

Minutes of the Special Meeting of the Council of the Town of Vincent held at the Administration and Civic Centre, 244 Vincent Street, Leederville, on Tuesday 19 August 2003, commencing at 6.02pm.

1. DECLARATION OF OPENING

The Presiding Member, Mayor Nick Catania, JP declared the meeting open at 6.02pm.

2. APOLOGIES/MEMBERS ON APPROVED LEAVE OF ABSENCE

(a) Apologies:

Nil

(b) Present:

Mayor Nick Catania, JP	Presiding Member
Cr Simon Chester	North Ward
Cr Helen Doran-Wu	North Ward
Cr Basil Franchina	North Ward (from 6.11pm)
Cr Ian Ker (Deputy Mayor)	South Ward
Cr Sally Lake	South Ward
Cr Maddalena Torre	South Ward

John Giorgi, JP	Chief Executive Officer
Rob Boardman	Executive Manager, Environmental & Development Services
Rick Lotznicher	Executive Manager, Technical Services
Mike Rootsey	Executive Manager Corporate Services
Debbie Winfield	Minutes Secretary

Alia Bath	Journalist - Voice News (in public gallery)
Andrea Tsoveas	Journalist – Guardian Express (from 6.08pm)

1 Member of the Public

(c) Members on Leave of Absence:

Cr Caroline Cohen	South Ward
Cr Steed Farrell	North Ward

3.(a) PUBLIC QUESTION TIME & RECEIVING OF PUBLIC SUBMISSIONS

Nil.

(b) RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

4. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

5. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)

Nil.

6. DECLARATION OF INTERESTS

- 6.1 Chief Executive Officer John Giorgi, and Executive Managers, Rob Boardman, Mike Rootsey and Rock Lotznicher declared an impartiality interest in Item 7.1 - Independent Organisation Review - Consideration of Recommendations, Key Areas and Priorities. The extent of their interest being that matters of the Independent Organisation Review may impact on them in regard to changes and workload.

7.1 Independent Organisational Review - Consideration of Recommendations, Key Areas and Priorities

Ward:	Both	Date:	15 August 2003
Precinct:	All	File Ref:	ADM0061
Attachments:			
Reporting Officer(s):	John Giorgi		
Checked/Endorsed by:	-	Amended by:	-

OFFICER RECOMMENDATION:

That the Council;

(i) **REQUESTS** the Chief Executive Officer to action the Independent Organisational Review (IOR) recommendations in the following priorities:

(a) **Action forthwith (High Priority)**

Recommendation Numbers:

1, 4(f), 5, 6, 10, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 30, 31, 33, 39, 41, 42, 43, 46, 47 and 53

(b) **Action however requires further information/investigation (Medium Priority)**

Recommendation Numbers:

2(a), 2(b), 3(b), 4(a), 4(b), 4(c), 4(d), 4(e), 4(g), 4(h), 7, 8, 11, 12, 13, 19, 26, 27, 28, 29, 35, 36, 37, 45, 48, 50 and 52

(ii) **NOTES** that the following IOR recommendations have already been completed or require no further action:

Recommendation Numbers:

3(a), 9, 18, 32, 34, 38, 40, 44, 49 and 51; and

(iii) **APPROVES** the implementation of the IOR recommendations in accordance with the roles and responsibilities prescribed in the Local Government Act 1995 at Section 2.7 (for the Council) and at Section 5.41 (for the CEO) as shown below:

Recommendation Number	Page	Governance (Council Responsibility)	Administration (CEO Responsibility)
Objective 1 - Strategy			
1	17	x	
2(a)	17		x
2(b)	17		x
3(a)	17	Completed	
3(b)	17		x
Objective 2 - Organisation Structure Review			
Suggestions	20		
4	30		Supported in part
Objective 3 - Governance			
5	35	x	
6	36	x	
7	36		x
8	36		x
9	36		Completed
10	36		x
11	36		x

Recommendation Number	Page	Governance (Council Responsibility)	Administration (CEO Responsibility)
12	36	x	
13	36		x
Suggestions	42(3)	x	
Objective 4 - Human Resources & Performance Management			
14	45		x
15	45		x
16	46	x	
17	46		x
18	46		x
19	46		x
20	46		x
21	46		x
22	46		x
23	46		x
24	46		Supported in part only
25	46		x
Objective 5 - Financial Performance & Accountability			
26	56		x
27	56		x
28	57		x
29	57	x	
30	57		x
31	57		x
32	57	Completed	
33	57	x	
34	57		Completed
Objective 6 - Financial Accountability - Business & Services			
35	62		x
36	63		x
37	63		x
Objective 7 - Human Resources Survey			
38	63		Completed
39	68		x
40	68		Completed
Objective 8 - Process and Procedures			
41	83	x	
42	83		x
43	83		x
44	83		Completed
45	83		x
46	83		x
47	83		x
48	83	x	
49	83	Completed	
50	84	x	
51	84		Completed
52	85		x
Objective 9 - Financial Implications			
Objective 10 - Human Resources - Senior Executives			
53	96		x

Moved Cr Chester, Seconded Cr Torre

That the recommendation be adopted.

At 6.07pm **Moved Cr Lake, Seconded Cr Chester**

That STANDING ORDERS be suspended to allow Members to speak more than once.

CARRIED (6-0)

(Crs Cohen and Farrell on approved leave of absence. Cr Franchina was not in the Chamber and did not vote.)

Debate and discussion ensued.

Cr Franchina entered the Chamber at 6.11pm.

Debate and discussion ensued.

At 6.38pm, **Moved Cr Torre, Seconded Cr Ker**

That Standing Orders be resumed.

CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

Moved Cr Ker, Seconded Cr Lake

That clauses (i) and (ii) be amended as shown and a new clause (iv) be inserted as follows:

That the Council;

(i) ***REQUESTS the Chief Executive Officer to ~~action~~ prepare an implementation programme of the Independent Organisational Review (IOR) recommendations in the following priorities:***

(a) ***Action forthwith (High Priority)***

Recommendation Numbers:

1, 4(f), 5, 6, 10, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 30, 31, 33, 39, 41, 42, 43, 46, 47 and 53

(b) ***Action however requires further information/investigation (Medium Priority)***

Recommendation Numbers:

2(a), 2(b), 3(b), 4(a), 4(b), 4(c), 4(d), 4(e), 4(g), 4(h), 7, 8, 11, 12, 13, 19, 26, 27, 28, 29, 35, 36, 37, 45, 48, 50 and 52

(ii) ***NOTES that the following IOR recommendations have already been completed or require no further action:***

Recommendation Numbers:

3(a), 9, 18 (part completed), 32, 34, 38, 40, 44, 49 and 51; and

- (iii) *APPROVES the implementation of the IOR recommendations in accordance with the roles and responsibilities prescribed in the Local Government Act 1995 at Section 2.7 (for the Council) and at Section 5.41 (for the CEO) as shown below:*

Recommendation Number	Page	Governance (Council Responsibility)	Administration (CEO Responsibility)
Objective 1 - Strategy			
1	17	x	
2(a)	17		x
2(b)	17		x
3(a)	17	Completed	
3(b)	17		x
Objective 2 - Organisation Structure Review			
Suggestions	20		
4	30		Supported in part
Objective 3 - Governance			
5	35	x	
6	36	x	
7	36		x
8	36		x
9	36		Completed
10	36		x
11	36		x
12	36	x	
13	36		x
Suggestions	42(3)	x	
Objective 4 - Human Resources & Performance Management			
14	45		x
15	45		x
16	46	x	
17	46		x
18	46		x
19	46		x
20	46		x
21	46		x
22	46		x
23	46		x
24	46		Supported in part only
25	46		x
Objective 5 - Financial Performance & Accountability			
26	56		x
27	56		x
28	57		x
29	57	x	
30	57		x
31	57		x
32	57	Completed	
33	57	x	
34	57		Completed
Objective 6 - Financial Accountability - Business & Services			
35	62		x
36	63		x
37	63		x
Objective 7 - Human Resources Survey			
38	63		Completed
39	68		x
40	68		Completed
Objective 8 - Process and Procedures			
41	83	x	
42	83		x
43	83		x
44	83		Completed
45	83		x

Recommendation Number	Page	Governance (Council Responsibility)	Administration (CEO Responsibility)
46	83		x
47	83		x
48	83	x	
49	83	Completed	
50	84	x	
51	84		Completed
52	85		x
Objective 9 - Financial Implications			
Objective 10 - Human Resources - Senior Executives			
53	96		x

and;

(iv) NOTES that the Chief Executive Officer will be submitting comments on the IOR recommendations in his report to the Ordinary Meeting of Council to be held on 14 October 2003.

AMENDMENT CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

Moved Cr Ker, Seconded Cr Lake

That the following words be inserted at the end of clause (i) (a); "but notes that the case for Recommendation (5) has not been substantiated and that other ways of improving Council's decision-making process without going to a three week meeting cycle should be investigated."

AMENDMENT CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

Moved Cr Lake, Seconded Cr Ker

That clause (iii) be amended as follows;

- i. deleting the word "implementation" and replacing with the words "further actioning";*
- ii. inserting the words "this resolution and" after the words "in accordance with"; and*
- iii. inserting the words "noting that matters under 'Governance' will require formal Council approval and that some of those under 'Administration' may do so, (for example where there are financial budget impacts on the Town)" after the word "below"; as follows;*

"(iii) APPROVES the ~~implementation~~ further actioning of the IOR recommendations in accordance with this resolution and the roles and responsibilities prescribed in the Local Government Act 1995 at Section 2.7 (for the Council) and at Section 5.41 (for the CEO) as shown below, noting that matters under 'Governance' will require formal Council approval and that some of those under 'Administration' may do so (for example, where there are financial budget impacts on the Town)."

AMENDMENT CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

Moved Cr Chester, Seconded Cr Lake

That a new clause (ii) be added as follows, and the remaining clauses be renumbered accordingly;

"(ii) REQUESTS the following areas and their relevant recommendations in the Independent Organisation Review that Council attach a high priority be;

- (a) Strategic Plan - (Recommendations: 1 and 12, and suggestion Page 20);*
- (b) Customer Services Area - (Recommendations: 4(f), 4(g), 4(h) and 35);*
- (c) Delegations, Discretions and Policy - (Recommendations: 6, 11, 13, 41 and 46);*
- (d) Audit Committee - (Recommendations: 29, 32 and 33); and*
- (e) Parking - (Recommendations: 48, 50 and 52)."*

AMENDMENT CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

Moved Cr Doran-Wu, Seconded Cr Torre

That IOR recommendation 3(b) be changed from a medium priority to a high priority and clauses (i)(a) and (i)(b) be amended accordingly.

AMENDMENT CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

Moved Cr Lake, Seconded Cr Doran-Wu

That new clause (ii)(c) be amended by inserting IOR recommendation "7" after "6".

AMENDMENT CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

Moved Cr Lake, Seconded Cr Ker

That clause (i)(b) be amended by inserting IOR recommendation "18 (part completed)" after "13".

AMENDMENT CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

Moved Cr Torre, Seconded _____

That in original clause (iii) the words "further actioning of the IOR recommendations in accordance with this resolution and in accordance with the implementation programme as approved by Council" be inserted and the word "implementaiton" be deleted.

Cr Ker stated that this was covered in a previous amendment.

There was no seconder and therefore the Motion lapsed.

Moved Cr Ker, Seconded Cr Torre

That IOR Recommendation "2(b)" be moved from a medium priority to a high priority.

AMENDMENT CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

Moved Cr Lake, Seconded Cr Ker

That IOR Recommendation "2(a)" be moved from a medium priority to a high priority.

AMENDMENT CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

MOTION AS AMENDED CARRIED (7-0)

(Crs Cohen and Farrell on approved leave of absence.)

