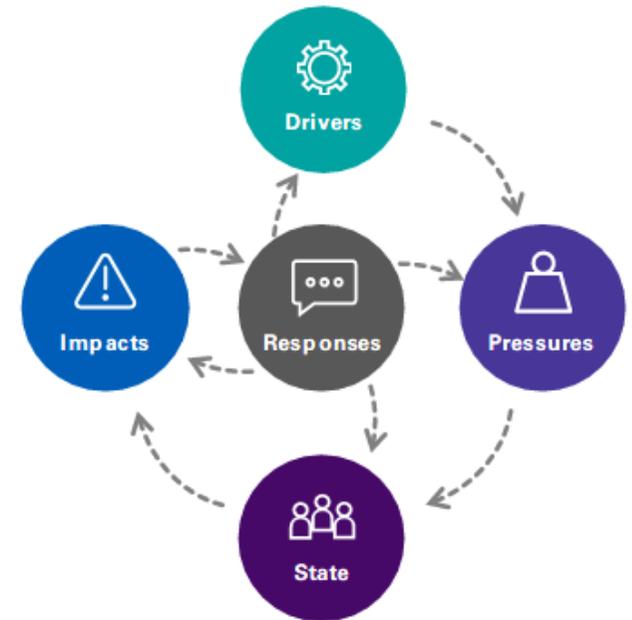
The DPSIR Model has been applied to the five components of the Resourcing Strategy so that the community can see the impacts and responses which apply to the Council's workforce, assets, finances, technology/systems, risk management and climate change plans.

Assumptions for the Resourcing Strategy which influence workforce, asset and financial projections include:

- Population and property growth forecasts
- Anticipated levels of local economic growth
- Age profile and skill levels of staff
- Major planned expenditure, such as capital works and renewals
- Federal, State and regional economic forecasts
- Inflation forecasts
- Interest rate movements
- Projected climate measures including temperature, rainfall, storm intensity, drought and fire danger index.

The six component strategies which make up QPRC's Resourcing Strategy have a number of common drivers, pressures and impacts, in turn nominating a number of responses that may be integrated.

The table below summarises the high level drivers, impacts and responses common to the component strategies, updated with contemporary issues and circumstances such as the pandemic.



RESOURCING STRATEGY

Table 1: Drivers, Pressures, Impacts and Responses

Drivers	Pressures	Impacts	Response
Development and Population Growth	<ul style="list-style-type: none"> • Residential development • Increased service consumption • Increased load on assets • Developer contributions – gifted assets 	<ul style="list-style-type: none"> • Increased use of resources • Deteriorated asset condition • Increased asset servicing and depreciation costs (operational, MRR) • Increased population servicing costs 	<ul style="list-style-type: none"> • Strategy-led (Regional Economic Development Strategy, • CBD Transformation Strategy, Transport, IWCMP etc) • Revenue Strategy • Population rate peg, SRV, dividends • Increase asset renewal • Expand asset networks • Increase organisational capacity • Increase FTE (benchmark 7.5 FTE / 1,000 residents)
Covid-19 pandemic	<ul style="list-style-type: none"> • Stimulus-granted assets • Recession • Restrictions on movement • Isolation • Government Policy and OLG Updates • Digitalisation of organisational information and human interactions 	<ul style="list-style-type: none"> • Job losses, pay cuts (esp casual workers / youth) • Business closures • Temporary closure of community facilities / reduction in capacity • Loss of revenue for community facilities and events (ongoing) • Remote schooling • Lockdowns: ACT and NSW and differing border rules and restrictions • Organisational training interrupted • Community engagement / community meetings cancelled • Rapid expansion of digital solutions (e-commerce, online education, remote work) • Home based work limitations and productivity • Increase in rates outstanding • Mental health of workers • Transformed communication between teams / human interaction • Changing community priorities 	<ul style="list-style-type: none"> • Lessons learned – enhancing future risk processes • Remote work (balance, health) • Redeployment of workers • Investment in digital tools • Technological solutions for mobile workplaces • Scenario planning for future of community services • Financial Hardship Policy extension • Additional reporting / monitoring of debt collection outcomes and reserve balances • Employee support programs • Upskilling / reskilling workers in essential digital skills • Cyber security strategy

RESOURCING STRATEGY

Drivers	Pressures	Impacts	Response
Industry Energy Population Households Climate Agriculture	<ul style="list-style-type: none"> Emissions Resource Use Land Use 	<ul style="list-style-type: none"> Climate Change Increasing temperatures Natural disasters (storm, drought, floods, fire) Assets damaged and destroyed Changing community priorities and expectations Loss of habitats / species Biosecurity risks 	<ul style="list-style-type: none"> Disaster recovery support services Natural disaster asset renewal program Additional hardship policy Building / asset standards Climate change action plan Renewable energy solutions Smart city solutions Weed risk assessments
Affordable service provision	<ul style="list-style-type: none"> Rapid expansion of digital solutions Ageing workforce Skills shortage Global recession Inherited structural financial deficit from merger Level of service disparity at merger Infrastructure backlog 	<ul style="list-style-type: none"> Changing community priorities and expectations New opportunities for online service provision Low borrowing costs High inflation and volatile economy Volatile interest rates High future potential – construction cost escalation Increased cost for service harmonisation 	<ul style="list-style-type: none"> Digital Economy and Smart City Strategy Intergenerational equity for assets and debt Investment in asset renewal Long Term Financial Plan benchmarks Workforce Strategy and benchmarks (7.5 FTE per 1,000 population) Target high levels of traineeships and apprenticeships Invest merger savings in QCCP debt servicing Harmonise services, salaries, rates and charges Apply for grants to fund asset renewal (not new infrastructure projects) Property divestment (sales and lease revenue) Partner with other organisations to promote innovation and deliver services Organisational service review Revise services and level of service Service plans and pricing recovery
Government Policy	<ul style="list-style-type: none"> Capital grants Operating grants Delayed rates and Revenue reform Snowy 2.0 Reserve Bank stimulus 	<ul style="list-style-type: none"> Increased reliance on grant funding Long term affordability of services and service levels Skills shortage Volatile borrowing costs Long return on investments 	<ul style="list-style-type: none"> Increase borrowing for co-funded asset expansion 'Narrow the Gap' Revenue strategy Regional partnerships Amend LTFP if legislated reforms not available

RESOURCING STRATEGY

Drivers	Pressures	Impacts	Response
		<ul style="list-style-type: none"> • 6 further rating reforms legislated in 2021 that have not come into effect – waiting on Ministerial proclamation 	
Fossil fuel consumption Population & demographic structure Economic growth and development Energy demand and supply	<ul style="list-style-type: none"> • Greenhouse Gas Emissions • Resources 	<ul style="list-style-type: none"> • Increasing temperatures • Increasing likelihood and severity of natural disasters (storm, drought, floods, fire, heatwaves) • Assets damaged and destroyed • Changing community priorities and expectations • Loss of habitats / species • Biosecurity risks • Human health and food/water security 	<ul style="list-style-type: none"> • Disaster recovery support services • Natural disaster asset renewal program • Additional hardship policy • Building / asset standards • Climate change action plans • Sustainability policies • Urban forest cooling strategy • Renewable energy and energy efficiency solutions • Smart city solutions • Weed risk assessments • Biodiversity assessments • Climate change preparedness projects • Zero emissions transformations

RESOURCING STRATEGY

Workforce Strategy

Key Issues

- Building and retaining capacity and capability
- Optimising employee engagement and organisation excellence
- Skill shortages in key professions
- Increased staff turnover
- Identifying critical staff members with no trained backup in place
- Ageing workforce and transition to retirement
- Labour competition from ACT and significant projects such as Snowy 2.0
- Retaining staff numbers at Bungendore and Braidwood
- Preparing workforce for new office environments in Queanbeyan and Bungendore
- Providing home based work and flexible work options
- Providing better systems and structures to maximise service delivery and reduce non-productive costs
- Recognising increased demands causing backlog and potential burnout



Figure 1: Workforce Capacity and Capability Principles

Actions

- Design a Transformation Organisation Structure mapped to current and future service delivery
- Shape a positive customer-focused technically savvy culture through investment in culture development and technology adoption
- Grow cadets and trainees to 10% of the workforce
- Create career path options considering regional options including secondments and regional placements
- Creatively manage our ageing workforce
- Maintain staff FTE/1000 residents at or below 7.5
- Maintain HSEQ accreditation and implement strategies to mitigate workplace risks
- Improve productivity through addressing unplanned absences and poor safety
- Revise flexible working policies; establish remote working and smart hubs to employ staff
- Undertake program of service reviews in the Delivery Program 2022-26
- Create surge capacity through para professionals, contractors, consultants, fixed term staff
- Explore collaborative workforce initiatives, including payroll, training, and a job and marketing portal, in line with CRJO Workforce Strategy
- Explore options for optimal use of plant, accommodation, overtime, after hours, and supplementary workforces – eg call centre, volunteers
- Monitor workplans, activities, outcomes, productivity (aligned to performance framework), performance reviews

RESOURCING STRATEGY

Asset Management Strategy

Key Issues

- Aligning expansion of infrastructure and facilities with population and development growth
- Life cycle maintenance of new or upgraded assets from disaster or stimulus grants, or gifted from new subdivisions
- Differentiation of asset technical, performance and service outcomes, with customer expectations
- Maintaining and upgrading assets to respond to risk (incl natural disasters)
- Community Survey rankings < 3.25 (incl unsealed roads, footpaths and cycleways)
- Aligning priorities to appetite for risk and regulatory changes (incl safety, environment, financial)
- Maintaining business continuity in periods of natural disasters and pandemics
- Managing the asset backlog and depreciation growth
- Renewing and replacing ageing assets in accord with their lifecycle

Actions

- Guide upgrade and new infrastructure expenditure on priorities established with key strategies – designed to ensure ten years of forward planning and delivery for infrastructure networks and facilities is available
- Maintain assets to a level that achieves broad community satisfaction (>3.25/5 ranking in biennial satisfaction surveys)
- Design and extend the capacity of assets and connectivity of transport and utility networks in line with population growth forecasts
- Leverage the presence and capacity of assets to stimulate business investment, visitor activity and economic returns
- Rank decisions to extend, renew or replace assets on best value (in line with asset life cycle, cost of finance, organisation capability)
- Retain health, safety, environment and quality (HSEQ) standards to sustain contracts with government and private works
- Build organisation skill and technology capability from 'Basic' to 'Core' in terms of asset management maturity assessments
- Align asset renewal spend to Asset Management Plans and establish a sinking fund / reserve equivalent to annual depreciation to fully fund the cost of asset renewal over the life of the asset.

