

City of Nedlands

2022 - 2032

*Workforce Plan*

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# Executive Summary

A skilled competent and stable workforce is critical to the future success of the City of Nedlands (the City). It is also critical that the culture of customer service and teamwork be supported and developed.

This workforce plan provides the foundation to enable the City to:

- develop and retain a workforce committed to the vision of the City and well matched to its services. The current development framework is largely ad hoc and lacks focus. A significant effort will be required to arrest the current high turnover, create a positive culture, and introduce a supportive development environment. This is a high priority for the City
- continue and complete the following range of critical projects:
  - the OneCouncil technology implementation and associated digital transformation of customer service, operations, and reporting
  - refresh the City's Integrated Planning and Performance Framework
  - implement an effective Asset Management and Project Frameworks
  - prepare for the predicted significant increase of both dwellings and residents (about 50% increase by 2050)
- reshape the City's Customer and Community Services delivery.

The minimum time horizon for a workforce plan is four years. This plan is based on a 10-year projection. This allows the plan to outline the impact of the projects in progress and the flow through of the new digital delivery framework and reshaping of services. While the later years of the plan will be less precise, it is important to outline the rhythm of workforce change.

This workforce plan aims to provide a blueprint for a skilled, motivated, and diverse workforce, matched to the service needs and new ways of working, based on its enhanced digital capability.



# 1. Introduction

## 1.1 Overview

The Workforce Plan 2022-2032 is part of the Integrated Planning and Reporting Framework. The Plan is based on the services delivered in the City of Nedlands and describes the workforce structure, capacity and mix needed to deliver the services and outcomes which have been determined through the associated organisational review.

The Workforce Plan 2022-2032 has been developed through a review of:

- stakeholder issues and requirements
- a detailed organisational review, which is documented separately.
- synthesis of these inputs to develop a workforce plan which proposes:
  - organisational structure options
  - workforce numbers and capabilities
  - proposals for transition from current operations to the recommended structure and mix.

This process has included:

- developing a framework for the current workforce and the future needs
- identification of the emerging skills gaps in the capability of the workforce

- the emerging trends and challenges for the City of Nedlands that may affect the workforce, have also been considered.

## 1.2 Integrated Planning and Reporting Framework

This Workforce Plan will be the first developed under the Department of Local Government's Integrated Planning and Reporting Framework.

The Workforce Plan is an informing strategy within the Integrated Planning and Reporting Framework. The Nedlands Framework is both incomplete and in some areas is dated (latest version of the Strategic Community Plan is 2018). There is no up-to-date Corporate Business Plan. As a result, this Workforce Plan is more reliant on Stakeholder Feedback and the organisational review undertaken as part of the Plan development.

The indicative status of the Framework at Nedlands is shown below. Considerable effort has been expended on the development of a Corporate Business Plan, Asset Management Plans, and a Long-Term Financial Plan. These plans have been developing in parallel with this work and have informed the Workforce Plan.

## Strategic Plan Framework



### 1.3 Aim of the Workforce Plan 2022-2032

The City's workforce is critical to the delivery of quality services to the Nedlands community. It is essential the workforce is stable, well led, competent, engaged and highly productive. The Workforce Plan will assist in delivering the vision of the City:

## Vision

**Our city will be an environmentally sensitive, beautiful and inclusive place.**

Our city will be an environmentally sensitive, beautiful and inclusive place.

Our overall vision is of a diverse community where people can live through the different ages and stages of their lives:

- we will have easy access to community 'hubs' where a mix of parks, shops, community and sporting facilities will bring people together, strengthening local relationships
- our gardens, streets, parks and bushlands will be clean, green and tree-lined and we will live sustainably within the natural environment
- we will enjoy great transport systems and people will have access to local facilities through efficient cycling and walking facilities
- we will be an active, safe, inclusive community enjoying a high standard of local services and facilities
- we will live in a beautiful place.

The Workforce Plan will allow the City to set its priorities within its resourcing capacity. It is a plan that must evolve to ensure the City has the right people in the right place at the right time. This is particularly important as the other components of the Integrated Planning and Reporting Framework are completed.

Throughout the life of the Plan the City will undertake regular reviews to ensure the Workforce Plan actions are implemented, monitored, and reported against.

Unless otherwise stated figures and statistics stated in this plan are taken from The Australasian Local Government Performance Excellence Program 2020 City of Nedlands (LGPEP20) or the City's own payroll data.

### 1.4 Community and Council Values

#### Healthy and Safe

Our City has clean, safe neighbourhoods where public health is protected and promoted.

#### Great Natural and Built Environment

We protect our enhanced, engaging community spaces, heritage, the natural environment and our biodiversity through well-planned and managed development.

#### High Standard of Services

We have local services delivered to a high standard that take the needs of our diverse community into account.

#### Great Governance and Civic Leadership

We value our Council's quality decision-making, effective and innovative leadership, transparency, accountability, equity, integrity and wise stewardship of the community's assets and resources. We have an involved community and collaborate with others, valuing respectful debate and deliberation.

#### Great Communities

We enjoy places, events and facilities that bring people together. We are inclusive and connected, caring and support volunteers. We are strong for culture, arts, sport and recreation. We have protected amenity, respect our history and have strong community leadership.

#### Reflects Identities

We value our precinct character and charm. Our neighbourhoods are family-friendly with a strong sense of place.

#### Great for Business

Our City has a strong economic base with renowned Centres of Excellence and is attractive to entrepreneurs and start-ups.

#### Easy to Get Around

We strive for our City to be easy to get around by preferred mode of travel, whether by car, public transport, cycle or foot.

### 1.5 Organisational Values

#### Accountability

We conduct our business and all our services in an open, transparent and financially responsible manner.

#### Partnership

We work together for the benefits of the community.

#### Fairness

We provide consistent, fair and unbiased treatment for the whole community.

## 2. The Current Organisation

### 2.1 City of Nedlands Today and Tomorrow

The City's current population is 22,132 (note this is the 2021 Australian Bureau of Statistics estimate). By 2036, it is estimated that the City's population will be between 31,000 and 34,000.

The City of Nedlands has always been a sought-after destination for residential, commercial and leisure pursuits with a low key but attractive café culture and a garden suburb feel. It is also close to the CBD, the Swan River foreshore, and Kings Park. It adjoins The University of Western Australia, and the expanding QEII and includes the Hollywood health campus.

However, the increasing investment in mixed-use and infill developments is accelerating the growth of the City of Nedlands in both dwellings and population.

The City is expected to grow substantially in the next 30 years. By 2050 the prediction is for about a 50% increase in population and dwellings.

In addition, major new development is planned for QEII hospital site, Hollywood hospital, UWA and possibly Graylands hospital site.

The shift in dwellings and population in Nedlands is expected to see:

- more families with school age children
- residents with a greater expectation and acceptance of digital services.
- much greater dwelling density resulting in:
  - Increased focus on parking, noise, and traffic
  - Increased pressure on recreational facilities
- Pressure from major hospital developments particularly:
  - traffic and parking
  - increased demand for smaller associated health services developments attracted by the extended tertiary hospital complex
  - public transport use
  - daytime casual shopping – mainly food and dining.