COUNCIL DECISION ITEM 7.1

That the Council;

(i) *REQUESTS the Chief Executive Officer to prepare an implementation programme of the Independent Organisational Review (IOR) recommendations in the following priorities:*

(a) **forthwith (High Priority)**

Recommendation Numbers:

1, 2(a), 2(b), 3(b), 4(f), 5, 6, 10, 14, 15, 16, 17,) 20, 21, 22, 23, 24, 25, 30, 31, 33, 39, 41, 42, 43, 46, 47 and 53

but notes that the case for Recommendation (5) has not been substantiated and that other ways of improving Council's decision-making process without going to a three week meeting cycle should be investigated;"

(b) **requires further information/investigation (Medium Priority)**

Recommendation Numbers:

4(a), 4(b), 4(c), 4(d), 4(e), 4(g), 4(h), 7, 8, 11, 12, 13, 18 (part completed), 19, 26, 27, 28, 29, 35, 36, 37, 45, 48, 50 and 52

(ii) *REQUESTS the areas and their relevant recommendations in the Independent Organisation Reveiw that Council attaches a high priority to be;*

- (a) *Strategic Plan - (Recommendation: 1 and 12, and suggestion on Page 20);*
- (b) *Customer Services Area - (Recommendations:4(f), 4(g), 4(h) and 35);*
- (c) *Delegations, Discretions and Policy - (Recommendations: 6, 7, 11, 13, 41 and 46);*
- (d) *Audit Committee - (Recommendations: 29, 32 and 33); and*
- (e) *Parking - (Recommendations: 48, 50 and 52)*

- (iii) *NOTES that the following IOR recommendations have already been completed or require no further action:*

Recommendation Numbers:

3(a), 9, 18 (part completed), 32, 34, 38, 40, 44, 49 and 51; and

- (iv) *APPROVES the further actioning of the IOR recommendations in accordance with this resolution and the roles and responsibilities prescribed in the Local Government Act 1995 at Section 2.7 (for the Council) and at Section 5.41 (for the CEO) as shown below, noting that matters under 'Governance' will require formal Council approval and that some of those under 'Administration' may do so (for example, where there are financial budget impacts on the Town)."*

Recommendation Number	Page	Governance (Council Responsibility)	Administration (CEO Responsibility)
Objective 1 - Strategy			
1	17	x	
2(a)	17		x
2(b)	17		x
3(a)	17	Completed	
3(b)	17		x
Objective 2 - Organisation Structure Review			
Suggestions	20		
4	30		Supported in part
Objective 3 - Governance			
5	35	x	
6	36	x	
7	36		x
8	36		x
9	36		Completed
10	36		x
11	36		x
12	36	x	
13	36		x
Suggestions	42(3)	x	
Objective 4 - Human Resources & Performance Management			
14	45		x
15	45		x
16	46	x	
17	46		x
18	46		x
19	46		x
20	46		x
21	46		x
22	46		x
23	46		x
24	46		Supported in part only
25	46		x
Objective 5 - Financial Performance & Accountability			
26	56		x
27	56		x
28	57		x
29	57	x	
30	57		x
31	57		x
32	57	Completed	
33	57	x	
34	57		Completed
Objective 6 - Financial Accountability - Business & Services			
35	62		x
36	63		x
37	63		x

Recommendation Number	Page	Governance (Council Responsibility)	Administration (CEO Responsibility)
Objective 7 - Human Resources Survey			
38	63		Completed
39	68		x
40	68		Completed
Objective 8 - Process and Procedures			
41	83	x	
42	83		x
43	83		x
44	83		Completed
45	83		x
46	83		x
47	83		x
48	83	x	
49	83	Completed	
50	84	x	
51	84		Completed
52	85		x
Objective 9 - Financial Implications			
Objective 10 - Human Resources - Senior Executives			
53	96		x

and;

- (v) *NOTES that the Chief Executive Officer will be submitting comments on the IOR recommendations in his report to the Ordinary Meeting of Council to be held on 14 October 2003.*

DETAILS:

The Council received the final report of the Independent Organisational Review (IOR) - April 2003 as conducted by Corporate and Regional Enterprises (CARE) in collaboration with Murray Jorgensen and Associates and ADM Chartered Accountants on 1 May 2003. A list of the Terms of Reference and the IOR Recommendations are attached in Appendix A of this report.

On 5 August 2003 an information briefing session was held for Elected Members (as per Council Decision of 22 July 2003). Mr Gary Brennan, the Principal of CARE, facilitated the session which was attended by the Mayor, Councillors, CEO and Executive Managers (Cr Cohen was on approved leave of absence. Crs Franchina and Torre were absent). At the briefing session Mr Brennan explained the report findings in more detail, elaborated on key recommendations and answered questions.

At the Ordinary Meeting of the Council held on 22 July 2003, the Council considered a Notice of Motion and resolved as follows:

"That the Council;

- (i) *in accordance with Regulation 10 of the Local Government (Administration) Regulations 1996 as referred to in Section 5.25(e) of the Local Government Act 1995 having received the support of one third of the members, resolves to REVOKE OR CHANGE the following part resolution adopted by the Council at its Ordinary Meeting held on 8 July 2003 (Item No 10.4.3) namely Clause (ii);*

"(ii) *REQUESTS the Chief Executive Officer to provide a further report on the Independent Organisational Review including the recommendations, as detailed in this report; and ..."*

(ii) *APPROVES BY AN ABSOLUTE MAJORITY of the following:*

- (a) *that the Mayor, Councillors, CEO and Executive Managers have an Elected Members briefing to discuss key issues raised by the Independent Organisational Review and potential options for dealing with them, and facilitator, Gary Brennan be engaged to facilitate the briefing;*
- (b) *the proposed briefing is to be held in two weeks time; **(date 5 August 2003)***
- (c) *the Council hold a Special Meeting in mid August 2003 to consider the recommendations and identify key areas and priorities in the implementation of the Independent Organisational Review; **(date 19 August 2003)***
- (d) *the CEO be requested to prepare an Organisational Review Implementation Report, by the first meeting in October, based on the resolution of Council at the aforementioned Special Meeting of Council; **(date 14 October 2003)***
- (e) *the Town's Organisational Review Implementation Report and consultants Independent Organisational Review be advertised for community consultation in accordance with the Town's consultation policy; and **(advertise 17 October, close 14 November, assess 14-24 November, write report 25 & 26 November 2003)***
- (f) *the final report be presented for Council's consideration by December 2003." **(final report to Council 2 December 2003)***

The above dates indicated in **bold** were included by the Chief Executive Officer and tabled at the Elected Members briefing session held on 5 August 2003.

