



Item No: 3.1

Date: 27 October 2023

Attachments: A, B & C

|                             |                                                                                                               |
|-----------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>Meeting:</b>             | Special Council                                                                                               |
| <b>Title:</b>               | State of the Organisation and Structure Review                                                                |
| <b>Responsible Manager:</b> | Chief Executive Officer, Andrew MacDonald                                                                     |
| <b>Author:</b>              | Chief Executive Officer, Andrew MacDonald                                                                     |
| <b>Key Pillar:</b>          | Strategic Framework – Key Pillar 7 – Leadership – A responsible and influential local government organisation |
| <b>Key Focus Area:</b>      | Strategic Community Plan Focus area 3 - Transparent and accountable local tier of Government                  |
| <b>Type of Report:</b>      | <b>Information Report</b>                                                                                     |

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## Recommendation

1. That Council receives and notes the State of the Organisation brief contained within this report.
2. That Council acknowledges the Senior Management Review contained within this report (including its attachments), which is provided by way of consultation by the Chief Executive Officer under Section 99(2) of the Local Government Act 1999 (SA).

## Report Purpose

The purpose of this report is to provide council members with a state of the organisation briefing and to consult on proposed changes to the senior management structure and employment.

## Background

### My First 100 Days

The Chief Executive Officer (CEO) previously shared with council members key areas of focus during his first 100 day which included:

- Relationships and insights
- Major projects, priorities and risks
- Commence strategic plan development
- Financial review
- Listening tour
- Committees and subsidiaries
- State of the organisation briefing

Although there is still some work to do, significant progress has been made and the CEO is in a position to share with council members the state of the organisation and proposed changes to the Senior Leadership Team.

## State of the Organisation

The following state of the organisation assessment is based on:

- One on one interviews with staff and council members,
- a review of Council's suite of strategic plans,
- an examination of governance processes, policies and legislative adherence,
- conversations with community members and external key stakeholders, and
- general observations.

### Staff Members

The CEO has met individually with 35 staff which has provided a clear picture of the organisation from a cultural and staffing perspective.

It is evident that the organisation has a number of highly dedicated and professional staff committed to the Town of Walkerville. It is also apparent there are a number of staff, particularly senior managers, who have been disempowered over the past 12 months or so.

Common responses from staff include:

- Great staff culture
- Positive place to work with good flexibility
- Relationships and communication with council members needs to improve
- Major projects should be the CEO's immediate focus
- Community engagement needs to improve

A number of staff raised concern regarding job security and the fact that they are employed on a short term contract. It is standard practice for councils to employ senior managers on contracts but uncommon for other staff to be employed this way. The risk is the Town of Walkerville may not be considered an employer of choice and therefore not able to attract the best people and valuable staff may leave.

The CEO is concerned about the sustainability of the Finance Team. Currently the team consists of a Group Manager Corporate Services, a Finance & Payroll Officer and a Finance & Rates Officer. There is clearly a lack of capacity for this team to cover periods of leave and busy financial cycles. There is therefore a high risk of staff burnout, errors and ultimately loss of experienced staff. Furthermore, the manager has very little capacity to provide the CEO and Council with quality financial analysis reporting and strategic forecasting.

Concerns were raised by several staff regarding the Customer Experience Team's available capacity. When staff are on leave or sick there is a shortfall in resources. Staff resourcing is inhibiting the establishment of a friendly and welcoming face at reception.

Overall, the Town of Walkerville has a hardworking group of dedicated people who want to see Council perform at its very best. Improved resourcing and a well-considered staff structure will see the organisation move to a higher level of professionalism and compliance.

### Council Members

The CEO has met individually with council members. Common responses from members include:

- Concerned about major projects
- There has been a trust issue between Administration and council members
- Communication between staff and council members needs to improve
- Council must improve the way it engages with the community, particularly in relation to major projects
- Council needs to build a positive reputation with the community and become a trusted organisation
- Administration would benefit from drawing on the diversity and experience of council members

It is clear council members are looking for greater communication, timely information sharing and transparent and trusting relationships with Administration.

