

STRATHFIELD COUNCIL

EXTRAORDINARY COUNCIL MEETING

AGENDA

Strathfield Municipal Council

Friday 8 July 2022

5pm

Council Chambers

65 Homebush Road, Strathfield



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CEO1 ORGANISATIONAL STRUCTURE REVIEW

AUTHOR: Brian Barrett, Acting General Manager

RECOMMENDATION

That Council determine:

1. The organisation structure for Strathfield Council as proposed in Attachment 2 to this report.
2. The following positions to be Senior Staff positions:
 - a. Director Engineering & Operations;
 - b. Director Corporate & Community;
 - c. Director Development & Environment.

REPORT

Background

Under s332 of the Local Government Act 1993 (LGA) Council must determine the organisation structure of Council, which positions, if any, will be Senior Staff positions and the roles and reporting lines of Senior Staff positions. Council determines the resources allocated towards the employment of staff when it adopts the annual Budget and any changes to that through quarterly budget reviews.

The General Manager must determine the positions within the organisation structure after consulting with Council.

Senior Staff positions cannot be determined unless:

- the responsibilities, skills and accountabilities of the positions are generally equivalent to those applicable to the Executive Band of the Local Government (State) Award; and
- the total remuneration package payable to the position is equal to or greater than the minimum remuneration package payable to Senior Executives graded Band 1 under the *Government Sector Employment Act 2013*. These salaries are determined by the Statutory and Other Offices Remuneration Tribunal (SOORT) in July each year.

The minimum set by SOORT in July 2021 for a Band 1 Executive is \$197,400 per annum. This amount represents the minimum Total Remuneration Package (TRP) for an “executive band” role which includes entitlements to salary, superannuation and vehicles etc. A position cannot be determined as a Senior Staff position by Council unless its TRP is above \$197,400 per annum.

Once determined a Senior Staff position, the role can only be filled on a fixed term (up to 5 years) contract using the Office of Local Government's standard form contract and subject to all of the employment conditions that imports. A position does not have to be determined a Senior Staff position simply because its salary is above the minimum threshold.

The position of General Manager is a Senior Staff position (s334 (2) LGA) and does not need to be determined as such.

Council must review and may re-determine the organisation structure of Council within 12 months of an Ordinary Election (s333 LGA). The last Ordinary Election occurred in December 2021.

At its meeting on 7 March 2022, Council resolved to appoint a suitable consultant to, among other things, act as General Manager and review the organisation structure. This is a report of the outcomes of that review.

Review

The current organisation structure forms Attachment 1. The General Manager has exclusive responsibility for appointment of staff within the structure and resources approved by Council (s335 LGA).

There are four executive roles appearing in that structure as follows:

- Deputy CEO and General Manager Planning, Environment & Urban Services
- General Manager People, Place & Civic Services
- Director, Corporate & Financial Services
- Director Office of the CEO

Council has previously only determined the following positions as Senior Staff positions:

- Deputy CEO and General Manager Planning, Environment & Urban Services
- General Manager People, Place & Civic Services

The review was undertaken in a highly collaborative manner. All members of the Leadership Team comprising Executives and Executive Managers were personally invited to make submissions. Fifteen (15) made written and/or verbal submissions.

All staff were invited to make submissions or to meet together with a facilitator to prepare joint submissions. Eight (8) submissions were received from staff outside the leadership structure.

Comparisons

The Office of Local Government categorises councils in NSW based on size and location. Strathfield Council is categorised as a Small/Medium Metropolitan Council. This includes councils with populations up to 70,000. Strathfield has a population of around 47,000 people.

Other Small/Medium Metropolitan Councils include Lane Cove, Burwood, Mosman, Hunters Hill and Woollahra Councils. All were contacted to obtain information on their executive and leadership structures.

Lane Cove, Burwood and Mosman responded.

The following is a summary of responses:

Lane Cove

Four (4) Senior Staff positions known as Executive Managers.

Sixteen (16) Managers report to the Executives.

Total cost of the leadership structure excluding the General Manager is approximately \$3.6m.

Burwood

Five (5) Directors who are not designated Senior Staff positions.

Fifteen (15) Group Managers or Managers report to the Executives.

Total cost of the leadership structure excluding the General Manager is approximately \$3.45m.

Mosman

Three (3) Senior Staff positions known as Directors.

Fifteen (15) Managers report to the Executives.