At the Ordinary Meeting of Council held on 8 July 2003, the Council resolved as follows:

"That the Council;

- (i) *RECEIVES the Independent Organisational Report dated April 2003 (circulated separately to Elected Members and as laid on the Table) as conducted by Corporate and Regional Enterprises (CARE) in collaboration with Murray Jorgensen and Associates and ADM Chartered Accountants;*
- ~~(ii) *REQUESTS the Chief Executive Officer to provide a further report on the Independent Organisational Review including the recommendations, as detailed in this report;*~~

(rescinded at OMC 22 July 200 - Item 1.1)

~~(iii)~~(ii) *NOTES the Independent Organisation Review includes the following comments:*

- (a) *"The Review concluded that the Town has dedicated staff and is generally well managed and operating adequately" (page 1);*

- (b) *"The majority view of key stakeholders is that the Town of Vincent is generally operating to a satisfactory standard of local government. Outstanding areas highlighted by key stakeholders included Beatty Park Leisure Centre, Parks Services, Engineering Operations and Works Services and Library Services" (page 1);*
- (c) *"Financially the Town is functioning well, is virtually debt free with reasonable balance of cash in Reserve Funds" (page 7);*
- (d) *"The area of financial accountability (Businesses and Services) was found to be very sound" (page 7);*
- (e) *"The Town's existing allocation of resources and outsourcing practices ensure that resources are not duplicated" (page 66);*
- (f) *"External key stakeholders observed that whilst the Town is well managed, the Organisation could improve its performance in key governance and strategic tasks" (page 2);*
- (g) *"The majority of stakeholders identified a number of frustrations with parking matters" (page 8);*
- (h) *"A survey of users of Town Planning and Building Services reviewed opportunities to enhance the performance of these integral services" (page 8). "The estimated net cost of affecting the implementation of the recommendations and changes totals \$105,206, of this amount \$81,606 will remain as annual cost increases to the organization" (page 9); and*
- (i) *"The majority of key stakeholders believe that the CEO and Executive Managers were performing satisfactorily" (page 10); and*

~~(iv)~~(iii) *provides copies of the report to Precinct and Business Groups and others on request, and for public access in the Library and the Administration Centre, prior to the briefing agreed to at the Ordinary Meeting of Council held on 24 June 2003, and to be held on Thursday, 17 July 2003."*

Elected Members' Briefing Session - 1 July 2003

A briefing session for Elected Members was held on 1 July 2003. However, due to the limited time available, this session was restricted to explaining the key recommendations.

Consideration of the Report

The Chief Executive Officer, Executive Managers and Managers have been reviewing the recommendations and providing comments. To date, the Chief Executive Officer has not submitted his comments on the IOR Recommendations. Whilst almost all of the recommendations are supported, several are supported in part only. This information will be provided in a report to Council after the matter has been further considered. Following the Special Meeting of Council decision of 19 August 2003, a further report will be submitted to the Ordinary Meeting of Council to be held on 14 October 2003 detailing the IOR Recommendation Implementation Timetable.

CONSULTATION/ADVERTISING:

A public meeting for the consultants to report the findings of the IOR was held on 17 July 2003 at 6.00pm. The meeting was attended by the three (3) principal consultants and approximately fourteen (14) members of the public.

A copy of the Independent Organisational Review Report has been placed on the Town's Intranet (for staff) and Council's webpage. Hard copies of the report have been provided to all of the Town's sections, front counter and at the library and also to several precinct groups upon their request.

In accordance with the Council's decision of 22 July 2003, further community consultation is proposed to be carried out from mid October to mid November 2003 concerning the Town's Organisational Review Implementation Report.

LEGAL/POLICY:

The Local Government Act 1995 prescribes the responsibilities of the Elected Council, Mayor, Councillors and Chief Executive Officer. It provides a clear distinction between governance matters which are the responsibility of the Elected Council and administrative matters which are the responsibility of the Chief Executive Officer.

The Local Government Act 1995 lists the role of Council at Section 2.7:

Section 2.7

(1) "The Council -

- (a) directs and controls the local government's affairs; and
- (b) is responsible for the performance of the local government's functions.

(2) Without limiting subsection (1), the Council is to -

- (a) oversee the allocation of the local government's finances and resources; and
- (b) determine the local government's policies."

and the role of the Chief Executive Officer at Section 5.41.

Section 5.41

The CEO's functions are to -

- (a) advise the Council in relation to the functions of a local government under this Act and other written laws;
- (b) ensure that advice and information is available to the Council so that informed decisions can be made;
- (c) cause Council decisions to be implemented;
- (d) manage the day to day operations of the local government;

- (e) liaise with the Mayor or President on the local government's affairs and the performance of the local government's functions;
- (f) speak on behalf of the local government if the Mayor or President agrees;
- (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);
- (h) ensure that records and documents of the local government are properly kept for the purposes of this Act and any other written law; and
- (i) perform any other function specified or delegated by the local government or imposed under this Act or any other written law as a function to be performed by the CEO.

