



Town of  
**Cambridge**

**SPECIAL MEETING OF COUNCIL**

**12 FEBRUARY 2019**

**MINUTES**

**(Minutes have been made public with some information remaining confidential)**

**MINUTES OF THE SPECIAL MEETING OF THE COUNCIL OF THE TOWN OF CAMBRIDGE  
HELD AT THE COUNCIL'S ADMINISTRATION/CIVIC CENTRE, 1 BOLD PARK DRIVE,  
FLOREAT ON WEDNESDAY, 12 FEBRUARY 2019 AT 6.05 PM.**

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**1. OPENING**

The meeting was declared open by the Presiding Member, Mayor Shannon, at 6:05 pm

**2. ATTENDANCE**

Mayor: Keri Shannon (Presiding Member)

Councillors: Rod Bradley (Deputy Mayor)  
Louis Carr  
Ian Everett  
Jo McAllister  
Kate McKerracher  
Jane Powell  
Andres Timmermanis

Officers: John Giorgi, JP, Acting Chief Executive Officer

Consultants: Natalie Lincoln, Senior Consultant, Price Consulting Group  
Angie Dominish, Senior Consultant, Price Consulting Group

**Public:** Nil

**Media:** Nil

**Apologies:**

Cr James Nelson

**Leave of Absence:**

Nil

**Adjournments:**

Nil

**3. QUESTION TIME**

Nil.

**4. DECLARATION OF MEMBERS INTERESTS**

Cr McAllister - Impartiality Interest

## 5. CONFIDENTIAL REPORT

### 5.1 TOWN OF CAMBRIDGE ORGANISATIONAL STRUCTURE 2019

#### REASON FOR CONFIDENTIALITY:

The report is **CONFIDENTIAL** in accordance with Section 5.23(2) of the Local Government Act 1995 which permits the meeting to be closed to the public for business relating to the following reasons:-

- (a) *a matter affecting an employee or employees;*
- (b) *the personal affairs of any person; and*
- (d) *legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting."*

#### SUMMARY:

The purpose of this report is to obtain Council's approval of a new Organisational Structure for the Town of Cambridge, and to authorise the Acting Chief Executive Officer (A/CEO) to implement the new structure and Change Management Plan.

#### AUTHORITY / DISCRETION

- |   |   |
|---|---|
| <input type="checkbox"/> Advocacy             | When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.  |
| <input checked="" type="checkbox"/> Executive | The substantial direction setting and oversight role of the Council, eg adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.  |
| <input type="checkbox"/> Legislative          | Includes adopting local laws, town planning schemes and policies.   |
| <input type="checkbox"/> Review               | When the Council operates as a review authority on decisions made by Officers for appeal purposes.  |
| <input type="checkbox"/> Quasi-Judicial       | When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under the Health Act, Dog Act or Local Laws), and other decisions that may be appealable to the State Administrative Tribunal. |
| <input type="checkbox"/> Information          | For the Council/Committee to note.  |

Address/Property Location:	1 Bold Park Drive Floreat
Report Date:	8 February 2019
Responsible Executive	John Giorgi, JP Acting Chief Executive Officer
Reporting Officer:	John Giorgi, JP Acting Chief Executive Officer
Attachment(s):	<ol style="list-style-type: none"> <li>1. What is an Organisational Review</li> <li>2. Principles of an Organisational Review</li> <li>3. Consultancy Terms of Reference</li> <li>4. Current Organisational Structure</li> <li>5. Price Consulting Summary Report</li> <li>6. Recommended Organisational Structure</li> <li>7. The Value of 'Respect'</li> <li>8. What is 'Customer First'</li> <li>9. What is Change Management?</li> </ol>

## **BACKGROUND:**

At the Ordinary Council Meeting of 24 July 2018, Council considered the matter of an Organisational Review and Change Management Consultancy, and resolved as follows:

“COUNCIL DECISION:

### **AMENDED ADMINISTRATION RECOMMENDATION:**

*That Council:*

1. **APPROVES of:**
  - 1.1 *An Organisational Review and Change Management consultancy to be carried out of the Town of Cambridge Organisation, in accordance with the Indicative Timeline as detailed in the Confidential Report;*
  - 1.2 *The Terms of Reference, as follows;*
    - (a) *To review the Town of Cambridge organisation ('the organisation') to ensure it is the appropriate to deliver the services and requirements of the Council and meet the needs of the stakeholders (ratepayers, residents, business proprietors, community and visitors) in a more efficient and effective manner.*
    - (b) *To recommend the most appropriate and effective organisational structure for the organisation to deliver its services more efficiently and effectively and to respond to future changes, through a structure of no more than three (3) directorates;*
    - (c) *To identify more efficiencies and accountability to the governance and management systems and operational processes to:*
      - (i) *support the future strategic direction of the Council;*
      - (ii) *to create a more efficient and effective customer service focused organisation;*
      - (iii) *to reduce duplication, inefficiencies, organisational barriers and enhance employee accountability and capacity by reducing layers of oversight;*
    - (d) *To make recommendations to enhance employee performance and job satisfaction and developing more rewarding roles;*
    - (e) *To make recommendations to change and improve the culture of the organisation; and*
    - (f) *To provide a cost benefit analysis of the review recommendations; and*
2. **AUTHORISES the Acting Chief Executive Officer:**
  - 2.1 *In liaison with the Mayor, to approve the Request for Quotation consultancy;*
  - 2.2 *To inform the Town's Employees of the Organisational Review and Terms of Reference; and*
  - 2.3 *To engage lawyers to provide advice on any employment matters which may arise out of the Organisational Review.*

**CARRIED UNANIMOUSLY 9-0”**

## DETAILS:

### Reason for the Review:

The Town of Cambridge Organisational Review and Change Management Consultancy was initiated for the following reasons:

1. The Town's organisational structure has not been reviewed since 2006;
2. Significant changes have occurred in the Town's Executive positions, thereby causing vacancies;
3. A number of Manager's contracts (4) will be expiring on 30 June 2019, thereby creating the opportunity for improvements and change;
4. A number of important governance and statutory non-compliances have been identified, necessitating changes;
5. A number of administrative inefficiencies have been identified, necessitating changes;
6. An opportunity to build on and progress the efficiencies identified as part of the pre-amalgamation process, which commenced in 2013 and was discontinued in 2015; and
7. Community expectation for better and improved service delivery and efficiencies.

Following Council's decision of 24 July 2018, quotations were obtained from five (5) consultants, with Price Consulting Group Pty Ltd ('Price Consulting') being awarded the consultancy contract.

### Review Benchmarks:

As part of the review, Price Consulting benchmarked the Town of Cambridge against like sized and similar local governments and this revealed the following:

1. The Town 's ratio of salary costs as a proportion of the revenue is already very low at **31%** when benchmarked against similar local governments, as shown in the Table below.
2. The proposed new structure does not significantly change, maintaining the low percentage of **31%**.

No	Local Government	FTE	Salary Cost per Annum	Revenue - Total per Annum	Salary Cost as a Proportion of Revenue	Rates Levied \$million	Population	Area Sq km	Number of Houses
1.	Cambridge	195.7	\$14.6m	\$46.4m	31%	\$23,443	28,250	22	11,265
2.	Victoria Park	191.2	\$20.7m	\$55.4m	36%	\$44,290	27,995	17.62	15,226
3.	South Perth	229.7	\$22.1m	\$55.5m	40%	\$31,293	46,477	19.9	22,104
*4.	Nedlands	182	\$13.0m	\$32.3m	41%	\$31,752	21,121	20	7,272
5.	Kalamunda	305	\$23.7m	\$54.3m	43%	\$32,769	60,830	324	22,415
6.	Subiaco	164	\$18.8m	\$42.3m	45%	\$21,651	17,238	7.1	7,226
7.	Vincent	269	\$24.2m	\$56m	45%	\$33,377	35,766	10.4	16,000

\* Corrected - Statistics as at 2011

## THE CURRENT STRUCTURE:

The current structure is shown at Attachment 4. As at 1 July 2018, the approved FTE was **202 4** (190.7 plus 11.3 at Wembley Golf Course).

