

Report of the Inquiry into the City of Perth

An Inquiry under Part 8, Division 2
Local Government Act 1995

4



Acknowledgment of Country

The Western Australian Government proudly acknowledges the Traditional Owners and recognises their continuing connection to their lands, families and communities.

We pay our respects to Aboriginal and Torres Strait Islander cultures and to Elders past, present and emerging.

The first step in living alongside and working with the Aboriginal community is built upon establishing respectful relationships. Crucial to these respectful relationships is acknowledging the history of Aboriginal people and recognising the importance of connection to family, culture and country.

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Published by the Department of Local Government, Sport and Cultural Industries, Western Australia, 30 June 2020.

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Volume 4

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4.1

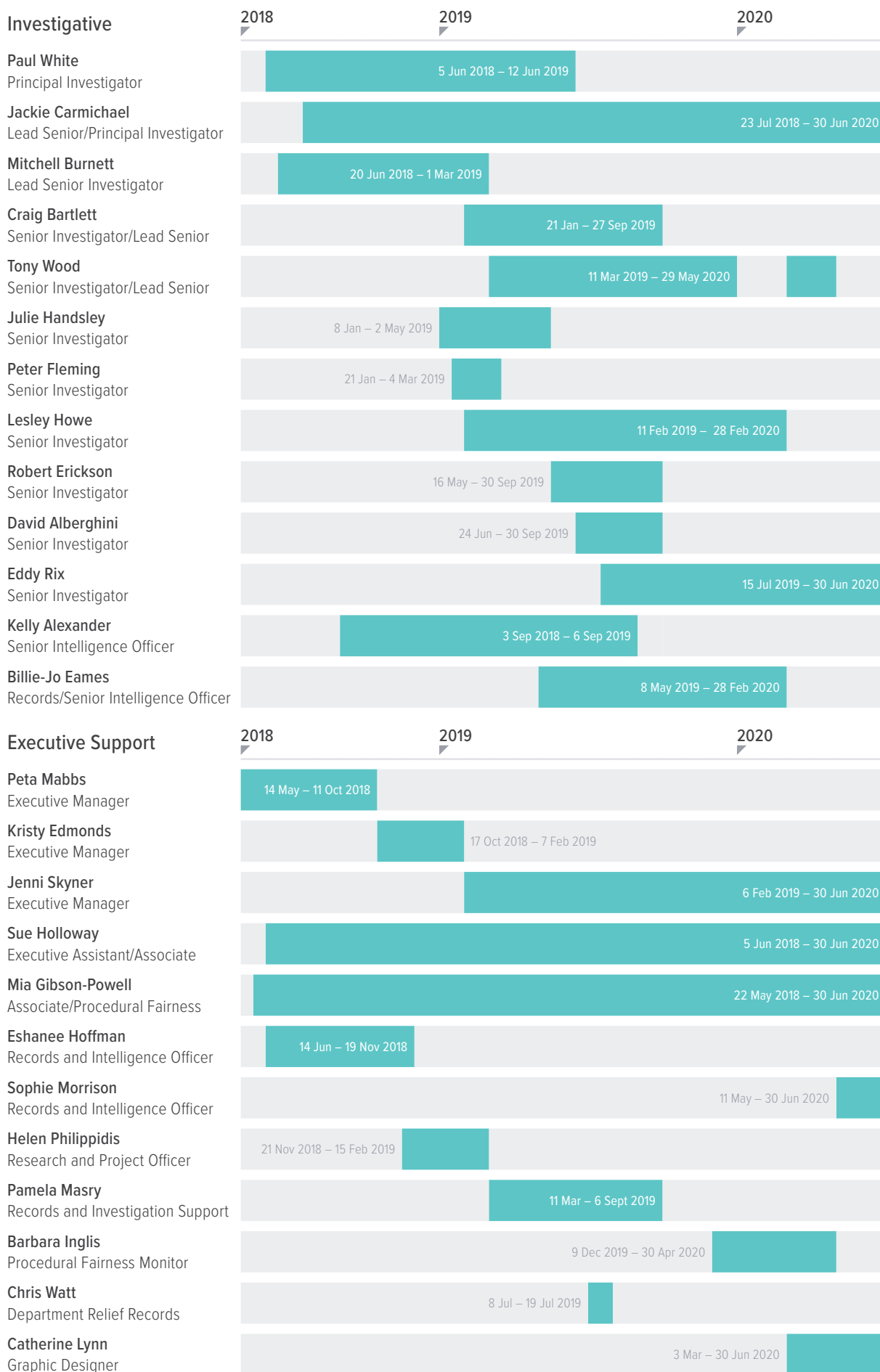
The Inquiry

Inquiry resourcing

In the period 24 April 2018 to 30 June 2020, the Inquiry Panel was resourced with legal officers, investigative officers and executive support officers. Table 4.1 provides a list of all Inquiry staff during this period.

Table 4.1: Inquiry into the City of Perth: Human resources.

Legal	2018	2019	2020
Commissioner Power Inquiry Panel	1 May 2019 – 30 Jun 2020		
Kim Lendich Counsel Assisting	1 May 2018 – 30 Jun 2019		
Rachel Joseph Counsel Assisting	5 Mar – 31 May 2019		
Philip Urquhart Counsel Assisting	5 Jun 2019 – 30 Jun 2020		
Kate Ellson Counsel Assisting	5 Jun 2019 – 30 Apr 2020		
Cheyne Beetham Counsel Assisting	12 Jun 2019 – 30 Jun 2020		
Nicholas Parkinson Solicitor Assisting	28 May 2018 – 30 Jun 2020		
Sarah Oldfield Instructing Solicitor	14 May 2019 – 12 Jun 2020		
Thomas Camp Instructing Solicitor	12 Jun 2019 – 12 Jun 2020		
Maria Madigan Instructing Solicitor	24 Jun – 23 Dec 2019		
Matthew Handcock Senior Lawyer	1 Apr – 12 Jun 2019		
Zoe Herger-Smith Paralegal	3 Mar – 12 Jun 2020		



Coercive powers

In accordance with the *Royal Commissions Act 1968*, the Inquiry Panel had the power to:

- compel public authorities or public officers to produce statements of information (section 8A);
- serve a written notice on a person requiring that person to produce specified documents, books, writings or things specified in the notice (section 8B);
- summons a person and require that person to give evidence or produce any documents, writings or things in his or her custody or control (section 9); and
- examine a witness on oath and require that witness to answer any question relevant to its investigation (sections 11 and 14(1)(b)).

During the Inquiry:



21

Statements of Information were compelled from public authorities or public officers

Table 4.2



100

Notices to Produce a Record were served

Table 4.3

As part of the hearing programme:



104

Persons were summonsed to appear before the Inquiry and gave evidence

Table 4.4

The Inquiry Panel also issued orders during public hearings for the non-publication of evidence or documents in accordance with section 19B(5)(c) and (d) of the *Royal Commissions Act 1968*, which has effect pursuant to section 8.20 of the *Local Government Act 1995*.



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Orders preventing the publication of information were issued during the public hearings

Table 4.6

Statements of Information and Notices to Produce

The positions given for people listed in Tables 4.2 and 4.3 are the positions they held at the time served with a Notice to Produce a Statement of Information or a Notice to Produce a Record, respectively.

Table 4.2: Section 8A of the *Royal Commissions Act 1968* – Statements of Information compelled for production to the Inquiry.

Reference No.	Party	Date
SOI 001 of 2018	Mr Mark Ridgwell, Manager, Governance, City of Perth	25/10/2018
SOI 002 of 2019	Mr Murray Jorgensen, Chief Executive Officer (CEO), City of Perth	17/01/2019
SOI 003 of 2019	Mr Murray Jorgensen, CEO, City of Perth	11/02/2019
SOI 004 of 2019	Ms Lisa Scaffidi, Lord Mayor	1/03/2019
SOI 005 of 2019	Mr Jim Adamos, Councillor	1/03/2019
SOI 006 of 2019	Ms Janet Davidson, Councillor	1/03/2019
SOI 007 of 2019	Ms Lily Chen, Councillor	1/03/2019
SOI 008 of 2019	Mr Reece Harley, Councillor	1/03/2019
SOI 009 of 2019	Dr Jemma Green, Councillor	1/03/2019
SOI 010 of 2019	Mr James Limnios, Councillor	1/03/2019
SOI 011 of 2019	Ms Alexis Barton, Councillor	1/03/2019
SOI 012 of 2019	Mr Steve Hasluck, Councillor	1/03/2019
SOI 013 of 2019	Mr Murray Jorgensen, CEO, City of Perth	11/03/2019
SOI 014 of 2019	Mr Murray Jorgensen, CEO, City of Perth	18/03/2019
SOI 015 of 2019	Mr Murray Jorgensen, CEO, City of Perth	8/04/2019
SOI 016 of 2019	Mr Murray Jorgensen, CEO, City of Perth	16/05/2019
SOI 017 of 2019	Mr Mark Ridgwell, Manager, Governance, City of Perth	17/06/2019
SOI 018 of 2019	Ms Rochelle Lavery, CEO, City of Subiaco	25/07/2019
SOI 019 of 2019	Mr Murray Jorgensen, CEO, City of Perth	30/08/2019
SOI 020 of 2019	Mr Murray Jorgensen, CEO, City of Perth	21/10/2019
SOI 021 of 2019	Mr Murray Jorgensen, CEO, City of Perth	21/10/2019

Table 4.3: Section 8B of the *Royal Commissions Act 1968* – Notice to Produce a Record compelled for production to the Inquiry.

Reference No.	Party	Date
NPR 001 of 2018	Mr Lloyd Peters, Manager, Technology, City of Perth	12/06/2018
NPR 002 of 2018	Mr Robert Mianich, Director, Corporate Services, City of Perth	12/06/2018
NPR 003 of 2018	Ronald Murphy, Manager, Sector Governance, Department of Local Government, Sport and Cultural Industries	14/06/2018
NPR 004 of 2018	Mr Lloyd Peters, Manager, Technology, City of Perth	18/06/2018
NPR 005 of 2018	Mr Lloyd Peters, Manager, Technology, City of Perth	20/06/2018
NPR 006 of 2018	Mr Lindsay Warner, Acting Public Sector Commissioner	29/06/2018
NPR 007 of 2018	Ms Louise Welch, former Ranger, City of Perth	10/07/2018
NPR 008 of 2018	Mr Mark Close, former Place Development Officer, City of Perth	18/07/2018
NPR 009 of 2018	Mr Michael Carter, former Director Economic Development and Activation, City of Perth	18/07/2018
NPR 010 of 2018	Mr Martin Mileham, CEO, City of Perth	26/07/2018
NPR 011 of 2018	Ms Lisa Scaffidi, Lord Mayor	30/08/2018
NPR 012 of 2018	Dr Jemma Green, Councillor	30/08/2018
NPR 013 of 2018	Ms Janet Davidson, Councillor	30/08/2018
NPR 014 of 2018	Mr Jim Adamos, Councillor	30/08/2018
NPR 015 of 2018	Ms Judy McEvoy, Councillor	30/08/2018
NPR 016 of 2018	Mr Keith Yong, Councillor	30/08/2018
NPR 017 of 2018	Ms Alexis Barton, Councillor	30/08/2018
NPR 018 of 2018	Ms Lily Chen, Councillor	30/08/2018
NPR 019 of 2018	Mr Reece Harley, Councillor	30/08/2018
NPR 020 of 2018	Mr Steve Hasluck, Councillor	30/08/2018
NPR 021 of 2018	Mr James Limnios, Councillor	30/08/2018
NPR 022 of 2018	Ms Rebecca Moore, Director, Community and Commercial Services, City of Perth	30/08/2018
NPR 023 of 2018	Mr Paul Crosetta, Director, Construction and Maintenance, City of Perth	31/08/2018
NPR 024 of 2018	Mr Robert Mianich, Director, Corporate Services, City of Perth	30/08/2018
NPR 025 of 2018	Ms Erica Barrenger, Director, Planning and Development, City of Perth	30/08/2018
NPR 026 of 2018	Mr Martin Mileham, CEO, City of Perth	30/08/2018
NPR 027 of 2018	Mr Mark Ridgwell, Manager, Governance, City of Perth	30/08/2018
NPR 028 of 2018	Mr Robert Mianich, Director, Corporate Services, City of Perth	19/09/2018
NPR 029 of 2018	Mr David Kerslake, Electoral Commissioner of Western Australia	17/10/2018
NPR 030 of 2018	Westpac Banking Corporation	8/11/2018
NPR 031 of 2018	National Australia Bank	8/11/2018
NPR 032 of 2018	Westpac Banking Corporation	8/11/2018

Reference No.	Party	Date
NPR 033 of 2018	Mr Mark Ridgwell, Manager, Governance, City of Perth	9/11/2018
NPR 034 of 2018	Mr Lloyd Peters, Manager, Technology, City of Perth	13/11/2018
NPR 035 of 2018	Ms Andrea Ballantyne, Assistant Secretary, Local Government Racing and Cemeteries Employees Union	4/12/2018
NPR 036 of 2018	Mr Mark Ridgwell, Manager, Governance, City of Perth	4/12/2018
NPR 001 of 2019	National Australia Bank	8/01/2019
NPR 002 of 2019	Bankwest	8/01/2019
NPR 003 of 2019	ANZ Banking Group Limited	8/01/2019
NPR 004 of 2019	Commonwealth Bank of Australia	8/01/2019
NPR 005 of 2019	Westpac Banking Corporation	8/01/2019
NPR 006 of 2019	Mr Kenny Seow, Partner, RiskWest Management Consultants	9/01/2019
NPR 007 of 2019	Mr Darren Kavanagh, Commissioner, WorkSafe Western Australia	9/01/2019
NPR 008 of 2019	Mr Eric Lumsden, Chair of Commissioners, City of Perth	14/01/2019
NPR 009 of 2019	Mr Murray Jorgensen, CEO, City of Perth	17/01/2019
NPR 010 of 2019	Mr Mark Ridgwell, Manager, Governance, City of Perth	24/01/2019
NPR 011 of 2019	Ms Janine Thompson, Registrar, Perth Magistrates Court	6/02/2019
NPR 012 of 2019	Mr Murray Jorgensen, CEO, City of Perth	11/02/2019
NPR 013 of 2019	Mr Geoffrey Blades, Director, Lester Blades	12/02/2019
NPR 014 of 2019	Ms Lilly Yong	5/03/2019
NPR 015 of 2019	Ms Dale Calhoun, Director, Tower Human Capital Group	6/03/2019
NPR 016 of 2019	Ms Judy McEvoy, former Councillor	7/03/2019
NPR 017 of 2019	Mr Keith Yong, former Councillor	7/03/2019
NPR 018 of 2019	Mr Martin Mileham, former CEO, City of Perth	7/03/2019
NPR 019 of 2019	Mr Ronald Murphy, Manager, Sector Governance, Department of Local Government, Sport and Cultural Industries	15/03/2019
NPR 020 of 2019	Mr Gary Hamley, Chief of Staff to the Minister for Local Government, Heritage, Culture and the Arts	15/03/2019
NPR 021 of 2019	Mr Neil Douglas, Partner, McLeods Barristers and Solicitors	15/03/2019
NPR 022 of 2019	Mr Murray Jorgensen, CEO, City of Perth	18/03/2019
NPR 023 of 2019	Mr Jim Adamos, Councillor	26/03/2019
NPR 024 of 2019	Mr Robert Butler, former Councillor	26/03/2019
NPR 025 of 2019	Ms Margaret Smith, Manager, Development Approvals, City of Perth	2/04/2019
NPR 026 of 2019	Mr Carlo Menchetti, Director, Menchetti Consolidated Pty Ltd (MG Group)	4/04/2019
NPR 027 of 2019	Mr Murray Jorgensen, CEO, City of Perth	8/04/2019
NPR 028 of 2019	Mr Simon Coad, CEO, Ticcidew Insolvency	15/04/2019
NPR 029 of 2019	Ms Alison Egan, Manager, Human Resources, City of Perth	29/04/2019
NPR 030 of 2019	Ms Barbara Moyser, Senior Employee Relations Advisor, City of Perth	29/04/2019

Reference No.	Party	Date
NPR 031 of 2019	Mr Mario d'Orazio, Chairperson, Perth Public Art Foundation	9/05/2019
NPR 032 of 2019	Mr Blake Humble, Co-ordinator Park Operations, City of Perth	20/05/2019
NPR 033 of 2019	Mr Murray Jorgensen, CEO, City of Perth	20/05/2019
NPR 034 of 2019	Mr Martin Copeman, Manager, Parks, City of Perth	22/05/2019
NPR 035 of 2019	Mr Murray Jorgensen, CEO, City of Perth	6/06/2019
NPR 036 of 2019	Mr Mark Ridgwell, Manager, Governance, City of Perth	17/06/2019
NPR 037 of 2019	Mr Mark Ridgwell, Manager, Governance, City of Perth	2/07/2019
NPR 038 of 2019	Mr Andrew Corke, Acting Manager, Governance, City of Perth	3/07/2019
NPR 039 of 2019	Mr Keith Yong, former Councillor	3/07/2019
NPR 040 of 2019	Ms Lily Chen, Councillor	4/07/2019
NPR 041 of 2019	Mr Darren Kavanagh, Commissioner, WorkSafe WA	22/07/2019
NPR 042 of 2019	Mr Andrew Corke, Acting Manager, Governance, City of Perth	24/07/2019
NPR 043 of 2019	Ms Rochelle Lavery, CEO, City of Subiaco	25/7/2019
NPR 044 of 2019	Osaka Gas Australia Pty Ltd	26/7/2019
NPR 046 of 2019	Mr Joshua Preston, Chief Legal Officer, Burswood Nominees Limited	31/7/2019
NPR 047 of 2019	Mr Joshua Preston, Chief Legal Officer, Burswood Nominees Limited	1/08/2019
NPR 048 of 2019	Mr Martin Michalik, Director, Stantons International Audit and Consulting Pty Ltd	5/08/2019
NPR 049 of 2019	Mr Martin Michalik, Director, Stantons International Audit and Consulting Pty Ltd	5/08/2019
NPR 050 of 2019	Mr Tet Khiong Yong	6/08/2019
NPR 051 of 2019	Ms Barbara Moyser, Senior Employee Relations Advisor, City of Perth	9/08/2019
NPR 052 of 2019	Mr Chad Ferguson, Director, DevWest Group Pty Ltd	12/08/2019
NPR 053 of 2019	Mr Xin Ping Chen, Accountant, Henry & Associates Pty Ltd	13/08/2019
NPR 054 of 2019	Ms Barbara Moyser, Senior Employee Relations Advisor, City of Perth	16/08/2019
NPR 055 of 2019	Mr Murray Jorgensen, CEO, City of Perth	20/08/2019
NPR 056 of 2019	Telstra Corporation Limited	21/08/2019
NPR 057 of 2019	Telstra Corporation Limited	21/08/2019
NPR 058 of 2019	Telstra Corporation Limited	21/08/2019
NPR 059 of 2019	Mr Nick Sloan, CEO, Western Australian Local Government Association (WALGA)	27/08/2019
NPR 060 of 2019	Telstra Corporation Limited	5/09/2019
NPR 062 of 2019	Mr Daniel Zador, Partner, Herbert Smith Freehills	23/09/2019
NPR 063 of 2019	Mr Murray Jorgensen, CEO, City of Perth	21/10/2019
NPR 064 of 2019	Mr Mark Cox, Director, MDC Legal	5/12/2019
NPR 001 of 2020	Mr Shane Melville, Principal Registrar, District Court	7/02/2020
NPR 002 of 2020	Mr Murray Jorgensen, CEO, City of Perth	10/02/2020

People summonsed to give evidence and procedural fairness

The Inquiry conducted public and private hearings with 104 witnesses. Witnesses were summonsed and could be represented by legal counsel, if they so chose. Procedural fairness processes were observed by the Inquiry. Prior to Sections of this Report being finalised, the Inquiry gave each person who was the subject of a potential adverse finding the opportunity to make submissions in response to those potential adverse findings (Table 4.4 and 4.5).

Table 4.4: Section 9 of the *Royal Commissions Act 1968* – Persons summonsed to give evidence before the Inquiry Panel and afforded procedural fairness.

Name	Legal representative (firm) ^a	Private Hearing	Public Hearing	Procedural fairness process
City of Perth council members (Lord Mayor)				
1. Ms Lisa-Michelle (Lisa) Scaffidi	Hotchkin Hanly Lawyers	✓	✓	✓
City of Perth council members (Councillors)				
2. Mr Jimmy (Jim) Adamos	HWL Ebsworth Lawyers	✓	✓	✓
3. Ms Alexis (Lexi) Louise Foster Barton	Cornerstone Legal		✓	✓
4. Mr Robert (Rob) John Butler	MinterEllison	✓		✓
5. Ms Lily Chen	HWL Ebsworth Lawyers	✓	✓	✓
6. Ms Janet Elizabeth Davidson OAM	MinterEllison	✓	✓	✓
7. Dr Jemma Marie Green	Norton Rose Fulbright	✓	✓	✓
8. Mr Reece James Harley	Pragma Lawyers	✓	✓	✓
9. Mr Steven (Steve) Jeffrey Hasluck	Blackwall Legal LLP		✓	✓
10. Mr Dimitrios Athanasios (James) Limnios	Hale Legal Pty Ltd	✓	✓	✓
11. Ms Judith (Judy) Sabina McEvoy	Barry.Nilsson.Lawyers	✓	✓	✓
12. Mr Yit-Kee (Keith) Yong	MinterEllison; D.G. Price & Co, Barristers and Solicitors	✓	✓	✓
City of Perth Chief Executive Officers				
1. Mr Gary John Stevenson	Clyde & Co	✓		
2. Mr Martin Nicholas Mileham	Equitas Lawyers	✓	✓	✓
3. Mr Murray Alan Jorgensen	Wotton + Kearney		✓	
City of Perth Executive Leadership Group				
1. Ms Erica Margaret Barrenger	HWL Ebsworth Lawyers	✓	✓	✓
2. Ms Annaliese Maria Battista	Gilchrist Connell	✓		✓
3. Mr Michael James Carter	HWL Ebsworth Lawyers	✓		
4. Mr Luciano Paola (Paul) Crosetta	Barry.Nilsson.Lawyers	✓	✓	✓
5. Mr Robert David Mianich	Barry.Nilsson.Lawyers	✓	✓	✓
6. Ms Rebecca Therese Moore	Clyde & Co	✓		✓

^a Some witnesses were represented by more than one solicitor from a firm. Some witnesses were represented by counsel in addition to solicitors. Some witnesses were unrepresented at different stages of the Inquiry before subsequently being represented.

Name		Legal representative (firm) ^a	Private Hearing	Public Hearing	Procedural fairness process
City of Perth employees					
1.	Ms Judith Francis Arnold	HWL Ebsworth Lawyers	✓		
2.	Ms Gaynor Boros	Clyde & Co	✓		
3.	Mr Myles Courtney Bovell	HWL Ebsworth Lawyers	✓		
4.	Ms Nicola Therese Brandon	MinterEllison	✓		✓
5.	Mr Lachlan Bugarin	Not represented	✓		
6.	Ms Catherine Joanne Clayton	Not represented	✓		
7.	Mr Mark Close	Clyde & Co	✓		
8.	Mr Martin William Copeman	Clyde & Co	✓	✓	✓
9.	Ms Paola Loretta Mograve Duran (Ms Paola Loretta Mograve)	HWL Ebsworth Lawyers	✓		✓
10.	Ms Wendy Jane Earl	Not represented	✓		
11.	Ms Alison Elizabeth Egan	Clyde & Co	✓		✓
12.	Dr Kenneth William Evans	Squire Patton Boggs	✓		✓
13.	Mr Paul Gale	Clyde & Co	✓		
14.	Ms Joan Nicole Gallin	Clyde & Co	✓		
15.	Mr Nathan John Giles	Clyde & Co	✓		
16.	Ms Alyce Maree Higgins	Clyde & Co	✓		
17.	Mr Daniel High	Clyde & Co	✓		
18.	Mr Michael Lindsay Holland	Clyde & Co	✓		
19.	Ms Simone Holmes-Cavanagh	Clyde & Co	✓		
20.	Ms Michelle Debra Howells	Clyde & Co	✓		✓
21.	Mr Blake William Humble	Clyde & Co	✓		✓
22.	Mr Ramzi A Ibrahim	Clyde & Co	✓		
23.	Mr Shaun Kan	MinterEllison	✓		✓
24.	Ms Emma Louise Landers	Clyde & Co	✓		
25.	Mr Kirk David Linares	Clyde & Co	✓		✓
26.	Mr Dennis Albert Martin	Clyde & Co.	✓		
27.	Mr Sergio Massimini	Clyde & Co	✓		
28.	Ms Barbara Mia Moyser	MinterEllison	✓	✓	✓
29.	Mr Robert Wallace Munro	Clyde & Co	✓		
30.	Mr Desmond Simbarashe Ngara	Clyde & Co	✓		
31.	Ms Kathleen Elizabeth O'Brien	MinterEllison	✓		
32.	Mr Simon John Pascoe	Clyde & Co	✓		
33.	Ms Kelly Louise Pember	MinterEllison	✓		
34.	Ms Marlena Pereira	Clyde & Co	✓		

Name		Legal representative (firm) ^a	Private Hearing	Public Hearing	Procedural fairness process
35.	Mr Michael Dale Quinlivan	Clyde & Co	✓		
36.	Mr Theivanayagam Sriranjana (Mr Sri Ranjan)	Clyde & Co	✓		✓
37.	Mr Daniel James Richards	Clyde & Co	✓		✓
38.	Mr Mark Hunter Ridgwell	Clyde & Co	✓	✓	✓
39.	Mr Noel Bernard Robertson	Clyde & Co	✓		
40.	Ms Jacqueline Mary Scott	Clyde & Co	✓		
41.	Mr Craig Melville Smith	Clyde & Co	✓		
42.	Ms Margaret Smith	Clyde & Co	✓		
43.	Ms Susan Weary	MinterEllison	✓		✓
44.	Mr Melvyn Stewart Wilson	Not represented	✓		
45.	Ms Samantha Yan	Not represented	✓		
Other					
1.	Mr Douglas Trevor Aberle	AMCG Legal	✓		
2.	Mr Levent Altintas	Not represented	✓		
3.	Mr Glen Robert Bartlett	Not represented	✓		
4.	Mr Peter Helge Betz	Not represented	✓		
5.	Mr Imad Bkoor	Not represented	✓		
6.	Mr Geoffrey Blades	Not represented	✓		✓
7.	Ms Jodie Cant	Not represented	✓		
8.	Mr Chi Lung (Charlie) Chen	Not represented	✓		
9.	Ms Lyn Cavanagh	Not represented	✓		✓
10.	Mr Daniel Sean Choung Ow	Not represented	✓		
11.	Mr Paul Michael Claxton	Not represented	✓		
12.	Mr Patrick Joseph Coward	Not represented	✓		
13.	Mr Lee Brian McCabe	Mr James Healy of counsel	✓		
14.	Mr Xin Ping Chen (Henry)	Not represented	✓		
15.	Mr Paul William Daniel	Not represented	✓		
16.	Mr Neil Frederick Douglas	Not represented	✓		
17.	Mr Chad William Ferguson	Not represented	✓		
18.	Mr Adriano (Adrian) Fini	Not represented	✓		
19.	Mr Gary Hamley	Not represented	✓		
20.	Mr Julius Lewin	Not represented	✓		
21.	Mr Wil Lie (Willie) Lim	Not represented	✓		
22.	Mr Bradley John Mellen	Payne and Associates	✓		
23.	Mr Carlo Simon Menchetti	Not represented	✓		

Name	Legal representative (firm) ^a	Private Hearing	Public Hearing	Procedural fairness process
24. Mr Ronald Richard Murphy	Not represented	✓		
25. Mr Khanh Nguyen	Hotchkin Hanly Lawyers	✓		
26. Mr John Andres Nicolaou	Not represented		✓	
27. Mr Andrew Ogden	Not represented	✓		✓
28. Mr Terry Charles Posma	Not represented	✓		
29. Mr Jordan Qaraleh	Not represented	✓		
30. Mr Kenny Seow	Not represented	✓		
31. Mr Jian Shu (Jason) Sun	Not represented	✓		
32. Mr Michael Sutherland	Not represented	✓		
33. Mr Keiji Takemori	Clayton Utz	✓		
34. Mr Anthony Tran	Not represented	✓		✓
35. Ms Angie (Yit-Choo) Yong	Perrella Legal Pty Ltd	✓	✓	✓
36. Ms Chiew (Christine) Yen Yong	Not represented	✓		
37. Ms Lily Yong	Perrella Legal Pty Ltd	✓	✓	✓
City Of Perth Commissioner				
1. Mr Andrew Charles Hammond	Not represented		✓	
Sub-total		99	23	38

Table 4.5: Person afforded procedural fairness who was not summonsed to give evidence before the Inquiry Panel.

Name	Legal representative (firm) ^a	Private Hearing	Public Hearing	Procedural fairness process
Other				
1. Mr Jeffrey Sanders	Not represented			✓
Sub-total				1
Total		99	23	39

Orders prohibiting publication of personal information

Pursuant to section 19B(5)(c) and (d) of the *Royal Commissions Act 1968*, which has effect by virtue of section 8.20 of the *Local Government Act 1995*, the Inquiry may make orders preventing the publication of information and documents produced during public hearings. Table 4.6 describes the terms of the Order, the date the Order was made, and the place of publication of the Order.

Table 4.6: Section 19B(5)(c) and (d) of the *Royal Commissions Act 1968*, which has effect pursuant to section 8.20 of the *Local Government Act 1995* – Inquiry Panel Orders (public hearings).

Nature of the Order	Date	Published
The Inquiry Panel orders that publication of any Personal Information of any person referred to during the evidence given, or contained in any documents displayed, during public hearings of the Inquiry during the period 5 August 2019 to 16 August 2019, is prohibited.	2/08/2019	Inquiry's website
The Inquiry Panel orders that publication of any Personal Information of any person referred to during the evidence given, or contained in any documents displayed, during public hearings of the Inquiry during the period 13 September 2019 to 27 September 2019 is prohibited.	13/09/2019	Inquiry's website
The Inquiry Panel orders that publication of any Personal Information of any person referred to during the evidence given, or contained in any documents displayed, during public hearings of the Inquiry during the period 1 October 2019 to 9 October 2019 is prohibited.	1/10/2019	Inquiry's website
The Inquiry Panel orders that publication of any Personal Information of any person referred to during the evidence given, or contained in any documents displayed, during public hearings of the Inquiry during the period 10 October 2019 to 11 October 2019 is prohibited.	10/10/2019	Inquiry's website

Inquiry's Practice Directions

The Inquiry's Practice Directions (Practice Directions) set out the procedures followed by the Inquiry. They explain the processes used by the Inquiry Panel for conducting hearings and affording procedural fairness to those appearing before it.

The Practice Directions were published on the Inquiry's website on 22 November 2018 and amended on 2 August 2019 and 1 November 2019.

A summary of the Practice Directions is contained in Table 4.7. The full Practice Directions are contained in this Section.

Table 4.7: Summary of Inquiry's Practice Directions governing the conduct of the Inquiry.

Title	Matters dealt with
1. Introductory matters	Explained the purpose of the Practice Directions and that they may be supplemented, varied or replaced.
2. Providing information	Invited submissions from persons with information or documents relevant to the Inquiry.
3. Initial public hearing	Explained the date, place and conduct of the first public hearing.
4. Hearing administration	Set out the days and times of Inquiry's hearings and arrangements for publication of hearing programmes and transcripts.
5. Private hearings	Explained how the Inquiry would conduct private hearings.
6. Leave to appear	Explained how persons could seek leave to appear before the Inquiry and participate in the Inquiry's public hearings.
7. Leave to be represented	Explained how persons could seek leave to be represented by a legal practitioner.
8. Production of documents before the Inquiry	Explained how documents would be tendered at hearings, including how parties could apply to produce additional documents.
9. Calling of witnesses	Explained how witnesses would be called to give evidence before the Inquiry, including how parties could apply to have the evidence of other witnesses put before the Inquiry.
10. Examination of witnesses	Explained how witnesses would give evidence to the Inquiry, including: <ul style="list-style-type: none"> • how legal representatives could apply to examine a witness and how the Inquiry would deal with such applications; and • how legal representatives could apply to have a witness recalled for further examination.
11. Objections to evidence	Provided guidance on how the Inquiry would deal with objections to the evidence adduced before the Inquiry.
12. Production of documents by parties	Explained how documents were to be produced to the Inquiry, including in response to notices.
13. Confidentiality	Explained how parties could apply for a direction that confidential documents produced to the Inquiry not be published.
14. Legal professional privilege	Explained how parties could seek to assert legal professional privilege over communications otherwise required to be produced to the Inquiry.
15. Suppression orders	Explained how parties could apply for documents or evidence provided to the Inquiry to be suppressed.
16. Extensions of time	Explained how parties could apply for an extension of time to comply with a direction of the Inquiry, including any requirement to produce documents.
17. Other procedural matters	Explained how parties could raise procedural matters not provided for in the Practice Directions.
18. Final Report	Explained how parties subject to potential adverse findings in the Inquiry's final report could make submissions on those findings.

Amendments to the Inquiry's Practice Directions

There were three substantive amendments to the Practice Directions during the Inquiry's appointment.

The Practice Directions initially provided that a person who may be substantially or directly interested in, or materially affected by, evidence to be adduced at a hearing, would be notified prior to the hearing.

That Practice Direction was removed, but the Inquiry nevertheless endeavoured, where reasonably practicable, to inform parties before the Inquiry of hearings in which they may have an interest.

The Practice Directions initially provided that any person seeking leave to appear was required to make an application to Counsel Assisting by a date to be published on the Inquiry's website.

That Practice Direction was amended to require an application to be made as soon as possible after it became apparent that the applicant was the subject of an inquiry to be undertaken; had a direct or substantial interest in the hearing or the subject of inquiry; and/or may be the subject of an adverse finding by the Inquiry.

The Practice Directions initially stated that Counsel Assisting would deliver closing submissions on the findings open to the Inquiry and the recommendations the Inquiry may consider appropriate. Any person who was potentially the subject of adverse findings, conclusions or comments, or whose legal rights, financial interests, personal reputation, status or livelihood may be affected by the recommendations, would be provided with extracts of the closing submissions and be given an opportunity to provide written submissions in response.

That Practice Direction was amended to provide that any person who was potentially the subject of any adverse findings in the Inquiry's final report would be provided with extracts of the final report to enable that person to address those potential adverse findings and make submissions. Parties could apply to inspect documents or materials they required to respond to those potential adverse findings.



Inquiry Into the City of Perth

PRACTICE DIRECTIONS

*Local Government Act 1995
Royal Commissions Act 1968*

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1 INTRODUCTORY MATTERS

- 1.1 These practice directions govern the conduct of the Inquiry into the City of Perth (**Inquiry**). They should be read in conjunction with the *Royal Commissions Act 1968 (WA) (RCA)*, the Terms of Reference dated 24 April 2018 (**Terms of Reference**)¹ and Part 8 Division 2 of the *Local Government Act 1995 (WA) (LGA)*.
- 1.2 These practice directions provide general guidance on the procedures the Inquiry will follow. Where the Inquiry thinks appropriate, these practice directions may at any time be supplemented, varied or replaced.
- 1.3 Nothing in these practice directions derogates from the obligations in the RCA, the LGA, other legislation or the common law.

2 PROVIDING INFORMATION

- 2.1 The Inquiry invites submissions from all persons² with information or documents relevant to any of the matters described in the Terms of Reference.
- 2.2 Any person who wants to provide the Inquiry with information relevant to the Terms of Reference should contact the Inquiry through the online submission page³ or by telephone⁴ or email⁵.

¹ The Terms of Reference are available at <https://www.dlgsc.wa.gov.au/InquiryCoP/Pages/TOR.aspx>.

² Reference to person or persons includes a body politic or corporate.

³ <https://www.dlgsc.wa.gov.au/InquiryCoP/Pages/ContactUs.aspx>.

⁴ (08) 6160 1510.

⁵ info@inquiryintocityofperth.wa.gov.au.

- 2.3 Unless otherwise advised in writing, the Inquiry will assume that all communications to the person providing information may be directed to the address from which the Inquiry received the information.

3 INITIAL PUBLIC HEARING

- 3.1 The Inquiry will hold an initial public hearing at 10.30am on 21 November 2018 at Level 18, 111 St Georges Terrace, Perth.
- 3.2 Applications for leave to appear will not be heard or determined at the initial public hearing. The issue of leave to appear is dealt with in practice direction 6.
- 3.3 The Inquiry will give notice of further public hearings by publishing notice on its website.

4 HEARING ADMINISTRATION

- 4.1 The hearing days for the Inquiry will be between Monday and Friday of each week, except as otherwise advised. The usual hearing hours will be from 10:00am to 1:00pm and from 2:15pm to 4:15pm. The hearing room will be on Level 18, 111 St Georges Terrace, Perth.
- 4.2 The Inquiry's proceedings will be as orderly as possible. The Inquiry will endeavour to ensure that those persons whose interests may be adversely affected by the evidence before the Inquiry are treated fairly and in accordance with the requirements of procedural fairness, where applicable, while protecting confidentiality where that is deemed appropriate.

4.3 The Inquiry will publish its programme of public hearings on its website⁶.

4.4 Transcripts of all public hearings will be made available on the Inquiry's website. They will be posted as soon as practicable, subject to any order of the Inquiry.

5 PRIVATE HEARINGS

5.1 The Inquiry may take the evidence of a person in private where it considers it necessary or appropriate to do so.

5.2 Only persons expressly authorised by the Inquiry will be permitted to be present. Ordinarily the Inquiry will expressly authorise the following persons to be present:

- (a) Counsel Assisting;
- (b) the Solicitor Assisting the Inquiry (**Solicitor Assisting**);
- (c) any legal practitioner who has been granted leave by the Inquiry pursuant to practice direction 7 to represent the witness giving evidence in the private hearing; and
- (d) any Inquiry officer who will be supporting or assisting the Inquiry or Counsel Assisting during the hearing.

5.3 Where the Inquiry conducts a private hearing, the Inquiry will direct at the beginning of the private hearing that the witness who is being examined and his or her legal representative must not disclose any part of the evidence given

⁶ <https://www.dlgsc.wa.gov.au/InquiryCoP/Pages/default.aspx>.

by the witness, whether directly or indirectly, to any other person, unless that person has the prior and express written authorisation of the Inquiry. Any such direction will continue in effect until the Inquiry has concluded or the Inquiry orders otherwise.

- 5.4 In the ordinary course, the Inquiry will not rely on the evidence given in a private hearing to make an adverse finding against a party without that party having an opportunity to address any such evidence.

6 LEAVE TO APPEAR

- 6.1 Any person who seeks to appear before the Inquiry (**Leave to Appear Applicant**) must make an application seeking leave to appear (**Leave to Appear Application**).

- 6.2 The Inquiry will, generally, grant leave to appear when a Leave to Appear Applicant:

- (a) is the subject of an inquiry to be undertaken; and/or
- (b) has a direct or substantial interest in the hearing or the subject of inquiry; and/or
- (c) may be the subject of an adverse finding by the Inquiry.

- 6.3 For the purpose of this practice direction, a Leave to Appear Applicant will have a direct or substantial interest in a hearing or subject of inquiry if the person's legal rights, financial interests, personal reputation, status or livelihood may be prejudiced by:

- (a) the evidence heard by the Inquiry during the hearing or subject of inquiry;
and/or
- (b) the findings that may be made by the Inquiry based on the evidence
heard by the Inquiry during the hearing or subject of inquiry.

6.4 The Leave to Appear Applicant must comply with the following procedure.

6.5 The Leave to Appear Application must be made to the Solicitor Assisting⁷ as soon as possible after it becomes apparent that one or more of the criteria in practice direction 6.2 applies. The Leave to Appear Application must be made using the application form available on the Inquiry's website and supported by any affidavit evidence and written submissions relied on by the Leave to Appear Applicant in support of the Leave to Appear Application. Any supporting affidavit evidence and written submissions must address the basis on which leave is sought:

- (a) if leave to appear is sought on the basis of a direct or substantial interest in a hearing or subject of inquiry, the nature and extent of that interest;
- (b) if leave to appear is sought on the basis of the rules of procedural fairness, the basis on which the rules of procedural fairness are asserted to be engaged; and
- (c) if leave is sought to participate in a hearing other than a hearing where the person is a witness, what circumstances exist to indicate to the

⁷ nparkinson@inquiryintocityofperth.wa.gov.au

Inquiry that it is proper to allow such participation and the extent of any such participation.

6.6 Where a Leave to Appear Applicant makes a Leave to Appear Application, the Inquiry:

- (a) may require Counsel Assisting to submit responsive affidavit evidence and written submissions in reply;
- (b) will decide the Leave to Appear Application on the papers or notify the Leave to Appear Applicant if a hearing is required prior to such a decision being made; and
- (c) will notify the Leave to Appear Applicant in writing of the Inquiry's decision.

6.7 Except in exceptional circumstances, the Inquiry will not grant a person, whether legally represented or not, unconditional leave to appear. Grants of leave to appear will be confined to the hearing in which the person has a direct or substantial interest and subject to specified conditions. Specifically, the Inquiry may:

- (a) limit the topics or issues on which the person granted leave may examine a witness;
- (b) impose time limits on examination; and
- (c) require submissions be written.

6.8 Where a person is granted leave to appear at a hearing the person, or the legal

practitioner acting on the person's behalf:

- (a) will be entitled to participate in that hearing, subject to the control of the Inquiry and only to such extent as the Inquiry considers appropriate;
- (b) may apply to adduce evidence pursuant to practice directions 8 and/or 9;
- (c) may apply for leave to examine a witness pursuant to practice direction 10.6;
- (d) may object to the evidence adduced before the Inquiry pursuant to practice direction 11;
- (e) raise any other procedural or legal matters with the Inquiry pursuant to practice direction 17; and
- (f) may make submissions about the findings that are open to the Inquiry and the recommendations that the Inquiry may consider appropriate pursuant to practice direction 18.4.

7 LEAVE TO BE REPRESENTED

7.1 Any person who has been summonsed to give evidence before the Inquiry or who has been granted leave to appear before the Inquiry pursuant to practice direction 6, who wishes to be represented by a legal practitioner in the Inquiry's hearings (**Leave to be Represented Applicant**) must seek leave to be represented (**Leave to be Represented Application**).

7.2 The Leave to be Represented Applicant must comply with the following procedure.

- 7.3 The Leave to be Represented Applicant must apply in writing:
- (a) if the Leave to be Represented Applicant is making a Leave to Appear Application pursuant to practice direction 6 above, when the Leave to Appear Application is made; or
 - (b) if the Leave to be Represented Applicant is a witness summonsed to give evidence before the Inquiry, as soon as reasonably practicable after the Leave to be Represented Applicant is served with the summons by the Inquiry and in any event before the hearing at which the Applicant is summonsed to give evidence.
- 7.4 The Leave to be Represented Application must be made to the Solicitor Assisting using the application form available on the Inquiry's website.

8 PRODUCTION OF DOCUMENTS BEFORE THE INQUIRY

- 8.1 Each document produced to the Inquiry will be given a unique Inquiry documentary classification system number and will retain that number to identify it if and when it is tendered as evidence.
- 8.2 Subject to the control of the Inquiry, Counsel Assisting will determine what documentary or physical evidence will be tendered at a hearing and when it is tendered.
- 8.3 Any person seeking to have any additional document produced at a public or private hearing of the Inquiry (**Production Applicant**) must make an application to produce the document (**Production of Additional Documents Application**).

- 8.4 The Production Applicant must comply with the following procedure.
- 8.5 The Production Applicant must apply in writing using the application form available on the Inquiry's website and provide a copy of the document to the Solicitor Assisting:
- (a) as soon as practicable after its existence and its potential relevance to the Inquiry becomes known; and
 - (b) within a reasonable time before the hearing.
- 8.6 Where a Production Applicant makes a Production of Additional Documents Application, Counsel Assisting:
- (a) will determine the Production of Additional Documents Application and decide whether any such document will be produced and if produced, the time at which it will be produced;
 - (b) may require the Production Applicant to produce further documents to enable the Production of Additional Documents Application to be considered; and
 - (c) will notify the Production Application in writing of the decision.
- 8.7 If Counsel Assisting declines to produce a document before the Inquiry, the Production Applicant may apply to the Inquirer to review Counsel Assisting's decision by writing to the Associate to the Inquirer⁸.

⁸ mgibsonpowell@inquiryintocityofperth.wa.gov.au

9 CALLING OF WITNESSES

- 9.1 Subject to the control of the Inquiry, Counsel Assisting will determine:
- (a) whether any person will be called to give evidence at a hearing; and
 - (b) the order in which evidence will be adduced at a hearing.
- 9.2 All witnesses will give evidence under oath or affirmation pursuant to section 11 of the RCA.
- 9.3 All witnesses will be summonsed pursuant to section 9 of the RCA to appear before the Inquiry.
- 9.4 Any person seeking to have the evidence of any other person put before the Inquiry (**Evidence Applicant**) must make an application (**Evidence Application**).
- 9.5 The Evidence Applicant must comply with the following procedure.
- 9.6 The Evidence Applicant must apply in writing to the Solicitor Assisting:
- (a) as soon as practicable after the existence of that prospective evidence and its potential relevance to the Inquiry becomes known; and
 - (b) within a reasonable time before the hearing.
- 9.7 The Evidence Application must:
- (a) be made using the application form available on the Inquiry's website;
 - (b) provide the name of each such witness; and

(c) include the written substance of the evidence which the Evidence Applicant will seek to adduce from that witness at a hearing.

9.8 Subject to the control of the Inquiry, Counsel Assisting will decide whether such witnesses will be called to give evidence before the Inquiry.

9.9 In determining any Evidence Application, Counsel Assisting or Inquiry officers may interview any such prospective witness and take further statements from him or her.

9.10 Any interview under practice direction 9.9 and the taking of any such additional statement will not occur in the presence of the Evidence Applicant or the legal practitioner acting on the Evidence Applicant's behalf.

10 EXAMINATION OF WITNESSES

10.1 All witnesses will first be called and examined by Counsel Assisting.

10.2 Subject to practice direction 10.4, the examination of witnesses will generally proceed in the following manner:

- (a) examination by Counsel Assisting;
- (b) examination (if any) by Counsel Assisting in accordance with practice direction 10.10;
- (c) examination by the witness's legal representative;
- (d) examination by any other person, or his or her legal representative, considered by the Inquiry to have a sufficient interest and who has been

granted leave to do so;

- (e) further examination by the witness's legal representative; and
- (f) further examination by Counsel Assisting.

10.3 Legal practitioners should note that, further to practice direction 6.7:

- (a) the contents of the rules of procedural fairness do not require, in all cases, that counsel be afforded the opportunity to examine a witness; and
- (b) the Inquiry may limit the particular matters on which any such examination may occur and limit the time allowed for such examination.

10.4 When Counsel Assisting concludes examination of a witness, the Inquiry will ask counsel for that witness whether he or she seeks to apply to examine the witness. If counsel for the witness applies to examine the witness, the following procedure will apply.

- (a) The Inquiry will ask counsel to briefly identify the matters on which he or she proposes to examine and how an examination of those matters will advance the purposes of the Inquiry. The proposed questions should bear directly on the factual issues in, or provide necessary clarification of, the evidence adduced in Counsel Assisting's examination of the witness.
- (b) After counsel for the witness has identified the matters for

examination, the Inquiry will invite Counsel Assisting to make submissions on whether the examination should proceed and if so, to what extent.

- (c) After Counsel Assisting's submissions on the matters in practice direction 10.4(b), the Inquiry will then determine whether those matters should be examined and, if so, what limitations will apply to that examination.

10.5 When counsel for the witness concludes any examination in accordance with practice direction 10.4 above, the Inquiry may invite counsel for any other person with a sufficient interest in the matters the subject of that evidence to apply for leave to examine that witness.

10.6 Should counsel for any other person apply to examine any such witness, then the following procedure will apply.

- (a) The Inquiry will ask counsel to briefly identify the topics on which he or she proposes to examine. The proposed questions should be directly relevant to the substantive interest of the counsel's client in the witness's evidence.
- (b) The Inquiry will invite Counsel Assisting to make submissions on the application for leave.
- (c) The Inquiry will determine the application for leave to examine and may attach conditions to the leave, for example, on the length of time for examination and the topics for examination.

- 10.7 If counsel is granted leave to examine in accordance with practice direction 10.6, but does not comply with any of the conditions attaching to the leave, Counsel Assisting will object.
- 10.8 When examination of the witness by counsel for the other party concludes, the Inquiry will ask counsel for that witness whether he or she seeks to apply to further examine the witness.
- 10.9 If counsel for the witness makes an application to further examine the witness, the procedure in practice direction 10.6 will *mutatis mutandis* apply, save and except that counsel's proposed questions should be limited to questions necessary to clarify or explain the evidence given under examination by counsel for the other party.
- 10.10 If there are any unrepresented persons in a hearing and it appears to the Inquiry that they should be given an opportunity to examine a witness, then the procedure will be as follows.
- (a) An unrepresented person must provide any written question he or she would like to ask another witness to Counsel Assisting.
 - (b) Counsel Assisting will decide whether it is appropriate to put any such question to that witness.
 - (c) At an appropriate time, after Counsel Assisting has examined the witness, Counsel Assisting will then put the questions of the unrepresented person (as determined appropriate in accordance with practice direction 10.10(b)).

- (d) If the unrepresented person wishes to take issue with the decision of Counsel Assisting in accordance with practice direction 10.10(b), the Inquiry will allow the unrepresented person to address the Inquiry on that topic.
- (e) The Inquiry will then rule on whether the question should be put and, if necessary, in what form it should be put and it will then be put by Counsel Assisting.

10.11 Persons who have a direct or substantial interest in the subject matter of the Inquiry may be unaware of the totality of relevant evidence until the conclusion of the hearings.

10.12 The Inquiry may permit applications to recall a witness for examination (**Recalling Witness for Examination Application**).

10.13 The Inquiry will only permit a witness to be recalled for examination if the significance of the witness's evidence could not have been appreciated at the time that the witness initially gave evidence, or there are other extraordinary circumstances justifying the recall of that witness.

10.14 A person making a Recalling Witness for Examination Application (**Recalling Witness for Examination Applicant**) must comply with the following procedure.

10.15 The Recalling Witness for Examination Applicant must apply to the Solicitor Assisting in writing as soon as the need to recall and examine the witness becomes apparent.

10.16 The Recalling Witness for Examination Application must be made using the application form available on the Inquiry's website and supported by any affidavit evidence and written submissions relied on by the Recalling Witness for Examination Applicant in support of the Application at the time of submitting the form. Any such supporting affidavit evidence and written submissions must address:

- (a) why the significance of the witness's evidence could not be appreciated at the time that the witness initially gave evidence and /or any other extraordinary circumstances justifying the recall of the witness for examination;
- (b) the topics on which the Recalling Witness for Examination Applicant proposes to cross-examine the witness; and
- (c) the directions sought by the Recalling Witness for Examination Applicant from the Inquiry.

10.17 Where a Recalling Witness for Examination Application is made, the Inquiry:

- (a) may require Counsel Assisting to submit responsive affidavit evidence and written submissions in reply;
- (b) will decide the Recalling Witness for Examination Application on the papers or notify the Recalling Witness for Examination Applicant if a hearing is required prior to such a decision being made; and
- (c) notify the Recalling Witness for Examination Applicant in writing of the Inquiry's decision.