While the mix is not clear it is expected the impact on City services will not be the same as expansions created by new developments in outer suburbs. The expected impacts on services and workforce are:

- a proportionate increase in customer transactions from residents, however, this is not expected to need an increase in customer services staff because:
  - the introduction of OneCouncil is expected to streamline customer facing processes and create a more digital customer experience
  - more of the new residents will have good online skills and a digital expectation
  - changes of process (including new CRM capability) should enable more direct contact with council officers rather than 100% of calls and enquiries requiring screening by customer service staff
- the nature of expected development is not expected to create significant new public parks or recreation spaces. Also, to the extent they are provided they will be largely development linked and funded and maintained accordingly
- the impact on asset management is equally unclear. In larger developments the roads and similar infrastructure are all new and do not create a medium-term asset management requirement. However, there is likely to be increased wear and tear on surfaces, playgrounds etc. This may shorten useful lives and increase the City's renewal requirements
- upgrades to some transport routes e.g., 2 lanes to 4 because of new developments (relocation of King Edward) and catering for alternate modes such as e-scooters and e-bikes
- most new dwellings will have onsite parking, but some increase in parking and traffic issues may occur, particularly in the QEII precinct
- there is likely to be an increase in private swimming pools.

Overall, the impact of growth focuses mainly on the customer transaction volumes. Other areas are either of marginal impact or covered by fees (buildings). To manage the change the workforce plan is based on a transformation of the community and customer areas to:

- create a new directorate of customer and community services
- reshape all customer services to achieve a quality digital customer experience
- leverage the process changes possible through the OneCouncil implementation

- enable more direct contact with the responsible officer through, online, use of the CRM and less screened contacts for matters in process where responsibility for action is clear.

The Strategic Community Plan updated in 2018 and again updated with 2021 Census data includes the following profile summary for the City of Nedlands, and the summary of Strategic Issues:

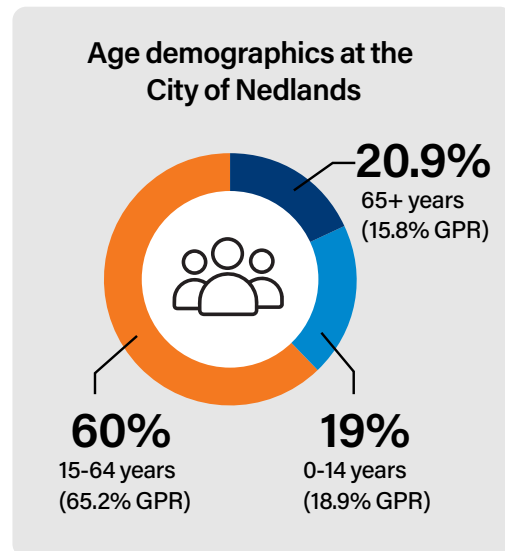
## Understanding our Social and Economic Profile

The City of Nedlands is a diverse community with a variety of differing wants and needs. This diversity forms part of our thinking during the development of this rolling Strategic Community Plan, which will help shape our community for the next 10 years.


At the 2021 ABS Census, the City of Nedlands had 22,132 residents. 49.3% are male, 50.7% are female [similar to Greater Perth Region, 2021 Census]. The population is projected to increase over the next ten years as part of State Government-driven urban dwelling infill.


More than 20.9% of the population is over 65 years of age, which is greater than the Perth average of 15.8% and represents a 2.8% increase within the City's population since the 2016 Census. The median age of people in the City is 43 years. The median personal income is \$1,178 (\$859 GPR) weekly, and the median household income is \$3,226 (\$1,865 GPR) weekly. The median mortgage repayment is \$3,500 (\$1,907 GPR) monthly.


For more information on the makeup of the City of Nedlands community, visit [censusdata.abs.gov.au](https://censusdata.abs.gov.au).



\*GPR: Greater Perth Region, 2021 Census

 **19%**  
of nedlands population is under 15 years of age, which is slightly higher than the perth average of 18.9%.

 **81.5%**  
of our residents speak English at home. Other languages spoken are:  
4.1% Mandarin  
1.4% Cantonese  
0.7% Italian  
0.7% French  
0.7% Indonesian

 **77.2%**  
of households in the City of Nedlands are family homes. The average household size is 2.8 people per household.

## Strategic Issues Facing the Community



### Population

- Demographic shift: particularly aging population
  - Increasing population of students, health professionals, administration, due to the growth of UWA and QEII.
  - Increased population overall [note Directions 2031 target is an additional 4,400 dwellings - estimated at 7,000 - 10,000 population growth) and the impact of this on existing infrastructure and services.
- 



### Infrastructure

- Changing demands in the areas of transport, parking, aged care, health and housing
  - Aging and outdated community facilities in need of upgrade/replacement.
- 



### Economy

- Global economic uncertainty
  - Rising utility costs.
- 



### Environment

- Variations in weather patterns
  - Water shortages and ground water availability (drying climate)
  - Waste management challenges
  - Reduced tree canopy.
- 



### Community and Lifestyle

- Social isolation - disconnected generations, increased working hours and less community involvement, increasing mental ill-health
- Recognition that 1 in 5 people across Australia have a disability
- Trend towards sustainable living
- Changes in technology affecting the way we live and work.



## 2.2 Organisational Profile

The dominant feature of the City of Nedlands workforce is the unsustainably high workforce turnover. The turnover for 2020/21 is 27.4%. The 2021/22 year to date turnover is 26%. Both these data exclude casual staff. A good expectation would be less than 15%. This turnover makes all employment statistics somewhat of a moving target. This variability is also exacerbated by the difficulty of getting clear and consistent workforce reporting. In particular:

- the counting of casual and contract employees is difficult to separate from permanent employees
- casual staff have sometimes been “double counted” as FTE when they are not additional FTE

- turnover statistics sometimes include some casual staff, who are not exiting but simply finishing an engagement
- FTE numbers and financial treatment is very difficult to reconcile.

The cost of employment is relatively consistent and matches the Council approved establishment of 172 FTE. Accordingly, 172 FTE has been used as the basis of this report.

The employment profile as of the end of April 2022 is detailed below.

The City of Nedlands had a permanent workforce of 191 employees in the following capacity

- 135 full time employees
- 25 part time employees
- 31 casual employees

The employment profile of the City is:

Workforce Category (including casual)	Percentage
Female	57.07
Male	42.93
Age 41-50	19.90
Age over 51	30.37
Permanent	68.06
Fixed term contracts	15.71
Casual	16.23
Female Manager and above	31.25
Male Manager and above	68.75
Working with City for less than 5 years	62.83
Working with City for more than 5 years	37.17
Culturally and linguistically diverse	24.6
People with disability	1.8
Aboriginal and Torres Strait Island People	0
Baby Boomers	14.66
Gen X	34.03
Gen Z	6.28

Note. FTE (full-time equivalent) refers to the number of established positions rather than a head count of individual employees.

The City has been operating with many vacancies. Vacancy levels (compared to budget provisions have been around 20 positions) This is partly due to turnover. However, it is also partly a function of difficulty in recruiting in some areas. The factors impacting this are:

- a tightening employment market for local government skills
- city pay rates and classification for some roles (e.g. engineering, planning and IT specialists)
- a much stronger market generally for people with outside and trade skills
- impact of turnover and City publicity on reputation as an employer.