The 11.3 approved FTEs who are not on the Town's payroll, are located at the Wembley Golf Course Pro Shop, and are remunerated through Club Links. The current organisational structure, until 30 June 2018, consisted of:

1. Chief Executive Officer (*Statutory position required by the Local Government Act 1995*).
2. Five (5) Directorates.

## ORGANISATIONAL STRUCTURE:

(Titles are subject to change)

\*\*\*\*= information confidential

### Corporate

CURRENT				PROPOSED
No	Corporate and Strategic	Date of Commencement with Town	Contract Expiry date	Renamed - <b>Corporate and Community Services</b>
-	Director -: Resigned and departed 27.7.2018.	****	****	Acting Director – Cam Robbins
1	Manager Finance	****	****	No change proposed
2	Manager Human Resources-	****	****	Renamed - <b>People and Culture</b> Moved to Office of CEO
3	Manager Governance and Contracts -*****= confidential.	****	****	Renamed - <b>Governance and Legal</b> Moved to Office of CEO
4	Manager Information and Business Systems – Resigned and departed on 28.9.2018.	****	****	Renamed - <b>Corporate Business</b>
5	Bold Park Aquatic Centre	****	-	Upgraded to a Section - Previously in Community Development.
6	Acting Manager <b>Library and Community Services</b> - Effective from 9.10.2018.	****	****	Renamed – <b>Community Services</b> ( <i>Library and Development Sections combined.</i> )

### Community Development

CURRENT				PROPOSED
No	Corporate and Strategic	Date of Commencement with Town	Contract Expiry date	Community Development Directorate Abolished
-	Director	****	****	Position to be deleted.
1	Manager Golf Course -.	****	****	Moved to Corporate and Community Services.
2	Manager Community Development — Resigned and departed on 8.2.2019.	****	****	Moved to Corporate and Community Services.
3	Manager Library	****	****	Position deleted and combined with Community Services

## Planning and Development

CURRENT				PROPOSED
No	Planning and Development	Date of Commencement with Town	Contract Expiry date	Planning and Development Services.
-	Director	*****	*****	Director
1	Manager Development Assessment	*****	*****	Renamed – Statutory Planning
2	Manager Planning Strategies and Economic Development	*****	*****	Renamed - Strategic Planning
3	Acting Manager Health, Building and Compliance	*****	*****	Renamed - Regulatory Services.

## Infrastructure

CURRENT				PROPOSED
No	Corporate and Strategic	Date of Commencement with Town	Contract Expiry date	Renamed – Infrastructure and Operations.
-	Director Infrastructure - - Resigned and departed on 30.11.2018.	*****	*****	Director Infrastructure and Operations – commenced on 20 .1.2019
1.	Manager Infrastructure – Assets.	*****	*****	Renamed - Asset Management
2	Manager Infrastructure – Works	*****	*****	Renamed - Works and Technical Services.
3	Manager Infrastructure Parks	*****	*****	Renamed - Parks and Natural Environment
4	Manager Projects	*****	*****	Project Officer position placed in Asset Management.

## Projects

CURRENT				PROPOSED
No	Projects	Date of Commencement with Town	Contract Expiry Date	Projects Directorate Abolished
1	Director Projects– Departed on 30.6.2018.	*****		Director position deleted.

## Titles and Designations

It should be noted that the Section titles and position designations are indicative and may be subject to change as part of the consultation with employees during the implementation process.

## OPTIONS CONSIDERED:

Price Consulting have reported the following:

*“Structural Options 1 and 2 have many similarities that bring change to the existing model, but provide for quite different approaches. In terms of similarities, both structures provide the following improvements over the current structure:*

- ✓ *Positioning of the executive team as conduits to Councillors and the community for strategic matters, with enough managers in place to assume responsibility for technical and transactional activities and issues;*
- ✓ *A dedicated point for Councillors and Executive to improve communication and access across this group, and for key external stakeholders;*
- ✓ *Introduction of in-house broad legal capability;*
- ✓ *The payroll function moved from Finance to ‘People and Culture’ team;*
- ✓ *Introduction of a dedicated organisational development and training capability;*
- ✓ *A short term resource to develop a strategic ICT plan and embed process efficiencies across the organisation. This resource will also temporarily provide coordination to the IT team during this period until the structure and capability for the team is better defined;*
- ✓ *Improved resourcing in the Financial Services team;*
- ✓ *Improved resourcing in the Development approvals team;*
- ✓ *Improved resourcing in the Community safety team;*
- ✓ *Introduction of a Place Maker in the Strategic Planning Team;*
- ✓ *Centralised management of assets and maintenance;*
- ✓ *Improved alignment of community development staff with library, which also offers programs for seniors, youth and other community sub-groups;*
- ✓ *Improved alignment of procurement, contracts and fleet functions;*
- ✓ *Introduction of internal capability for transport and traffic engineering issues;*
- ✓ *Improved efficiency in administrative support for the operational directorates by establishing administrative pools and removing isolation of Administrative Officers across the organisation;*
- ✓ *Improved career development and progression opportunities in administration and in the parks and works maintenance areas;*
- ✓ *Infrastructure and operations directorate sources the technical expertise required to manage and maintain the Town’s assets, whether from within or from external expertise. The Directorate works closely with the other Directorates to best manage expenditure and influence future asset planning and development;*
- ✓ *Sustainability as a responsibility of every position, not confined to the position description of one or two employees, so that the goals from the Strategic Community Plan can be realised.”*



## Option 1

The Acting Chief Executive Officer has discussed the options with Price Consulting, and it is acknowledged that both have merit. The most significant differences relate to:

1. Whether the placement of the 'Community Services and Library' function should be in the Corporate and Community Services Directorate or in the Planning and Development Directorate;
2. Whether the placement of the 'Property Management and Leasing' function should be in the Corporate and Community Services Directorate (within the Corporate Business Section) or in the Infrastructure and Operations Directorate (Property in the Assets Section and Fleet Management in the Works and Technical Services Sections); and
3. Whether the Administration Officers and administrative support should be centrally pooled or be placed in 'pods' within each Directorate.

### COMPARISON OF OPTIONS 1 and 2: \*\*\*\*means information confidential

Option 1	Option 2
****FTE (including 2.5 temporary FTE) upon initial implementation.	**** FTE (including 2.5 temporary FTE) upon initial implementation.
Directorates not evenly balanced from FTE perspective and service delivery responsibility.	Better service delivery responsibility across the 3 Directorates.
Corporate and Community Services (** FTE) includes corporate, commercial and all community service delivery business units.	Corporate and Community services (** FTE) includes corporate, commercial and all community service delivery business units.
Planning and Development Directorate focuses on Future Cambridge and on approving and maintaining local laws. There is potential for the compliance focus to override customer service delivery.	Planning and Community Services Directorate aligns the non-commercial, community facing functions and encourages 'customer first' approach to the community development, planning and compliance activities.
Infrastructure and Operations Directorate focuses more clearly on providing technical capability, and those activities that may have a broad organisational impact (such as property and leasing, fleet management) are managed in Corporate Business Services.	Infrastructure and Operations Directorate retains responsibility for fleet management and property and leases are collocated with Asset Management to provide a 'one-stop' for all matters relating to property.
Administrative support pooled within each directorate for improved efficiency and leave coverage. While an improvement, there may not be the same consistency, efficiency outcomes; the processes and outcomes may vary from Directorate to Directorate and support for the Customer Service will need to be negotiated and planned. Knowledge sharing with Customer Service will be ad-hoc.	Administrative support pooled centrally but structured into 'pods' for each Directorate, to improve efficiency, service delivery and leave coverage across the organisation. The Administrative Support function provides back up for the Customer Service team when required, and improves alignment of service delivery/ knowledge sharing between the two functions. An additional 0.4 FTE administrative support in total.
This Administrative Support option is much less costly to implement. Transition to centrally pooled structure may occur when IT is more mature and is capable of supporting electronic transfer of documents.	This Administrative support option is much more costly to implement. This option is much more disruptive to set up, as extensive office alterations will be required to co-locate all Administration Officers in one location.  There is a higher risk of disruption to service

Option 1	Option 2
	delivery, if the Town's IT cannot support the proposed process.
Centralised approach to purchasing, contracts, procurement and fleet management.	Purchasing, contracts and procurement located in Corporate Services, while leasing and property management located in Assets, and fleet management remains in Infrastructure Technical Services.
Outsourced infrastructure design and survey services.	In-house infrastructure design and survey services.
This option places a relatively heavy workload on the Corporate and Community Services Directorate. However, there is less risk of losing focus on organisational priority areas and outcomes.	This option places a relatively heavy workload on the Planning and Development Directorate which will assume responsibility for Community Services, Place Making and also Ranger Services, which includes parking.  There is a higher risk of the Directorate losing focus on the priority areas of Town Planning Scheme Review, Local Planning Strategy, Joint Development Assessment Panels, and development assessments.
Option 1 is the most cost efficient Option.	Option 2 is the most costly to implement.

STRUCTURE - OPTIONS		
FTE without Wembley Golf Course Pro Shop (plus 11.3 FTE)	202.4	
Staff Cost	\$*****	
<b>OPTION 1</b>	<b>Stage 1</b> (by March 2019)	<b>Stage 2</b> (after 2 Years)
FTE	*****	*****
Staff Cost p.a. (before cost recovery)	\$*****	\$*****
<b>Comparison to Current (before cost recovery)</b>	- *** FTE / - \$*****	- ***** FTE / - \$*****
<b>OPTION 2</b>	<b>Stage 1</b> (by March 2019)	<b>Stage 2</b> (after 2 Years)
FTE	****	*****
Staff Cost p.a. (before cost recovery)	\$*****	\$*****
<b>Comparison to Current (before cost recovery)</b>	- **** FTE / - +\$*****	- **** FTE / \$- *****

\*\*\*\*\* means information is confidential

## **ACTING CHIEF EXECUTIVE OFFICER COMMENTS ABOUT PRICE CONSULTING RECOMMENDATION CONCERNING OPTION 2**

The A/CEO concurs with the majority of Price Consulting's recommendations. The A/CEO supports Option 1 for the reasons detailed in this report.

The A/CEO acknowledges the comments about the size of the proposed Corporate and Community Services Directorate, however it should be noted that this structure has been satisfactorily operating under the A/CEO's interim structure since July 2018.