10.18 If the Inquiry grants the Recalling Witness for Examination Application, the Inquiry may:

- (a) limit the topics or issues on which the Recalling Witness for Examination Applicant's legal representative may examine that witness;
- (b) impose time limits on the examination.

11 OBJECTIONS TO EVIDENCE

11.1 Witnesses, persons who have been given leave to appear before the Inquiry and legal representatives appearing before the Inquiry should be mindful of the investigative nature of the Inquiry when objecting to the evidence adduced before the Inquiry.

11.2 In particular, the following should be noted:

- (a) the Inquiry is not bound by the rules of evidence;
- (b) the concept of relevance in civil litigation or criminal proceedings does not apply to the Inquiry;
- (c) evidence sought to be adduced will be relevant to the Inquiry if there is a real possibility that the evidence may directly or indirectly inform the Inquiry's deliberations on the Terms of Reference.

12 PRODUCTION OF DOCUMENTS BY PARTIES

12.1 The following practice directions will govern the production of documents to the Inquiry.

- 12.2 The Inquiry requires documents be produced to it electronically, unless a summons or notice to produce requires documents be produced in hard copy.
- 12.3 Any party who seeks to produce any document in hard copy must first write to the Solicitor Assisting before production and obtain permission to do so.
- 12.4 All electronic documents should be produced electronically in original format, being the file format in which they exist on the system of the person producing the document. More specifically, Microsoft Outlook emails are to be produced as .msg files and Microsoft Word documents are to be produced as .doc or .docx files.
- 12.5 Where an electronic copy of a document does not exist, any hard copy must be scanned and rendered directly to Portable Document Format (PDF), so as to be machine-readable and capable of being word searched.
- 12.6 Any person producing any electronic document must ensure all parts of the document are produced, including all parts of any chain of correspondence and all attachments to any such document.
- 12.7 Any person required to produce any hard copy document must produce the original copy of the document.

13 CONFIDENTIALITY

- 13.1 That documents or information may be confidential does not provide a valid basis for refusing to produce documents or provide information to the Inquiry.
- 13.2 However, any person seeking a direction from the Inquiry that confidential

documents produced to the Inquiry not be published (**Confidentiality Claimant**) must make an application (**Confidentiality Application**).

- 13.3 The Confidentiality Claimant must comply with the following procedure.
- 13.4 The Confidentiality Claimant must clearly label or describe any information or documents, or any part of the information or documents, over which confidentiality is claimed. For example:
- (a) where documents are produced to the Inquiry in electronic form on an electronic storage device, the Confidentiality Claimant must store the documents in a folder or folders marked "Subject to Confidentiality"; or
 - (b) where documents are produced to the Inquiry in hard copy form, the Confidentiality Claimant must provide the documents in a sealed envelope marked "Subject to Confidentiality".
- 13.5 The Confidentiality Claimant must make the Confidentiality Application in writing to the Solicitor Assisting as soon as reasonably practicable after the requirement to produce is imposed but by no later than the time of production.
- 13.6 The Confidentiality Application must be made using the application form available on the Inquiry's website and supported by any affidavit evidence and written submissions relied on by the Confidentiality Claimant in support of the Confidentiality Application. Any supporting affidavit evidence and written submissions must address:
- (a) the basis of the claim for confidentiality;
 - (b) to whom the duty of confidentiality is alleged to be owed;

- (c) the prejudice that the Confidentiality Claimant or any other person would suffer if the information or documents were not kept confidential; and
- (d) the direction sought by the Confidentiality Claimant from the Inquiry.

13.7 Where a Confidentiality Claimant makes a Confidentiality Application, the Inquiry:

- (a) will maintain confidentiality over the subject matter of the application pending its determination;
- (b) may require Counsel Assisting to submit responsive affidavit evidence and written submissions in reply;
- (c) will decide the Confidentiality Application on the papers or notify the Confidentiality Claimant if a hearing is required prior to such a decision being made; and
- (d) will notify the Confidentiality Claimant in writing of the Inquiry's decision and, if the Inquiry upholds all or part of the Confidentiality Application, how the Inquiry will treat the confidential information or documents.

14 LEGAL PROFESSIONAL PRIVILEGE

14.1 Any person seeking to assert legal professional privilege over any communications required to be produced to the Inquiry (**Privilege Claimant**) must make an application to claim privilege (**Privilege Application**).

14.2 The Privilege Claimant must comply with the following procedure.

14.3 The Privilege Claimant must clearly label or describe any communications or

documents, or any part of the communications or document, over which privilege is claimed. For example:

- (a) where the communications or documents are produced to the Inquiry in electronic form on an electronic storage device, the Confidentiality Claimant must store the communications or documents in a folder or folders marked "Subject to Legal Professional Privilege";
- (b) where the communications or documents are produced to the Inquiry in hard copy form, the Confidentiality Claimant must provide the communications or documents in a sealed envelope marked "Subject to Legal Professional Privilege".

14.4 The Privilege Claimant must apply in writing to the Solicitor Assisting as soon as reasonably practicable after the requirement to produce is imposed but by no later than the time of production.

14.5 The Privilege Application must be made using the application form available on the Inquiry's website and supported by any affidavit evidence and written submissions relied on by the Privilege Claimant in support of the Privilege Application. Any such supporting affidavit evidence and written submissions must address the basis of the claim of privilege.

14.6 If a Court of law has previously made a finding that the communication is to be subject to legal professional privilege, the Privilege Claimant must provide the Solicitor Assisting with:

- (a) a copy of the judgment or order of that Court which contains the finding;

and

- (b) any relevant affidavit evidence confirming there has been no waiver or loss of privilege since that finding was made.

14.7 Where a Privilege Claimant makes a Privilege Application, the Inquiry:

- (a) will not, subject to practice direction 14.9, review the communications or documents that are the subject of the Privilege Application until the Inquiry determines the application;
- (b) may require Counsel Assisting to submit responsive affidavit evidence and written submissions in reply;
- (c) will decide the Privilege Application on the papers or notify the Privilege Claimant if a hearing is required prior to such a decision being made; and
- (d) notify the Privilege Claimant in writing of the Inquiry's decision.

14.8 If the Inquiry rejects that claim, the Privilege Claimant will be required to immediately produce the subject communications or documents to the Inquiry.

14.9 The Inquiry will endeavour in all cases to determine the Privilege Application on the affidavit evidence and submissions in support without considering the subject communication, but will, if necessary, consider the communication/s or document/s to make its determination. Where the Inquiry considers it necessary to do so, it will give the Privilege Claimant an opportunity to make further written submissions before considering the subject communications.

15 SUPPRESSION ORDERS

- 15.1 There is a significant public interest in the Inquiry's hearings being conducted in public. The Inquiry will only order documents produced to the Inquiry or evidence given before the Inquiry be suppressed if there are exceptional circumstances which justify its suppression.
- 15.2 Any person who wishes the Inquiry to make a suppression order in relation to a document produced to the Inquiry or evidence given before the Inquiry (**Suppression Applicant**) must make an application for that order (**Suppression Application**).
- 15.3 The Suppression Applicant must comply with the following procedure.
- 15.4 The Suppression Applicant must apply in writing to the Solicitor Assisting as soon as reasonably practicable. The Suppression Application must be made using the application form available on the Inquiry's website and must be supported by affidavit evidence and written submissions. Any such supporting affidavit evidence and written submissions must address:
- (a) the basis for the Suppression Application; and
 - (b) the direction sought by the Applicant from the Inquiry.
- 15.5 Where the Suppression Application relates to a document, the Suppression Applicant must clearly denote the pages, or the parts thereof, containing the material the Suppression Applicant seeks to have suppressed. For example:

- (a) where the documents are produced to the Inquiry in electronic form on an electronic storage device, the Suppression Applicant must store the documents in a folder or folders marked “For Suppression”; or
- (b) where the documents are produced to the Inquiry in hard copy form the Suppression Applicant must, on a copy of the document:
 - (i) mark the relevant pages of the document with the words “For Suppression” appearing prominently at the top of each such page; and/or
 - (ii) highlight the relevant part of the page or the words or phrases in the document.

15.6 Where a Suppression Applicant makes a Suppression Application, the Inquiry:

- (a) may require Counsel Assisting to submit responsive affidavit evidence and written submissions in reply;
- (b) will decide the Suppression Application on the papers or notify the Suppression Claimant if a hearing is required prior to such a decision being made; and
- (c) will notify the Suppression Applicant in writing of the Inquiry’s decision.

16 EXTENSIONS OF TIME

16.1 Any person seeking an extension of time to comply with a direction of the Inquiry (**Extension Applicant**), including any requirement to produce a statement of information or documents to the Inquiry, must make an

application (**Extension of Time Application**).

- 16.2 The Extension Applicant must comply with the following procedure.
- 16.3 The Extension Applicant must apply in writing to the Solicitor Assisting as soon as reasonably practicable after the direction is made and by no later than three business days before that person is required to comply with the direction.
- 16.4 The Extension of Time Application must be made using the application form available on the Inquiry's website and supported by any affidavit evidence or submissions relied on by the Extension Applicant in support of the Extension of Time Application. Any such supporting affidavit evidence and written submissions must address:
- (a) the basis of the claim for an extension of time; and
 - (b) the directions sought by the Extension Applicant from the Inquiry.
- 16.5 The Inquiry will determine the application on the papers and notify the Extension Applicant in writing of the Inquiry's decision.

17 OTHER PROCEDURAL MATTERS

- 17.1 Any person:
- (a) who has been called as a witness before the Inquiry; and/or
 - (b) who has been granted leave to appear before the Inquiry pursuant to practice direction 6; and/or
 - (c) who has been granted leave to be represented before the Inquiry

pursuant to practice direction 7; and

- (d) who wishes to raise a procedural or legal matter with the Inquiry, where a procedure for raising that matter is not provided for in these practice directions,

must write to the Solicitor Assisting and provide a brief outline of the submission to be made.

17.2 Where a person writes to the Solicitor Assisting pursuant to practice direction 17.1, the Inquiry:

- (a) may require the person to provide supplementary submissions and/or supporting evidence on affidavit;
- (b) may require Counsel Assisting to submit written submissions and evidence on affidavit in reply;
- (c) will consider the matter on the papers or notify the person if a hearing is required prior to such a decision being made; and
- (d) notify the person in writing of the Inquiry's decision.

18 FINAL REPORT

18.1 The Inquiry will provide its final report to the Minister for Local Government (**Final Report**) pursuant to section 8.22 of the LGA.

18.2 Any person who is potentially the subject of any adverse findings in the Final Report will be provided with extracts of the draft of the Final Report which will allow that person to know and to be able to address those potential adverse

findings and will be allowed to provide written submissions in response by or before a date which will be specified by the Solicitor Assisting.

18.3 If any person referred to in practice direction 18.2 forms the view that they require further documents or material from the Inquiry to be able to respond to any potential adverse findings, that person must apply to inspect those documents or that material by or before a date which will be specified by the Solicitor Assisting. That person must apply using the prescribed form and identify why they require those documents or that material to adequately respond to any potential adverse findings.

18.4 The Inquiry will consider any written submissions it receives pursuant to practice directions 18.2 before it produces the Final Report.

Date: 1 November 2019

Notice of Appointment of the Inquiry Panel

Local Government Act 1995

Notice of Appointment of an Inquiry Panel (Section 8.16)

Pursuant to Section 8.16 of the *Local Government Act 1995* (**the Act**), I hereby appoint an Inquiry Panel consisting of one person, Anthony Power, Legal Practitioner, to inquire into and report on the aspects, operations and affairs of the City of Perth in accordance with the terms as to the scope and duration of that inquiry set out hereunder:

A Nature of the Inquiry to be Conducted

1. The Inquiry Panel is to inquire into and report on those aspects, operations and affairs of the City of Perth (including of the Council and the Administration) during the period between 1 October 2015 and 1 March 2018 inclusive, which may be necessary, in order to determine:

- (i) whether there has been a failure to provide for the good government of persons in the City of Perth's district;
- (ii) the prospect of such good government being provided in the future (including by reference to whether the Council and Administration has the ability to, and is likely to, do so); and
- (iii) any steps which may need to be taken to ensure that such good government does happen in the future.

2. The Inquiry Panel may inquire into and report on a period, or periods, before 1 October 2015, if it considers that to be necessary, or that it may be necessary, for the purpose of properly discharging its function under paragraph 1 above, and placing the matters inquired into within a relevant context in the circumstances.

3. The Inquiry Panel is (and without limiting the generality of paragraph 1 above) to give due consideration to, and inquire into and report on, the following matters:

- i. whether there was improper or undue influence by any member, as defined by section 1.4 of the Act (**member**) of the Council of the City of Perth in administrative tasks, such as recruitment, employee management and grants administration;
- ii. whether any member engaged in improper or unlawful conduct in relation to the performance by the Council or the members of any of their functions and obligations;
- iii. the relationships between the Council, members, the Chief Executive Officer and other employees of the City and the effect of those relationships on the performance of the City's functions and obligations;

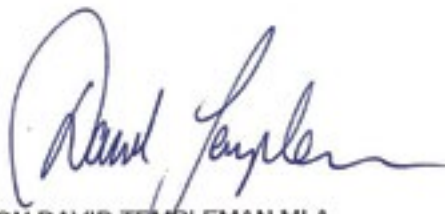
- iv. sponsorship arrangements between organisations and the City and the acceptance of gifts in the form of tickets to events by members from those organisations;
- v. governance practices, including adherence to the financial interest provisions of the *Local Government Act 1995*;
- vi. adequacy and competency of Council decision making.

B. Functions of the Inquiry Panel

The functions of the Inquiry Panel are as set out in A. above, and for the avoidance of doubt, include to inquire into, report on, and then make the recommendations in relation to the matters the subject of the Inquiry that it considers appropriate (in accordance with its duty under section 8.22 of the *Local Government Act 1995*).

C. Duration of Inquiry

The Inquiry is to commence on 1 May 2018 and shall present its report and recommendations no later than 2 May 2019.



HON DAVID TEMPLEMAN MLA
**MINISTER FOR LOCAL GOVERNMENT;
HERITAGE; CULTURE AND THE ARTS**

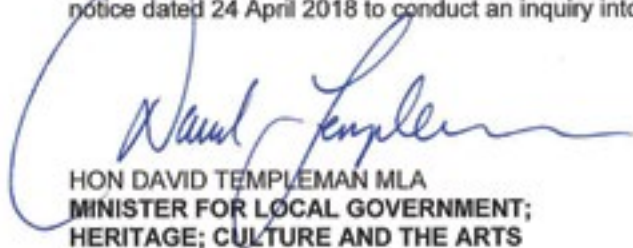
DATE: **24 APR 2018**

Notice of Additional Term of Appointment of the Inquiry Panel

Local Government Act 1995
Royal Commissions Act 1968

**Notice of Additional Term of Appointment of an Inquiry Panel
(Sections 8.16 and 8.20 of the *Local Government Act 1995* and section 18 of
the *Royal Commissions Act 1968*)**

Pursuant to the abovementioned provisions, I hereby declare that section 18 of the *Royal Commissions Act 1968* applies to the inquiry panel appointed by me by notice dated 24 April 2018 to conduct an inquiry into the City of Perth.



HON DAVID TEMPLEMAN MLA
MINISTER FOR LOCAL GOVERNMENT;
HERITAGE; CULTURE AND THE ARTS

DATE: 6 September 2018

Extensions to the timeframe for reporting

Local Government Act 1995

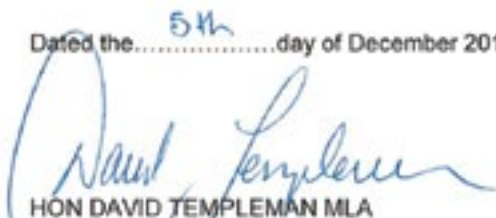
Section 8.16 and 8.17

Notice of Amendment to duration of the Inquiry into the City of Perth

To: Mr Anthony Power

I give notice that the Notice of Appointment to Inquire into the City of Perth, dated 24 April 2018, is hereby amended by deleting the passage '2 May 2019' in Part C 'Duration of Inquiry' and inserting in its place the passage '20 January 2020'.

Dated the 5th day of December 2018



HON DAVID TEMPLEMAN MLA
MINISTER FOR LOCAL GOVERNMENT;
HERITAGE; CULTURE AND THE ARTS

Local Government Act 1995

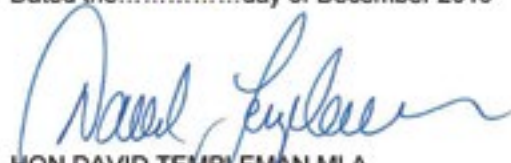
Section 8.16 and 8.17

Notice of Amendment to duration of the Inquiry into the City of Perth

To: Mr Anthony Power

I give notice that the Notice of Appointment to Inquire into the City of Perth, dated 24 April 2018, is hereby amended by deleting the passage '20 January 2020' in Part C 'Duration of Inquiry' and inserting in its place the passage '30 April 2020'.

Dated the 10th day of December 2019

A handwritten signature in blue ink, appearing to read 'David Templeman', is written over the printed name and title.

**HON DAVID TEMPLEMAN MLA
MINISTER FOR LOCAL GOVERNMENT;
HERITAGE; CULTURE AND THE ARTS**

Local Government Act 1995

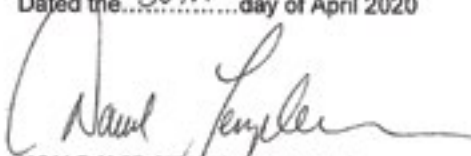
Section 8.16 and 8.17

Notice of Amendment to duration of the Inquiry into the City of Perth

To: Mr Anthony Power

I give notice that the Notice of Appointment to Inquire into the City of Perth, dated 24 April 2018, is hereby amended by deleting the passage '30 April 2020' in Part C 'Duration of Inquiry' and inserting in its place the passage '30 June 2020'.

Dated the 30th day of April 2020

A handwritten signature in black ink, appearing to read 'David Templeman', is written over the printed name and title.

**HON DAVID TEMPLEMAN MLA
MINISTER FOR LOCAL GOVERNMENT;
HERITAGE; CULTURE AND THE ARTS**

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4.2

Inquiry Commissioned Reports

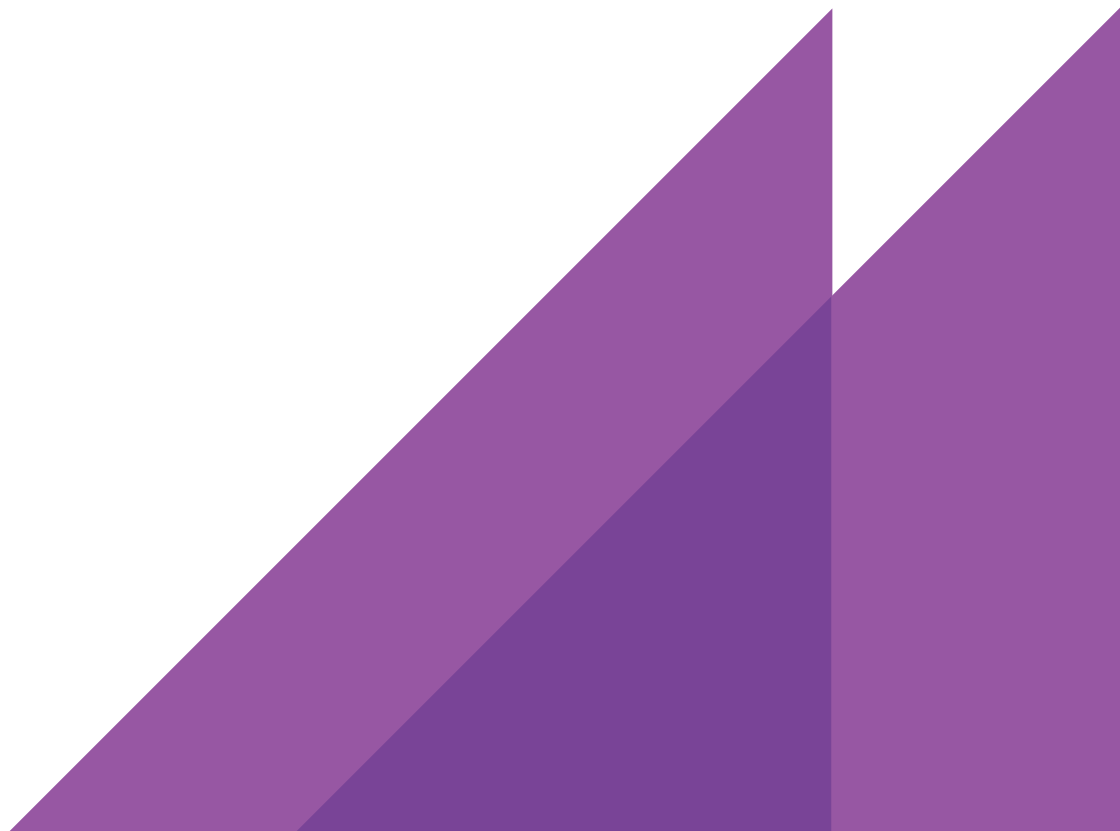
ACIL ALLEN CONSULTING

REPORT TO
INQUIRY INTO THE CITY OF PERTH
MAY 2019

CITY OF PERTH FINANCIAL REVIEW



INQUIRY INTO CITY OF PERTH





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EXECUTIVE SUMMARY

Introduction and Context

In April 2019, ACIL Allen was engaged by the Inquiry to report on the City of Perth's finances and the degree to which it has in place good strategic and financial practices to ensure sound financial management of the City and its commercial operations.

Specifically, the Inquiry has sought a report that provides advice on:

- the adequacy of the City of Perth's strategic planning and financial planning and management business models;
- analysis of the City of Perth's financial position and the underlying drivers of the City's financial position over time;
- a focused review of the City of Perth's parking business, the City of Perth Parking (CPP); and
- analysis of the City of Perth's rates model for residential and commercial properties, and the degree to which there is any cross-subsidisation and any subsidisation arising from the CPP business.

ACIL Allen's financial review has been desktop in nature, prepared exclusively with materials provided by the City of Perth and supplemented with publicly available data in parts. ACIL Allen has not interviewed any City staff in connection with the review, beyond discussions required to bring ACIL Allen up to speed with the data provided. As such, ACIL Allen has not tested the analysis, findings or recommendations with the City. Nonetheless, the analysis, findings and recommendations do point to a number of issues within the City's financial framework to support the Inquiry's work, and which warrant additional consideration and analysis under a larger scope of works.

Role and Functions of the City of Perth

The City of Perth is a statutory entity constituted under the *Local Government Act 1995* to provide services and facilities to a broad range of stakeholders including residents, commercial and retail businesses, workers, and local, national and international visitors.

However, the City is subject to a number of other Acts of Parliament, including most recently with the introduction of the *City of Perth Act 2016*. This Act formally acknowledged the social, economic, cultural, environmental and civic role that the City of Perth plays as the capital city of Western Australia, and brought with it an expansion in the boundaries of the City of Perth.

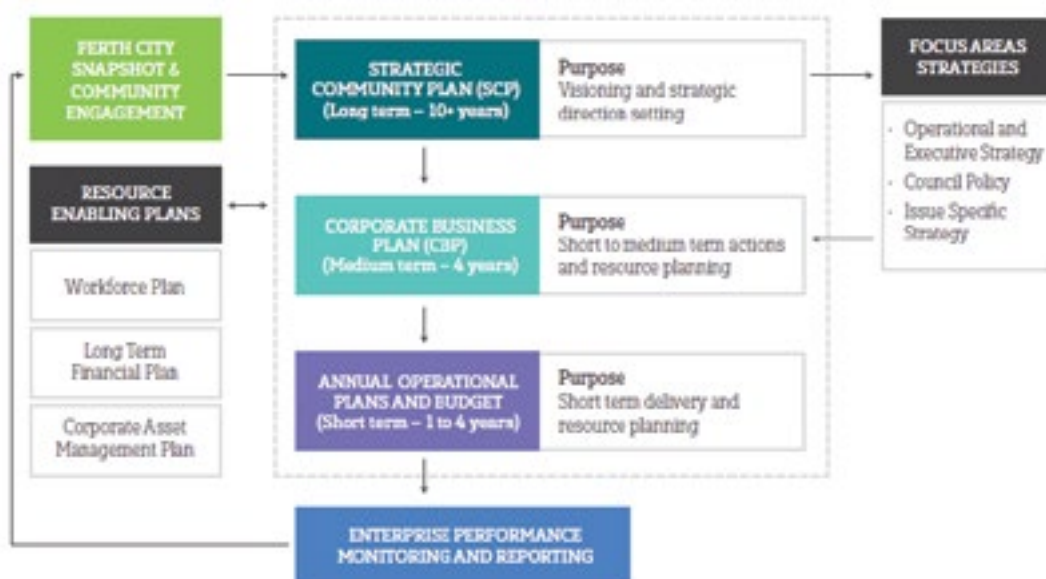
In the context of this report, and the broader Inquiry into the City of Perth, Section 3.1 of the *Local Government Act 1995* establishes that the general function of a local government is to provide for the **good government** of persons in its district. The scope of what a local government can do is broadly what its community requires and can reasonably be provided with available resources and within the constraints of the Act or any other written law.

In addition to legislation, there are a series of policies and guidelines that require Local Government Authorities in Western Australia to produce a cohesive set of local area plans and strategies for the benefit of their citizens and businesses. As required under the *Local Government Act 1995*, the City of Perth's Integrated Planning and Reporting Framework (IPRF) is intended to provide a structure that guides the development of the City's strategic direction and subsequent organisational activities.

The Framework calls for a local government authority to establish:

- **Strategic Community Plan**, which is the organisation-wide strategy document for the City. It is a community facing strategy document that is refreshed every four years.
- **Corporate Business Plan**, which sets out the City's initiatives and activities over a four-year period, with an emphasis to delivering on the strategic goals set out in the Strategic Community Plan. Informing the Plan are a number of resource enabling plans, including:
 - **Workforce Plan**, which outlines the required resources, capabilities, and competencies the City of Perth requires to deliver against its objectives and to continue servicing the community.
 - **Long Term Financial Plan**, which assists the City to set priorities in accordance with its financial resources, through the allowance of key assumption-based analysis.
 - **Corporate Asset Management Plan**, which provides guidance on service provision and whole of life cycle asset management to inform the City's financial sustainability and key service levels.
- **Annual Report and Budget** includes a snapshot of the performance of the City of Perth over the past year and an overview of the City's outlook for the future. The City produces a Quarterly Organisational Performance Report to provide an update on the progress of the City's Corporate Business Plan.

FIGURE ES 1 CITY OF PERTH INTEGRATED PLANNING AND REPORTING FRAMEWORK



SOURCE: CITY OF PERTH

While the City of Perth's IPRF fulfils its statutory requirements under the Act, ACIL Allen's assessment is that there is **limited integration between these planning documents, and as a total framework it is unclear that it is an effective tool to guide decisions by the City**. This is reinforced by an independent assessment of the City's organisational capability and compliance, which found the Strategic Community Plan and Corporate Business Plan did not effectively capture the organisation's strategy, due to the absence of business as usual activities, insufficient target setting, and a lack of

integration between the various strategy and planning documents. Without a clearly defined organisational strategy, this makes it difficult for the organisation to prioritise and manage its portfolio of services and investments.

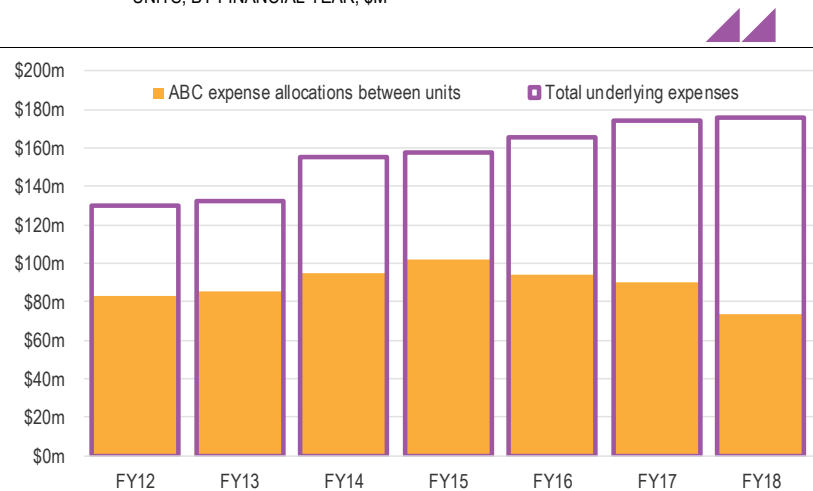
In addition to a range of City-wide plans, the *Local Government Act 1995* requires local government authorities to develop detailed plans for so-called “major undertaking” for activities with an annual expenditure of over \$5 million.

In 2018, it was determined the **City of Perth Parking (‘CPP’) was a major undertaking**, and that the City was non-compliant with the Act as it did not have a business plan. While the CPP pre-dates the Act, the Council resolved to develop a business plan, which was presented to the Council at its June 2018 meeting. However, the plan was not endorsed by the Council. **ACIL Allen’s assessment of this plan is that it does not address the requirements of the Act, as it does not provide consideration of risk, costs, competitive neutrality or impact on the City’s overall finances (except for revenue).**

In relation to the **City of Perth’s financial framework**, ACIL Allen found that the City of Perth arranges its finances in a logical manner. It accounts for revenue and expenditure using a detailed general ledger, with 226 revenue and expense codes distributing revenue and expenses between 36 business units (which themselves are grouped to six directorates, that map to the City’s organisational structure).

This first level of accounting captures the direct revenue and direct expenditure of each individual business unit. From here, the City employs an Activity Based Costing (ABC) framework, which shifts the revenue and expenditure between business units with an intent to reflect actual costs and revenue. However, the City could not produce a document which outlined the basis of the allocations, despite the City’s system allocating on average 57 per cent of total expenditure over the assessment period. ACIL Allen’s high level observations suggest the **City’s approach to ABC is not based on sound principles, and appears to be instead used as a tool to undertake cost-shifting across the organisation.**

FIGURE ES 2 CITY ABC ALLOCATION, TOTAL EXPENDITURE ALLOCATED BETWEEN BUSINESS UNITS, BY FINANCIAL YEAR, \$M



SOURCE: CITY OF PERTH, ACIL ALLEN

From a **performance measurement** perspective, the Strategic Community Plan outlines eight goals and corresponding strategic objectives. The Corporate Business Plan identifies the operational initiatives that the City have formulated to address the strategic objectives. The strategic objectives

and corresponding operational initiatives have been focused through a set of key result areas, which in turn have a set of key performance indicators to measure progress.

The City of Perth's KPIs are intended to provide the community with a broad assessment of the performance of the City of Perth against the Strategic Community Plan. However, there are a **number of limitations with the suite of KPIs which limit their effectiveness as a performance monitoring tool.**

The key performance indicators that the City currently has in place relating to financial performance are a subset of the financial indicators that local governments are required to report on under Western Australia Local Government (Financial Management) Regulations.

In the context of this review of the City's finances, these KPIs have limited application as they **do not adequately assess the efficiency of the City in the delivery of services to the community.**

A review of the KPIs used to measure the financial performance of the City of Melbourne and the City of Sydney found they both have KPIs that track financial performance from an efficiency perspective through a focus on expenditure levels and growth. This supports ACIL Allen's assessment that the City of Perth's KPIs do not have an adequate focus on efficiency from a financial governance perspective.

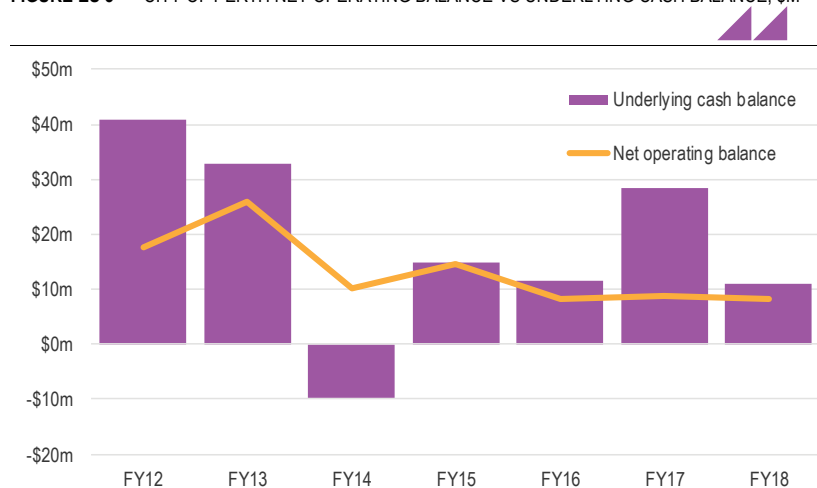
City of Perth Financial Performance

Summary results

Overall, the City of Perth's **operating position** (operating revenue less operating expenditure) has narrowed over the past seven years, falling from a peak of \$26.1 million in 2012-13 to \$8.2 million in 2017-18. The deterioration in the City's operating position comes despite growth in total operating revenue from \$169.2 million in 2012-13 to \$201.9 million in 2017-18 (+\$32.8 million), with operating expenditure growing from \$143.2 million to \$193.8 million (+\$50.7 million) over the same period.

The City's **gross operating margin on own-source revenue has shrunk from 12 per cent in 2011-12 to 4.4 per cent in 2017-18.**

FIGURE ES 3 CITY OF PERTH NET OPERATING BALANCE VS UNDERLYING CASH BALANCE, \$M



Note: The Underlying Cash Balance is a calculation which appends the net operating balance by removing non-real expenditure (ie depreciation), and adds in cashflows related to non-cash asset purchases and government grants (which are not accounted for in the operating statement).

SOURCE: ACIL ALLEN CONSULTING

On an **underlying cash balance** basis (which reflects the City's own cash outlays versus cash receipts), its surpluses have also narrowed in recent years, particularly compared to the first two years of the assessment period. According to ACIL Allen's calculations, the City's underlying cash balance for the 2017-18 financial year was \$11.1 million, its lowest cash surplus over the assessment period (excluding the deficit in 2013-14 when the City made a cash contribution to the State Government for the Perth City Link project).

The City's overall **operating revenue** has increased from \$158.4 million in 2011-12 to \$201.9 million in 2017-18, for average growth of 4.2 per cent per annum over the assessment period. After removing the impact of the Perth Parking Levy and the Emergency Services Levy, which are passed on to the State Government, shows the City's overall underlying revenue has grown from \$148.1 million to \$183.9 million, for average growth of 3.7 per cent per annum.

The City's underlying revenue growth of 3.7 per cent per annum is 2.2 percentage points faster than the Perth Consumer Price Index over the same period. It also comes as property asset prices have generally fallen back to pre-resources boom levels after peaking between 2012 and 2014. All things being equal, this **suggests there has been an increase in "revenue effort" by the City, meaning it has sought to increase its revenue base by taking actions to increase its capture of activity in its local area.**

By contrast, the City of Perth's total **operating expenditure** has increased from \$140.6 million in 2011-12 to \$193.8 million in 2017-18, with annual average growth of 5.6 per cent over the assessment period. Growth in the City's expenditure over the assessment period has been driven almost entirely by four expenditure groups. These are:

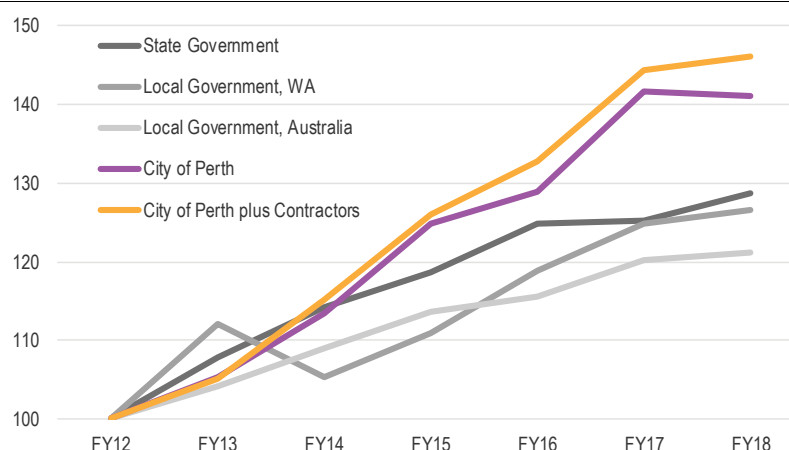
- **Direct staff expenditure**, increasing from \$53.4 million in 2011-12 to \$75.4 million in 2017-18 (six per cent per annum). This has accounted for 41 per cent of the City's total expenditure growth.
- **Depreciation expenses**, increasing from \$21.1 million to \$34.7 million (8.8 per cent per annum). This has accounted for 26 per cent of the City's total expenditure growth.
- **The Perth Parking Levy**, increasing from \$9.9 million to \$17.4 million (10.7 per cent per annum). This has accounted for 15 per cent of the City's total expenditure growth.
- **Contract labour expenditure**, increasing from \$3.5 million to \$7.7 million (15.7 per cent per annum). This has accounted for eight per cent of the City's total expenditure growth.

These four expenditure items account for 89 per cent of the City's total expenditure growth over the assessment period, despite accounting for 69 per cent of total expenditure in 2017-18. The remaining 31 per cent of the City's expenditure base account accounts for just 11 per cent of total expenditure growth.

Given the Perth Parking Levy expenditure represents the pass through of a State Government tax, and the City's depreciation charge is an accounting expense rather than a real expense, it is clear growth in the **City's controlled expenditure base has been largely driven by staff costs – both direct staff and contract staff – over the assessment period.**

ACIL Allen found that City's labour expenditure has increased at a faster rate than publicly available benchmarks over the assessment period, including by 13.5 per cent faster than the State Government's direct employment costs, 15.6 per cent faster than local government at a State level, and 20.7 per cent faster than the local government labour expenditure at a national level. **If the City had contained labour costs to the average local government labour expenditure benchmark for Western Australia, employment costs would have been \$40.4 million lower over the assessment period, and \$11.3 million lower in 2017-18 alone (\$71.8 million instead of \$83.1 million).**

FIGURE ES 4 CITY OF PERTH SALARY COST BENCHMARKING, INDEX; FY12 = 100



SOURCE: CITY OF PERTH, ABS, ACIL ALLEN CONSULTING

Overall Assessment

There are a number of issues which emerge from this high-level review that are worth exploring in greater detail – two of which are subject to further analysis in this report. These are:

- The role of the **City of Perth Parking major undertaking** in the City's overall financial framework;
- The **City's rates model**, particularly the drivers behind the recent substantial increase in rates values for Residential and Office properties from abnormally low bases;
- The **City's direct labour costs**, in particular the growth in labour expenditure over the assessment period (and potentially in prior years, as it is not clear from the data that the strong growth in direct labour costs is a new development);
- The **City's utilisation of contract labour**, in particular the growth over the assessment period;
- The **City's increased reliance on professional services contracts**, and whether this reflects an underlying capability issue within the City that is impacting its ability to discharge its functions; and
- The drivers of the **City's increased depreciation expenditure**, noting ACIL Allen's high-level analysis suggests this could simply be driven by high levels of capital investment (but also noting it could be due to the deterioration of the City's existing asset base).

It is also important to note the analysis conducted in this section does not consider the allocation of costs between business units within the City. While the City undertakes a notional Activity Based Costing exercise each year, without adequate consideration of the true cost drivers or detailed policy that would allow for a rigorous costing exercise to be undertaken, this too is likely to impact on the overall financial outcomes.

The City remains in a very strong financial position overall. According to its 2017-18 annual report, and a detailed balance sheet made available to ACIL Allen, the City holds some \$114 million in cash or liquid financial assets, and has a fixed asset base of in excess of \$1.1 billion with no material liabilities carried against these. In addition, its taxing powers provide a certain revenue stream of close to \$90 million per annum regardless of any other suppliers or services it elects to provide.

However, the City's financial position is not guaranteed, nor should a strong balance sheet preclude it from ensuring it provides the most efficient and effective services (with an efficient revenue raising framework) for its residents and businesses.

Review Focus Areas: City of Perth Parking (CPP)

In addition to the high level financial assessment of the City of Perth, the Inquiry requested that ACIL Allen undertake a more detailed investigation of the CPP.

The CPP operates as a commercial unit within the City's Community and Commercial Services Directorate which began operating commercially in the 1990s. The CPP's main responsibilities concern on street parking technology, revenue management, off street parking facilities, financial control, operations and customer service.

The CPP business and all parking in the City is subject to the Perth Parking Levy which has been applied by the State as per the *Perth Parking Management Act 1999*. The rate of the Levy is determined by the State annually and in 2017-18 totalled \$17.4 million.

The City of Perth (via the CPP) is uniquely placed in terms of parking management compared to other capital city local government jurisdictions in Australia. The **CPP is the largest provider of public parking within the City and manages 35 car parks which is far greater than any other capital city in Australia** but remains competitive amongst private companies such as Wilson, Secure and other private companies.

The City Councils of Brisbane, Melbourne and Sydney each own only 2 car parks within their respective central business districts. These cities have a larger contingent of privately owned car parks. The City of Adelaide operates a more substantial off street parking operation, although it has nine properties and approximately 6,000 parking spaces (both significantly smaller than the CPP undertaking).

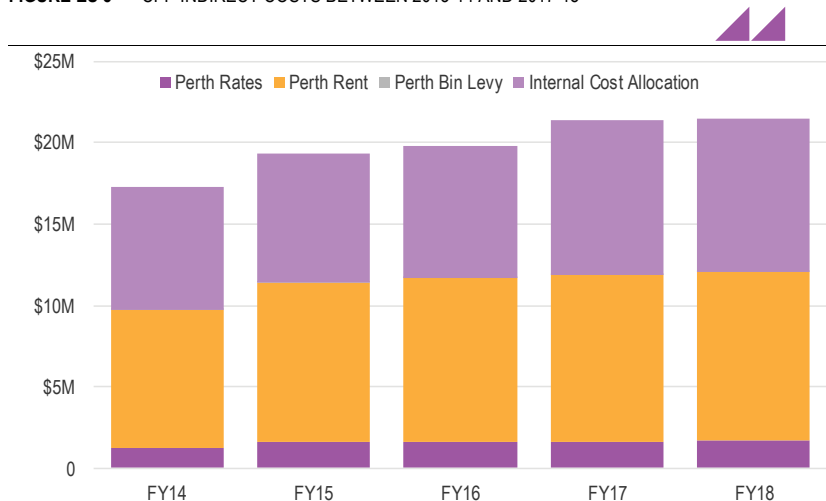
The CPP's **revenue** has grown from \$68.9 million in 2013-14 to a maximum of \$73.8 million in 2017-18. This represented an increase of 7.1 per cent over the four years. However, **after removing the Perth Parking Levy, the CPP undertaking's revenue has declined by 3.5 per cent** between 2013-14 and 2017-18. By contrast, the revenue flowing to the State Government via the levy has increased by 66.4 per cent, from \$10.5 million in 2013-14 to over \$17.4 million in 2017-18.

The CPP undertaking **operational expenditure** has remained relatively stable between 2013-14 and 2017-18, growing from \$15.5 million in 2013-14 to \$16.2 million in 2015-16 before declining to \$15.4 million in 2017-18. All told, the CPP undertaking has kept direct expenditure broadly steady, in line with its weak revenue performance.

Despite the CPP's modest revenue performance, and relatively steady growth in direct expenditure, ACIL Allen found that the City has continued to increase the level of **internal expenditure** allocated to the CPP undertaking.

Since 2013-14, **internal expenditure allocations have increased by \$4.3 million (from \$17.3 million to \$21.6 million)**, however, ACIL Allen could not determine whether there was a clear basis for this, or why internal cost allocations to the CPP undertaking are increasing over time.

FIGURE ES 5 CPP INDIRECT COSTS BETWEEN 2013-14 AND 2017-18



SOURCE: ACIL ALLEN CONSULTING

In reality, however, the CPP is a part of the broader City's financial framework, providing it with a line of source of revenue, and ultimately surplus free cashflow, to potentially fund other aspects of the City.

This can be measured by paring back the finances of the City of Perth Parking undertaking to actual revenues minus any State Government taxes and banking charges, less the real expenditures associated with the undertaking (ie excluding depreciation, amortisation and provisions). Under this frame of reference, the variety of internal City charges which are transferred to the CPP undertaking, including internal rates, internal rents, internal waste levies, and Activity Based Costing allocations are set aside and form part of the cash surplus generated by the CPP undertaking which is then available to the City as free cash.

Using this frame of reference, the **CPP undertaking generated \$202.6 million of free cash for the City over the five year period** where data was available. This accounted for approximately 21 per cent of the City's total free cash generated from operating activities between 2013-14 and 2017-18.

Over the assessment period, the **City has raised \$75.1 million in internal charges from the CPP undertaking**. It is not clear from the City's financial system where these internal charges flow however it is assumed they flow to the City's consolidated revenue.

Given the size of this business undertaking, it is **not appropriate for the City to continue to operate the CPP business without an adequate business plan**, be it required to produce one according to legislation or not.

In addition, it is **not clear from the information provided that the City fully accounts for competitive neutrality in the CPP undertaking**. This puts the City at a competitive advantage over private sector providers of parking services in the City of Perth, by virtue of the City's status as a public sector entity only. This goes against the NTER, and should be addressed by the City.

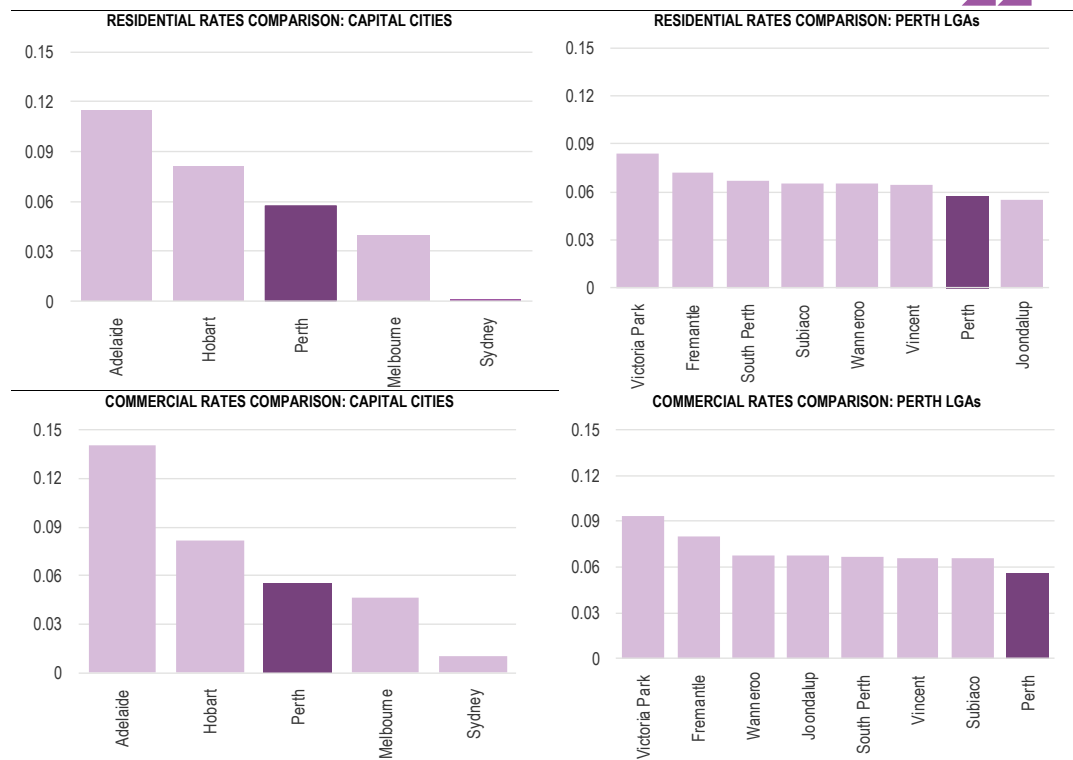
The City's parking undertaking is evidently a significant cashflow generator for the City. No other local government in Western Australia, and no other capital city local government in Australia, has access to a line of cashflow like the CPP affords the City. Given the findings of other areas of this report, ACIL Allen considers it likely the **availability of this free cashflow generated by the CPP undertaking has played a role in the City's high level of costs over the assessment period**.

Review Focus Areas: City of Perth Rates Model

The other review focus area requested by the Inquiry was for ACIL Allen to examine the City of Perth's rates model.

The City of Perth's rates for residential and commercial land uses are set at a lower level than other capital city local governments and metropolitan Perth local governments, with the exception of the City of Melbourne and the City of Sydney which have significantly larger ratepayer bases. The low level of rates against other capital city local governments potentially reflects the impact of the City's ability to earn additional revenue through its CPP business, however it is not possible to determine with the evidence provided to ACIL Allen.

FIGURE ES 6 RESIDENTIAL AND COMMERCIAL COUNCIL RATES, CITY OF PERTH VERSUS COMPARATOR LOCAL GOVERNMENT AUTHORITIES, 2017-18 VALUES (CENTS PER GRV)



SOURCE: VARIOUS COUNCIL ANNUAL REPORT, ACIL ALLEN

Rates in the City of Perth are determined according to the Gross Rental Value (GRV) of the land use, and is calculated on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the City's annual budget and the estimated revenue to be received from all sources other than the rates, as well as a consideration of the extent of any increase in rates over the level adopted in the previous year

There are four categories of rateable land used by the City of Perth: Commercial, Office, Residential and Vacant land. In 2018-19, the highest differential rate is set on Vacant land (6.25865 cents per dollar of GRV), followed by Residential (5.74033 cents), Commercial (5.56344 cents) and Office (4.55125 cents) land uses.

Since 2014-15, the differential rates for the Office land use has increased by 69 per cent, followed by Residential land use which has increased by 36 per cent over the same period. By comparison, the differential rates for the Vacant land has risen by 16 per cent since 2014-15, while for Commercial land use the rate has increased by 10 per cent. These recent increases have ensured that there is a more equal treatment of land for rating purposes (other than for vacant land).

Using the GRV and revenue collections for each rateable land use category, an indication of the “revenue effort” of the City of Perth to each land use category can be calculated.

Based on the GRV and revenue generation from each land use category, the **Residential land use category had the highest revenue effort for the City of Perth, with revenue representing 6.2 per cent of the total Residential land use GRV. Commercial land use was next highest, with revenue generated representing 5.75 per cent of the total Commercial land use GRV, while the Office category was lowest at 4.5 per cent.**

The result of the City’s differential rate setting may be that the residential and commercial ratepayers of the City are being left to carry a heavier rates burden relative to office ratepayers. ACIL Allen estimated the “general rate” (ie all rate payers pay the same rate per unit of GRV) required to generate the same revenue the City raised from its differential rates in 2017-18 would be 4.94446 cents in the dollar. At this rate, **Office ratepayers would have paid an additional \$4.6 million in rates in 2017-18, while Residential and Commercial ratepayers would have paid \$2.3 million less each.** This provides one view of a potential cross-subsidisation of the City’s rate base to the Office ratepayers from other City ratepayers.

Summary of Key Findings

KEY FINDING 1 GOVERNING LEGISLATION

The City of Perth is guided by the legislative requirements of it under the *Local Government Act 1995*, which was the basis from which the Minister for Local Government suspended the Council and establish an Inquiry into the City of Perth.

The *City of Perth Act 2016* formally acknowledged the social, economic, cultural, environmental and civic role that the City of Perth plays as the capital city of Western Australia, and brought with it an expansion in the boundaries of the City of Perth. The Act also established the City of Perth Committee to facilitate collaboration between the State and City of Perth. The Committee is required to meet at least twice a year, however, as no meetings were held in 2018 this requirement was not met.