## 2.3 Workforce Development

The City has few planned or structured workforce development activities and no structured development plan or framework.

In the context of high turnover, difficulty recruiting to some roles and a significant change agenda, workforce development must be a priority and better structured and visible.

Elements should include:

- training in customer service, and support of a positive culture
- training, particularly around emerging skills
- leadership development, particularly of emerging leaders
- recognition and promotion of diversity
- support for retirement planning, where appropriate.

The development of people and organisation culture rests with the Chief Executive Officer (CEO) and must be a CEO led priority project.

This Plan recommends setting a target of 15% turnover by July 2023. Also, the City should prepare a corporate approach to the following:

- training and development for core systems including the Transitional Initiatives and Culture Action Plans; in particular the OneCouncil ICT Platform implementation

- encouraging staff to undertake professional development in areas aligned to their role within the City
- succession planning to minimise the impact of staff departures
- skills survey to ascertain the talent pool within the organisation and to prepare the City for transition to a digital operational focus
- the annual performance review to be a primary source for future training and development programs for staff.

## 2.4 Organisation Review – Workforce Impact

The Organisational Review concludes that the current workforce levels are not sustainable. While this view must be confirmed in detail by the Long-Term Financial Plan, which is not available to this Workforce Plan, in simple terms cost of employment is consuming a proportion of the budget which does not leave sufficient residual for renewal of assets and capital works. The current employment costs are \$16.0 million. As a result, this workforce plan has been focused on the need to rebalance services. It is informed by a thorough development of service plans for all areas of council activity. This work is also included in the separate progress of budget development.

The summary of service level impact is shown below:

Section	Service Levels			Comment
	Low	Medium	High	
CEO	→			Elected member support and governance
Parks			←	Service level high consider reducing
Health and Compliance			←	
Planning		▲		WA Govt Mega DAP, current high demand should reduce
Community Services			←	Re-focus services revenue
Assets	→			
Infrastructure	→			
Buildings		★		
IT		▲		Post OneCouncil Project will reduce
Finance			←	Impact on OneCouncil
HR	→			

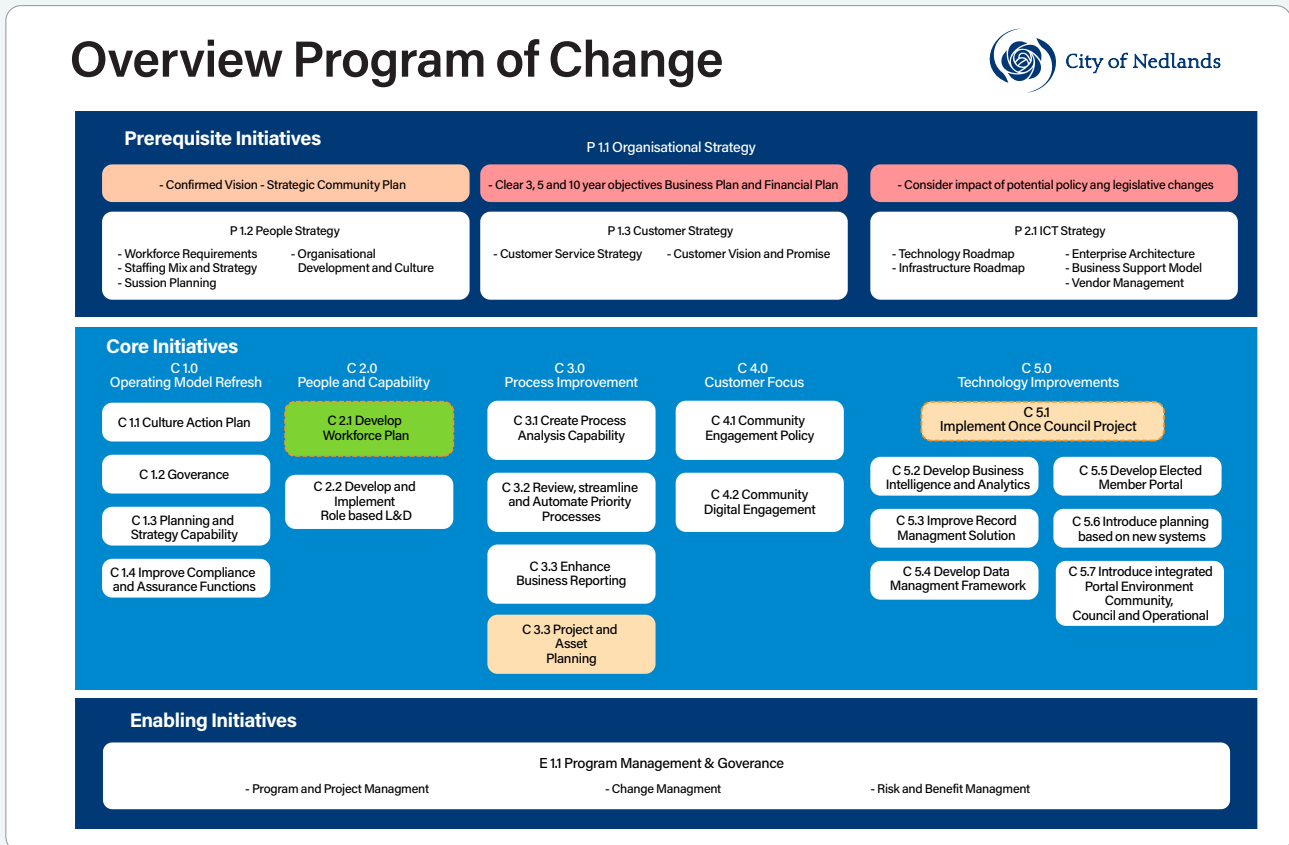
▲ Project in progress    ★ No change in service required

In constructing a workforce plan it is also important to include resourcing which:

- responds to changes of City profile and emerging demographics
- supports change of practice or enables rectification of service or management gaps.

The organisation review process supporting this workforce plan identified a wide range of organisation change and improvement tasks.

Many of these do not have workforce implications (increased or decreased FTE), however, they are included to summarise the wide scope of improvement required. The elements from the organisation review which do have implications in structure or FTE are summarised following this diagram.



It is difficult to be precise in all areas of the workforce plan because of the weaknesses and gaps in the City's Integrated Planning and Performance Framework. However, the City has completed Service Plans which have been used to identify themes, in conjunction with the data available and the Organisation Review. As a result, the following trends and issues have been included as part of the Workforce plan:

- **Executive Change Roles.** The workforce plan is based on the implementation of significant change over the next three years. The change roles have been split between the members of the executive to ensure effective delivery. All Directors and the CEO have a significant change agenda to manage:
  - **Chief Executive officer.** The CEO must take the lead on culture and workforce, with a principal focus on reducing turnover

- **Director Corporate Services (DCS).** The OneCouncil and associated digital transformation is central to effective service delivery, meeting future demand for resident services without FTE increased and achieving FTE efficiencies. It also must finish on time to reduce project FTE. This is significant project responsibility for the DCS
- **Director Planning and Development (DPD).** Leadership of the refresh of the Planning Framework is a critical role for DPD
- **Director Technical Services.** Both asset management and project delivery services require ongoing significant change to make them effective.

