



FinPro Professional Development Seminar

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Local Government Service Reporting
and Streamlining Review

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Outline

1. Final Report recommendations
2. Pilot Report: features and approach
3. Streamlining Review: scope and approach

Final Report Recommendations

Recommendation 1: Features of the *Victorian Local Government Services Report*

- 8 service areas, 17-18 service indicators, 17-20 supporting indicators, contextual information
- Information directly from Government departments wherever possible
- Remainder by councils directly to the Commission
 - accept information by other departments, no additional auditing
 - random or rotational audit to confirm its integrity
- Opportunity to provide commentary prior to publication of Report
- Assist councils to build capacity - workshops to train council staff in reporting compliance

Government's Response:

Accepted.

- Stressed the intention to use as much available data as possible and not burden councils with excessive administration

Final Report Recommendations

Recommendation 2: Integration with Council Plans

- Councils to include in their Council Plans their individual objectives and desired outcomes for the services reported in the Services Report

Government's Response:

Accepted.

- Commented that it made sense to align performance indicators with strategic intentions outlined in planning documents such as council plans
- How this might be achieved will be the subject of discussion with the sector

Final Report Recommendations

Recommendation 3: Implementation timelines

- Staged implementation
- Stage 1 : a pilot of the Services Report
- Stage 2 : February 2012 - involve most councils reporting on most indicators; transitional arrangements for smaller and bushfire affected councils
- Stage 3: February 2013 - full implementation of the *Victorian Local Government Services Report*
- Review the overall reporting framework prior to February 2014

Government's Response:

Accepted.

- Commented on the importance of a staged roll-out of the framework over three years to account for the differing capacities across the sector

Final Report Recommendations

Recommendation 4: Enabling legislation

- Amendments to the *Local Government Act 1989 (Vic)* and the *Essential Services Commission Act 2001 (Vic)* as soon as possible

Government's Response:

- Build confidence in the framework through the pilot phase and then amend legislation

Final Report Recommendations

Recommendation 5: Other recommendations

- Initiate as soon as possible a 'streamlining review' of current reporting requirements imposed on councils by State Government agencies
- Instruct ESC to include appropriate financial indicators
- Provide financial assistance to councils that are financially or resource constrained to assist them in implementing the reporting framework

Government's Response:

- Government has asked the ESC to undertake a 'streamlining review' to reduce State reporting burden imposed on councils
- Welcomed the opportunity to consider other indicators for inclusion, however focus on services for pilot and the 'streamlining review' are immediate priority
- Government indicated that this is something that is currently being looked at

Pilot Report: Features

- Based on existing data sets
- Not subject to audits
- Serve as trial of data collection & reporting systems
- Provide a practical test of the performance indicator definitions
- Cover a volunteer group of 34 representative councils
- Pilot Report to Ministers by January 2011

Pilot Report: Approach

Phase One (August 2010 – January 2011):

1. Defining indicators
2. Building data templates and database to capture and manipulate data
3. Design content and presentation of data and analysis in Report
4. Collection of data from departments/councils
5. Consultation process
 - Working group meetings with participating councils, meetings with departments

Phase Two (in parallel, September 2010 – June 2011):

- Lessons learned – incorporated into:
 - Guidance for 2010-11 data collection
 - Development of a handbook for councils
 - Processes for ongoing data collection
 - Refinements to indicators and contextual information
 - Future audit arrangements

Phase Three (February 2011 – June 2011):

- Sharing these learnings more broadly with sector via seminars and meetings

Streamlining Review

- In response to the Final Report, the Minister for Local Government announced the streamlining review would be conducted by the ESC as soon as possible
- ESC received request from DPCD to undertake the review in August 2010
- Confidential Final Report to DPCD by 31 March 2011
- Focused consultation with intra-government and industry peak bodies

Streamlining Review – Aims and Scope

- **Aims of the review**
 - Reduce overall administrative burden on councils
 - Enhance the ability of councils to meet community needs and expectations
 - Boost efficiency of intra-governmental reporting processes

- **Scope**
 - Review and report on the current local government information provision obligations
 - Identify opportunities for redefining, streamlining and improving the information reporting requirements
 - Advise on the processes that should be undertaken when establishing new information requirements for local government
 - Prioritise the identified initiatives
 - Seek to achieve a target reduction in the overall reporting requirements of the local government sector of 25 per cent. Outline an implementation plan for the initiatives recommended to meet that target

Streamlining Review – Approach

- **Phase I: 'Fact Finding'** – gain a good understanding of “what” and “why” on reporting requirements
 - Released a consultation paper in August
 - Meetings with Departments

- **Phase II: 'Options Development'** – develop a range of credible initiatives that may deliver outcomes that meet the aims of review
 - October to December 2010

- **Phase III: 'Options Testing'** – focus on prioritising the proposed initiatives
 - From the period December 2010-February 2011, focussed consultation with stakeholders to review options and draft recommendations

Confidential Final Report to DPCD by 31 March 2011

Streamlining Review: Status

- Reducing the Reporting Burden on Local Government: Scoping Paper released on 17 August
- Submissions received from 11 councils and 3 departments
- Meetings with Departments, councils and industry peak bodies
- For any queries on the streamlining review contact streamlining@esc.vic.gov.au