KEY FINDING 2 GOOD GOVERNMENT

The general function of a local government is to provide for the **good government** of persons in its district. The notion of “good government” is reflected in the provisions of the Act which is intended to result in better decision making, greater community participation, greater accountability of local governments to their communities, and more efficient and effective local government.

This report will explore the degree to which the City of Perth has provided good government to the community through the lens of the City’s finances.

KEY FINDING 3 DEVELOPMENT OF ANNUAL BUDGET

The *Local Government Act 1995* requires that local governments establish their budget by first determining the amount they wish to spend and then estimate the revenue sources required to fund this outlay. This requirement means that in order to ensure that local government are operating efficiently, strong controls over expenditure are required.



KEY FINDING 4 CPP MAJOR UNDERTAKING

The CPP fits the criteria of a "major undertaking" per the *Local Government Act 1995* and *Local Government (Functions and Regulations) 1996*. However, given the CPP major undertaking pre-dates the Act it's not clear the City is legally required to comply with this aspect of the Act and Regulations.

The City has prepared a business plan. The plan does not address the requirements of the Act, as it does not provide consideration of risk, costs, competitive neutrality or impact on the City's overall finances (except for revenue).



KEY FINDING 5 CITY OF PERTH INTEGRATED PLANNING AND REPORTING FRAMEWORK

The City of Perth Integrated Planning and Reporting Framework is intended to provide the necessary structure to guide the development of the City's strategic direction, and is required as part of its statutory planning responsibilities under the *Local Government Act 1995*.

While the City of Perth's IPRF fulfils its statutory requirements under the Act, there is limited integration of these planning documents. This is reinforced by an independent assessment of the City's organisational capability and compliance, which found the Strategic Community Plan and Corporate Business Plan did not effectively capture the organisation's strategy, due to the absence of business as usual activities, insufficient target setting, and a lack of integration between the various strategy and planning documents. Without a clearly defined organisational strategy, this makes it difficult for the organisation to prioritise and manage its portfolio of services and investments.



KEY FINDING 6 CITY OF PERTH FINANCIAL FRAMEWORK

The City notionally applies Activity Based Costing to its finances, to shift revenue and expenditure between business units to reflect the true cost of service delivery. However, the City could not produce a document which outlined the basis of the allocations, despite the City's system allocating on average 57 per cent of total expenditure over the assessment period. ACIL Allen's high level observations suggest the City's approach to ABC is not based on sound principles, and appears to be instead used as a tool to undertake cost-shifting across the organisation.



KEY FINDING 7 CITY OF PERTH KEY PERFORMANCE INDICATORS

The KPIs are intended to provide the community with a broad assessment of the performance of the City of Perth against the Strategic Community Plan. However, there are a number of limitations with the suite of KPIs which limit their effectiveness as a performance monitoring tool.

The key performance indicators that the City currently has in place relating to financial performance are a subset of the financial indicators that local governments are required to report on under Western Australia *Local Government (Financial Management) Regulations*.

In the context of this review of the City's finances, these KPIs have limited application as they do not adequately assess the efficiency of the City in the delivery of services to the community.

KEY FINDING 8 FINANCIAL GOVERNANCE COMPARISONS

A review of the KPIs used to measure the financial performance of the City of Melbourne and the City of Sydney has found that they both have KPIs that track financial performance from an efficiency perspective through a focus on expenditure levels and growth. This supports ACIL Allen's assessment that the City of Perth's KPIs do not have an adequate focus on efficiency from a financial governance perspective.

KEY FINDING 9 NARROWING OPERATING SURPLUSES

The City's operating surpluses have been shrinking over the assessment period, narrowing to just \$8.2 million in 2017-18. This represents an operating surplus margin of just 4.4 per cent of own-source revenue, compared to surpluses of over ten per cent earlier in the assessment period.

KEY FINDING 10 UNDERLYING REVENUE GROWTH

The City's underlying revenue growth has averaged 3.7 per cent per annum over the assessment period. This is in excess of growth in the Perth Consumer Price Index, suggesting there has been an increase in the "revenue effort" by the City over the assessment period.

KEY FINDING 11 MUNICIPAL RATES

Municipal rates account for the largest share of the City's own-source revenue. Over the assessment period the City has significantly increased the rates value for Residential and Office properties in its jurisdiction, which is the main contributor to rates revenue growth of 6.7 per cent per annum.

KEY FINDING 12 PARKING FEES

At a headline level parking services revenue has been increasing over the assessment period. However, almost all of this growth has been driven by increases in the State Government's Perth Parking Levy, which is collected by the City and passed on to the State Government. Actual parking revenue generated by the City has been broadly flat over the period, growing by just 1.3 per cent per annum.

KEY FINDING 13 OVERALL EXPENDITURE TRENDS

The four largest expenditure growth areas of the City – direct staffing costs, depreciation, the Perth Parking Levy and contract labour – account for close to nine in every ten dollars of expenditure growth in the City over the assessment period. By comparison, these four categories made up just under 70 per cent of total City expenditure in 2017-18.



KEY FINDING 14 EMPLOYMENT COST GROWTH

The City's direct staff expenditure has increased by six per cent per annum over the assessment period, accounting for 41 per cent of overall City expenditure growth.



KEY FINDING 15 FTE/HEADCOUNT INFORMATION

The City was unable to produce a reliable estimate of actual staff headcount – on an FTE or actual headcount basis – for the assessment period. The data that was made available regarding staff levels was pulled together on an ad-hoc basis and represented the collation of *budgeted* staff levels (rather than actual staff levels) for a four-year period, two years of which were outside of the assessment period. In addition, there appear to be no controls (such as a KPI or simple target) regarding headcount or FTEs at an overall or business unit level. This lack of centralised HR management information, and lack of management information/targets, are likely to be contributing to the substantial growth in the City's direct employment and contractor costs.



KEY FINDING 16 USE OF CONTRACT LABOUR

The City's expenditure on contract labour has more than doubled over the assessment period, from \$3.5 million to \$7.7 million. Despite coming from a small base of approximately two per cent of the City's expenditure in 2011-12, growth in the use of contract labour is the third largest single contributor to the City's expenditure growth over the assessment period.



KEY FINDING 17 SALARY COST GROWTH BENCHMARKING

The City's labour expenditure has increased at a faster rate than publicly available benchmarks over the assessment period, including by 13.5 per cent faster than the State Government's direct employment costs, 15.6 per cent faster than local government at a State level, and 20.7 per cent faster than the local government labour expenditure at a national level. If the City had contained labour costs to the average local government labour expenditure benchmark for Western Australia, employment costs would have been \$40.4 million lower over the assessment period, and \$11.3 million lower in 2017-18 alone (\$71.8 million instead of \$83.1 million).



KEY FINDING 18 PROFESSIONAL SERVICES CONTRACTS

The use of professional services contracts (excluding legal fees) by the City of Perth has doubled over the assessment period. Most business units have utilised professional services. Expenditure has tended to be quite "lumpy", with no users seeing large recurrent professional services expenditure outside of the audit fees which are allocated to the Finance Unit.



KEY FINDING 19 MAINTENANCE AND SERVICE CONTRACTORS

The circa \$2.4 million decline in annual expenditure on maintenance and service contractors may go part of the way to explaining the increase in direct staff costs made by the City. However, this decline only represents approximately ten per cent of the increase in annual staffing costs.



KEY FINDING 20 DEPRECIATION AND CAPITAL INVESTMENT

The City's depreciation charges have been increasing significantly in recent years. This is likely a reflection of a substantial rolling capital works program, which has seen the City invest \$45.3 million per annum via the purchase of fixed assets over the assessment period (compared to an annual average depreciation charge of \$28.4 million). This is partially explained by the role of external Commonwealth and State Government grant funding in the City's capital works program.



KEY FINDING 21 REVENUE AND COST GROWTH IN THE CPP UNDERTAKING

Direct revenue and expenditure in the CPP undertaking have been broadly unchanged over the assessment period. While headline revenue has increased, this has been on account of growth in the Perth Parking Levy. Direct expenditure incurred by the CPP undertaking has remained broadly unchanged over the assessment period, while internal expenditure allocations have increased by \$4.3 million (from \$17.3 million to \$21.6 million) without any clear rationale for this.



KEY FINDING 22 PCEC CAR PARK

The Perth Convention and Exhibition Centre Car Park is the largest source of gross profit for the CPP undertaking, producing \$8 million of gross profit before internal transfers in the 2017-18 financial year. This accounted for 23.4 per cent of total CPP off street parking gross profit last year, despite accounting for just 13.6 per cent of the portfolio's bays.



KEY FINDING 23 CPP UNDERTAKING CASH CONTRIBUTION

ACIL Allen estimates the City of Perth Parking undertaking has generated \$202.6 million in free cash for the City over the five year period where data is available. This accounted for approximately 21 per cent of the City's total operating revenue cashflow generation over the period.



KEY FINDING 24 COMPETITIVE NEUTRALITY

It is not clear the City adequately accounts for competitive neutrality in the pricing of services provided by the CPP. By not correctly accounting for its competitive advantage of not being required to pay Commonwealth and State taxes, this puts the City at an advantage against private sector providers, which is against the requirements of the NTER.



KEY FINDING 25 CITY OF PERTH – DIFFERENTIAL GENERAL RATES BY LAND USE CATEGORY

Rates in the City of Perth are determined according to the Gross Rental Value (GRV) of the land use, and is calculated on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the City's annual budget and the estimated revenue to be received from all sources other than the rates, as well as a consideration of the extent of any increase in rates over the level adopted in the previous year

There are four categories of rateable land used by the City of Perth: Commercial, Office, Residential and Vacant land. In 2018-19, the highest differential rate is set on Vacant land (6.25865 cents per dollar of GRV), followed by Residential (5.74033 cents), Commercial (5.56344 cents) and Office (4.55125 cents) land uses. Since 2014-15, the differential rates for the Office land use has increased by 69 per cent, followed by Residential land use which has increased by 36 per cent over the same period. By comparison, the differential rates for the Vacant land has risen by 16 per cent since 2014-15, while for Commercial land use the rate has increased by 10 per cent. These recent increases have ensured that there is a more equal treatment of land for rating purposes (other than for vacant land).



KEY FINDING 26 CITY OF PERTH – REVENUE EFFORT BY LAND USE CATEGORY

Using the GRV and revenue collections for each rateable land use category, an indication of the "revenue effort" of the City of Perth to each land use category can be calculated.

Based on the GRV and revenue generation from each land use category, the Residential land use category had the highest revenue effort for the City of Perth, with revenue representing 6.2 per cent of the total Residential land use GRV. Commercial land use was next highest, with revenue generated representing 5.75 per cent of the total Commercial land use GRV, while the Office category was lowest at 4.5 per cent.



KEY FINDING 27 CROSS SUBSIDISATION OF THE CITY OF PERTH'S RATE BASE

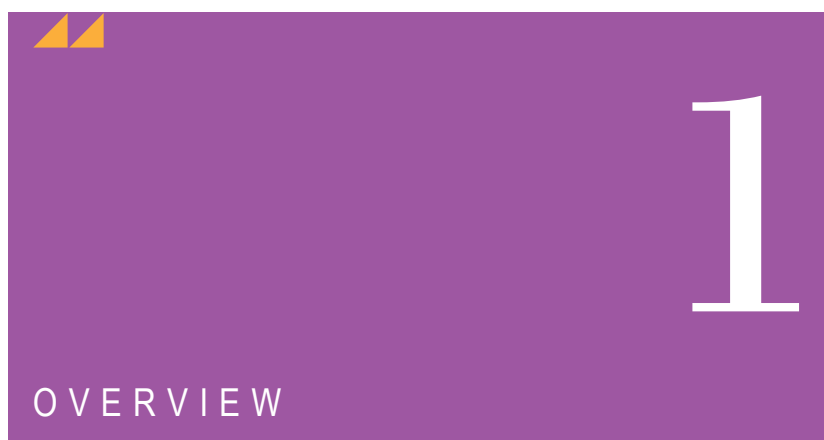
The application of differential rate setting by the City of Perth has resulted in a cross-subsidisation of the City's rate base to the Office ratepayers from other City ratepayers. ACIL Allen estimated the "general rate" required to generate the same revenue the City raised from its differential rates in 2017-18 would be 4.94446 cents in the dollar. At this rate, Office ratepayers would have paid an additional \$4.6 million in rates in 2017-18, while Residential and Commercial ratepayers would have paid \$2.3 million less each.



KEY FINDING 28 RATES REVENUE COMPARISONS

The City of Perth's rates for residential and commercial land uses are set at a lower level than other capital city local governments and metropolitan Perth local governments, with the exception of the City of Melbourne and the City of Sydney which have significantly larger ratepayer bases. The low level of rates against other capital city local governments potentially reflects the impact of the City's ability to earn additional revenue through its CPP business, however it is not possible to determine with the evidence provided to ACIL Allen.





1.1 Introduction

On 2 March 2018, the Local Government Minister David Templeman announced the suspension of the City of Perth council and his intention to establish an inquiry panel to investigate the City's governance issues. The Minister's action came as a result of ongoing and serious concerns of failure by the elected council to ensure that the local government performs its functions properly.

The suspension order, outlined under section 8.19 of the *Local Government Act 1995*, saw three commissioners fulfil the role of the suspended council to ensure continuity of service to ratepayers while the inquiry is underway.

The inquiry panel will have the powers of a Royal Commission and the authority to make recommendations as to whether the council should be dismissed or reinstated. Following the inquiry, a report will be prepared for the Minister to decide what action the State Government will take.

On 24 April 2018, the Minister for Local Government established the inquiry into the City of Perth. The Inquiry has been asked to consider if there was a failure to provide good government for the City of Perth community, the prospect of providing future good government and any necessary action to ensure ongoing good government. At the centre of good government must be good policies, practices and procedures, and a sound system of financial management, to ensure effective decisions are made.

In April 2019, ACIL Allen was engaged by the Inquiry to report on the City of Perth's finances and the degree to which it has in place good strategic and financial practices to ensure sound financial management of the City and its commercial operations.

Specifically, the Inquiry has sought a report that provides advice on:

- the adequacy of the City of Perth's strategic planning and financial planning and management business models;
- analysis of the City of Perth's financial position and the underlying drivers of the City's financial position over time;
- a focused review of the City of Perth's parking business, the City of Perth Parking (CPP); and
- analysis of the City of Perth's rates model for residential and commercial properties, and the degree to which there is any cross-subsidisation and any subsidisation arising from the CPP business.

1.2 Interpreting this Report

ACIL Allen's financial review has been desktop in nature, prepared exclusively with materials provided by the City of Perth and supplemented with publicly available data in parts. ACIL Allen has not

interviewed any City staff in connection with the review, beyond discussions required to bring ACIL Allen up to speed with the data provided. As such, ACIL Allen has not tested the analysis, findings or recommendations with the City. Nonetheless, the analysis, findings and recommendations do point to a number of issues within the City's financial framework to support the Inquiry's work, and which warrant additional consideration and analysis under a larger scope of works.

1.3 Report Structure

This report has been structured in the following chapters to respond to the specific issues that the Inquiry has sought specific advice on.

- **Chapter 2** provides an overview of the role and functions of the City of Perth, through a high level review of its structures and governance, strategic and operational plans, its financial framework and its performance against its published key performance indicators.
- **Chapter 3** provides a comprehensive review of the City of Perth's finances in terms of the trends in its overall operating position, revenue and expenditure by key line item, and an assessment of the key drivers behind the recent trends in the City's finances.
- **Chapter 4** provides a more focussed review on the City of Perth's parking business, CPP.
- **Chapter 5** provides further analysis and insights into the City of Perth's rates model, recent changes and comparisons to other local governments.

Key findings are presented throughout the report, and a consolidated assessment of the City of Perth's finances is provided in the **Executive Summary** to this report.

1.4 Glossary of Terms and Abbreviations

Throughout this report a number of key terms and abbreviations have been used, which are set out in the tables below.

TABLE 1.1 TERMS USED

Term	Description
Major undertaking	As defined in the <i>Local Government Act 1995</i> and <i>Local Government (Functions and Regulations) 1996</i> , an undertaking of a local government with an annual expenditure of \$5 million or more.
The Act	The <i>Local Government Act 1995</i>
The City	The City of Perth
The Inquiry	The Inquiry into the City of Perth

SOURCE: ACIL ALLEN CONSULTING

TABLE 1.2 ACRONYMS USED

Acronym	Description
ABC	Activity Based Cost model
CBD	The Perth Central Business District
CEO	Chief Executive Officer
CPI	Consumer Price Index
CPP	City of Perth Parking
ESL	Emergency Services Levy
FTE	Full Time Equivalent
FY	Financial Year
GRV	Gross Rental Value
IPRF	Integrated Planning and Reporting Framework

Acronym	Description
KPI	Key Performance Indicator
NTER	National Tax Equivalence Regime
OBM	Outcome Based Management
PCEC	Perth Convention and Exhibition Centre
PPL	Perth Parking Levy
SOURCE: ACIL ALLEN CONSULTING	



This section provides an overview of the City of Perth, its structures and governance, strategic and operational plans, and its high-level performance measured against its published key performance indicators.

2.1 City of Perth Overview

The City of Perth is a statutory entity constituted under the *Local Government Act 1995* to provide services and facilities to a broad range of stakeholders including residents, commercial and retail businesses, workers, and local, national and international visitors. The City has a distinct leadership role as the capital city authority of Western Australia.

Today, the City of Perth includes the suburbs, or parts thereof, of Crawley, East Perth, Nedlands, Northbridge, Perth and West Perth. On 1 July 2016, the City of Perth local government area expanded to include Kings Park, the University of Western Australia, Queen Elizabeth II Medical Centre, residential and commercial areas around Hampden Road and Broadway, and the Matilda Bay foreshore in Crawley and Nedlands.

In 2017-18, the estimated population of the City of Perth was 27,432 residents. The City's resident population is forecast to grow to 50,000 residents by 2050, representing an additional 25,800 residents in 16,000 dwellings over the next 34 years. Each workday, the City attracts around 205,750 workers and visitors to the CBD and over 25,000 to the University of Western Australia and Queen Elizabeth II Medical Centre. In 2017-18, the City of Perth had an estimated workforce population of 147,474 people.

The City of Perth employs a workforce in excess of 700 staff to undertake the core business of Council, including essential community services such as waste, maintenance, parks and gardens and community facilities. The majority of staff are based at Council House and a works depot in Osborne Park houses the City's operational staff. The City is supported by a six person executive team.

2.2 Governing Legislation

The City is subject to substantial regulation via legislation. The two most significant Acts are the *Local Government Act 1995* and the *City of Perth Act 2016*. These are discussed below.

2.2.1 Local Government Act 1995

The current legislation governing the functions of Local Government in Western Australia is the *Local Government Act 1995*. In relation to the financial management of local governments, the Act provides a framework for the administration and financial management of local governments and for the scrutiny of their affairs.

All local governments are required to plan for the future of their district under Section 5.56 (1) of the *Local Government Act 1995*. The minimum requirement towards achieving this is the development of a Strategic Community Plan and a Corporate Business Plan. There are separate provisions regulating the Annual Budget and Annual Report.

In mid-2017, the Minister for Local Government, the Hon David Templeman, announced the commencement of the review of the *Local Government Act 1995*. The review will be undertaken in two phases. Phase 1 of the review is considering reforms that have the potential to modernise local government, empower and enable local government, meet community expectations for accountability and transparency, and relieve regulatory burden. In the context of this report, the second phase of this review will explore, among other things, improving the financial management of local governments.

On 2 March 2018, the Local Government Minister David Templeman announced the suspension of the City of Perth council under section 8.19 of the *Local Government Act 1995*, which saw three commissioners fulfil the role of the suspended council to ensure continuity of service to ratepayers while the inquiry is underway.

2.2.2 City of Perth Act 2016

The *City of the Perth Act 2016* formally acknowledges the special social, economic, cultural, environmental and civic role that the City of Perth plays as the capital city of Western Australia. The Act recognises the important role that the City of Perth plays in representing the broader Perth area and the state of Western Australia on both a national and international level.

The Act outlines the responsibilities of the Lord Mayor and councillors, with a particular emphasis on the matters that relate to the unique responsibilities of the City of Perth that flow from Perth's status as capital of Western Australia. However, the Act does not limit the roles, functions, powers, obligations and responsibilities of the Lord Mayor or councillors under the *Local Government Act 1995*.

The Act brought with it an expansion in the boundaries of the City of Perth to include land occupied by The University of Western Australia, Kings Park, Queen Elizabeth II Medical Centre, Perth Children's Hospital and residential areas home to about 3,000 people who were previously in the City of Subiaco.

Under the Act, a committee called the City of Perth Committee was established to facilitate collaboration between the State and City of Perth. The members of the Committee include the Premier, Minister for Local Government, Lord Mayor, Deputy Lord Mayor, CEO of the City of Perth and the CEO of the Department of the Public Service.

The Committee is required under the Act to meet at least twice a year. The last recorded meeting of the Committee was on 20 December 2017. There were no meetings in 2018, and the Committee has yet to meet in 2019.

KEY FINDING 1 GOVERNING LEGISLATION

The City of Perth is guided by the legislative requirements of it under the *Local Government Act 1995*, which was the basis from which the Minister for Local Government suspended the Council and establish an Inquiry into the City of Perth.

The *City of Perth Act 2016* formally acknowledged the social, economic, cultural, environmental and civic role that the City of Perth plays as the capital city of Western Australia, and brought with it an expansion in the boundaries of the City of Perth. The Act also established the City of Perth Committee to facilitate collaboration between the State and City of Perth. The Committee is required to meet at least twice a year, however, as no meetings were held in 2018 this requirement was not met.

2.3 Role, Governance and Structure of the City of Perth

Local Government Authorities in Western Australia have a defined set of minimum roles and responsibilities. These are discussed below.

2.3.1 Role of Local Governments

The section 3.1 of the *Local Government Act 1995* establishes that the general function of a local government is to provide for the good government of persons in its district. The scope of what a local government can do is broadly what its community requires and can reasonably be provided with available resources and within the constraints of the Act or any other written law.

The notion of “good government” is reflected in the provisions of section 1.3(2) of the Act which summarises the outcomes intended:

“This Act is intended to result in –

- a) better decision making by local governments;*
- b) greater community participation in the decisions and affairs of local governments;*
- c) greater accountability of local governments to their communities; and*
- d) more efficient and effective local government.”*

Section 1.3(3) establishes that “in carrying out its functions a local government is to use its best endeavours to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity”.

A local government can make a local law for the good governance of the people in its district. However, a local law will be inoperative to the extent that it is inconsistent with any other written law (for instance, because there is already a similar State law covering the same area).

Local governments can make local laws about health and safety, street trading, reserves and foreshores, signs, parking, cats and dogs, and much more.

The executive functions of local government include the administration of local laws and the provision of services and facilities. A local government can provide any service or facility that is necessary or convenient for the good governance of the people in its district or for the performance of any other function under the Act.

However, before commencing a service or providing a facility, a local government has to satisfy itself that the service or facility it provides integrates with State or Commonwealth services, does not duplicate inappropriately any State, Commonwealth or private service, and is managed efficiently and effectively.

The role of local governments is reflected in its governance, its structures and its strategic and operational plans, all of which are required under the relevant provisions in the Act.

KEY FINDING 2 GOOD GOVERNMENT

The general function of a local government is to provide for the **good government** of persons in its district. The notion of “good government” is reflected in the provisions of the Act which is intended to result in better decision making, greater community participation, greater accountability of local governments to their communities, and more efficient and effective local government.

This report will explore the degree to which the City of Perth has provided good government to the community through the lens of the City’s finances.



2.3.2 Governance

The council is the governing body of a local government. It is made up of councillors and a mayor or president. The council’s role is to:

- govern the local government’s affairs;
- be responsible for the performance of the local government’s functions;
- oversee the allocation of the local government’s finances and resources; and
- determine the local government’s policies.

Prior to suspension of the City of Perth Council on 2 March 2018 and the appointment of three Commissioners to perform the role of Council, the City of Perth Council was made up of eleven elected councillors, including a Lord Mayor and Deputy Lord Mayor.

Under the Council, the following Committees exist:

- **CEO Performance Review Committee**, which establishes annual performance objectives of the Chief Executive Officer (CEO), undertakes an annual performance review of the CEO and reports the outcome of the review to Council.
- **Audit and Risk Committee**, which provides guidance and assistance in relation to risk management, internal controls, legislative compliance and internal and external audit planning and reporting; and
- **Design Advisory Committee**, which provides independent technical advice and recommendations to Council in respect to applications requesting a Plot Ratio Bonus in the city, as well as advising on design issues on other applications referred to it for consideration.

Following the suspension of the City of Perth Council, the following committees ceased:

- Finance and Administration Committee;
- Planning Committee;
- Marketing, Sponsorship and International Engagement Committee; and
- Works and Urban Development Committee.

As noted in Section 2.2.2 the *City of Perth Act 2016* established the **City of Perth Committee** to facilitate collaboration between the State and City of Perth. The last meeting of this Committee was on 20 December 2017.

2.3.3 Organisational Structure

The role of the Chief Executive Officer (CEO) is to provide overall strategic direction, leadership and coordination of the organisation. Along with the directors and staff, the CEO acts on the Council's decisions by developing and putting into practice the Council's policies and resolutions.

In 2015, the former CEO of the City of Perth announced a restructure of the organisation, based on five directorates (each headed by a Director) that reflect the core functions of the City. The CEO has the role of overseeing five directorates, along with the following units:

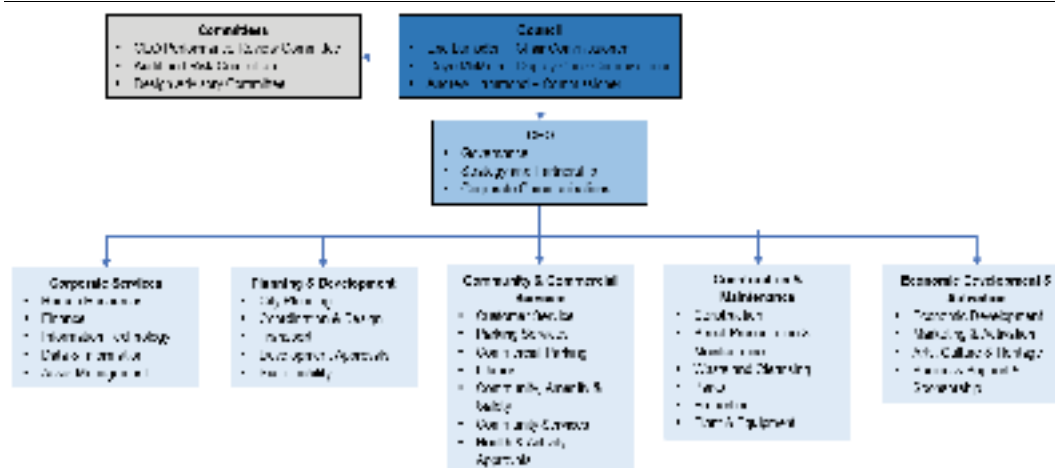
- **Governance** – Management of the council's governance responsibilities to ensure legislative compliance. The unit is responsible for risk management, business continuity, as well as electoral and legal matters.
- **Corporate Communications** – Protect and enhance the City of Perth's reputation, by developing and maintaining a constructive and engaging conversation between the City and its stakeholders.
- **Strategy and Partnership** – Provides advice on strategic planning to enable effective delivery of community goals. The unit is responsible for developing the City's Strategic Community Plan and Corporate Business Plan, as well as providing guidance to ensure an integrated planning approach.

The City of Perth's five directorates which carry out the core functions of the City are listed below:

- **Corporate Services**- which includes Human Resources, Finance, Information Technology, Data & Information and Asset Management.
- **Planning and Development** – which includes City Planning, Coordination & Design, Transport, Development Approvals and Sustainability.
- **Community and Commercial Services** – which includes Customer Service, Parking Services, Commercial Parking, Library, Community, Amenity & Safety, Community Services and Health & Activity Approvals.
- **Construction and Maintenance** – which includes Construction, Street Presentation & Maintenance, Waste & Cleaning, Parks, Properties and Plant & Equipment.
- **Economic Development and Activation** – which includes Economic Development, Marketing & Activation, Arts, Culture & Heritage and Business Support & Sponsorship.

The current governance structure of the City of Perth is presented in **Figure 2.1** below.

FIGURE 2.1 CURRENT GOVERNANCE STRUCTURE



SOURCE: CITY OF PERTH

2.4 Strategic and Operational Plans

In addition to legislation, there are a series of policies and guidelines that require Local Government Authorities in Western Australia to produce a cohesive set of local area plans and strategies for the benefit of their citizens and businesses. These are discussed below.

The City of Perth Integrated Planning and Reporting Framework ('IPRF') (**Figure 2.2**) provides a structure that guides the development of the City's strategic direction and subsequent organisational activities. The framework satisfies the City's statutory planning responsibilities under the *Local Government Act 1995*. The Framework aims to encourage local governments to link with and influence planning by others – including regional planning bodies, State and Federal agencies and community organisations – that also impact on community outcomes.

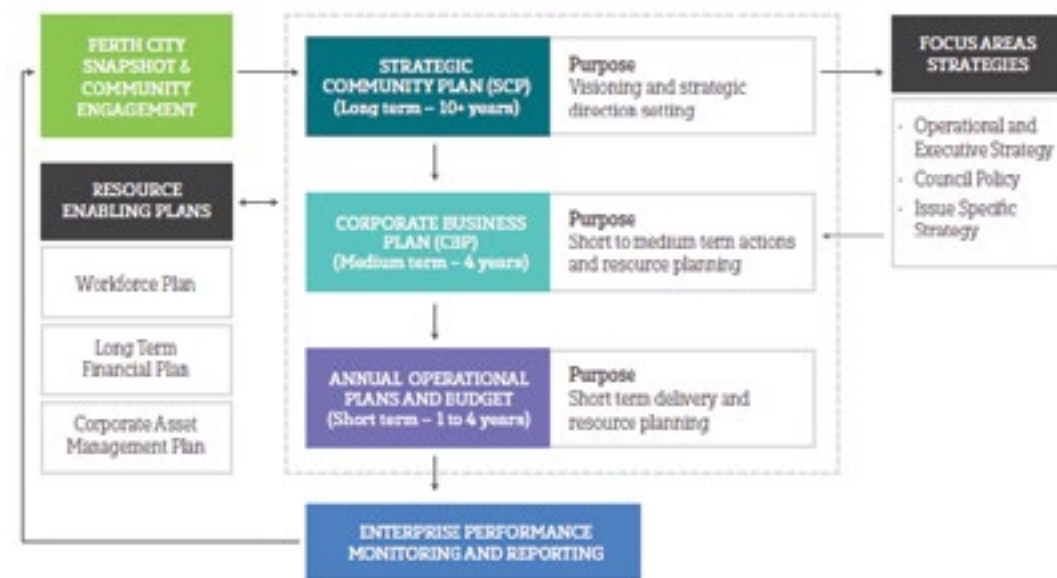
The intent of the Framework is to ensure the priorities and services provided by the City are aligned with the community's needs and aspirations. A comprehensive risk management approach is embedded in the Framework and considered at all levels of the planning cycle. The City's approach to risk management aligns to AS/NZS ISO 31000:2009 risk management principles and guidelines.

The *Local Government (Administration) Regulations 1996* requires each Local Government to adopt a Strategic Community Plan and a Corporate Business Plan.

2.4.1 Strategic Community Plan (Long Term – 10+ years)

The Strategic Community Plan is the organisation-wide strategy document for the City. It is a community facing strategy document that is refreshed every four years, and its purpose and function is defined under Regulation 19C of the *Local Government (Administration) Regulations 1996*.

FIGURE 2.2 CITY OF PERTH INTEGRATED PLANNING AND REPORTING FRAMEWORK



SOURCE: CITY OF PERTH

The City's current Strategic Community Plan, *Shaping Our Capital City*, was released in June 2017. The document sets out a 12-year vision for the City and presents eight goals required to achieve this vision:

- A city for people;
- An exceptionally well designed, functional and accessible city;
- A city connected to its natural beauty;
- A future focussed and resilient city;
- A prosperous city;
- A city that celebrates its diverse cultural identity;
- An open and engaged city; and
- A city that delivers for its community.

The Strategic Community Plan informs and ratifies Council policies and issue specific strategies¹ that the City use to narrow the area of focus for the delivery of initiatives and services to the community.

The *City of Perth Act 2016* has meant that the Strategic Community Plan broadens the scope of the City's focus to represent the state as a whole, as well as increasing the number of stakeholders engaged in the City's activities.

As an external facing document, the Strategic Community Plan is more of a vision setting document that articulates to the community the future of Perth City over the decade ahead. For each of the eight goals, the Plan articulates a set of Key Performance Indicators to track the City's progress against these goals.

¹ These include strategies such as the Lighting Strategy 2014, Looking West International Engagement Strategy 2014, Transport Strategy 2017 and Waste Strategy 2014-2024.

The Plan does not, however, articulate the actions that the City will undertake to achieve these goals. The actions are instead articulated in the City's Corporate Business Plan, which is discussed further below.

2.4.2 Corporate Business Plan (Medium Term – 4 years)

The Corporate Business Plan sets out the City's initiatives and activities over a four-year period, with an emphasis to delivering on the strategic goals set out in the Strategic Community Plan.

The 2017-2021 Corporate Business Plan was released following the Strategic Community Plan in June 2017.

The Corporate Business Plan is informed by the City's Workforce, Long Term Financial and Asset Management Plans. The Corporate Business Plan is also intended to guide the development of holistic strategies, business unit plans and the City's annual budget. The Corporate Business Plan is reviewed annually, as part of the corporate planning process that includes the development of the City's annual budget.

The Corporate Business Plan presents a series of actions against each of the eight goals from the Strategic Community Plan, with progress against each of these actions reported in the City's Annual Report.

2.4.3 Annual Operational Plans and Budget (Short Term – 1 to 4 years)

The Annual Report includes a snapshot of the performance of the City of Perth over the past year and an overview of the City's outlook for the future.

The Act requires that a local government is to, having regard for its Integrated Planning and Reporting documents, prepare an estimate of its upcoming expenditure, the revenue and income it will receive independent of rates, and the amount in rates required to make up any deficiency. This approach means that local governments are required to establish their budget by first determining the amount they wish to spend and then estimate the revenue sources required to fund this outlay.

The City produces a Quarterly Organisational Performance Report to provide an update on the progress of the City's Corporate Business Plan. This performance reporting assists with the continuous improvement of the City, the achievement of strategic goals and the delivery of improved services to the community.

KEY FINDING 3 DEVELOPMENT OF ANNUAL BUDGET

The *Local Government Act 1995* requires that local governments establish their budget by first determining the amount they wish to spend and then estimate the revenue sources required to fund this outlay. This requirement means that in order to ensure that local government are operating efficiently, strong controls over expenditure are required.

2.4.4 Resource Enabling Plans

The Workforce Plan, Long-Term Financial Plan and Corporate Asset Plan are used by the City of Perth to guide the delivery of the initiatives outlined in the Corporate Business Plan.

Workforce Plan

The Workforce Plan outlines the required resources, capabilities, and competencies the City of Perth requires to deliver against its objectives and to continue servicing the community.

The intent of the Workforce Plan is to ensure that employees are supported, resourced appropriately and provided with opportunities to develop their capabilities.

The 2017-2021 Workforce Plan is the latest version to be adopted by the City of Perth.

As it reads, the Workforce Plan is of limited value as a planning document. It is a high level statement of projected workforce requirements by Directorate over the period between 2017 to 2021, but it does not adequately articulate the business need over this period; nor does it provide any link to the City's budget or Corporate Business Plan.

Long Term Financial Plan

The ten-year Long Term Financial Plan assists the City to set priorities in accordance with its financial resources, through the allowance of key assumption-based analysis.

In terms of financial sustainability, the Plan seeks to ensure:

- strong cash flow capability;
- a diverse revenue base with rate increases being kept to a reasonable level;
- ability to meet financial commitments;
- prudent management of debt; and
- maintenance of the City's assets to an appropriate level.

The 2017-2027 Long Term Financial Plan is the latest version to be adopted by the City of Perth.

Like the Workforce Plan, the Long Term Financial Plan is of limited value as a planning document. It is a high level statement of the 10 year financial projections for the City, which is based on a series of high level assumptions that are not adequately reported in the Plan. The Long Term Financial Plan does not adequately articulate the business need to support these projections through more detailed projections of the City's revenue and expenditure projections by key business unit or Directorate. The Plan also does not provide any link to the City's other planning documents, particularly the Corporate Business Plan.

Corporate Asset Management Plan

The Corporate Asset Management Plan provides guidance on service provision and whole of life cycle asset management to inform the City's financial sustainability and key service levels.

The Corporate Asset Management Plan reports asset information collated from Individual Asset Management Plans prepared for each of the City's Asset Classes and presents an organisational plan for Asset Management improvement for the City.

The 2017-2027 Corporate Asset Management Plan is the latest version to be adopted by the City of Perth.

Like the other resource enabling plans, the Corporate Asset Management Plan is of limited value as a planning document. There is very little detail presented in the Plan to allow for an adequate assessment of the City's maintenance requirements or future capital requirements. Significantly, the Corporate Asset Management Plan does not provide any link to the City's other planning documents, particularly the Long Term Financial Plan, Corporate Business Plan or Strategic Community Plan.

Business Unit Plans

In addition to a range of City-wide plans, the *Local Government Act 1995* requires local government authorities to develop detailed plans for so-called "major trading undertaking" ("major undertaking"). In the Act, a major undertaking is defined as a defined activity which requires expenditure over a "prescribed amount" in a given financial year – although the "prescribed amount" is not defined in legislation. The *Local Government (Functions and General Regulations) 1996* state the amount prescribed for a major undertaking is an activity with an annual expenditure of over \$5 million. A local government authority is required to have a detailed business plan for all major undertakings.

In 2018, it was determined the **City of Perth Parking ('CPP') was a major undertaking**, and that the City was non-compliant with the Act as it did not have a business plan. This was a point of contention within the City, as because the CPP business pre dates the *Local Government Act 1995*, the City argued it did not require a business plan. However, the Council resolved to develop a business plan.

The plan which has been provided to ACIL Allen fails to address many material aspects of the CPP business and its future. This includes:

- no consideration of the cost to serve, and so no consideration of the profitability and future risks to profitability of the CPP undertaking;
- no forward capital works plan;
- no statement of impact on the broader City's finances, and the City-wide risks associated with over or underperformance of the undertaking; and
- no statement regarding competitive neutrality, noting it is not clear the City applies competitive neutrality principles to the undertaking (despite this being a clear situation where this is required).

Instead, the CPP business plan is centred on the total revenue generation of the CPP undertaking, and qualitative consideration of the economic and social benefits associated with the City's provision of parking in the City. We note from documents provided by the Inquiry² the City considers the current form of the business plan is adequate, although the Plan was not endorsed by the Council when it was included in its 6 July 2018 meeting.³

KEY FINDING 4 CPP MAJOR UNDERTAKING

The CPP fits the criteria of a "major undertaking" per the *Local Government Act 1995* and *Local Government (Functions and Regulations) 1996*. However, given the CPP major undertaking pre-dates the Act it's not clear the City is legally required to comply with this aspect of the Act and Regulations.

The City has prepared a business plan. The plan does not address the requirements of the Act, as it does not provide consideration of risk, costs, competitive neutrality or impact on the City's overall finances (except for revenue).

2.4.5 Overall Assessment

The City of Perth IPRF is intended to provide the necessary structure to guide the development of the City's strategic direction, and is required as part of its statutory planning responsibilities under the *Local Government Act 1995*.

While the City of Perth's IPRF fulfils its statutory requirements under the Act, there is limited integration between these planning documents, and as a total framework it is unclear that it is an effective tool to guide decisions by the City.

In 2017, Deloitte was engaged to undertake a comprehensive assessment of the City's operations. In relation to the City's IPRF, the Deloitte report, *City of Perth Organisational Capability and Compliance Assessment*⁴, found that there was no clear alignment between the organisational strategy and business unit strategies. Based on interview feedback from directors and managers, the Deloitte report revealed that the Strategic Community Plan and Corporate Business Plan did not effectively capture the organisation's strategy, due to the absence of business as usual activities, insufficient target setting, and a lack of integration between the various strategy and planning documents. Without a clearly defined organisational strategy, this makes it difficult for the organisation to prioritise and manage its portfolio of services and investments.

² Inquiry into the City of Perth. 2019. Email from Ms Kathleen O'Brien to Mr Neil Douglas (McLeods Legal) regarding legal advice on CPP major undertaking business plan, 31 July 2018

³ Inquiry into the City of Perth. 2019. Ordinary Council Meeting 6 July 2018, Item 13.4 – Business Plan for City of Perth Parking Major Trading Undertaking.

⁴ Deloitte. 2017. *City of Perth Organisational Capability and Compliance Assessment* (pg 10). Provided to ACIL Allen by The Inquiry.

KEY FINDING 5 CITY OF PERTH INTEGRATED PLANNING AND REPORTING FRAMEWORK

The City of Perth Integrated Planning and Reporting Framework is intended to provide the necessary structure to guide the development of the City's strategic direction, and is required as part of its statutory planning responsibilities under the *Local Government Act 1995*.

While the City of Perth's IPRF fulfils its statutory requirements under the Act, there is limited integration of these planning documents. This is reinforced by an independent assessment of the City's organisational capability and compliance, which found the Strategic Community Plan and Corporate Business Plan did not effectively capture the organisation's strategy, due to the absence of business as usual activities, insufficient target setting, and a lack of integration between the various strategy and planning documents. Without a clearly defined organisational strategy, this makes it difficult for the organisation to prioritise and manage its portfolio of services and investments.



2.5 City of Perth Financial Framework

The City of Perth arranges its finances in a logical manner. It accounts for revenue and expenditure using a detailed general ledger, with 226 revenue and expense codes distributing revenue and expenses between 36 business units (which themselves are grouped to six directorates, that map to the City's organisational structure).

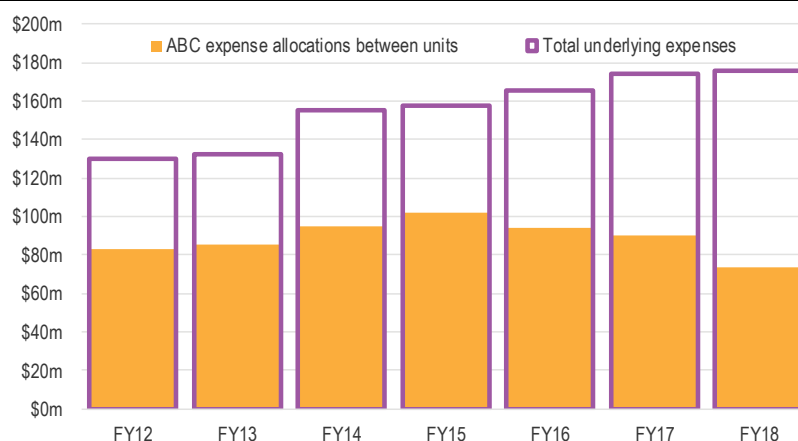
This first level of accounting captures the direct revenue and direct expenditure of each individual business unit. From here, the City employs an Activity Based Costing (ABC) framework, which shifts the revenue and expenditure between business units with an intent to reflect actual costs and revenue. Revenue and expenses are allocated as credit and debits to general ledger codes which are intended to reflect the direction of allocations. The allocation is a significant part of the City's financial framework; as demonstrated by the extent of the allocation as a share of the City's total expenditure (**Figure 2.3**). Between FY12 and FY18, the expense allocations between units has averaged 58 per cent of total expenditure.

ACIL Allen sought a policy document that outlined the rationale for the allocations, but none was available. Instead, ACIL Allen received a Microsoft Excel workbook with the present allocations, and a document titled "An introduction to the new ABC ETL.docx", which suggests the City's ABC is based on the floorspace occupied by each business unit.⁵

ACIL Allen did not analyse the City's ABC in detail as this is a significant body of work. However, ACIL Allen's high level observations suggest the City's approach to ABC is not based on sound principles, and appears to be instead used as a tool to undertake cost-shifting across the organisation.

⁵ Inquiry into the City of Perth. 2019. Email from Mr Neil Jackson to Mr Ryan Buckland (ACIL Allen Consulting) regarding allocation of costs between business units, 24 April 2019

FIGURE 2.3 CITY ABC ALLOCATION, TOTAL EXPENDITURE ALLOCATED BETWEEN BUSINESS UNITS, BY FINANCIAL YEAR, \$M



SOURCE: CITY OF PERTH, ACIL ALLEN

KEY FINDING 6 CITY OF PERTH FINANCIAL FRAMEWORK

The City notionally applies Activity Based Costing to its finances, to shift revenue and expenditure between business units to reflect the true cost of service delivery. However, the City could not produce a document which outlined the basis of the allocations, despite the City's system allocating on average 57 per cent of total expenditure over the assessment period. ACIL Allen's high level observations suggest the City's approach to ABC is not based on sound principles, and appears to be instead used as a tool to undertake cost-shifting across the organisation.

2.6 Performance against Key Performance Indicators

The Strategic Community Plan outlines eight goals and corresponding strategic objectives. The Corporate Business Plan identifies the operational initiatives that the City have formulated to address the strategic objectives. The strategic objectives and corresponding operational initiatives have been focused through a set of key result areas. The Corporate Business Plan presents a set of key performance indicators for each key result area, which is presented in **Table 2.1** below:

TABLE 2.1 KEY PERFORMANCE INDICATORS

Key Result Area	Key Performance Indicators
Greater liveability	<p>Increased Liveability Index Rating (source: The Economist Intelligence Unit)</p> <p>Greater than 75 per cent satisfaction in the Community Perception Survey</p> <p>Increase in 2 and 3 bedroom dwellings</p> <p>Increased residents to 28,700</p> <p>Completion of Wellington Square development</p>
Create a safer city	<p>Greater than 75 per cent satisfaction in the Community Perception Survey</p>
Maintain and enhance the built environment	<p>Greater than 75 per cent satisfaction in the Community Perception Survey</p> <p>Delivery of a plan for Perth Concert Hall by June 2019</p>

Key Result Area	Key Performance Indicators
Improve movements through and to the city	Greater than 75 per cent satisfaction in the Community Perception Survey
Improve, maintain and enhance the natural environment	Greater than 15 per cent increase in canopy cover Increase people using open space by 10 per cent Greater than 75 per cent satisfaction in the Community Perception Survey Deliver the riverfront masterplan
Be a leader in sustainable practices	All City asset management plans to incorporate sustainable practices Increase City-wide energy usage from renewable or low carbon sources Increase number of social enterprises in the city
Build business vibrancy	Greater than 75 per cent satisfaction in the Community Perception Survey Increase number of businesses with employees 1-4 to 3,940 Increase number of businesses with employees 5-19 to 1,896
Deliver diverse cultural experiences	Number of cultural institutions within City of Perth boundaries to increase Greater than 75 per cent satisfaction in the Community Perception Survey
Engage and collaborate with Aboriginal People	Reconciliation Australia Endorse 'Reflect' RAP and reporting requirements met Greater than 75 per cent satisfaction in the Community Perception Survey
Engage with community, ratepayers and Citizens	95 per cent of projects apply the IAP2 Framework Greater than 75 per cent satisfaction in the Community Perception Survey
Create a customer centric organisation	100 per cent of complaints addressed within 10 working days Customer satisfaction is 85 per cent Net promoter score is >12 Internal service and collaboration key performance indicators developed
Efficient and effective systems and processes to support performance and growth	Transformation project delivered on time and budget
Organisation that is financially sustainable	Operating surplus greater than or equal to 5 per cent Current ratio greater than or equal to 0.7 Debt service cover ratio greater than or equal to ratio of 2 10 per cent controllable cost reduction 97 per cent asset sustainability ratio
Organisational culture aligned to its values and purpose	Transformation project delivered on time and budget.

SOURCE: CITY OF PERTH

The City's Quarterly Performance Report provides a status update (Not on track, Monitor, On track, Completed, Scheduled to commence) for each operational initiative, with an annual update of the City's performance as measured by the KPIs presented in the Annual Reports.

The KPIs are intended to provide the community with a broad assessment of the performance of the City of Perth against the Strategic Community Plan. However, there are a number of limitations with the suite of KPIs which limit their effectiveness as a performance monitoring tool.

The Outcome Based Management (OBM) performance management framework has been a feature of Western Australian public sector governance for appropriation-funded agencies since 1998. These guidelines were last updated by the Department of Treasury in 2017. The guidelines provide information for public sector agencies on the characteristics of good key performance indicators, establishing key performance indicators and the process of developing key performance indicators.

In the design of KPIs, the Department of Treasury advocates that adherence to the SMART principles is a measure that can be used by an agency to assess KPIs:

- Specific: the indicator outcome is clear and well defined;
- Measurable: the indicator outcome is quantifiable, and its progress can be measured;
- Attainable: the indicator outcome is realistic, and is not out of reach or below standard performance;
- Relevant – the indicator outcome will contribute to driving the overall performance of the agency/organisation forward; and
- Time-bound – the indicator outcome is to be achieved within a reasonable timeframe.

The Department of Treasury categorises key performance indicators into two categories:

- Effectiveness indicators – These indicators help to determine if the agency's desired outcomes have been achieved through service delivery.
- Efficiency indicators – These indicators monitor the relationship between the services delivered and the resources used to produce the service.

While it is outside the scope of ACIL Allen's review to undertake a detailed assessment of the City's KPIs, in the context of its review of the City's finances, the chief concern is the limited financial metrics that are reported to understand business performance.

The City's suite of KPIs are primarily effectiveness metrics that use broad economic metrics or the City's annual Community Perceptions Survey to measure performance.

The key performance indicators that the City currently has in place relating to financial performance provide a perspective on the efficiency of the City in the delivery of its services to the community. These financial KPIs are a subset of the financial indicators that local governments are required to report on under Western Australia *Local Government (Financial Management) Regulations*. **Table 2.2** presents these seven financial indicators, along with the benchmark level as provided on the My Council website, the benchmark level used by the City of Perth for these indicators (if specified in strategic documents) and the performance of the City of Perth under the financial indicators in 2017-18 (as reported on the My Council website).

ACIL Allen was unable to source a benchmark that has been set by the City of Perth for the asset consumption ratio, asset renewal funding ratio and own source revenue coverage ratio.

TABLE 2.2 LOCAL GOVERNMENT REPORTING – FINANCIAL INDICATORS

Financial Indicator	My Council Benchmark	COP Benchmark	COP Performance (2017-18)	Definition
Current ratio	≥ 1.00	≥ 0.7	1.2	Current assets minus restricted assets relative to current liabilities minus liabilities associated with restricted assets.
Asset consumption ratio	≥ 0.5	NA	0.6	Depreciated replacement cost of depreciable assets relative to current replacement cost of depreciable assets.
Asset renewal funding ratio	≥ 0.75	NA	1.00	Net present value of planned capital renewals over 10 years relative to net present value of asset management plan estimated required capital expenditure over 10 years.
Asset sustainability ratio	≥ 0.9	0.97	0.72	Capital renewal and replacement expenditure relative to depreciation.
Debt service cover ratio	≥ 2.00	≥ 2.00	7.33	Annual operating surplus before interest and depreciation relative to principal and interest.
Operating surplus ratio	≥ 0.01	≥ 0.05	0.04	Operating revenue minus operating expenses relative to own source operating revenue
Own source revenue coverage ratio	≥ 0.4	NA	1.03	Own source operating revenue relative to operating expenses.