### Strategic Planning

The Town of Walkerville is a unique small local government organisation that has not follow standard practices of other South Australian councils or met its legislative requirements in relation to strategic planning.

The Local Government Act clearly states a council must develop and adopt strategic plans for the management of its area.

Council has an adopted a four year strategic plan - '2020-2024 Living in the Town of Walkerville' which includes a brief vision, objectives and desired outcomes. However, the Plan does not clearly articulate how Council will achieve its vision, objectives and outcomes.

Council has not previously developed or adopted Asset Management Plans or a Long Term Financial Plan. Apart from not meeting its legislative obligations, Council has failed to provide the necessary Plans critical to the successful delivery of its parent strategy - '2020-2024 Living in the Town of Walkerville'.

A council's parent strategic should inform its 'Asset Management Plans' (e.g. service standards, goals and objectives), 'Operating Projects' (e.g. new initiative, community support and grant programs), 'New Capital Projects' (e.g. Walkerville Oval, 39 Smith Street) and importantly, its Long Term Financial Plan.

The absence of these Plans has limited Council's ability to clearly communicate and successfully deliver its parent strategy. Council's Annual Business Planning and Budgeting process has likely to be a conversation of **"what are we going to do in next financial year"**. The Annual Business Plan and Budget process should be directly informed by Council's suite of strategic plans, with only minor additions and variations considered each year.

Fortunately, work is well underway in relation to Council's suite of strategic plans with Asset Management Plans for roads, footpaths and stormwater now out for community consultation. Work continues in relation to Council's Long Term Financial Plan with a second draft scheduled for the November Audit and Risk Committee meeting. Work is also underway regarding a proposed approach for Council's comprehensive review/development of a new parent strategy.

### Governance

It is evident that Council is lacking in governance systems and procedures. For example, policies, systems and processes either don't exist or require review. Elements of amendments to the Local Government Act 1999, as per the Statutes Amendment (Local Government Review) Act 2021, remain outstanding.

Historically, there has been a lack of governance resource and focus, with only one governance officer in place. This position has also been responsible for providing executive assistance to the Mayor and CEO, which has further reduced the role's capacity to focus on mandatory governance requirements.

There is a lot of work to be done in this space and a dedicated team is required to cover people and culture, governance and risk - all interrelated functions.

### Major Projects

Over the past couple of years, Council has been progressing significant major projects which include Walkerville Oval and 39 Smith Street. Unfortunately, there has been a number of delays in the delivery of these project due to:

- Design changes
- A large increase in construction costs
- Concerns over Council's ability to fund projects

- The November 2022 Local Government Council Election's mandatory caretaker period
- A significant changeover of council members resulting in a loss of knowledge and perhaps confidence in the projects.

The above has not only caused delays but significantly increased the cost of design and delivery.

It is also clear from conversations with staff, council members, key external stakeholders and residents, that Council has not successfully engaged with the community in relation to major projects. Poor communication and a lack of engagement has resulted in significant changes, delays, loss of trust and reputational damage.

A detailed report and recommendations regarding Council's major projects will be provided to council members in November 2023.

The above state of the organisation review has assisted the CEO in his evaluation of senior management positions, staff resourcing gaps, staff structure and portfolio alignments and responsibilities.

### **Senior Management Review**

Section 99(2) of the *Local Government Act 1999* (SA) requires the Chief Executive Officer to consult with the Council in certain specific circumstances. That section provides as follows:

- (2) *The chief executive officer must consult with the council (to a reasonable degree) when determining, or changing to a significant degree –*
  - (a) *the organisational structure for the staff of the council; or*
  - (b) *the processes, terms or conditions that are to apply to the appointment of senior executive officers; or*
  - (c) *the appraisal scheme that is to apply to senior executive officers*

The CEO intends to implement a two staged review of Council's staff structure. Stage (1) will involve a review of the structure and employment of senior management and Stage (2) will involve working closely with the new senior management team and staff to ensure the organisation is structured in the best possible way.