Definitions:

Objective: Something toward which effort is directed : an aim, goal, or end of action (Merriam-Webster's Collegiate Dictionary [<http://merriam.com/>])

Outcome: Something that follows as a result or consequence (Merriam-Webster's Collegiate Dictionary [<http://merriam.com/>])

Governance: Is broadly defined as the process and structures (formal and informal) by which a group, community or society makes decisions; distributes and exercises authority and power; determines strategic goals; organises corporate and individual behaviour; develops institutional rules; and assigns responsibility for those matters.

“Governance” is about having the structures, processes, legitimacy and institutional capacity in place to facilitate sound decision-making and accountability.

“Good Governance” is essentially concerned with creating the conditions for ordered rule and collective action. (Department of Local Government and Regional Development – Update No 43 – October 2002)

STRATEGIC IMPLICATIONS:

The Independent Organisational Review has identified a number of matters which are of strategic importance to the Town.

As part of the process the Town's current and Draft Strategic Plans were reviewed.

FINANCIAL/BUDGET IMPLICATIONS:

The Independent Organisational Review cost \$79,500 plus \$7,950 GST. Additional incidental costs of several hundreds of dollars were also incurred.

The staff time costs to assist in the Review have not been calculated.

The estimated net cost of affecting the implementation of the recommendations and changes totals \$105,206. Of this amount \$81,606 will remain as annual cost increases to the organisation.

An amount of \$105,000 has been included in the Budget 2003/04.

The consultants have charged an hourly rate for the two briefing sessions attended.

COMMENTS:

The Chief Executive Officer is of the opinion that the Independent Organisational Review is a fair and objective report. It is pleasing to note that the Report contains many positive comments and highlighted many areas where the Town is performing very well.

The Review also identified opportunities to improve the organisational performance in a cost effective manner that will result in the Town of Vincent providing improved standards of performance for the betterment of service delivery to its community. A number of recommendations have been made to realise those opportunities.

The Chief Executive Officer has prepared this report detailing the recommendation priorities and separation of the IOR recommendations for implementation by either the Council or CEO (according to whether they are governance or administrative) based on the information and comments provided at the Elected Members' briefing session held on 5 August 2003.

The challenge is now for the Elected Council and the Town's Administration to jointly work together for the betterment of the Vincent Community.

APPENDIX A

INDEPENDENT ORGANISATIONAL REVIEW - OBJECTIVES, TERMS OF REFERENCE AND RECOMMENDATIONS

1. OBJECTIVE – STRATEGY

To review the Town's past and future strategic direction with reference to the capacity of the organisational, structural and administrative infrastructure, to meet current and future objectives of the Strategic Plan.

Terms of Reference

Examine Council's current Strategic Plan 2000-02 and proposed Strategic Plan to 2002-2007;

1. identifying critical issues;
2. determining the capacity of the Council to achieve stated objectives given the current staffing structure, resources and timelines; and
3. analysing the extent to which the goals of the organisation are pursued and aligned with Key Performance Indicators specified in the Town's Adopted Strategic Plan and the Principal Activities Plan.

Outcome

To ensure that the resources and goals of the Town are appropriately aligned to its strategic direction, and monitored through the appropriate performance management measures.

RECOMMENDATION 1

The 2002 – 2007 strategic planning process be revisited and include the following approach and elements:

The strategic planning process focus on social, environmental and economic outcomes and include quantitative and qualitative evaluations of Key Result Areas using key performance indicators and effectiveness indicators that are outcomes oriented, relevant and useful for future planning. The process to include the following elements.

Vision:

Set the shared view on what the Town will be in 5 years time. The end result must be an outcome that has the benefit of critical analysis and reflects the majority stakeholder views as being realistic and affordable.

Mission:

Describe the shared view of what services and activities the Town provides.

Values:

Describe the shared values that will be used as the basis for the philosophical approach to the way of "doing business" in the Town. The values to be supported by Behaviour Standards or Codes of Conduct.

Key Result Areas (the main functional areas):

Identify the functional areas that when achieved will collectively satisfy the vision statement. For each key result area there must be identified:

- The Scope (i.e. a description of what is to be included in the key result area)
- Key Objectives/Outcomes that collectively will achieve the Key Result Area
- Strategies and Action Plans for those key objectives/outcomes and
- Key Performance Indicators that are outcomes oriented, relevant and useful for future planning.

RECOMMENDATION 2

- (a) The Executive Management Team encourages staff to use their Services management meetings to identify strategic and organisational improvements.
- (b) The Executive Management Team meeting agendas include a regular item to consider and respond to suggestions from Services management meetings to achieve strategic and organisational improvement suggestions.

RECOMMENDATION 3

- (a) The Town of Vincent does not embark on additional programs requiring resources of Town Planning and Heritage until the core functions are operating to Council's satisfaction.
- (b) The Town of Vincent requests the East Perth Redevelopment Authority to provide advice on the essential elements of urban economic development and strategies for the Town of Vincent to pursue to achieve the objectives of Key Result Area 3 – Economic Development.

2. OBJECTIVE – Organisational structure review

To ensure that an optimal level of organisational structure and employee resources are in place to best achieve the strategic goals of the Town.

Terms of Reference

Review the **organisational** structure and reporting lines including staffing levels to determine;

1. cost effectiveness;
2. capacity to deliver the strategic and operational objectives of the Council; and
3. service level delivery to the community.

Outcome

To establish an appropriate organisational structure and employee resources that is able to deliver the services and projects as outlined in the strategic plan in a cost effective and efficient manner.

RECOMMENDATION 4

- (a) Community Development and Administration functions be split with Community Development to become a function of Environmental and Development Services. The administration functions of local government elections, land administration, coordinating legal services, register and safekeeping of legal documents, administration and maintenance of telephone/PABX/Voicemail system, facsimile machine and photocopiers, messages on hold, agendas and minutes distribution, Council minutes data collection and stationary orders remain in Corporate Services.
- (b) The administrative functions and staff resources involved in preparing agendas, recording minutes and distributing minutes be transferred from the office of the Chief Executive Officer to Corporate Services.
- (c) The Minute Secretary and Relieving Officer's position be merged following the retirement of the Relieving Officer in April 2003.
- (d) Fleet management responsibilities be transferred from Manager Parks to Corporate Services Finance Officer (Purchasing/Contracts).
- (e) The Property Maintenance Officer position reports to Manager Planning and Building Services.
- (f) The position Manager Customer Service Centre be created and the Customer Service Centre become a function of the Chief Executive Officer's Division.
- (g) The responsibility for the customer information content of the Town's website and printed material be transferred to the Manager Customer Service.
- (h) An internal community consultative coordination group be formed and be facilitated by Manager Customer Service.