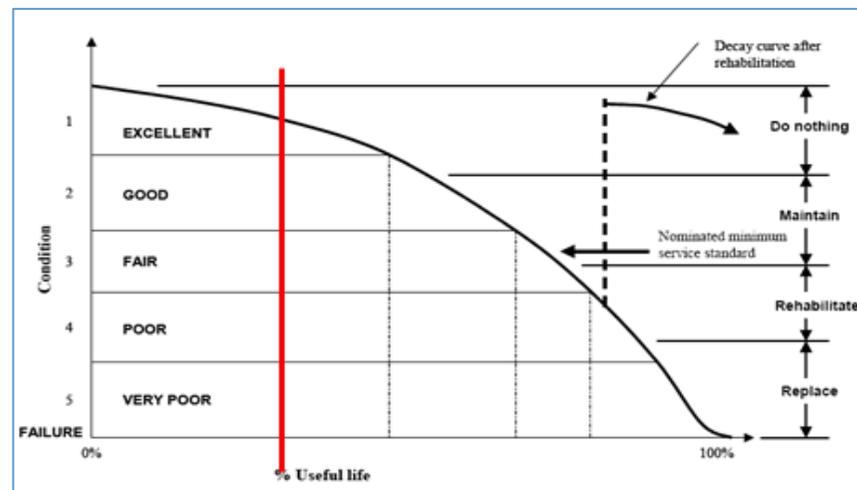


Figure 2: Asset Deterioration, Maintenance and Renewal

RESOURCING STRATEGY

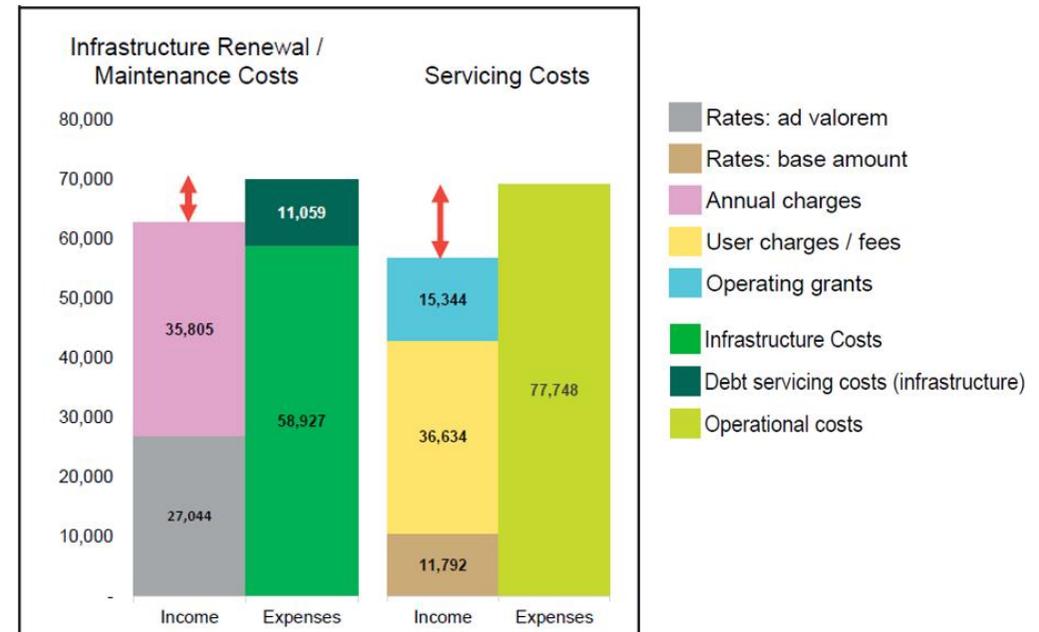
Long Term Financial Plan

Key Issues

- Growth in asset base (and additional associated depreciation expense) due to grant funded and development gifted infrastructure
- Shift in annual capex carry forwards due to resources diverted to natural disaster and pandemic works and responses
- Higher population growth (and subsequent servicing costs)
- Expansion of services and growth of capex budget since merger
- Maintaining required investment in community infrastructure maintenance and renewal
- Reduction in general purpose revenues as portion of total revenues
- Rate path freeze imposed on merged councils
- Meeting OLG financial benchmarks
- Impact of natural disasters and Covid-19

Actions

- Review Long Term Financial Plan and review scenarios
- Map and migrate expenses and revenues per 'narrow the gap' principle
- Preserve essential services in line with population growth
- Reinvest revenue from growth into service expansion to provide for the expanding population and new areas of development
- Advocate for changes to Government policy on population rate peg, emergency services levies and assets, and regional roads assets
- Borrow at acceptable levels for appropriate infrastructure investment; renegotiate remaining terms for maturing loans that are above 3%
- Improve unrestricted cash, through property sales and long term commercial leasing arrangements
- Quarantine merger, FTE and building savings to service debt for QCCP
- Conduct service cost and service level reviews
- Manage expenses through focus on energy and wastes consumption, service reviews, asset ratios and depreciation charges
- Prioritise grant funding on infrastructure renewal requirements instead of building new assets that will require ongoing future increased operational expense
- All employee vacancies are reviewed and where appropriate may be replaced with cadets, trainees or apprentices on a 2:1 basis as part of Council's strategy to increase productivity and increase the pool of skilled workers



RESOURCING STRATEGY

ICT Strategy

Key Issues

- Continued re-configuration of enterprise resourcing planning (ERP) modules
- ERP on-premise platform End-of-Life in 2024 and significant investment required during a challenging financial climate
- Government digital interventions
- Increased user – both staff and community - expectations
- Remote service standards and working from home environments
- Ever-expanding and sophisticated cyber threats and more stringent cyber standards
- Changing ICT policy standards
- Internet bandwidth limitations for branch / remote offices
- Emerging smart city platforms associated with CBD transformation
- Increasing shift to digital service delivery and automation

Actions

- Integrate ambitions and actions of Digital and Customer Strategies: *'transact through digital, interact through people'*
- Contemporary use of technology, with secure platforms in the organisation and disaster recovery plans
- Build, or expand on, advanced capabilities within the Digital team
- Migrate to CI Anywhere environment
- Reconfigure, implement and manage change (incl HR, asset management modules and planning e-portal)
- Migrate to a software as a service (SaaS) environment, consider infrastructure as a service (IaaS) options
- Maintain a robust, reliable and available ICT environment
- Continue investment in business intelligence capabilities
- Partner with other organisations to promote innovation and ICT service delivery, incl CRJO and Service NSW
- Deliver the ICT Strategy
 - Optimised organisation
 - Digitally enabled workforce
 - Citizen-centric services
 - Open and Connected

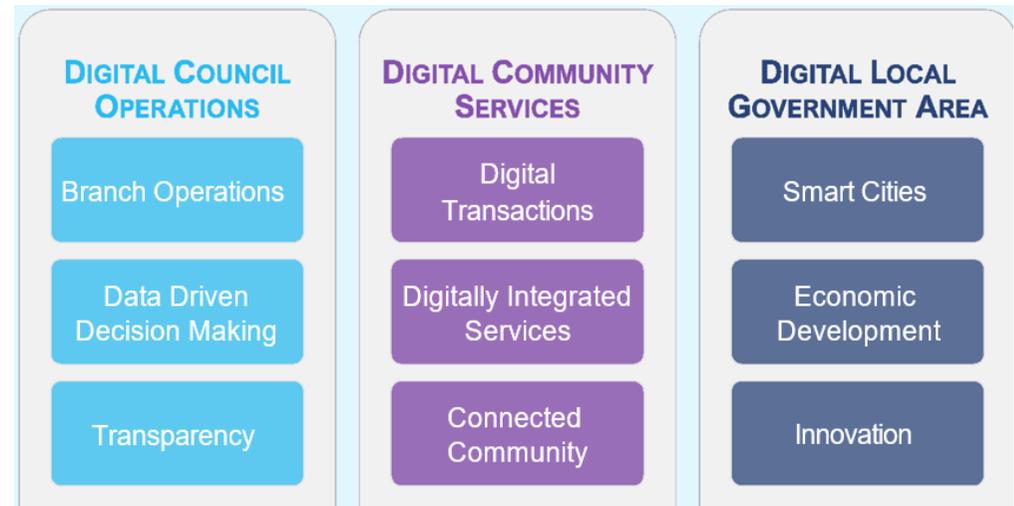


Figure 4: ICT Pillars

RESOURCING STRATEGY

Risk Management Strategy

Key Issues

- Management of strategic risks (incl reputation, climate and financial)
- Mitigation of operational risk (incl infrastructure, buildings and technology)
- Business continuity through periods of natural disasters, pandemic and ICT failure
- Change in government policy and legislation, or political environment
- Change in economic and environmental conditions (incl growth and climate)
- Damage to service and infrastructure (incl vandalism, misinformation, social media, cyber-attack)
- Organisational risk maturity
- Loss of staff skills and expertise

Actions

- Revision of Risk Strategy, Policy, Appetite and Strategic Risk
- Drive better decision-making through focusing on enterprise risk management education and training
- Align risk treatments to staff responsibilities and reports
- Further emphasis on the Three Lines Model, incl internal audits and assurance through Audit, Risk and Improvement Committee
- Strengthen QPRC Risk Architecture (incl Risk Registers, Risk Management Plans and Promapp)
- Strengthen QPRC Governance Architecture (incl decision making)
- Monitor performance through project, financial and infrastructure failure reporting

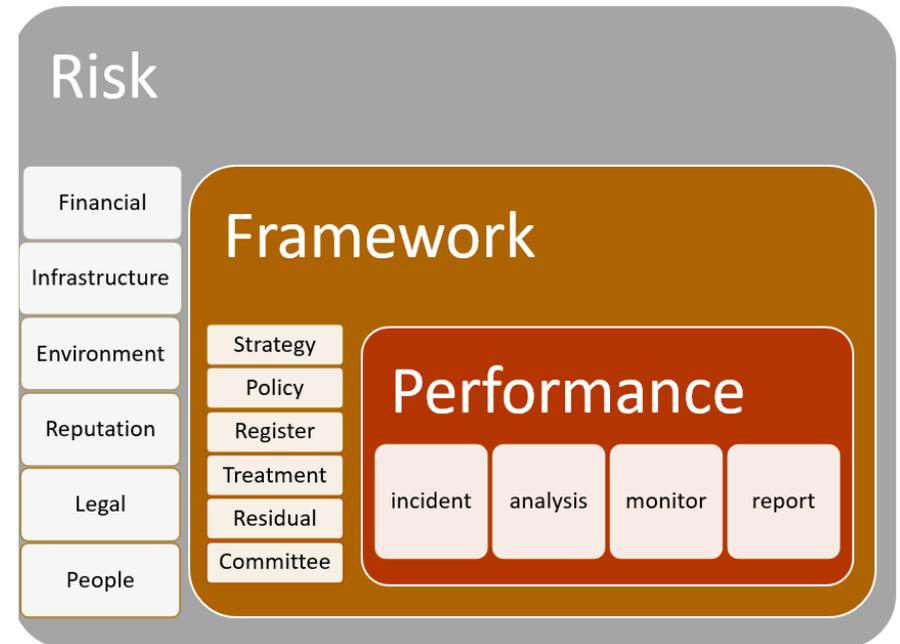


Figure 5: Risk Framework

RESOURCING STRATEGY

Climate Strategy

Key Issues

- Exposure:
 - Increasing average temperatures
 - Increasing likelihood and severity of natural disasters and extreme weather events (storm, drought, floods, bushfires, heatwaves)
- Vulnerability:
 - Damage or critical failures to Council infrastructure
 - Changes in demand and costs for energy
 - Shift in annual capex carry forwards due to resources diverted to natural disaster and climate change responses
 - Increase lifecycle costs of Council assets and buildings
 - Loss of arable land for development or open spaces
 - Increased pressure and demand on Council services, including cleaning, maintenance, and community support
 - Increased disruptions on Council services and projects
 - Pest and weed distribution changes
 - Impacts upon workforce health and wellbeing
 - Loss of remnant vegetation and tree canopy cover in Council controlled reserves and parks