SOURCE: WALGA – IMPROVING FINANCIAL SUSTAINABILITY FOR LOCAL GOVERNMENT, MY COUNCIL, CITY OF PERTH

For 2017-18, the My Council website reports that the City of Perth met the benchmark for six out of seven of the financial indicators. The City did not meet the benchmark for the asset sustainability ratio. In the context of this review of the City's finances, the ratios described above have limited application as they do not adequately assess the efficiency of the City in the delivery of services to the community. In order to gain a better appreciation as to how efficient the City is in its operations and in the delivery of its key services, it is important to understand, for example:

- Administration costs as a proportion of total expenditure;
- Administration costs as a proportion of the total expenditure by Directorate/business unit;
- Staff headcount as a proportion of total expenditure
- Staff headcount by Directorate/business unit; and
- Costs to deliver key services.

The next section of this report will analyse the City's financial performance, with a particular focus on the trends in expenditure by function.

KEY FINDING 7 CITY OF PERTH KEY PERFORMANCE INDICATORS

The KPIs are intended to provide the community with a broad assessment of the performance of the City of Perth against the Strategic Community Plan. However, there are a number of limitations with the suite of KPIs which limit their effectiveness as a performance monitoring tool.

The key performance indicators that the City currently has in place relating to financial performance are a subset of the financial indicators that local governments are required to report on under Western Australia *Local Government (Financial Management) Regulations*.

In the context of this review of the City's finances, these KPIs have limited application as they do not adequately assess the efficiency of the City in the delivery of services to the community.

2.6.1 Capital City Local Government KPI Comparisons

To support this review, ACIL Allen has reviewed the key performance indicators of the City of Melbourne and City of Sydney that are used to measure financial performance.

City of Melbourne

The City of Melbourne's financial performance indicators are detailed in its Annual Plan and Budget (Table 2.3), with forecasts provided for each of these indicators in the 2018-19 Annual Plan and Budget through to 2021-22. While the City of Melbourne's reported financial indicators provide a better suite of indicators to assess its overall financial health, the key limitation is the absence of a performance benchmark for each indicator. Instead, the City of Melbourne assesses its performance against each indicator on a scale of a 'budgeted increasing trend', 'neutral' or 'budgeted decreasing trend'.

Like the City of Perth, the City of Melbourne's financial performance indicators are weighted towards assessing its performance from a balance sheet or asset position, however also included are efficiency KPIs that look at its performance from a rates perspective (rates revenue as a proportion of the number of residential property assessments) and in relation to expenditure levels (expenses as a proportion of the number of residential property assessments).

TABLE 2.3 CITY OF MELBOURNE – FINANCIAL PERFORMANCE INDICATORS

Focus Area	Measure
Adjusted underlying result	Underlying surplus (deficit)/underlying revenue
Working Capital	Current assets/Current Liabilities
Cash Ratio	Cash and cash equivalents/Current Liabilities
Loans and borrowings	Interest bearing loans and borrowings/rate revenue

Focus Area	Measure
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings/rate revenue
Indebtedness	Non-current liabilities/own source revenue
Asset renewal	Asset renewal expense/Asset depreciation
Rates concentration	Rates revenue/adjusted underlying revenue
Rates effort	Rates revenue/CIV of rateable properties in the municipality
Expenditure level	Total Expenses/number of property assessments
Revenue level	Residential rate revenue/number of residential property assessments
Workforce turnover	Number of permanent staff resignations and terminations/Average number of permanent staff for the financial year

SOURCE: CITY OF MELBOURNE – 2018-19 ANNUAL PLAN AND BUDGET – APPENDIX D

City of Sydney

The City of Sydney provides an update on the City's performance in respect to the mandated Office of Local Government Performance measures in its Operational Plan, which is detailed in **Table 2.4** below. Overall, the City of Sydney's suite of KPIs provides a balance between its operating performance (revenue, expenditure, operating position) and asset position (asset renewal ratio, infrastructure backlog ratio, asset maintenance ratio, debt service ratio). In the context of the review of the City of Perth's financial indicators, it is noteworthy that the City of Sydney includes a key financial KPI related to expenditure (real operating expenditure per capita), which can help to assess the efficiency at which the City of Sydney operates.

TABLE 2.4 CITY OF SYDNEY – FINANCIAL PERFORMANCE INDICATORS

Measure	Formula
Operating Performance Ratio	Operating Revenue (excl Capital Grants & Contributions) less Operating Expenses/Operating Revenue (excl Capital Grants & Contributions)
Own Source Revenue	Total continuing operating revenue less all grants and contributions/Total Operating Revenue (inclusive of Capital Grants and Contributions)
Building and Infrastructure Asset Renewal Ratio	Actual Asset Renewals/Required Renewal of Building and Infrastructure Assets
Infrastructure Backlog Ratio	Estimated Costs to Bring Assets to a Satisfactory Standard/Written Down Value of Infrastructure (incl roads and drainage costs), Building, Other Structures and Depreciable Land Improvement Assets
Asset Maintenance Ratio	Actual Asset Maintenance/Required Asset Maintenance
Debt Service Ratio	Principal Repayments (from Statement of Cash Flows) plus Borrowing Interest Costs (from the income statement)/Operating Results before Interest and Depreciation (EBITDA)
Real Operating Expenditure per Capita	Real Operating Expenditure/Residential Population of Local Government Area

SOURCE: CITY OF SYDNEY – 2018-19 OPERATIONAL PLAN

KEY FINDING 8 FINANCIAL GOVERNANCE COMPARISONS

A review of the KPIs used to measure the financial performance of the City of Melbourne and the City of Sydney has found that they both have KPIs that track financial performance from an efficiency perspective through a focus on expenditure levels and growth. This supports ACIL Allen's assessment that the City of Perth's KPIs do not have an adequate focus on efficiency from a financial governance perspective.





This section discusses the high-level financial performance of the City of Perth over the period 2011-12 to 2017-18, reflecting the period the City was able to provide comprehensive financial accounts to ACIL Allen. The analysis presented below reflects the findings of ACIL Allen's review of the data provided by the City only.

3.1 Introduction

ACIL Allen has reviewed the financial accounts of the City of Perth for the period 2011-12 to 2017-18, to describe how the City's financial circumstances have changed over this period. The analysis period extends further than the period of the Inquiry, reflecting the need to take a longer-term view of the City's financial performance to provide the appropriate context.

To progress this review, ACIL Allen received the following information from the City of Perth:

- A summary general ledger for the City's operating units on a financial year basis for the period 2011-12 to 2017-18;
- A high-level overhead cost allocation framework;
- Summary cashflow statements for the City as a consolidated entity for the period 2011-12 to 2017-18;
- Detailed balance sheet for the City as a consolidated entity for the period 2011-12 to 2017-18; and
- A more granular general ledger for the Commercial Parking business unit.

The analysis below has been conducted independent of any review or advice from the City.

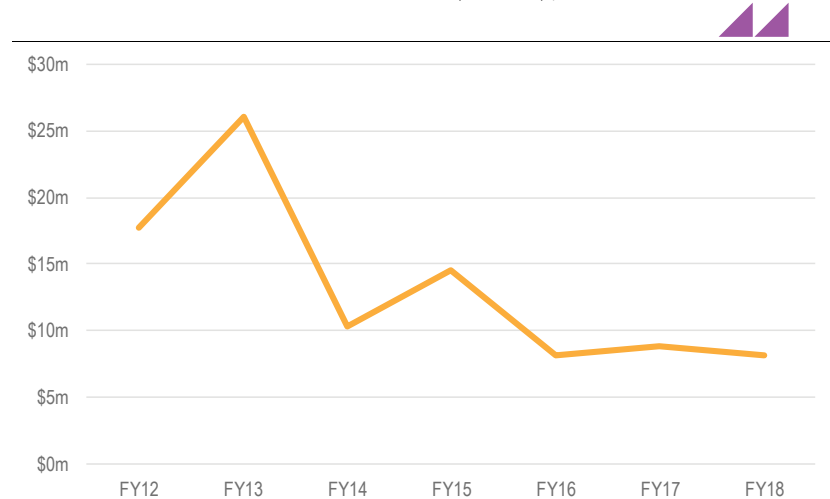
3.2 Operating position

The operating position of the City of Perth reflects the City's ability to fund the day to day operations of the City, and services provided within the council area. At a headline level the City's financial performance has been deteriorating over time. However, this reflects a number of changes to both its revenue and expenditure bases, which are discussed in later sections.

The City of Perth's operating position (operating revenue less operating expenditure) has narrowed over the past seven years, falling from a peak of \$26.1 million in 2012-13 to \$8.2 million in 2017-18 (**Figure 3.1**). The deterioration in the City's operating position comes despite growth in total operating revenue from \$169.2 million in 2012-13 to \$201.9 million in 2017-18 (+\$32.8 million), with operating expenditure growing from \$143.2 million to \$193.8 million (+\$50.7 million) over the same period.

The City's gross operating margin on own-source revenue has shrunk from 12 per cent in 2011-12 to 4.4 per cent in 2017-18.

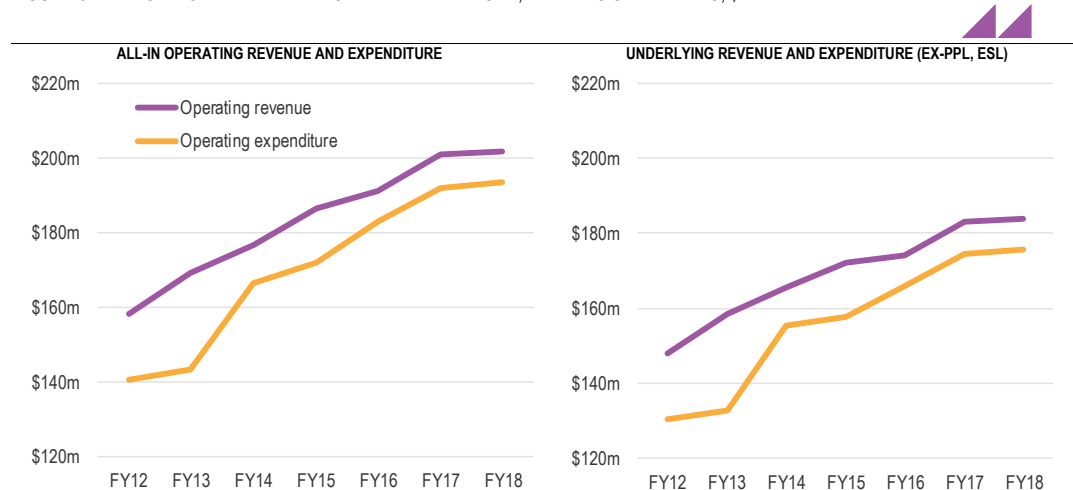
FIGURE 3.1 CITY OF PERTH OPERATING POSITION, BY YEAR, \$M



SOURCE: CITY OF PERTH, ACIL ALLEN CONSULTING

The City's operating position as presented above includes the collection and pass through of two State Government taxes: the Perth Parking Levy ('PPL') and the Emergency Services Levy ('ESL'). Removing these two taxes from the City's revenue and expenditure yields the same operating position, but provides a more accurate picture of the City's underlying revenue and expenditure performance. These are presented below (Figure 3.2).

FIGURE 3.2 CITY OF PERTH REVENUE AND EXPENDITURE, ALL-IN VS UNDERLYING, \$M



SOURCE: CITY OF PERTH, ACIL ALLEN CONSULTING

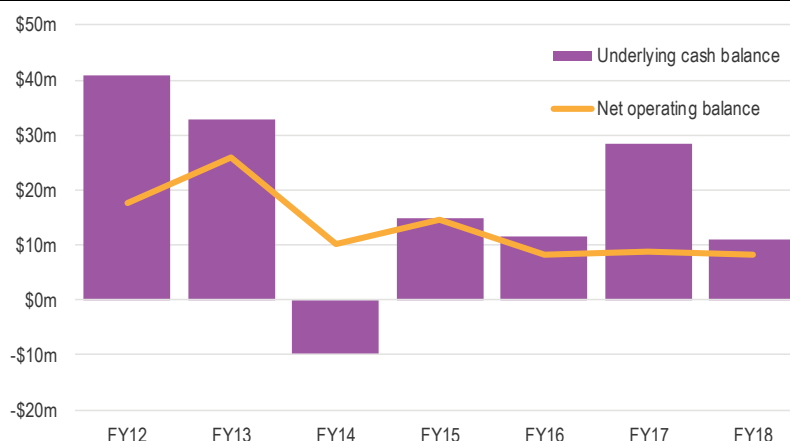
Removing the impact of the PPL and ESL, over the past seven years the City's operating revenue has increased by 17 per cent (\$25.2 million), while its operating expenditure has increased by 33.1 per cent (\$43.1 million). The drivers of these two outcomes are discussed below.

KEY FINDING 9 NARROWING OPERATING SURPLUSES

The City's operating surpluses have been shrinking over the assessment period, narrowing to just \$8.2 million in 2017-18. This represents an operating surplus margin of just 4.4 per cent of own-source revenue, compared to surpluses of over ten per cent earlier in the assessment period.

On an underlying cash balance basis (which reflects the City's own cash outlays versus cash receipts), its surpluses have also narrowed in recent years, particularly compared to the first two years of the assessment period. According to ACIL Allen's calculations (**Figure 3.3**), the City's underlying cash balance for the 2017-18 financial year was \$11.1 million, its lowest cash surplus over the assessment period (excluding the deficit in 2013-14 when the City made a cash contribution to the State Government for the Perth City Link project).

FIGURE 3.3 CITY OF PERTH NET OPERATING BALANCE VS UNDERLYING CASH BALANCE, \$M



Note: The Underlying Cash Balance is a calculation which appends the net operating balance by removing non-real expenditure (ie depreciation), and adds in cashflows related to non-cash asset purchases and government grants (which are not accounted for in the operating statement).

SOURCE: ACIL ALLEN CONSULTING

3.3 Revenue

The City raises revenue from a range of sources, including:

- Levying rates on properties within the City's geographic boundary;
- Providing a range of municipal services, including waste collection, on-street parking, a library and information search services;
- Renting out a number of City-owned premises, on both short-term and long-term rental basis;
- Collecting fees for the licencing of regulated activities, such as food services, outdoor dining and building permits;
- Collecting fines for non-compliance with regulations, including the Health Act and local parking laws;
- Providing additional non-municipal services, including a childcare centre, a rest centre and a podiatry business;
- Earning interest on financial reserves;

- Receiving grants and subsidies from State and Commonwealth Governments, for both specific (tied) and general (untied) purposes; and
- Provision of off-street parking services, under the City of Perth Parking ('CPP') brand.

3.3.1 Overall revenue trends

The City's overall operating revenue has increased from \$158.4 million in 2011-12 to \$201.9 million in 2017-18, for average growth of 4.2 per cent per annum over the assessment period. As discussed above, the City's operating revenue includes collection of State Government taxes (the PPL and ESL), which are then passed on to the State Government. Removing these from the City's revenue base shows the City's overall underlying revenue⁶ has grown from \$148.1 million to \$183.9 million, for average growth of 3.7 per cent per annum.

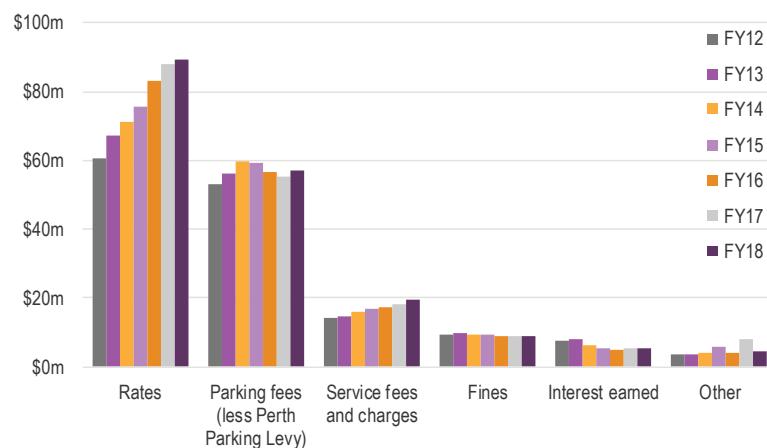
The City's underlying revenue growth of 3.7 per cent per annum is 2.2 percentage points faster than the Perth Consumer Price Index over the same period. It also comes as property asset prices have generally fallen back to pre-resources boom levels after peaking between 2012 and 2014. All things being equal, this suggests there has been an increase in "revenue effort" by the City, meaning it has sought to increase its revenue base by taking actions to increase its capture of activity in its local area.

KEY FINDING 10 UNDERLYING REVENUE GROWTH

The City's underlying revenue growth has averaged 3.7 per cent per annum over the assessment period. This is in excess of growth in the Perth Consumer Price Index, suggesting there has been an increase in the "revenue effort" by the City over the assessment period.

As **Figure 3.4** shows, the City's major source of revenue is rates revenue, accounting for \$88.9 million, or 49 per cent, of total revenue in 2017-18 (up from 41 per cent in 2011-12).

FIGURE 3.4 CITY OF PERTH REVENUE TRENDS, BY KEY CATEGORY, \$M



SOURCE: CITY OF PERTH, ACIL ALLEN

The other major source of City revenue is from parking fees (both on-street and off-street, less the PPL), accounting for \$56.9 million, or 31 per cent, of total revenue (down from 36 per cent). Unlike the

⁶ From this point, "revenue" refers to the City's revenue less the Perth Parking Levy and the Emergency Services Levy

City's rates revenue, the City's parking revenue has been broadly unchanged over the assessment period.

The City's municipal and non-municipal services revenue has grown to account for \$19.4 million, or 10.6 per cent, of revenue in 2017-18 (up from 8.8 per cent). All other City of Perth revenue sources account for a combined 10 per cent of total operating revenue in 2017-18, down from 14 per cent in 2011-12. The decline in other revenue lines is mostly attributable to faster growth in rates and service fees and charges, and a fall in interest revenue.

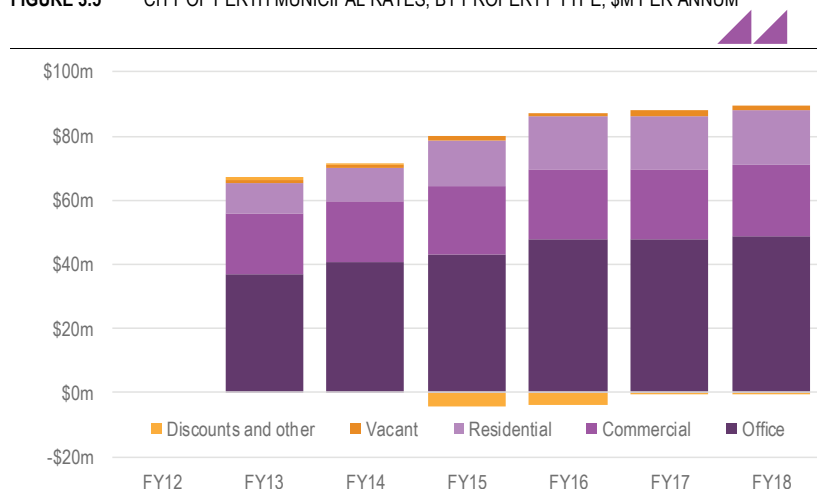
3.3.2 Rates

Municipal rates is the City's largest source of both revenue and revenue growth, with rates revenue rising from \$60.8 million in 2011-12 to \$89.5 million in 2017-18. The City's rates revenue has increased by an average of 6.7 per cent per annum, or an average of \$4.8 million of incremental growth each year over the assessment period.

The City levies its rates on the land value of properties within its jurisdiction, at differential rates intended to incentivise the highest and best use of land given various City planning policies and regimes. More information on the City's current and historic approach to rate setting is included in Section 5.

Over the assessment period, the City's rates revenue from Office properties represented the largest proportion of total rents, with \$48.6 million in rates raised in 2017-18 (54.2 per cent of total rates revenue). This was followed by rates on Commercial properties (all properties which were not principally office spaces or residential properties), with these rates raising \$22.5 million. Rates on Residential properties raised \$17.1 million, while rates on Vacant Land raised \$1.5 million (Figure 3.5).

FIGURE 3.5 CITY OF PERTH MUNICIPAL RATES, BY PROPERTY TYPE, \$M PER ANNUM



Note: Data on rates by property type was only made available for the period 2012-13 to 2017-18

SOURCE: CITY OF PERTH, ACIL ALLEN

There has been a strong shift in the composition of the City's rate base towards Residential properties over the assessment period, with Residential property rates increasing from \$9.7 million to \$17.1 million (+76.8 per cent). Between 2013-14 and 2017-18 – the period where rates values were made available to ACIL Allen – the City's rate on Residential properties increased by 38 per cent, against revenue growth of 63.1 per cent. Further discussion regarding the City's municipal rates is included in Section 5.

KEY FINDING 11 MUNICIPAL RATES

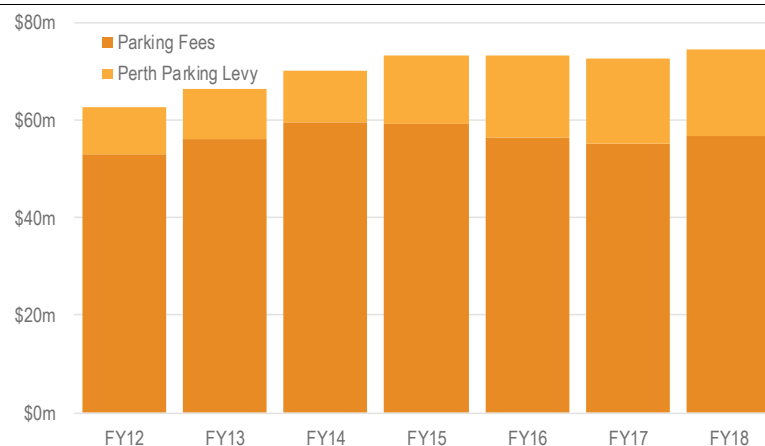
Municipal rates account for the largest share of the City's own-source revenue. Over the assessment period the City has significantly increased the rates value for Residential and Office properties in its jurisdiction, which is the main contributor to rates revenue growth of 6.7 per cent per annum.

3.3.3 Parking fees

The City provides a range of parking services, both on-street and off-street in a range of complexes across the City's jurisdiction. The City also provides parking services (revenue collection and enforcement) for the Town of Victoria Park, and at a facility in the City of Nedlands.

Overall the City raised \$74.6 million of revenue from parking fees and services in the 2017-18 financial year, up from \$62.8 million in 2011-12. This line of revenue has grown by 2.9 per cent per annum over the period. However, most of this growth has come from increases in the Perth Parking Levy, which accounts for two thirds of the total growth in the City's parking services revenue over the period (Figure 3.6).

FIGURE 3.6 CITY OF PERTH PARKING SERVICES REVENUE, FEES VS PPL, \$M



SOURCE: CITY OF PERTH, ACIL ALLEN

This revenue does not include parking fines, which are discussed further below. The City of Perth Parking ('CPP') business is discussed in more detail in Section 4.

KEY FINDING 12 PARKING FEES

At a headline level parking services revenue has been increasing over the assessment period. However, almost all of this growth has been driven by increases in the State Government's Perth Parking Levy, which is collected by the City and passed on to the State Government. Actual parking revenue generated by the City has been broadly flat over the period, growing by just 1.3 per cent per annum.

3.3.4 Municipal and non-municipal services

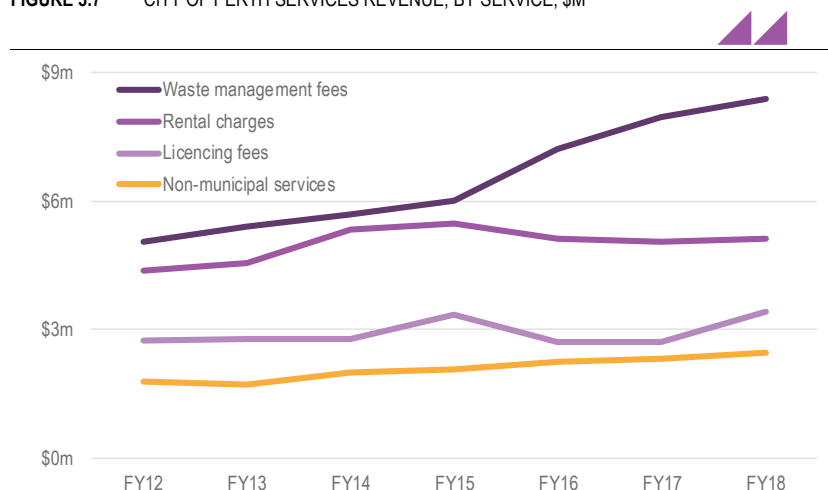
The City provides a range of services to businesses and residents of the City, and visitors to the City (however these are relatively small in scale compared to the services provided to residents). A breakdown of the services revenue raised by the City over the assessment period is presented in **Figure 3.7**.

The largest area of services revenue is waste management fees, which totalled \$8.4 million in 2017-18 (43 per cent of total services revenue). Waste management fees have grown strongly in recent years, rising by an average of 8.9 per cent per annum over the assessment period, making it the fastest growing sources of City revenue (albeit from a relatively low base of \$5.1 million in 2011-12).

The City's fees and charges associated with renting a variety of properties and facilities owned by the City is the second largest source of services revenue, raising \$5.1 million in 2017-18 (26 per cent of total services revenue). Growth in this service line has been more modest at 2.8 per cent per annum over the assessment period, which is broadly in line with the Perth Consumer Price Index over this time.

In its role as a regulator, the City raises revenue from the granting of permits for a range of activities including food services and construction. This service line raised \$3.4 million in revenue for the City in 2017-18, or 18 per cent of total services revenue. Finally, the City provides a range of non-standard services, principally a "rest centre" and childcare service at the Perth Train Station precinct. These non-municipal services raised \$2.5 million in revenue for the City, accounting for 13 per cent of total services revenue.

FIGURE 3.7 CITY OF PERTH SERVICES REVENUE, BY SERVICE, \$M



SOURCE: CITY OF PERTH, ACIL ALLEN

3.3.5 Fines

The City issued \$8.7 million in fines in 2017-18, with the vast majority (99 per cent) of these being parking fines. The balance (\$110,000) were fines issued from the Community Amenity and Safety Unit and the Health and Activity Approvals Unit. The City's fines revenue has declined modestly over the analysis period, falling from \$9.3 million in 2011-12.

3.4 Expenditure

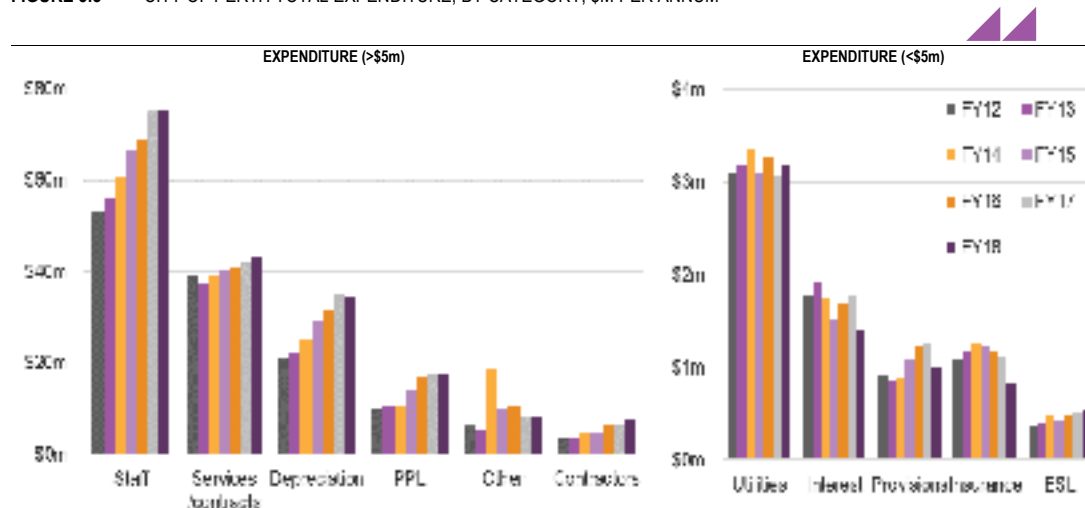
As a local government, the City has a range of services it is required by law to provide to its citizens and businesses operating in its jurisdiction. These include waste collection, maintenance of public areas and parks, on-street parking services, building and food service activity approvals, and application of other regulations (such as signage). In addition, the City of Perth provides a range of other services and conducts a number of additional activities, which are more in keeping with its role and ambition as a “capital city” local government – including hosting and administering significant events, economic development and promotion activities, international engagement, sustainability and support for businesses.

The City organises itself in a range of business units, which have changed multiple times in recent years. In addition, the City undertakes a large-scale and complex cost allocation exercise across each of its business units. The analysis in this section centres mostly on the overall expenditure trends of the City as a consolidated entity, with business unit level expenditure provided where it can add additional context.

3.4.1 Overall expenditure trends

Overall, the City of Perth’s total operating expenditure has increased from \$140.6 million in 2011-12 to \$193.8 million in 2017-18, with annual average growth of 5.6 per cent over the assessment period. ACIL Allen’s classification of the City’s total expenditure by major line item is presented below (Figure 3.8).

FIGURE 3.8 CITY OF PERTH TOTAL EXPENDITURE, BY CATEGORY, \$M PER ANNUM



SOURCE: CITY OF PERTH, ACIL ALLEN

Growth in the City’s expenditure over the assessment period has been driven almost entirely by four expenditure groups. These are:

- Direct staff expenditure, increasing from \$53.4 million in 2011-12 to \$75.4 million in 2017-18 (six per cent per annum). This has accounted for 41 per cent of the City’s total expenditure growth.
- Depreciation expenses, increasing from \$21.1 million to \$34.7 million (8.8 per cent per annum). This has accounted for 26 per cent of the City’s total expenditure growth.
- The Perth Parking Levy, increasing from \$9.9 million to \$17.7 million (10.7 per cent per annum). This has accounted for 15 per cent of the City’s total expenditure growth.

- Contract labour expenditure, increasing from \$3.5 million to \$7.7 million (15.7 per cent per annum). This has accounted for eight per cent of the City's total expenditure growth.

These four expenditure items account for 89 per cent of the City's total expenditure growth over the assessment period, despite accounting for 69 per cent of total expenditure in 2017-18. The remaining 31 per cent of the City's expenditure base account accounts for just 11 per cent of total expenditure growth.

Given the Perth Parking Levy expenditure represents the pass through of a State Government tax, and the City's depreciation charge is an accounting expense rather than a real expense, it is clear growth in the City's controlled expenditure base has been largely driven by staff costs – both direct staff and contract staff – over the assessment period. This is discussed in more detail below.

KEY FINDING 13 OVERALL EXPENDITURE TRENDS

The four largest expenditure growth areas of the City – direct staffing costs, depreciation, the Perth Parking Levy and contract labour – account for close to nine in every ten dollars of expenditure growth in the City over the assessment period. By comparison, these four categories made up just under 70 per cent of total City expenditure in 2017-18.

3.4.2 Staff and contract labour

The City's labour expenditure has made the largest contribution to its expenditure growth over the past seven years, growing from a combined \$56.8 million to \$83.1 million over the assessment period. This has seen staff and contract labour costs rise from 40 per cent to 43 per cent of the City's total expenditure, or from 43 per cent to 47 per cent when the PPL and ESL are removed from expenditure. Some aspects of this growth are discussed below where information was made available to ACIL Allen.

Direct staff

Direct staff expenditure includes the City's wages and superannuation charges, in addition to ancillary employment expenditure such as annual and personal leave, workers compensation insurance premiums and redundancy payments. The City's direct staff costs have increased from \$53.4 million in 2011-12 to \$75.4 million in 2017-18, or a rate of six per cent per annum. This has accounted for 41 per cent of the City's total expenditure growth over the assessment period.

KEY FINDING 14 EMPLOYMENT COST GROWTH

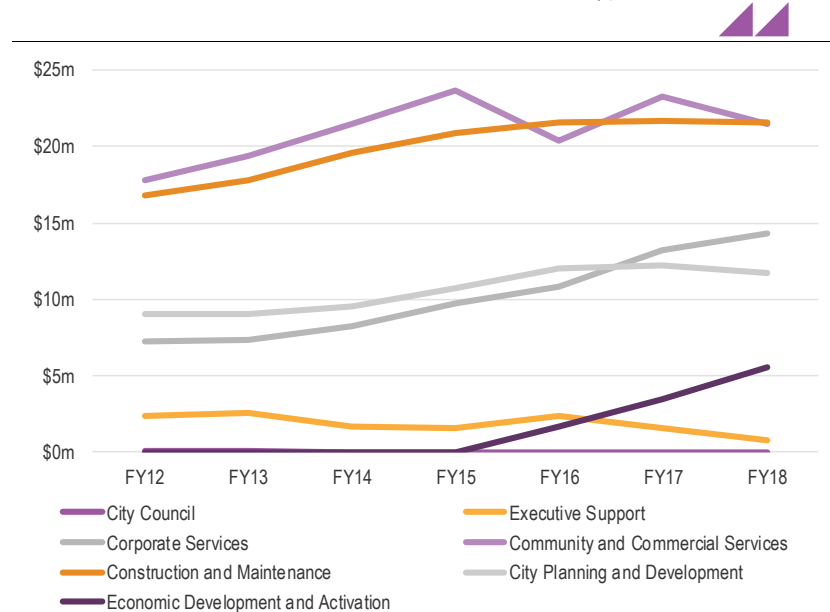
The City's direct staff expenditure has increased by six per cent per annum over the assessment period, accounting for 41 per cent of overall City expenditure growth.

The City does not have a long-term record of staff or contract labour in terms of Full Time Equivalent (FTE) or headcount, at a total City level or an individual business unit level. In addition, there have been two substantial restructures which make tracking the underlying growth in employment costs challenging.

In the 2017-18 financial year, the largest direct staff cost business unit was the Commercial Parking Unit (which manages the CPP-branded off street parking and parking services provided to non-City of Perth parking facilities), with \$5.4 million of direct staff costs. The next largest was the Parking Services Unit (which manages the City's on-street parking and enforcement activities), with \$5.1 million of direct staffing costs. Other business units with large (greater than five per cent of total City direct staffing costs) direct staffing contingents include the Waste and Cleansing Unit (\$4.8 million), Parks Unit (\$4.4 million), and Community Services Unit (\$4.0 million).

For units which have carried over the assessment period (21 units), direct staff costs have increased the fastest for the Director Construction and Maintenance Unit (+250 per cent, although this may be driven by one off costs in the 2017-18 financial year), Library Services Unit (+121.7 per cent), Properties Unit (+77.6 per cent), Economic Development Unit (+75.6 per cent) and Human Resources Unit (+65.1 per cent). A number of units have seen a reduction in overall direct staff costs, including Executive Support, Director Community and Commercial Services, Parking Services, Street Presentation and Maintenance, City Planning, Development Approvals and Coordination and Design. The City arranges its Units into seven overarching Directorates. Direct staff cost trends for each of those Directorates are presented below (Figure 3.9).

FIGURE 3.9 CITY OF PERTH DIRECT STAFF COST BY DIRECTORATE, \$M



SOURCE: CITY OF PERTH, ACIL ALLEN

The Corporate Services Directorate (which groups units centred on administrative functions like IT, human resources and asset management) has seen the fastest growth in direct staff costs at 96.3 per cent over the assessment period. Other units have experienced more modest growth, of between 20.7 per cent (Community and Commercial Services) and 29.5 per cent (City Planning and Development).

The Economic Development and Activation Directorate was created following the 2015-16 restructure. This Directorate saw direct staff costs increase from zero in 2014-15 to \$5.5 million in 2017-18 – growth which has occurred with limited offset from other Directorates (as demonstrated below).

As discussed above, the City has very limited information regarding staff headcount, on either an FTE or actual headcount basis, both for current activity levels and for past periods. The City produced estimates of budgeted (not actual) FTE employment by business unit for the period 2015-16 to 2019-20. This data was considered unreliable and was not considered further.

It is evident from ACIL Allen's experience seeking this information that the City lacks a centralised workforce management function that would allow human resources management activities such as headcount tracking to take place. This lack of information may have been a contributing factor behind the City's significant increase in employment costs in recent years.

KEY FINDING 15 FTE/HEADCOUNT INFORMATION

The City was unable to produce a reliable estimate of actual staff headcount – on an FTE or actual headcount basis – for the assessment period. The data that was made available regarding staff levels was pulled together on an ad-hoc basis and represented the collation of *budgeted* staff levels (rather than actual staff levels) for a four-year period, two years of which were outside of the assessment period. In addition, there appear to be no controls (such as a KPI or simple target) regarding headcount or FTEs at an overall or business unit level. This lack of centralised HR management information, and lack of management information/targets, are likely to be contributing to the substantial growth in the City's direct employment and contractor costs.

Contractors

The City accounts for contract labour using three general ledger accounts: 7128 (Internal Contract Labour), 7232 (External Contract Labour) and 7268 (Contractors). Summing the expenditure recorded in each of these accounts provides an indication of the extent of contractor use by the City over the assessment period.

Overall, expenditure on contract labour has increased from \$3.5 million in 2011-12 to \$7.7 million in 2017-18, for growth of 123.9 per cent. As discussed above, this accounted for close to ten per cent of the City's total expenditure growth over the assessment period, a significant escalation from 2011-12 when contractor costs represented 2.5 per cent of total expenditure.

The Marketing and Events Unit has seen the fastest and largest growth in contractor expenditure, with \$2.8 million worth of contract labour expensed to these three accounts in the 2017-18 financial year. This is up from \$0.07 million in 2011-12. This Unit has accounted for 23 per cent of all contract labour expenditure over the assessment period, despite representing just over six per cent of total City expenditure.

Other significant users of contract labour in the 2017-18 financial year include the Waste and Cleansing Unit (\$1.2 million), Commercial Parking (\$0.8 million), Health and Activity Approvals (\$0.5 million), and the Arts, Culture and Heritage Unit (\$0.3 million).

Strong growth in the City's contract labour expenditure is occurring despite the City's expenditure on direct staff costs increasing at rates well in excess of a range of public sector staffing benchmarks. However, as ACIL Allen's scope is limited to a review based on the City's data only ACIL Allen cannot draw a more definitive conclusion regarding the use of contract labour by the City beyond noting it has increased substantially in recent years.

KEY FINDING 16 USE OF CONTRACT LABOUR

The City's expenditure on contract labour has more than doubled over the assessment period, from \$3.5 million to \$7.7 million. Despite coming from a small base of approximately two per cent of the City's expenditure in 2011-12, growth in the use of contract labour is the third largest single contributor to the City's expenditure growth over the assessment period.

Benchmarking

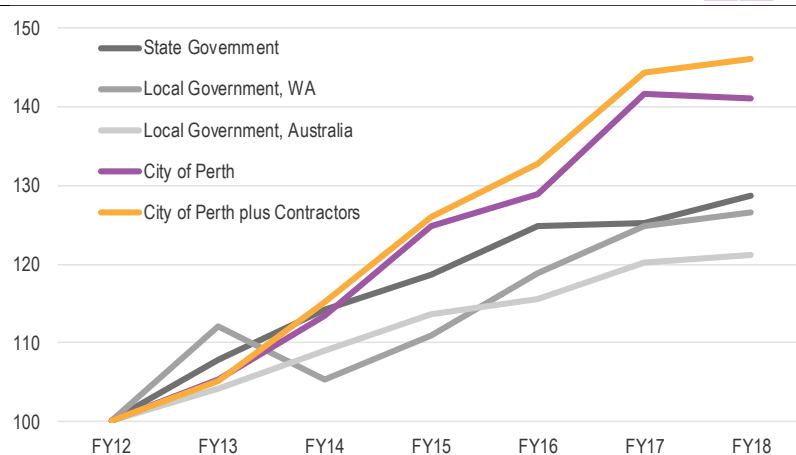
ACIL Allen has compared the City's staff cost growth to a range of publicly available benchmarks, being:

- Total State Government in Western Australia salary costs (Australian Bureau of Statistics);
- Local Government in Western Australia salary costs (Australian Bureau of Statistics); and
- Local Government in Australia salary costs (Australian Bureau of Statistics).

The benchmarks are published as indices, and have been re-weighted so the 2011-12 financial year is the base year for all data. The City's staff costs (direct staff costs, and direct staff costs plus contract

labour) have been converted to an index, with a base year of 2011-12. The results of the analysis are presented below (Figure 3.10).

FIGURE 3.10 CITY OF PERTH SALARY COST BENCHMARKING, INDEX; FY12 = 100



SOURCE: CITY OF PERTH, ABS, ACIL ALLEN CONSULTING

The City's direct employment costs have increased 9.6 per cent faster than the State Government's direct employment costs, 11.6 per cent faster than local government at a State level, and 16.5 per cent faster than local government at a national level. When contractors are included, the City's staff costs have increased 13.5 per cent, 15.6 per cent and 20.7 per cent faster than the respective benchmarks.

If the City's employment costs had increased in line with the average of the Western Australian local government sector, its employment costs would have been \$40.4 million lower over the assessment period, and \$11.3 million lower in 2017-18 alone (\$71.8 million instead of \$83.1 million).

KEY FINDING 17 SALARY COST GROWTH BENCHMARKING

The City's labour expenditure has increased at a faster rate than publicly available benchmarks over the assessment period, including by 13.5 per cent faster than the State Government's direct employment costs, 15.6 per cent faster than local government at a State level, and 20.7 per cent faster than the local government labour expenditure at a national level. If the City had contained labour costs to the average local government labour expenditure benchmark for Western Australia, employment costs would have been \$40.4 million lower over the assessment period, and \$11.3 million lower in 2017-18 alone (\$71.8 million instead of \$83.1 million).

3.4.3 Services and contracts

While direct and contract staff costs are by far the largest item of City expenditure, the City also procures a range of suppliers and services on a contract basis in addition to purchases of materials to undertake its various activities. These expenditures totalled \$43.2 million in 2017-18, an increase of 10.9 per cent over the assessment period (1.8 per cent per annum). This relatively modest level of headline growth does hide some areas of substantial growth over the period.

The City's use of professional services contracts (excluding legal services) has more than doubled between 2011-12 and 2017-18, rising from \$2.9 million to \$6.0 million. The use of professional services contracts is somewhat lumpy in nature, with some units spending significant amounts in

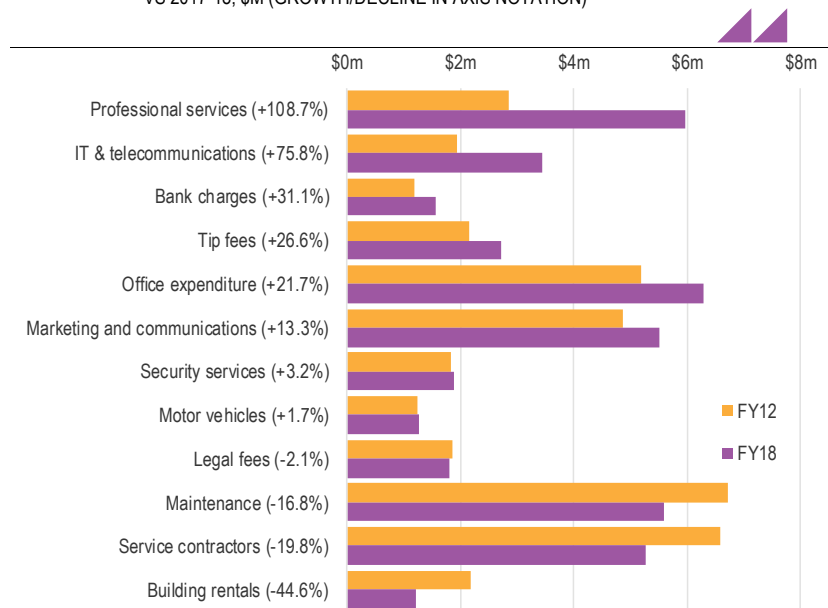
some years and none in other years. Over the assessment period, the largest user of professional services contracts was the Marketing and Events Unit, with \$3.2 million of professional services fees accessed (12 per cent of the total). Other substantial users of professional services include the Street Presentation and Maintenance Unit (\$2.2 million), Information Technology Unit (\$2.1 million) and the Finance Unit (\$2.1 million, however this is mostly the City's audit fees). Every City Unit has some direct expenses listed against the professional services codes.

KEY FINDING 18 PROFESSIONAL SERVICES CONTRACTS

The use of professional services contracts (excluding legal fees) by the City of Perth has doubled over the assessment period. Most business units have utilised professional services. Expenditure has tended to be quite "lumpy", with no users seeing large recurrent professional services expenditure outside of the audit fees which are allocated to the Finance Unit.

Other areas of significant growth over the assessment period include IT and telecommunications expenditure (+75.8 per cent, or an additional \$1.5 million) and bank charges (+31.1 per cent, or \$0.4 million), however the latter is effectively passed on to the City's customers and ratepayers via the charges they face for services.

FIGURE 3.11 CITY OF PERTH SERVICES, MATERIALS AND CONTRACTS EXPENDITURE, \$M, 2011-12 VS 2017-18, \$M (GROWTH/DECLINE IN AXIS NOTATION)



SOURCE: CITY OF PERTH, ACIL ALLEN

The City has also increased expenditure on external legal advice over the period, with total expenditure of \$3.7 million, at an average of \$525,000 per annum.

As far as expenditure reductions go, the most notable falls are in relation to maintenance expenditure and expenditure on service contractors (classified as accounts that suggest the letting of a specified contract to deliver services), falling by 16.8 per cent and 19.8 per cent respectively. This may go part of the way to explaining growth in the City's own workforce over the period, as a decline in the use of contracts may suggest the City has "in-sourced" some previously outsourced works. However the

scale of the decline in annual expenditure (\$2.4 million from 2011-12 to 2017-18) is around one tenth of the increase in direct wages and contract labour expenditure (\$26.3 million).

KEY FINDING 19 MAINTENANCE AND SERVICE CONTRACTORS

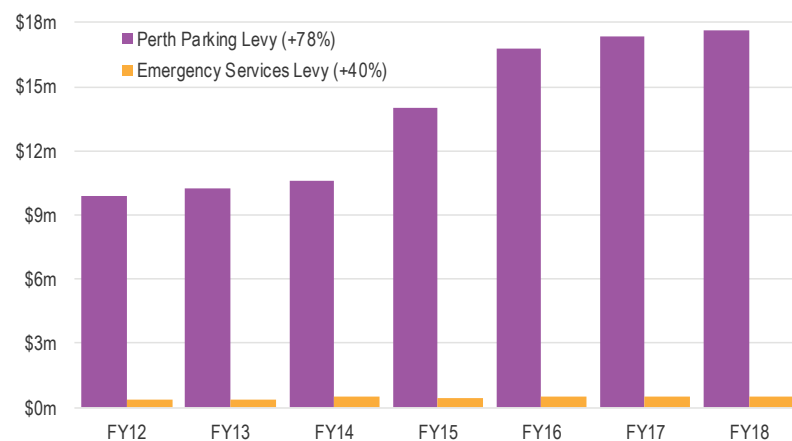
The circa \$2.4 million decline in annual expenditure on maintenance and service contractors may go part of the way to explaining the increase in direct staff costs made by the City. However, this decline only represents approximately ten per cent of the increase in annual staffing costs.



3.4.4 Statutory fees and charges

The City collects two major State Government taxes through its operations: the Perth Parking Levy and the Emergency Services Levy. Combined, these two taxes represent 9.4 per cent of the City's total expenditure in 2017-18, up from 7.3 per cent in 2011-12. As discussed above, State Government taxes has been one of the largest line items of expenditure growth for the City over the assessment period, although this has been met with matching revenue growth. The trend for both taxes is presented in **Figure 3.12**.

FIGURE 3.12 STATE GOVERNMENT PASS THROUGH TAX EXPENDITURE, BY YEAR, \$M



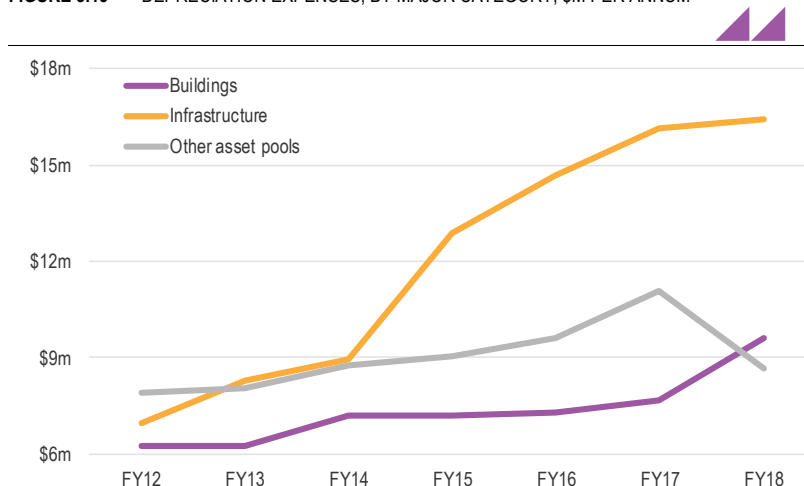
SOURCE: CITY OF PERTH, ACIL ALLEN

3.4.5 Depreciation and amortisation expense

The City's depreciation and amortisation charges have increased strongly in recent years, rising from \$21.1 million in 2011-12 to \$34.7 million in 2017-18 (**Figure 3.13**). This has seen depreciation increase from 15 per cent of the City's expenditure to 17.9 per cent.

There are 11 depreciation pools in the City's financial accounting system, though two of them ("buildings" and "infrastructure") account for three quarters of depreciation expenditure. Within these accounts, the majority of the depreciation charges flow to the Properties Unit, for buildings, and to the Parks Unit and the Street Presentation and Maintenance Unit for infrastructure depreciation. All other depreciation expenses, spread across the residual nine accounts, represent just over one quarter of total City depreciation expenditure.

FIGURE 3.13 DEPRECIATION EXPENSES, BY MAJOR CATEGORY, \$M PER ANNUM



SOURCE: CITY OF PERTH, ACIL ALLEN

The City's increased depreciation charges are likely a reflection of an increase in the rate of fixed asset investment undertaken by the City in recent years. According to the City's successive cashflow statements, purchases of fixed assets have averaged \$45.3 million per annum over the assessment period, running well ahead of the average annual depreciation charge of \$28.4 million. However, part of this gap is likely to represent the impact of State and Commonwealth Government funding for some investment items, with the City receiving an average of \$4.5 million per annum in external Commonwealth and State Government grants.

The lift may also be driven by a change to the *Local Government (Financial Management) Regulations 1996* issued in 2012 that required a revaluation of all local government assets as of the end of the 2013-14 financial year. However, without an asset register it is not possible to say if this is the driver. In addition, this is not reflected in the City's Corporate Asset Management Plan.

KEY FINDING 20 DEPRECIATION AND CAPITAL INVESTMENT

The City's depreciation charges have been increasing significantly in recent years. This is likely a reflection of a substantial rolling capital works program, which has seen the City invest \$45.3 million per annum via the purchase of fixed assets over the assessment period (compared to an annual average depreciation charge of \$28.4 million). This is partially explained by the role of external Commonwealth and State Government grant funding in the City's capital works program.

3.5 Overall assessment

The analysis completed by ACIL Allen in this section reflects on the high-level financial information provided by the City, primarily in the form of seven years of profit and loss statements at a unit level. The principal finding of this assessment is **the City of Perth's operational performance is deteriorating each year in the assessment period**, with progressively narrower operating surpluses recorded on account of strong growth in expenditure and more modest growth in own-source revenue.