3. OBJECTIVE - GOVERNANCE

The evaluation and review of procedures and systems in relation to Council decision-making process, ensuring maximum efficiency and effectiveness.

Terms of Reference

Examine Council systems, procedures and processes in terms of;

1. agenda preparation, quality, accuracy and timeliness of reports (including notification to persons who have matters listed on the Council Agenda or have submitted an objection/comment);
2. preparation and research of documentation;
3. measurable outcomes and follow through on Council decisions by the Executive Management Team (including the thoroughness of implementing Council decisions); and
4. alignment of decisions by the Council in relation to the Officer Recommendations, legislation, Council Policies and Guidelines and strategic direction of the organisation.

Outcome

To engender optimal standards for Council systems, procedures and processes to ensure that outcomes and decisions are consistent and well-informed with appropriate follow-up mechanisms in place.

RECOMMENDATION 5

- (a) Council introduce a 12 month trial of three week cycles to Council decision making comprised of:
- **Week 1** Council briefing session on matters of a long term nature or are otherwise strategic in their nature and are in the early stages of development. Attendance at those meetings is by invitation. No decisions are to be made at those meetings. Matters requiring decision are to be referred to the Council Committee included in week 2 of the meetings cycle.
 - **Week 2** Council meeting in Committee whereby members of the public and parties associated with matters before Council are directly and publicly invited to attend and address the Committee. It is essential Managers of staff who author reports together with Executive Managers attend these meetings to respond to Council questions.
 - **Week 3** Ordinary Council meeting whereby the Council considers recommendations submitted from the Council Committee meeting and makes final determination on all matters.

RECOMMENDATION 6

Council request a report from the Chief Executive Officer recommending delegated authority to the Manager Planning and Building Services to approve specified development applications wherever practicable and legally acceptable to competent staff with accompanying draft guidelines for Council's consideration.

RECOMMENDATION 7

Neighbourhood notifications be written in non technical language and be made at least 7 days prior to the matter being considered by Council. A cover letter be included detailing the assistance that can be provided to explain the elements of the notification and that letter be written in the main languages used by residents of the Town.

RECOMMENDATION 8

A suitable computer be located in the Council Chamber connected to a projector and screen enabling the Minute Secretary to project the "live" recording of declarations, motions and resolutions of meetings for simultaneous viewing by the Elected Members, Officers and members of the public.

RECOMMENDATION 9

The Chief Executive Officer's report to each Council meeting includes an outstanding action list that records matters previously considered by Council yet to be actioned by Officers.

RECOMMENDATION 10

The Chief Executive Officer in collaboration with continuing Elected Members and the Executive Managers continue to prepare and conduct an Elected Members induction program during May of each election year.

The induction to include briefings by Executive Manager and relevant Managers on key strategic and operational functions of Council that will assist Elected Members understand and perform their roles and responsibilities. Topics to include amongst other matters are the Town Planning Scheme, Residential Design Guidelines, Standing Orders Local Law, Council's policies, Council's delegations, Understanding Financial reports, Council's budgeting process. Attendance at governance training courses such as the Australian Institute of Company Directors be considered.

RECOMMENDATION 11

The Chief Executive Officer be required to coordinate the review of the Policy Manual and submit the recommended variations to Council. The review is to take into account the suggested improvements contained in this report.

RECOMMENDATION 12

Council gives consideration to the wider use of community forums to proactively plan for the strategic direction of the Town of Vincent.

RECOMMENDATION 13

Town Planning Officer and Heritage Officer reports be written using objective language and formats changed to highlight discretionary approval provisions available to Council.

4. OBJECTIVE – HUMAN RESOURCES AND PERFORMANCE MANAGEMENT

To provide the opportunity to align staff current remuneration and performance expectations with industry standards and the strategic priorities and objectives of the Town.

Terms of Reference

Review the system of remuneration and performance assessment of Council Officers and employees, including;

1. current performance management methodology against Key Performance Indicators (KPIs);
2. performance incentive arrangements and practices;
3. effectiveness and measurement of any Enterprise Bargaining Agreements (EBAs) or Australian Workplace Agreements (AWAs); and
4. remuneration/performance review procedures.

Outcome

To provide a mechanism to monitor, review and reward performance in terms of agreed objectives and also improve employee personal development.

RECOMMENDATION 14

The format of the Progress Review Performance Management document be modified to include provision for the employee, together with their supervisor, to establish areas for improvement over each subsequent 12 month period.

RECOMMENDATION 15

Following Council's adoption of the 2003/2004 annual budget, the elected Council assisted by an experienced external person meet with the Chief Executive Officer to jointly determine key performance outcomes for the Chief Executive Officer for the next 12 months. Those outcomes to be strategic in nature and include a focus on goal setting and continuous improvement. The Chief Executive Officer's consent is required to any change, as this constitutes a contract variance.

RECOMMENDATION 16

Following the determination of performance outcomes for the Chief Executive Officer, that Officer conducts the same process for the Executive Managers. The Executive Manager's consent is required to any change, as this constitutes a contract variance.

RECOMMENDATION 17

The Senior Management Team and Managers use intangible incentives for staff by recognising performance verbally and in written form and involving staff more in decision- making that impact on their area of responsibility and in strategic matters.

RECOMMENDATION 18

The Senior Executive Management Team prepares guidelines to assist the determination of over-award payments including addressing the superannuation "gap" between employees engaged under the City of Perth Superannuation Scheme and the Local Government Superannuation Scheme.