Actions

- Continue implementing actions under the QPRC Climate Change Action Plans
- Continue implementing actions under the QPRC Urban Forest Cooling Strategy
- Design to improve the lifecycle and resilience of any new Council assets or buildings- including mitigation opportunities
- Further investigate innovate solutions to address climate change and reduce associated costs
- Identify and map key Council infrastructure that may be vulnerable to a changing climate and extreme weather events
- Ensure that Council's workforce is resourced and trained to respond to extreme weather events- clean ups, community support
- Continue to assess the climate change vulnerability of vegetation with the LGA
- Develop a new climate change risk assessment
- Develop asset management plans through a climate change lens
- Build community and organisational resilience frameworks including disaster preparedness, recovery actions, infrastructure planning
- CRJO regional planning for disaster resilience

RESOURCING STRATEGY

Context

Background

The *Local Government Act* requires that a Council must have a Resourcing Strategy in place to guide the resources required to implement the strategies established by the Community Strategic Plan. The Strategy, must at the very least, include provision for financial planning, workforce management planning and asset management planning. This is in recognition that it is important to ensure that sufficient resources – time, money, assets and people are available to translate strategic objectives of the CSP into actions.

A Resourcing Strategy forms a key part of the Integrated Planning & Reporting Framework as outlined below

The Integrated Planning and Reporting Framework includes:

- A 20-year Community Strategic Plan to be developed in consultation with the community, State Government agencies and other relevant stakeholders. The purpose of the plan is to identify the community's long term vision and set out its main priorities and aspirations for the future and to plan strategies for achieving these.

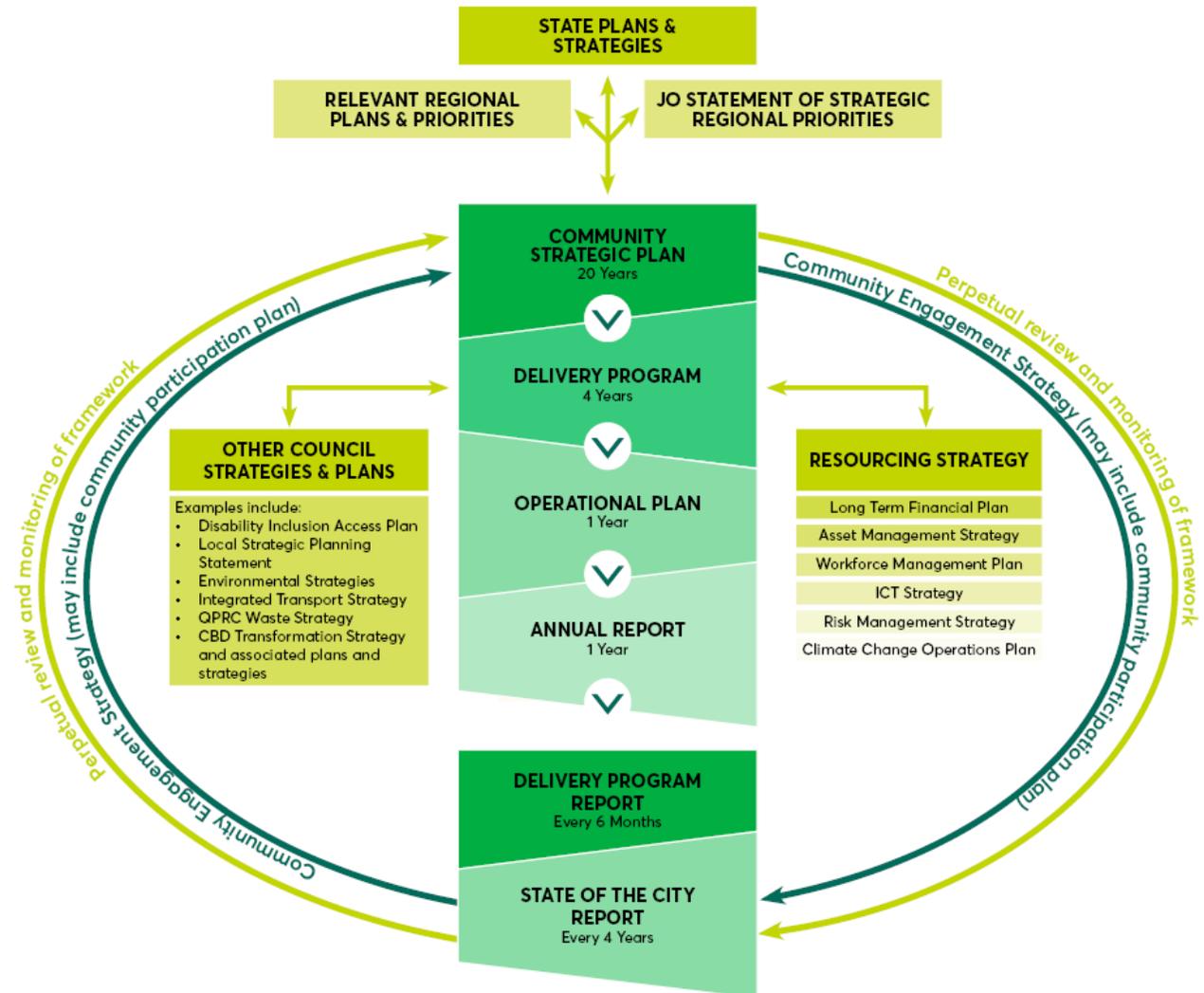


Figure 6: Integrated Planning and Reporting Framework

RESOURCING STRATEGY

- A four-year Delivery Program that details a Council's response to the community's long term aspirations by identifying all the activities the Council will be committing to during its electoral term to work to assist the community in moving towards achieving the long term objectives as set out in the Community Strategic Plan.
- The Operational Plan (OP) is Council's action plan for achieving the community priorities outlined in the CSP and DP. An OP is prepared each year and adopted. Each OP identifies the projects, programs and activities that council will conduct to achieve the commitments of the DP.
- A QPRC Resourcing Strategy which adds ICT, risk and climate change operations to the money, assets and people resources to achieve the aspirations of the Community Strategic Plan and the programs, projects and activities outlined within the Delivery Program The Resourcing Strategy is focussed purely on Council's responsibilities in the roles of provider, funder, regulator, promoter and facilitator.

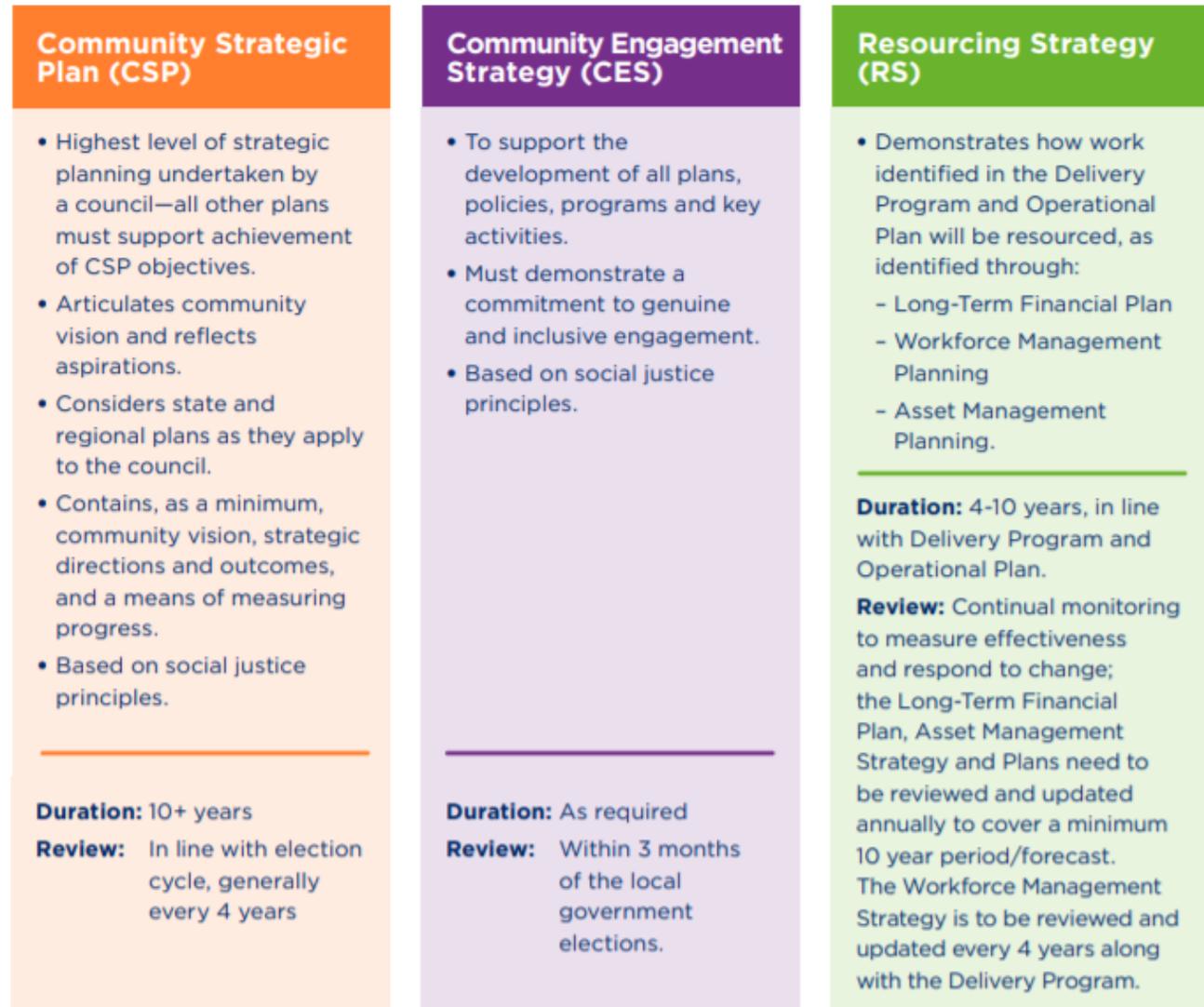


Figure 7: Integrated Planning and Reporting Framework

Our approach to the Resourcing Strategy

In developing its Resourcing Strategy, Council has applied a DPSIR Model to the components of its strategy which is based around:

- Drivers
- Pressures
- State
- Impacts
- Responses

DPSIR is a systems approach consisting of a Drivers – Pressures – State – Impacts – Responses framework, which has been a valuable tool for organising and communicating complex issues. The DPSIR framework was developed by the European Environmental Agency and has been used by the United Nations. Within Australia it has been used by the ACT to develop and underpin the findings of its State of the Environment Report. The DPSIR framework is a systems-thinking framework that assumes cause-effect relationships between interacting components of social, economic, and environmental systems. The DPSIR framework has been principally used for many environmental resource applications, including management of agricultural systems, water resources, land and soil resources, biodiversity and marine resources but it also has wider uses. The framework can be used to integrate social, cultural, and economic aspects of environmental and human health into a single framework hence making it an ideal tool to use in something like a Resourcing Strategy.