There are a number of issues which emerge from this high-level review that are worth exploring in greater detail – two of which are subject to further analysis in this report. These are:

- The role of the City of Perth Parking major undertaking in the City's overall financial framework (**to be explored in a subsequent section**);
- The City's rates model, particularly the drivers behind the recent substantial increase in rates values for Residential and Office properties from abnormally low bases (**to be explored in a subsequent section**);
- The City's direct labour costs, in particular the growth in labour expenditure over the assessment period (and potentially in prior years, as it is not clear from the data that the strong growth in direct labour costs is a new development);
- The City's utilisation of contract labour, in particular the growth over the assessment period;
- The City's increased reliance on professional services contracts, and whether this reflects an underlying capability issue within the City that is impacting its ability to discharge its functions; and
- The drivers of the City's increased depreciation expenditure, noting ACIL Allen's high-level analysis suggests this could simply be driven by high levels of capital investment (but also noting it could be due to the deterioration of the City's existing asset base).

It is also important to note the analysis conducted in this section does not consider the allocation of costs between business units within the City. As discussed in Section 2.5, the City undertakes a notional Activity Based Costing exercise each year, without adequate consideration of the true cost drivers or detailed policy that would allow for a rigorous costing exercise to be undertaken. This too is likely to contribute to the financial outcomes the City now faces.

The City remains in a very strong financial position overall. According to its 2017-18 annual report, and a detailed balance sheet made available to ACIL Allen, the City holds some \$114 million in cash or liquid financial assets, and has a fixed asset base of in excess of \$1.1 billion with no material liabilities carried against these. In addition, its taxing powers provide a certain revenue stream of close to \$90 million per annum regardless of any other suppliers or services it elects to provide.

However, the City's financial position is not guaranteed, nor should a strong balance sheet preclude it from ensuring it provides the most efficient and effective services (with an efficient revenue raising framework) for its residents and businesses.



REVIEW FOCUS AREAS: CITY OF PERTH PARKING (CPP)

This section discusses the financial performance of the City of Perth's City of Perth Parking ('CPP') business over the assessment period 2011-12 to 2017-18, at a headline level, at a facility level, and considers the overall cash-based contribution the business makes to the broader City of Perth's finances. This section also considers the business at a higher level, comparing the parking operations of the City of Perth to other capital city local governments in Australia and discussing the City's Major Business Undertaking document.

4.1 Introduction

ACIL Allen received a number of documents and data sources to conduct this assessment. These include:

- Detailed profit and loss statements for the City of Perth at large;
- A detailed history of the financial year performance of the City's parking businesses at a parking property level, for the period 2013-14 to 2017-18 only (noting the assessment period is 2011-12 to 2017-18);
- The major undertaking "Business Plan" prepared by staff in the Commercial Services Directorate of the City; and
- A "Commercial Review" prepared by Mr Phillip Yum, the Commercial Manager of the CPP undertaking.

The analysis presented in this section represents the findings of ACIL Allen's desktop review of the operating environment of the CPP undertaking, and the analysis of historic financial data for the CPP undertaking provided by the City.

4.2 The City of Perth Parking undertaking

The *Local Government Act 1995* prohibits local government authorities in Western Australia from setting up or taking control of a body corporate. As a result, local governments cannot "own" businesses. Where a local government undertakes a specific activity which is not core to the provision of municipal services, this is referred to as a "major undertaking". The CPP is a major undertaking of the City.

The CPP operates as a commercial unit within the City's Community and Commercial Services Directorate which began operating commercially in the 1990s. The CPP's main responsibilities concern on street parking technology, revenue management, off street parking facilities, financial control, operations and customer service.

CPP revenue is used to fund key services and facilities provided by the City without undue burden on ratepayers. CPP also provides services to the City borne out of its community service obligations as

part of local government. Parking facilities are located and operated to facilitate Perth as a place to visit, live, work, and conduct business.

CPP is a significant revenue generator for the City of Perth and generates approximately 37 per cent of the City of Perth's annual revenue⁷. In 2017-18, the CPP business generated \$73.8 million in revenue.

The CPP business and all parking in the City is subject to the Perth Parking Levy which has been applied by the State as per the Perth Parking Management Act 1999. The rate of the Levy is determined by the State annually and in 2017-18 totalled \$17.4 million.

The CPP business supports over 5,700 on street fee-paying bays for the City (plus services for over 700 parking meters), 10,500 off street parking bays in 35 active car parks⁸. Most of the car parks operated by CPP are on premises owned by the City and the remainder are leased from the State or operated on behalf of private owners.

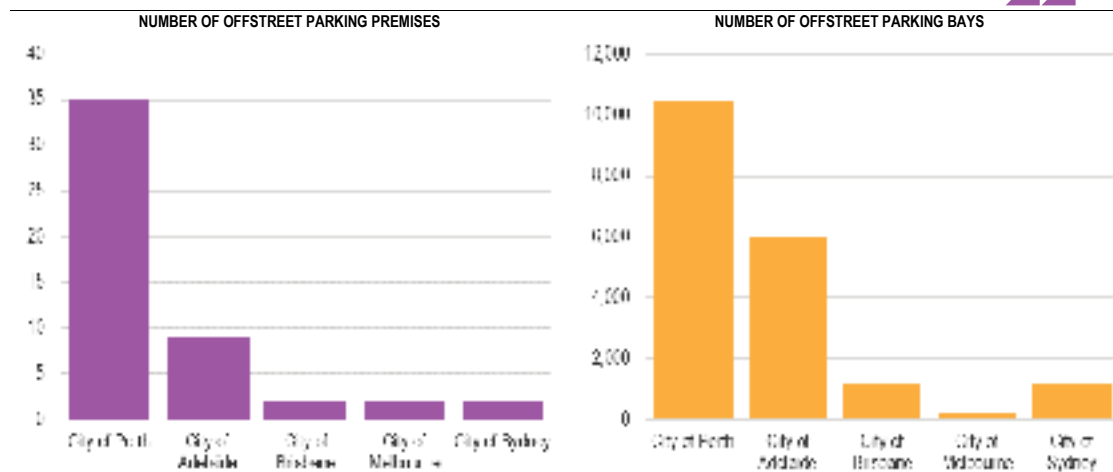
The CPP business also provides commercial parking services to third party customers (for example the Town of Victoria Park). Services provided include technical services, financial services and customer service.

The City of Perth (via the CPP) is uniquely placed in terms of parking management compared to other capital city local government jurisdictions in Australia. The CPP is the largest provider of public parking within the City and manages 35 car parks which is far greater than any other capital city in Australia but remains competitive amongst private companies such as Wilson, Secure and other private companies.

The City Councils of Brisbane, Melbourne and Sydney each own only 2 car parks within their respective central business districts⁹. These cities have a larger contingent of privately owned car parks. The City of Adelaide operates a more substantial off street parking operation, although it has nine properties and approximately 6,000 parking spaces (both significantly smaller than the CPP undertaking).

The significant difference between the City's CPP undertaking and the parking operations of other capital city local governments is highlighted in **Figure 4.1**.

FIGURE 4.1 CAPITAL CITY LOCAL GOVERNMENT PARKING BUSINESS COMPARISON, PREMISES AND BAYS



SOURCE: CITY OF PERTH, CITY OF ADELAIDE, CITY OF BRISBANE, CITY OF MELBOURNE, CITY OF SYDNEY, ACIL ALLEN CONSULTING

⁷ CoP Annual Report 2017-18

⁸ CPP Annual Report

⁹ City of Melbourne, Brisbane City Council & City of Sydney

4.3 Financial performance

4.3.1 Revenue

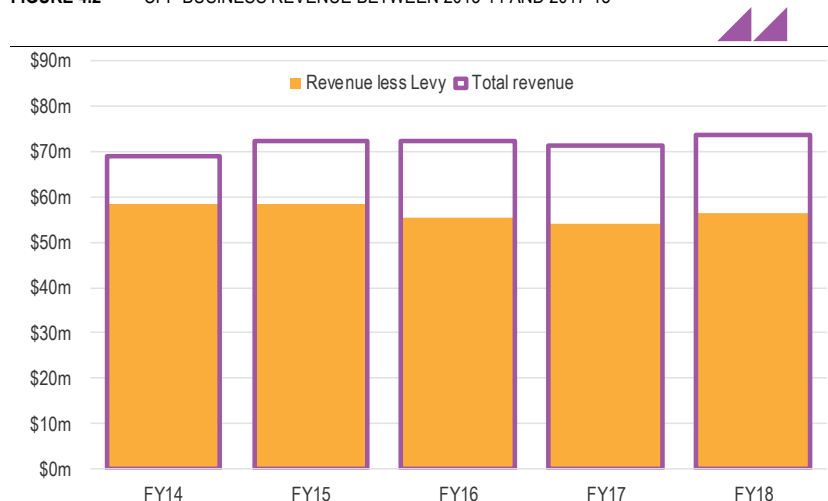
The CPP generates revenue from a range of sources, including:

- 35 off street car parking facilities in the Perth Central Business District;
- Two so-called "Specified Car Parks" (the undercroft parking at the Perth Convention and Exhibition Centre, and an open air car park at Langley Park);
- Several kerbside parking sites in the Perth Central Business District and surrounding areas; and,
- The provision of parking services to other parking facility owners.

The CPP business has generated an average annual revenue of \$71.7 million between 2013-14 and 2017-18 and has covered its expenditure annually by an average of 4.6 times.

The CPP's revenue has grown from \$68.9 million in 2013-14 to a maximum of \$73.8 million in 2017-18. This represented an increase of 7.1 per cent over the four years (Figure 4.2). However, after removing the Perth Parking Levy, the CPP undertaking's revenue has declined by 3.5 per cent over the same time period. By contrast, the revenue flowing to the State Government via the levy has increased by 66.4 per cent, from \$10.5 million in 2013-14 to over \$17.4 million in 2017-18.

FIGURE 4.2 CPP BUSINESS REVENUE BETWEEN 2013-14 AND 2017-18



Note: Levy refers to the Perth Parking Levy.

SOURCE: ACIL ALLEN CONSULTING

4.3.2 Direct expenditure

The main sources of expenditure for the CPP includes expenses associated with the operation of car parks, other parking services and administration expenses. Between 2013-14 and 2017-18, the CPP's expenditure has averaged \$15.7 million or about one fifth of the average revenue generated by the CPP business.

The CPP undertaking expenditure has remained relatively stable between 2013-14 and 2017-18, growing from \$15.5 million in 2013-14 to \$16.2 million in 2015-16 before declining to \$15.4 million in 2017-18. All told, the CPP undertaking has kept direct expenditure broadly steady, in line with its weak revenue performance.

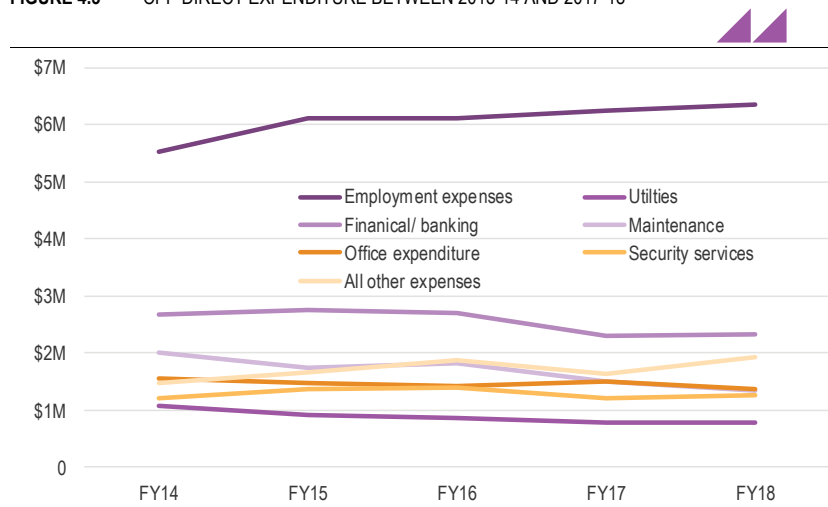
The most significant component of the CPP's direct expenditure is employment expenses (which includes contractors) which has increased from \$5.5 million in 2013-14 to \$6.3 million in 2017-18, an

increase of 14.9 per cent over the period. Employment related expenses have accounted for about 38.7 per cent of all direct expenses.

Secondly, financial and banking related expenses such as bank charges and interest and insurance have represented 16.2 per cent of all direct expenses on average. These expenses have fallen by 12.7 per cent from \$2.7 million to \$2.3 million between 2013-14 and 2017-18.

Maintenance expenses represent another 10.7 per cent of direct expenditure and have fallen from \$2.0 million to \$1.3 million, a fall of 33.4 per cent. Additionally, utility related expenses have fallen by 26.9 per cent and office expenditure has fallen by 11.1 per cent. All other expenses (which includes items like marketing, IT, legal fees and building rentals) have increased by 30.4 per cent with most of the growth coming from marketing and communications.

FIGURE 4.3 CPP DIRECT EXPENDITURE BETWEEN 2013-14 AND 2017-18



SOURCE: ACIL ALLEN CONSULTING

4.3.3 Internal expenditure

As a business unit of the City, the CPP undertaking is subject to a number of internal charges payable to the City's other business units. These include:

- Internal rates, levied on some CPP properties (the basis of which is unknown);
- Internal rents, levied on some CPP properties (the basis of which is unknown);
- Internal bin levy charges, levied on some CPP properties (the basis of which is unknown); and,
- Internal cost allocations, per the City's ABC model.

These are discussed below.

Internal rates for the CPP totalled \$1.7 million in 2017-18, up 34.9 per cent since 2013-14 where rates were \$1.3 million. Rates peaked in 2017-18 and have been increasing by about 8.2 per cent per annum on average.

Internal rates were charged across 25 income generating CPP properties (Unit 1, Unit 2 and PCEC properties) in 2017-18. It is unclear how these rates are charged on different parking properties but resembled about 3.6 per cent of income per property on average.

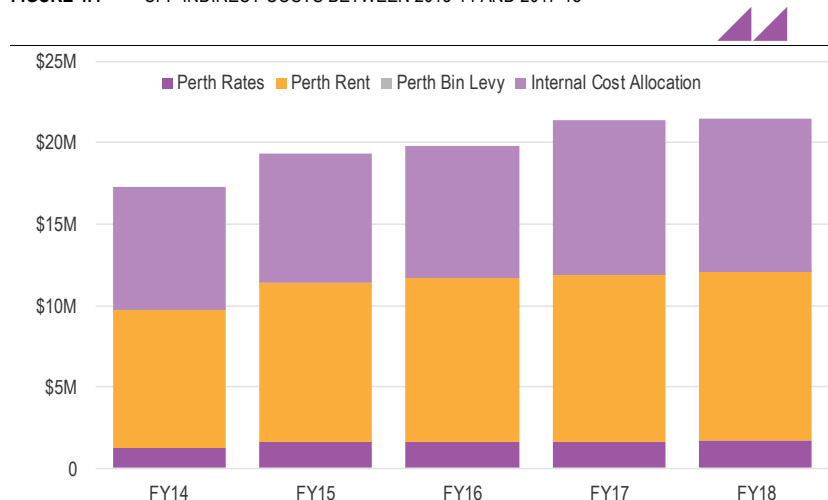
Internal rents have increased from \$8.5 million in 2013-14 to \$10.3 million in 2017-18, an increase of approximately 21.8 per cent over the period. Rents peaked in 2017-18 and have increased by 5.2 per cent on average per annum. Internal rents were levied on 30 of the CPP's properties (Unit 1, Unit 2, and Other Parking Services) in 2017-18 but the basis of these rents remains unclear.

The **internal bin levy** is a minimal expense for the CPP business remaining below \$5,000 in 2017-18. Notably, the bin levy has increased by 50.7 per cent or 11.0 per cent per annum since 2013-14. The internal bin levy was charged on seven CPP properties in 2017-18.

Internal ABC allocations have increased from \$7.5 million in 2013-14 to \$9.5 million in 2017-18, an increase of 26.2 per cent over the period. Internal costs peaked in 2016-17 at \$9.5 million and have grown by an average of 6.2 per cent per annum.

Internal cost allocations have been made on nearly all CPP income producing car park properties in 2017-18. A \$1.3 million allocation for administration, \$1.4 million for kerbside parking and \$1.2 million for PCEC parking were most notable.

FIGURE 4.4 CPP INDIRECT COSTS BETWEEN 2013-14 AND 2017-18



SOURCE: ACIL ALLEN CONSULTING

Despite the CPP's modest revenue performance, and relatively steady growth in direct expenditure, the City has continued to increase the level of internal expenditure allocated to the CPP undertaking. As discussed in Section 2.5, there is no clear basis for the City's internal cost and revenue allocation, and so it is not clear why internal cost allocations to the CPP undertaking are increasing over time.

KEY FINDING 21 REVENUE AND COST GROWTH IN THE CPP UNDERTAKING

Direct revenue and expenditure in the CPP undertaking have been broadly unchanged over the assessment period. While headline revenue has increased, this has been on account of growth in the Perth Parking Levy. Direct expenditure incurred by the CPP undertaking has remained broadly unchanged over the assessment period, while internal expenditure allocations have increased by \$4.3 million (from \$17.3 million to \$21.6 million) without any clear rationale for this.

4.3.4 Depreciation

On average, depreciation has represented 4.8 per cent of total revenue. The CPP's depreciation was \$3.7 million in 2013-14 before falling to \$2.8 million in 2017-18. Depreciation has fallen by 22.7 per cent over the four years and has averaged \$3.4 million. It is not clear why this is the case, particularly given the buildings and infrastructure in the CPP undertaking are likely to represent a substantial share of the City's assets.

4.3.5 Property level performance

The CPP's parking is split up into seven top level units, namely units 1 to 6 and 99. Units 1 to 6 capture the income, expenditure and depreciation associated with car parks and kerbside parking whilst Unit 99 is an administration-based unit. On average between 2013-14 and 2017-18, the CPP's total revenue has covered expenditure by 4.6 times.

Open air parking properties (30 individual car parks and special event parking)

Unit 1's total revenue in 2013-14 was \$12.6 million and grew to \$13.9 million in 2017-18. Unit 1's revenue has consistently represented approximately 18 per cent of the CPP's total revenue. At the same time, Unit 1 expenditure has been about \$1.2 million on average per annum. Unit 1 also incurs \$1.1 million per annum in depreciation.

Undercover parking properties (15 individual car parks)

Unit 2 is the largest source of income for the CPP (43.9 per cent on average) with total revenue remaining between \$30 and \$32 million between 2013-14 and 2017-18. Meanwhile, expenditure associated with Unit 2 parking has been \$5.6 million on average per annum. Unit 2 has also incurred depreciation of \$1.3 million per annum and is the largest depreciation unit for the CPP.

The Perth Convention and Exhibition Centre Carpark¹⁰

Revenue from this car park has grown from \$10.4 million in 2013-14 to \$11.5 million in 2017-18. Total revenue has accounted for approximately 15.4 per cent of the CPP's total revenue. At the same time, expenditure has fallen from \$2.1 million in 2013-14 to \$1.5 million in 2017-18.

Kerbside parking¹¹

Total revenue from these kerbside parking sites has grown from \$15.0 million in 2013-14 to \$16.7 million (with Nedlands/Crawley coming online in 2016-17). Revenue has accounted for approximately 21.9 per cent of total CPP parking revenue. Expenditure has averaged \$1.0 million, peaking in 2015-16 at \$1.1 million. Unit 4 also incurs \$1.1 million on average per annum in depreciation.

Parking services

Unit 6 captures some of the services provided by the CPP and isn't a significant source of revenue. Revenue from these items has remained minimal totalling \$0.2 million in 2013-14, rising to \$0.3 million in 2017-18. At the same time, expenditure has significantly outweighed revenue at an average of \$1.2 million per annum.

Central administration¹²

The only source of revenue for this unit is administration related which has generated less than \$0.1 million in revenue per annum between 2013-14 and 2017-18. Meanwhile, expenditure has grown from \$4.7 million in 2013-14 to \$4.8 million in 2017-18, peaking at \$5.0 million in 2014-15. Administration expenses have accounted for nearly all (97.6 per cent) expenses for this unit.

4.4 Facility level performance

There is a significant difference in the gross profit performance of the CPP undertaking's off street parking facilities. In the 2017-18 financial year, the average level of gross profit (before internal City charges, but inclusive of the Perth Parking Levy and Emergency Services Levy where applicable) per parking bay was \$3,128. Of the City's 33 active premises, just 10 achieved this average level of performance, and accounted for a total of 68 per cent of the gross profit from the entire CPP off street

¹⁰ Perth Convention and Exhibition Centre

¹¹ Kerbside parking, Nedlands/ Crawley and South Ward

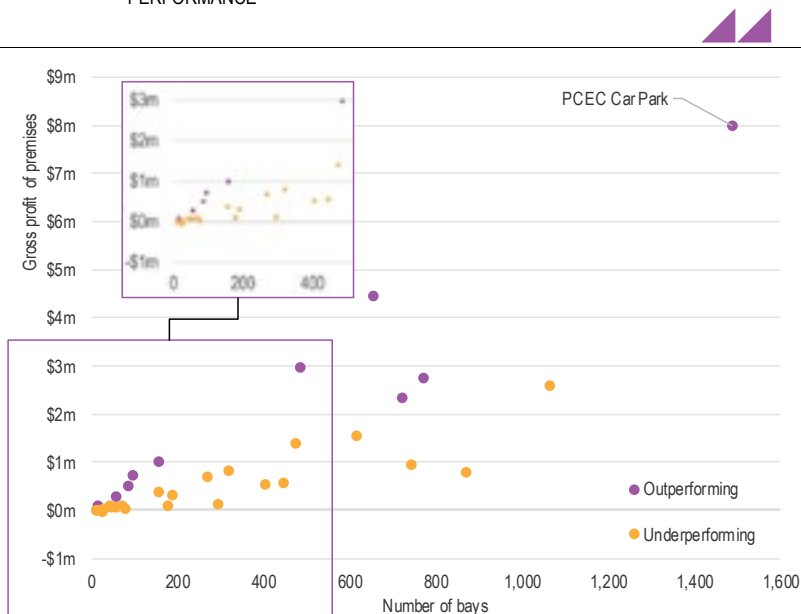
¹² Carbon Offset Program, Discount Allowed Parking and Restructure/ Amalgamation & Reform

premises. This includes the Perth Convention and Exhibition Centre premises, which on its own accounted for 23 per cent of the gross profit from the CPP off street premises.

The other 23 off street premises delivered 32 per cent of the off street gross profit in 2017-18, while two premises (Mardalup Park and John Oldham Park) delivered a gross loss.

The performance of the CPP undertaking's off street parking portfolio is summarised in **Figure 4.5**.

FIGURE 4.5 CPP OFFSTREET PREMISES PERFORMANCE, GP (\$M) VS NUMBER OF BAYS, 2017-18 PERFORMANCE



Note: Gross Profit is measured as all direct premises costs (including Perth Parking Levy and Emergency Services Levy), and does not include internal cost allocation or a portion of CPP administration overhead

SOURCE: CITY OF PERTH, ACIL ALLEN

The analysis suggests the Perth Convention and Exhibition Centre premises is a significant driver of the CPP undertaking's overall financial performance. In 2017-18, the premises delivered a gross profit (before internal allocations) of \$8 million, or 23.4 per cent of the total gross profit of the CPP's off street premises, despite accounting for just 13.6 per cent of total off street parking bays.

By contrast, the next highest performing car park in 2017-18 was located at His Majesty's Theatre, with a gross profit of \$4.4 million (before internal allocations). At the other end of the spectrum, car parks at Mardalup Park and John Oldham Park delivered a gross loss of \$15,000 and \$39,000 respectively (before internal allocations) in 2017-18.

KEY FINDING 22 PCEC CAR PARK

The Perth Convention and Exhibition Centre Car Park is the largest source of gross profit for the CPP undertaking, producing \$8 million of gross profit before internal transfers in the 2017-18 financial year. This accounted for 23.4 per cent of total CPP off street parking gross profit last year, despite accounting for just 13.6 per cent of the portfolio's bays.

4.5 Cash contribution to City of Perth

The analysis above has considered the overall financial position of the City of Perth Parking undertaking as if it was a standalone entity. In reality, the undertaking is a part of the broader City's financial framework, providing it with a line of source of revenue, and ultimately surplus free cashflow, to potentially fund other aspects of the City.

This can be measured by paring back the finances of the City of Perth Parking undertaking to actual revenues minus any State Government taxes and banking charges, less the real expenditures associated with the undertaking (ie excluding depreciation, amortisation and provisions). Under this frame of reference, the variety of internal City charges which are transferred to the CPP undertaking, including internal rates, internal rents, internal waste levies, and Activity Based Costing allocations are set aside and form part of the cash surplus generated by the CPP undertaking which is then available to the City as free cash.

Using this frame of reference, the CPP undertaking generated \$202.6 million of free cash for the City over the five year period where data was available. This accounted for approximately 21 per cent of the City's total free cash generated from operating activities between 2013-14 and 2017-18.

The City incorporates a sizeable portion of this free cashflow into the operations of its other business units via internal charges (discussed in Section 4.3.3), which it is assumed flow to the City's Finance Unit to be distributed across the organisation. In addition, the Activity Based Costing approach undertaken by the City results in an additional \$6 million of distributions away from the CPP undertaking in net terms to a range of City business units.

Over the assessment period, the City has raised \$75.1 million in internal charges from the CPP undertaking. It is not clear from the City's financial system where these internal charges flow however it is assumed they flow to the City's consolidated revenue.

KEY FINDING 23 CPP UNDERTAKING CASH CONTRIBUTION

ACIL Allen estimates the City of Perth Parking undertaking has generated \$202.6 million in free cash for the City over the five year period where data is available. This accounted for approximately 21 per cent of the City's total operating revenue cashflow generation over the period.

4.6 Competitive neutrality

In 1995, the National Competition Policy process established a series of principles associated with the notion of Competitive Neutrality. The Australian Government and all state and territory governments undertook to ensure that their publicly owned businesses did not enjoy any net competitive advantage simply because they are publicly owned. For significant government businesses, governments undertook to adopt a corporatisation model where appropriate and to impose on the business full taxes or tax equivalents and debt guarantee fees to offset advantages from government guarantees, and to apply to the business regulations normally applying to private sector businesses. This manifested in the National Tax Equivalence Regime ('NTER').

The NTER states that publicly owned businesses or undertakings should not have undue pricing or cost advantages over privately-owned businesses where the advantage is solely due to the tax advantages of public ownership. In this case, the CPP undertaking competes squarely with the private sector in the provision of off street parking in the City of Perth – with its principal competitor being Wilson Parking Services. As a private company, Wilson Parking Services is subject to company income tax, land tax on any premises it owns, and pays rates to the City of Perth either directly on properties it owns or indirectly via the agreements it would hold with property owners where it is providing services.

The City appears to account for this in some instances, by "charging" the CPP undertaking internal rates and rents for some off street premises. However, the City was unable to produce any

documentary evidence that suggested it was familiar with the NTER or had an appropriate policy surrounding application of NTER principles. It may be that the internal rates and rents applied to the CPP business are simply mechanisms to transfer revenue from the CPP business to other aspects of the City's operation. In addition, the City is not explicitly accounting for the largest of the NTER-related competitive neutrality concerns in its financial system, being company income tax. This puts the City's parking businesses in a position of advantage over private sector providers.

The CPP draft business plan makes reference to the City's approach to setting fees and charges using four underlying factors, including market pricing, the type and location of each facility, operational costs for each facility, and a community service obligation. Importantly, it does not make reference to competitive neutrality as a consideration when setting fees and charges.

KEY FINDING 24 COMPETITIVE NEUTRALITY

It is not clear the City adequately accounts for competitive neutrality in the pricing of services provided by the CPP. By not correctly accounting for its competitive advantage of not being required to pay Commonwealth and State taxes, this puts the City at an advantage against private sector providers, which is against the requirements of the NTER.

4.7 Overall assessment

Overall, it is evident the CPP undertaking is both:

- An unusual undertaking among capital city local governments in Australia, and
- A significant driver of the overall City's financial performance.

The City owns and operates 2.5 times the number of off street parking premises, and more than the total number of off street parking bays of the Cities of Adelaide, Brisbane, Melbourne and Sydney combined. In addition, ACIL Allen calculates the CPP undertaking generated \$202.6 million of free cashflow for the City over the five year period where detailed data on the CPP undertaking was made available – approximately 21 per cent of the City's total operating revenue cashflow generation over the period.

Given the size of this business undertaking, it is not appropriate for the City to continue to operate the CPP business without an adequate business plan, be it required to produce one according to legislation or not.

In addition, it is not clear from the information provided by the City that the City fully accounts for competitive neutrality in the CPP undertaking. This puts the City at a competitive advantage over private sector providers of parking services in the City of Perth, by virtue of the City's status as a public sector entity only. This goes against the NTER, and should be addressed by the City.

The City's parking undertaking is evidently a significant cashflow generator for the City. No other local government in Western Australia, and no other capital city local government in Australia, has access to a line of cashflow like the CPP affords the City. Given the findings of other areas of this report, ACIL Allen considers it likely the availability of this free cashflow generated by the CPP undertaking has played a role in the City's high level of costs over the assessment period.



REVIEW FOCUS AREAS: CITY OF PERTH RATES MODEL

This section provides a detailed examination of the City of Perth's rates model that it applies to residential, office and commercial properties, as well as vacant land. It extends on the analysis and insights provided by ACIL Allen in Section 3.3.2 of this report.

5.1 City of Perth Rates Model

Rates are the City's largest source of both revenue and revenue growth, with rates revenue rising from \$60.8 million in 2011-12 to \$89.5 million in 2017-18. The City's rates revenue has increased by an average of 6.7 per cent per annum, or an average of \$4.8 million of incremental growth each year over the assessment period.

In the City of Perth, all land (other than exempt land) is rated according to its Gross Rental Value (GRV). Landgate Valuation Services provides the City of Perth with GRVs on a triennial basis.

Rates in the City of Perth are determined on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than the rates, as well as a consideration of the extent of any increase in rates over the level adopted in the previous year¹³.

Under the provisions of Section 6.33 of the *Local Government Act 1995*, the City of Perth imposes differential rates on all rateable land within the City according to the predominant purpose for which the land is held or used, as determined by the City. There are four categories of rateable land used by the City of Perth: Commercial, Office, Residential and Vacant land. The commercial category is a consolidation of the Hotel, Retail and the former Commercial category into one ratepayer class (each category has the same differential rate in 2018-19). Prior to the 2018-19 Annual Budget, Hotel and Retail were presented as separate land use categories.

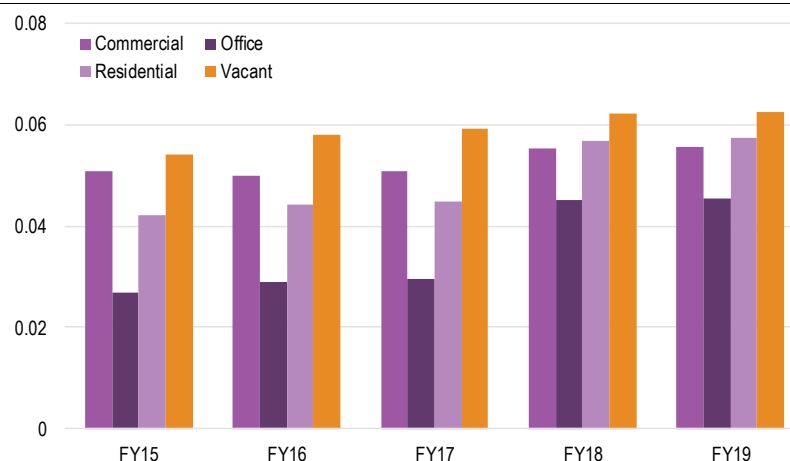
The City of Perth sets a minimum payment to ensure that all ratepayers make a reasonable contribution to support the provision of local government services. The minimum payment mainly impacts the residential category. In the 2018-19 Budget, the minimum rate was set at \$705 for all four land uses. This is the same minimum payment that was set in 2017-18. Minimum payments equate to a small proportion of the total revenue generated by rates. In 2017-18, revenue generated through minimum payments equated to \$1.1 million, approximately 1.2 per cent of total rate revenue.

The City of Perth has budgeted to generate approximately \$90.2 million in rate revenue in 2018-19, which will equate to approximately 44.9 per cent of the City's total revenue base.

Figure 5.1 presents the differential rates set by the City of Perth across the four land use categories over the past five years.

¹³ City of Perth – 2018-19 Annual Budget

FIGURE 5.1 CITY OF PERTH – DIFFERENTIAL RATES BY LAND USE CATEGORY



Note: In 2018-19, Hotel and Retail have the same differential rate as Commercial.

SOURCE: CONSECUTIVE CITY OF PERTH ANNUAL BUDGETS

In 2018-19, the highest differential rate is set on Vacant land (6.25865 cents per dollar of GRV), followed by Residential (5.74033 cents), Commercial (5.56344 cents) and Office (4.55125 cents) land uses. Since 2014-15, the differential rates for the Office land use has increased by 69 per cent, followed by Residential land use which has increased by 36 per cent over the same period. By comparison, the differential rates for the Vacant land has risen by 16 per cent since 2014-15, while for Commercial land use the rate has increased by 10 per cent. These changes have seen the gap between the highest differential rate (Vacant) and lowest differential rate (Office) narrow from being 100 per cent higher in 2014-15 to 37.5 per cent higher in 2018-19.

The City of Perth imposes the highest possible differential rate on vacant land to discourage holdings of undeveloped land within the City, while until recently had kept the residential rate relatively lower than other land uses in the city and compared to other local governments in order to encourage people to reside in the City. The recent increases in the Residential rate reflects the City's objective to reduce the level of subsidy in the residential land use category to levels more commensurate with other metropolitan local governments and the cost of service delivery.

The City of Perth applied an increase to the differential rate across all land use categories at the Consumer Price Index (CPI) of 0.8 per cent for the 2018-19 financial year. This increase was comparatively low when compared to other local governments in the Perth metropolitan area, as well as rate increases made by the City of Perth in previous years.

KEY FINDING 25 CITY OF PERTH – DIFFERENTIAL GENERAL RATES BY LAND USE CATEGORY

Rates in the City of Perth are determined according to the Gross Rental Value (GRV) of the land use, and is calculated on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the City's annual budget and the estimated revenue to be received from all sources other than the rates, as well as a consideration of the extent of any increase in rates over the level adopted in the previous year

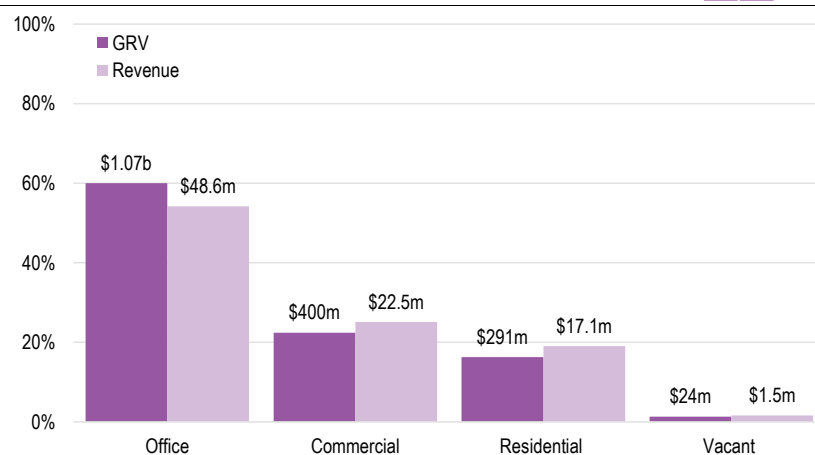
There are four categories of rateable land used by the City of Perth: Commercial, Office, Residential and Vacant land. In 2018-19, the highest differential rate is set on Vacant land (6.25865 cents per dollar of GRV), followed by Residential (5.74033 cents), Commercial (5.56344 cents) and Office (4.55125 cents) land uses. Since 2014-15, the differential rates for the Office land use has increased by 69 per cent, followed by Residential land use which has increased by 36 per cent over the same period. By comparison, the differential rates for the Vacant land has risen by 16 per cent since 2014-15, while for Commercial land use the rate has increased by 10 per cent. These recent increases have ensured that there is a more equal treatment of land for rating purposes (other than for vacant land).

Figure 5.2 presents the GRV and total rates revenue for each land use category in the City of Perth in 2017-18. This provides a perspective on the "revenue effort" of the City of Perth across the four categories, by comparing the GRV of each category against the revenue generated by each.

The GRV of the office land use category represents a large proportion of the total rateable value of the City of Perth. In the 2017-18 Annual Budget, the GRV of the Office land category was \$1.07 billion, which equated to approximately 60 per cent of the total rateable value of land in the City of Perth. Following Office land uses was Commercial land uses which totalled \$400 million, Residential which totalled \$291 million and Vacant land which totalled \$24 million.

Office land use was also the largest category by revenue generation (\$48.6 million or 54.2 per cent of total rate revenue) for the City of Perth in 2017-18, followed by Commercial (\$22.5 million or 25.1 per cent), Residential (\$17.1 million or 19.1 per cent) and Vacant land (\$1.5 million or 1.6 per cent).

FIGURE 5.2 CITY OF PERTH - GRV AND TOTAL RATES REVENUE BY LAND USE CATEGORY IN 2017-18



SOURCE: CITY OF PERTH 2018-19 ANNUAL BUDGET AND 2017-18 ANNUAL BUDGET

Based on the GRV and revenue generation from each land use category, the Residential land use category had the highest "revenue effort" for the City of Perth, with revenue representing 6.2 per cent

of the total Residential land use GRV. Commercial land use was next highest, with revenue generated representing 5.75 per cent of the total Commercial land use GRV, while the Office category was lowest at 4.5 per cent.

KEY FINDING 26 CITY OF PERTH – REVENUE EFFORT BY LAND USE CATEGORY

Using the GRV and revenue collections for each rateable land use category, an indication of the “revenue effort” of the City of Perth to each land use category can be calculated.

Based on the GRV and revenue generation from each land use category, the Residential land use category had the highest revenue effort for the City of Perth, with revenue representing 6.2 per cent of the total Residential land use GRV. Commercial land use was next highest, with revenue generated representing 5.75 per cent of the total Commercial land use GRV, while the Office category was lowest at 4.5 per cent.

The result of the City’s differential rate setting may be that the residential and commercial ratepayers of the City are being left to carry a heavier rates burden relative to office ratepayers. ACIL Allen estimated the “general rate” (ie all rate payers pay the same rate per unit of GRV) required to generate the same revenue the City raised from its differential rates in 2017-18 would be 4.94446 cents in the dollar. At this rate, Office ratepayers would have paid an additional \$4.6 million in rates in 2017-18, while Residential and Commercial ratepayers would have paid \$2.3 million less each. This provides one view of a potential cross-subsidisation of the City’s rate base to the Office ratepayers from other City ratepayers.

KEY FINDING 27 CROSS SUBSIDISATION OF THE CITY OF PERTH’S RATE BASE

The application of differential rate setting by the City of Perth has resulted in a cross-subsidisation of the City’s rate base to the Office ratepayers from other City ratepayers. ACIL Allen estimated the “general rate” required to generate the same revenue the City raised from its differential rates in 2017-18 would be 4.94446 cents in the dollar. At this rate, Office ratepayers would have paid an additional \$4.6 million in rates in 2017-18, while Residential and Commercial ratepayers would have paid \$2.3 million less each.

5.2 Local Government Comparisons

This section focuses on the rates models used by capital city local governments in Australia and local governments throughout metropolitan Perth. It is not possible to draw a direct comparison between other local governments and the City of Perth due to differing financial and legislative circumstances, however the information provided aims to highlight the importance of a sustainable rates model to the provision of services and facilities by local government across Australia.

5.2.1 City of Melbourne

The City of Melbourne uses a Net Annual Value (NAV) method for calculating rates. For residential properties, this is 5 per cent of the property’s value. Rates are calculated using the total NAV figures and the Council’s annual budget requirements, with respect to how much revenue is needed to deliver services and programs. This sum is divided by the NAV figure to calculate a rate in the dollar which is then applied to each property’s NAV.

For example, in 2017-18 the City of Melbourne required revenue of \$424 million, of which rates contributed \$272 million (approximately 64 per cent) to cover its expected costs. To raise this sum, using NAV as the basis for the rates model, it was calculated that residential properties pay 3.996 cents per dollar of NAV, while commercial properties pay 4.621 cents per dollar of NAV¹⁴.

¹⁴ <https://www.melbourne.vic.gov.au/residents/rates/Pages/how-rates-are-calculated.aspx>

In 2015, the Fair Go Rates System was introduced by the Victorian Government to limit the amount of revenue increases a council can levy through rates through the setting of a cap. Each year, the Minister for Local Government sets a cap on rate increases based on that period's CPI and advice from the Essential Services Commission (ESC). For 2019-20, council rate rises in Victoria have been capped at 2.5 per cent.

The rate cap applies to a council's total rate revenue and not individual properties. As such, in many cases, an individual rates bill may increase or decrease by more (or less) than the capped rise amount. This may happen because:

- the value of the property has increased or decreased in relation to the value of other properties in the council;
- other charges and levies that are not subject to the cap, such as the waste charge, has risen (the capped increases apply to the general rates and municipal charges only); and
- the amount of rates levied from properties of that type (residential or non-residential) has changed through the Council's application of differential rates.

Table 5.1 outlines how compliance to the Fair Go Rates System has impacted the setting of rates in the City of Melbourne.

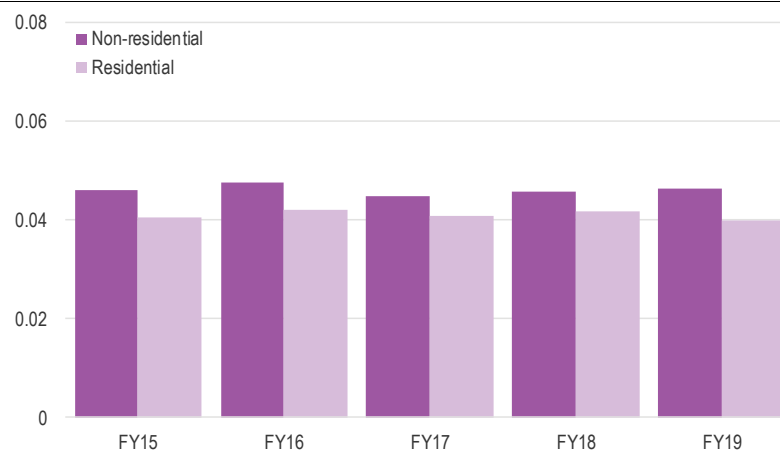
TABLE 5.1 CITY OF MELBOURNE – FAIR GO RATES SYSTEM COMPLIANCE

	2017-18	2018-19
Annual previous years rates	\$265,169,465	\$276,337,644
Number of rateable properties	107,148	113,607
Base average rate	\$2,475	\$2,432
Maximum rate increase	2%	2.25%
Capped average rate	\$2,524	\$2,487
Maximum general rates	\$270,472,854	\$282,554,986
Budget general rates	\$270,472,854	\$282,554,986

SOURCE: CITY OF MELBOURNE – 2018-19 ANNUAL PLAN AND BUDGET

Figure 5.3 presents the differential rates set by the City of Melbourne for the non-residential and residential land use categories over the last five years.

FIGURE 5.3 CITY OF MELBOURNE – DIFFERENTIAL RATES BY LAND USE CATEGORY



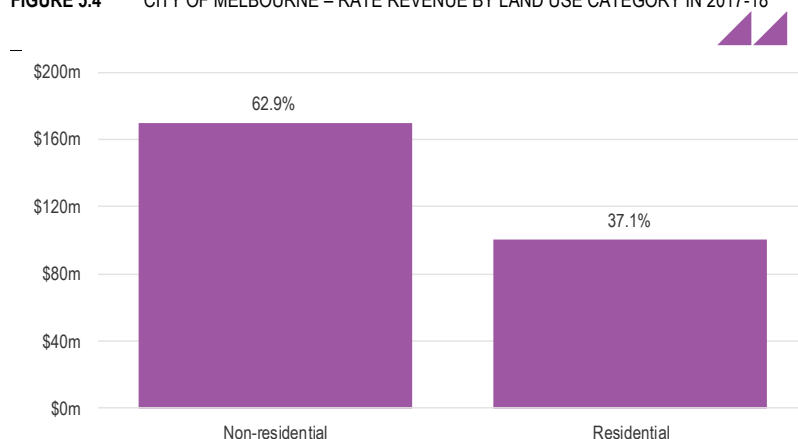
SOURCE: CONSECUTIVE CITY OF MELBOURNE ANNUAL PLAN AND BUDGETS

In 2018-19, the differential rate for residential properties is 3.996 cents per dollar of NAV and the differential rate for non-residential properties is 4.621 cents per dollar of NAV, a 4 per cent decrease and 1 per cent increase on their respective values in 2017-18. The two differential rates set by the City of Melbourne are lower than the differential rates set by the City of Perth for corresponding land use categories.

Figure 5.4 presents the revenue generated through rates in the City of Melbourne across the non-residential and residential land use categories in 2017-18.

Non-residential was the largest land use category by revenue generation (\$170 million) for the City of Melbourne, accounting for 62.9 per cent of the total revenue generated through rates (\$270.5 million) in 2017-18. In 2017-18, rates accounted for approximately 60 per cent of the City of Melbourne's total revenue base, a higher proportion than the same measure for the City of Perth.

FIGURE 5.4 CITY OF MELBOURNE – RATE REVENUE BY LAND USE CATEGORY IN 2017-18



Note: The figure calculated for total rates revenue excludes the 'Cultural and recreational' and 'Other rates' categories.

SOURCE: CITY OF MELBOURNE – 2018-19 ANNUAL PLAN AND BUDGET

5.2.2 City of Adelaide

In the City of Adelaide, property valuations for the purposes of calculating rates are prepared on the basis of 'Annual Value'. Annual value is defined in the *Valuation of Land Act 1971* and is computed as 75 per cent of the gross annual rental that the land might reasonably be expected to realise if leased upon, condition that the landlord was liable for all rates, taxes, insurance and other outgoings necessary to maintain the value of the land. In 2017-18, the City of Adelaide generated \$104.4 million in revenue from rates, which equated to approximately 54 per cent of the City of Adelaide's total revenue base, a higher proportion than the same measure for the City of Perth.

The City of Adelaide decided to freeze the differential rate in the dollar for 2018-19 at the same level as 2017-18 for both residential and non-residential ratepayers. In 2018-19, residential properties pay a rate of 0.1149 in the dollar, while non-residential properties pay a rate of 0.1408 in the dollar. The two differential rates set by the City of Adelaide are higher than the differential rates set by the City of Perth for corresponding land use categories.

In South Australia, there is no limit to what a council can increase its rates by under the *Local Government Act 1999*. Separate rates are levied for the purposes of managing and marketing the Rundle Mall Precinct, and to recover funds on behalf of the Adelaide and Mount Lofty Ranges Natural Resources Management Board.

To assist in cases where an individual property valuation has increased significantly, the City of Adelaide provided a 'Special Discretionary Rate Rebate' to all land uses in 2017-18 to ensure any increase in general rates payable for comparable properties is no more than 10 per cent. This rebate

is not applicable to properties where the valuation has increased as a result of new development, additions or alterations. In July 2017, the City of Adelaide announced the 'Free Rates for Five Years' incentive for owner-occupiers purchasing an off-the-plan apartment or conversion from a C or D grade office building. The incentive was designed to assist developers with pre-sales to enable apartment projects to progress to construction.

5.2.3 Brisbane City Council

Land valuation for the purpose of setting rates by the Brisbane City Council is based on site value. Site value is the market value of the land in its present state, and includes the value of any improvements made to the land including filling, clearing, levelling and drainage works. The site value does not include structural improvements such as houses, sheds and other buildings. Brisbane City Council averages a property's past three land valuations to determine the average rateable valuation. The current valuation is used by Brisbane City Council to calculate rates if it's less than the average rateable valuation.

Brisbane City Council calculates a rates bill by multiplying the property's average rateable value by a dollar rate. The dollar rate used is dependent on the property's land use category. From 1 July 2018, there are 77 land use categories. In 2017-18, rates and utility charges accounted for approximately 46 per cent of the Council's total revenue base, a marginally higher proportion than the same measure for the City of Perth.

In the 2018-19 Budget, owner-occupied residential rates increased by 2.5 per cent, which is marginally above the 2.4 per cent increase in the 2017-18 Budget, to a rate of 0.2701 in the dollar. This differential rate is significantly higher than the differential rate for the residential land use category set by the City of Perth.

Rate capping is granted on general rates for owner-occupiers of residential properties and for non-residential/commercial properties at 7.5 per cent and 10 per cent respectively. The rate cap means that if the increase in general rates is more than the applicable capping amount, the Council will grant the amount greater than the cap as a remission. Minimum general rates increased in the 2018-19 Budget to \$715.88 for owner-occupied properties and \$944.24 for non-owner occupied.

5.2.4 City of Sydney

Rates are the main source of revenue for the City of Sydney, making up approximately 41 per cent of the total revenue base in 2017-18, which is a lower proportion than the same measure for the City of Perth.

Rates are calculated from property valuations supplied by the NSW Valuer General. New land values are issued every three years. All rateable land within the City of Sydney is categorised as either residential or business. Business is composed of a business ordinary rate category and a business CBD rate category. The City of Sydney uses the method of ad valorem and minimum rates. The City imposes a rate per dollar (ad valorem) of land value, with a minimum amount. In 2018-19, residential properties pay a rate of 0.001305 in the dollar, business properties pay a rate of 0.00455 in the dollar and business CBD properties pay a rate of 0.01056 in the dollar. The three rates categories are forecasted to generate revenue of \$76.7 million, \$65.8 million and \$162.7 million respectively in 2018-19. The three differential rates set by the City of Sydney are significantly lower than the differential rates set by the City of Perth on corresponding land use categories.

The NSW State Government, through the Independent Pricing and Regulatory Tribunal (IPART), approves a maximum percentage increase in the total income a council can receive from rates, thereby limiting the amount of income a council can raise via general rates. The setting of the rate peg is mainly based on the Local Government Cost Index (LGCI), which measures prices changes over the previous year for the goods and labour an average council will use. As long as its general income remains within the set maximum increase, councils may increase categories of rates by higher or lower than the rate peg. IPART has set the 2019-20 rate peg for NSW councils at 2.7 per cent.

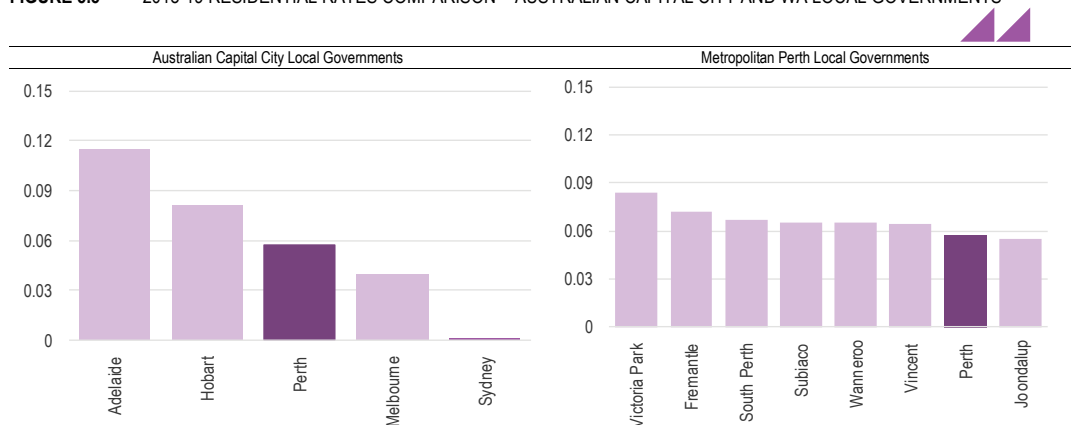
5.2.5 Overall Assessment

Figure 5.5 presents how the residential rates set by the City of Perth compare with other capital city local governments in Australia and major local governments in the Perth metropolitan area.

