



North Eastern Wheatbelt Regional Organisation of Councils

Dowerin | Koorda | Mt Marshall | Mukinbudin | Nungarin | Trayning | Wyalkatchem

Regional Subsidiary

BUSINESS PLAN

2022 - 2023

OPEN FOR PUBLIC COMMENT

Member Local Governments:

Shire of Dowerin
Shire of Wyalkatchem
Shire of Koorda
Shire of Mt Marshall
Shire of Trayning
Shire of Mukinbudin
Shire of Nungarin

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1. Forward

The NEWROC Regional Subsidiary will be formed under XX of the Local Government Act.

The current members of the NEWROC have been working together for over 25yrs as a voluntary organisation of Councils. Currently under the voluntary organisation of Council structure, one member is the lead for grant applications and regional services, with a rotating 'host' Council. This presents a number of challenges. The regional subsidiary will provide a formal governance structure for member local governments to help them achieve their strategic priorities and progress large scale projects that will benefits communities within the region.

The proposed Regional Subsidiary is required to have a Business Plan and Budget each financial year. The Business Plan continues in force for the period specified in the plan or until a new Plan is adopted. It must be reviewed annually.

The Business Plan of a Regional Subsidiary may be seen as similar in role to a Council's Strategic Plan and Corporate Business Plan combined.

The value of the NEWROC is in regional collaboration on services, events and infrastructure projects that benefit NEWROC communities, a united voice for member local governments keen to advocate and sharing of resources. There currently are a number of initiatives where member local governments are considering what type of governance and planning is required to assist them in meeting the priorities of their communities and this is where the NEWROC Regional Subsidiary can provide an entity to progress them.

NEWROC President

Cr Gary Shadbolt

Our Vision

Enabling and creating progressive, healthy and prosperous communities.

Our Mission

Through regional collaboration to champion opportunities for our communities.

NEWROC Commitments

- **Regional Commitment:** We will make decisions and deliver services that achieve regional goals that couldn't be achieved individually.
- **Community Focus:** We will ensure that everything we do benefits the people that live and work in our region.
- **Accountability:** We will be open and accountable in everything we do, by involving stakeholders in decisions that affect them and by using effective engagement and communication techniques.
- **Innovation:** We are committed to continually working together to improve the local government services we provide and projects we deliver by being prepared to share, listen, learn and use technology where this delivers positive outcomes for our communities.
- **Collaboration:** Councils will work together for the good of the region and encourage business and community groups to also work together to provide a supportive environment where our people prosper.

Member Local Government Information:

| Criteria | Dowerin | Koorda | Mt Marshall | Mukinbudin | Nungarin | Trayning | Wyalkatchem |
|---------------------|---------|--------|-------------|------------|----------|----------|-------------|
| Area (Sq km's) | 1867 | 2662 | 10,134 | 3414 | 1145 | 1632 | 1743 |
| Sealed Roads (km) | 196 | 245 | 307 | 204 | 249 | 181 | 175 |
| Unsealed Roads (km) | 773 | 840 | 1440 | 732 | 390 | 594 | 508 |
| Population | 697 | 414 | 550 | 555 | 240 | 423 | 523 |
| No of Dwellings | 410 | 298 | 350 | 315 | 134 | 255 | 332 |
| No of Employees | 34 | 19 | 27 | 27 | 10 | 14 | 14 |

Our History

Established in the early 90s, the NEWROC members have worked together on a number of initiatives. Some examples of the types of projects that have benefited member local governments are as follows:

- Shared resources in **natural resource management and tourism**
- Construction and marketing of the **\$1.9m Wheatbelt Way self-drive route**
- Construction of a **\$1m telecommunications service (internet)** across member communities
- Delivery of the **Kununoppin Bonded Medical Scholarship** to attract and retain 3 GPs in the member communities
- **Collective advocacy** on priority areas including health, agriculture, transport and education
- **Sharing** of templates, information and equipment
- **Mentoring** amongst the group members and member local government staff

The NEWROC currently meets every month, once as a group of CEOs and the following month as Presidents of the member local governments. As a Regional Subsidiary the NEWROC will continue to meet monthly but as a Board. Our longest serving NEWROC delegate was Cr Eileen O'Connell (Shire of Nungarin).

2. Regional Subsidiary Governance

A regional subsidiary is designed to be a convenient way for local governments to pool their resources and cooperate more closely.

A regional subsidiary is:

- similar to a Voluntary Regional Association of Councils (VROC), but is more binding on the participants
- similar to a regional council but has more flexibility and fewer reporting requirements.