Total cost of the leadership structure excluding the General Manager is approximately \$3.6m.

Notwithstanding that these councils are of similar size there are many differences. Some have large childcare businesses, major aquatic facilities, Council run parking stations or larger library networks across smaller, more disparate villages. Others manage waste and other cleansing services through outsourced models.

Strathfield Council does not have childcare centres or aquatic facilities, has a modest library offering, has limited investments in paid parking and appears committed to in-house provision of waste and other largely outdoor services.

Other structures can only ever serve as a guide.

Council must determine a structure that best fits its own strategic aims as articulated in its adopted Delivery Program and which will best serve the Strathfield community.

Discussion

Council employs over 210 full time equivalent (FTE) staff and a further 20 Casual FTE. More importantly it has a wide range of statutory responsibilities across very diverse legislation.

Many councils recognise executive leadership in local government broadly spans four major 'bundles' of responsibilities:

Engineering – This covers road, kerb/gutter, footpath, drainage, open space, street furniture, line-marking, signs and sometimes building infrastructure as well as major construction projects. It generally requires leaders with high level engineering skills and technical leadership capacity. High level asset planning capacity is needed. Assets would often be designed by staff in this area and maintenance responsibilities like road patching, pothole filling, crack sealing would be managed here with many skilled workers being deployed. Drainage maintenance works could be undertaken in this area. Parks and tree management would also reside here. It often incorporates traffic management specialists, heavy plant operations and Depot management. Regional responsibilities with Police, SES and the Ambulance Service under Emergency Management legislation would often sit within this bundle as it controls the resources needed to respond to an emergency. Waste management is sometimes located here as it draws on a Depot, heavy plant etc. Strategic planning around minimising waste, treating waste as a resource, community education, waste audit programs etc. is often located with Environmental functions.

Community – This covers activities like libraries, childcare facilities and sometimes management of recreation facilities like pools, halls and community meeting rooms. Services targeted at youth, the aged, multi-cultural communities, those with disability and sometimes the disadvantaged or marginalised would be offered or coordinated with other agencies here.

Corporate – This would include your standard 'back office' functions like Human Resources, Finance, Information & Communications Technology, Legal, Administrative support like Records Management, Purchasing, sometimes Insurance and Risk Management etc. and sometimes Customer Service functions. Local Government also supports the Mayor and Councillors and sometimes Committees of Council. It deals

with requests for access to information and responds to complaints in a bundle of activities often referred to as Governance. Policy development is sometimes attached to Governance.

Planning, Development & Environment – This includes land use planning, development of Local Environmental Plans, Development Control Plans, Local Strategic Planning Statements, Town Centre planning, assessment of development applications, development control activities and often Rangers administering compliance with legislation covering building approved uses, parking, noise, companion animals etc. The environmental focus can cover activities as broad as Biodiversity management to health matters spanning cooling tower inspections, food premises inspections and body piercing businesses where legislative compliance is a major focus to promote community safety.

There are a great many other things a modern council needs to oversee including corporate strategic planning (e.g. Community Strategic Plan development), integrated planning & reporting (strategy development and integration), community engagement, community events, media and communications, internal audit and climate resilience to name a few. These are often spread across the organisation or attached directly to the General Manager's Office. Modern thinking suggests that Internal Audit should always report directly to the General Manager and have Council oversight.

Councils in NSW have arranged and re-arranged these four broad categories of activities in a variety of ways to suit their individual needs and sometimes to acknowledge the expertise and executive focus of the General Manager. Many have badged the bundles of functions differently. There was a prevailing school of thought at one time that names should reflect the community focus of the area's activities and not simply describe the activities performed there. Titles like City Strategy (to cover land use planning and control) and City Assets (to cover 'Engineering' functions) emerged and then declined.

The deployment of only two Executives across the broad range of local government activities outlined whether termed Deputy General Managers or Directors even in a Council of only 210+ staff carries with it the risk that some activities will not receive the Executive attention they need.

Given that Community Services functions at Strathfield are relatively lean with 15 staff in total, it is recommended that Council adopt an Executive structure comprising:

- Director Engineering & Operations
- Director Planning & Environment
- Director Corporate & Community

It is also proposed that each be designated Senior Staff.

The structure beneath each of the Directors is outlined in Attachment 2.

A description of activities performed in each area forms Attachment 3.

Cost

There are currently 18 jobs that carry the title Executive Manager or perform as Executives. A further 20 roles carry the title Manager. The total annual cost of all management roles is \$6.17m.