Relative to other capital city local governments in Australia, the City of Perth's residential rates are set at a low level. The City of Melbourne and City of Sydney both set their residential rates at a lower level than the City of Perth, however this is compensated for in both cases by a larger ratepayer base, particularly for commercial businesses, as well as incentives encouraging high-density residential living.

The City of Perth also has relatively low residential rates when compared to other major local governments in the Perth metropolitan area. This can be attributed to factors such as the City of Perth having a larger number of commercial businesses in their ratepayer base and additional business units, such as CPP, which provide relatively consistent revenue flows from year to year. In addition, the City of Perth has sought to encourage people to live in the city which has underpinned the setting of residential rates at a relatively low level.

FIGURE 5.5 2018-19 RESIDENTIAL RATES COMPARISON – AUSTRALIAN CAPITAL CITY AND WA LOCAL GOVERNMENTS

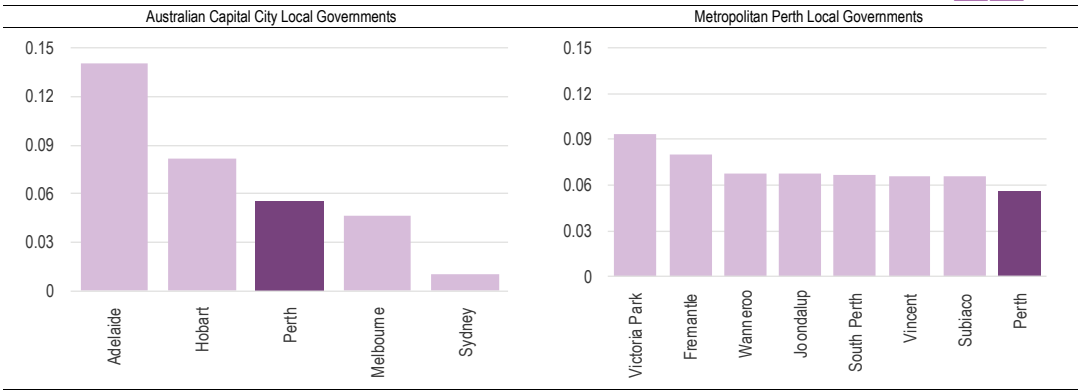


Note: Brisbane City Council is excluded from this chart due to their method of land use categorisation and valuation.
SOURCE: ACIL ALLEN CONSULTING

Figure 5.6 presents how the commercial rates set by the City of Perth compare with other capital city local governments in Australia and major local governments in the Perth metropolitan area. Relative to other capital city local governments in Australia, the City of Perth's commercial rates are set at a low level. Similar to residential rates, the City of Melbourne and City of Sydney both set their commercial rates at a lower level than the City of Perth.

The City of Perth also have relatively low commercial rates when compared to other major local governments in the Perth metropolitan area. This can be partly attributed to the City of Perth having a larger ratepayer base of commercial businesses, as well as the additional office land use category in their rates model which was not used by other metropolitan local governments in Perth. In addition, unlike the City of Perth, there are some local governments that use the same differential rate for residential and commercial land uses.

FIGURE 5.6 2018-19 COMMERCIAL RATES COMPARISON – AUSTRALIAN CAPITAL CITY AND WA LOCAL GOVERNMENTS



Note: Brisbane City Council is excluded from this chart due to their method of land use categorisation and valuation.
SOURCE: ACIL ALLEN CONSULTING

KEY FINDING 28 RATES REVENUE COMPARISONS

The City of Perth's rates for residential and commercial land uses are set at a lower level than other capital city local governments and metropolitan Perth local governments, with the exception of the City of Melbourne and the City of Sydney which have significantly larger ratepayer bases. The low level of rates against other capital city local governments potentially reflects the impact of the City's ability to earn additional revenue through its CPP business, however it is not possible to determine with the evidence provided to ACIL Allen.

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August 2019

Review of Governance and Financial Matters

Department of Local
Government, Sport and Cultural
Industries on behalf of the
Inquiry into the City of Perth



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2 September 2019

Mr. Jack E. Cummings:
Principal Investigator
Inquiry into the Cry of Pain
Level 19, 111 St. Georges Terrace
PERTH WA 6000

Inquiry into the City of Perth – Governance and Financial Matters

Dear Mr. Cunningham,

In accordance with our proposal dated 31 January 2019 and subsequent scope extension proposals dated 28 March 2019 under the terms of CUA AFA2018, we have completed our examination of the matters in the scope of work and are pleased to submit our report to you.

If you have any questions, please contact Guy Va. Associate Partner on 0475 944 586 or mo on 0438 516 135

Sincerely,
Findax (Asia) Pte Ltd



Scott Goddard
Partner - Forensic and Data Analytics

[Signature]

Duy Vo
Associate Partner – Audit & Assurance

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The first parameter is *category*, that the decision is a part of. The second is *label*, the action chosen, and is among the possible actions: *wait*, *buy*, or *sell*. The third is *probability*, the current utility, under the chosen action. The utility of the chosen action is offering either a constant or a linear utility. The fourth is *action*, a vector of all the actions. The fifth is *utility*, a vector of all the utilities. The sixth is *category*, a vector of all the categories. The seventh is *label*, a vector of all the labels. The eighth is *probability*, a vector of all the probabilities. The ninth is *action*, a vector of all the actions. The tenth is *utility*, a vector of all the utilities. The eleventh is *category*, a vector of all the categories. The twelfth is *label*, a vector of all the labels. The thirteenth is *probability*, a vector of all the probabilities. The fourteenth is *action*, a vector of all the actions. 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1. Executive Summary

Context

Pursuant to Section 8.16 of the *Local Government Act 1995* (the “**Act**”), the Minister for Local Government; Heritage; Culture and the Arts; appointed an Inquiry Panel to investigate and report on the aspects, operations and affairs of the City of Perth (the “**City**”).

The Department of Local Government, Sport and Cultural Industries (the “**Department**”) on *behalf* of the Inquiry into the City of Perth engaged Crowe to support the investigation into the financial management of the City.

Summary of Findings

The foundation of the financial management issues at the City is a set of complex systemic problems that existed without adequate attention for an extended period. The failures have been both serious and continuous, resulting in mismanagement of resources, compromised governance standards, and significant reputational damage to the City.

The review identified the ongoing failure to manage an underperforming culture in Finance Services, which experienced a set of challenging governance circumstances and was not adequately equipped with the capabilities nor expertise to address. When combined this factor with a myriad of day-to-day operational issues, over ambitious strategies and external scrutinies, the tensions became overwhelming for many individuals and senior leaders at the City.

Some governance issues at the City are due to a lack of appreciation of how to maintain the requisite standard of probity in decision-making. Conflicts of interest represent a significant threat to the impartiality of any decision-making process and **strikes at the heart of good governance**.

Ratepayers expect that Elected Members and public officials will always perform their duties in a fair and impartial way – **placing the public interest first at all times**. Whilst conflicts of interest are not wrong in themselves – public officials are also private individuals and there will always be occasions when their private interests come into conflict with their duty to put public interest first – **but such conflicts must be identified, disclosed and effectively managed**. We found this was not always done at the City.

Through its involvement with the Perth Public Arts Foundation (“**PPAF**”), the City has potentially conflicted relationships with industries and individuals who donate to the PPAF as the City also may regulate these entities through processes such as land approvals and developments.

The ongoing lack of recognition of conflicts of interest, at different levels, highlights the continuing governance weakness at the City.

Grants, donations and sponsorships were not well managed; characterised by poor record keeping, tainted with conflict of interest and non-compliance with established policies. Decisions for funding approval were not transparent; and controls exercised over the acquittal of monies were inadequate at best. It is questionable whether ratepayers’ monies had been expended on the intended purposes.

Within its operating context, the City was thus vulnerable to issues related to:

- Procurement and contract management;
- Fraud; and
- Inappropriate relationships.

The City's governance structure was beset by an imbalance of control that is weighted towards certain compliance functions but deficient in some areas, exposing the City to significant risks of misconduct and corruption. Risk Management and Internal Audit functions offered limited value to improve the City's governance in this regard, and existed more in form rather substance. Their structure – in its current state – is emblematic of the continued governance dysfunction at the City.

External Audit primarily focused on the City's "General Purpose" financial reports, with limited insights into, nor influence on, the configuration of controls, playing an even lesser role to ensure the City operates in a transparent manner, with due probity and integrity.

The net effect is that the City's 'second' and 'third lines of defense' do not actively reinforce the governance standards required to provide effective oversight.

Poor governance existed at the City because of the following factors:

1. Inadequate management of conflicts of interest;
2. There was no appreciation of the misconduct risks associated with procurement, contract management or sponsorship/donation; as a result, little was done to proactively manage them;
3. Misalignment of capabilities, systems and processes;
4. Internal Audit and Risk Management failed to identify and recommend the right balance of control, resulting in risk exposure to some areas and inefficiencies created in others; and
5. Over reliance on third-party consultants to provide investigation and probity services without an appreciation of the nature of advice or the level of assurance being given, resulting in misrepresentations to the CCC.

Whilst no one single factor was responsible for the systemic governance failure at the City, when combined, the City was overwhelmed with pressures that it was incapable of addressing due to less than robust risk/control management strategies, which left it vulnerable to the risk of misconduct occurring.

Based on the evidence, we found:

- The City did not, and probably do not, have the capacity to effectively manage fraud and corruption risks; and
- Circumstances which underpinned the weakness in controls were a symptom of systemic failure to maintaining good governance at the City.

Recommendations

Addressing the symptoms or imposing further ineffective compliance measures add limited value under the circumstances. What is required, is comprehensive reform which:

- Addresses people/capabilities, systems and processes;
- Identifies conflicts of interest as principle to guide policy development; and
- Recognises the complexities of the procurement environment and the misconduct risks attendant.

In that context, we make the following recommendations:

Recommendation 1

Conduct a functional review of the Finance Services area. The review is to identify the following:

- Current capability and maturity assessment of the Financial services unit. A diagnosis of current performance, including “client” feedback and expectations.
- Services and resource level comparison against similar local governments and industry benchmarks.
- Adequacy of measures in place to ensure compliance with relevant local government financial regulations, including tax obligations such as Fringe Benefits Tax, Goods & Services Tax.
- The potential impact of industry and technological changes.
- Impact of the City’s projected growth to be taken into account.
- Key performance indicators to monitor ongoing performance.
- Gap analysis and recommendations.

Recommendation 2

Key financial processes and systems need to be process mapped and documented to support consistent decision making and ensure accountability.

Recommendation 3

- A. Develop comprehensive, organisation-wide strategies to combat fraud and corruption including a review of policy and procedures to manage conflicts of interests and related-party transactions.
- B. Reiterate the importance of conflict of interest and a training program that reinforces the need to:
 - i. Declare all interests, whether a direct or indirect financial interest, a proximity interest or an impartiality interest;
 - ii. Abstain from any decision-making forum associated with the subject matter that may present a conflict of interest;
 - iii. Restrict the person’s access to relevant information that is sensitive;
 - iv. Divest the personal interest, which creates the conflict; and
 - v. Provide education to individuals about identifying conflicts of interest.

Recommendation 4

- A. The City’s procurement operating model should be underpinned by relevant skills, experience, people and governance systems. For high risk procurement, the City should consider the specific risks associated with that procurement in general (i.e. supply market considerations and business risk considerations), as well as risks particular to probity of the procurement process. This can assist in clarifying the specific role that the probity auditor and/or advisor will play and the particular issues that he/she may be required to address.
- B. The City should establish a centralised contract management function that aims to address the organisational-wide needs including measures that monitor payment (to avoid duplication), variation, out of scope work and overall expenditure (to ensure compliance with procurement policy). Contract management activities should include, but not limited to, the following:
 - Establish, measure and monitor key performance indicators;
 - Conduct performance review of suppliers;
 - On-going integrity check and risk management e.g. insurance, registrations, licences, etc.;

Recommendation 4

- Value testing and benchmarking; and
- Manage contract variations as appropriate.

Recommendation 5

The roles of probity auditor and probity advisor should be clearly distinguished.

Where the procurement is complex and/or sensitive, a probity advisor should be engaged to establish the probity management framework. A probity auditor should then be engaged to provide an independent scrutiny of the procurement process and express an objective opinion as to whether the prescribed probity requirements have been adhered to.

Recommendation 6

Effective governance should enhance organisation performance, management and minimise risks. To this end, the City should reset the risk management and internal audit functions; and more broadly, governance; in their current form. A review should be conducted to identify whether the structure, skillset, output, delivery is commensurate with an organisation of the scale, scope and complexity such as the City. An evaluation should also be undertaken examining alternative internal audit models, which include outsource and co-source arrangements.

Recommendation 7

As part of the reform initiatives, the City should plan some culture training tailored to different stakeholders in the organisation with the objective of promulgating the importance of accountability, taking ownership for individual actions and lead by example. At the same time, the City should review its Human Resource regime and recalibrate its disciplinary approach to ensure its punitive measures are balanced and not having a deleterious effect on the culture of the organisation by deterring individuals from accepting responsibility for their actions.

Recommendation 8

The City should ensure proper documentation and record keeping is maintained when applying *Council Policy 12.4 "Payments under section 5.50 of the Local Government Act 1995"*.

Recommendation 9

Customisations of the Finance One system should be risk assessed to determine the broader implications in terms of stakeholders' engagement and overall integration and alignment with organisational objectives.

Recommendation 10

Asset Management and Project Management represent core capabilities that are dependent upon for the delivery and management of the City's capital program. A comprehensive review should be conducted to determine whether these business units have the right capabilities, systems and processes necessary to support the delivery of the City's capital budget; and the structure is aligned to the organisation's operational requirements.

Recommendation 11

When engaging investigators and external consultants/advisors, the City should ensure that:

- It identifies the nature of assurance it requires;
- The service provider is appropriately qualified, and, seek evidence of that qualification and experience;
- The investigator – whether internal or external – does not have a conflict of interest with the subject matter concerned;
- It formalises the engagement with a term of reference that is signed by all parties;
- Upon receipt of the deliverable such as a draft report, the City rigorously reviews the information paying careful attention to the quality of the finding, logic and supporting evidence; and
- Weaknesses of governance and/or controls identified contribute to a 'lesson learnt' process as part of an intelligence-led Internal Audit function.

Recommendation 14

In respect of grants, donations and sponsorships, the City should:

- A. For Small one-off projects – request a report on achievements against objectives and financial acquittal when the project is completed.
- B. For more complex projects and service delivery programs – conduct regular and rigorous review to determine progress and assess whether value for money has been achieved. This should include regular progress reports by the funding recipient against agreed performance measures or milestones and/or site visits by a representative from the City. A final acquittal report should include an independent financial audit accompanying the following information:
 - a. Acquittal certificate;
 - b. Balance Sheet;
 - c. Income and Expenditure Statement,
 - d. Asset Register; and
 - e. Performance Report.

Surplus funds should be returned to the City unless the recipient has made a formal application for funding retention. A regular review of monitoring, reporting and evaluation activities for funding programs should be scheduled in the City's internal audit plan.

2. Introduction

2.1. Objective and Scope

The Inquiry Panel sought advice on the following matters over the period **1 October 2015 to 1 March 2018**:

- A. Appropriateness of governance practices for budgeting and financial reporting, and oversight by the City (Council and Administration).
- B. Maturity/appropriateness/effectiveness of the City's Internal Audit and fraud and corruption risk management program.
- C. Analysis of financial budgeting and expenditure to identify areas of risk to inform D.
- D. Analysis of a sample of the City's:
 - i. Major spend (budget>procurement>contract> expenditure) to identify strengths and weaknesses in controls;
 - ii. Payroll payments (e.g. termination payments); and
 - iii. Grants and/or sponsorships.
- E. Audit services or financial advice related to any other matters under investigation. This included consideration of areas such as declaration of interests, fringe benefits tax, delegations of authority and asset management.

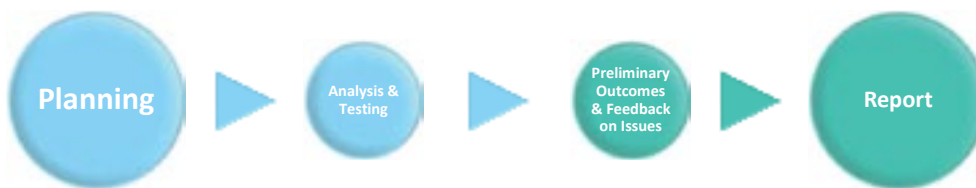
The Inquiry Panel sought further advice on the following matters for the same period (Phase two):

- A. Audit relating to the City's acquittal of the funding for PPAF.
- B. Audit of a significant value grant/sponsorship (+\$100,000), a smaller value grant/sponsorship (under \$100,000) and a donation by the City.
- C. An end-to-end analysis of the spend from two areas, one applying across the City and the other being Branch specific (budget>procurement>contract>actual expenditure).
- D. A high-level review of the procurement/grants, contracting and expenditure activities related to McLean Lane in Perth.
- E. Analysis of workers compensation expenditure, focusing on the insurance premium paid.

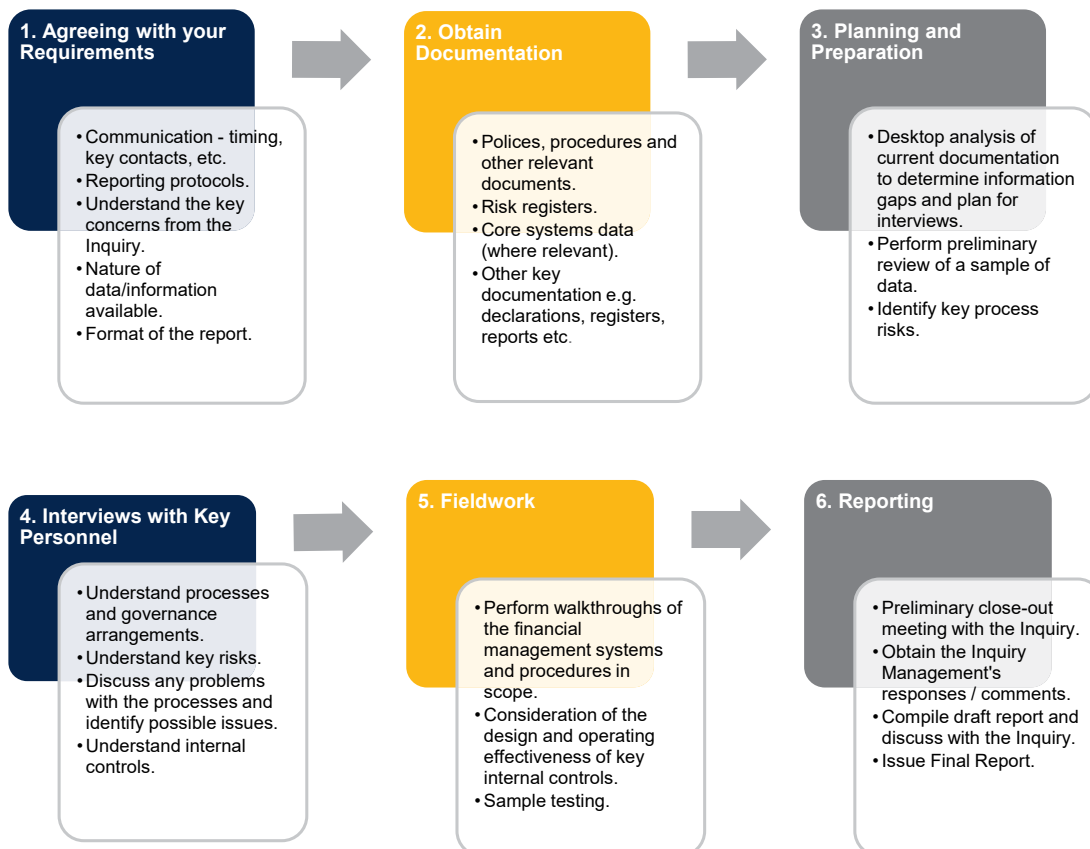
The analysis of Phase Two matters are outlined in the attached Addendums.

2.2. Approach

Our methodology is outlined in the following diagram:



The fieldwork is further expanded below:



As agreed upon, we placed reliance on data analytics, profiling of expenses and third-party reports to inform our analysis.

Detailed Findings and Recommendations

The following sections provide detailed analysis of the samples and focused areas that we were instructed to review. Recommendations have been justified on the basis of comprehensive reform, designed to address the root cause of the issues.



3. Procurement and Contract Management



3.1. Procurement Model

The City procures a vast array of goods and services. In support of its procurement activities, the City has established, inter alia, the following procedure and guideline frameworks:

- *Procurement guidelines and procedures; and*
- *Code of Conduct and Statement of Business Ethics.*

The City currently operates a decentralised procurement model, with many aspects of the procurement cycle undertaken by project officers with varying procurement skills. The City's "*Procurement Plan 2018 – final*" identified the following deficiencies associated with existing procurement activities (extract below), which significantly exposed the City to probity and misconduct risks:

- *"Procurement is significantly dispensed across the City and the level procurement is engaged varies between directorates and business units. There is limited collaboration across business units / directorates when sourcing similar spend categories.*
- *Significant value leakage through the absence of structured category management.*
- *Officers could be exposing the City to litigation through incorrect procurement processes.*
- *The City is currently exposed to many levels of non-compliance on procurement activities across the City due to the current structure and the lack of system to support the audit and compliance checks e.g. Vendor to Employee Relationships, Potential duplicate payments, Efficient expenditure checks including vendor to vendor relationships.*
- *There are areas where there has been continued use of suppliers for various categories which decreases competition. There is a possible perception in the market that the City will only use certain suppliers as the response rates to procurement activities is minimal and minor when compare to the number collecting the request documents for public processes.*
- *Officers across the City currently conduct many procurement activities reducing their capacity to undertake their core duties. These Officers are the primary people deciding which suppliers to use enabling duplication and siloing of suppliers. This also provides suppliers the opportunity to extract additional value for their business at the expense of the City often through inflated costs to the City.*
- *Many procurement process [sic] are conducted without involvement of procurement professionals and may expose the City to breaches of legislation and possible legal action. For example, a contract can incur significant cost increases or variations. These can result in legal disputes for resolution and claims. A public example (March 2018) occurred relating to an ex-employee of City of Perth, Brett Kenny, admitted to bribery and corruption charges relating to engagement of an electrical contractor Hervey Harms. Each of the engagements were below \$5,000. While the offences occurred between 2012 and 2014 it is an example of the long term adverse media impact to the City's operations".*

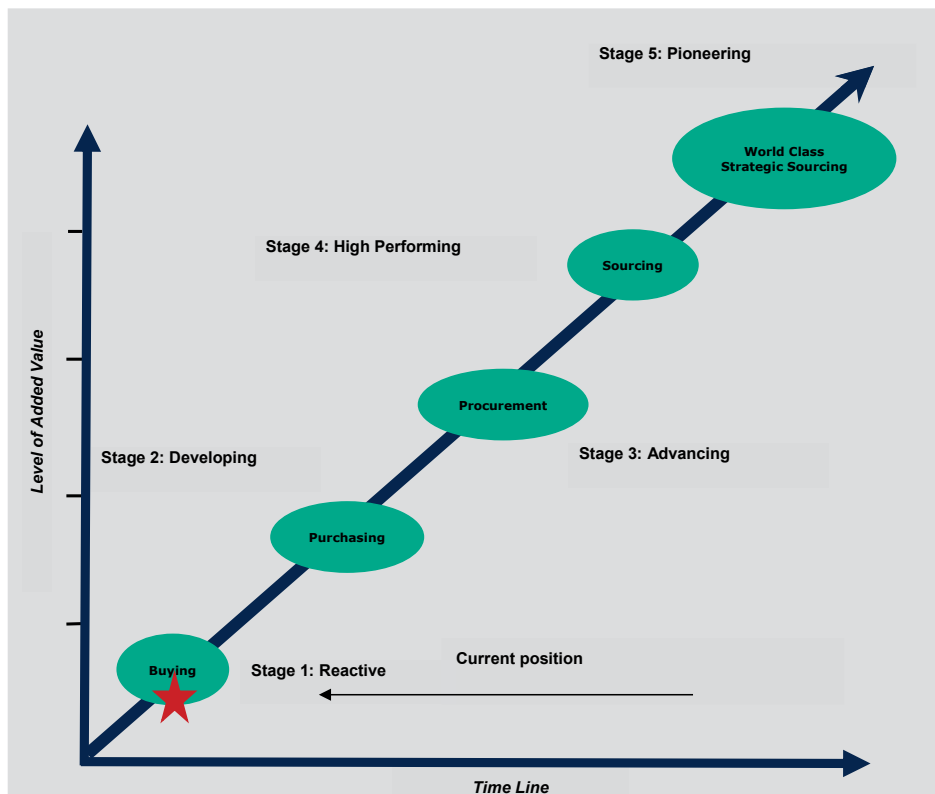
We observed the City's ability to achieve value for money for their contracts was diminished by poor planning and probity management. Despite the existence of procurement policies and arrangements, there remained insufficient controls for managing probity and conflicts of interest. Senior Management did not have a good appreciation of the distinction between a probity advisor and probity auditor, and consequently, misunderstood the nature of advice and the level of assurance being provided by the consultant.

Through enquiries and review of literatures, we found that the City's procurement regime was fragmented, largely reactive, tactical and project focused, and did not address core strategic procurement fundamentals. Of particular concern, was the limited emphasis on:

- End-to-end procurement process and developing new commercial approaches. There was little focus on current strategic procurement practices such as comprehensive spend analytics and opportunity assessment, spend category management, supplier positioning, hypothesis testing,

- strategic sourcing and negotiations, and enterprise supplier performance management;
- City-wide strategic category management planning; and
- Probity management.

Our assessment of the City's procurement maturity (illustrated by the red star) is depicted in the following diagram:



	Activities Covered
World Class Strategic Sourcing	<ul style="list-style-type: none"> • Strategy fully supports the corporate goals and driven by corporate consensus • Managing the supply risk while leveraging the competitive strengths • Nurturing supplier relationships • Supplier base share improvement target for cost and innovation added value • Full visibility and trust across the external value chain • Procurement maintains a rationalised supplier network that delivers technology, knowledge, products or service quality superior to competitors
Sourcing	<ul style="list-style-type: none"> • Procurement strategy aligned to corporate strategy • Suppliers selected for strategic fit and deliver continuous improvement • Data driven decision making • Full support over purchasing cycle • Risk sharing higher with the organisations co-located and jointly financed • Business planning optimises all commercial aspects, tax, investment, people
Procurement	<ul style="list-style-type: none"> • Formal Planning processes • Focus on Supplier Relationship Management and sharing business plans • Longer term, bigger value contracts with fewer suppliers • Collaboration on cost improvement, increased levels of risk sharing • Trained and qualified resources supporting all categories of spend • Key Performance Indicators in place.
Purchasing	<ul style="list-style-type: none"> • Some category strategy creation, but not organisation wide, and not communicated effectively • Volume leverage through effective use of competition across categories • Track commercial measure of performance, targets for savings • Technology enablers i.e. purchase to pay cycle improvement through automation • Selected supplier base consolidation • Training and recognition of skills required
Buying	<ul style="list-style-type: none"> • Needs not anticipated, data not available or not used • No organisation wide procurement strategy, large supplier base • Transactional focus • Procurement provides ad-hoc tactical support • Low skills and resource, little career planning

3.2. Contract Management

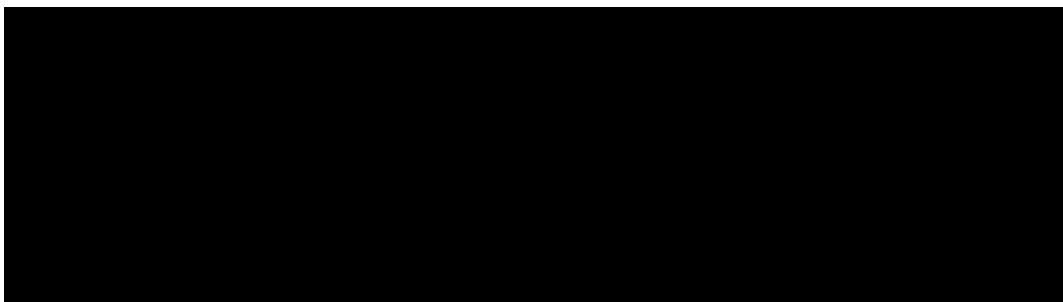
In relation to contract management, the City's *"Procurement Plan 2018 – final"* identified, inter alia, the following issues (extract below):

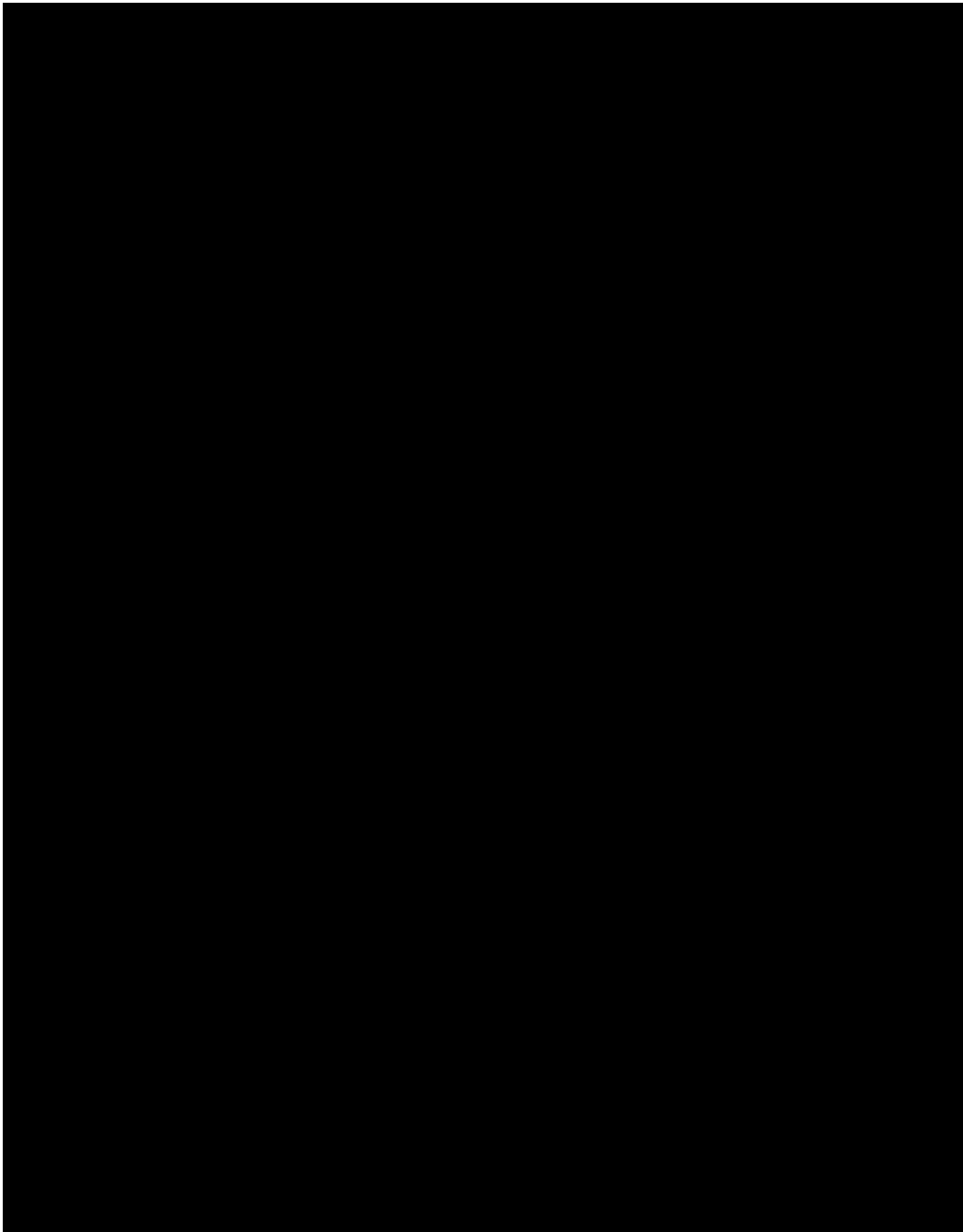
- *"Contracts are currently managed by individual business units with little evidence of collaboration across business units for the contract management activities."*
- *Contract management occurs at business unit level in a decentralised manner.*
- *Without dedicated contract managers full contract management is performed as a duty under other roles e.g. project managers. This results in many contracts only established for a single need.*
- *There is [sic] varying levels of contract management activities for example:*
 - *weighted Key Performance Indicators vs unweighted Key Performance Indicators regular performance reviews (i.e. quarterly business reviews vs only prior to contract extension)*
 - *performance reviews on both the supplier and the City to enable improvements for both parties on-going integrity checks and risk mitigation e.g. OSH, licences, registrations and insurances*
 - *management of contract variations through the life of the contract inconsistency [sic] payments terms across suppliers*
 - *value testing / benchmarking*
- *Due to the decentralised procurement model currently in existence suppliers of the City have multiple contact points across the directorates and business units. This presents a risk for the City from suppliers trying to influence the procurement of goods and services. An example of this occurred on 20 September 2017 when a supplier contacted people from the City offering the chance to win a \$6,000 party for their team if they placed an order for stationary over \$200. Under the current model each of the contact points to the City could not be identified quickly and easily. Fortunately, at the time this issue was raised with Procurement so an intranet notice could be issued explaining that acceptance of a prize or gift was not acceptable".*

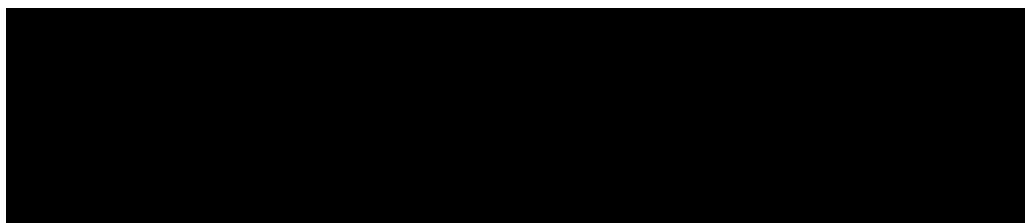
Contract management was not well managed at the City. Whilst the City recognises that contract management processes exist and that these processes are accepted and practiced throughout the organisation, there is no City-wide, formal contract management framework that, inter alia, takes into consideration the business risks in attendant.

Managers do not appear to be held accountable for adhering to, or complying with, any basic contract management processes or standards. Our enquiries on 'contract ownership' were inevitably met with the standard response, *"it's the City contract – not my business unit"*, even though the business area initiated the tender in the first place.

Simply put, there was no sense of responsibility.







3.4. Tender 031 – 17/18: Maintenance of Irrigation Bores, Pumps and Associated Works

Tabled below is a summary of the documents assessed and reviewed, and interviews conducted during this audit:

Documents Reviewed:	<ul style="list-style-type: none"> • CP 9.7 – Purchasing Policy • PR0660 - Evaluation Panels Procedure • Advertising Program: Tender 031 – 17/18: Maintenance of Irrigation Bores, Pumps and Associated Works • Request for Tender 031 – 17/18: Maintenance of Irrigation Bores, Pumps and Associated Works • Evaluation Panel Scoresheets and Declaration of Confidentiality • Qualitative Selection Criteria Evaluation Matrix • Form of Tender – Schedule of Rates – Western Irrigation Tender • City of Perth Memorandum dated 14 September 2017 • Record of Delegated Authority Decision for Tender 031 – 17/18 dated 9 October 2017 • Contract 031 – 17/18 – Western Irrigation • Accounts Payable report – Extracted from Finance 1 • Hydroquip complaint letter to the CCC dated 2 November 2017 • CCC letter to the City dated 10 January 2018 • Stantons International Report – Probity Review • Shenton Enterprises Report – Technical Review • City letter to the CCC dated 6 June 2018 • City letter to Hydroquip dated 20 August 2018 • ASIC Directorship search results • General Disclosure of Interest Form – Mr Humble • The City's Contracts Chart as at 11 March 2019
Personnel Interviewed:	<ul style="list-style-type: none"> • Mr Blake Humble ("Mr Humble") – Coordinator Park Operations • Mr Simon Pascoe ("Mr Pascoe") – Supervisor Irrigation and Mowing • Mr Martin Copeman ("Mr Copeman") – Manager Parks • Mr Morris Stevens ("Mr Stevens") – Contracts Administrator

3.4.1. Context

Public authorities must be able to demonstrate to suppliers and the community that they conduct their procurement activities with high standards of probity and accountability. Probity requires organisations to conduct their procurement activities ethically, honestly and fairly.

In accordance with the Department of Finance, probity means:

“the evidence of ethical behaviour, and can be defined as complete and confirmed integrity, uprightness and honesty in a particular process.”¹

- The City's Parks Unit manages parklands, road reserves, street trees, public places, mall horticultural presentations, boutique gardens and landscape maintenance and construction.
- During 2017, the City invited tenderers to tender for the provision of irrigation bore and pump maintenance services throughout the City for a period of one year with options to extend for two further one-year periods - *Tender 031 – 17/18*.
- The Request for Tender (**RFT**) was advertised in *The West Australian* on 16 August 2017 with a closing date for tender submissions on 31 August 2017 at 2pm WST.
- The City's 2017/18 Parks pump and bore maintenance budget provided \$111,499 based on previous years spent. The budget was verified by the City Park Unit's Directorate Accountant and approved by the Director Construction and Maintenance.
- Following the closing date and time of the tender, four service providers submitted their tenders, via the Tenderlink E-Tendering website, namely:
 - Western Irrigation Pty Ltd (**Western Irrigation**);
 - Acemark Investments Pty Ltd ATF The McFadden Trust T/A Hydroquip Pumps & Irrigation (**Hydroquip**);
 - Total Eden Pty Ltd (**Total Eden**); and
 - All Pumps and Waterboring (**All Pumps**).

After the evaluation process was concluded, Mr Martin Mileham, the former Chief Executive Officer (“**CEO**”) of the City, signed a contract with the successful tenderer, Western Irrigation - *Contract No. 031 – 17/18 for the Maintenance of Irrigation Bores, Pumps and Associated Works*.

3.4.2. Analysis and Findings

The processes followed in *Tender 031 – 17/18* were defective. Poor management of probity practices made it possible for certain individuals to engineer an outcome that favours the tenderer. Our overall assessment suggests there are indicators of association that warrant further exploration of the relationship between Mr Humble and Western Irrigation.

3.4.2.1. Administration of the Evaluation

The City's “PR0660 - Evaluation Panels Procedure” states that:

*“...To ensure assessment of tender submissions are undertaken fairly, consideration should be given to involve officers from **different units** to be part of the evaluation panel...”*

The “*Qualitative Selection Criteria*” for this tender was evaluated by all personnel from the City's Parks Unit without an officer from another business function.

¹ <https://www.finance.gov.au/procurement/procurement-policy-and-guidance/buying/accountability-and-transparency/ethics-and-probity/principles.html>

Implication

- By not involving a person from another business unit in the evaluation process, it decreases the balance in objectivity and does not provide a different perspective during the assessment process.
- Inadequate segregation of duties may expose the City to claims of a lack of impartiality and undermines public confidence in the procurement processes.

We noted that “Declaration of Confidentiality and Interest” forms were only witnessed ex post facto (after the fact). Our review of the forms revealed that:

- Mr Bovell signed as witness on Mr Humble’s “*Declaration of Confidentiality and Interest Form*” a week after the form was signed; and
- Mr Humble signed as witness on Mr Bovell’s “*Declaration of Confidentiality and Interest Form*” three days after the form was signed.

From interviews conducted, it appears that the City personnel complete and sign declaration of interest forms as a matter of administrative procedure without proper due regard to the underlying intent of declaring direct or indirect interests.

The action of the City’s Officers in this respect indicates a lack of appreciation of the seriousness and implication of the declaration.

Implication

If a ‘witness’ signs a document purporting to have seen a person executing their signature onto a document and has not done so, it may render the document invalid, thereby undermining the overall governance of the evaluation process.

3.4.2.2. Management of Conflict of Interest

On 11 September 2017, Mr Humble signed the “*Declaration of Confidentiality and Interest*” form stating that:

“I have no conflict of interest, real or potential, in this Tender evaluation.”

We are of the view Mr Humble signed the form when he may have a real or potential conflict of interest. Through interviews and searches conducted on the Australian Securities and Investment Commission’s (“ASIC”) Directorship, we found:

- Mr Humble, as well as his manager, Mr Copeman were previously employed by the City of Subiaco in similar roles to their incumbent positions with the City;
- The main irrigation contractor at the City of Subiaco was a company called Elliotts Irrigation Pty Ltd (“**Elliotts**”), with the ABN 076 083 308, who subcontracted work to Western Irrigation;
- Mr Humble and Mr Copeman both confirmed knowing and dealing with Western Irrigation and / or its Director, Mr Andrew Ogden (“**Mr Ogden**”), at the City of Subiaco;
- Mr Humble also knows Mr Ogden through his membership with Irrigation Australia, an irrigation association;
- After the evaluation of Tender 031 – 17/18, on 27 November 2017, Mr Humble signed a “*General Disclosure of Interest*” form declaring his interest as Vice Chairperson of Irrigation Australia (WA Region), of which Mr Ogden is the Chairman and Secretary of Irrigation Australia; and
- Mr Humble confirmed that he was the Vice-Chairman of Irrigation Australia and has been involved with the WA Region chapter for “*some time*”.

Our inquiries further revealed that:

- Mr Ogden is a Director and Secretary in Western Irrigation, Elliotts, and Irrigation Australia; and
- Elliotts was performing irrigation related work at the City prior to the tender.

Under the circumstances, given the extent of Mr Humble's relationship with the tenderer from prior employment and professional association, it is reasonable to expect that such relationship should have been disclosed prior to Mr Humble participating in the evaluation.

When Mr Humble did declare a potential conflict of interest, in respect of Mr Ogden, it was made one month after the award of the tender. The declaration was only in relation to his professional membership at Irrigation Australia (WA Region), but there was no reference to, or acknowledgement of, a prior relationship with Mr Ogden at the City of Subiaco or even currently at the City of Perth via Elliotts. In fact, Mr Humble and Mr Copeman denied any knowledge of the connection between Mr Ogden and Elliotts even though Western Irrigation was "sub-contracting" to Elliotts at their previous place of employment.

Failure to identify, declare and manage conflicts of interest is a particular risk in procurement activities. It is important for disclosure to occur promptly – not after the fact.

Implication

- Mr Humble's relationship with the tenderer and his role in the tender process, create the perception – whether real or not – that he may have been inclined to favour Western Irrigation.
- The City may be accused of not properly managing its conflicts of interest, resulting in potential reputational damage.

3.4.2.3. Conduct of Evaluation

The City's "PR0660 - Evaluation Panels Procedure" states that:

- *"The Project Officer shall prepare a preliminary set of Selection (Evaluation) Criteria for the consideration of the panel prior to the calling of any tender."; and*
- *The selection criteria are to be agreed by the panel members as the means for evaluating all submissions for the project."*

Mr Humble, unilaterally, selected 49-line items from the schedule of rates to evaluate the prices submitted by tenderers, without prior mutual agreement from other panel members. An evaluation panel member corroborated, with the evidence, that Mr Humble was the only panel member to evaluate the fees submitted by tenderers.

When we reviewed the pricing-schedule submitted by Western Irrigation, we found Mr Humble had entered the wrong amount (lower amounts) on two occasions when evaluating the schedule of rates. When corrected, we noted that this would have reduced the difference in the final score between Western Irrigation and Hydroquip from 0.0255 to 0.0245 points.

Implication

- By not agreeing on the evaluation criteria prior to commencement of the evaluation, and latterly, not involving other panel members on the selection of the fee items for assessment, the evaluation may be perceived as biased towards a tenderer.
- It is possible to contrive an outcome by selecting the fee items that confer an advantage on a tenderer.

Our review of the pricing-schedules identifies several anomalies as follows.

With regards to the All Pumps price schedule, Mr Humble had entered the wrong amount, \$160 instead of \$1600, under "A3 – Pump Servicing - JH Abrahams". This appears to be a typographical error and would not have had an impact on the overall ranking of All Pumps.

In relation to the Hydroquip pricing-schedule, we observed the following:

- Under section "A3-1 – Pump Servicing", an amount of \$680 was added to 40 items, of which, six (6) line items were used in the price comparison, increasing the total quoted amount by \$27,200 for this section; and
- Under section "A3-3 – Bore Redevelopment Servicing", an amount of \$680 was added to 14 line items an amount of \$340 was added to one (1) other line item, of which, two (2) line items were used in the price comparison, increasing the total quoted amount by \$9,860 for this section.

Further enquiry revealed that Mr Humble, on 12 September 2017, requested permission from the Senior Contracts Manager to seek confirmation from the tenderers on some of their quoted prices. Mr Humble stated the following in his email to the Senior Contracts Manager:

- *"In reviewing the tender submissions for the Maintenance of Irrigation Bores and Pumps. I have identified that there is a wide range of variation in the costs provided for both the servicing of pumps and the development of bores.*
- *Is it possible for an email to be sent to the four (4) contractors to confirm that their pricing includes all of the requirements detailed within the specification. I'd like to be sure that we are comparing apples for apples."*

The Senior Contracts Manager agreed to the request on the condition that **"as long as there will be No changes to the Prices / Rates submitted"** (emphasis added).

Emails sent to the four tenderers contained, *inter alia*, the following question:

- *"Could you please confirm that the prices submitted within the schedule of rates for both pump servicing and bore development include allowance for the aspects outlined below as detailed in the tender specifications.*

Pump Servicing

The Contactor shall carry out servicing of pump units and provide a lump sum service charge for each site/installation..."

Development of Existing Bores

Development of bores shall include..."

Responses from the tenderers, except for All Pumps, were received confirming that the prices submitted within the schedule of rates for both pump servicing and bore development included allowance for the aspects detailed in the tender specifications.

Mr Humble requested further confirmation from Hydroquip without requesting the same from the other tenderers:

- *"Thanks for the prompt response, regarding the service fee nominated in the schedule of rates. In the situation where the City requested a pump to be serviced, could you confirm that the cost would be*
 - *Service Charge - \$680.00*
 - *Pump Service Cost - Harold Boas Gardens - \$680.00".*

Hydroquip responded by stating:

- *"I can confirm the service fee in the schedule of rates for the following:*
 - *Section 5.5.1.1 – service charge \$680.00 consists of pump removal and re-installation, electrical disconnection and re-connection, disassembly of complete pump unit with an assessment of the unit and a quotation for works required, reassembly of pump unit, flow and pressure test, pump information sheet".*

We consider this line of enquiry by Mr Humble, in particular, selecting two items of similar price (\$680) whilst other examples with a different price were available, was designed to:

- a) Cause confusion on the part of the tenderer; and
- b) Provide scope for an explanation as to his subsequent action of increasing the prices of Hydroquip.

As can be seen in response to the question on pump service fee by Mr Humble, who set out two (2) price elements contributing to the service, Hydroquip's answer indicated one (1) price element applies.

We observed that the "Schedule of Rates", "A3-1 – Pump Servicing", and "A3-3 – Bore Redevelopment Servicing", made no reference to a "Service Charge" as imputed by Mr Humble. The "Service Charge" only relates to **A4 – Non-scheduled Bore and Pump Servicing (Ad-Hoc Service)**.

"A3-1 – Pump Servicing" and "A3-3 – Bore Redevelopment Servicing" in the Schedule of Rates are categorised as "Programmed Maintenance Work Service", which requires the contractor, pursuant to section 5.3 of the tender (annual inspection of bores and pumps), to provide a **scheduled maintenance service** on irrigation bores, pumps and associated works on an annual basis. The work to be performed is under the terms of section 5.5 of the tender.

Section 5.2 of the tender describes item "A4 – Non-scheduled Bore and Pump Servicing (Ad-Hoc Service)" as services requested by the City, on an **ad-hoc basis**, from the contractor, whether through an emergency or routine maintenance.

Our enquiry with an evaluation panel member indicated that the type and cost of services for "scheduled maintenance" are different to "ad-hoc services". It is not reasonable to apply a "service charge" for ad-hoc service **on top of** the scheduled maintenance cost. Furthermore, there is no definition of what a "service charge" is under section 5.2. There appears to be no consensus understanding of a service charge under the schedule of rates, A4 – Non-scheduled Bore and Pump Servicing (Ad-Hoc Service).

We observed only two tenderers (out of four) provided a quote for a "service charge" under A4 – Non-scheduled Bore and Pump Servicing (Ad-Hoc Service). This should have warranted further enquiries with **all** tenderers as to the reason for either including or not including a quoted price for service charge. Considering the different nature and type of service under the circumstances, it would not have been reasonable to add the service charge fee under ad-hoc service to the routine maintenance cost in the manner calculated by Mr Humble.

In Mr Humble's follow-up clarification email to Hydroquip (and only Hydroquip), it appears he conflates the two types of services and imputes them to be a combined fee:

"confirm that the cost would be

- *Service Charge - \$680.00*
- *Pump Service Cost - Harold Boas Gardens - \$680.00".*

Mr Humble did not clearly clarify the intent of his question, which ought to be whether the:

- 1) Total fee for the pump service would be \$1,360 (being service charge of \$680 plus pump service cost of \$680); or
- 2) Respective cost of a pump service under section 5.5.1.1 is only \$680 for the Harold Boas Gardens.

Notwithstanding Hydroquip's confirmation that a single cost element would be applicable, and without express permission from the evaluation panel and in contradiction with the Senior Contract Manager's instruction, Mr Humble changed Hydroquip's quoted price on 55 occasions by adding \$680 to each amount. Eight (8) of those items formed part of the 49-line items selected for price comparison.

If Mr Humble's actions were reversed, Hydroquip would have been the preferred supplier with the final weighted score of **3.7010** against Western Irrigation's score of **3.6859**.

Implication

Inappropriate changes to the tenderer's submitted price had resulted in the non-preferred party being awarded the tender.

The City's "PR0660 - Evaluation Panels Procedure" states that:

- *"On completion of the assessment and once any queries have been satisfied, the panel shall meet to make a joint deliberation and arrive at a consensus decision". Consensus scores must be determined by the group discussion and recorded by the Project Officer".*

We found that the final score of the "Qualitative Selection Criteria Evaluation Matrix" was based on an "average score" and not a "consensus score" as required by the PR0660 - Evaluation Panels Procedure.

During an interview with Mr Humble, his recollection of events did not align with the evidence we found for calculation of the final scores. Mr Humble claimed to have met with the other two evaluation panel members to discuss the evaluation scores and agreed on a "consensus score".

One of the evaluation members corroborated with the view that there was no "consensus" discussion.

Implication

- Non-compliance with the City's procedures - PR0660 - Evaluation Panels Procedure in respect of the requirement to achieve a consensus of the scores.
- In the absence of a consensus decision, individuals did not have to justify their scoring in a discussion forum. The 'averaging' method creates an opportunity to submit a score that is strategically advantageous for a tenderer.