The A/CEO is of the strong view that the Town's Planning and Development Directorate should focus be on the following areas:

### **Planning and Development:**

The focus and priority areas for this Directorate should be:

- Town planning Scheme review;
- Local Planning Strategy;
- Joint Development Assessment Panels (JDAP's); and
- Planning, building and development assessments – this has been the subject of considerable discussion and remains a priority. It has been identified by the Town's *'Community Perceptions Study 2018'* as an issue.

The A/CEO is also of the strong opinion that if the 'Library and Community Services' Section is incorporated into the Planning and Development Directorate, there is a higher risk of loss of focus and the priority areas, as detailed above.

The return of the Ranger Section to the 'Regulatory Services Section' within the Planning and Development Directorate will also add to the current workload.

### **Proposal to Combine all Administration Officers.**

The A/CEO acknowledges the benefits of the proposal, however, it is not supported at this point in time for the following reasons:

- (a) The Town's information technology is not sufficiently mature or capable to electronically allow ease of document movement between Sections and officers.
- (b) The cost of employing an additional FTE as Coordinator at \$91,500 would be saved.
- (c) The cost of office alterations to accommodate all Officers in one area.
- (d) The Town does not have the available office space to relocate all Officers into one area, unless major physical changes are carried out.

The Price Consulting proposal to create specialist administrative 'pools' within the Directorates is supported and would achieve significant benefits.

## **SUMMARY OF KEY CHANGES TO THE RECOMMENDED ORGANISATIONAL STRUCTURE**

### **1. OFFICE OF THE CHIEF EXECUTIVE OFFICER**

#### **1.1 Manager - Governance and Legal:**

The role of Governance has been moved from Corporate Services and will now report direct to the A/CEO. It is intended for the Manager to have qualifications in law, which will be able to provide basic in-house legal advice and cost savings could be achieved by no longer needing to outsource minor legal work, eg lease variations, caveats, etc.

The Section will be responsible for:

- (a) Governance and statutory compliance.
- (b) Audit services.
- (c) Council support.
- (d) Elected Member liaison.
- (e) Property management.
- (f) Contracts and procurement.
- (g) Risk management and insurances.
- (h) Freedom of Information requests, ombudsman enquiries.
- (i) Elections.
- (j) Legal services\*(previously decentralised throughout the organisation)\*.
- (k) Communications (previously Corporate Services)\*.
- (l) Citizenship (previously Community Development)\*.
- (m) Catering\*(previously Corporate Services).

#### New positions:

- 1. A new role, '*Coordinator - Governance and Office of the CEO*' is to be created (no increase in FTE). This person will be responsible for the day-to-day operations of the Office of the CEO, Governance and Communications Officers, Council support, Elected Member liaison, citizenship and catering.
- 2. A new position of '*Executive and Elected Member Liaison Officer*' is to be created (no increase in FTE).

#### **1.2 Manager – People and Culture:**

The previous Section of 'Human Resources' has been renamed '*People and Culture*' to reflect contemporary Human Resources roles. It will be moved from Corporate Services and now reports direct to the A/CEO, as the A/CEO is primarily responsible for employee decision making and this will streamline the reporting process.

The Section will be responsible for the traditional human resources functions:

- (a) Employee recruitment.
- (b) Organisational Development.
- (c) Employee wellbeing.
- (d) Employee performance review and management.
- (e) Employee training and development.
- (f) Culture and engagement.
- (g) Industrial relations.
- (h) Occupational safety and health.
- (i) Payroll – transferred from Financial Services (no increase in FTE).

New positions:

1. A new position of '*Coordinator People and Culture*' is to be created (new 1.0 FTE). This person will have formal qualifications in human resources and/or industrial relations.
2. A new position of Training and Development Officer is to be created (new either 1.0 or 0.6 FTE). This position will have formal qualifications in training and development and will be responsible to assist Directors, Managers and supervisors to conduct training and annual employee performance reviews (including setting Key performance Indicators and objectives).
3. A new HR Systems Officer will be created 1.0 FTE (from an existing FTE) - to be reviewed in 2 years.

The '*People and Culture*' Section will also assume responsibility for Payroll Services, which will lessen the workload in Financial Services, and will better integrate the Town's employee information into one information technology database. The working arrangements of the two Payroll Officers positions will be reviewed to provide better coverage.

A new HR module to integrate payroll and employee information will be a high priority and once implemented, will provide significant advantages and benefits across the organisation.

### **1.3 Business Improvement, Innovation and Information Technology Strategy Analyst**

This is a new temporary role on a two year contract to work across the organisation to improve processes, reduce duplication, promote and pursue innovation, and provide high level strategic advice to the A/CEO concerning the Town's Information Technology (IT) system. The Town's IT has been identified as:

- (a) outdated;
- (b) not being fully utilised and implemented; and
- (c) being a major impediment to service delivery.

## **2. CORPORATE AND COMMUNITY SERVICES**

### **2.1 Manager – Finance:**

There will be significant changes in the Finance Section, as follows:

- (a) The Payroll function will be transferred to 'People and Culture', thereby lessening the workload in the Finance Section (who currently have a very heavy workload.).
- (b) The working arrangements of the two Rates Officer positions will be reviewed to allow better flexibility to cope with peaks in workload.
- (c) The position of Senior Accountant will be changed to '*Financial Accountant*'.

New Positions:

1. A new position of '*Management Accountant*' – responsible for long term financial planning, long term budgets and financial Audit functions.
2. A new position of '*Finance Officer - Accounts Receivable*' will be made permanent - this position was previously employed on a full time contract basis.

## **2.2 Manager – Bold Park Aquatic Centre:**

Bold Park Aquatic Centre (BPAC) will be upgraded to a separate Section.

BPAC has a budget of \$2,235,000 and 13.47 FTE'S and therefore is of significant financial importance to the Town. It will be treated as a Business Unit and will operate as a separate Section.

The Building maintenance duties will be transferred to Asset Services, who will be responsible for all Town building maintenance.

## **2.3 Manager – Wembley Golf Course:**

There will be minimal changes at this point in time. An ongoing review will be carried out in 2019. The Building Maintenance duties will be transferred to Asset Services, who will be responsible for all Town building maintenance.

## **2.4 Manager – Corporate Business:**

The previous position of '*Manager Information, Communication and Technology*' will be changed to '*Manager – Corporate Business*'.

This Section will be responsible for:

- (a) Property and lease management;
- (b) Purchasing, contracts and fleet management (fleet will be transferred from Infrastructure);
- (c) Information Management (records);
- (d) Information Technology (day-to day operations);
- (e) Customer Service;
- (f) Insurance Services; and
- (g) Corporate business matters not being the responsibility of other Sections.

The position of '*Coordinator Property and Governance*' will be re-designated, '*Coordinator – Property and Purchasing*'.

This Coordinator will be responsible for overseeing the function of procurement and contracts. It is considered that with the reduction in Request for Quotes (RFQ's) and Request for Tenders (RFT's), the current Contracts Officer position can assume responsibility for purchasing of fleet and fleet Management.

Assistance will be provided from the Depot Administration Officer. This will consolidate all procurement/purchasing under one person in the same Directorate.

Year	RFQ	RFT	EOI	Sole supplier
2014	8	17	2	0
2015	17	16	0	0
2016 and 2017	48	43	5	4
2018-2019 YTD	31	18	4	5

## **2.5 Manager – Community Services:**

The Library has a budget of \$2,454,500 and 12.41 FTE's. It has strong synergy with Community Development and therefore will be combined to achieve better outcomes.

The previous Community Development Section comprising – Community Development, Bold Park Aquatic Centre and Facilities, will be changed to '*Community Services*' comprising:

- (a) Library Services;
- (b) Community Development; and
- (c) Facilities.

The position of Manager will be deleted and changed to 'Coordinator Library Services and Local Studies'.

Building maintenance duties will be transferred to Asset Services, who will be responsible for all Town building maintenance.

## **3. PLANNING AND COMMUNITY SERVICES:**

### **3.1 Manager – Statutory Planning:**

This Section has previously undergone a review in 2018 and provided with some additional resources at the time. The Section will be re-designated from 'Development Assessment' to '*Statutory Planning*', which is consistent with other local governments.

An additional 1.0 FTE Senior Statutory Planning Officer will be created to assist with the workload, more complex development applications and to give support for servicing the Joint Development Assessment Panels (JDAPS).

### **3.2 Manager – Strategic Planning:**

This Section was previously known as '*Strategic Planning and Economic Development*'. It is considered that this Section is adequately resourced, however, a new position of 'Place Maker' will be recruited.

#### New Position:

A new position of '*Place Maker*' will be created.

Place making is a multi-faceted approach to the planning, design and management of public spaces. Place making capitalizes on a local community's assets, inspiration, and potential, with the intention of creating public spaces that promote people's health, happiness, and well-being.

This position will also be responsible for:

- (a) Business liaison
- (b) Economic development
- (c) Tourism
- (d) Place activation and event coordination.