As part of the review the use of the term Manager has been tightly controlled. Many jobs have been re-badged as Coordinators or given specialist titles like Traffic Engineer to better reflect their actual roles. Some have been identified as no longer being necessary.

There are 15 Managers in the new structure including specialist roles like General Counsel to manage a legal planning practice aimed at saving external legal costs and a Chief Strategy Officer to manage the integrated planning and reporting process, prepare Plans of Management and develop an integrated, robust policy framework.

The final leadership structure is expected to cost \$3.533m excluding the General Manager. This is similar to surrounding Small/Medium Metropolitan Councils.

Other Changes

The review process has highlighted the need for re-alignment of a number of functions and has identified that some jobs are no longer required or need to be substantially re-designed.

It has also identified a range of jobs that are needed at lower levels in the organisation to respond to increased workloads, better deliver on Community Strategic Plan objectives, to provide Council with the capacity to grow skillsets through apprenticeships and to create an in-house capacity to deliver hard to obtain services in the current job market.

Examples include:

- Unification of Civil Works and Parks/Building operations within one Directorate – Engineering & Operations to improve coordination of service delivery and to better manage community assets;
- Blending of our Street Maintenance and Street Cleansing capabilities in one team under one Coordinator to improve the overall appearance and cleanliness of our town centres and shopping strips;
- Creation of an asset planning capability to enable Council to understand the condition of its infrastructure assets, to plan renewal and maintenance activities and to provide transparency to both the Elected Council and the community on what works will be delivered and when;

- Creation of an integrated professional engineering practice within Council to improve the coordination of asset planning, design and delivery;
- Improving our heavy plant and fleet management capability through better planning and reporting;
- Trimming resources allocated to back office functions to enable front line services to be better funded;
- Better coordinating the use of administrative resources across Council;
- Increasing our investment in tree management activities;
- Increasing our internal building maintenance capability;
- Offering local apprenticeships;
- Investing more in building compliance;
- Improving our capacity to respond to the planning workload which has arisen from the adoption of the Local Strategic Planning Statement while ensuring we can manage emerging development application and planning proposal workloads.

These changes will be implemented progressively in consultation with staff and unions.

Immediate Savings

The adoption of this revised leadership structure will provide Council with a saving of around \$550,000 annually.

It is recommended that Council allocate those savings to support our asset management capacity. The current condition assessment of infrastructure assets will no doubt identify the need for a permanent boost to our investment in infrastructure renewal and maintenance. This will be a first step in bridging the infrastructure funding gap.

Further savings will no doubt be made through the next steps of the review process. These will be made with a view to moving resources where there are critical resource shortages outlined above.

Summary

The proposed changes to the leadership structure will enhance executive oversight of activities, provide a streamlined management structure and bring costs in line with those of similar sized councils in Sydney.

