

11.1.3. LATE REPORT - GM - 26/04/2022 - Western Sydney Regional Organisation of Councils (WSROC) and the Central NSW Joint Organisation (CNSWJO).

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Department Governance

Authorised by General Manager

Summary

The purpose of this report is for Council to consider its position in relation to continuing membership of the Western Sydney Regional Organisation of Councils.

Commentary

One of the strategies by which Councils can advance their interests and effectiveness is through collaboration or, by another name, strategic alliances. Strategic alliances can have different purposes or different composition. The challenge, with finite resources, is to determine which strategic alliance might offer the most opportunity.

One form of strategic alliance is when councils combine under a governance arrangement such as a regional organisation of councils or a joint organisation. Because of the geographic position that Lithgow has at the interface between the Central West and Western Sydney, this Council has both of these options available by way of the Western Sydney Regional Organisation of Councils (WSROC) and the Central NSW Joint Organisation (CNSWJO).

The Council previously took the position that, on balance, they were best served by participating in WSROC. This was based on the view that Lithgow had more to benefit from Western Sydney's growth and so we should have stronger alliances with that region. It may have also been a consideration that the joint organisations were, at the time of the decision, still a relatively new concept in NSW, and so their likelihood of success was yet to be proven. Also, there is less flexibility for a member Council to exit a joint organisation.

After a period of participation in WSROC, and in light of this Council's finite capacity in terms of available funds and human resources (both Councillors and staff), it is timely to reflect on whether WSROC is indeed a good fit for Lithgow's needs and interests – now and going forward. To assist, a copy of the WSROC Annual Report for 2020/2021 is attached to this business paper.

The General Manager (GM) has attended WSROC's Board of Directors Meetings and the GMs Meetings over a two-year period now. The observations are –

- Dominantly, the business of WSROC is city based or urban in nature, with only marginal relationship to Lithgow's circumstances. This results from the fact that Lithgow sits outside of the planning, infrastructure and other governance frameworks which have been established by the NSW Government for urban Sydney. Inevitably these occupy the attention of WSROC.
- One of the current challenges for WSROC is managing the perspectives of the different interests of the eastern central city membership with that of the western growth city membership. Again, Lithgow is obtuse to both these communities of interest. This is expected to increase because the NSW Government has broadened the remit of the Greater Sydney Commission to reflect a six cities region which includes the Lower Hunter and Greater Newcastle City, Central Coast City, Illawarra-Shoalhaven City, Western Parkland City, Central River City and Eastern Harbour City. WSROC will likely need to review whether its structure, focus and membership can straddle both the central river and western parkland cities. In terms of planning, infrastructure and other themes Lithgow is more aligned to the Central West and so peripheral to these considerations.

- WSROC's operational initiatives (procurement, waste, energy efficiency, IT etc.) are similar to those which the CNSWJO are advancing. In other words, Council could reap these rewards elsewhere.

From the above, the General Manager has formed the view that, given our particular circumstances, there is not a material benefit to be gained for the city by Lithgow City Council continuing as a member of WSROC. This report brings forward such a consideration.

Council is required under the terms of WSROC's constitution to give six months' notice of an intention to discontinue membership. This would provide time to consider other available options for collaboration. Council is not required to participate in these types of alliances. That decision should always be based upon a clear and apparent benefit return. Should Council leave WSROC, it would be prudent to consider the case for collaborating with CNSWJO.

Policy Implications

Nil.

Financial Implications

- Budget approved - \$46,000 WSROC 2021/22 membership fee.
- Cost centre - PJ 800155
- Expended to date - \$46,000
- Future potential impact – recurrent budget is available for one Regional Organisation or Joint Organisation membership fee.

Legal and Risk Management Implications

Nil.

Attachments

1. WSROC Annual Report 2021 Web [11.1.3.1 - 8 pages]

Recommendation

THAT Council determine its position in relation to continuing membership of the Western Sydney Regional Organisation of Councils.