Stage (2) will not involve any forced redundancies; it will be an inclusive and constructive process that ensures the organisation has the right people in the right seats. Recent one on one catch ups with staff has provided the CEO with valuable information on available skills, strengths and weaknesses and desired career paths of team members. This information will help support the Stage (2) review process.

### **The Leadership Team**

The Senior Leadership Team consists of four senior managers comprising:

- Group Manager Strategy, Governance & Compliance - Scott Reardon
- Group Manager Public Relations & Community Services - Sarah Spencer
- Group Manager Assets & Infrastructure - James Kelly
- Group Manager Corporate Services - Vikki Purtle

The Senior Leadership Team is relatively inexperienced as they have only been promoted to management positions within the past year or two. There has also been a level of disempowerment of the team by the Acting CEO, which has potentially stifled their growth and development over the past 12 months.

James Kelly and Sarah Spencer are two standout managers who have enormous potential. They are both highly capable and skilled individuals who, once empowered, will grow very quickly and become highly regarded members of the Senior Leadership Team and major contributor to Council's future success.

### Stage (1)

Having completed an overall assessment of Council's senior management structure, the CEO plans to make changes to the arrangement, employment and responsibilities of senior management.

The CEO's assessment is Council has too many managers for its size and there is an opportunity to reduce the Senior Management Team from four to three and ensure the CEO has greater oversight of people and culture, governance and risk through direct reporting.

Proposed changes to senior management are:

1. The position of Group Manager Strategy, Governance & Compliance (held by Scott Reardon) to be made redundant.
2. The position of Group Manager Public Relations & Community Services (held by Sarah Spencer) changed to Group Manager Community.
3. The position of Group Manager Corporate Services (held by Vikki Purtle) changed to Group Manager Finance.

There are no proposed change to the position of Group Manager Assets & Infrastructure (held by James Kelly).

The Group Manager Strategy, Governance & Compliance redundancy is necessary as the areas of strategy and governance must sit directly with the CEO and the compliance area already has a Manager Planning & Regulatory Service position held by Michael Walmesley, who will report directly to the CEO.

The redundancy will fund:

1. A new fulltime Team Leader People, Governance & Risk position. This position will report directly to the CEO.
2. A new part time (0.6 FTE) Customer Service Officer position reporting to the Team Leader Customer & Library Services.
3. A new part time position (0.6 FTE) Finance Officer position reporting to the Group Manager Finance.

Proposed changes will:

1. Create a dedicated People, Governance & Risk Team that has a collaborative approach to these core responsibilities and reports directly to the CEO.
2. Ensure the organisation has the capacity to sustainably deliver customer, library and event services and to have a welcoming face at front of house.
3. Strengthen the organisation's financial management and reporting by providing an additional part time Finance Officer.

The above changes are fully funding long-term by the proposed redundancy.

The 2022/23 senior management structure is provided at Attachment (A) and the proposed new structure is at Attachment (B). For interest, Attachment (C) provides the staff structure that was in place at the beginning of 2022. It is proposed that the new senior management structure be effective from **Monday, 13 November 2023**.

### Stage (2)

Once the new senior management structure is in place the CEO will work closely with the new Senior Management Team to fine-tune the proposed structure. Staff will then be consulted with feedback taken onboard and carefully considered.

As mentioned above, Stage (2) will not involve any forced redundancies; it will be an inclusive and constructive process that ensures the organisation has the right people in the right seats. The final new structure will be implemented on **Monday 27 November 2023**.

## Recommendation

1. That Council receives and note the State of the Organisation brief contained within this report.
2. That Council acknowledges the Senior Management Review contained within this report (including its Attachments), which is provided by way of consultation by the CEO under Section 99(2) of the Local Government Act 1999 (SA).