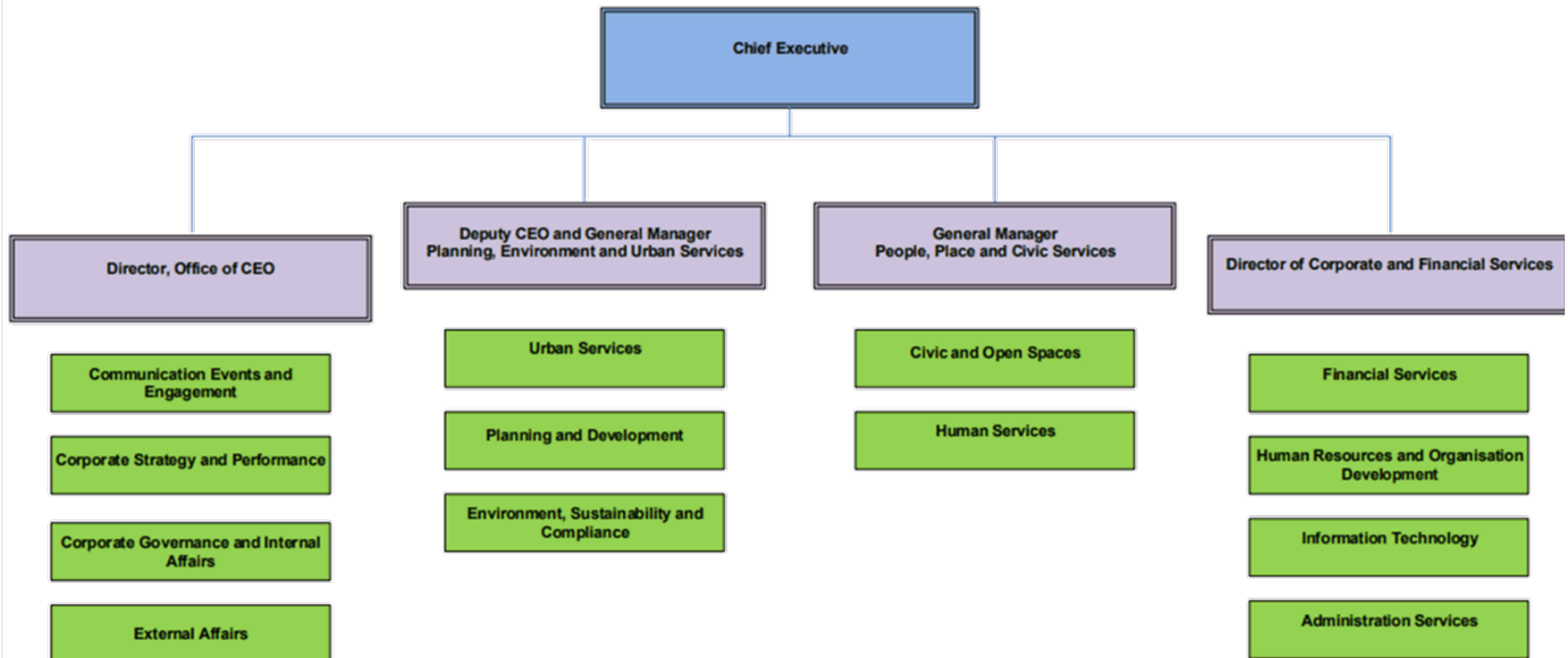
Savings of \$550,000 will be a first step in releasing funds to better meet our community's needs.

ATTACHMENTS

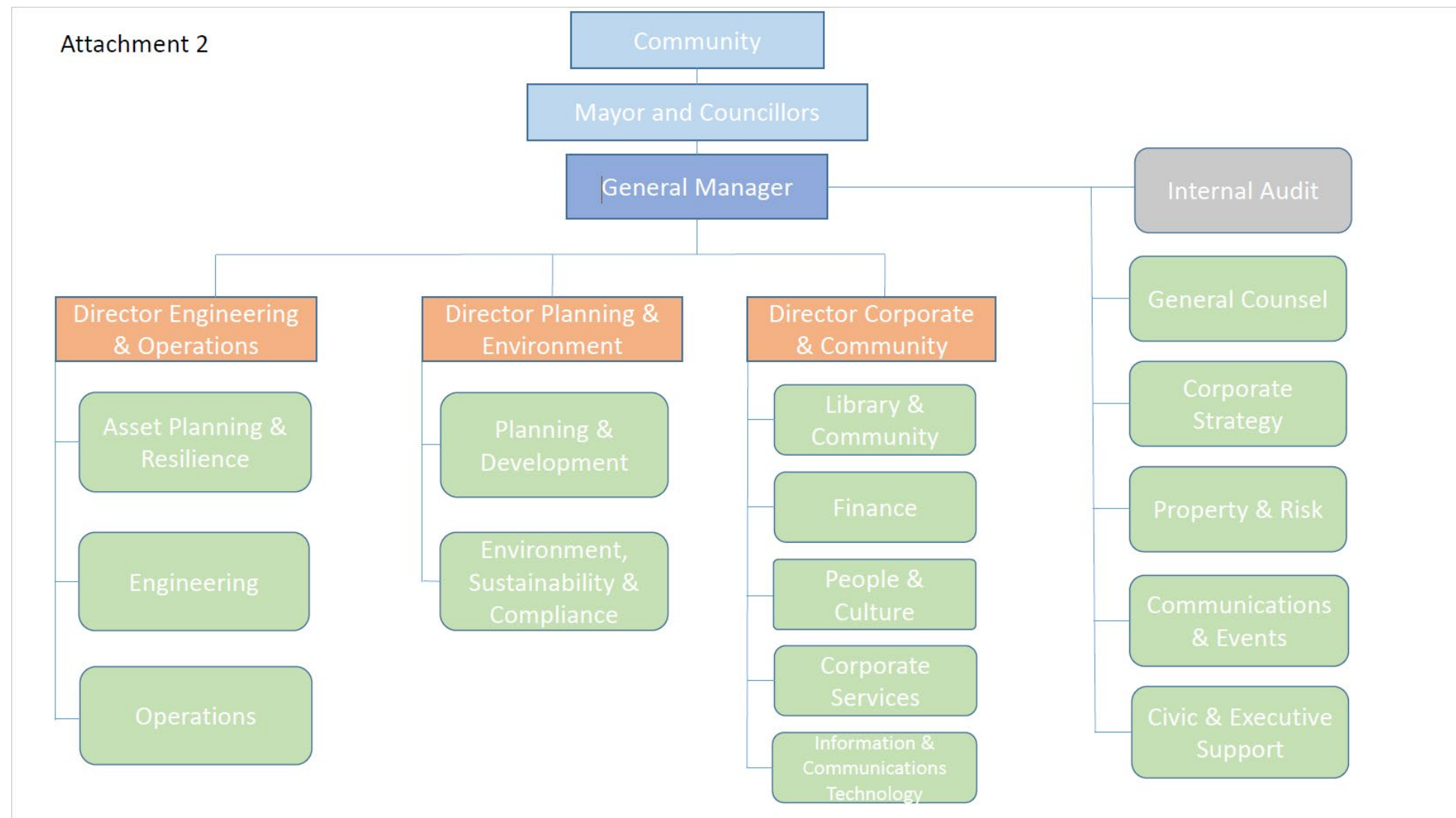
1. Existing Organisational Structure
2. Proposed Organisational Structure
3. Section Descriptions