RECOMMENDATION 19

The Senior Executive Management Team investigates and considers the benefits and criteria for offering term contracts to Officers appointed to positions with the prefix: "senior".

RECOMMENDATION 20

The Human Resources Manager prepares a strategy and is assigned responsibility for implementing and monitoring an organisational staff development program.

RECOMMENDATION 21

The Executive Management Team encourages staff to identify improvements to their work environment and process improvements that would lead to improved effectiveness.

RECOMMENDATION 22

The Executive Management Team identifies, acknowledges and harnesses the latent capacity of emerging leaders in the organisation.

RECOMMENDATION 23

The Executive Management Team meeting agenda include an item to introduce a staff career development program.

RECOMMENDATION 24

The Executive Management Team meeting agenda includes a regular item to receive input from Services team meetings on strategic matters to achieve organisational improvement through innovation and process improvement. As part of that process a Manager attends the Executive Management Team meeting on a rotating basis.

RECOMMENDATION 25

The Executive Management Team meetings agenda includes an item to consider and respond to suggestions from Services Team meetings on strategic matters and organisational improvement suggestions.

5. OBJECTIVE - FINANCIAL PERFORMANCE AND ACCOUNTABILITY

To review financial performance and information provided by the Town.

Terms of Reference

Examine financial arrangements in direct measurement to;

1. budget performance preparation, management and performance;
2. performance against industry benchmarks/best practice in government and where appropriate commerce;
3. financial reporting at the Elected Members, Executive Group and operational levels; and
4. audit performance.

Outcome

To ensure that the Town's financial performance and reporting is in line with industry benchmarks and best practices.

RECOMMENDATION 26

“Financial Statements Executive Summary” to be presented to Council on a quarterly or monthly basis.

RECOMMENDATION 27

The content and format of financial accounts and financial reports prepared by Corporate Services for Middle Management to be further developed and tailored taking account of individual Manager requirements.

RECOMMENDATION 28

Council's Activity Based Costing System documentation to be updated, the allocation of costs and staff allocation percentages to be reviewed where necessary.

RECOMMENDATION 29

Elected Members consider implementing an "Internal Audit / Accountability" function.

RECOMMENDATION 30

Timing of Budget Reviews to be reassessed. Where September quarter Budget Review is not formally prepared and presented to Council, it is recommended a formal Budget Review for October or November be performed and presented to Council prior to December each year, with subsequent reviews presented to Council in March and June.

RECOMMENDATION 31

Following items to be considered for inclusion in Annual Report:

- Comparative Indicators;
- Future Directions Summary;
- Fees and Charges By Type;
- Key Result Areas Summary;
- Triple Bottom Line Reporting.

RECOMMENDATION 32

Membership of the Audit Committee to be amended, with members consisting of Elected Members and the CEO (or a CEO nominee). Elected Members to comprise a majority of the Committee.

RECOMMENDATION 33

Audit Committee's role be extended to include risk management and accountability considerations.

RECOMMENDATION 34

The level of historical detail in regards to the Principal Activities Plan included in the Town's Annual Report be significantly reduced in future years, with only key performance indicators included. If the Town wishes to continue publishing the 5-year Principal Activities Plan history in full detail, it may be appropriate to include this information in a separate report.

6. OBJECTIVE - FINANCIAL ACCOUNTABILITY - BUSINESS AND SERVICES

To review the Council's philosophy regarding revenue generating, cost recovery and outsourcing, elimination of duplication in line with strategic direction and commitment to its "community service obligation".

Terms of Reference

Review performance outcomes of;

1. outsourced contracts;
2. Council trading enterprises (i.e. revenue generating activities);
3. Internal/External Service Level Agreements;
4. the Council's philosophy, policies and expectation for cost recovery of services, cost of services and service delivery; and
5. internal/external services to eliminate duplication.

Outcome

To establish clear objectives and policies that reflect the accepted Council philosophy and policies on revenue generating, cost recovery, outsourcing, its community service obligation and eliminating duplication.

RECOMMENDATION 35

Service Level Agreements to be developed, implemented and rolled out across various areas of Council Operations, including but not limited to

- Financial Services
- Administration Services
- Customer Service Centre

RECOMMENDATION 36

Business activities relating to the provision of services by Council to undergo further testing and benchmarking.

RECOMMENDATION 37

Where practical, the Town periodically considers benefits provided to residents and the community, and investigate income opportunities on a "user pays" basis.

7. OBJECTIVE - HUMAN RESOURCES SURVEY

To undertake a survey amongst staff to determine overall satisfaction with the work environment in the Town.

Terms of Reference

Survey the level of staff satisfaction covering;

1. communication with Elected Members;
2. Senior Executives;
3. available resources;
4. implementation of objectives;
5. work environment; and
6. satisfaction with management.

Outcome

To ensure that the Town provides a working environment that is productive and motivating, embodying principles of open communication, transparency and quality service delivery.

RECOMMENDATION 38

Where a particular area of the Town's operations requires temporary staff for 6 months or more, Council considers appointing staff on short term contracts wherever possible, rather than use external agencies.

RECOMMENDATION 39

The Executive management Team reviews the Human Resources Survey results and initiates actions to address the low satisfaction levels evident.

RECOMMENDATION 40

The Chief Executive Officer personally communicates with all staff explaining the Executive Management Team will be reviewing the Human Resource Survey outcomes and will be determining actions to address the key matters raised by staff in their survey responses.

8. OBJECTIVE - PROCESS AND PROCEDURES

Analyse and assess the efficiency and effectiveness of the organisation in servicing the community.

Examine the transactional relationship between the Council and Administration in implementing effective and efficient systems, processes and procedures for the organisation.

Terms of Reference

Review the organisational structure, administrative practices and procedures and decision making processes for matters requiring Council approval (e.g. development approvals, building licences, permits and licences) in direct measurement to;

1. Reporting to the Council;
2. Council decisions;
3. Extent of delegation;
4. Performance against industry benchmarks/best practice in like local governments; and
5. Determining the extent of customer satisfaction regarding quality, accessibility, clarity and accuracy of information provided to ratepayers/residents and also developers.