The regional subsidiary is predominantly governed by its Charter. Under its current voluntary organisation of Councils structure, the NEWROC experiences the following challenges:

- A lead local government is required for projects, shared resources and grant applications which is additional administration for the lead local government as well as compliance and financial management
- MoU guides the voluntary ROC but requires good faith as its underlying principle
- No legal entity to apply for grants
- Chair and CEO positions rotate every two years with a 'host' Council
- Regional shared equipment requires a 'host' Council to purchase the asset and for it to be shown on their asset management register
- NEWROC initiatives and projects are limited by the MoU and 'host' Council commitments

2.1 Our Purpose for forming a Regional Subsidiary

1. Provide a means for the member local governments, to assess the possibilities and methodology of facilitating a range of projects, services and facilities on a regional basis under the themes of advocacy, community, economy, environment and governance, without the rationalisation of jobs
2. Promote, initiate, undertake, manage and facilitate under the themes of advocacy, community, economic, environment and governance
3. Provide a means for the member local governments to attract specialist skills and create employment opportunities across the members
4. To take an active interest in all matters affecting the communities of the member local governments with the view to improving, promoting and protecting them
5. To develop, encourage, promote, foster and maintain consultation and cooperation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community.

2.2 Membership and Fees

The Regional Subsidiary will include:

| Member local government | Annual membership fee (ex GST) |
|--------------------------------|---------------------------------------|
| Shire of Nungarin | \$11,000 |
| Shire of Mukinbudin | \$11,000 |
| Shire of Trayning | \$11,000 |
| Shire of Koorda | \$11,000 |
| Shire of Mt Marshall | \$11,000 |
| Shire of Wyalkatchem | \$11,000 |
| Shire of Dowerin | \$11,000 |

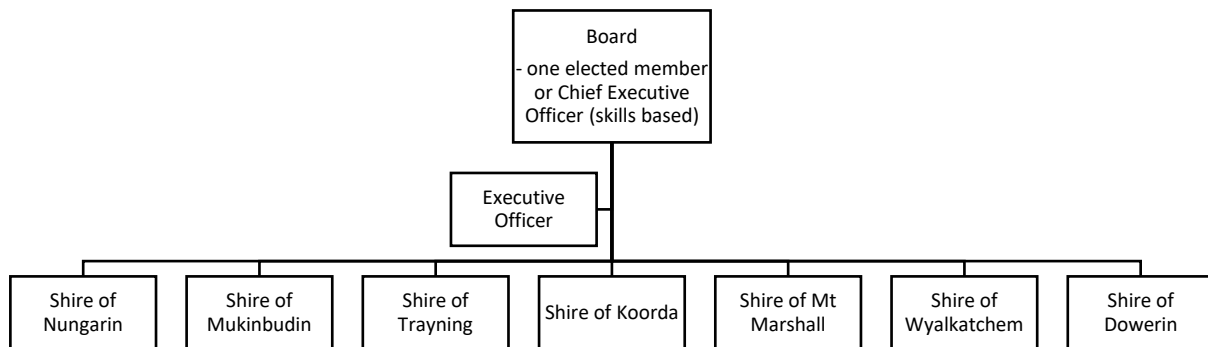
2.3 Proposed Function

The Regional Subsidiary shall have powers, functions and duties assigned to it under the Charter by the member local governments. They shall include:

- becoming a member of or co-operating with any other association or organisation whether or outside the area of the member local governments which have similar objects and purposes
- entering into contracts or arrangements with any Government agency or authority which are incidental or conducive to the attainment of the objects and exercise of the powers of the Regional Subsidiary

- appointing, employing, remunerating, removing or suspending officers, managers, employees and agents of the Regional Subsidiary
- entering into contracts for the acquisition of goods and services
- raising revenue through subscriptions and fees
- printing and publishing information
- establishing such committees as it deems necessary and to define the terms of reference of such committees which may include to steer projects or to pursue geographic or functional interests of the Regional Subsidiary
- acquiring goods and services relevant to the purpose for which the Regional Subsidiary is established
- opening and operating bank accounts
- establishing reserve accounts for future purposes
- doing all other things that are necessary or incidental or conducive to the attainment of the objects and purposes, the furtherance of the interests and the exercise, performance or discharge of the powers of the Regional Subsidiary.

2.4 Regional Subsidiary Organisation Structure

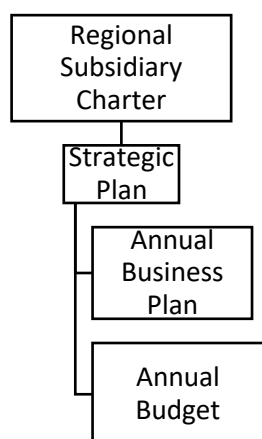


2.5 Business Plan Term

1 July 2022 – 30 June 2023.

A rolling business plan will be required on 1 July 2023 as per the Regional Subsidiary Charter. This Business Plan has been prepared in line with the Regional Subsidiary regulations.