## Financial Implications

The estimated cost of the proposed redundancy is \$89K. This includes 3 months' notice period and 3 months' severance pay. This cost is expected to be reduce by approximately \$27K, as it will take a couple of months to have all proposed new positions in place. Therefore, Council's annual salary budget would need to be adjusted by approximately \$62K to \$65K as part of Council's quarterly budget review process.

While there is an initial financial impact on Council's 2023/24 budget moving forward, Council will be operating with less managers, a stronger People, Government and Risk Team, a more sustainable Finance Team and greater customer support at front of house.

There are no other financial implications associated with this report.

## Risk Assessment

The risk associated with this report has been assessed as low.

## Attachments

|                     |                                          |
|---------------------|------------------------------------------|
| <b>Attachment A</b> | Organisational Structure – 2022/23       |
| <b>Attachment B</b> | Proposed Organisational Structure        |
| <b>Attachment C</b> | Previous Organisational Structure - 2022 |

# Staff Structure 2022/23

## Acting Chief Executive Officer

Scott Reardon

**Group Manager  
Public Relations &  
Community Services**

Sarah Spencer

**Group Manager  
Assets &  
Infrastructure**

James Kelly

**Group Manager  
Corporate Services**

Vikki Purtle

**Group Manager  
Strategy,  
Governance &  
Compliance**

Scott Reardon

**EA to the Mayor &  
CEO**

Emma Spencer

# Staff Structure 2022/23

## Acting Chief Executive Officer

Scott Reardon

## Group Manager Public Relations & Community Services

Sarah Spencer

### Team Leader Customer & Library Services

Lisa Cuculowskyj

### Program & Events Coordinator

Adriane Dade

### Communications & Engagement Officer

Liz Alderslade

### Customer Service Officer

3 x FTEs

### Library Services Officer

2 x FTEs