The City's "CP 9.7 Purchasing Policy" states, inter alia, that:

"...Value for money is an overarching principle governing purchasing that allows the best possible outcome to be achieved for the City. It is important to note that compliance with the specification is more important than obtaining the lowest price, particularly taking into account user requirements, quality standards, risk factors, sustainability, life cycle costing, and service benchmarks..."

Section 3.0 "Qualifications" stipulates that:

"...the Contractor requires the following minimum to fulfil the requirement of this specification:...",
which, *inter alia*, includes sub-section 3.2 "Commercial Diving".

Clause 3.2 Commercial Diving states:

*“...The City has three sites which have submersible pumps. **In order to fulfil the requirements of this specification, the Contractor shall have a valid commercial diving licence** for the purposes of installing, repairing and servicing of submersible pumps, aerators and associated infrastructure at the Narrows Interchange, Claisebrook Lake and Ozone Reserve....”*

The requirement is unambiguous. The literal meaning of this requirement is that, if this qualification is not met, then the prospective tenderer has not fulfilled the minimum standards of the tender and as such is unqualified to be considered for the work. This requirement cannot be supplanted by an alternative qualification. To use an analogy, a person cannot use their “C Class” drivers licence to operate a ride share business. In the State of Western Australia, an “F Class Extension licence is required”.

In other words, the “Commercial Diving” licence is mandatory.

Tender 031 – 17/18, under *Selection Criteria (b) Skills and Experience of Staff Undertaking the Specified Works* requires, *inter alia*, that evidence be provided by tenderers with reference of sub-section 3.2 “**Commercial Diving**” as follows:

“...Provide a detailed list of all key staff (including CVs and other supporting documents) which will be available to be providing the services. Supporting documentation should include information about relevant skills, experience and qualifications. Operators are to have the relevant skills, experience and qualifications to deliver the required services, refer also to clause number 3.2 of the specification....”

We found Western Irrigation did not supply the requisite evidence to comply with the requirement under the Selection Criteria. Considering the mandatory compliance nature of the requirement, the City’s personnel reasonably ought to have conducted further enquiries with Western Irrigation during the evaluation process of the type of diving licence held by the company. This did not occur.

It is not clear whether Mr Humble had assumed that Western Irrigation possessed a commercial diving licence (in the absence of any documented evidence) or deliberately overlooked that Western Irrigation may not have the required commercial diving licence. Mr Humble, in this regard, gave Western Irrigation a higher score than Hydroquip, who complied with the requirement.

An extract of Mr Humble’s evaluation recorded against each tenderer as follows:

- *Western Irrigation – Staff at Western Irrigation have the required skills and experience to meet the requirements of the contract – **Score 4.5**; and*
- *Hydroquip – Staff have the required skills and experience, including fabrication and **commercial diving** – **Score 4**.*

We sighted the photocopy images of what appears to be diving licences held by Western Irrigation staff appended to the Shenton’s report indicating “**open water diver**”. Our enquiry with the Australian Diver Accreditation Scheme (“**ADAS**”) indicated that open water diver licences issued by the Professional Association of Diving Instructors (“**PADI**”) is for recreational diving only and not suitable for occupational diving.

It would appear that Western Irrigation did not meet the mandatory compliance criterion.

Implication

Acceptance of a tender that does not meet the mandatory compliance requirement not only **breaches** the City’s Purchasing Policy - *CP 9.7 Purchasing* but was **fatal** to the overall result of the tender.

3.4.2.4. **Management of the Allegations and Subsequent Investigation Reports**

After receiving the letter from the CCC, the City appointed Stantons International (“**Stantons**”) to conduct a post-process probity audit of the evaluation process.

The scope of Stantons’ probity audit was to:

- *determine if the evaluation process for the Tender was compliant with the process contract and other relevant City policies and procedures relating to the conduct of tendering processes;*
- *determine if the evaluation process followed due process and gave all responses due consideration;*
- *to observe whether the process met the five principles of probity; and*
- *to draw a conclusion regarding the allegation of misconduct by the CCC {sic}.”*

We reviewed the Stantons report and observed the following conclusions:

- **Material weaknesses** existed in the evaluation process;
- The process was **materially flawed**; and
- Personnel involved in the evaluation process either do not have sufficient procurement training and/or were **negligent in their duties**.

We found the letters from the City advising the CCC and Hydroquip of the outcomes of the investigations to be, at best, contradicting the Stantons’ report and at worst, misleading. Part of the City’s correspondence to the CCC states:

“...The investigation has identified some procedural inconsistencies for the city to address in its procurement and assessment process...”

Given the nature of the issues identified by Stantons and their weight on the probity merit of the process, it was not a reasonable interpretation by the City to characterise the shortcomings as mere procedural or administrative inconsistencies. It is telling that Stantons held the view:

“...The review identified a potential material weakness in the evaluation process that could be sufficient to mount a legal challenge to the process being that WI do not appear to have met a requirement that was identified in the tender document as mandatory to be considered for contract award. In addition to this, there are further weaknesses that, when combined, could also be used in their own right to mount or support a legal challenge to the process...”

More broadly, the Stanton’s report concluded:

“...On this occasion, the failures to apply sound procurement practices have resulted in a very real possibility of litigation and financial redress to be paid by the City, and it is possible that the City may be subject to similar exposures in other tender processes that have simply not been identified due to the lack of external scrutiny...”

We note that the City did not furnish the Stanton’s report to the CCC.

The letter to Hydroquip, in part, states:

“...There was no supporting evidence to indicate that Mr Humble received a personal benefit from being involved in the process...”

It was not open for the City to reach this conclusion when neither Stantons nor Shenton Aquatics had the capability and statutory powers to conduct an invasive investigation on Mr Humble, to effectively determine **whether a personal benefit had been obtained**.

Implication

- Misrepresentation to the CCC, in whole or in part, could have averted further external scrutiny.
- The City does not appear to understand the nature of assurance and advice being provided by the consultants it engaged.

Alongside the Stantons' review, the City also appointed Shenton Enterprises ("Shenton") to conduct the technical review of the tender evaluation process. Our enquiry indicated that Shenton's services had been recommended to the City by Stantons. We reviewed the Shenton report and observed:

- The content and structure are not conducive to communicate the investigative outcomes and contain working papers with questions noted;
- It does not address any person or entity;
- Did not contain the scope of the technical review; and
- The observations and reasoning are not logically set out, the findings are ambiguous and difficult to understand.

Overall, we found the report was not at the professional standard that is capable of being relied on to gain assurance of the subject matter being investigated.

Our enquiry indicates that there was no engagement letter from the City, only a purchase order was issued for the service. It is not clear what was the objective and scope of Shenton's engagement and the nature of assurance, which they have purportedly provided.

Of concern, the Stantons' report stated:

"...An independent technical review has been undertaken by an appropriately qualified independent expert, Shenton Aquatics, and the observations of Shenton Aquatics' review have been considered as part of this probity audit..."

It is not clear what impact, if any, the Shenton's report may have had on the probity audit review performed by Stantons.

Implication

The City's responses to the CCC and Hydroquip may not be reasonable because the technical review was not performed by an appropriately qualified expert.

3.4.2.5. Contract Management and Expenditure

We noted that the City's Parks Unit Management and staff do not manage contracts and the related expenditures effectively. Interviews with the Park Manager and Coordinator revealed there is no sense of process ownership. The stakeholders interviewed did not consider it was their responsibility to manage the contract, as in the present case with *Contract 031 – 17/18*, it was the City's contract and someone else, other than them, is responsible for it. When questioned whose responsibility it is specifically, they were unable to identify the relevant stakeholder(s).

Management represented that expenditures on contract are not consistently monitored as other Business Units within the City also procure goods and services from the same supplier.

Implication

Without effective contract management, the City is exposed to the risks of the project not being completed on time, financial overruns, non-compliance with contract obligations by service providers and non-compliance with legal requirements.

Through an interview with the Contracts Administrator, we noted that the City promotes and allows cross-divisional purchasing of goods and services on contracts, irrespective of which Business Unit engaged the supplier.

We observed that the City does not have a Contract Management Framework in place to properly management contracts. A similar concern was also raised by the Directorate Accountant in the Parks Business Unit.

Through our interview with the Parks employees, it appeared that staff are not willing to take responsibility and / or accountability for managing the contracts, including monitoring of expenditures.

Implication

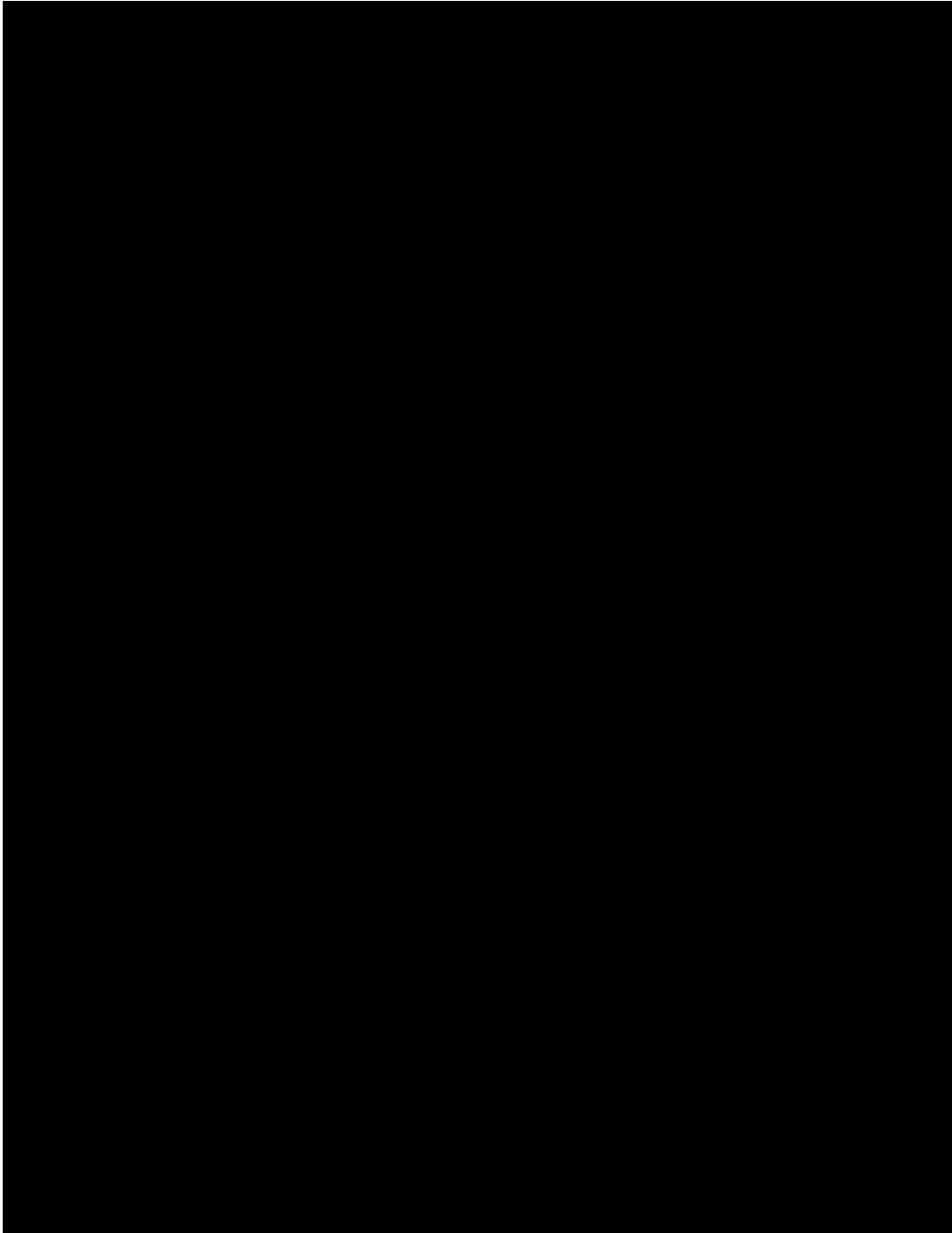
The lack of a Contract Management Framework may expose the City to not completing the project on time and on budget; not obtaining value for money.

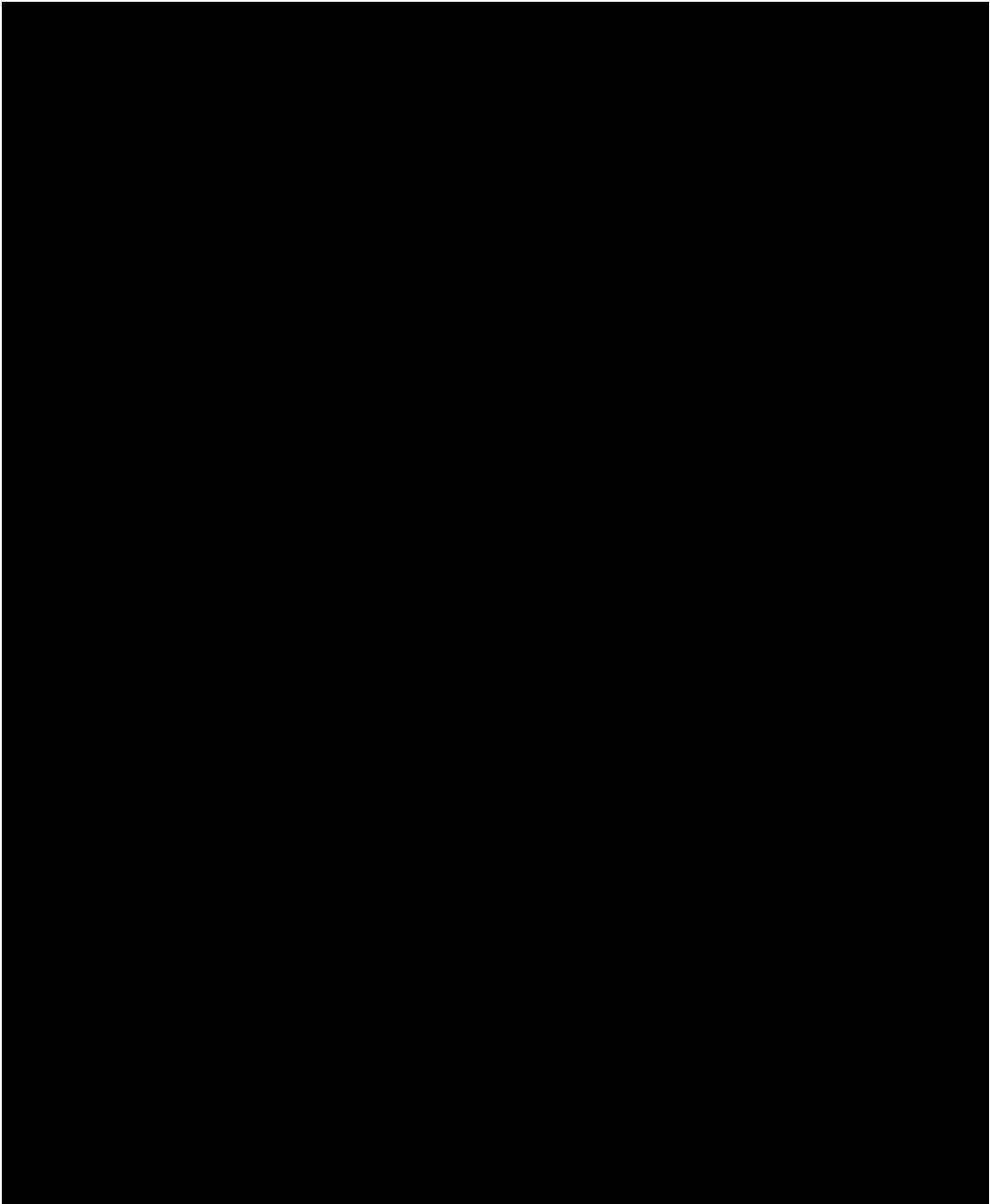
3.4.2.6. Training - Mr Humble

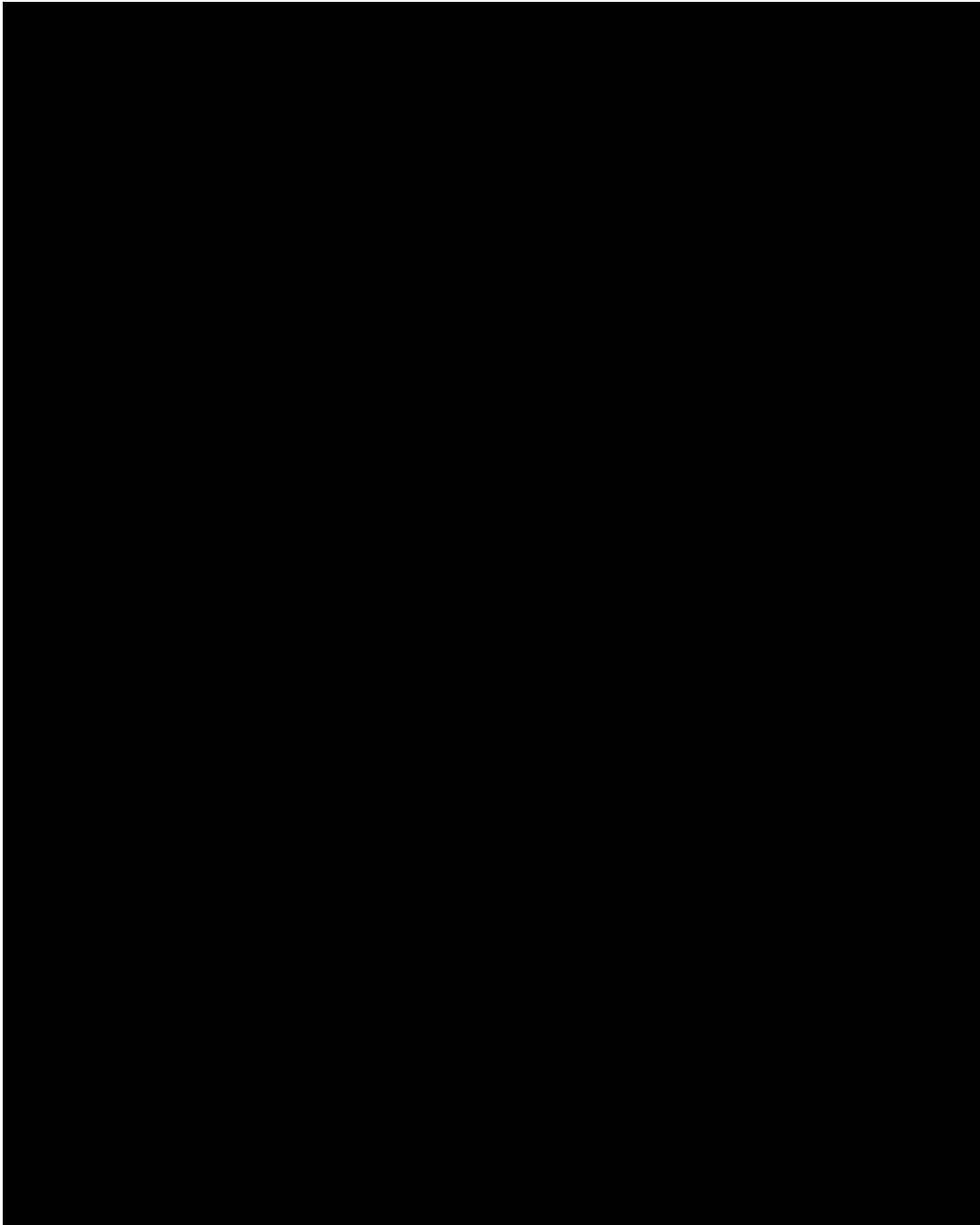
We noted that Mr Humble, *inter alia*, attended and completed the following education and training courses during his tenure at the City of Perth:

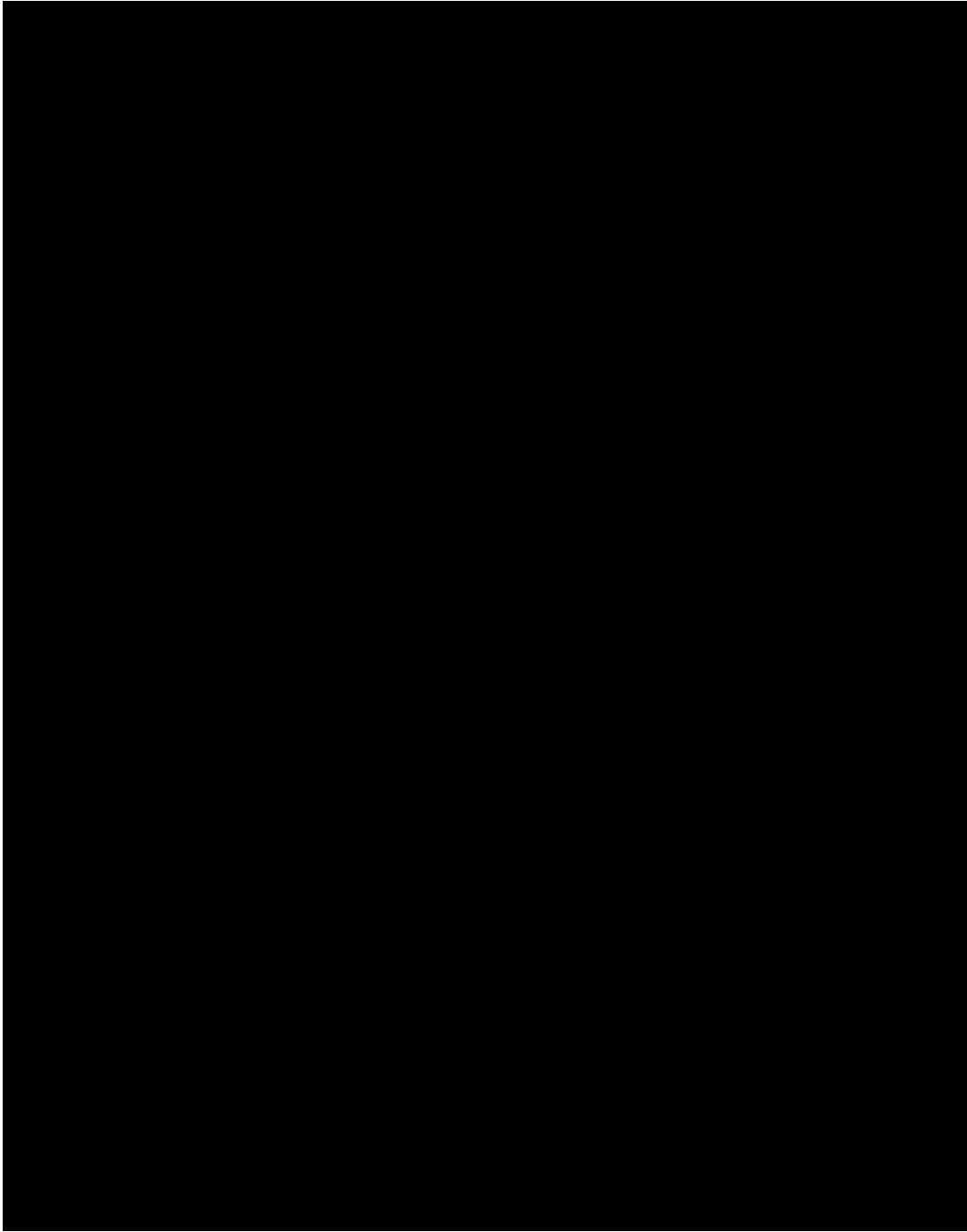
- Introduction to Local Government;
- The Local Government Act 1995;
- Code of Conduct;
- Fraud and Corruption Awareness; and
- Certified Irrigation Manager.

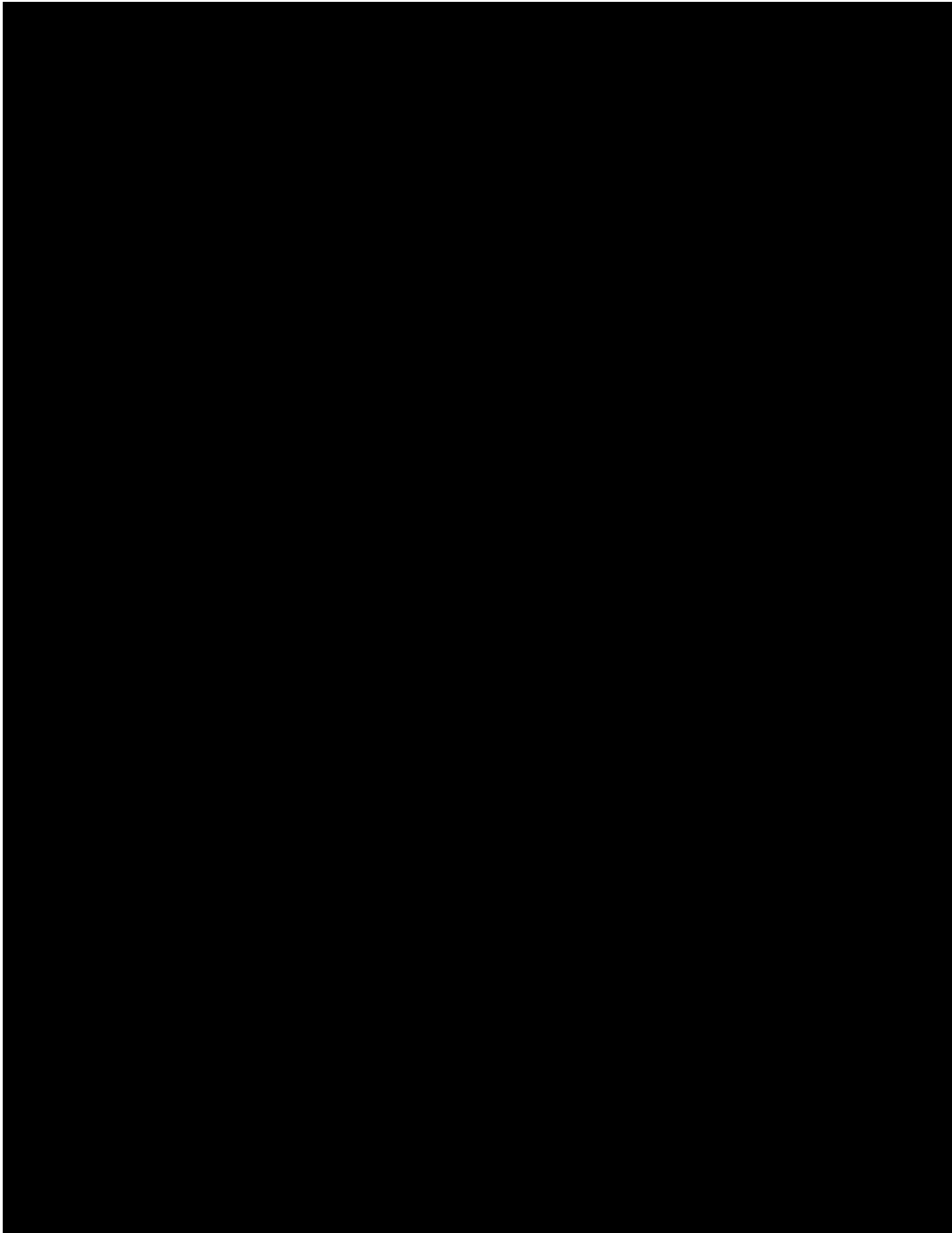
Mr Humble reasonably should have known that his conduct in the tender process was not appropriate.

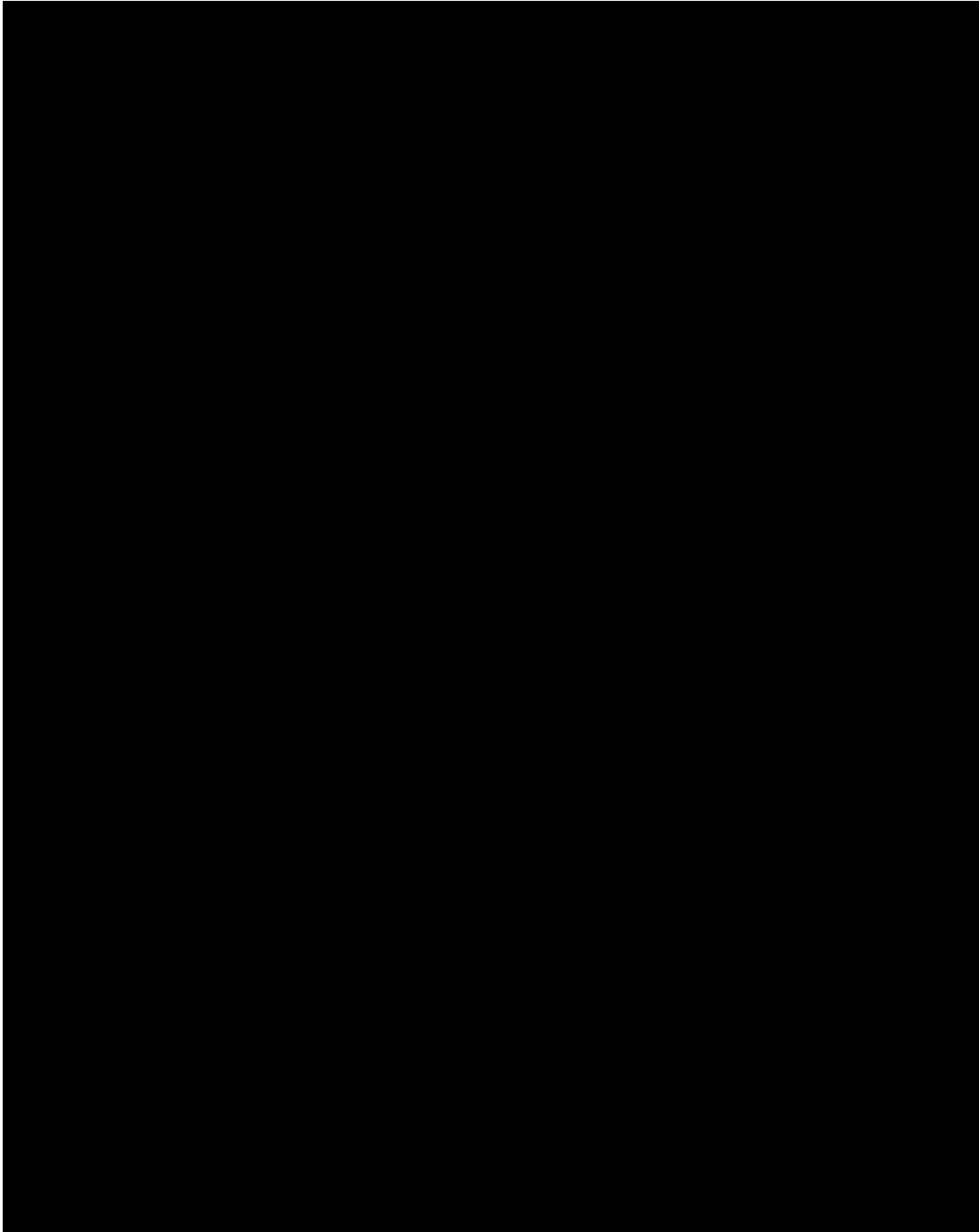


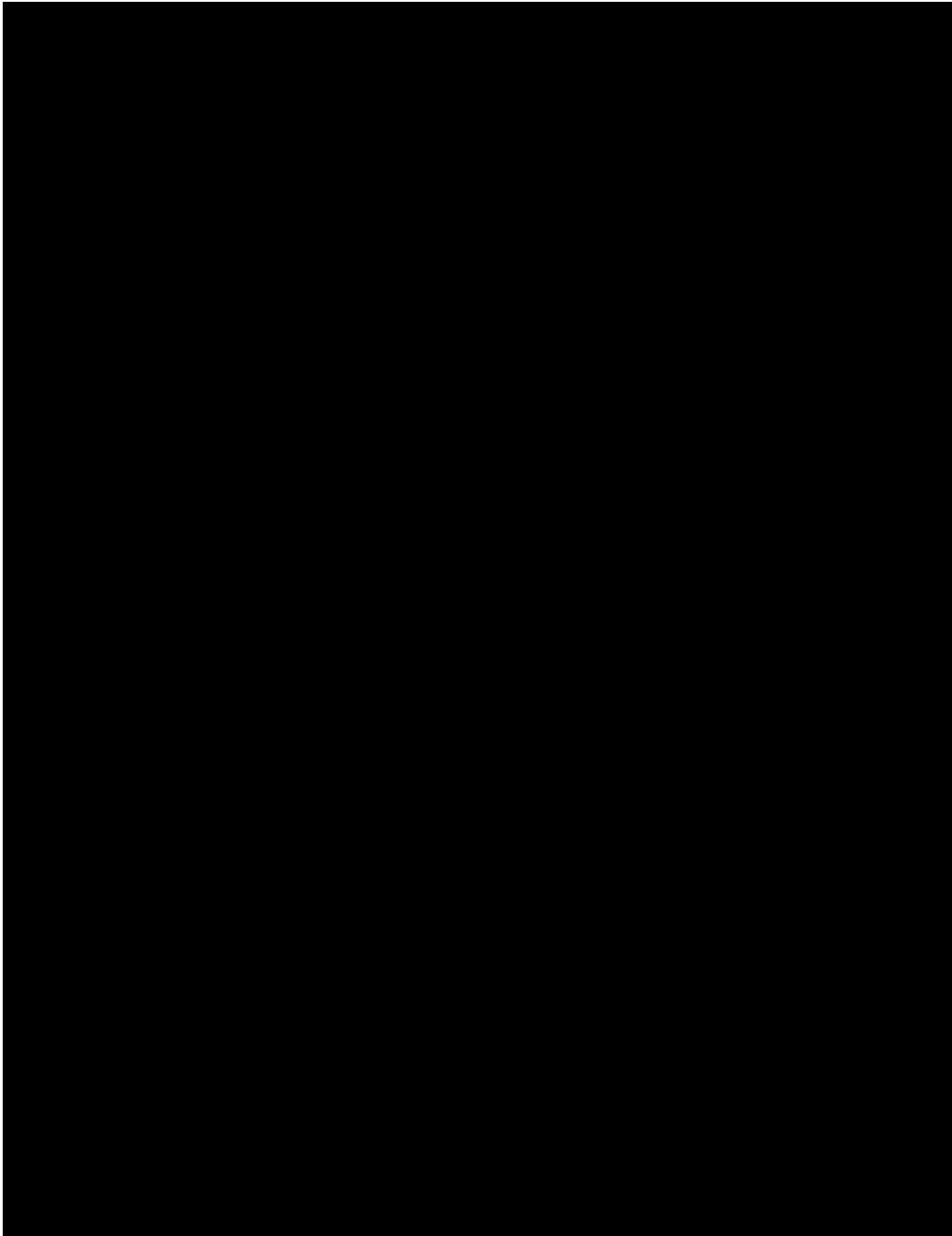


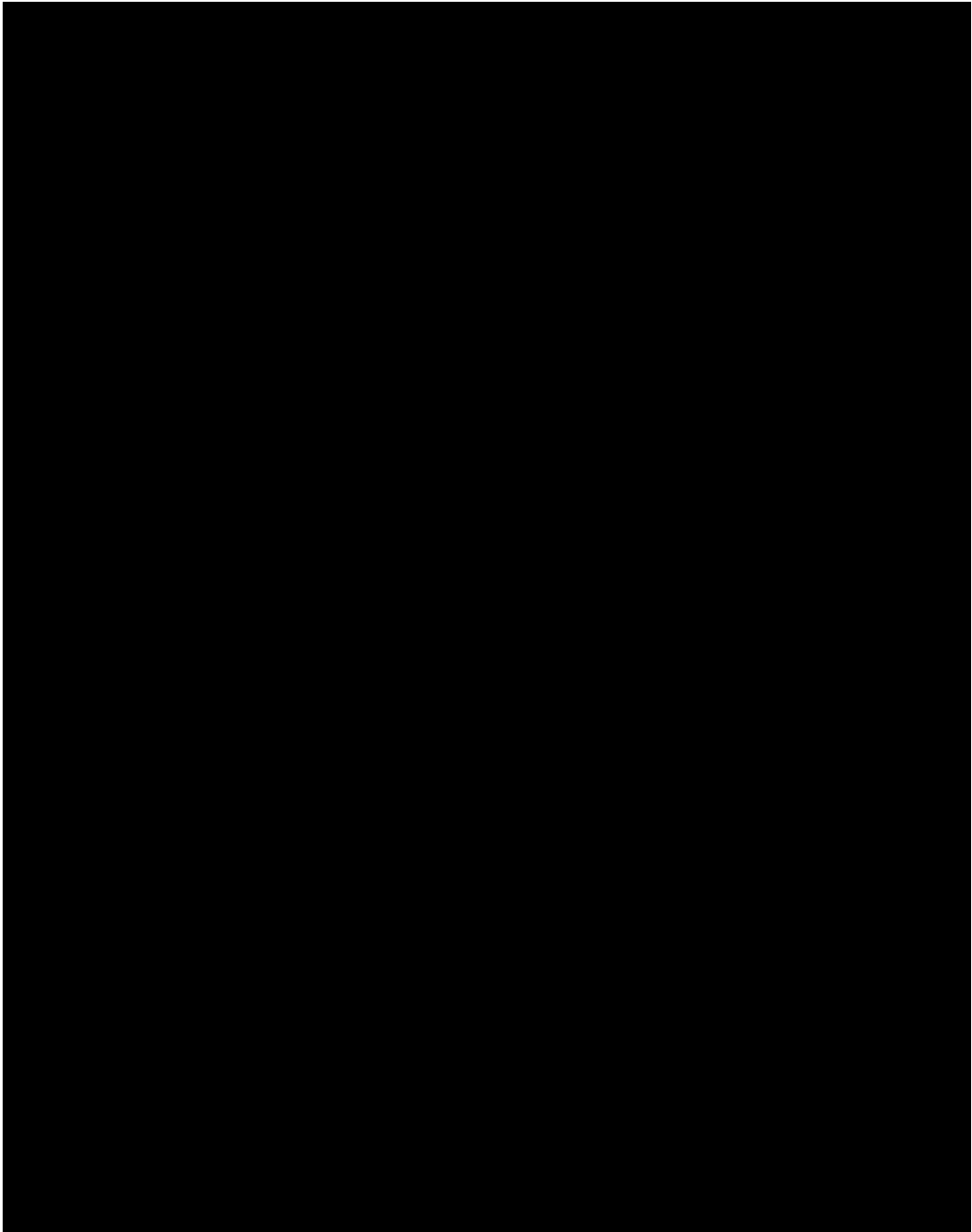


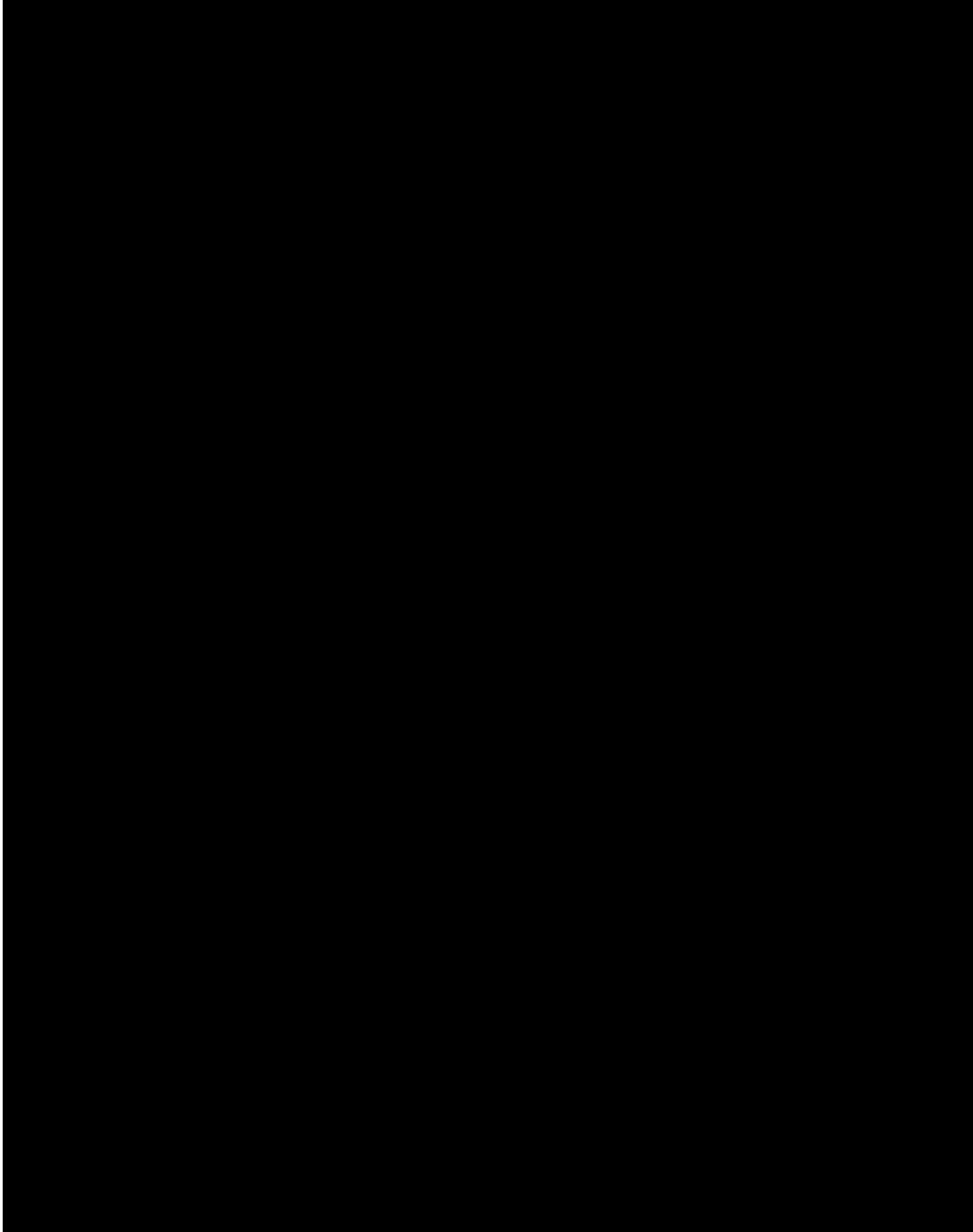












4. Grants and/or Sponsorship – Perth Public Art Foundation



Tabled below is a summary of the documents assessed and reviewed, together with interviews conducted during this audit:

Documents Reviewed:	<ul style="list-style-type: none"> • Council Report v1.2 Perth Public Art Foundation Inc – Three-year Sponsorship and Principal Partnership Agreement with the City of Perth – 2015 - 2018 • Council Minutes Confirmation Date 30 June 2015, 9 June 2016 • Council Minutes Confirmation Date 26 April 2016, 5 April 2016, Perth Public Art Foundation Incorporated – Revised Three Year Sponsorship and Partnership Agreement with the City of Perth 2015 – 2018 • Revised Principal Partnership Agreement, 15th December 2016 • Confidential Report to the Finance and Administration Committee, Perth Public Art Foundation Funding Review, Agenda Item 13.23 • Addendum to the Funding Agreement, City of Perth – Perth Public Art Foundation Inc., September 2018 • City of Perth Council Briefing by Nathan Giles, 13th June 2017 • Council Policy CP 18.15 Grants • Council Policy CP 18.8 Provision of Sponsorship and Donations • Council Policy CP 18.13 Sponsorship • Cow Parade Project/Program Funding Letter, 27 July 2016 • The Cow Parade – Perth Art Commission / Fundraising Budget Attachment 2 • Cow Parade Perth 2016 Financial Acquittal • 2016 Cow Parade Perth Acquittal Report • Letter from Nathan Giles dated 22nd June 2016 re The 2016 Cow Parade – Perth – Partnership • Perth Public Art Foundation Financials for the year ended 30 June 2018 • Perth Public Art Foundation Financial Statements for the year ended 30 June 2017 • Perth Public Art Foundation Financial Statements for the year ended 30 June 2016 • Perth Public Art Foundation Financial Statements for the year ended 30 June 2015 • MS Excel Spreadsheet, Funds Transfer from City of Perth to the Perth Public Art Foundation • Perth Public Art Foundation Constitution
Personnel Interviewed:	<ul style="list-style-type: none"> • Ms Tabitha McMullan, Manager Arts, Culture & Heritage

4.1. Context

Sponsorship is a business arrangement in which the sponsor agrees to have their name, products or services associated with the sponsored organisation's activities for a negotiated benefit in cash or kind, or a combination of both². The typical risks that accompany any business activity are present under sponsorship conditions. However, fraud and corruption risks are increased by:

- the short-term nature of many sponsored projects;
- **individual and organisational conflicts of interest;**
- the potential for diffuse or unclear responsibility and poorly defined accountabilities;
- the difficulty in evaluating the benefits of the sponsorship to the sponsoring organisation;
- the potential for gifts and benefits to be offered to influence decisions can often clash between different organisational systems and cultures;
- the likelihood of unsolicited offers;
- the potential for sole supplier situations;
- the use of goods and services in-kind.

The City's Policy in respect of *Sponsorship and Grants* is outlined in **CP 18.13**.

4.2. Background – Genesis of the Perth Public Art Foundation (“PPAF”)

The following timeline highlights key events related to the development of the PPAF:

- February 1994 – the City approved, in principle, the dissolution of the Forrest Place Art Foundation to allow for the establishment of a City Art Foundation to oversee and implement a long-term strategy for public art in the Capital City.
- March 1995 – the City approved the creation of the “City of Perth Art Foundation” whose role was to:
 1. Develop a Public Art Strategy for the Capital City
 2. Implement the Public Art Strategy and Initiatives for the proposed City of Perth Sculpture Award
 3. Create links with the Corporate community
 4. Work with the City of Perth to identify and establish incentives for building developers to support public art.
- September 1996 – The PPAF was established on 26 September 1996 with Cr Judy McEvoy and Lord Mayor Dr Peter Nattrass (Patron) members of the establishing (‘interim’) committee.

The PPAF is a charity registered on the Australian Charities and Not-for-profits Register and, as such, is subject to the provisions of the *Australian Charities and Not-for-profits Commission Act 2012* (Commonwealth). It is included in the Register of Cultural Organisations of the Department of Communications and the Arts (where it is referred to as ‘Perth Arts Foundation Inc’) and entitled to receive tax deductible donations.

The PPAF Governing Board included the Lord Mayor (who is the Patron), one Councillor, officers of the City as well as representatives from the State Government, the art community and the corporate sector.

² Government of Western Australia, State Supply Commission, *Sponsorship in Government Guidelines*, July 2014

³ City of Perth TRIM number 67807/06 - Foundation Committee minutes 27 August 1997.

4.2.1. Analysis and Findings

The City does not have policies, procedures and structures in place that provide mechanisms for managing the Perth Public Art Foundation (PPAF).

Value of the committed funding for the principal partnership agreement was more than \$800,000 over three years. When combined with the Cow Parade initiative, this amount exceeded \$1.2m. It is not conventional practice for a local government to spend this level of ratepayers' monies without an appropriate policy defining the nature of the expenditure. The majority of funding has not been audited.

The nature of the partnership agreement presents difficulties for the City to maintain the requisite standards of independence expected of a local government authority in its roles as a regulator, whilst a partner to a vehicle that sources corporate and private donations. Under the partnership agreement operating model, the City is vulnerable to the risk of a conflict of interest – actual or perceived – if there were a circumstance that involves the City exercising its discretionary powers in favour of a third-party that had contributed to the PPAF. Of concern is the ongoing failure to recognise this inherent conflict of interest for the City in its role as a local government authority.

The Cow Parade project highlighted material weaknesses in the City's management of the 'partnership-sponsorship' agreement with the PPAF. There was:

- an unclear policy position as to the nature of funding being provided;*
- a lack of signed agreement either by an officer with appropriate level of delegation or evidence of Council authorising the project at the first place; and*
- no evidence of an approved budget authorised by an Officer that has an appropriate level of delegation.*

These governance issues, combined with inadequate due diligence on the financial acquittal of the Cow Parade and opaque 'agreement' conditions that resulted in further payments to PPAF in addition to the funding that they had already received, demonstrated the financial mismanagement by the City.

4.2.1.1. 'Partnership Sponsorship'

Our enquiries revealed, at the relevant time, there was no policy supporting the 'partnership sponsorship' agreement between the City and the PPAF. Neither the City's procurement policy nor grants and sponsorship policy were applied to the agreement.

When we enquired about the possible application of the funding limits identified in respect of the City's Policy CP18.13 Sponsorship and Grants, a management stakeholder stated:

As regards the salary and operating expenditures relating to different initiatives or in-kind (accommodation for PPAF) this is under a Principal Partnership agreement, not a Sponsorship agreement. Partnerships are different from sponsorships and as such the sponsorship policy does not apply, but are at the discretion of Council.*

**Note: the City does not have an overarching Partnership Policy, however, this has been flagged as an issue by Commissioners and staff are currently working through developing a Partnership Policy for Council approval. [emphasis added]*

We consider this position to be unsatisfactory. It is not acceptable for the City to bypass the parameters of an existing policy by suggesting the activities are outside the scope and application of a policy instrument.

The terms describing the agreement, 'partnership sponsorship', are unusual because typically, the two concepts are different and cannot subjugate each other as they mean different things. The taxonomy of a "partnership" is distinguishable from that of a "sponsorship". In business terms, a *partnership*

means the relation which subsists between persons carrying on a business in common with a view of profit⁴. The State Supply Commission (WA) defines a *sponsorship*⁵ as:

'...the right to associate the sponsor's name, products or services with the sponsored organisation's service, product or activity, in return for negotiated and specific benefits such as cash or in-kind support or promotional opportunities....'

It is likely that the concept of a "partnership" is used to imply the collaborative nature of the agreement. Based on enquiries with Officers, it appears that the words, 'partnership sponsorship', 'partnership', and 'sponsorship' have been used interchangeably to describe an arrangement whereby PPAF received funding to deliver the City's arts strategies and solicit corporate and private donations that the City was otherwise unable to undertake itself. Whether this arrangement is adequately captured either by the terms "partnership", "sponsorship", or both terms combined, is another matter for consideration.

Regardless of the objective behind the arrangements between the City and the PPAF, without a clear policy position defining the basis of the agreement, there is no reference point to effectively administer and manage the relationship with the PPAF.

Implication

In the absence of a lawful policy that defines the agreement with PPAF, the City may not be complying with relevant requirements of the Act (such as procurement) that otherwise maybe applicable.

We found the City's relationship with PPAF is more suitably characterised as a 'subsidiary' rather than a genuine "partnership" or "sponsorship" based on several factors:

1. The former PPAF entity, "City Art Foundation", was established circa 1995, by the City to implement and oversee a long-term strategy for public art in the Capital City;
2. The current Executive Officer of the PPAF is an employee of the City and remunerated from the City's payroll;
3. All the PPAF's operating expenses are funded by the City;
4. The principal place of business of the PPAF is Council House⁶; and
5. **Without ongoing financial support, it is unlikely the PPAF could exist independently as a going concern.**

The arrangement that existed posed a significant conflict of interest for the City, which has not been recognised. This in itself is symptomatic of the systemic failure that resides in the City's culture – the inability to recognise conflict of interest, whether perceived or actual.

A goal from the PPAF's 2015 *Business Plan* (Section 3.1) is:

"...Developing partnership and implementing fundraising programs will form the core funding for projects undertaken by the PPAF..."

[And]

"...Some of the fundraising initiatives that will be implemented to support projects include [inter alia] corporate sponsorship – identify businesses that have a direct relationship with the project or the organisation to secure partnership..."