- **Director Customer and Community Services (new).** It is essential to transform these services to:
  - provide a new digital customer experience
  - re-engineer the old processes to create a responsive customer culture extend customer experience to the whole of Council (not just the front desk)
  - create synergies between customer and community services
  - revitalise community services
  - achieve more realistic revenue targets.
- **The considerable investment in IT.** The City is currently implementing a \$5m IT upgrade with the implementation of the OneCouncil platform. The impacts are:
  - a project team of 6 FTE which will reduce to 2 after completion (4 positions released 2 retained)
  - the automation of many manual tasks, particularly in Finance. Estimated overall impact is 3 FTE reduction. However, it is recommended that one FTE be added as a dedicated reporting position
  - the introduction of a much more unified customer digital experience
  - significant improvement in the workflow, information, and support for elected members
  - significant improvement in routine reporting
  - more unified records management.
- **Support of Elected Members and better governance.** This will occur through the introduction of One Council however, the review believes this is under resourced and should have an additional FTE specifically assigned to governance, with further support to the Mayor and Elected Members being reassigned from other areas of the Office of the CEO
- **Strategic Planning.** The current Integrated Planning and Reporting Framework is either weak or not in place. This is a substantial risk to the City – One additional FTE is recommended to manage and update the various required documents under the Integrated Planning and Reporting framework
- **Project and Asset Management.** The Organisation Review has identified an ongoing need to re-enforce the front-end concept and brief development of projects and better asset planning. The City must re-build its skills in the areas of Asset Management and project planning. In particular:
  - the recent review of Asset Planning indicates a need for significant attention to the Asset Maintenance backlog and to issues of asset renewal
  - project delivery has been fraught with attempts to force the entire project cycle into a single budget year resulting in unacceptable outcomes
    - 2 FTE are recommended in this area.
- **Planning.** The planning area has had a short-term remedial team of 4 FTE. It is recommended this be reduced by 2 FTE at the end of 2023. This reduction is dependent on the volume and complexity of development demand
- **Customer Service.** As the City grows, this will be a major focus for the City. Many of the Customer facing services will change with OneCouncil. If the balance of voice and email services are also re-engineered, it should be possible to implement the needed services with no increase in FTE
- **Community services.** This area requires a more detailed review however the issues driving change in this service are evident:
  - Nedlands Community Care (NCC) has been defunded with no funding from the Commonwealth from July 2023. This requires a reduction of 6.8 FTE unless the City chooses to replace this funding
  - there is a strong view from some stakeholders that all community services should be cost neutral. It is appropriate to review all revenue in this area and have an endorsed strategy. This may support or reduce some FTE
  - based on knowledge of other councils it is considered reasonable to reduce FTE by 2 FTE in Libraries
  - other services should be re-examined after revenue has been closely examined

- **New Director Customer and Community Services.** As the City moves to a more digital customer experience and has reshaped its Community Services it is considered desirable to have a more unified customer focus in both these areas under a new Director of Customer and Community Services. It is also expected that one of the two current Manager Positions will not be needed in the second year of operation of the new Directorate, after all the changes are in place
- **Parks.** Service levels are high in this area compared with comparable councils recommend reduction of 2 FTE
- **Rangers.** Service levels are high in this area and there is potential for process improvement or automation of these services. This report recommends reduction of 2 FTE in three years based on an effective change program
- **Environment.** Recommend merging with Parks
- **Workshop and Fleet.** Both areas have potential for reduction in FTE. This area was not reviewed in sufficient detail to make a recommendation; however, a minimum reduction of 1 FTE should be further examined.

## 2.5 Existing Organisational Structure

The City's organisational structure comprises five functional areas with an endorsed establishment of 172 FTE as of the adoption of the 2021/22 budget.

The City has 8.2 FTE per 1000 residents in 2022. This is 60% above the average for medium metropolitan councils in Western Australia, which was 5.2 FTE per 1000 residents in 2019.

From a budget perspective, in 2021/22 employee costs as a percentage of operating expenses has increased to 48%, from 44% in the 2020/21 financial year. In comparison, this is above average for medium metropolitan Councils in WA.

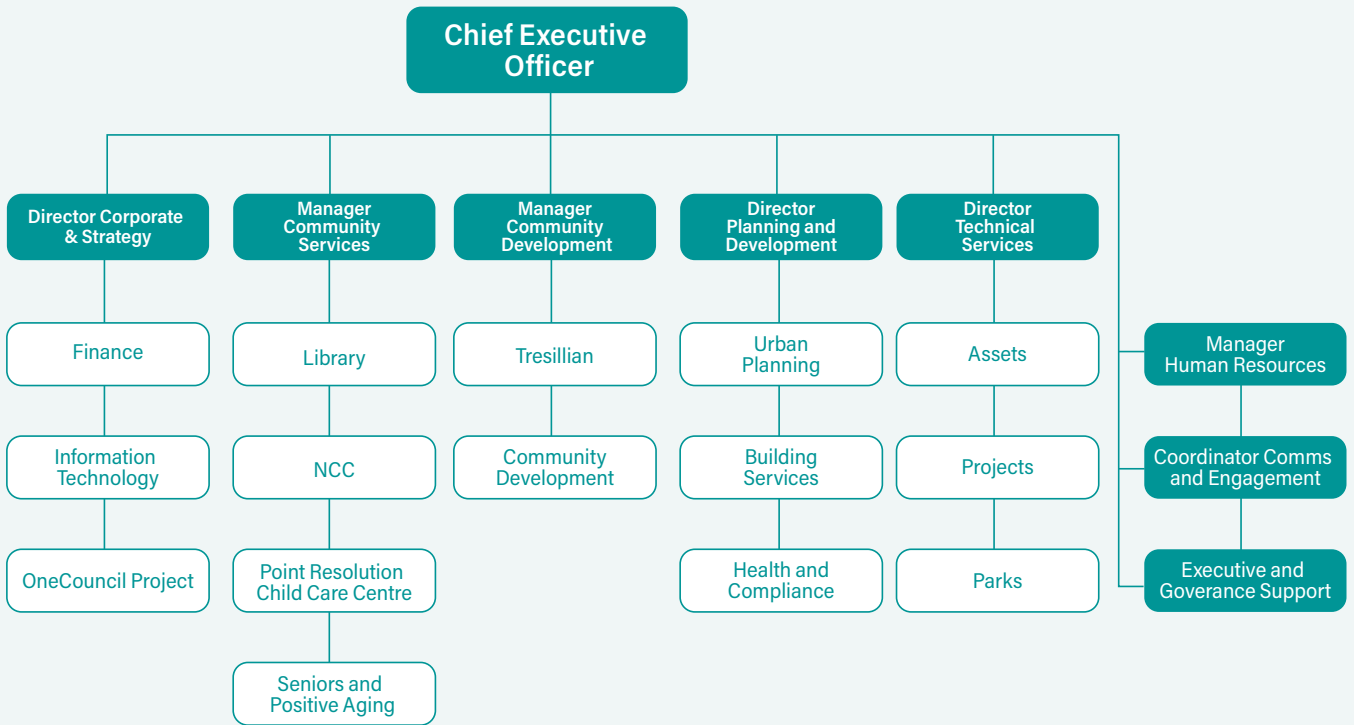
The summary of 2021/22 budget and FTE is:

Account Type	Office of the CEO	Corporate Services	Community Partnerships & Services	Planning & Development Services	Technical Services
Revenue	0	26,314,955	2,558,100	2,136,877	3,720,250
Expenditure	(3,475,254)	(7,090,784)	(4,951,018)	(6,628,146)	(19,451,262)
Corporate Overheads	527,600	5,866,500	(2,450,599)	(1,894,100)	988,400
<b>Net Cost of Service</b>	<b>(2,947,654)</b>	<b>25,090,671</b>	<b>(4,843,517)</b>	<b>(6,385,359)</b>	<b>(14,742,612)</b>
FTE	10	32	36.43	41.40	53

It is also noted that the City's Executive Management Team has already adjusted the allocation of positions to achieve a 4.6 FTE reduction prior to the implementation of this report.