- Drivers are the factors that motivate human activities and fulfil basic human needs, which have been consistently identified as the necessary conditions and materials for a good life, good health, good social relations, security, and freedom. Drivers describe “the social, demographic, and economic developments in societies.
- Pressures are defined as human activities, derived from the functioning of Social and Economic Drivers that induce changes in the environment, or human behaviours that can influence human health.
- State refers to the state of the natural and built environment (e.g., the quantity and quality of physical, chemical, and biological components), and human systems (e.g., population level and individual attributes).

Changes in the quality and functioning of the ecosystem have Impacts on the welfare of humans, including the production of ecosystem goods and services and ultimately, human well-being. A key benefit in using the DPSIR framework is that it explicitly includes an Action or Responses component that can be taken at any level of the causal network. In the DPSIR framework, Responses are actions taken by groups or individuals in society and government to prevent, compensate, ameliorate or adapt to changes in the state of the environment; and to modify human behaviours ... to compensate for social or economic impacts of human condition on human well-being. (Using the DPSIR Framework to Develop a Conceptual Model, United States Environmental Protection Agency, August 2015)

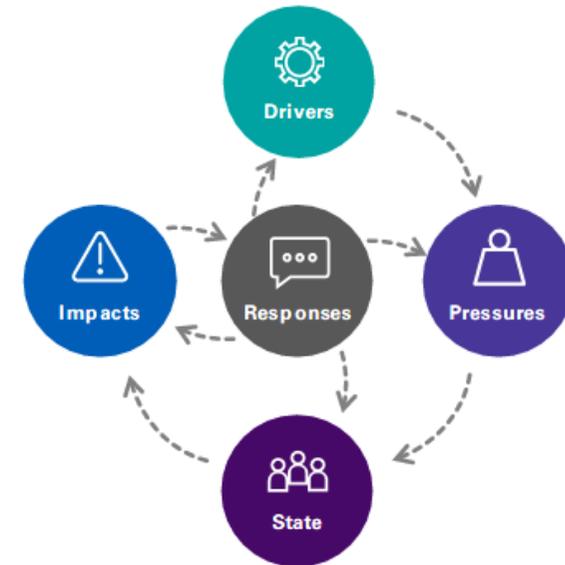


Figure 7: DPSIR model

Drivers and Pressures

Affordability

- Provide essential public services in line with population growth and organisation capacity
- Keep rates, fees and charges affordable
- Revenue to support investment in long term infrastructure renewal
- Meet NSW Government benchmarks to be financially sustainable
- Growing service expectations from the community
- Reducing (in real terms) government grants for operations and renewals and community service obligation to continue service provision with lower grant income
- Government cost-shifting with councils funding Governmental responsibilities including pensioner rebates, emergency services and regional roads
- Delayed implementation of revenue reform following Government response to 2013 Independent Local Government Review Panel Final report
- Legislation to freeze rates path for newly merged councils delayed revenue increases proposed with 2017 Financial Strategy
- Population growth drives up service costs faster than associated revenue increases (per IPART report 2021)

Service Provision and Levels of Service

- A contemporary, future-focused workforce
- Manage asset backlog and risk
- Renewal and replacement of ageing assets
- Establish affordable and acceptable standards, including intervention levels, gifted assets from developments
- Aligning asset renewal spend to the rate of depreciation
- Applying generational equity principles to provision, renewal and upgrade of assets
- Differentiating asset operations or servicing from maintenance
- Gifted assets from new development at Googong, Tralee and Bungendore - increasing the asset base

RESOURCING STRATEGY

Stakeholder Expectations

- Maintain a robust, reliable, secure and available ICT environment
- NSW Government predicted savings over 20 years for the councils merged in 2016
- Unable to rationalise number of offices and depots
- Broader levels and additional services provided after the merger

Workforce

- Maintaining skilled and motivated workforce, noting long-term staff reaching retirement and proposed increased age of retirement to 70
- Skills shortage impacting ability to attract and retain critical local government positions (planners, engineers, construction workers, accountants)
- Remunerating at attractive levels given proximity to ACT competition for skilled and professional labour
- Retaining skilled design and construction staff to meet road maintenance Council contract (RMCC) road construction standards of Transport for NSW.
- Retaining skilled development and engineering staff to meet turnaround benchmarks of government
- Staff FTE (Braidwood 41, Bungendore 79, Nerriga 1, Captains Flat 1) to remain in smaller towns in perpetuity
- Migrating to digital (high transaction) operations and community engagement

Natural Disasters

- Disruption to core business operations
- Reorganisation of Council operations following pandemic restrictions
- Changing community priorities and expectations as a result of natural disaster
- Scenario planning the future of service delivery within post-pandemic trends and restrictions
- Three-year asset renewal program underway to repair transport infrastructure destroyed by fire and floods

RESOURCING STRATEGY

Local Government Indices

- Rate peg is calculated in reference to the LGCI¹ by IPART on behalf of the NSW Office of Local Government (OLG), and in many cases is substantially less than regional cost indexes.
- Infrastructure construction costs are escalating at around 3-6% pa
- Government contributions such as emergency service levies, charged to Local Government, are greater than CPI
- NSW Local Government State Award indexation of wages and allowances, is historically substantially higher than the rate peg

¹ The inflationary measure for NSW local government is the Local Government Cost Index (LGCI), calculated by the Independent Pricing and Regulatory Tribunal (IPART)

RESOURCING STRATEGY

Workforce Management Strategy

Overview

Council’s Workforce Management Strategy identifies the challenges that Council faces over the coming years and highlights the areas where additional resources are required to ensure service delivery is not compromised. A Workforce Plan has been prepared for each Portfolio to estimate likely staff turnover, retirements and change in FTE to accommodate growth in development, facilities and infrastructure.

While Council has committed to maintaining its staff/resident ratio at 7.5 staff per 1000 residents, the continual growth in Googong, South Jerrabomberra and Bungendore will require the organisation to expand. Over the next four years, we have identified the need for an additional 40 staff members, with the majority of those in our Community Connections portfolio (roads, water, sewer and waste) and our Natural and Built Character portfolio (planning, development control, environment and landscapes). These new positions will be reliant on new or increased revenue streams.

Our back office areas will remain relatively steady in terms of growth, showing that we are responding to community demand when it comes to our assets and planning services.

Over the next four years, we will also increase our number of trainees, cadets and apprentices to hit our goal of 10% across the organisation. Aiming to replace appropriate retiring staff with 2:1 trainees at equivalent cost, the additional trainee is excluded from FTE/resident calculations. The table on the right illustrates the areas of growth.

Portfolio Increases	2021 2022	2022 2023	2023 2024	2024 2025	TOTAL SEP 2020	TOTAL 2024-25	TOTAL FTE GROWTH	Trainee/ Cadet	Trainee/ Cadets %
CEO Office	\$ -	\$ -	\$ -	\$ -	2.00	2.00	0.00	0	0%
Organisation Capability	\$ 94,499.12	\$ 53,492.59	\$ -	\$ -	58.96	60.66	1.70	9	14.84%
Natural & Built Character	\$ 323,513.48	\$ 241,594.39	\$ 613,283.95	\$ 202,024.68	123.21	140.21	17.00	20	14.26%
Community Connections	\$ 640,603.71	\$ 342,481.48	\$ 277,458.69	\$ -	181.30	197.60	16.30	8	4.05%
Community Choice	-\$ 97,484.42	\$ 439,329.73	\$ 372,724.34	\$ 172,839.78	95.88	100.48	4.60	5	4.98%
TOTAL 1	\$ 961,131.89	\$ 1,076,898.19	\$ 1,263,466.98	\$ 374,864.46	461.35	500.95	39.60	42	8.38%
			TOTAL \$	\$ 3,676,361.52	TARGET	485		50.10	10.00%

Portfolio Increases	2021 2022	2022 2023	2023 2024	2024 2025
TOTAL 1: FUNDING SOURCE BREAKDOWN				
Waste Fund	\$ 160,308.94	\$ 26,033.05	\$ -	\$ -
Sewer Fund	\$ 321,910.07	\$ 53,916.59	\$ 233,573.09	\$ -
Water Fund	\$ 126,394.55	\$ 53,916.59	\$ 43,885.60	\$ -
General Fund	\$ 660,044.80	\$ 762,004.59	\$ 707,181.01	\$ 374,864.46
Fees & Charges	\$ 52,217.05	\$ 197,078.83	\$ 64,892.25	\$ -
Projects	\$ 30,993.83	\$ 26,746.30	\$ -	\$ -
Grant Fund	-\$ 390,737.34	-\$ 96,290.34	\$ -	\$ -
SRV	\$ -	\$ 53,492.59	\$ 213,935.03	\$ -
TOTAL	\$ 3,676,361.52			