### Program & Events Officer

Sasha Clarke

# Staff Structure 2022/23

## Acting Chief Executive Officer

Scott Reardon

## Group Manager Asset & Infrastructure

James Kelly

### Group Leader Field Services

Greg Stevens

### Urban & Civil Services

Grant Reimann

### Project Manager

Ross Oates

### Asset & Project Officer - 0.8 FTE

Alyssa Todd

### Field Services Team

6 x FTEs

### Depot Admin Officer - 0.6 FTE

Emma Spencer

### Depot Admin Officer - 0.8 FTE

Bernadette Irwin

# Staff Structure 2022/23

## Acting Chief Executive Officer

Scott Reardon

## Group Manager Corporate Services

Vikki Purtle

### Finance & Payroll Officer

Sharren McKenzie

### Finance & Rates Officer

Chrstine Donnon

### Record Management Officer

Yaning Wang

### WHS/HR Coordinator

Jim Dickens

# Staff Structure 2022/23

## Acting Chief Executive Officer

Scott Reardon

## Group Manager Strategy, Governance & Compliance

Scott Reardon

## Manager Planning & Reg Services

Michael Walmesley

**Governance -  
0.6 FTE**

Danielle Edwards

**Community  
Safety Officer**

Vince Fantasia

**Community  
Safety Officer -  
0.6FTE**

Peter Allis

**Senior Planner**

Siobhan Kelly

**Planning  
Officer**

Chandhini Kumar

# Proposed Staff Structure

## Chief Executive Officer

Andrew MacDonald

**Team Leader People,  
Governance & Risk**

*Vacant*

**Group Manager  
Community**

Sarah Spencer

**Group Manager  
Assets &  
Infrastructure**

James Kelly

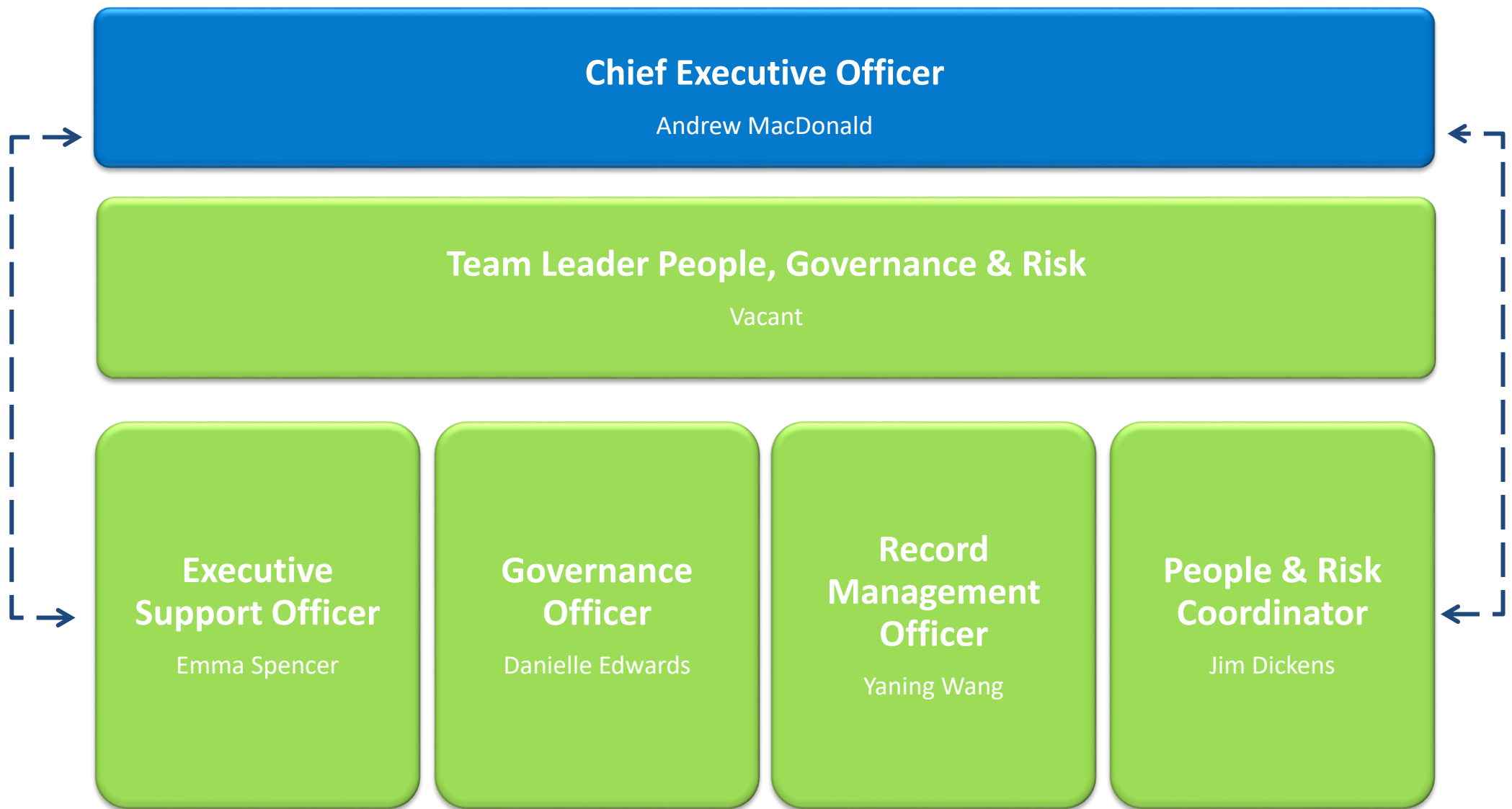
**Group Manager  
Finance**

*Vacant*

**Manager Planning &  
Community Safety**

Michael Walmesley

# Proposed Staff Structure



# Proposed Staff Structure

## Chief Executive Officer

Andrew MacDonald

## Group Manager Community

Sarah Spencer

### Team Leader Customer & Library Services

Lisa Cuculowskyj

### Program & Events Coordinator

Adriane Dade

### Communications & Engagement Officer

Liz Alderslade

### Customer Service Officer

3 x FTEs  
(plus new 0.6 FTE)