2.6 Regional Subsidiary Hierarchy of Documents



2.7 Reporting

A report of actual achievements against the annual key actions will be presented at each Board meeting providing a progress report on the Regional Subsidiary's Strategic Plan.

The Board shall compare the Annual Business Plan against performance targets at least twice every operating year and in consultation with the member local governments review the contents of the Annual Business Plan. The Regional Subsidiary will also consult with the member local governments prior to amending the Annual Business Plan.

At least once in each operating year and prior to 31 August of the subsequent financial year, a report on the work and operations of the Regional Subsidiary shall be prepared, detailing achievement of the aims and objectives of its Strategic Plan, Business Plan and incorporating the audited Financial Statements of the Subsidiary and any other information or report as required by the member local governments.

3. Business Plan

The major challenges for the region are identified as:

- Attracting and retaining transient and permanent populations
- Restricted Mobile Communications due to geography and the very slow rollout of new towers into the region
- Reliable energy supply and the drive to clean/alternative energy
- The growing impact of Climate change on communities and agribusinesses
- Health facilities and service provision in an aging population base
- Volunteer fatigue particularly for emergency services and local sports and service clubs
- Member local government reliance on Rates as the primary source of revenue

Key focus areas of the Regional Subsidiary in this Business Plan:

- i. Reliable power supply to NEWROC communities
- ii. Improved waste infrastructure and management
- iii. Activating town centres
- iv. Supporting local businesses
- v. Improving telecommunications

3.1 Annual Action Plan and Targets

| Strategic Priority | Business Plan Actions | Target 1 July 2022 to 30 June 2023 | To Be Measured By |
|---|--|---|---|
| Partner with NEWTRAVEL to promote the region as a great place to visit through effective planning and marketing of attractions and events | Regular engagement with NEWTravel | NEWTravel presentation to NEWROC | NEWROC is aware of NEWTravel priorities and projects |
| Identify opportunities and strategies for attracting new businesses and expanding existing businesses by promoting the availability of accessible land, the community spirit and high-speed communications network available within the region. | Implement the NEWROC Workforce Plan | BRRR Funding secured | Increased awareness of lifestyle and job / business opportunities in the district |
| | Efficiencies explored in local government procurement | Preferred suppliers list through the Wheatbelt Business Network Business Directory | Number of small business workshops delivered and attendance Adoption of NEWROC Procurement Policy |
| | Wheatbelt Town Team Builder | Trayning Do Over delivered One initiative delivered in each NEWROC community | Number of Town Teams and initiatives in each NEWROC community |
| | Investigation into a DAMA | Participation in a DAMA if it proceeds | NEWROC members, communities and businesses support the DAMA |
| Advocate for solutions to mobile blackspots and expansion of the NEWROC telecommunications network | Collaboration with key stakeholders for solutions to mobile blackspots, power to mobile towers and internet services | Additional internet towers erected in Yorkrakine, North Gabbin, North Koorda, Talgomine | Improved internet services in NEWROC communities Key stakeholders aware of black spots in the NEWROC communities |
| Attract and retain health professionals and aged care providers in a co-ordinated manner within the region. | Identify strategies in the NEWROC Health Plan | TBC | Retention of health services in the NEWROC communities |
| Advocate and seek funding for a renewable power / emergency power / micro-grid that will compliment current power supplies and improve sustainability within the region. | Solution identified for a NEWROC community | Successful acquittal of REDS grant | Solution pitched for further funding |
| Determine the best location and design for a regional waste facility or improved | Identify waste management infrastructure required across communities | External funding attracted to upgrade local waste facilities | Improved user experience |

| | | | |
|--|--|--|--|
| waste management services and local infrastructure. | | | |
| Work together to advocate on issues and opportunities that have an impact on our communities | Advocate and present the views of member local governments | | The number of representations made on behalf of Member local governments |
| Review the delivery of Local Government services and projects across the region to identify opportunities to resource share, and attract and retain LG professionals | Member local governments support each other to deliver services and projects as required | Member local governments work together as required | Positive member to member relationships |
| Continue to review regional subsidiary legislation and prepare for the opportunity | Member Councillors are informed about Regional Subsidiary governance | Charter and Business Plan submitted to Minister | Regional Subsidiary instated |