ATTACHMENT 1

Attachment 1



ATTACHMENT 2



ATTACHMENT 3

Attachment 3

Section Descriptions

| | |
|--|---|
| Asset Planning & Resilience | Asset Strategy development Asset Management Plans Regular asset condition assessment Modelling of asset lives and optimal intervention points Building resilience to climate change into asset planning Smart City strategies – technology based communities |
| Engineering | Traffic Assessment, Planning & Management Local Area Traffic Management plans Open space planning & design Road Safety Design of road, footpath, kerb/ gutter, drainage and other infrastructure Project Management of Capital Works Pedestrian Access Mobility Plans Development Control Engineering |
| Operations | Infrastructure maintenance Fleet maintenance Council & Community Building maintenance and repairs Parks, Playgrounds, Sporting facilities & Sportsground maintenance Dog off leash area management Maintenance of carparks, civic spaces and cleansing Bushcare Urban Forest Management Golf Driving Range Building and parks capital works |
| Planning & Development | Land Use Planning Local Environment Plan, Development Control Plan & Local Strategic Planning Statement development and management Contributions planning (e.g. S7.11 and 7.12 plan development and management) Development Assessment Urban Design & Place Planning Spatial, Geographic Information System and Land Information System management Heritage Assessment Local Planning Panel Management Planning Portal Management & DA tracking Land and Environment Court Major strategic projects |
| Environment, Sustainability & Compliance | Building Compliance Ranger Services Parking Management Community Bus Waste, Recycling, Greenwaste return and earn and clean ups Biosecurity Companion animals Food Outlet inspections Cooling Tower inspections |

| | |
|---|---|
| | Piercing inspections Swimming pool management Biosecurity and environmental health Climate change and EV charging |
| Library & Community | Library Management Social Planning Community Development activities |
| Finance – Chief Financial Officer | Budget preparation and monitoring Financial modelling and reporting, including long term financial plan Business support services Cashflow planning and investment Accounts payable and receivable Rates management |
| People & Culture | Culture and values development Climate Survey management and reporting Advice to leadership on Award conditions Payroll Recruitment, selection and onboarding Job Classification & Organisation Structure development Learning & Development Work Health & Safety, including return to work Workforce planning Workers Compensation Industrial Relations Performance management, rewards and benefits |
| Corporate Services | Records Management Tenders and procurement Customer Service Facilities and sportsfield bookings Catering services Governance & Business Paper Management |
| Information & Communications Technology | Preparation and implementation of Information & Communication Technology strategy and plans User and business support Voice communication services Management of network security Cyber security protocols Network Administration Software replacement and patching CCTV network ICT fleet procurement, management and replacement Council's website Public Wi-Fi services ICT Help Desk Back up and restoration services |
| Property & Risk | Strategic Property management including acquisition and disposal plans Lease & license policy administration Insurances Strategic risk management planning and implementation Energy contract administration |