Figure 8: QPRC workforce plan data

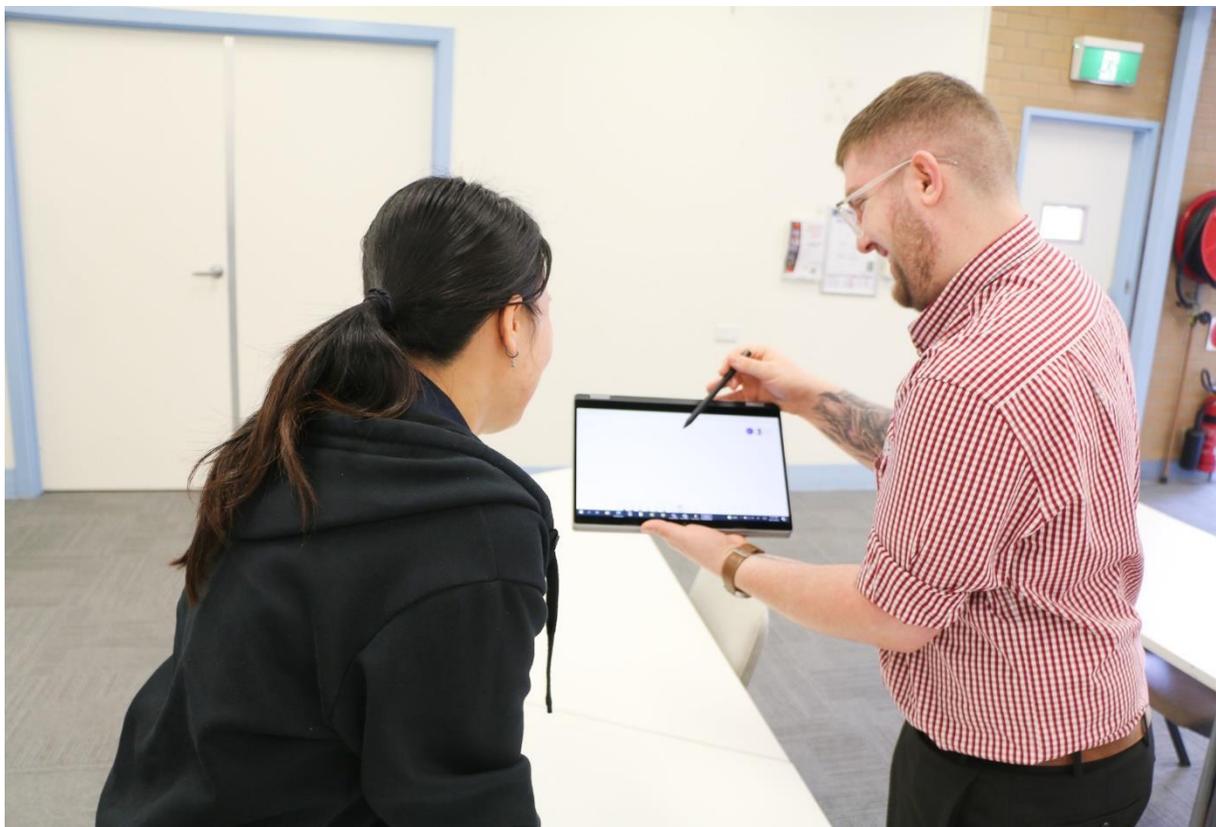
RESOURCING STRATEGY

Since the 2016 merger, 28 positions have either been abolished or not continued after their fixed term date. These positions have delivered savings of \$2.293 million over the past four years, with ongoing annual savings directed to the repayment of principal and interest on the loan funding for the new Queanbeyan Civic and Cultural Precinct (QCCP).

Council's Long Term Financial Plan still shows significant budget issues that will need to be addressed by the new Council. Following the merger, Council generally adjusted its service standard to the higher of the two former councils, meaning that some service areas have grown beyond their means. The new Council will be required to conduct a number of service reviews and consider the level of service it provides to the community.

The key pillars around which the strategic responses or actions are based:

- Strategic Focus 1 A contemporary, future-focused workforce
- Strategic Focus 2 Managing our ageing workforce
- Strategic Focus 3 Improving productivity
- Strategic Focus 4 Providing a safe, inclusive and accessible workplace
- Strategic Focus 5 Instilling a high learning, innovative environment
- Strategic Focus 6 Shaping a positive client-focused, tech savvy culture
- Strategic Focus 7 Being an employer of choice



RESOURCING STRATEGY

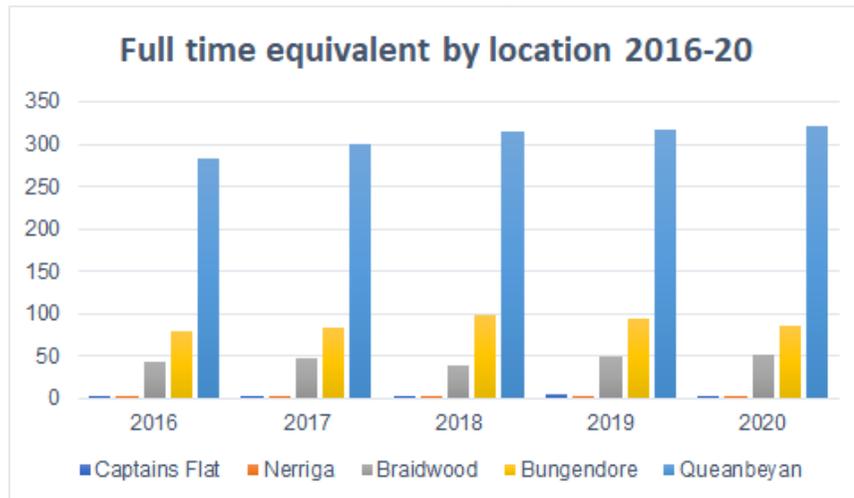
About our organisation

Workforce analysis

QPRC is a mid-sized regional Council and allocated to Group 4 within the Office of Local Government's grouping system. As at 31 October 2021, Council employed 468 full time equivalent staff members. In addition, 135 casual employees are engaged by Council - many of these for seasonal work at Council's Aquatic Centre and regional pools. In total, Council employs 536 staff. At the time of the merger, staff were employed under the Queanbeyan or Palerang salary structures. Following the merger, the QPRC salary structure was implemented, with staff able to opt into the new structure or remain on the former Queanbeyan or Palerang structure, with no staff to be worse off under the change. A number of positions were reevaluated at a lower grade, however staff currently occupying those positions will remain at the grade at the time of the merger. All new positions are created under the QPRC salary system. As of May 2022, 440 staff were on the QPRC salary system, seven on the former Palerang system and 86 on the former Queanbeyan system.

Following the merger in 2016, Council is required to comply with section 218CA of the *Local Government Act* which protects employee numbers in rural centres with a population of less than 5,000 where reasonably practicable. For QPRC, this impacts staff numbers at Bungendore, Braidwood, Captains Flat and Nerriga. Council has maintained numbers at these rural centres at or above 123 staff.

Council's focus on employing trainee, cadets and apprentices is highlighted by the increasing age of our employees. More than 120 of our permanent employees are aged over 56 and within the age range where retirement is at the forefront of mind. Over the next few years, several roles will be replaced with trainees/cadets/apprentices – ideally at 2:1 – as the costs of employment are broadly equivalent to the vacated incumbent in the former role. Ultimately, it is anticipated the productivity of two trainees should exceed that of the former role within 2-3 years.

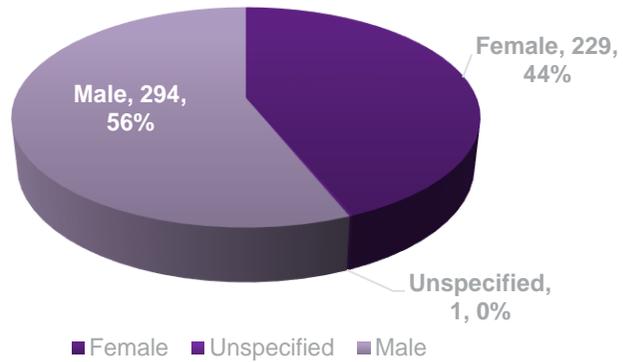


	Position FTE				
	2017-18	2018-19	2019-20	2020-21	2021-22
Queanbeyan	300.28	313.92	317.92	321.9	324.89
Bungendore	83.94	98.94	94.1	87.78	89.98
Braidwood	50.41	42.78	53.63	53.28	53.88
Total (without Casual)	434.63	455.64	464.93	462.96	468.75

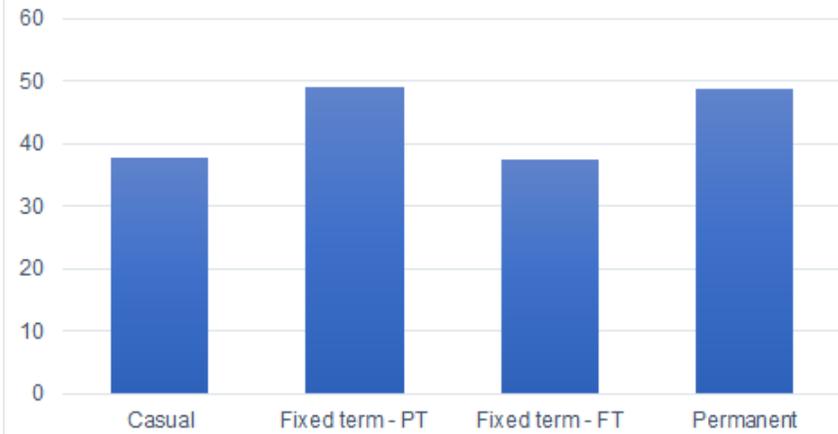
Table 1: QPRC position FTE

RESOURCING STRATEGY

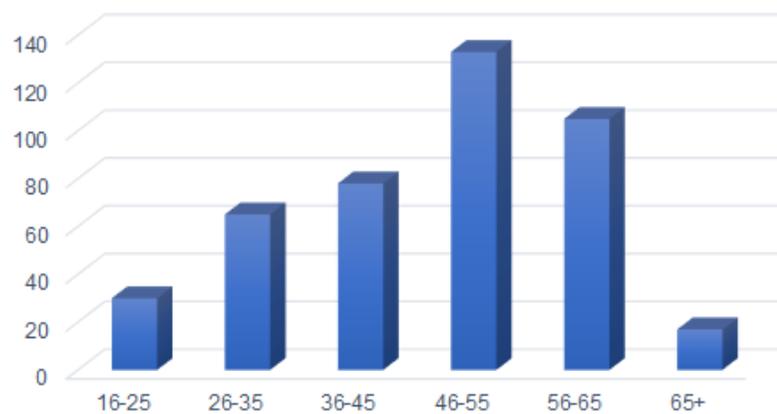
Workplace by gender, including casuals



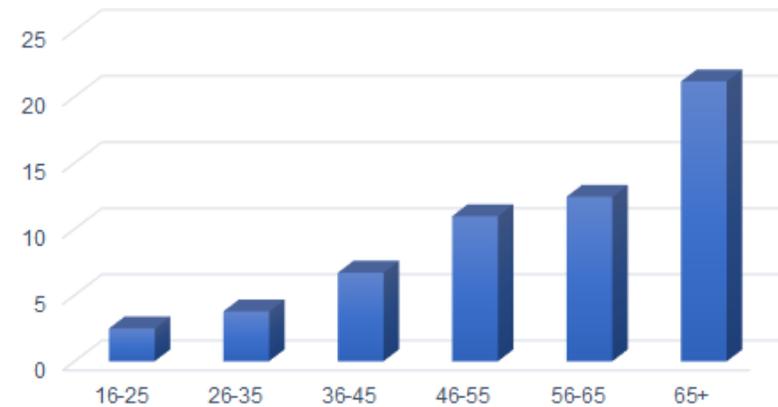
Average age by employment type



Generational spread



Length of service by age group



RESOURCING STRATEGY

Action plan

Council's Workforce Strategy will focus on the following strategic focus areas:

- Strategic Focus 1 A contemporary, future-focused workforce
- Strategic Focus 2 Managing our ageing workforce
- Strategic Focus 3 Improving productivity
- Strategic Focus 4 Providing a safe, inclusive and accessible workplace
- Strategic Focus 5 Instilling a high learning, innovative environment
- Strategic Focus 6 Shaping a positive client-focused, tech savvy culture
- Strategic Focus 7 Being an employer of choice