### Sustainability:

The A/CEO supports Price Consulting recommendation and the two positions of Sustainability Officers will be split. A Sustainability Officer (0.7FTE) will remain and will be responsible for:

- (a) Sustainability Strategy and policies
- (b) Water efficiency planning and management (Waterwise Council annual accreditation and monitoring at Bold Park)
- (c) Building maintenance program (in collaboration with Infrastructure -Implementation of energy and water efficient improvements (eg. LED lighting, water monitoring, audit of assets)
- (d) Technical advice and assessment of contestable sites electricity tenders (in collaboration with Infrastructure)
- (e) Energy efficiency planning, audits and advice to Town's leased.
- (f) Transport/ travelsmart initiatives
- (g) Summer clipper bus
- (h) Reusable coffee cups
- (i) Events as follows - Lake Monger Market, Bicycle pit-stop - held during Cambridge Street Festival and a Ride to work breakfast.

The second sustainability officer will be re-designated as a 'Natural Environment Officer' and will be transferred to the Parks Section.

### **3.3 Manager – Regulatory Services:**

This Section was previously known as '*Health, Rangers and Compliance Services*' and will be renamed '*Regulatory Services*'.

This Section was previously reviewed in 2017 and 2018 and provided with additional employees resources at the time. This Section will be responsible for:

- (a) Environmental health
- (b) Building services (previously under Development Assessment)
- (c) Compliance
- (d) Rangers, parking and Community Safety Services. (The Community Safety Officer (0.6 FTE) will be transferred from Community Development and will be increased to 0.8 FTE. The position will also assist with emergency management and beach safety/operational services.

Ranger Services was previously reviewed and provided with 1 additional Parking Officer in 2017. The number of Rangers and Parking Officers is considered adequate for the time being.

## **4. INFRASTRUCTURE AND OPERATIONS:**

### **4.1 Manager – Asset Management:**

This Section will have minimal changes. The Section will be re-designated from '*Infrastructure Assets*' to '*Asset Management*', which is consistent with other local governments.

### New Positions:

An additional 1x FTE Coordinator Projects' will be created (currently a contract - Manager Projects is employed. Considerable cost savings (\$\*\*\*\*\*)) will be achieved.



An additional Building Maintenance Officer will be recruited and the Section will assume responsibility for all building/property maintenance for the whole Town.

The position of GIS Officer will be reviewed.

#### **4.2 Manager – Parks and Natural Environment:**

The Section will be re-designated from '*Infrastructure Parks*' to '*Parks and Natural Environment*', which is consistent with other local governments.

##### New Positions:

An additional 1x FTE Senior Landscape Architect' will be created (currently employed on a contract). Minor cost savings could be achieved.

The current Parks Project Officer –Trees (0.6 FTE), currently employed on a contract will be made permanent.

This position will be responsible for the following:

- (a) Assist in the delivery of the Town Streetscape Plan.
- (b) Promotion of increasing the tree stock inventory is increasing, along with complexity associated with infill developments and need for more consultation.
- (c) Increasing street tree canopies-adding on the value of the underground power program may infer less resource is required, experience to date suggest otherwise, affected trees continue to mature and still require monitoring and pruning as they may impact on adjacent properties e.g. shading effects.

\* Financial cost is minimal as approx. 30% of salary/ time can be cost recovered from capital projects i.e. \$18k leaving net balance of \$42k.

It should be noted that the funding for this position is 30% cost recovered, therefore the actual salary cost to the Town is approximately \$42,000

A position of Sustainability Officer (0.7) will be transferred from the Strategic Planning and Economic Development Section and re-designated 'Natural Environment Officer'. This position will be responsible for:

- (a) Implementation of Biodiversity Action Plan - \$87,000 budget allocation 2018/19
- (b) Management, weeding, restoration of Town managed coastal and parkland natural areas
- (c) Liaison with local parks Friends Groups
- (d) Liaison and coordination of Coastal Action Group
- (e) Native Plant Subsidy Scheme - management of annual community scheme
- (f) Commence preparation of Natural Areas Strategy - 2019 project, \$35,000 budget allocation under Parks
- (g) Verge rehabilitation grant program
- (h) Contaminated sites management and auditing

##### Spring event program

Bold Park Sunset Stalk, What bird is that?, Breakfast with birds and Sunset stories at Lake Monger

##### Autumn event program

Gardenwise workshop, What bird is that?, Breakfast with the birds, Bold Park sunset stalk and Cambridge Frog Stalk at Perry Lakes.

#### 4.3 Manager – Works and Technical Services

The Section will be re-designated from '*Infrastructure Works*' to "*Technical Services and Works*", This Section will be broadened to include works, waste, traffic, transport, drainage, road infrastructure, works bonds, special projects and technical matters of a general nature.

The Town currently lacks the in-house technical expertise in traffic and transport matters and therefore relies heavily on external traffic consultants.

The following new positions will be created:

1. Coordinator - Traffic' (Traffic Engineer).

This position will be a qualified traffic engineer and will be responsible for:

- (a) Traffic matters, including assessment of Traffic Plans
- (b) Transport matters
- (c) Road safety
- (d) Parking specification and technical requirements

The Town has previously spent the following on traffic consultancies:

Year	Amount
2015-16	\$238,889
2016-17	\$296,557
2017-18	\$189,097
2018-19 (1 July- 31 December)	\$160,586
<b>Total</b>	<b>\$885,123</b>

Potential cost savings can be achieved by reducing the Town's reliance on outsourcing the traffic consultancies and having in-house technical knowledge.

2. Coordinator – Design ,Waste and Technical Services

This position will be responsible for:

- (a) Design - any in-house design,
- (b) supervision of contracted out services - surveying and technical design;
- (c) Waste Contract
- (d) Waste strategy and policies
- (e) Recycling
- (f) Development Assessment and conditions
- (g) Mindarie Regional Council- operational matters
- (h) Technical service special projects
- (i) Technical services matters not elsewhere specified.

Infrastructure Design and Surveying services:

The A/CEO is of the view that the Town's Infrastructure design and survey operations need major change. It is considered that the current operations are inefficient and cost savings and better service to the ratepayers could potentially be achieved.

It is proposed to outsource infrastructure design and surveying.

The rationale is as follows:

1. The services under these roles principally relate to civil/ traffic design drafting and survey.
2. They represent project based services, varying in number and scale with resource requirements fluctuating during the year.
3. These services, by nature, are able to be outsourced on an "as required" basis in a cost effective and efficient manner against project demands.
4. The Town already outsources these services, so current arrangements can be extended as required.
5. The new service delivery model avoids the ongoing requirement for staff upskilling in design principles and associated software maintenance.
6. The business risk of outsourcing these services is considered minor and consistent with the practice of other medium sized local governments.
7. One Infrastructure Officer will be retained for "business as usual" miscellaneous requirements, cross over management and drawing register maintenance.

New Position:

\*\*\*\*\* confidential information.

The existing Infrastructure Officer - GIS is currently dedicated for the Tech One IT related project for roll out of the CI Anywhere upgrade, so is effectively working in a Business Analyst/ IT role.

It is therefore recommended that the Infrastructure and Operations GIS role is transferred from the Infrastructure and Operations Directorate to Information Technology unit within the Corporate Business Section

There is still a requirement for the Infrastructure Directorate to have dedicated access to GIS related services, albeit on a reduced scale.

A new Infrastructure and Operations Directorate GIS Officer (0.6 FTE) will be established.

**FURTHER REVIEWS:**

The consultants and A/CEO are of the opinion that further investigation is required in the following areas:

**Youth Service:**

The Town's Youth Service has been the subject of previous reports to Council and the objectives and service delivery model have been previously questioned. Further investigation is required concerning service delivery model, objectives, costings.

This will be treated as a priority and a further report will be submitted to Council for approval, prior to advertising a tender.

**The Boulevard Centre:**

The Town's Boulevard Centre has been the subject of previous reports to Council and the current operations and 'value for money' and service delivery model have been previously questioned. Further investigation is required concerning service delivery model, objectives, costings.

The above will be treated as a priority and a further report will be submitted to Council for determination, prior to implementation.

## CULTURE AND OUR CUSTOMERS':

The A/CEO is of the opinion that the Town's service delivery is varied and inconsistent across the organisation, therefore a cultural change should be promoted and a philosophy of excellent customer service (external and internal) should be paramount. Therefore it is proposed that focus should be on service delivery to both internal and external customers, as follows:

*'CUSTOMER\*\*\*PEOPLE FIRST' \*\*\* amended by Council at 12 February 2019*

*"We will treat our customers\*\*\* people in a friendly and efficient manner and will do our best to handle any issues to ensure they are satisfied'. \*\*\* amended by Council at 12 February 2019*

Training will be provided to engender the above philosophy.

A 'customer' is an individual or business that purchases or requires the goods or services produced by a business.