This includes 2 positions in ICT (one records), 1 in Planning, 1 Conservation Team Lead and 0.6 Graphic Designer.

# City of Nedlands Organisation Chart (current)



## Office of the CEO

The CEO Functional Areas comprises Executive and Governance Support, Human Resources and Communications and Engagement. In addition, Community Development and Community Services report to the CEO.

## Corporate Services

The Corporate Services Directorate enables and supports the successful delivery of the City's finance and IT framework, including the supporting systems and records and Land and Property.

Corporate Services also provides the customer services and manages the City's front desk, telephone answering and resident enquiries generally.

## Planning and Development

The Planning and Development Directorate provides statutory and strategic planning, building assessment and approvals, environmental health, and ranger services.

## Technical Services

The Technical Services Directorate is the service area delivering many external services of the organisation. This includes, City projects, asset management, maintenance of parks and gardens, waste management, transport assessment and management of workshops.

## Community Development and Community

## Services

This service is currently split between two managers and manages:

- libraries
- tresillian,
- child care
- Nedlands community care
- events
- volunteers
- youth, sport, and positive aging

## 2.6 Financial Expenditure

Employment costs are the largest single expenditure for the City. In the 2021/22 annual budget, projected actual employment costs account for 42% of the City's operating expenditure, amounting to \$15.49m.

These costs are composed of:

- Salaries and wages \$13.4 million
- Superannuation \$1.7 million
- Overtime \$205,361
- Workers Compensation claims \$185,500
- Leave and entitlement liability \$367,605

These employment costs do not include contractors.



# 3. Trends and Drivers

## 3.1 Internal Drivers for Workforce Planning

### 3.1.1 Surveys and KPIs

In December 2020, the City of Nedlands commissioned Catalyse to undertake a Culture Scorecard Survey. The results of this survey were concerning, with the City scoring below industry comparisons across almost every area.

Given the results, the City commissioned a further survey in December 2021, with the City demonstrating significant improvement:

- in the 2020 survey, of the 44 areas tested and when compared to industry averages the City was on par or better in only 1 area
- in the 2021 survey, of the 44 areas tested and when compared to industry averages the City was on par or better in 22 areas

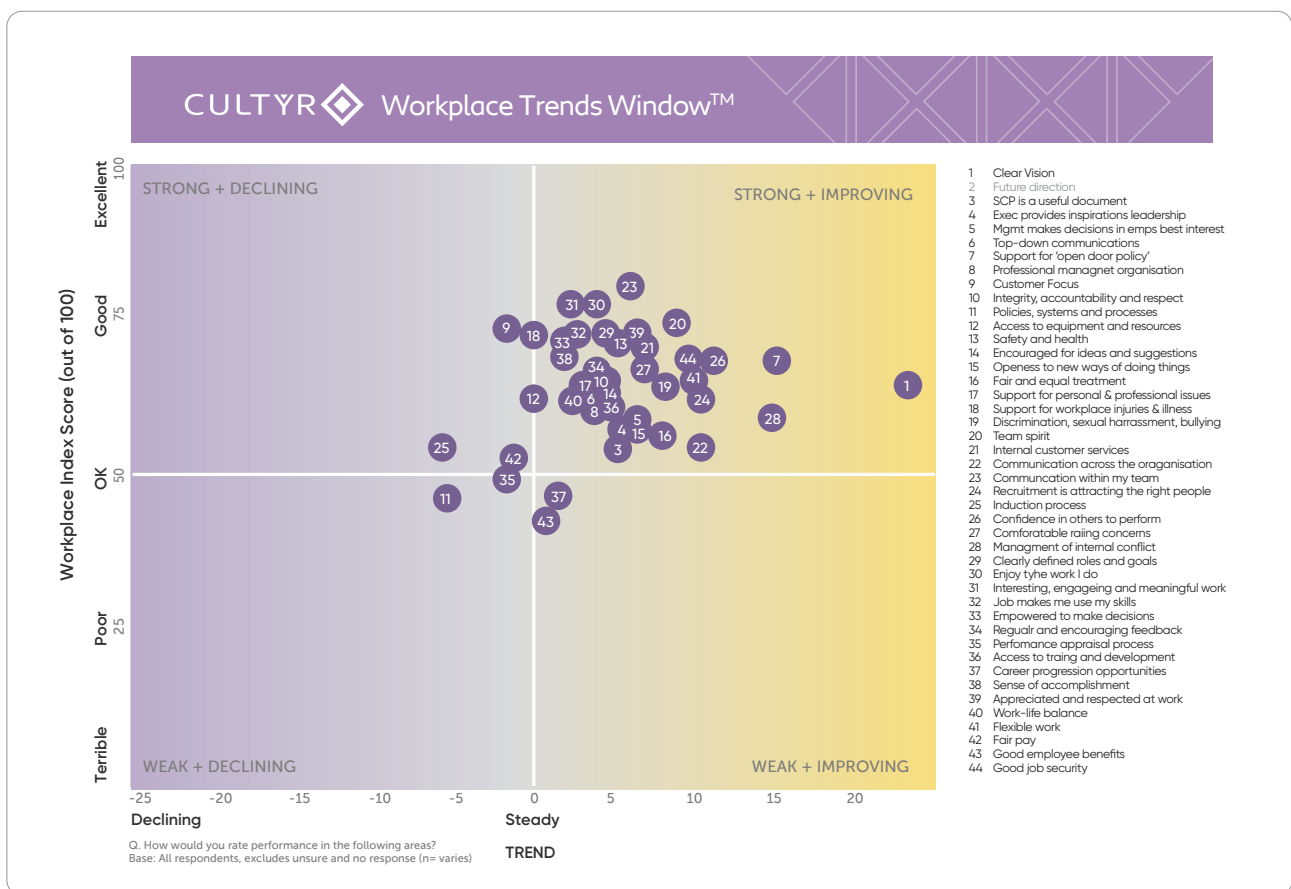
- the Overall Performance increased from 83% to 93%.
- the Workplace Score increased from 58 to 66
- the Commitment Score increased from 62 to 64
- the Net Promoter Score increased from -63 to -44.

Although the City has improved across numerous areas and is now comparable or better than the industry average in 22 of the 44 areas tested, significant improvement is still required for the City to be considered a high performing local government.

The City continues to undertake employee satisfaction surveys.