Table 2: QPRC Workforce Management Strategy actions

Action	Timeframe	Responsible branch
Strategic Focus 1 - A contemporary, future-focused workforce		
Workplace Innovation Group action plan	Y1-4	Workplace and Governance
Leverage existing and new IT solutions to increase productivity	Y1-4	Digital
Input into design and layout of new offices in Queanbeyan and Bungendore to create activity-based working spaces	Y1-2	Workplace and Governance
Implement change management strategies to assist staff with move into new offices	Y1-2	Workplace and Governance
Implement Transformational Organisational Structure	Y1-2	CEO
Review recruitment approach for hard to fill positions	Y1-2	Workplace and Governance
Fully automate recruitment process to remove paper-based forms.	Y1	Workplace and Governance
Review Home Based Work Directive and approval process following impacts of COVID-19	Y1	Workplace and Governance
Ongoing review and refinement of Workplace-related directives, with focus on creating a future-focused workforce	Y1-4	Workplace and Governance
Liaise with CRJO councils to address employment-related issues	Y1-4	Workplace and Governance
Consider job share program with other councils/ACT Government	Y1-4	Workplace and Governance
Implement endorsed workforce plans, within financial capacity, to ensure resources levels keep pace with population growth	Y1-4	Executive
Strategic Focus 2 - Managing our ageing working		
Promote Transition to Retirement Directive and options under Clause 23 of Local Government Award	Y1-4	Workplace and Governance
Identify positions that are at risk of retirement and knowledge departure	Y1-4	Workplace and Governance
Educate staff in retirement bracket on importance of transition	Y1-4	Workplace and Governance
Trainees, cadets and apprentices make up 10% of workforce	Y1-4	Workplace and Governance
Investigate mentor program – either internal or as part of CRJO	Y1-2	Workplace and Governance
Increase usage of Promapp in organisation	Y1-4	Organisation Capability

RESOURCING STRATEGY

Action	Timeframe	Responsible branch
Enhance QPRC's development approach by considering QPRC scholarship/graduate program	Y1	Workplace and Governance
Partner with universities to develop pathway strategies for hard to fill positions	Y1-4	Workplace and Governance
Strategic Focus 3 - Improving productivity		
Monitor staff absences and highlight trends to Executive and Service Managers	Y1-4	Workplace and Governance
Increase percentage of staff with workplans in CiAnywhere	Y1-4	Workplace and Governance
Review the use of overtime across the organisation to achieve a balance between productivity and staff safety	Y1-2	Workplace and Governance
Strategic Focus 4 - Providing a safe, inclusive and accessible workplace		
Maintain HSEQ accreditation	Y1-4	Workplace and Governance
Launch safety module within CiAnywhere	Y1-2	Workplace and Governance
Monitor and review health and wellbeing programs and activities	Y1-4	Workplace and Governance
Support Council's Diversity and Inclusion Group	Y1-4	Workplace and Governance
Maintain Employee health initiatives such as Safety Day, wellbeing program and healthy lifestyle programs	Y1-4	Workplace and Governance
Strategic Focus 5 - Instilling a high learning innovative environment		
Development of annual Training Plan for organisation	Y1-4	Workplace and Governance
Trainees, cadets and apprentices make up 10% of workforce	Y1-4	Workplace and Governance
Sponsor trainee, cadet and apprenticeship awards	Y1-4	Workplace and Governance
Provision of study assistance in line with adopted Directive	Y1-4	Workplace and Governance
Build upon library of online learning resources	Y1-4	Workplace and Governance
Embed learnings from Colloquium program	Y1-2	Workplace and Governance
Review and implement Sustainable Leadership at QPRC program	Y1-2	Workplace and Governance
Identify future leaders and provide with tools and learning to prepare them for career progression	Y1-4	Workplace and Governance
Provide opportunities for future leaders to participate in Local Government Professionals Management Challenges	Y1-4	Workplace and Governance
Invest in Team Leaders and emerging leaders	Y1-4	Workplace and Governance
Strategic Focus 6 - Shaping a positive client-focused tech savvy culture		
Workplace Innovation Group action plan	Y1-4	Workplace and Governance
Publish service review schedule in Operational Plan	Y1	Workplace and Governance
Service owners commit to implementing service review findings	Y1-4	Leadership group
Consider the 'customer' when developing Workplace processes and Directives	Y1-4	Workplace and Governance
Strategic Focus 7 - Being an employer of choice		
Review Equal Employment Opportunities Plan and Policy	Y1	Workplace and Governance
Ongoing implementation and promotion of QPRC values	Y1-4	Organisation wide
Recognise the efforts and achievements of our staff through formal and informal reward and recognition	Y1-4	Leadership group
Develop a social media strategy to support employer of choice aspirations	Y1-2	Workplace and Governance
Progress Team Leader improvement program following 2021 culture survey results	Y1-2	Workplace and Governance
Remeasure organisational culture in 2024	Y2/4	Workplace and Governance
Implement action plans to address causal factors and outcomes that are affecting culture	Y2/4	Leadership group

RESOURCING STRATEGY

Action	Timeframe	Responsible branch
Participate in CRJO employment initiatives	Y1-4	Workplace and Governance
Review volunteering program and processes to enable and encourage volunteering in suitable areas	Y1	Workplace and Governance and Recreation and Culture
Participate in Local Government Week and other events to promote the value of Council to the community	Y1-4	Workplace and Governance
Develop strategies to encourage and promote flexible work and work/life balance	Y1-4	Workplace and Governance

Asset Management Strategy

Council's Asset Management Strategy² has been prepared to assist Council in improving the way it delivers services through infrastructure. Council's infrastructure assets have a replacement value of \$2.1 billion as at 30 June 2021. The purpose of the Strategy is to enable Council to show:

- How its asset portfolio will meet the community's service delivery needs
- That its asset management policies are being achieved, and
- That existing asset management practices integrate with the ambitions of the Community Strategic Plan.

Council's Assets

Table 3: Infrastructure, Property, Plant and Equipment

Aggregated asset class	Replacement Cost 30 June 2021 (\$'000)
Capital work in progress	\$49,989
Equipment, furniture and fittings	\$28,656
Land	\$165,702
Land improvements	\$1,106
Buildings and other structures	\$142,995
Roads, bridges, footpaths	\$555,831
Other road assets (including bulk earthworks)	\$500,407
Stormwater drainage	\$149,305
Water Supply Schemes	\$165,832
Sewerage Schemes	\$273,450
Open Space / Recreation assets	\$48,523
Other Assets	\$664
Tip Assets	\$8,984
Total	\$2,091,444

² Asset Management Strategy, QPRC, <https://www.qprc.nsw.gov.au/Resources-Documents/Strategies-and-Plans>

RESOURCING STRATEGY

Principles

In developing the Asset Management Strategy, QPRC is guided by five service delivery principles

- (a) **Financially Sustainable** – through Long Term Financial Planning, Council will ensure that infrastructure is provided to the community at an appropriate service level that achieves best value for the current and future rate dollar.
- (b) **Environmentally Sustainable** – when designing new assets or replacing old infrastructure there will be a focus on water and energy efficiency, waste minimisation, reducing greenhouse gas emissions and mitigating the impacts of climate change.
- (c) **Safe, Healthy and Accessible** – the infrastructure provided by Council will be provided and maintained to allow all members of our community the opportunity to enjoy a quality life; being unrestrictive and delivering opportunity for those in need.
- (d) **Prosperous** – The lifecycle management of new and current infrastructure will assist delivering a successful and thriving City that connects business to opportunity and attracts new businesses for a strong economy and more local jobs. This will support people and communities to grow and flourish.
- (e) **Resilient** – The infrastructure provided by Council will be provided and maintained to enable the community to access essential services and thrive in the face of natural and man-made emergencies

The creation, operation and maintenance of assets is guided by several Australian standards, codes of practice, and industry recommendations (accepted industry practice). Consequently, effective delivery of services is contingent on assets that are consistent with accepted industry practice. The following issues have a direct bearing on the serviceability of Council's assets and the efficacy of its services:

- Managing the asset backlog
- Renewing and replacing ageing assets in accord with their lifecycle
- Aligning asset renewal expenditure to the rate of depreciation
- Applying generational equity principles to provision, renewal and upgrading of assets
- Differentiating asset operations or servicing from maintenance
- Recognising gifted assets from large greenfield developer controlled sub-division releases
- Effect of population growth on the patronage / utilisation of assets

RESOURCING STRATEGY

The Strategy outlines Council's ambitions in managing its assets under the key areas of:

Customer

- Maintain assets to a level that achieves broad community satisfaction (>3.25/5 ranking in biennial satisfaction surveys)
- Acceptable levels of service is supported by assets (as disclosed in service statements)

Growth

- Design and extend the capacity of assets and connectivity of transport and utility networks in line with population growth forecasts
- Leverage the presence and capacity of assets to stimulate business investment, visitor activity and economic returns
- Utilise planning instruments and agreements to optimise connectivity to networks and capacity of infrastructure and facilities delivered through new developments
- Extend or upgrade assets (such as seal/extend seal on roads) when:
 - Assets are designed and constructed to standard for planned loads
 - 50% funded by held contributions or conditioned by current DA, and
 - balance met by SRV or grant

Standards

- Apply international asset and risk standards to decision making and priority settings for management, maintenance, renewal and upgrade of assets
- Build organisation skill and technology capability from 'Basic' to 'Core' in terms of asset management maturity assessments
- Retain health, safety, environment and quality (HSEQ) standards to sustain contracts with government and private works
- Calibrate asset ratios (maintenance, renewal, backlog) in line with the Financial Strategy

Financial

- Align asset renewal spend to Asset Management Plans and establish a sinking fund / reserve equivalent to annual depreciation to fully fund the cost of asset renewal over the life of the asset.
- Apply generational equity principles to provision, renewal and upgrade of assets -generally raising debt, securing development contributions or procuring grants to renew, upgrade or expand assets and networks
- Appropriately assign dividends as ROI from utilities assets (QBN water, sewer, waste) to renewal and upgrade of other infrastructure and facilities in Queanbeyan
- Align asset ratio forecasts to financial capacity (expressed in LTFFP)
- Rank decisions to extend, renew or replace assets on best value (in line with asset life cycle, cost of finance and organisation capability)

RESOURCING STRATEGY

- Resource cadet, apprentice and trainee staffing to augment asset management and operational capability, and mitigate loss of expertise through retirement and competition
- Establish pricing strategies for asset patronage and usage, including price setting for behaviour management (to align to Pricing Policy)
- Work with CRJO to introduce procurement strategies to obtain best value supply and service contracts

Risk

- Design and monitor performance of assets to adapt to expected risk associated with anticipated climatic changes, natural disasters and known changes in environmental standards
- Rank decisions on investment or disposal of assets on the risk posed to health, business or the environment

Priority Settings

- Guide upgrade and new infrastructure expenditure on priorities established with key strategies – such as Integrated Transport, Integrated Water Cycle Management, Local Strategic Planning Statement, Planning Agreements – designed to ensure ten years of forward planning and delivery for infrastructure networks and facilities is available
- Provide resources to enable infrastructure designs and estimates to be one year in advance of scheduled delivery, to enable take up of grant or developer sponsored infrastructure funding
- Renewal and investment in assets is financially and environmentally sustainable, and focussed on safety and prosperity for the LGA
- Consider the economic, social, environmental and financial impacts of investment or decline in assets - including expanding sealed road network and effects on maintenance and backlog; or design of new carparks on type, cost, pricing consequences and behaviour influences

Long Term Financial Plan

Council's Long Term Financial Plan (LTFP)³ is a 10 year plan which is reviewed and updated annually, the first year of which guides the Operational Plan budget. It enables Council to better understand and plan its long term financial requirements. The Plan includes consideration of sustainability, service provision levels and the creation and upgrading and renewal of infrastructure.