## TOWN'S GUIDING VALUES

The A/CEO is of the opinion that a lack of respect has been evident at all levels of the organisation. Therefore it is proposed to include 'Respect' to supplement the Council's current values, as follows:

### **'Respect:**

▶ *We will acknowledge the uniqueness of an individual and will treat them in a dignified and positive manner.*

### **Friendly and Helpful:**

▶ *We value our community members and will assist them in the best way we can.*

### **Teamwork:**

▶ *We believe teamwork is essential for improving our services and achieving our goals.*

### **Creativity:**

▶ *We can improve the way we do business by challenging the status quo.*

### **Integrity:**

▶ *We will act responsibly, place trust in each other, and will be accountable for our actions.*

## INDICATIVE TIMELINE:

An indicative timeline is shown below:

No:	Item	Indicative Timeline	Comments
<b>1.</b>	<b>Approval Process</b>		
1.1	Council to approve Terms of Reference	24 July 2018	Completed
1.2	Finalise and issue Request for Quotation to consultants	25-27 July 2018	Completed
1.3	Advertise RFQ 14 days	27 July - 10 August 2018	Completed
1.4	Assess Submissions and appoint consultant	13 -17 August 2018	Completed

<b>2.</b>	<b>Stage 1 - Review and Analysis</b>		
2.1	Consultant to carry out Stage 1, review, engagement,	20 August – 28 September	Completed
2.2	Consultant to provide Report on Stage 1	1 October 2018	Completed on 1 November 2019
<b>3.</b>	<b>Stage 2 - Refinement</b>		
3.1	Consultant to carry out Stage 2, refinement of recommendations	2 October – 2 November	completed
3.2	Consultant to provide Report on Stage 2	5 November 2018	Completed on 1 February 2019
3.3	Assessment of Recommendations-Prepare report for Council	5-21 November 2018	completed
3.4	Council to approve of Recommendations	27 November 2018	12 February 2019
<b>4.</b>	<b>Stage 3 - Communication and Engagement</b>		
4.1	Communication to and engagement with employees	28 Nov--31 December 2018	13-15 February 2019
<b>5.</b>	<b>Stage 4 - Implementation Phase</b>		
5.1	Implementation of recommendations	1 January 2019 onwards	18 February 2019 onwards
5.2	Engagement with employees and managing any redeployees/redundancies		
5.3	Change management implementation, job redesign		
5.4	Culture Awareness and Employee Performance Training		
5.5	Leadership Training		

(Dates are indicative only and subject to change)

#### Implementation Phase:

The implementation of stage 4 of the consultancy will be as follows:

No:	Item	Indicative Timeline
1.	Delivery of Confidential Report (updated) to a/CEO	4 February 2019
2.	Preparation and finalisation of Agenda Report	1- 8 February 2019
3.	Special Council Meeting to adopt new Organisational Structure	12 February 2019
4.	Notification to unions and directly affected employees 'one-on-one' meetings by Consultants and Directors and/or A /CEO	13-15 February 2019
5.	A/CEO and Directors training for Implementation Plan	13-15 February 2019
6.	A/CEO and consultants communication sessions all employees	13-15 February 2019
	<b>Consult and design New Positions</b>	
7.	Commence recruitment process for vacant positions	from 18 February 2019
8.	Develop new Position Descriptions on a Team by Team basis	from 18 February 2019
9.	Assess new position descriptions against existing positions	from 18 February 2019
10.	Consultation and formal advice to affected employees regarding new Position Descriptions – 'like for -like' assessments	from 18 February 2019
11.	Unions notified of any impacts	from 18 February 2019
12.	All substantive employees advised of placement in new structure or entitlements	from 18 February 2019 onwards
13.	Consult with affected employees to identify individual outcomes. Facilitate Quarantined Merit Selection process where required	from 18 February 2019 onwards
14.	Recruit for any remaining vacancies	from 18 February 2019 onwards
15.	Communicate with all employees	On-going

(Dates are indicative only and subject to change)

## ADMINISTRATION CENTRE MODIFICATIONS:

To improve customer service, two interview rooms in the administration centre foyer are required. This will allow meetings with ratepayers, architects, developers and the like to be conducted in a more appropriate and suitable environment.

In addition, alterations to internal workstations will be required to allow the recommended changes to be implemented. An amount of up to \$60,000 is required.

## POLICY/STATUTORY IMPLICATIONS:

The *Local Government Act 1995* prescribes the requirements relating to organisational structures and employees.

### Structure:

Section 5.2 states:

*“The Council of a local government is to ensure that there is an appropriate structure for administering the local government.”*

### Function of the CEO:

Section 5.41 states:

The CEO's functions are to-

*“(g) be responsible for the employment, management, supervision, direction and dismissal of other employees (subject to Section 5.37(2) in relation to senior employees) and; .....*

The CEO is therefore responsible for implementation of the new structure, once endorsed by the Council.

### Strategic:

The recommendations embrace the following strategies of the Town's Strategic Community Plan 2018 - 2028:-

### Our Council

#### Goal 9: An efficient local government.

Strategy 11.2 Align our human resources to the priorities of the Town and attract, develop and retain highly skilled and committed staff.

## FINANCIAL IMPLICATIONS:

The funds for the organisational review have been included in the 2018/2019 Budget.

No:	Item	Funding	Cost
1.	Organisational Review	\$50,000	\$55,150 incl GST
2.	Implementation and Change Management consultancy Stage 4 and employee culture awareness training:	\$30,000	\$36,562 excl GST
3.	Leadership training	\$25,000	
	<b>Total:</b>	<b>\$105,000</b>	

### **Cost Implications:**

The number of Full Time Equivalent Employees (FTE's) has **reduced** from **202.4 (incl.11.3 FTE at Wembley Golf Course Pro Shop)** to \*\*\*\* FTE **under Option 1**, as recommended by the A/CEO.

Under the recommended Organisational Structure, the employee **costs will be reduced** from approximately \$\*\*\*\*\* (before cost recovery) by approximately, \$\*\*\*\*\*per annum (excluding roster loadings, allowances and overtime). An amount of approximately \$\*\*\*\*\*is recouped for the Project Officer - Trees per annum.

Further employee cost savings of approximately \$\*\*\*\*\* potentially could be achieved in two years, once the temporary employees are no longer required.

A number of positions have been identified which could potentially be made redundant.

\*\*\* (\*\*\*) positions are already vacant and therefore there will be no cost to the Town.

\*\*\*\*\* (\*\*\*\*) positions are currently occupied and every endeavour will be made to find them another role within the organisation. However, if all \*\*\*\* (\*\*\*\*) employees cannot be re-deployed elsewhere within the organisation or accept the redundancy, the potential cost will be approximately \$\*\*\*\*\*.

The A/CEO has recommended a further \*\*\*\*\* (\*\*\*\*) positions which can be made redundant. The outsourcing of the Town's Infrastructure design and surveying services would affect \*\*\*\* (\*\*\*\*) employees and redundancy payments of \$\*\*\*\*\* would be required.

If the Town outsources its Youth Services, this would affect \*\*\*\* (\*\*\*\*) employees and redundancy payments of \$\*\*\*\*\* would be required.

\*\*\*\* **information confidential**

### **STRATEGIC DIRECTION:**

The recommendations embrace the following strategies of the Town's Corporate Business Plan 2018 - 2028:-

#### **Our Council**

**Goal 11: A strong performing local government.**

Strategy 11.3 Embrace innovation and continuously strive to improve services delivered to the community.

### **SUSTAINABILITY IMPLICATIONS:**

Not applicable.

### **COMMUNITY ENGAGEMENT:**

Not Applicable

## COMMENT:

The Organisational Review and change management consultancy implementation (phase 1), has been carried out since September 2018 and has involved:

- Comprehensive consultation (including discussion, workshops, confidential 'one-on-one interviews' and confidential feedback forms, with employees.
- Discussions with Mayor and councillors.
- Comparison with other similar sized local governments.

It should be acknowledged that once the new structure is implemented, it will cause significant additional workload and pressure on the Town's employees. Employees will be provided access to professional counsellors and assistance throughout the process. Directly affected employees will be closely monitored to ensure their health and well-being is not jeopardised.

It will be important that the Town's service delivery and operations be maintained so that there is little or no impact on the Town's ratepayers, residents and visitors. Every endeavour will be taken to minimise any disruption.

It should also be acknowledged that the implementation of a new structure, whilst bringing efficiencies and improvements, it will not result in an instantaneous change of the culture within the organisation. To change the culture will be a process which should see incremental improvements over a period of time.

The implementation of the Organisational Review will take a period of time to see and reap the full benefits. Whilst some improvements will be immediate, others will take much longer to achieve.

It is considered that the recommended changes meet the principles of an organisational review, as detailed in **Attachment 2**, will provide significant positive benefits to both the Town and employees and considerable cost savings. Accordingly the Council's approval is requested.

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## COUNCIL MEETING 12 FEBRUARY 2019

### Cr McAllister - Impartiality Interest

Prior to consideration of the item, Cr McAllister disclosed an interest affecting impartiality and declared as follows: "with regard to Item 5.1, I declare that I have a personal and business relationship with Di Jasas, Director, Price Consulting and as a consequence there may be a perception that my impartiality may be affected. I declare that I will consider this matter on its merits and vote accordingly."