Outcome

- To achieve an accepted level of customer satisfaction for the community and all stakeholders
- To achieve a standard of performance that is in line with industry benchmarks/best practice.
- To provide appropriate delegation to assist in decision making.

Environmental and Development Services Processes

RECOMMENDATION 41

(As per Recommendation 6 Council delegates approval of specified development applications to the Manager Planning and Building Services.)

RECOMMENDATION 42

Within 24 hours of initial assessment of an application for a Development application or Building license, applicants be advised electronically in notation form of any issues of non-compliance or otherwise and approximate approval time if in compliance.

RECOMMENDATION 43

Where non-compliance is noted, the applicant be invited to attend a meeting with the application Officer to discuss options. Where compliance options are identified, the Officer initiates a facilitative process including persons that may be immediately impacted on by the development or matter under consideration.

RECOMMENDATION 44

The Town seeks to engage and retain experienced Town Planning Officers to assist with Statutory Town Planning matters.

RECOMMENDATION 45

The appointment of an additional Town Planning Officer be reviewed after Council determines the recommendation for additional delegation of approval for Development Applications.

RECOMMENDATION 46

The Town Planning and Heritage Officers' report format to Council contains a table detailing location, ownership, applicant, file reference, reporting Officer, reviewing Officer and a brief overview, to be followed by Officer recommendation, background including advertising, comments received and facilitation, legal implications including explanation of discretionary provisions and a location map showing location and adjoining properties. The report to be written in objective language.

RECOMMENDATION 47

The Manager Town Planning and Building Services initiates a review of processing building license applications to reduce the processing time to 2000/2001 levels.

Car Parking Process

RECOMMENDATION 48

Council reviews the 2002 Car Parking strategy and implements a staged approach to resolving the current car parking challenges by a medium term approach including combining paid parking with restricted free parking zones.

RECOMMENDATION 49

Future car parking decisions of Council be in accordance with the reviewed Car Parking Strategy.

RECOMMENDATION 50

Council reviews the cash in-lieu car parking contribution to achieve a market related contribution to assist funding car parking capital costs.

RECOMMENDATION 51

Ranger Services is not separated to distinguish between Parking and General Ranger functions.

RECOMMENDATION 52

As part of the Town Planning Scheme Review, Council Officers research the impact of reciprocal car parking on existing car parking spaces and recommend adjustments to the reciprocal arrangements where the impact is demonstrated to be negative.

9. OBJECTIVE - FINANCIAL IMPLICATIONS AND ACCOUNTABILITY

To ascertain the cost-benefit, accountability and feasibility of implementing recommendations and its impact on the core business of the Town.

Terms of Reference

Report on the Independent Organisational Review cost implications to the Council in terms of;

1. any increased costs or cost savings as a result of any proposed recommendations/findings;
2. implementation of any recommendations/findings;
3. impact on the level of service to the Community.

Outcome

That any forthcoming recommendations / findings are to be cost effective, sustainable, practicable and viable and have a positive impact on the level of service to the community.

RECOMMENDATION

Nil Required - Report Included The Costs Stated In The Terms Of Reference

10. OBJECTIVE – HUMAN RESOURCES - SENIOR EXECUTIVES

To review and align the role of Senior Executives with reference to the future direction of the organisation.

Terms of Reference

Review the requirements for Senior Executives to meet the future requirements of the Organisation.

Outcome

To directly link the role and performance of Senior Executives to the organisational strategic objectives, initiatives and requirements.

RECOMMENDATION 53

- (a) The Senior Executive Team embark on an Organisational Improvement Program that includes:
- Organisational development based on inclusiveness and recognition of staff latent capacity.
 - Continuous Improvement by examining ways to improve each period's outcomes not merely matching them.
 - Best Practice by seeking better ways of providing services within the boundaries of realistic financial constraints.
 - Empowering Teams to operate within negotiated guidelines rather than controlling and monitoring.

11. OBJECTIVE – TIMELINE AND REPORTING

The Independent Organisational Review to be conducted and completed in a timely manner, with a minimum of disruption to the organisation.

Terms of Reference

The Independent Organisational Review to be completed and a final report to be delivered within ten (10) weeks.

Outcome

The final report to be provided to the Chief Executive Officer, as one (1) unbound copy, fourteen (14) bound copies and in electronic format acceptable to the Chief Executive Officer within ten (10) weeks of the commencement of the Review.

RECOMMENDATION

Nil Required - A Draft Report was provided to Elected Members and CEO on 4 April 2003 for comment and the final report was delivered to the Town on 1 May 2003.

14. CLOSURE

Presiding Member, Mayor Catania, declared the meeting closed at 6.54pm with the following persons present;

- | | |
|---------------------------|---------------------------------------------------------|
| Mayor Nick Catania, JP | Presiding Member |
| Cr Simon Chester | North Ward |
| Cr Helen Doran-Wu | North Ward |
| Cr Basil Franchina | North Ward |
| Cr Ian Ker (Deputy Mayor) | South Ward |
| Cr Sally Lake | South Ward |
| Cr Maddalena Torre | South Ward |
|
 | |
| John Giorgi, JP | Chief Executive Officer |
| Rob Boardman | Executive Manager, Environmental & Development Services |
| Mike Rootsey | Executive Manager, Corporate Services |
| Rick Lotznicher | Executive Manager, Technical Services |
| Debbie Winfield | Minutes Secretary |
|
 | |
| Alia Bath | Journalist - Voice News (in public gallery) |
| Andrea Tsoveas | Journalist – Guardian Express (from 6.08pm) |
|
 | |
| 1 Member of the Public | |

These Minutes were confirmed by the Council as a true and accurate record of the Special Meeting of the Council held on 19 August 2003.

Signed:Presiding Member
Mayor Nick Catania, JP

Dated this day of 2003