The LTFP details the assumptions underpinning each financial scenario including asset renewal and maintenance and workforce structure projections as well as the financial outcomes over a 10 year period, which may include temporary deficit scenarios.

Financial Sustainability

In 2017, following a financial sustainability review, QPRC adopted a Financial Strategy and Policy and began implementing financial improvements, with a focus on investment in asset renewal, reducing asset maintenance costs, controlling the organisational structure and implementing workforce structural savings over time, increasing rates and fees, capturing merger efficiency savings and cutting costs of non-core services.

The adopted Financial Strategy also considered the expansion of Council's asset base to provide additional community infrastructure to cope with the service demands of the growing population. Council has so-far invested \$486M in a program of compressed capital works over five years, comprising asset renewal and asset expansion, and funded through capital grants and new loans.

Whilst Council has made significant progress toward implementing the Financial Strategy over time, it has not yet fully implemented the revenue and rates increases or cost-cutting that was to have been identified through service reviews. There has also been additional investment in expanded service provision and other rising costs that have countered the financial improvements, and these have been largely driven by:

- the equalisation of service levels across the LGA – leading to funding higher service levels and driving continually increasing community expectations.
- population growth (at 1.9% pa).
- capital grants for new assets (\$284M over 5 years).
- developers contributions and gifted assets (\$96M over 5 years).

Natural disasters have significantly interrupted Council's normal operations, diverted resources and triggered one-off costs where asset restoration is not fully funded by the Government's Natural Disaster Funding Arrangements. Council incurred \$65M loss / damage to community infrastructure that is being rebuilt over 3 years. Recovery operations will continue to change the focus of Council's services to affected communities – and these changes have been funded through several stages of Government Funding.

³ Long Term Financial Plan, QPRC, <https://www.qprc.nsw.gov.au/Resources-Documents/Strategies-and-Plans>

RESOURCING STRATEGY

The pandemic also required an additional significant operational and planning response from Council that was largely resourced internally with staff time. The financial impact of the pandemic was mostly felt by businesses and individuals in the community, and Council reduced and waived fees and charges for the use of facilities. This has had an ongoing impact with lost fee income in 2021 estimated to be \$1.6M; and which has not yet returned to pre-pandemic levels.

Council is proposing to address its financial sustainability via the LTFP, resolving to adopt a series of additional financial strategies that have been modelled in this plan. Application for a Special Rate Variation is one of a number of actions Council has included in its improvement plan in order to improve overall performance and better manage community infrastructure.

Scenarios included in the Long Term Financial Plan include an additional mix of savings measures and rates increases that range from 9.3% per annum x 3 years (scenario 2) to 14% x 3 years (scenario 3). The value realised through operational savings, and reduction in service levels to affordable levels within levels that ratepayers are willing to fund will reduce the extent of any special rate variation.

Productivity improvements

A Special Rate Variation is only one of a number of initiatives Council has considered in order to improve its overall financial performance and better manage and maintain essential infrastructure. Council is taking action to develop a positive culture of efficiency and productivity as well as facilitating productivity gains across the organisation. These gains may lead to financial savings and non-financial savings, including improvements in Council's service delivery.

The key actions of the Council's Improvement Plan are:

- \$2.2M merger efficiency savings were planned through reduction of duplicated activities and have been tracked and reported since the merger. The annual ongoing savings have been directed to the repayment of principal and interest on the loan funding for the Queanbeyan Civic and Cultural Precinct (QCCP).
- Additional savings targets have been included into scenarios 2 and 3, with an organisational service review to be undertaken to prioritise Council's activities so that future services are provided within available resources.
- Additional revenue targets have been included in scenarios 2 and 3 for fee increases through a service pricing review.
- Reinvest revenue from growth into service expansion to provide for the expanding population and new areas of development.
- Exploit commercial opportunities including:
 - Roads contracts (state / regional)
 - Water and sewer business dividends
 - Sell and lease surplus assets
- Use of pooled development contributions to fund the capital works program of community infrastructure
- Review developer contributions plans to increase developer contributions for asset expansion requirements for the growing population
- Rationalise non-core services and invest in services with low community satisfaction
- Review the asset strategy and reconsider affordable levels of service to be provided over the expanded asset base

RESOURCING STRATEGY

- Continue to advocate for the transfer of regional road assets to State Government, and reduce associated depreciation, maintenance and renewal expense
- Continue to advocate for the removal of the Emergency Services Levy that is used to fund State Government Emergency Services
- Use Natural Disaster and other Grant funding to build back assets that can withstand future natural disasters under the 'build back better' infrastructure plan.
- Prioritise grant funding on infrastructure renewal requirements instead of building new assets that will require ongoing future increased operational expense
- Establish a program of service reviews to identify better value solutions including better service delivery and financial savings.

Other productivity improvements and cost containment strategies Council has implemented over the past several years include:

- All employee vacancies are reviewed and where appropriate may be replaced with cadets, trainees or apprentices on a 2:1 basis as part of Council's strategy to increase productivity and increase the pool of skilled workers.
- Council procedures are mapped and reviewed and digital workflows are systematically put in place to streamline performance.
- Workforce strategies to improve health and wellbeing of the workforce and reduce unplanned absences
- Flexible working conditions including flexible hours of work and working from home to attract and retain productive employees.
- Valuing the use of volunteers for the management of community facilities.
- Replacement of Queanbeyan streetlights with LED bulbs to reduce streetlighting costs and energy consumption
- Joint regional procurement with the Canberra Region Joint Organisation and other regional networks to share overheads, attract better pricing and reduce overall costs.

ICT Strategy

Like any organisation, QPRC needs to respond to changes in its external environment now and into the future. Technological advances will continue to support the increasing shift to digital service delivery and automation, and more sophisticated, better integrated systems. The rapid uptake of digital services and innovative technologies is also driving increased user expectations as the community demands a better customer experience, commonly characterised by digital/online services.

The most important aspect of the ICT Strategic Plan is the need to provide ICT products and services as effectively and efficiently as possible to maintain QPRC's role in supporting the community, development needs, local economy, infrastructure, and natural environment

Council's ICT Strategic Plan⁴ will guide the investment and actions to design, develop and deliver services, automate existing services, and to more effectively interact and transact with customers.

Four key strategies underpin the plan:

- **Optimised Organisation:** Develop an ICT Workforce Management Plan, champion meaningful change, and implement modern ICT service management and business-oriented ICT security to enhance efficiency, effectiveness, and optimal utilisation of ICT systems and services.
- **Digitally Enabled Workforce:** Enhance digital dexterity, optimise the Enterprise Resource Planning (ERP) system, improve remote working, and drive a unified approach to ICT architecture to enable more effective use of ICT, and greater collaboration and knowledge sharing across the organisation.
- **Citizen-centric Services:** Digitally enabled services, Smart City initiatives, user-centric design, co-design with citizens, and regular feedback and insights, all contribute towards understanding and translating the community's needs into targeted, effective service delivery. QPRC aims to align and integrate ICT and customer strategy through the lens of people, process, and technology.
- **Open and Connected:** Build and leverage external partnerships, utilise business intelligence to extract value from data, and implement a considered benefits management approach to ICT, to enable the optimal use of QPRC's resources to realise organisational goals.

The ICT Strategic Plan reaffirms the Council's citizen-centric vision to *Transact through Digital, Interact through People* and its commitment to facing the challenges of a rapidly changing world through community engagement, responsiveness to change, and innovative, community-focused technology solutions that address citizens' needs in the 21st century.

⁴ ICT Strategic Plan, QPRC, <https://www.qprc.nsw.gov.au/Resources-Documents/Strategies-and-Plans>

Risk Management Strategy

Enterprise Risk Management (ERM) recognises that risk management is not a stand-alone practice. It needs to be integrated into strategy setting and operational practices, influencing how policies and procedures are developed and budgets are managed. Creating an ERM framework enhances performance and creates and protects organisational value for stakeholders.

In an operating environment that is filled with uncertainty, demand for council services continues to grow. This growth needs to be managed within the resources available, making it more important to ensure that decisions are optimised through sound risk management practices.

To achieve this, Council's Risk Management Strategy focuses on three key strategic themes:

Culture

Develop an organisational culture that obtains value from understanding risks (threats and opportunities) and the context in which these risks arise to make more informed decisions.

Governance

Strengthen roles and responsibilities using the three lines model⁵. Although governance is part of the ERM architecture, it appears as a separate item to highlight the need to strengthen the understanding of three lines model and the roles and responsibilities within this model.

This will also include a focus on the Office of Local Government (OLG) revised requirements resulting from the discussion paper on 'A New Risk Management and Internal Audit Framework' when finalised. Council's Audit Risk and Improvement Committee (ARIC) with independent members and chair, supported by independent internal and external auditors, provides assurance and oversight.

Architecture

To make improvements to the ERM architecture: framework, policy, directive, tools and methodologies. As above, this will include a focus on the Office of Local Government (OLG) revised requirements resulting from the discussion paper on 'A New Risk Management and Internal Audit Framework' when finalised.

⁵ Institute of Internal Auditors *Three Lines Model*. The model defines the underlying principles as to how key organisational roles work together to facilitate strong governance and risk management.

RESOURCING STRATEGY

ERM and QPRC Values

QPRC's values of integrity, innovation, respect and continuous improvement underpin risk-based decision-making.

- **Integrity** in ethical, transparent and professional decision-making.
- **Respect** by ensuring decision-making considers the impact on stakeholders, but also considers the diversity of our employees and community.
- **Innovation** in relation to embracing opportunities and finding the right risk reward balance.
- **Continuous Improvement** by leveraging a better understanding of risks to continual improve the business in addition the tools and methodologies used.

Setting the Context

Risks emerge from the uncertainty that comes from changes in the environment in which QPRC operates, both external and internal. These emerging risks present both challenges and opportunities.