The following diagram provides the 2022 results and provide a summary of the historical trends.

## 3.2 Workplace Trends Window



Generally, the scores are below industry average but have improved significantly over the past 12 months.

### 3.1.3 Exit Interviews

During the 2021 calendar year, there were 42 resignations or exits of permanent staff from the City. The lack of data and formal analysis of the reasons for resignations is a limiting factor in addressing the staff turnover level. Also, the data in some management reports includes casual staff exits which should not be considered as turnover (casual staff are on a period contract and expected to leave). Given the large numbers of exits, and the impact on operations and culture it is concerning there is no clear view of exit dynamics. While exit interviews are voluntary a concerted effort should be made to obtain the basis of the resignation to assist in establishing a proactive approach to the underlying issues impacting turnover and to assist with the future recruitment of staff.

#### Leave Balances

As of 24 May, 2022 the City had 36 or 18% of its employees with more than 8 weeks of accrued annual leave, in comparison, the WA Councils' median percentage is 10%.

The liability for the employees with more than 8 weeks outstanding annual leave is 13,800 hours, or 1816 days.

### 3.1.4 Industry Benchmarking

The City has previously participated in the annual Australasian Local Government Performance Excellence Program. The program provides valuable workforce benchmarking and trend data of the City's workforce shape and performance against other Australia and New Zealand local governments. The City can drill down to comparing similar size and location local governments and this contributes to the City making informed decisions about its workforce planning.

The City is also collaborating with other local governments to improve efficiencies and develop cooperative approaches to common service needs.

An example of this is the Memorandum of Understanding (MOU) with adjoining local government to provide key services on a fee for service basis in the Building Services area. The City collaborates with other Western Suburbs councils, currently working together on sharing initiatives and resources.

## 3.2 External Drivers for Workforce Planning

### 3.2.1 Labour Market Indicators – Western Australia

The Consumer Price Index (CPI), increased to 7.6 per cent over the March quarter in 2022 in Perth, the biggest quarterly increase of CPI in many years.

WA appears to have successfully mitigated the immediate health impacts of COVID-19 and the focus for WA is the State's economic recovery. Also, the Mining industry has maintained strong growth and has increased its recruitment of people resident in WA because of the WA border controls.

While there is a level of unemployment there are currently skill shortages in building and construction and outside work trades, partly driven by the increased in mining recruitment but also by a significant increase in housing and construction projects. IT skills are also in demand.

This overall context will impact the City. In particular:

- difficulty in recruiting and retaining trade-based staff
- general administrative staff are also in demand in other sectors
- specialist IT, engineering and similar professions have increased wage expectations and are harder to attract
- staff movements in local government have increased.

### 3.2.2 The Changing Employment Landscape and Technology

There have been major changes throughout the employment landscape in the last decade. Some of these trends are:

- acceptance of the need for more flexible working, especially the emergence of Working From Home (WFH) as part of the COVID journey, but also other flexibility components
- the shift to an overall younger demographic with a different expectation of both work and lifestyle
- the expectation of a real and genuine shift in the treatment and role of women in the workforce
- a significant shift in the skills and comfort with technology which much more expectation that people at work will be totally fluent and familiar with technology
- an expectation that corporate values support personal values
- low tolerance to bullying or racially or culturally inappropriate or insensitive behaviour in the workplace.

The City is in the process of shifting to a much more digital environment which will be more attractive to staff. However, it must also be more actively promoting the culture and lived values which are increasingly making a difference to personal employment choices if it is to attract and retain good



# 4. Developing the Plan

## 4.1 Process for Development

The methodology used in developing the Workforce Plan focused on gathering information from various sources, engaging key stakeholders and analysis of external strategic reports and information including:

- extensive organisational consultation with CEO, EMT and Managers including two dedicated workshops with all Managers to analyse staff projections
- Review of the Employee Scorecard Surveys (2019 and 2020) data and recommendations.
- Review and analysis of the City of Nedlands' minimum obligatory information requirements, demographic statistics, and data
- Review of City of Nedlands' IPR Framework 2018 - 2028
- Review of City of Nedlands' Annual Report 2020/21
- City of Nedlands' Annual budget 2019/20 and 2020/21 and 2021/22
- Review of Place Plans
- Review and analysis of Price Waterhouse Coopers (PwC) The Australasian Local Government Performance Excellence Program 2020. (LGPEP20)
- Review of the Department of Local Government Workforce Planning, The Essentials – Toolkit for WA Local Governments.

## 4.2 Forecast FTE Requirements

The Workforce Plan is focused on responding to changes in the demand for services and the way services are delivered, and identifying the workforce needs that will support those changing needs.

To do this effectively it is essential to have a process of identifying how services are changing over time. This includes increased demand through population growth, as well as the impact of other factors such as service delivery changes through technology, and changing demands being placed on local governments.

The following factors were considered when looking at staff projections:

- future developments in the City
- implementation of OneCouncil and other technological initiatives as projects and the expected impact on current processes and the opportunity for building new more efficient processes to better manage future demand
- strategic planning and major projects
- population growth
- economic climate
- the City's financial trends including rates revenue and fees and charges
- employee cost trends
- benchmarking data
- changing employment landscape and technology
- review of process improvements
- changes to the service model.

### 4.2.1. Monitoring service needs and workforce planning

Workforce monitoring and planning will form part of the City's annual budget process. Service detailed service planning (40 service plans) has been introduced for the 2022/23 budget cycle. Corporate Business Planning process will include an analysis of the workforce profile and service standards for each service area, on an annual basis.

### 4.2.2. Proactive workforce changes

Regular workforce reviews will be required to monitor the outcomes proposed in this report and to track project FTE changes and ensure FTE changes are extracted at the end of project phases. Also, the City is implementing several change initiatives which are dependent on moving exiting staff or FTE within the existing workforce to assist in areas where changing services are being transformed or where demand changes have occurred. Vacant FTE positions should be actively reviewed to enable the reallocation of FTE to other service areas to address any workforce needs identified.

#### 4.2.3. Identifying service needs

Local government is a changing industry with new approaches to the way services can be delivered, as well as new service demands being placed on it. The corporate business plan will need to take into account known service changes as well as technological improvement being considered as well as taking to account the findings of the annual workforce reviews and be updated to respond to any other changes.

New service initiatives will require a business case, workforce impact assessment to be included in the project plan proposal prior to submission to Council for approval. This will include budget implications to the existing corporate business plan and service plans.

#### 4.2.4. Service Changes

This plan is based on both the need for service “repair” (for example Planning and Asset Management) and service changes to reflect new service needs and approaches (for example, the approach to customer and community services) it also reflects the impact of the digitisation of many City functions by leveraging the OneCouncil implementation. Other areas have been identified for incremental improvement (for example Rangers, Parks, and Fleet).

As well as these major change themes the FTE projections have factored in the following potential changes within the operating environment of the City:

- increased communications and engagement requirements
- increase in environmental focus led by community and elected members
- increase in capital works and major projects
- place Activation Plans
- increase in demand for project, procurement, and contract management
- increasing complexity and considerations (i.e., more multi-disciplinary) in assessing development proposals
- projected significant increase in new dwellings and a very active development industry
- potential changes to the appeals process on planning decisions
- volatility of the building surveying industry and increase in population will impact development and planning demands.