## ADMINISTRATION RECOMMENDATION:

Moved by Cr Bradley, seconded by Cr Everett

That Council:

1. **RECEIVES** the '*Town of Cambridge Organisational Review and Change Management Project Summary Report*' (of the Review Stage) by Price Consulting Group Pty Ltd, dated February 2019, as Attachment to this report (Attachment 5);
2. **In accordance with section 5.2 of the *Local Government Act 1995* ENDORSES** the **Town of Cambridge Organisational Structure - Option 1, as shown in Attachment 6;**



3. **APPROVES BY AN ABSOLUTE MAJORITY**, building improvements/modifications for two additional interview rooms in the Administration Centre foyer, and modifications to the Administration Centre office layout, to improve workstations and areas at an estimated cost of \$60,000, to be funded from the Endowment Lands Fund;
4. In accordance with section 5.41(g) of the *Local Government Act 1995*, **AUTHORISES** the Acting Chief Executive Officer to implement the Town of Cambridge Organisational Structure and Change Management Plan (Option 1), as detailed in this confidential report, and as shown in Attachment 6;
5. **AMENDS** the Town's Guiding Values to include the value of '**RESPECT**', as follows:  
  
**'RESPECT:**  
*We will acknowledge an individual's uniqueness, and will treat them in a dignified and positive manner';*
6. **ENDORSES** the Acting Chief Executive Officer's philosophy and objective of adopting and promoting a new culture of '**CUSTOMER FIRST**'; and
7. **AUTHORISES** the Acting Chief Executive Officer to:
  - 7.1 **Conduct a further review of:**
    - (a) The Town's Youth Services and prepare a Business Case to investigate different service delivery models, subject to submitting a report to the Council for approval by no later than April 2019, and prior to advertising a Request for Tender from suitably qualified organisations; and
    - (b) The Boulevard Centre; and
  - 7.2 **Make public details (or parts thereof) of the report at the appropriate time and after all employee consultation has been carried out.**

During discussion, Cr Timmermanis suggested that it was more appropriate for the building improvements/modifications be funded from the Area Improvement Fund and that the new culture should be one of "PEOPLE FIRST". Cr Timmermanis proposed the following amendments:-

That clauses 3, 6 and 7.1 be amended to read as follows:-

3. **APPROVES BY AN ABSOLUTE MAJORITY**, building improvements/modifications for two additional interview rooms in the Administration Centre foyer, and modifications to the Administration Centre office layout, to improve workstations and areas at an estimated cost of \$60,000, to be funded from the ~~Endowment Lands Fund~~ Area Improvement Fund;
6. **ENDORSES** the Acting Chief Executive Officer's philosophy and objective of adopting and promoting a new culture of '~~CUSTOMER FIRST~~' 'PEOPLE FIRST'; and
7. **AUTHORISES** the Acting Chief Executive Officer to:
  - 7.1 **Conduct a further review of the Town's Youth Services and The Boulevard Centre and prepare a Business Case to investigate different service delivery models, subject to submitting a report to the Council for approval by no later than April 2019.**

That a further new clause be added to the motion as follows:-

8. REQUESTS the Acting Chief Executive Officer to provide a report on:-
  - 8.1 Outlining specific cost recovery objectives associated with the extra positions included in the organisational review option selected for consideration at the March 2019 Council meeting; and
  - 8.2 The progress of the implementation of the endorsed organisational structure to every three Council meetings from endorsement of the structure.

In accordance with Clause 9.11 of the Standing Orders, the mover of the motion, with the consent of the seconder agreed to include the amendments into the original motion.

Discussion ensued and all Elected Members spoke and/or asked questions.

#### **COUNCIL DECISION:**

**That Council:**

1. **RECEIVES** the *'Town of Cambridge Organisational Review and Change Management Project Summary Report'* (of the Review Stage) by Price Consulting Group Pty Ltd, dated February 2019, as Attachment to this report (Attachment 5);
2. In accordance with section 5.2 of the *Local Government Act 1995* **ENDORSES** the Town of Cambridge Organisational Structure - Option 1, as shown in Attachment 6;
3. **APPROVES BY AN ABSOLUTE MAJORITY**, building improvements/modifications for two additional interview rooms in the Administration Centre foyer, and modifications to the Administration Centre office layout, to improve workstations and areas at an estimated cost of \$60,000, to be funded from the Area Improvement Fund;
4. In accordance with section 5.41(g) of the *Local Government Act 1995*, **AUTHORISES** the Acting Chief Executive Officer to implement the Town of Cambridge Organisational Structure and Change Management Plan (Option 1), as detailed in this confidential report, and as shown in Attachment 6;
5. **AMENDS** the Town's Guiding Values to include the value of **'RESPECT'**, as follows:  
  
***'RESPECT:***  
***We will acknowledge an individual's uniqueness, and will treat them in a dignified and positive manner';***
6. **ENDORSES** the philosophy and objective of adopting and promoting a new culture of **'PEOPLE FIRST'**, as follows;  
  
***'We will treat people in a respectful, friendly and efficient manner and will do our best to handle any issues to ensure they are satisfied';*** and
7. **AUTHORISES** the Acting Chief Executive Officer to:
  - 7.1 **Conduct a further review of the Town's Youth Services and The Boulevard Centre and prepare a Business Case to investigate different service delivery models, subject to submitting a report to the Council for approval by no later than April 2019.**

**7.2 Make public details (or parts thereof) of the report at the appropriate time and after all employee consultation has been carried out.**

**8. REQUESTS the Acting Chief Executive Officer to provide a report on:-**

**8.1 Outlining specific cost recovery objectives associated with the extra positions included in the organisational review option selected for consideration at the March 2019 Council meeting; and**

**8.2 The progress of the implementation of the endorsed organisational structure to Council every three months from endorsement of the structure.**

**Motion put and CARRIED BY AN ABSOLUTE MAJORITY (8/0)**

(Cr Nelson was an apology for the meeting)

## **6. CLOSURE**

There being no further business, the Presiding Member, Mayor Shannon thanked everyone for their attendance declared the meeting closed at 7.12 pm, with the following persons present:

<b>Present:</b>	Mayor Keri Shannon	Presiding Member
	Deputy Mayor Cr Rod Bradley	Coast Ward
	Cr Louis Carr	Wembley Ward
	Cr Ian Everett	Coast Ward
	Cr Jo McAllister	Wembley Ward
	Cr Kate McKerracher	Coast Ward
	Cr Jane Powell	Wembley Ward
	Cr Andres Timmermanis	Coast Ward

**Officers:** John Giorgi, JP, Acting Chief Executive Officer

**Consultants:** Natalie Lincoln, Senior Consultant, Price Consulting Group Pty Ltd  
Angie Dominish, Senior Consultant, Price Consulting Group Pty Ltd

**Media:** Nil

**Public** Nil

## **ATTACHMENT No: 1WHAT IS AN ORGANISATIONAL REVIEW AND BENEFITS**

### **What is an Organisational Review?**

An Organisational review is the process to collect, organise, analyse, interpret and share relevant information to enable the strengthening of the organisation.

The purpose of organisational review is to enhance organisational success through the development of insight and intelligence about the organisation.

### **Benefits of an Organisational Review:**

A well-structured and implemented Organisational Review provides a number of benefits to an organisation, management and employees. These benefits include:

1. Ensuring that the organisational structure is aligned with and supports the organisation's strategic and operational objectives.
2. Assisting the organisation in improving its productivity and efficiency.
3. Promoting a customer service focussed organisation for both external and internal customers.
4. Reducing costs by eliminating duplication and inefficient processes and procedures.
5. Creating a 'One organisation' mentality and breaking down the 'silo' mentality of the various departments.
6. Improving communication and relationships between the Council, Administration and its ratepayers, residents, business proprietors and community.
7. Improving communication and relationships between management and employees.
8. Assisting in developing the capabilities, potential and performance of employees.
9. Assisting in measuring performance and benchmarking.
10. Assisting in changing the culture of the organisation.

## **ATTACHMENT No: 2THE PRINCIPLES OF AN ORGANISATIONAL REVIEW:**

1. Structure and design supports the Council's Strategy - (*Enabling the Strategy*)
  - 1.1 Does the organisation's structure and design support the Council's strategy and purpose?
  - 1.2 Is the structure and design a vehicle to support change culture and drive future business outcomes?
  - 1.3 Does the structure support flexibility so that resources can be deployed according to shifting priorities?
  - 1.4 Is the structure financially sustainable?
  - 1.5 Will the structure enable critical work activities to be successfully delivered?
2. Client Service Expectations Are Met - (*Customer Focused*)
  - 1.1 Will the organisational structure help efficiently deliver quality services to ratepayers?
  - 1.2 Can ratepayers and others navigate the structure to get to what they need easily?
2. Co-operation and Support to Core Business - (*One Council*)
  - 2.1 Does the organisation structure facilitate cooperation with other areas of the Council?
  - 2.2 Are dependencies and interdependencies clear and manageable?
  - 2.3 Are the structures allowing decisions to be made quickly and as near as practical to the point of action?
  - 2.4 Are the structures allowing for clearly defined accountabilities and meeting stakeholder expectations?
  - 2.5 Are resource decisions and structures designed to nurture and protect core business activities?
  - 2.6 Are these structures bringing together the most cost-effective and aligned services possible?
  - 2.7 Do these structures minimise duplication of services, roles and responsibilities occurring within the Town's Administration?