3.2 Calendar of Key Events

Every 2yrs, the Board will undertake a:

- i. Strategic Plan review
- ii. Regional Subsidiary Charter review

| | |
|------------------|--|
| | ANNUAL |
| <i>July</i> | Committee Meeting Financials Presented Audit process commences Nominations for the Board called |
| <i>August</i> | Annual General Meeting Board Elections Chair Election Audit Presentation Annual Report Annual Financial Report |
| <i>September</i> | Committee Meeting Financials Presented Insurance renewals |
| <i>October</i> | Board Meeting Financials Presented Business Plan review against targets |
| <i>November</i> | Committee Meeting Financials Presented |
| <i>December</i> | Board Meeting Financials Presented |
| <i>January</i> | Committee Meeting Financials Presented |
| <i>February</i> | Board Meeting Financials Presented |
| <i>March</i> | Committee Meeting Financials Presented Business Plan review against targets and update, communication to members Budget Preparation and submission to members |
| <i>April</i> | Board Meeting Financials Presented EO Performance Review Business Plan adopted Budget adopted |
| <i>May</i> | Committee Meeting Financials Presented |
| <i>June</i> | Board Meeting Financials Presented |

4. Finances

4.1 Annual Budget

The following budget is prepared using the framework of the current annual budget of NEWROC. The only amendment in the Regional Subsidiary budget below is the subsidiary establishment costs.

| NEWROC Budget | |
|--|---------------------------|
| North Eastern Wheatbelt Regional Organisation of Councils | |
| 1 July 2022 - 30 June 2023 | |
| Estimated Opening Balance (operations account) 1 July 2022 | \$170,000.00 |
| Opening Balance (TD) | \$195,371.00 |
| Account | Total |
| <i>Income</i> | |
| Grants received (057) - BBRF | \$20,000.00 |
| Interest Received (076) | \$500.00 |
| NEWROC Business Case / Project Work Subs (055) | \$14,000.00 |
| NEWROC Subscriptions Received (054) | \$77,000.00 |
| Special Projects Subscriptions Rec. (056) | \$0.00 |
| Town Team Movement | \$30,000.00 |
| Telecommunications | \$30,000.00 |
| Sundry Income (067) | |
| Total Income | \$171,500.00 |
| <hr/> | |
| <i>Less Operating Expenses</i> | |
| Accounting/Audit fees (200) | \$2,200.00 |
| Advertising (201) | \$10,000.00 |
| Bank charges (203) | \$24.00 |
| Catering (204) | \$200.00 |
| Computer Software/Support (205) | \$0.00 |
| Consultancy Fees (206) | |
| | Waste Project \$41,000.00 |
| | Workforce \$10,000.00 |
| Event / Ceremony Expenses (207) | \$500.00 |
| Gifts (208) | \$400.00 |
| Legal expenses (209) | \$5,000.00 |
| Printing and Stationery (213a) | \$120.00 |
| Regional Subsidiary Establishment | \$5,000.00 |
| Records Storage (215) | \$70.00 |
| Executive Officer Business Case/Project Work (105) | \$0.00 |
| Executive Officer Contract Services (100) | \$40,000.00 |
| Executive Officer Office Expenses (103) | \$3,000.00 |
| Executive Officer Seminars/Conferences (101) | \$1,000.00 |
| Executive Officer Travel (102) | \$6,000.00 |
| Executive Officer Travelling Expenses (Accom) (104) | \$1,000.00 |
| Grants distributed (300) | |
| Literary Luncheon (600) | \$600.00 |
| Telecommunications Contractor/Services (400) | |
| Contract | \$45,000.00 |

Website and Database (700)

\$386.00

| | |
|-----------------------|---------------------|
| Total Expenses | \$171,500.00 |
| Net Profit | \$0.00 |

4.3 Financial Reporting

The Regional Subsidiary must at each Board meeting have a statement of comprehensive income; Statement of financial position; A Cashflow statement; A Budget v Actuals; Statement of Changes in Equity

A proposed annual business plan and annual budget detailing the estimated revenues, costs and levies for the ensuing financial year shall be submitted by the Executive Officer to the Board by 30 June in each financial year and must comply with AAS

4.4 Income

Membership fee - local governments will contribute \$11,000 annually towards the Regional Subsidiary to achieve its objectives.

Additional charges - The Regional Subsidiary can pursue specific projects, programs or services which will be levied according to the number of members participating, financial projections etc. Additionally levies must be agreed upon my all member local governments.

5. Impact Assessment

5.1 Impact on Members

Member local governments of the NEWROC voluntary regional organisation of Councils currently contribute \$11,000 for membership and \$2,000 for business cases on an annual basis. This is unlikely to change moving into a Regional Subsidiary.