#### 4.2.5. Building a future workforce

##### Recruitment, Change and Staff Development

Regarding recruitment, the City’s challenge is to significantly reduce turnover while still attracting a skilled and diverse workforce.

It is essential that the reasons for resignations are identified and addressed. The lack of clear data restricts the ability to address root cause of resignations. Once reasons are ascertained specific actions can be implemented to lessen the potential for turnover. The current turnover of more than 31% has severely impacting the efficiency of the city with service delivery. An initial target for turnover should be set at 15% for the 2022/23 financial year.

To be able to market the City of Nedlands as a place to be valued as an employee the following actions should be considered:

- Implementation of the Culture Action Plan to reset culture and the ways of working
- A structured change management plan to make clear the “way forward” for a new approach in the City. This will provide something positive to buy into and clearly signal a change of dynamic in the City
  - a structured approach to staff training and development including:
  - training and development for core systems including the Transitional Initiatives and Culture Action Plans; in particular the OneCouncil ICT Platform implementation
  - encouraging staff to undertake professional development in areas aligned to their role within the City
  - succession planning to minimise the impact of staff departures
  - skills survey to ascertain the talent pool within the organisation and to prepare the City for transition to a digital operational focus
  - the annual performance review to be a primary source for future training and development programs for staff
  - all staff be required participate in an Induction Program that is specifically developed to address the new approach to operations required in the Organisational Review report this and Workforce Plan.

## Current Workforce

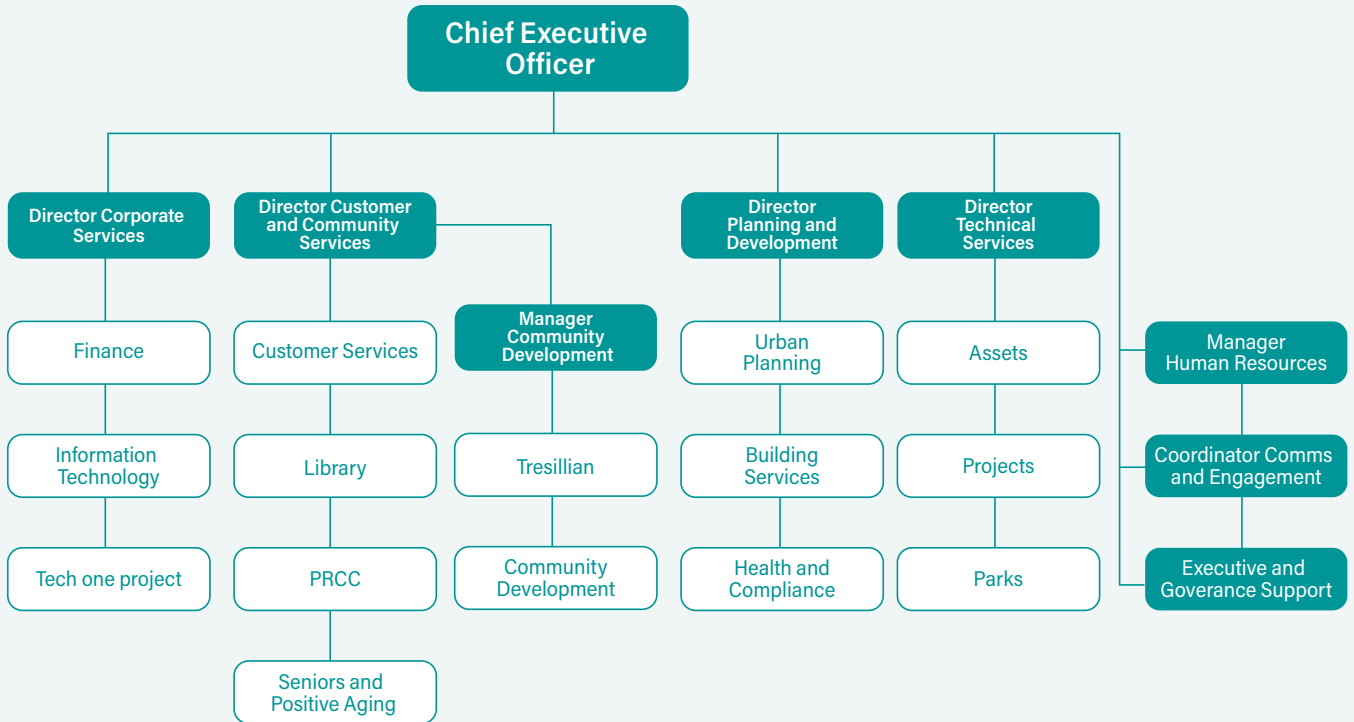
The table below summarises the current City workforce size and functional distribution:

DIRECTORATE	FTE
<b>OFFICE OF THE CEO</b>	<b>1</b>
Administration	2
Human Resources	3.8
Community Development	7.8
Community Service Centres	28.63
Communications and Engagement	3.2
<b>TOTAL</b>	<b>46.43</b>
<b>CORPORATE SERVICE</b>	<b>1</b>
Land and Property	2
Administration	1
Financial Services	10
ICT	19
<b>TOTAL</b>	<b>32</b>
<b>CUSTOMER AND COMMUNITY SERVICES</b> <i>(currently incorporated within the Office of the CEO)</i>	
<b>TOTAL</b>	<b>-</b>
<b>PLANNING AND DEVELOPMENT</b>	<b>1</b>
Urban Planning	15
Building Services	10.4
Health and Compliance	15
<b>TOTAL</b>	<b>41.4</b>
<b>TECHNICAL SERVICES</b>	<b>1</b>
Projects/Administration	2
Assets	11
City Projects and Programs	15
Parks	24
<b>TOTAL</b>	<b>53</b>
<b>ORGANISATION TOTAL</b>	<b>172.83</b>

## Future Structure

The structure chart below shows the proposed structure incorporating the new Director of Customer and Community Services.

# City of Nedlands Organisation Chart (Proposed)



## Staffing Levels Proposed Changes (includes May 2022 changes by City Executive)

Directorate	Service	May 22 Adjust	2022/2023	2024/2025	Comments
CEO	Governance		+ 1		Elected Member Support
	Strategic Planning		+ 1		City Strategy Development
	Graphic Design	- .6			Unfilled vacancy
Corporate Services	IT	- 1		- 4	BAU / OneCouncil
	Finance			- 2	OneCouncil
	Records	- 1		- 1	<i>Review after OneCouncil – possible one extra FTE</i>
	IT – Customer Service		- 5		Transfer to new Customer and Community Service directorate
Customer and Community Services	Executive		+ 1		New Director
	Community Services			- 1	Rationalise Manager positions
	Library		- 2		
	NCC		- 6.8		Defunded FTE reduction for beginning of 2023/24
	Customer Service		+ 5		Transfer from ICT
Planning and Development	Urban Planning	- 1		- 2	Post framework refurbishment
	Health & Compliance – Rangers			- 2	Based on opportunity for work change
	Health & Compliance – Environment	- 1			Transfer to Technical Services (Environment)
Technical Services	Assets		+ 1		Asset Maintenance and Renewal Program
	City Projects		+ 1		Better project planning
	Parks		- 2		Service level adjustment
	Fleet and workshops			- 1	Review – possible 1 or 2 FTE
	<b>Total</b>	<b>- 4.6</b>	<b>- 5.8</b>	<b>-11 /-13</b>	
	<b>OVERALL TOTAL</b>		<b>23.4</b>		