### Library Services Officer

2 x FTEs

### Program & Events Officer

Vacant

# Proposed Staff Structure

## Chief Executive Officer

Andrew MacDonald

## Group Manager Asset & Infrastructure

James Kelly

### Team Leader Field Services

Greg Stevens

### Urban & Civil Services Coordinator

Grant Reimann

### Asset & Project Coordinator

Alyssa Todd

### Strategic Project Coordinator

Ross Oates

### Administration Support Officer

Bernadette Irwin

### Field Services Team

6 x FTEs

# Proposed Staff Structure

## Chief Executive Officer

Andrew MacDonald

## Group Manager Finance

Vacant

## Finance & Payroll Officer

Shareen McKenzie

## Finance & Rates Officer

Chrstine Donnon

## Finance Officer

Vacant  
(new 0.6 FTE)

# Proposed Staff Structure

## Chief Executive Officer

Andrew MacDonald

## Manager Planning & Community Safety

Michael Walmesley

### Senior Planner

Siobhan Kelly

### Community Safety Officer

Vince Fantasia  
(reduced by 0.6 FTE)

### Regulatory Services Administrator

Nisha Chaudhary

### Planning Officer

Chandhini Kumar

# Staff Structure 2022

## Chief Executive Officer

Kiki Cristol

**Group  
Manager  
Planning,  
Enviroment &  
Regulatory  
Services**  
*Andreea  
Caddy*

**Group  
Manager  
Customer  
Experience**  
Danielle  
Garvey

**Group  
Manager  
Assets &  
Infrastructure**  
Ben Clark

**Group  
Manager  
Corporate  
Services**  
Monique  
Palmer

**Communications  
Manager**  
Sarah Spencer

**Manager  
Community  
Development  
&  
Engagement**  
Fiona Deckert

**Manager,  
Property,  
Contracts &  
Strategic  
Projects**  
Scott Readon

# Staff Structure 2022

## Chief Executive Officer

Kiki Cristol

## Manager Community Development & Engagement

Fiona Deckert

## Programs and Events Officer

Adriane Dade

# Staff Structure 2022

## Chief Executive Officer

Kiki Cristol

## Group Manager Customer Experience

Danielle Garvey

## Team Leader Customer Experience & Library Services

Hedy Hashemi

## Customer Experience Officer

4 x FTEs

## Library Services Officer

3 x FTEs

# Staff Structure 2022

## Chief Executive Officer

Kiki Cristol

## Group Manager Assets & Infrastructure

Ben Clark

### Team Leader Beautification Services

Greg Stevens

### Urban & Civil Services

Grant Reimann

### Asset & Project Officer

James Kelly

### Depot Administrative Officer - 0.8

Bernadette Irwin

### Beautification Services Team

6 x FTEs

### Depot Administrative Officer - 0.6

Emma Spencer

# Staff Structure 2022

## Chief Executive Officer

Kiki Cristol

## Group Manager Corporate Services

Monique Palmer

### Accounts Officer

Sharren McKenzie

### Payroll & Rates Officer

Bec Webb

### Record Management Officer

Yaning Wang

# Staff Structure 2022

## Chief Executive Officer

Kiki Cristol

## Group Manager Planning, Environment & Regulatory Services

Andreea Cady

### Senior Planner

Michael Walmesley

### Community Safety Officer

Vince Fantasia

### Regulatory Services Admin

Kelly Bowyer

### Planning Officer

Siobhan Kelly

### Planing Officer

Carly Walker

# Staff Structure 2022

**Chief Executive Officer**

Kiki Cristol

**WHS/HR Officer**

Jim Dickens

**EA & Governance Officer**

Danielle Edwards