Participation in the Regional Subsidiary may deliver enhanced services to member local governments, achieved through collaboration and sharing of resources to attract skilled professionals e.g. ranger services, environmental health.

Participation in the Regional Subsidiary may assist members to attract external funding for services and facilities that they could otherwise not achieve individually.

It is unlikely that the establishment of the Regional Subsidiary and its ongoing operations will have a negative impact on member local governments. If additional fees or levies are imposed on member local governments by the Regional Subsidiary this must be by absolute majority and members can elect to participate or abstain.

| Member local government | Helps achieve our Strategic Plan goals..... |
|--------------------------------|--|
| Shire of Dowerin | 3.1 Work with regional partners to advocate for improved services, energy reliability and telecommunications coverage 4.1 Deliver a sustainable and progressive approach to natural resource and waste management 5.4 Advocate and lobby effectively on behalf of our community |
| Shire of Mt Marshall | Work with local business and other stakeholders to attract investment; create jobs and support business growth Encourage, promote, and deliver activities and events that promote our region and have a positive economic and social benefit Continue to work with regional partners to advocate for improved energy reliability and telecommunications coverage |

| | |
|----------------------|---|
| | Deliver a sustainable and progressive approach to waste management including continued collaboration with neighbouring local governments |
| Shire of Wyalkatchem | 4. Increase visitors to our region 5. Growth in business opportunity 6. Essential services and infrastructure are available to support the community and local economy 7. We have vibrant, active public open spaces and buildings with high levels of utilisation and functionality 12. Form strategic partnerships and advocate for the community |
| Shire of Koorda | 1.2 Create an environment that provides for a caring and healthy community 2.1 Actively support and develop local and new business 2.2 Facilitate the development of local and regional tourism 3.1 Enhance the health and integrity of the natural environment 3.2 Build a sense of place through public infrastructure and facilities |
| Shire of Trayning | 1. Our local economy continues to grow 2. Our community is connected, safe and healthy 4. Our natural environment is preserved |
| Shire of Nungarin | SCP in progress |
| Shire of Mukinbudin | 1.2 - Health services which are accessible and meet the needs of the community 1.4 - A quality lifestyle 2.1 - A innovative, vibrant and entrepreneurial local economy 2.2 - Encourage greater levels of tourism activity 3.2 - Integrate resource management and sustainability |

5.2 Risk Assessment

| Risk | Likelihood | Impact | Response / Mitigation |
|--|-------------------|---------------|--|
| Regional Subsidiary and amalgamation are misunderstood | Medium | Medium | Regional Subsidiary strengthens the collaboration between member local governments Charter will not allow for employee rationalisation Regional Subsidiary is seen as a way to protect individual local governments but achieve large scale projects and priorities |
| Decisions and actions of the Regional Subsidiary - liability on member local governments | Low | Medium | The Regional Subsidiary is directed, supervised and is accountable to its member local governments and they are ultimately liable. The Charter guides decision making and particularly the financial commitments of the Subsidiary Some specific items require member Council support rather than just the Regional Subsidiary Board To borrow money requires absolute majority support |
| The Regional Subsidiary borrows beyond its ability to repay | Low | Medium | Similar guidelines and constraints currently in place for local governments will be placed on the Regional Subsidiary if it is to borrow money Regional Subsidiary will be required to prepare a Business Case to borrow as well as supporting plans |

| | | | |
|--|--------|--------|---|
| | | | To borrow money requires absolute majority support and a presentation to each member Council |
| Lack of direction | Low | Medium | Charter requires the Regional Subsidiary to have a strategic plan, annual business plan and annual budget, regular reporting to member local governments |
| Annual membership fees increase beyond member capacity | Low | Medium | Setting fees requires simple majority Unlikely in short term that annual membership fees will rise |
| Levies beyond member capacity | Low | Low | A levy for a specific project, activities or activities must be agreed upon by an absolute majority of the member local governments Executive Officer is required to notify the member local governments individually before a levy is set |
| Member local government withdraws | Low | Medium | Charter contains a dispute resolution process Long lead time for the notification period to withdraw Any liabilities will need to be paid until the end of the program / project, not the end of the Regional Subsidiary |
| NEWROC would be the first regional subsidiary in WA and may encounter challenges | Medium | Medium | NEWROC has engaged with WALGA, the Minister and Department regarding forming a Regional Subsidiary for a number of years NEWROC has explored various other governance structures WALGA, the Department and Minister has provided advice and guidance to NEWROC in formulating the Charter |