3. Employee composition is manageable - (**Span of Control and Management Layers**)
  - 3.1 Are Sections of a size and composition that allows Supervisors to provide meaningful support and feedback to support staff performance?
  - 3.2 Does the size of a Section allow for leave flexibility and adequate budget allocation to cover critical staff-related costs such as training and development?
  - 3.3 Does the size of a Section allow for efficiencies associated with being a separate organisational entity?
  - 3.4 Does the structure enable clear and well-informed decision making and communication?
  - 3.5 Does each level of supervision add value, or are there too many layers?
4. Structures comply with governance and legislative responsibilities - (**Accountability and Governance**)
  - 4.1 Does the structure enable compliance with governance, legislative and reporting requirements?
  - 4.2 Does the structure and design suit the style of management and governance?
  - 4.3 Are accountabilities and reporting lines clear?
  - 4.4 Are there multiple reporting lines? If so, are these clear and manageable?
5. Structure incorporates opportunities for career progression - (**Career Progression**)
  - 5.1 Does the structure support career progression for staff?  
Clear relationships between positions means that staff can broaden their capabilities and experience, act in vacant higher positions, or take on partial higher duties.
  - 5.2 Does the structure set clear relationships between positions?
7. Regular reviews are conducted - (**Continuous Improvement**)
  - 7.1 Are structures reviewed regularly against these principles?
  - 7.2 How will the structure and design be reviewed and how will key stakeholders be involved in reviewing the structures?
  - 7.3 Is there a compelling business case to be developed against these principles?
6. Employee composition is manageable - (**Span of Control and Management Layers**)
  - 6.1 Are Sections of a size and composition that allows Supervisors to provide meaningful support and feedback to support staff performance?
  - 6.2 Does the size of a Section allow for leave flexibility and adequate budget allocation to cover critical staff-related costs such as training and development?
  - 6.3 Does the size of a Section allow for efficiencies associated with being a separate organisational entity?
  - 6.4 Does the structure enable clear and well-informed decision making and communication?
  - 6.5 Does each level of supervision add value, or are there too many layers?
7. Structures comply with governance and legislative responsibilities - (**Accountability and Governance**)
  - 7.1 Does the structure enable compliance with governance, legislative and reporting requirements?
  - 7.2 Does the structure and design suit the style of management and governance?
  - 7.3 Are accountabilities and reporting lines clear?
  - 7.4 Are there multiple reporting lines? If so, are these clear and manageable?
8. Structure incorporates opportunities for career progression - (**Career Progression**)
  - 8.1 Does the structure support career progression for staff?  
Clear relationships between positions means that staff can broaden their capabilities and experience, act in vacant higher positions, or take on partial higher duties.
  - 8.2 Does the structure set clear relationships between positions?

**ATTACHMENT No: 3                      CONSULTANCY TERMS OF REFERENCE**

**Terms of Reference:**

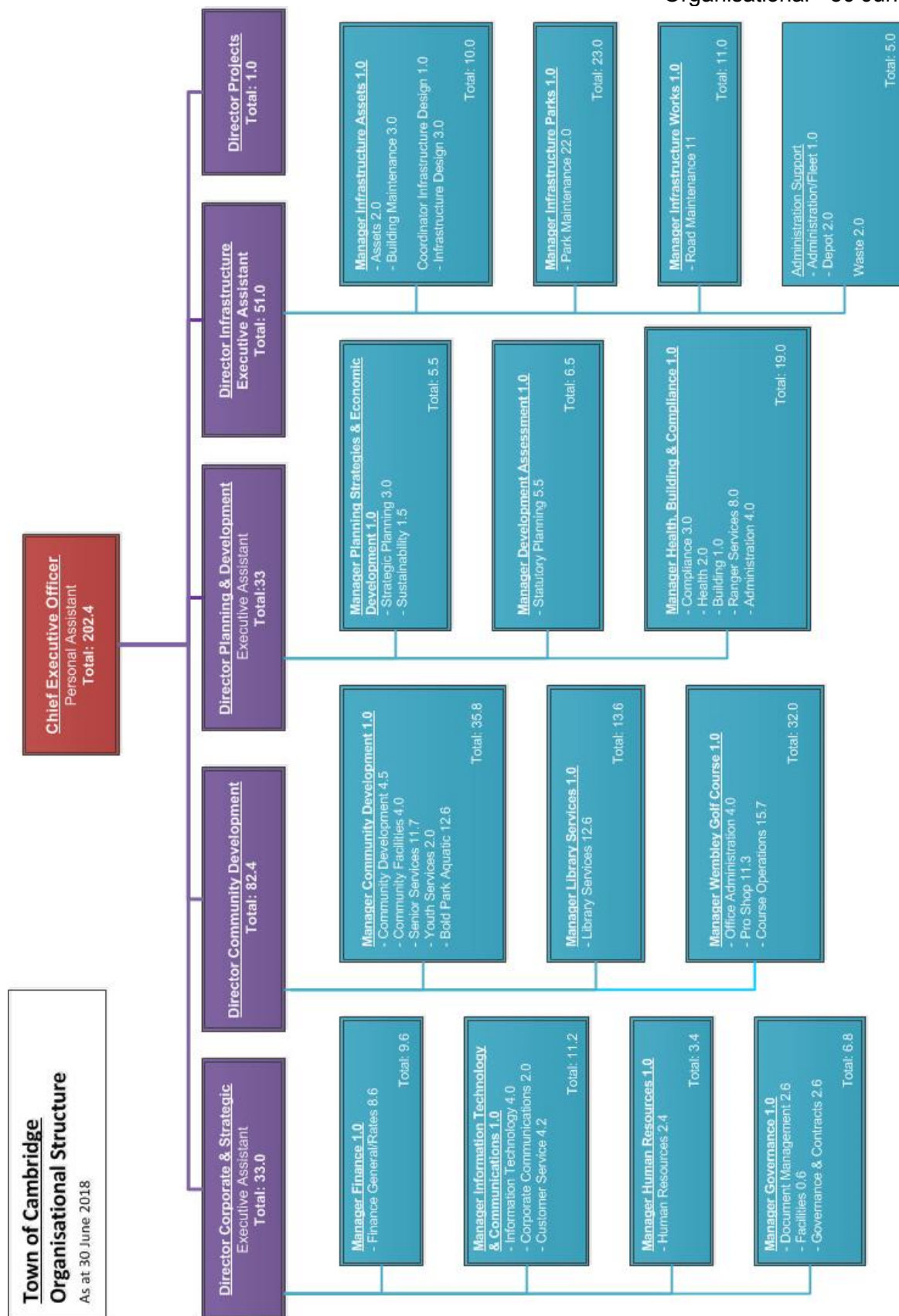
The Terms of reference for the Organisational Review and change management consultancy were:

1. To review the Town of Cambridge organisation ('the organisation') to ensure it is the appropriate to deliver the services and requirements of the Council and meet the needs of the stakeholders (ratepayers, residents, business proprietors, community and visitors) in a more efficient and effective manner.
2. To recommend the most appropriate and effective organisational structure for the organisation to deliver its services more efficiently and effectively and to respond to future changes, through a structure of no more than three (3) directorates;
3. To identify more efficiencies and accountability to the governance and management systems and operational processes to:
  - (a) support the future strategic direction of the Council;
  - (b) to create a more efficient and effective customer service focused organisation;
  - (c) to reduce duplication, inefficiencies, organisational barriers and enhance employee accountability and capacity by reducing layers of oversight;
4. To make recommendations to enhance employee performance and job satisfaction and developing more rewarding roles;
5. To make recommendations to change and improve the culture of the organisation; and
6. To provide a cost benefit analysis of the review recommendations.