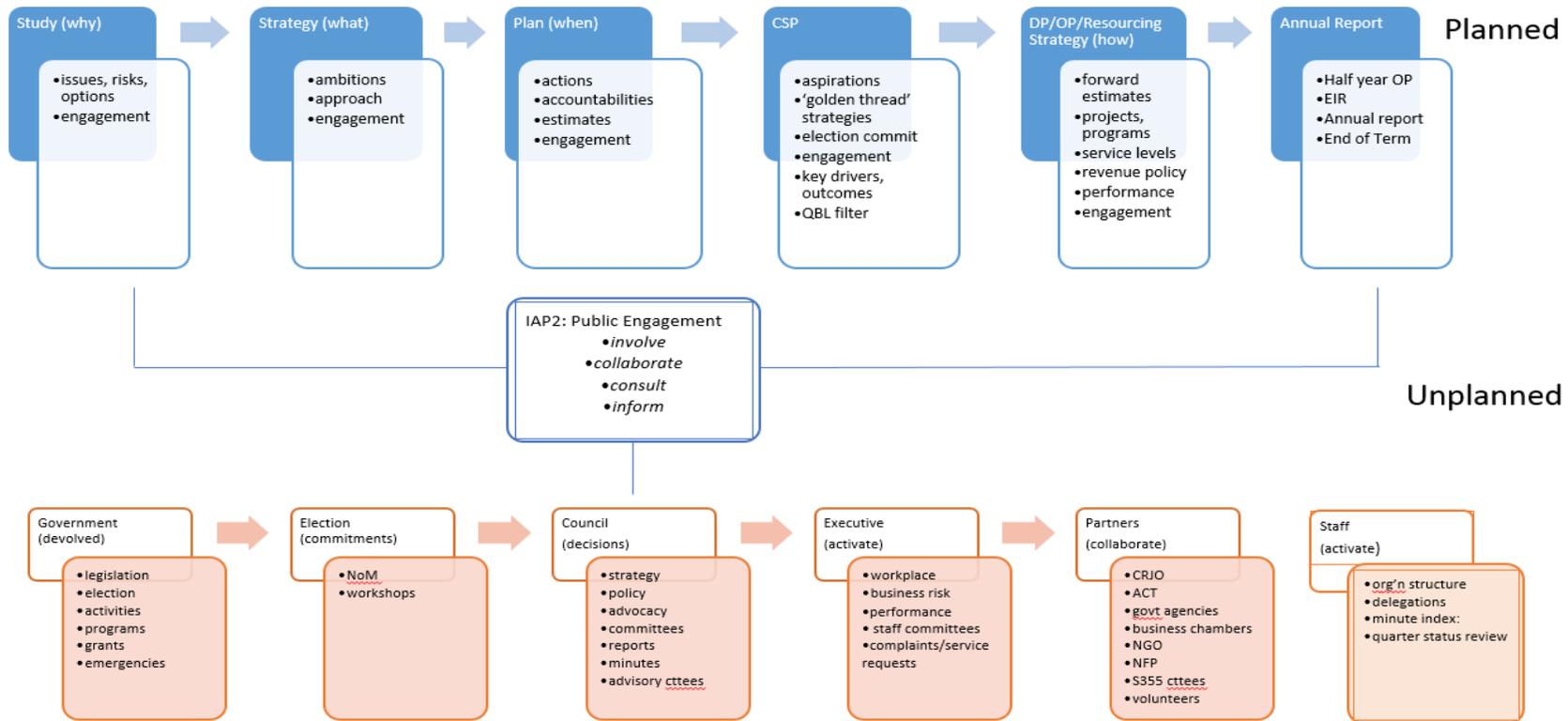
Changes to council's external environment present challenges in the form of ability to raise revenue, increasing demand for services, cost shifting by the NSW State Government and the impact of climatic changes. In addition to addressing internal challenges such as ageing asset infrastructure, and waste management. Sustaining resilience in the face of these challenges requires us to think outside the square and to explore opportunities.

Since its formation by amalgamation in 2016, QPRC has been on a journey to improve its risk management practices. This has included:

- Assurance mapping
- Progression and implementation of an ERM framework
- Strengthening of the internal audit function with greater focus on areas of risk
- Expanding the role of QPRC's Audit, Risk and Improvement Committee (ARIC) and reviewing the annual work plan

A decision making framework has been developed to illustrate the basis and flow of planned and unplanned decisions:

RESOURCING STRATEGY



RESOURCING STRATEGY

QPRC's risk maturity potential has not been fully realised. As an organisation, QPRC recognises the value in robust decision-making, and therefore the need to continue to grow and develop its risk management capability across the organisation to better meet future challenges and embrace opportunities. To achieve this, it needs to focus on improving its risk maturity and strengthen its ERM architecture.

Drivers for managing risk:

Legislation:

In 2016, the NSW Government made it a requirement under the Local Government Act 1992 for each council to have an ARIC. Councils are also required to proactively manage any risks under the new guiding principles of the Act.

Insurance

Under the *Local Government Act*, Council is required to maintain an adequate level of insurance.

Performance

To increase organisational value and enhance performance through improved risk management practices.

Stakeholder expectations

To address increasing stakeholder expectations in relation to compliance with legislation, health and safety of employees and the community as well as public accountability.

Customer-centric focus

Strong focus on delivering services that are customer focused through risk-based decision-making.

Strategic Statements and Approach

Vision

An organisation that confidently engages with uncertainty, enabling it to be resilient and efficient in its continued support of its diverse community.

Mission

Enabling a risk culture that realises opportunities and manages exposures through informed decision-making in pursuing organisational objectives and enhancing performance.

RESOURCING STRATEGY

Objectives

A system for managing risks that delivers organisational value through increasing risk management maturity, and gaining better integration, by focusing on three key areas.

Table 4: Risk Management Objectives

Theme	Objective Statement	Measures	Owner (Portfolio)
Culture	To increase the risk maturity across the organisation	Maturity assessment / survey Education and training – online module launched Portfolio Risk Supporters (PRS) program launched	Organisation Capability
Governance	To enhance risk governance through a stronger focus on the three lines model	Adoption of the three lines model. As reflected in QPRC Risk Policy and Directives and other policies where relevant. Also reflected in the design of procedures. Education and training on the model	Organisation Capability
Architecture	To improve and align the framework to OLG requirements when published	Renewed Directive, tools and methodologies.	Organisation Capability

Principles:

Achieving the stated objectives across these three categories themes is based on the following principles:

- Ensuring the active management of uncertainty by taking an ‘always on’ approach by integrating the management of risks into the decision-making process.
- That risks and resulting consequences are considered in the context of the organisation’s changing external and internal environment.
- Minimising the exposure to strategic and external risks.
- Controlling preventable operational, project, reporting and compliance risks through a system of internal controls.

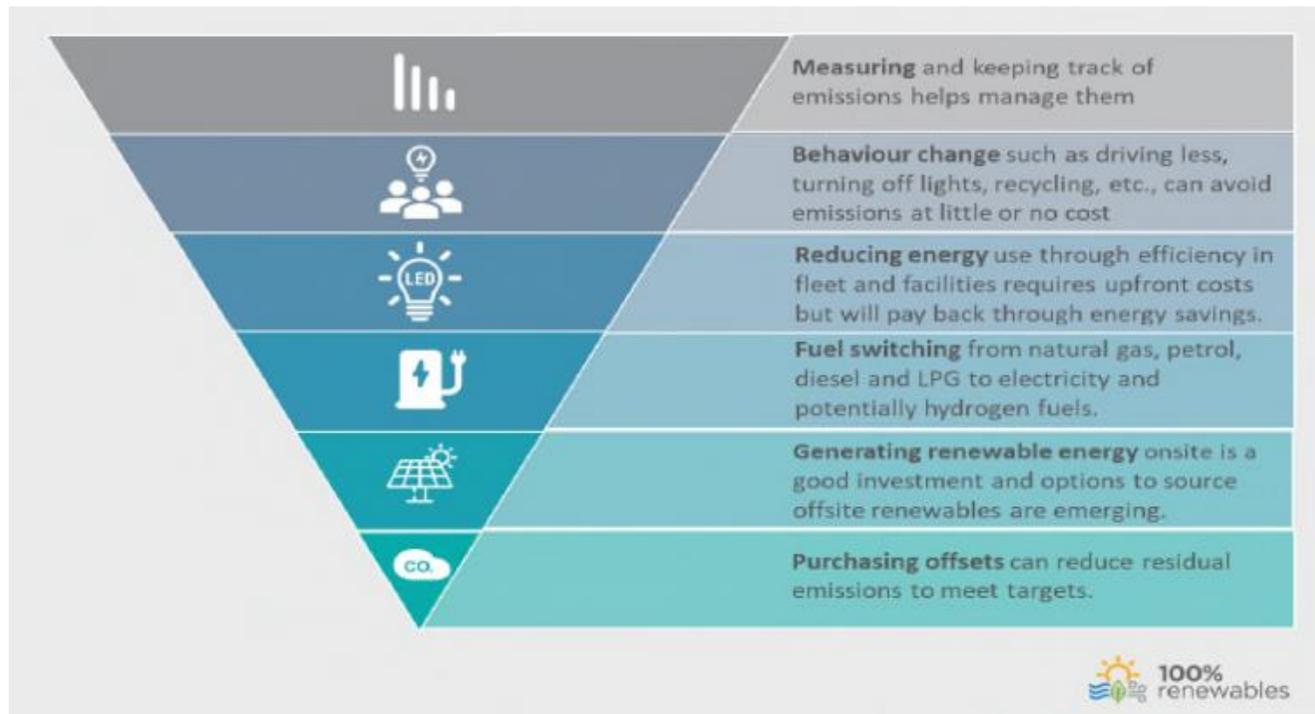
QPRC Climate Change Action Plans

Council recognises that climate change is a serious and significant issue and is committed to reducing its carbon footprint and supporting the community. Both Council and the community have significant roles to play in ensuring that the Queanbeyan-Palerang region contributes to global efforts in addressing climate change. Two documents comprise Council's Climate Change Action Plans:

- QPRC Council Operations Climate Change Action Plan
- QPRC Community Climate Change Action Plan

Both Action Plans cover the period from 2020 to 2030.

The plans highlight pathways and opportunities for Council and to the community to make significant reductions in greenhouse gas emissions through a cost-effective program of actions. Furthermore, the plans focus upon measures to ensure climate change resilience and preparedness across the local government area. Actions developed and implemented within the plans are aligned with the emissions reduction hierarchy, as illustrated below.



RESOURCING STRATEGY

To develop the plans extensive community and staff consultation was undertaken to address key issues and identify potential actions and emissions reduction pathways. The 131 actions identified within the plans can be organised into the following nine categories:

- Leadership & Governance: *10 actions*
- Procurement: *2 actions*
- Energy (energy efficiency and renewable energy): *41 actions*
- Transport: *25 actions*
- Education: *4 actions*
- Adaptation: *33 actions*
- Natural and Urban Landscapes: *7 actions*
- Water: *4 actions*
- Waste: *5 actions*

Council acknowledges that climate change will have an impact on our operations and has developed the QPRC Council Operations Climate Change Action Plan. The Plan should be read alongside the Community Climate Change Action Plan.

QPRC has adopted the following emissions reduction targets for its internal operations (as established in the QPRC Operations Sustainability Policy) and the QPRC community. These targets are:

- Energy & Transports Emissions (Council Operations): 30% reduction in total greenhouse gas emissions by 2025 from 2012-13 baseline levels. This is in-line with the Moderate (45% reduction by 2030) Emissions Reduction Pathway stated in this document.
- Community Emissions: support the NSW Government in their goal to reduce the States (communities) emissions by 50% by 2030 (from 2005 levels) and net zero emissions by 2050.

Council is committed to develop annual public reports on its progress implementing the plans. In addition, Council will conduct a mid-term and final evaluation of the plans at the end of its term, to inform updated Climate Change Action Plans. These plans complement other strategies that Council has developed or is developing, which also act upon climate change in our region.