| | |
|---------------------------|---|
| | Outdoor dining and footpath display Bus shelter advertising contract LED street lighting replacement program |
| Communications & Events | Communications Media and social media management Website management Graphic design Event management |
| Civic & Executive Support | Mayor & Councillor support Volunteer management General Manager support Administrative support across Council Grant administration, management and control |
| General Counsel | Strategic & operational legal advice to Council & staff Management of Class 1 and Class 4 planning matters Property matters including leases, licences and conveyancing Manage planning and environment fines and prosecutions under the Food Act Manage civil litigation and administrative law matters Advise on procurement activities Oversee external legal services Delegation instrument preparation and advice |
| Corporate Strategy | Management of Integrated Planning and Reporting framework Development of Community Strategic Plan, Delivery Program and Operational Plans Reporting on progress with plan implementation Annual Report preparation Policy Development Preparation of Parks Plans of Management Land Register management and land classification |
| Internal Audit | Preparation of strategic audit plan Planning, management, reporting and follow up of internal audits Meeting with Audit, Risk & Improvement Committee |

CEO2 RECRUITMENT OF NEW GENERAL MANAGER

AUTHOR: Brian Barrett, Acting General Manager

RECOMMENDATION

1. That the public and Confidential reports to the Council Meeting held on Friday 8 July 2022 on the outcome of interviews for appointment to the position of General Manager for Strathfield Council be received and noted.
2. That the preferred candidate be offered the position of General Manager of Strathfield Council and the Mayor and Deputy Mayor, in consultation with the Recruitment Consultant, be authorised to negotiate and finalise the appointment based on the following terms and conditions:
 - a. A five (5) year performance based contract in accordance with the standard contract of employment for General Managers in NSW;
 - b. A total remuneration package be negotiated by the Mayor and Deputy Mayor with the successful candidate;
 - c. The policies of the Council which grant an entitlement to the employee relating to the private use of the Council motor vehicle, the incidental private use of the Council provided mobile phone and laptop computer be included in Schedule A of the Contract.
3. That no public announcement of the name of the successful candidate be made until such time as the Mayor has obtained a written acceptance of the offer from the preferred candidate.
4. That Council maintain the confidentiality of the documents and considerations in respect of the General Manager recruitment process.
5. That the Council seal be affixed to the contract if required.

PURPOSE OF REPORT

To select a new General Manager for Strathfield Council.

REPORT

At its meeting on 5 April 2022 Council appointed a Panel to select a new General Manager. The Panel comprised:

- Mayor Councillor Matthew Blackmore
- Deputy Mayor Councillor Karen Pensabene
- Councillor Raj Datta

- Councillor Benjamin Cai
- A suitably qualified independent person.

Ms Therese Manns, General Manager of Randwick Council was subsequently appointed as the independent member.

Blackadder & Associates was selected to conduct the recruitment process for the General Manager on behalf of Council.

A workshop was conducted with the Panel on 26 April 2022 and an Information Pack prepared for the role following that input.

The role was advertised on 29 April 2022.

Eighteen applications were received. Of those:

- Four (4) **female** candidates – around 22% of candidates
- Seven (7) **career local government** candidates (39%)
- One (1) from the **private sector** (5%)
- Eleven (11) from a mix of **government/private/community/local government sectors** (61%)
- Eleven (11) up and coming **director level** candidates (61%)
- Six (6) experienced **GM/CEO** candidates (33%)

One (1) candidate was from the **Northern Territory**, two (2) from **Queensland**, one (1) from **Victoria**, one (1) from the **ACT** and thirteen (13) from **NSW**.

A candidate summary was developed showing the candidate's recent career profile, qualifications and a commentary on alignment with the attributes sought.

The Panel met on 15 June 2022 and shortlisted five (5) candidates for interview and interviews took place on Monday 27 June 2022. Three (3) candidates were selected to proceed to the final stage - a presentation to Council. One candidate subsequently withdrew their application to pursue another opportunity.

On the morning of 8 July 2022 the remaining two (2) candidates presented to the Council. Hogan Assessments have been conducted and the Mayor has sought referee reports in relation to both candidates.

Council must at this meeting take a decision on which candidate should be offered the role of General Manager.

FINANCIAL IMPLICATIONS

Funding for the position of General Manager has been included in the adopted 2022/23 budget.

ATTACHMENTS

There are no attachments for this report.