## ATTACHMENT No: 4

### TOWN OF CAMBRIDGE ORGANISATIONAL STRUCTURE - as at 30 June 2018

Organisational - 30 June 2018

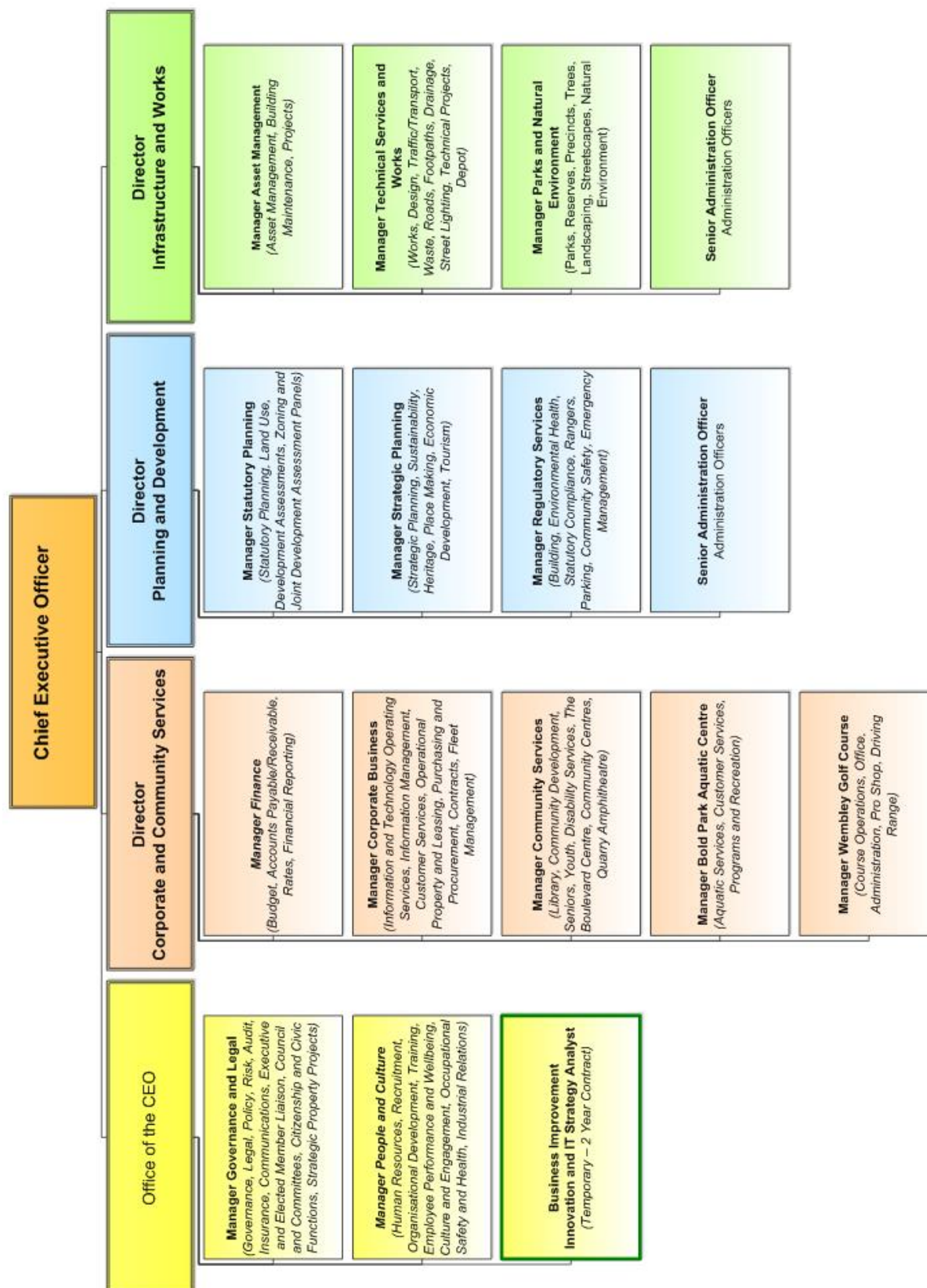


**ATTACHMENT No: 5      PRICE CONSULTING SUMMARY REPORT**

**Refer separate document attached to this Report.**



**ATTACHMENT No: 6      RECOMMENDED ORGANISATIONAL STRUCTURE**  
**OPTION 1.**



## **ATTACHMENT No: 7            THE VALUE OF 'RESPECT'**

### **Respect for the individual**

This is reflected in the way in which we interact with each our stakeholders – ratepayers, residents, visitors and employees. We should respect that each individual has his or her own biography that shapes his or her perspective. We should pride ourselves on fostering an environment both internally and externally in which these individual differences are embraced and encouraged. We should believe that communicating honestly shows respect. Treat people how you want to be treated - *“don’t do what you don’t want to be done to you,”*

### **Respect**

#### **What is respect? Concept and definition**

The **word respect** comes from the Latin word “respectus” meaning attention, regard or consideration. It can be defined as “esteem for or a sense of the worth or excellence of a person, a personal quality or ability, or something considered as a manifestation of a personal quality or ability”.

It is a concept that refers to the ability to value and honor another person, both his or her words and actions, even if we do not approve or share everything he or she does. **It is accepting the other person and not trying to change them.** Respecting another person is not judging them by their attitudes, behaviors or thoughts. It is not expecting for someone to be otherwise.

Our differences are positive because it creates our identity. This means that individual differences exist, but above all to understand that as members of a society we are equal. **All people are due respect for the simple fact of being people.** Equality is in balance. That is why it is very important to teach children from an early age the value of mutual respect. The best way to teach respect is to become a role model for our children.

Respect for others is very important, but **respect for yourself is fundamental since you will value others to the extent that you are able to value yourself.**

*“don’t do what you don’t want to be done to you,” and “respect and value.”*

Some synonyms of respect would be deference, obedience, attention, courtesy, tolerance, compliance or admiration.

#### **Why is respect important?**

Without it, interpersonal relationships will be filled with conflict and dissatisfaction. If we don’t respect others, they will not respect us, and if we don’t respect ourselves we will not be respected by others either.

It is essential to feel safe, to be able to express ourselves without fear of being judged, humiliated or discriminated against.

Being respectful of others, being respected and respecting ourselves increases our self-esteem, self-efficacy, mental health, and well-being.

## **Respect Others**

### **How do we respect others?**

1. Listening to the other person.
2. Being empathetic, understanding each other and putting ourselves in their shoes.
3. Using assertive communication, that is, defending our rights while respecting the rights of others, in an educated and non-aggressive manner.
4. Keep in mind that our approaches, ideas, and opinions may differ from other people and none is wrong. No one has the absolute truth.
5. Apologizing to each other when we make mistakes.
6. Keeping other people's secrets.
7. Complying with and respecting laws and regulations
8. Taking care of the common spaces and the environment.
9. Interest in others, their everyday life and how they feel.
10. Respecting the privacy and intimacy of others.
11. Respecting others spaces and belongings, not to invade or use what is not ours without permission.
12. Respect personal space.
13. Make sure we include rather than exclude others.
14. Helping others when it is in our power to do so.
15. Being grateful.

### **Creating a respectful workplace**

Managers play a key role in setting the culture of the workplace and the team through the behaviors they model, and those they expect of their employees. Positive workplaces are built by consistently respectful behavior and clear expectations of employees.

The benefits of respectful workplaces include:

- Improved employee morale and job satisfaction, improved teamwork, lower absenteeism and turnover, and increased productivity.
- Employees are better equipped to manage conflict collaboratively and cope with workplace challenge and change.<sup>2</sup>
- Employees are much less likely to perceive their workload as excessive or to submit workers' compensation claims.<sup>3</sup>
- Teams and organisations that are seen as positive places to work will attract and retain highly skilled staff.<sup>4</sup>
- Lack of respect and what is sometimes called 'incivility'—low level negative behaviors (such as rudeness, discourteousness, not acknowledging other staff)—can create a dysfunctional team environment, relationship breakdown, decline in productivity, and the risk of psychological injury.

### **Employers and employees have shared obligations for creating respectful and courteous workplaces.**

Employers want a productive workforce that manages its performance and achieves results.

Employees want to work in a place where:

- they know what is expected of them
- the workplace is safe and they are treated fairly
- their skills and contribution are recognised and valued
- training and development support career progression
- they can work harmoniously with others.

## **ATTACHMENT No: 8      WHAT IS 'CUSTOMER FIRST'?**

### **The Golden Rules of 'Customer First'.**

#### Be Genuine

The customer always knows if you are genuine or not. There is nothing more insulting than faking that you care. The customer will know and this would simply be the end of the conversation.

#### Treat Your Customers Equally

Every single interaction matters, no matter how big, or small, the customer is. It doesn't matter how much money you make from your customer, small and big clients should be treated alike.

#### The Customer has a point

The customer may not always be right, but they might have a point. You can always look for a way to resolve a problem, and both parties to be beneficial, even if compromises are made. If the customer isn't fulfilled with your work, find out why and if the problem could be fixed.

#### Give More than Needed

Learn to give more than the customer expects. There is no better feeling to see that what you pay for isn't what you get, but instead, it's much better. Small things can go a long way. Gift cards, special offers and other details relevant to your field of operation should be offered when trying to retain a customer.

#### Acknowledge your mistakes

Apologise when needed. One of the best things your business can do is to admit when it's wrong. Apologize and offer a way to fix the trouble.

#### Pass down your customer – centric morale to your employees

Teach employees to care for the customer, and treat them well.

You can't expect employees to care for your customers if you don't care for the people that work for you. Make sure you treat your employee's great, so they can keep your customers happy.

## **ATTACHMENT No: 9            WHAT IS CHANGE MANAGEMENT?**

### **What is Change Management?**

Change management is a systematic approach to dealing with the transition or transformation of an organization's goals, processes or technologies. The purpose of change management is to implement strategies for effecting change, controlling change and helping people to adapt to change.

It is considered beneficial that appropriate change management strategies be implemented with the new organisational structure to commence the process to change the culture of the Town's Administration.

### **There is a need to change the Culture:**

*'Organisational culture' is defined as the underlying beliefs, assumptions, values and ways of interacting that contribute to the unique social and psychological environment of an organisation.*

Organisational culture includes an organisation's expectations, experiences, philosophy, as well as the values that guide member behavior, and is expressed in member self-image, inner workings, interactions with the outside world, and future expectations. Culture is based on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid (Ref: The Business Dictionary).

Simply stated, organisational culture is *"the way things are done around here"* (ref. Deal & Kennedy, 2000).

### **Hall and Wilcox Investigation Report Finding:**

The Hall and Wilcox Investigation Lawyers Report dated June 2018 identified a culture of 'complacency' (Finding page 11) and made the following recommendation:

*"(e) The Town should address the complacency that appears to have developed by communicating the 'lessons learned' from the investigation to all staff and emphasising the importance of applying an independent mind and not simply following what has been done before."*

### **Current Assessment of the Town's Administration Culture:**

The A/CEO is of the opinion that in some areas, the Town's Administration 'culture' is considered to be poor, negative, unresponsive to change and 'stale'. The A/CEO concurs with the statement of 'complacency' made by Hall and Wilcox.

It is considered essential that any changes must include strategies to change the culture of the organisation.