### The comparison of current and proposed organisation;

EXISTING		PROPOSED	
DIRECTORATE	FTE	DIRECTORATE	FTE
<b>Office of the CEO</b>	<b>1</b>	<b>Office of the CEO</b>	<b>1</b>
Administration	2	Administration	1
Human Resources	3.8	Elected Member Admin	1
Community Development	7.8	Governance	1
Community Service Centres	28.63	Strategic Planning & Reporting	1
Communications and Engagement	3.2	Communication and Engagement	2.6
		Human Resources	3.8
<b>TOTAL</b>	<b>46.43</b>	<b>TOTAL</b>	<b>11.4</b>
<b>Corporate Services</b>	<b>1</b>	<b>Corporate Services</b>	<b>1</b>
Land & Property/Administration	2	Land and Property/Administration	2
Financial Services	10	Financial Services	6
ICT	19	ICT	9
<b>TOTAL</b>	<b>32</b>	<b>TOTAL</b>	<b>18</b>
<b>Customer and Community Services</b>		<b>Customer &amp; Community Services</b>	<b>1</b>
(currently incorporated within the Office of the CEO)		Community Development	7.8
		Community Service Centres	18.83
		Customer Service	5
<b>TOTAL</b>	<b>-</b>	<b>TOTAL</b>	<b>32.63</b>
<b>Planning and Development</b>	<b>1</b>	<b>Planning &amp; Development</b>	<b>1</b>
Urban Planning	15	Urban Planning	12
Building Services	10.4	Building Services	10.4
Health and Compliance	15	Health and Compliance	12
<b>TOTAL</b>	<b>41.4</b>	<b>TOTAL</b>	<b>35.4</b>
<b>Technical Services</b>	<b>1</b>	<b>Technical Services</b>	<b>1</b>
Projects/Administration	2	Projects/Administration	2
Assets	11	Assets	12
City Projects and Programs	15	City Projects and Programs	16
Parks	24	Parks	21
<b>TOTAL</b>	<b>53</b>	<b>TOTAL</b>	<b>52</b>
<b>ORGANISATION TOTAL</b>	<b>172.83</b>	<b>ORGANISATION TOTAL</b>	<b>149.43</b>

Note, these are estimated projections only and endorsement from Elected Members will be required before any change.

#### 4.2.6. Annual Review

Annual review of the workforce needs, as part of the corporate planning and budgeting processes, will provide clarity regarding ongoing service needs and workforce support. Any increase in FTE past the approved current FTE will require a business case, amended service plan and the appropriate Budget amendment to be endorsed by Elected Members.

### 4.3 Risk

The City has operated with the major risk associated with a lack of workforce planning. Failure to plan for workforce size, structure, and skills:

- exacerbates the current excessive turnover
- prevents clear service skills and resource alignment
- obscures future needs
- fails to promote a healthy workforce that wants to belong to the City
- reduces the ability to act with flexibility and agility
- does not provide explicit resource planning for required change initiatives.

## 5. Key Focus Areas for Change and Workforce

The following table summarises the recommendations which result from the Organisation Review.

Key Focus Area	Actions	Accountability
One Council Implementation	Roll out in accordance with Implementation Plan	DCS AND EMT
Service Plans for all Services updated yearly	Service plan to be updated as part of Corporate Business Plan	CEO EMT all Managers
Corporate Reporting Regime	Introduce Corporate Reporting Regime for Council and EMT	CEO EMT all Managers
Refocussing Customer and Corporate Services	Introduce new Directorate and review all services	DCCS and Managers
Corporate Training and Development program	Implement corporate training and development program based on skills identified in Skills survey and performance reviews	MHR
Transformational Initiatives	Implement the transformational Initiatives	CEO EMT and Managers
Cultural Action Plan	Implement Cultural Action Plan Initiatives	CEO EMT and Managers
Digital Strategy	Finalise the Digital Strategy	CEO EMT MICT



# 6. Financial and Performance Framework

## 6.1 Employment Cost Forecasts

The cost implications of implementing the Workforce Plan 2022 – 2032 will be considered as part of the corporate business planning and budgeting processes through business cases supporting FTE changes, through the Service Plans which form part of the budget. This will also be addressed in the long-term Financial plan and Corporate Business Plan which are under development.

## 6.2 Training and Development Forecasts

Developing the skills of the workforce is key to the City being agile to meet the needs of the community. Training and development are key factor in attracting and retaining key staff. Commitment of an employer to training and development can be a powerful advantage to attracting quality staff.

Several key training and development strategies that should be considered within training and development funding budget allocations include:

- atudy assistance
- industry specific conferences

- industry aligned peak body memberships
- leadership programs
- work related upskill courses, including process improvement methodology
- coaching and mentoring.

Training and Development Budget 2021/22 was \$160,000, limited funds were expended, due to Covid.

Considerable resourcing in 2022/23 and 2023/24 will be assigned to training in preparation for the roll out of the OneCouncil platform

## 6.3 Measures of Success

The ultimate measure of success of the City of mNedlands' Strategic Workforce Plan 2022/32 is an efficient and reliable workforce achieving the City's goals.

The following targets have been suggested to track and monitor the effectiveness of the plan. Regular reports on these KPIs should form part of the Corporate Reporting regime.

Area of Focus	Service Area Responsible	Report Frequency	KPI Target
Staff costs (salary and wages as % of operating costs)	CEO& DCS	Annually	<40%
Employee separation rates up to 5 years' service	HR	Annually	<15%
Employee separation rates over 5 years' service	HR	Annually	<10%
Gender Balance (Female to Male ratio)	HR	Annually	55:45
Age Profiles – generational ratio – older staff (45 years and over)	HR	Annually	<45%
Age Profiles – generational ratio – younger staff (45 years and under)	HR	Annually	<55%
FTE compliance	CEO&EMT	Ongoing	100%
Employees with a disability	HR	Annually	
Recruitment – Turnaround time from advertising to contract signing	HR	Quarterly	<42 days
Staff Engagement Survey (% engagement)	HR	Biennial	84%
% of Performance Development Review Completions	HR	Bi-annual	100%

## 6.4 Reviewing the Workforce Plan

As the City is still developing the balance of the plans in its Strategic Planning and Reporting Framework, it is important that the Workforce Plan is revised immediately following the Long-Term Financial Plan and Corporate Business Plan being adopted by the Council.

Throughout the life of the plan, the City will undertake regular reviews to ensure the workforce plan actions are implemented, monitored, and reported. The Plan will also be reviewed and amended to incorporate new and revised FTE forecasts.

# 7. References

- The Australasian Local Government Performance Excellence Program F20 – City of Nedlands;
- Department of Treasury - (Source: Small Area Labour Markets publication, for Local Government Areas)
- World economic forum, 5 things we know about jobs of the future Written by Allen Blue, Co-Founder and Vice President, Product Management, LinkedIn
- State Government Target for employment of people with a disability Council report December 2019
- Extract from Deloitte





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