⁴ Western Australia Partnership Act 1895

⁵ State Supply Commission – Sponsorship in Government Guidelines 2014

⁶ Registered business address per the *Australian Charities and Not-for-Profit Commission*

Figure 1.1 below from Section 2.4 of the PPAF's *2015 Business Plan* outlines the operating and funding model:



Figure 1.1: PPAF's Operating and Funding Model

It strikes at the heart of good governance and transparency to have an interposed entity in the manner of the PPAF, that solicits funding and donations from the private and corporate sectors and applies that funding, potentially, for the benefit of a local government authority.

For example, the City would have difficulty maintaining probity over the exercise of its regulatory power, if a Company donates a sizeable amount to the PPAF, say \$100,000, which the PPAF then applies towards certain arts initiative(s) in conjunction with the City; and the same Company makes a development application with the City.

The conflict of interest inherent in the operating model cannot be extinguished even if PPAF were to have an independent Board. This is because without the City's ongoing financial support, the PPAF is unlikely to exist as a going concern. In other words, PPAF is effectively a funded subsidiary of the City. As such, any form of solicitation of donations from the corporate and private sectors by the PPAF are incompatible with the City's functions as a local government authority.

Implication

The operating model exposes the City to significant conflict of interest in its role as an 'overseer' and beneficiary of donations and gifts from the corporate and private sectors.

4.2.1.2. Financial Oversight

The following table sets out the funding provided to PPAF across three financial years:

Time	Particulars	Value
Jun-15	Three-year sponsorship and principal partnership agreement	
	Employment of an Executive Director	\$333,000
	Administrative support	\$60,000
	Bicentenary project	-
	Strategic Development	\$15,000
	sub-total	\$408,000
Apr-16	Review of funding agreement.	\$184,936
	sub-total	\$592,936
Jun-18	Additional funding request	\$24,500
	sub-total	\$617,436
Jul-18	Review of funding agreement.	
	1 July 2018 to 30 June 2019	\$204,209
	TOTAL	\$821,645

Enquiries with management stakeholders revealed that:

1. Transactions related to PPAF have not been specifically audited in the accounts of the City; and
2. The PPAF entity has not been audited as the annual income is below the threshold requirements of the *Australian Charities and Not-for-Profit Commission*.

We observed that PPAF's constitution provides for the appointment of an auditor, however, it does not appear to be a mandatory requirement.

Implication

Without any form of audit ever been performed – internal and external, there are inadequate detective controls to ensure funds have not been misappropriated.

4.2.1.3. Cow Parade

4.2.1.3.1. Authorisation

The Cow Parade was coordinated by the City's Economic Development & Activation Directorate in 2016. We found there was no signed agreement between the City and the PPAF in respect of the initiative. Searches conducted by the City's Governance Unit failed to uncover evidence of formal approval of the project, either by an officer with appropriate delegation or from Council.

Implication

Without a formal instrument evidencing approval for the project, there was no authority for the City to instigate the Cow Parade initiative.

4.2.1.3.2. 'Double-Dipping'

We observed that PPF charged the City a 10% 'service fee' for project management of the Cow Parade.

A management stakeholder was unable to explain the nature of the 10% service fee, which was set and agreed with the PPAF prior to their management tenure.

Our assessment is that this fee is a duplication of management expense that was otherwise met from the principal partnership agreement. We found there was no adequate explanation of the basis for the 10% service.

Implication

Given the City pays all of the operational expenses of PPAF under the principal partnership agreement for delivering the City's arts strategy, we consider the 10% service fee charged by the PPAF for project management of the Cow Parade to be double-dipping.

4.2.1.3.3. Financial Acquittal

The following table summarises the expenditure and sources of funding in relation to the Cow Parade:

Time	Particulars	Value
Jun-17	Final acquittal report	
	Total expenditure paid by the PPAF	\$360,667.94
	PPAF service fee	\$46,406.79
	TOTAL	\$407,074.73
	Funded by:	
	City of Perth	
		\$243,320.00
		\$26,388.87
		\$18,454.95
		\$26,510.91
	sub-total	\$314,674.73

Time	Particulars	Value
	Corporate Partnership income	
	[REDACTED]	\$46,750.00
	[REDACTED]	\$11,000.00
	[REDACTED]	\$5,500.00
	[REDACTED]	\$7,150.00
	[REDACTED]	\$3,850.00
	[REDACTED]	\$11,000.00
	[REDACTED]	\$7,150.00
	sub-total	\$92,400.00
	TOTAL	\$407,074.73

Our enquiries indicated that an audit has not been performed, nor due diligence been conducted, on expenditures in respect of the Cow Parade (and the principal partnership agreement).

When combined with the funding through the principal partnership agreement, the overall funding to the PPAF across three years aggregated to \$1,228,719.73.

Implication
Without adequate financial scrutiny, expenses may have been incurred for purposes other than which they have purportedly been claimed.

5. Internal Audit & Fraud Risk Management



Tabled below is a summary of the documents assessed and reviewed, together with interviews conducted during this audit:

Documents Reviewed:	<ul style="list-style-type: none"> • RiskWest, <i>Risk Management Framework Review and Maturity Assessment</i>, 10 October 2018 • RiskWest, <i>Strategic Risk Review</i>, February 2018 • City of Perth, Risk Management Framework, February 2017 • CP19.1 Risk Management Policy • LGIS, <i>Organisational Risk Management Maturity Assessment Report</i>, 22 July 2016 • City of Perth, Workplace Grievance Management Procedure PR0442 • City of Perth Statement of Business Ethics • Internal Audit Charter • City of Perth's Benchmarking of the Internal Audit Function • Memorandum dated 3 August 2017 from Assistant Internal Auditor to the Director Corporate Services on <i>Local Government Internal Audit Benchmark Research</i> • PSC and CCC, <i>Notifying Misconduct A Guide for Principal Officers of Notifying Authorities</i>, August 2018 • City of Perth, Employment Issue Register • Governance Unit Business Plan • Audit and Risk Committee Meeting Minutes from 16 November 2015 to 11 December 2017
Personnel Interviewed:	<ul style="list-style-type: none"> • Desmond Ngara – Risk Management Coordinator • Mark Ridgwell – Manager Governance • Mario Cheldi – Internal Auditor • Paul Gale – Manager Strategy & Partnership

5.1. Fraud and Corruption Risk Management

5.1.1. Context

While many definitions exist, the Institute of Internal Auditors (“IIA”) defines fraud as “any illegal act characterised by deceit, concealment, or violation of trust.” This definition captures the characteristic that makes it unique among risks: **intent**. Fraudulent acts involve people that intend to circumvent controls or exploit weaknesses in the organisation. The IIA definition also notes that “*frauds are perpetrated to obtain money, property, or services; to avoid payment or loss of services; or to secure personal or business advantage.*”

Three factors are consistently present when people commit fraud: pressure or incentive, perceived opportunity, and rationalisation.

Pressure or Incentive – An actual or perceived need that provides a reason or motive, such as:

- The need to achieve organisational performance targets or financial goals.
- Personal struggles or external stressors (e.g., financial problems, health issues, or addictions).
- The desire to gain power, influence, or esteem in the eyes of family, friends, colleagues, or management (e.g., computer hackers who commit fraud, intending to show off their capabilities rather than to cause harm).

Opportunity – A combination of circumstances or conditions that enable fraud to occur, such as:

- Poor control design, lack of controls, insufficient security or segregation of duties, or other circumstances that can enable a control failure.
- A level of trust, authority, knowledge of, and/or access to control processes that enables personnel to circumvent or override existing controls.
- Inadequate supervision, training, or communication regarding policies of professional conduct and the consequences of violations.

Rationalisation – A concocted, convincing, and plausible justification, such as:

- Feelings of entitlement due to organisational commitment (e.g., tenure, excessive unpaid hours worked, or unrewarded performance).
- Belief that actions are acceptable because “others probably do it too.”
- Belief that actions are acceptable because they are culturally commonplace or were considered acceptable in previous organisations.
- Belief that policies and procedures do not make sense or are not justified.
- Reasoning that actions are temporary and/or a one-time event (e.g., “borrowing money and will pay it back” or “just this once”).
- Belief that the action is victimless or so insignificant that no one would notice and/or care.

Of the three factors, **opportunity is the only one that organisations can control directly**. Management can design internal controls to try to prevent opportunities for fraud and to detect fraudulent activities if they occur.

5.1.2. Finding

The operations of the City do not demonstrate that a single, aligned fraud and corruption risk management process is in place, universally understood or followed.

Developing an effective fraud and corruption control program requires a comprehensive understanding of an organisation's risks and vulnerabilities. Risk assessment establishes an organisation's risk profile and the nature of the operating environment so that effective practices can be established to contain or minimise each risk.

The risk management process provides a logical development framework and methodology from which flow many of the elements of a fraud and corruption control plan — internal controls, reporting systems, the conduct of investigations, and training and awareness activities.

We found that the operations of the City do not demonstrate that a single, aligned fraud and corruption risk management process is in place, universally understood or followed. There are components of the Risk Management Framework ("RMF") that are working well, and parts that exist more in form than substance.






Our observations of the City's risk management maturity have been framed around the following elements.

Risk Maturity Elements	Summary Statements	Observations
Culture	The focus is on the behaviour of the people within the organisation supporting risk management practice.	<p>Interviews conducted indicate that from the top of the organisation there is an appearance of structure to the RMF and the activities that support it. However, across senior and middle-management there is limited respect for and support of the RMF as it relates to them and their needs within the organisation.</p> <p>Overall, the RMF is seen as perfunctory and providing limited value-add to end users.</p> <p>Staff across all functions who provide input into the (operational) risk registers and management actions captured by the corporate risk team do not understand the nature of the business wide material inherent risks. We observed that inherent risk or "gross risk" is absent from the Operational Risk Register. The Risk Management Coordinator explained that personnel did not understand or appreciate the concept of inherent risk.</p> <p>During the development of the Strategic Risk Register, elected members did not have an input into the process that generated the risks that require their monitoring and oversight.</p>
Governance	The focus is on the approach for developing, supporting and embedding risk strategy and accountabilities.	Whilst the RMF articulates the principles of the '3 lines of defence' model, commonly accepted as the foundation of a good risk governance model, there appears to be confusion over the roles and responsibilities of risk ownership and the function of each line. Consequently, some high-risk items remain untreated for a long time because accountabilities were not clear.

Risk Maturity Elements	Summary Statements	Observations
		<p>There are no clear consequences impacting roles or performance ratings resulting from poor risk management behaviours. For example, we first observed the risk relating to asset management in the 16 November 2015 Audit & Risk Committee minutes. The risk rating for asset management continues to be "high" with controls effectiveness assessed as "inadequate" even after several years have passed. The projected completion date for some treatment actions associated with asset management risk is June 2020.</p> <p>Risk strategy and policy is not integrated into the City's strategic planning or business objective setting processes. It exists in isolation in many ways as there is a lack of consistent understanding of the framework supporting risk management strategy and policy as indicated by the risk maturity assessments.</p>
Resources	The focus is on resources and planning allocated to the management of risk.	The Corporate Risk team (currently 1 FTE – Coordinator Risk Management) is under-resourced and lacks sufficient capabilities for embedding and providing ongoing support for the kind of business risk management function we believe the City should have in place to meet its objectives.
Process	The focus is on the process for identifying, assessing, evaluating, treating and monitoring risk.	<p>Currently, there are 30 operational risk registers and one strategic risk register. The sheer volume of operational risk registers not only represents a challenge to administer, but also impedes the City's ability to identify and report on any risk themes across the organisation.</p> <p>The RMF does not sufficiently differentiate between inherent and residual risk and the importance of cost/benefit analysis on controls. Whilst we appreciate the reasons for the City focussing on residual risks solely attributing to time and resource constraints, identifying and measuring inherent risk are critical in evaluating the impact of risk and the related prioritisation of controls.</p> <p>The purpose of a risk treatment plan is to specify how the chosen treatment options will be implemented so that arrangements are understood by those involved. Treatment plans should be integrated into management plans and processes of the organisation. The information provided in the treatment plan should include, for example:</p> <ul style="list-style-type: none"> the rationale for selection of the treatment options, including the expected benefits to be gained; those who are accountable and responsible for approving and implementing the plan;

Risk Maturity Elements	Summary Statements	Observations
		<ul style="list-style-type: none"> the proposed actions; the resources required, including contingencies; the performance measures; the constraints; the required reporting and monitoring; and when actions are expected to be undertaken and completed. <p>In this regard, there is limited information:</p> <ul style="list-style-type: none"> On the risk treatment plan with respect to the information elements described above; and No cost / benefit analysis conducted for major controls, nor any documented assessment made of the relative priority or 'cost benefit' between the approach to managing one risk or risk class, versus another. <p>Furthermore, apart from a risk maturity assessment conducted periodically by external consultants, there is no structured evaluation process internally to identify the value of risk management or ideas for improvement.</p>
Assurance	The focus is on establishing integrity and validity to bring confidence and support decision-making.	<p>We found the existing resources in the Internal Audit and Risk Management teams do not have the capabilities and experience to provide an adequate level of controls assurance across the business.</p> <p>Moreover, an assurance map has not yet been developed to assist in understanding the nature, scope and extent of assurance activities across the organisation.</p>

The diagram below outlines our observations of the City's risk management function:

Maturity Areas	Fundamental	Developed	Systematic	Integrated	Advanced
1 Culture					
2 Governance					
3 Resources					
4 Process					
5 Assurance					

From the fraud/corruption management perspective, there has been limited focus by the City despite the allegations levelled across all levels including elected members. As aforementioned, the City has not outlined its approach for conducting fraud risk assessments nor has it identified those factors that could influence fraud and corruption risks.

Line management is responsible for identifying, managing and mitigating fraud and corruption risks at operational level however, line management has not received training on identifying, mitigating, and managing fraud risks.

Risks related specifically to corruption have not been included in the City's risk registers. Business areas which are inherently subject to corruption risks have not been identified. These potentially include, but are not limited to:

- Local Laws Enforcement;
- Compliance;
- Statutory Planning and Building; and so on.

Existing assessment of fraud and corruption risks and mitigation strategies or controls indicate a largely detective and reactive approach has been adopted. Management has recently initiated several management reviews, which are detective in nature including data analytics around procurement, purchase orders and creditors invoice payment processes. This is a positive initiative by management to control fraud and corruption in a reactive manner. We observed however, that the details regarding development and implementation of a detective data analytics program have not been defined and described in any of the City's management practice documents.

The Association of Certified Fraud Examiners' reporting of common control weaknesses found that fraud typically occurred where there has been non-compliance with or overriding of controls. There is a strong link between the incidents of fraud and corruption and poor internal controls. Relevantly, Deloitte's *Organisational Capability and Compliance Assessment* report identified:

"...while the City has an established policy framework, the majority have not been reviewed in the last five years. Some managers also reported issues with policies being inconsistent, and in some cases, conflicting. Without structured, consistent and comprehensive organisational policies, some managers reported that they are, at times, selectively compliant with policies, where they consider that the policy lacks relevance. Determination of relevance is a subjective process that varies between managers. For example, a manager reported that their team uses a number of workarounds to get things done where current policies and procedures are restricting their ability to react to community and stakeholder needs..."

In the fraud management maturity scale below, we consider the City's fraud management function to be highly undeveloped and non-existent in parts.

Area of Risk Maturity	Scope	Policy & Procedures	Framework & Standards	Controls & Procedures	Monitoring & Reporting	Remediation & Response	Continuous Improvement	Overall Risk Profile
Undeveloped	There is no policy or procedure in place to manage the risk of fraud.	There is no policy or procedure in place to manage the risk of fraud.	There is no framework or standards in place to manage the risk of fraud.	There are no controls or procedures in place to manage the risk of fraud.	There is no monitoring or reporting in place to manage the risk of fraud.	There is no remediation or response in place to manage the risk of fraud.	There is no continuous improvement in place to manage the risk of fraud.	Highly undeveloped and non-existent in parts.
Emerging	There is a policy or procedure in place to manage the risk of fraud.	There is a policy or procedure in place to manage the risk of fraud.	There is a framework or standards in place to manage the risk of fraud.	There are controls or procedures in place to manage the risk of fraud.	There is monitoring or reporting in place to manage the risk of fraud.	There is remediation or response in place to manage the risk of fraud.	There is continuous improvement in place to manage the risk of fraud.	Highly undeveloped and non-existent in parts.
Developing	There is a policy or procedure in place to manage the risk of fraud.	There is a policy or procedure in place to manage the risk of fraud.	There is a framework or standards in place to manage the risk of fraud.	There are controls or procedures in place to manage the risk of fraud.	There is monitoring or reporting in place to manage the risk of fraud.	There is remediation or response in place to manage the risk of fraud.	There is continuous improvement in place to manage the risk of fraud.	Highly undeveloped and non-existent in parts.
Advanced	There is a policy or procedure in place to manage the risk of fraud.	There is a policy or procedure in place to manage the risk of fraud.	There is a framework or standards in place to manage the risk of fraud.	There are controls or procedures in place to manage the risk of fraud.	There is monitoring or reporting in place to manage the risk of fraud.	There is remediation or response in place to manage the risk of fraud.	There is continuous improvement in place to manage the risk of fraud.	Highly undeveloped and non-existent in parts.
Highly Developed	There is a policy or procedure in place to manage the risk of fraud.	There is a policy or procedure in place to manage the risk of fraud.	There is a framework or standards in place to manage the risk of fraud.	There are controls or procedures in place to manage the risk of fraud.	There is monitoring or reporting in place to manage the risk of fraud.	There is remediation or response in place to manage the risk of fraud.	There is continuous improvement in place to manage the risk of fraud.	Highly undeveloped and non-existent in parts.

5.2. Internal Audit

5.2.1. Context

Internal audit provides independent, objective assurance and consulting to add value and improve business operations. It is a key element of good corporate governance in organisations and improves both financial and non-financial management and accountability. Corporate governance, ethics, fraud, risks, controls, regulations, communication, adding value – these issues are at the core of internal audit activities.

The International Standards for the Professional Practice of Internal Auditing states "*Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes*".

Combined Assurance – 3 Lines of Defence model can be used to provide assurance to the Executive Team and stakeholders that they are effectively governed.

The City has management controls and management of risk in place, these are said to be lines 1 and 2 in the 3-lines of defence.

- The 1st line of defence originates or initiates risk and is responsible for managing the risks and having in place mechanisms to demonstrate controls are working effectively.
- The 2nd line of defence monitors, reviews and tests effectiveness of 1st line control and management of risks.

The 3rd line of defence being Independent Assurance - **internal audit** is a key component in the assurance structure of an organisation. The City has an in-sourced internal audit function comprised of two staff members.

5.2.2. Finding

The City's internal audit function is not responsive to the organisational challenges and provides limited support in strengthening governance, risk and control. Internal audit has primarily focused on compliance testing of controls and reported exceptions to management.

5.2.3. Reporting

i. Strategic Insight

Internal audit is well positioned to strategically share insights from audit activity and organisational engagement with the Audit Committee and executive. Instead of reporting only on the outcomes of individual audits, themes-based reporting links the outcomes of internal audit activity and knowledge gained through engagement into higher-level themes, which provides a strategic organisational and systemic perspective.

This is not the case at the City of Perth.

Internal audit findings do not consistently embody a root cause analysis nor themes-based reporting that links the outcomes of internal audit activities. Internal audit reports are static in nature, focussing on instances of non-compliance and lack any strategic perspective.

Without conducting a root cause analysis and themes-based reporting, the underlying or systemic issues may not be identified. By focussing on the symptom rather than the causal factor, that is, addressing the issue at the superficial level only, the effects of such risk may be recurred in the future. Any resources deployed to neutralise the risk in the first instance would be a waste of effort.

Moreover, in the absence of an understanding of the systemic issue, the organisation would be unable to plan effectively for a solution that may require a capital investment.

ii. Five-point Reporting Elements

Leading practice suggests that, as a minimum, each internal audit issue identified should be reported addressing five information elements:

1. **Criteria** – These are the standards or measures used in making an evaluation;
2. **Condition** – The factual evidence found during the examination. This may be non-compliance with established law, regulation and management practice; or deficiency in the control structure;
3. **Cause** – The reasons for difference between expected (Criteria) and actual Condition;
4. **Consequence** – The risk or exposure the organisation experienced because the Condition is not consistent with the Criteria; and
5. **Corrective Action** – Recommended action to correct existing conditions or improve operations.

We found the City's internal audit report structure does not consistently feature all of these elements. There is limited analysis, if any, on the "Cause" of the identified issue. Additionally, the "Criteria" is not always visible for the reader to understand the object against which the "Condition" has been evaluated.

iii. A Risk-based Approach

None of the internal audit reports we analysed clearly articulate the risks in which the internal audit activities aimed to address. We raised this query with the City's Internal Auditor who confirmed that this has been an oversight by the Internal Audit function.

We found this deficiency to be extraordinary because risk-based reporting is a rudimentary capability that can be reasonably expected to exist in any professional Internal Audit function.

Considering the City's complex business arrangements and governance challenges, the City's Internal Audit function should have a rigorous process for capturing the risks, focussing internal audit activities and clearly reporting on those risks.

iv. Assurance

Under the IPPF, the concept of "assurance" involves the internal auditor's objective assessment of evidence to provide opinions or conclusions regarding an entity, operation, function, process, system, or other subject matters. Positive assurance implies a lot of responsibility and the highest level of evidence. Such assurance is supported by adequate, competent evidence in accordance with prescribed standards.

The City's internal audit reports, within the scope period of our examination, indicate that they typically feature the following conclusion:

"...There is evidence to provide assurance that adequate controls exist over..."

For example, the *Probity in Tendering Review December 2015* internal audit report states:

"...There is evidence to provide assurance that, overall, tender processes and practices are adequately addressing probity issues..."

On that specific report, the nature of the findings therein combined with the ongoing challenges inherent in procurement should have alerted the City that the conclusion *"tender processes and practices are adequately addressing probity issues"* is somewhat misleading.

More broadly though, there does not seem to be an appreciation by the City's Internal Audit function of the concept of 'assurance' and its implications. The risk exists that Business Units that received such affirmation may be encouraged to continue with their management practices and not adequately address systemic risk issues, when being "assured" that there are adequate controls in place over their functions, when the nature of findings and other risk indicators suggest a higher level of attention over the control structure is required.

Strategic Internal Audit Plan and Assurance Mapping

Within the context of *Standard 2000 – Managing the Internal Audit Activity – of the International Standards for the Professional Practice of Internal Auditing (Standards)*, internal audit planning involves the development of: (a) The Internal Audit Strategic Plan that relates the role of Internal Audit to the requirements of an organisation over the medium term; and (b) The Annual Internal Audit Plan which includes schedule for engagements, developed through a risk-based plan to determine the priorities of the internal audit activity.

We found the City does not have a strategic Internal Audit Plan. Interviews with relevant stakeholders suggest that internal audit activities are based on a 12-month plan, supplemented by ad-hoc reviews requested from management.

For Internal Audit to remain relevant, it must adapt to changing expectations and maintain alignment with organisational objectives. The Internal Audit strategy is fundamental to remaining relevant and provides visibility of the structure for planned assurance activities over the medium and long terms.

We also observed that the City does not have an Assurance Map.

The Assurance Map highlights the current state of an organisation's risk assurance profile, the extent of coverage and the stakeholders responsible. The following diagram provides an example of an assurance map:

Processes	Three lines of defence assurance providers										
	First line of defence			Second line of defence				Third line of defence			
	Management-based assurance			Risk and legal-based assurance				Independent assurance			
	Control self-assessment	Special project	Management review	Risk management	Health and safety	SOX	Compliance	External audit	Internal audit	ISO certification	Consulting engineers
Strategic											
Cash/finance and treasury											
Funding											
Sustainability											
Growth / mergers & acquisitions											
Alliances											
Operational											
Financial											
IT											
Treasury											
Human resources											
Supply chain management											
Quality											
Environment											
Customers											
Products & services											

Without a Strategic Internal Audit Plan supported by an Assurance Map, the City has limited visibility in understanding and monitoring the extent of assurance activities covering the City's risk profile.

Independent Evaluation of the Internal Audit Function

The standards applied to Internal Audit are the 'International Standards for the Professional Practice of Internal Auditing' ("**Standards**") contained in the 'International Professional Practices Framework' ("**IPPF**") issued by the Institute of Internal Auditors ("**IIA**"). These require Internal Audit functions to develop and maintain a Quality Assurance and Improvement Program which includes a periodic independent Quality Assessment of Internal Audit at least once every 5 years [1312 – *External Assessments*].

A Quality Assessment is a comprehensive review that examines an Internal Audit function for:

- Conformance with mandatory internal auditing requirements, including the Standards;
- Whether Audit Committee and management expectations of Internal Audit are being met; and
- Opportunities for improvement.

External assessments may be accomplished through a full external assessment, or a self-assessment with independent external validation. The external assessor must conclude as to conformance with the Code of Ethics and the Standards; the external assessment may also include operational or strategic comments.

Interviews conducted revealed that the City's internal audit function has not been independently assessed against the IPPF. The City has not implemented internal self-assessments nor external assessments, and ongoing quality monitoring of the City's internal audit function does not exist.

A memorandum from the City's Assistant Internal Auditor to the Director of Corporate Services on 3 August 2017, purportedly, benchmarked the City's Internal Audit function against other Western Australian Local Government internal audit functions. The memorandum concluded that:

The City of Perth Team completed eleven audits which is the equal highest number of audits completed by the Councils reviewed (refer attached spreadsheets). Other local governments who completed eleven audits did so with the assistance of outsourced providers/other Unit staff.

Achievement of the Internal Audit Plan by the City of Perth Team was at 92% (refer summary spreadsheet) which is only behind the City of Stirling. Full completion of the City of Perth Internal Audit Plan for 2016/17 was not possible due to circumstances outside of the control of the Internal Audit Team (refer attached detailed spreadsheet).

A review of internal audit reports has found that audits completed by the above local governments vary in terms of breadth and depth of scope. It has been demonstrated via content of internal audit reports that the scope of City of Perth audits are considered to be suitable in terms of breadth and depth.

This benchmarking exercise has provided evidence that the City of Perth Internal Audit Team is operating satisfactorily when compared to other local governments with an established internal audit function.

By comparing the rates of completion of planned internal audit engagements with other local governments, it is only appropriate for the City to evaluate the **output** of its Internal Audit function but does not reasonably provide the basis for a conclusion on the operating **effectiveness** of the City's Internal Audit function.

Typically, the quality of an Internal Audit function is evaluated against the IPPF Standards. These standards are a set of principles and focused requirements for internal auditing. The Standards consist of both Attribute and Performance Standards.

Attribute standards address the characteristics of organisations and functions performing internal audit activities.

IPPF Attribute Standards	
1000	Purpose, Authority and Responsibility
1100	Independence and Objectivity
1200	Proficiency and Due Professional Care
1300	Quality Assurance and Improvement Program

Performance standards describe the nature of internal audit activities and provide criteria against which the performance of these services can be evaluated.

IPPF Performance Standards	
2000	Managing the Internal Audit Activity
2100	Nature of Work
2200	Engagement Planning
2300	Performing the Engagement
2400	Communicating Results

IPPF Performance Standards	
2500	Monitoring Progress
2600	Communicating the Acceptance of Risks

We have considered the intent of the memorandum and reviewed the supporting workpapers. We found that the memorandum and associated analysis do not explicitly address, or adequately meet, the IPPF Attributes and Performance Standards for assessing the City's internal audit function.

Capability and Resource

The City's internal audit function is in-sourced, comprising of two staff members. A benefit of having in-house resource performing internal audit is the depth of knowledge and awareness of the culture of the organisation.

An appurtenant risk of the insourcing model is the lack of contemporary knowledge and specialist expertise (for example, cybersecurity, data analytics).

We found that the quantum of hours assigned to in-house Internal Audit activities annually (approximately 3000 hours) appears to be excessive considering the compliance nature of the program and the quality of the reports produced.

Interviews conducted with the City's Internal Auditor indicate that whilst he is an experienced practitioner with greater than 15 years of experience in the industry, his technical ability appears to be low, with a modest understanding of contemporary internal control concepts and theories, and has limited capability to influence change in the organisation.

Whilst no one person can be an expert on all matters, it is reasonable to expect that the right questions will be asked, with external assistance obtained as necessary to supplement any capability deficiencies. We found limited evidence of any external assistance sought from a professional service provider in respect of internal audit activities. This may, in part, explain some of the observations outlined above in relation to the deficiencies of the Internal Audit function of the City.

Biennial Review of Systems and Procedures (2016)

As required by Regulation 17 of the *Local Government (Audit) Regulations 1996*, a review of the appropriateness and effectiveness of systems and procedures in relation to risk management, internal control and legislative compliance is to be undertaken at least once every two calendar years [prior to amendment].

In respect of Risk Management, the review was conducted by Local Government Insurance Services (LGIS), which highlighted certain deficiencies.

A review of the systems and procedures regarding internal control and legislative compliance was performed by the City's Internal Audit function.

The overall conclusion from this biennial review (2016) was that the City had established appropriate and effective systems and procedures in regards to risk management, internal control and legislative compliance.

We found it difficult to reconcile with this proposition.

Risk Management existed more so in form than substance, driven by a compliance requirement rather than an authentic practice embodying a genuine desire to embed risk management in the decision-making process. Fundamental elements such as inherent risk and fraud and corruption risk management are notably lacking in the vernacular of the City's Risk Management Framework.

In terms of the internal control environment, the preceding sections highlighted both capability and technical weaknesses in the City's Internal Audit function. Separate independent reviews have identified a range of poor financial management practices and controls over an extended period. For

example, things have deteriorated to the extent that "Directorate Accountants" have been installed in different business units to support the function because of the lack of confidence in the City's financial management system and administration. We also observed asset management and capital budgeting represent areas where the City needs better controls and processes. Furthermore, other probity reviews, and the City's own admission, have identified a range of poor procurement practices.

In light of the self-identified issues and reviews by different consultants, we found the City's conclusion, as endorsed by Council, that it has established appropriate and effective systems and procedures in regard to risk management and internal control, not to be an accurate representation of the City's governance and internal control environment.

6. Termination Payments



Tabled below is a summary of the documents assessed and reviewed, together with interviews conducted during this audit:

Documents Reviewed:	<ul style="list-style-type: none">• Termination payment calculation for [REDACTED]• Termination payment calculation for [REDACTED]• Termination payment calculation for [REDACTED]• Termination payment calculation for Mr Michael Carter• CP12.4 Payments Under Section 5.50 of the Local Government Act 1995• Email response from Andrew Corke, <i>Follow Up Query – Termination Payments</i>, dated 3 May 2019• Email response from Sophie Morrison, <i>Termination Payments</i>, dated 29 April 2019
Personnel Interviewed:	<ul style="list-style-type: none">• Ms Alison Egan, Manager Human Resources

6.1. Analysis and Findings

Based on our sampled review of four termination payments, we found two instances of payment beyond the entitlements prescribed by the employment contract. The City was unable to supply documentary evidence to explain the nature of the amounts in question.

Whilst “Council Policy 12.4 – Payments Under Section 5.50 of the Local Government Act 1995”, provides for a severance payment in addition to any amount the employee is entitled to, there was no evidence such policy instrument was applied to any circumstances that we sampled. More broadly, the City confirmed that within the suite of steps for dismissing an employee, there was no mechanism to reference to the application of Council Policy 12.4 where required.

i. Michael Carter

Mr Michael Carter was appointed Director of Economic Development and Activation on the 11 August 2015. His employment contract commenced on 21 September 2015 and was to be concluded on 25 September 2020.

Following an unsatisfactory performance review, Mr Carter resigned on 1 February 2016. The City entered into a deed of settlement with Mr Carter on 26 February 2016.

The deed provided for the sum of \$30,061.79 made up as follows.

(i) 5 weeks' pay in lieu of notice	\$20,192.31
(ii) Annual leave (accrued and unused)	\$8,254.10
(iii) Time in lieu	\$1,615.38

We found an email from the former Manager of Human Resources to a payroll officer, at 3:03pm on 1 March 2016, instructing the payment for Mr Carter was 10 weeks plus his employee entitlements.

The City was unable to explain:

1. Why a deed of settlement was required to offer a mutual separation given that Mr Carter unsuccessfully completed his probation period. In any event, the terms above reflected the entitlement that was otherwise payable to Mr Carter under his employment contract.
2. Nothing in the deed provided for the 10 weeks settlement pay.

Mr Carter received \$40,384.62 for the 10 weeks settlement. The City was unable to provide the justification supporting the agreement entered into with Mr Carter. Our enquiries revealed that the former Manager of Human Resources and former Chief Executive Officer were responsible for the negotiation with Mr Carter.

Council Policy 12.4 – Payments Under Section 5.50 of the Local Government Act 1995, provides for a severance payment in addition to any amount the employee is entitled to under the contract of employment, award, industrial agreement, or order by a Court or Tribunal.

Clause 3 of Council Policy 12.4, states that “Nothing in this policy prevents the Council from deciding that an employee who is leaving may be paid an additional amount, provided the total value of additional payments to that employee do not exceed the value of the person’s final annual remuneration. If the Council decides to make such a payment, the details of the severance payment and benefits will be published in accordance with section 5.50(2) of the Local Government Act.”

We have not found any evidence that the payment to Mr Carter complied with the specific provisions of this policy.

ii.

██████████ was appointed to the position of ██████████ on ██████████. ██████████ employment contract commenced on ██████████ and was to be concluded on ██████████.

Following a restructure of the business unit and a period of consultation, the ██████████ ██████████ wrote to ██████████ on ██████████, confirming his acceptance of the redundancy of his position as ██████████.

██████████ payment includes a payment in lieu of notice of 4 weeks, equating to \$9,759.62; in conjunction with the redundancy amount of \$126,875 that represents 100% of 1 year of salary, pursuant to clause 17.5 of his employment contract.

Clause 17.5, inter alia states:

“...The payment specified in this clause includes any payment in lieu of notice which may otherwise be due to the Employee and discharges the Employer’s maximum liability...”

The effect of this clause is that the 52 weeks payable is inclusive of any payment in lieu of notice. In other words, there is no additional payment in lieu of notice required.

Therefore, ██████████ was overpaid to the extent of the 4-week in lieu of notice that the City otherwise does not have an obligation to make.

Similar to Mr Carter, we did not find any evidence that the additional payment to ██████████ complied with the provisions of Council Policy 12.4.

iii.

██████████ held the substantive role as ██████████

██████████ was stood down.

At the date of her dismissal, ██████████ was in an acting capacity as ██████████ and was in receipt of a higher duties allowance.

We observed that ██████████ termination amount has been calculated using the higher duties pay rate.

Email evidence indicates that the [REDACTED] provided an express directive to the payroll officer to process the payment amount, adopting the rate at the time of [REDACTED] suspension.

The City's Senior Employee Relations Advisor advised that the base rate should be used in accordance with the employment contract during stand down.

It is unclear from our analysis as to:

- The validity of the [REDACTED] directions;
- Whether any industrial or contract law may permit such discretion; and
- What level of documentation and administrative processes need to be fulfilled in regard to the application of any Council Policy that otherwise enable the exercise of such discretion.

Implication

The City may have made an overpayment in the three instances of termination payments. Alternatively, the City may not have complied with certain administrative processes in respect to the application of Council Policy, which provides the City with the powers to make additional payments to any amount the employee is entitled to under the contract of employment, award, industrial agreement, or order by a Court or Tribunal.

7. Budget and Financial Reporting



Tabled below is a summary of the documents assessed and reviewed, together with interviews conducted during this audit:

Documents Reviewed:	<ul style="list-style-type: none"> • Deloitte Organisational Capability and Compliance Assessment • Learning Horizons 2018 Performance and Capability Review • Tower Human Capital Group City of Perth Performance Analysis, Assessment and Review – HR • City of Perth – Annual Report 2015-2016 • City of Perth – Annual Report 2016-2017 • City of Perth – Annual Report 2017-2018 • Guidelines for Preparation of Budget Review 2017/18 and Budget 2018/19 • City of Perth – Annual Budget 2015-2016 • City of Perth – Annual Budget 2016-2017 • City of Perth – Annual Budget 2017-2018 • Corporate Asset Management Plan 2014-2024 • Corporate Asset Management Plan 2015-2025 • Corporate Asset Management Plan 2016-2026 • Corporate Asset Management Plan 2017-2027 • Corporate Business Plan 2014-2018 • Corporate Business Plan 2015-2019 • Corporate Business Plan 2016-2020 • Corporate Business Plan 2017-2021 • Long term Financial Plan 2014-2024 • Long term Financial Plan 2015-2025 • Long term Financial Plan 2016-2026 • Long term Financial Plan 2017-2027 • Strategic Community Plan – May 2017 • Strategic Community Plan – 2029 • Workforce Plan 2014-2018 • Workforce Plan 2015-2019 • Workforce Plan 2016-2020 • Workforce Plan 2017-2021
Personnel Interviewed:	<ul style="list-style-type: none"> • Mr Dan Richards – Finance Manager • Mr Con White – Chief Accountant • Mr Robert Mianich – Director Corporate Services • Ms Christina Poerwanto – Assistant Financial/ Directorate Accountant • Ms Nina Vesnic – Directorate Accountant, Community & Commercial Services • Samantha Yam – Senior Financial Management Officer, Construction & Maintenance Office • Mr Jason Tan – Manager Asset • Mr Chris Kopec – Manager Construction • Mr Jason Hennevel – Coordination & Design • Mr Desmond Ngara – Coordinator Risk Management

7.1. Context

Financial monitoring and management is an important governance and management function in local governments. Councillors have three main roles in relation to financial monitoring and management:

- Plan through the approval of budgets.
- Monitor the financial performance of the organisation to ensure that targets are being met.
- Respond to financial results and indicators by making informed decisions to maintain the organisation's financial wellbeing.

Elected members and Management need to make informed decisions. To do so, the financial reports need to be tailored to provide the relevant information given the organisation's circumstances.

The financial reporting structure should have regard to the needs of various users of the financial reports. The needs of stakeholders vary, for example:

- A. Councillors need to be provided with reports to monitor the financial operations of the organisation to respond to financial indicators and to ensure targets are met.
- B. Managers need to be provided with reports to manage and monitor the results of operational programs within their control.

The financial reporting structure (e.g. chart of accounts, cost centres, budget structures etc.) needs to be established to enable the financial reporting requirements of all stakeholders to be met. The financial reporting structure should also be reviewed periodically as the circumstances of the organisation change.

Delegating responsibility to individuals for the maintenance of the financial systems requires control and oversight by senior management. Financial management policies outline the minimum standard for dealing with financial practices, and guides staff in their conduct and decision-making processes.

7.2. Analysis and Findings

Sound financial stewardships and planning are required to ensure the City's financial management is not only aligned to public sector standards but also efficient and performs to the level that anticipates future growth of the City.

We observed the City's financial management is characterised by a transaction-based approach focussing on statutory compliance rather than an effective corporate services function providing valuable financial inputs into strategic decision-making.

What is clear is that the City's finance is beset with business plans not supported by appropriate capabilities, systems and processes to oversee the execution of strategies. Core capabilities such as procurement, contract management, probity management, fraud and corruption management, asset management, project management, risk management, internal audit, have not been adequate in some ways at certain points in time.

7.3. Financial Management Manual

A local government Financial Management Manual is a series of actions conducted in a certain order or manner to give effect to the Financial Policy. The Financial Management Manual outlines the financial systems, practices and controls utilised in the financial management of the Council. It is a tool used to ensure compliance with relevant legislation, regulation and government policy while providing clear direction to ensure the efficient, effective and economical management of the Council's financial resources.

Whilst the City has various financial-related policies such as purchasing, borrowings, investments, assets, etc., we found that the City does not have a Financial Management Manual supporting the policies.

The following response was provided to us by the relevant management stakeholder as to whether the City has an Accounting Manual:

"...Regarding 'does the City have an accounting manual' the specific answer is no, but like most if not all local governments in WA, we follow the Western Australian Local Government Accounting Manual Edition 3 as updated. This is a very comprehensive manual, drafted for local governments and which we made many contributions to as it was being drafted by Ex-City of Perth Treasurer, Ron Back."

We found the explanation for this deficiency to be unsatisfactory and reflects a poor understanding of the organisational needs for a fit-for-purpose financial control environment that commensurate with the scale and scope of the City. The "*Western Australian Local Government Accounting Manual Edition 3 as updated*" provides high level guidance on certain accounting standards and templates for general purpose financial reporting relevant to the local government sector.

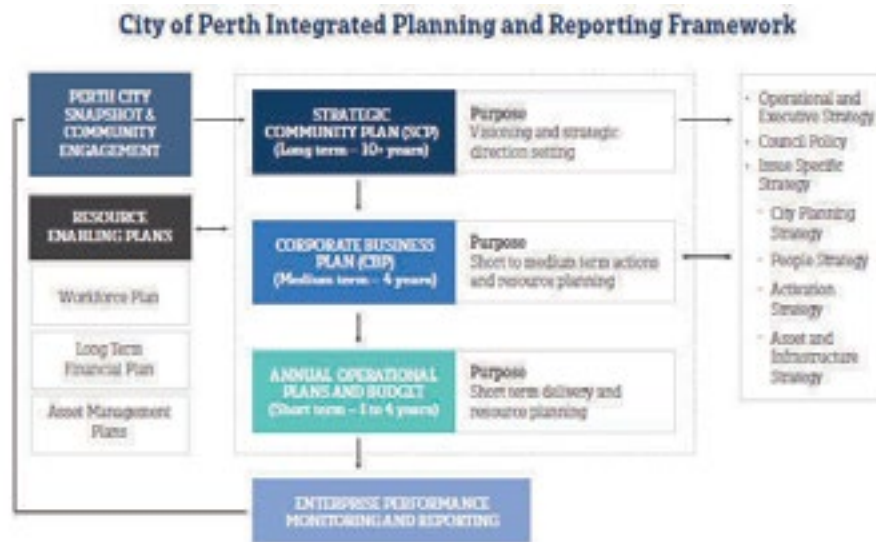
What is needed is a customised financial management manual that outlines the controls and financial systems tailored for the City's use. Without clarity in the City's formal business rules, staff with varying levels of experience applied their financial acumen in performing their duties. This involves discretionary decisions and a fair degree of interpretation of what are acceptable standards, which accentuate misconduct risks as transparency is absent, ineffective or can be avoided.

7.4. Integrated Planning Framework at the City of Perth

In 2011, the Western Australian State Government introduced legislation requiring local governments to prepare an Integrated Planning and Reporting ("**IPR**") Framework. The Framework requires the development of a 'Plan for the Future', comprising a 10-year Strategic Community Plan, a four-year Corporate Business Plan and supporting informing strategies.

As part of the integrated planning process, local governments are required to consult with their communities to develop a long-term vision, examine the demographic, social, environmental and economic trends shaping the future of their area and align their activities and resources to address the community's aspirations expressed in this vision.

The diagram below illustrates the City's Integrated Planning and Reporting Framework:



7.5. Corporate Business Plan

The Corporate Business Plan is the Council's 4-year planning document. It gives effect to the first four years of the Strategic Community Plan and is pivotal in ensuring that the medium-term commitments are both strategically aligned and affordable. The Department of Local Government and Communities' (as it was known) *Integrated Planning and Reporting Framework Guidelines (September 2016)*, inter alia, requires the Corporate Business Plan to capture the local government's financial profile and link it to asset management plans and the workforce plan.

Whilst the way each local government lays out its Corporate Business Plan is highly discretionary, we found the City's Corporate Business Plan is devoid of key information, which does not enable ratepayers to understand how the City will fund its future commitments.

Whilst there is an overall financial forecast in the Long Term Financial Plan for each financial year, what is missing in the Corporate Business Plan is the analysis of cost for each strategy or enabling initiative. It appears this information was not included in the Corporate Business Plan because:

1. The lack of appropriate overhead allocation model;
2. Immature asset management; and
3. Inadequate input into the formulation of the Corporate Business Plan by relevant stakeholders.

Moreover, the Corporate Business Plan lacks detail about the workforce plan. (The Workforce Planning process informs the Corporate Business Plan, which is linked to the City's Strategic Community Plan). Our inquiries indicated that the City does not have the ability to accurately account for the FTE staff numbers.

By understanding the number and types of roles required to meet future demands, Workforce Planning informs other management imperatives, for example office accommodation needs, vehicle numbers and types, communications and related information technologies.

The 2015 and 2016 Corporate Business Plans did not have key performance indicators that enabled Council and the community to monitor progress and impact. For example, considering the strategic importance of the Elizabeth Quay Project, the Corporate Business Plan contained very limited analysis and accompanying narratives outlining details of the City's role in the future management of the precinct.

Whilst there is a generic reference stating that the financial details regarding the Elizabeth Quay Project are contained in the Long Term Financial Plan, the Corporate Business Plan should contain the requisite information elements in sufficient degree of granularity at one place, as required by the Department of Local Government and Communities' (as it was known) *Integrated Planning and Reporting Framework Guidelines* (September 2016), to enable the readers to appreciate the financial implications of the City's plans.

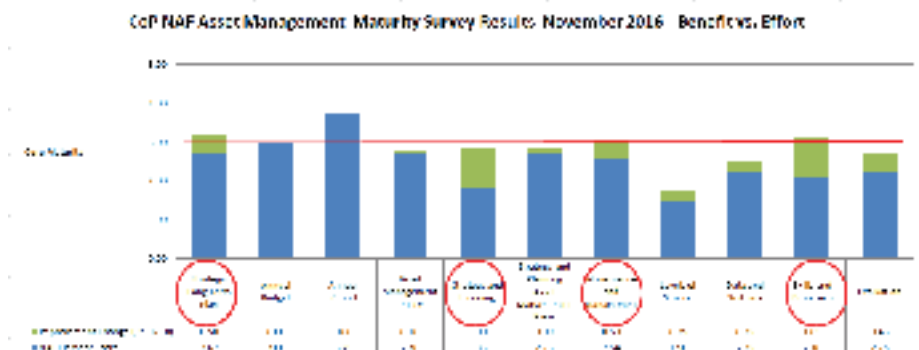
We consider the quality of the Corporate Business Plan is not commensurate with an operation of the scale and scope of the City, and not fully aligned to the intent of the requirements of the Integrated Planning and Reporting Framework.

7.6. Asset Management

In 2016/17, the City's Asset Management Unit undertook a self-evaluation to understand the current state of asset management practices at the City. The survey was conducted using the National Assessment Framework ("NAF"). The NAF provides a series of questions relating to the ten elements of the LGPMC Financial Sustainability Frameworks and consists of 76 questions under the 11 elements, to determine progress with implementation towards core maturity.

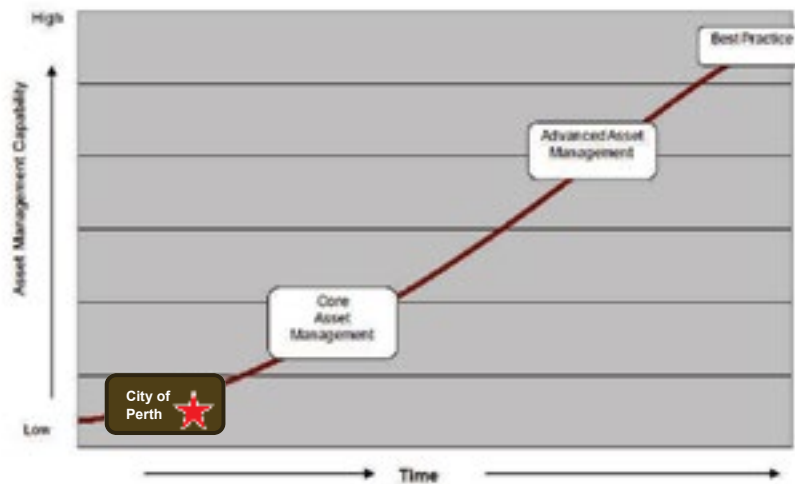
The survey result was an average maturity score of 2.51.

The diagram below shows the City's overall alignment status to the NAF elements (blue bars). The red line is an intermediate target of 3.







The four elements (circled in red) underpinned the deficiencies in the City's in asset management. These weaknesses reduce the City's ability to perform long term strategic asset planning with any degree of accuracy.

The City's overall achievement of core maturity is depicted below:



It is telling that the City's own analysis of the asset management framework identified the following snapshots (as at **30 June 2016**) of the status of each asset management artefact:

Tier	Title	Description	City of Perth's application
1	Asset Management Policy	The Asset Management Policy outlines a local government's asset management objectives, targets and plans. It establishes a platform for service delivery and provides the framework that enables the Asset Management Strategy and Plans to be produced. The Asset Management Policy should support 'whole of life' and 'whole of organisation' approaches to asset management.	 80% <ul style="list-style-type: none"> ✓ Policy adopted by Council ✓ Reviewed annually ✓ 'Whole of Life' and 'Whole of Organisation' focus ✗ Strengthen the link to the Strategic Community Plan
2	Asset Management Strategy	As Asset Management Strategy is a document that: <ul style="list-style-type: none"> i) Outlines how the local government's asset portfolio will meet the service delivery needs of its communities into the future ii) Enables the local government's Asset Management Policy to be achieved iii) Ensures that asset management is integrated with the Strategic Community Plan and Corporate Business Plan 	 60% <ul style="list-style-type: none"> ✗ No existing Strategy. Currently in development, expected adoption by Council in 2017 ✓ Targets the integration with the Strategic Community Plan and Corporate Business Plan ✓ Focuses on improvement areas: information, innovation, sustainability and accountability
3	Asset Management Plans	Asset management plans are documents developed for each asset class and define the processes used to manage that asset class. Asset Management Plans should include: <ul style="list-style-type: none"> • Reference to an asset register • Defined levels of service • Demand forecasting • Risk management strategies • Financial information • Information on 'whole of life' costing including changes in service potential for assets 	 70% <ul style="list-style-type: none"> ✓ Asset management plans developed for all asset classes ✓ Most requirements for the plans have been met ✗ Some inconsistencies in data and formats between asset classes ✗ Low detail in risk management, operational and maintenance strategies

Tier	Title	Description	City of perth's application
		<ul style="list-style-type: none"> A schedule for asset performance review and plan evaluation An asset management improvement program Clear linkages to other strategic documents 	<p>✗ Low detail in justification of forecasted budgetary requirements</p>
4	Evaluation of Process and Plans	Asset management programs should include evaluation mechanisms to measure their effectiveness against their targets and outcomes annually. The mechanisms chosen should meet accounting standards and be independently audited. Organisational requirements such as those arising from workforce planning need to be included in the evaluation process.	<p> 40%</p> <p>✓ Creation of a dedicated Asset Management Unit tasked with process improvements and evaluation</p> <p>✗ Consolidation of business standards, processes and procedures required</p> <p>✗ Definition and measurement of KPIs in line with AM Strategy required.</p>

For optimal management of assets, the City collects and maintains asset data in order to plan and inform the acquisition, maintenance or disposal activities required. The completeness of the data (as at 30 June 2016) is also shown against each asset class in the table below. The ✓ symbol indicates full completeness, ✓ indicates partial completeness and ✗ indicates no notable progression towards this data set.

Asset class	Description	Data completeness
STREETSCAPES	<p>This class includes the City's assets contained within the road reserves that the City owns and maintains. This includes the following asset sub-classes:</p> <ul style="list-style-type: none"> Roads Footpaths Kerbs Drainage Street Lighting Street Furniture & Signs Bridges 	<p>✓ Financial Valuations</p> <p>✓ Asset Registers in Asset Management System</p> <p>✓ Condition Assessment Data</p> <p>✓ Preventative Maintenance Plans</p> <p>✗ Community Consultation and Demand Drivers</p>
LANDSCAPES	<p>This class includes the City's assets contained within the parks and reserves that the City owns and maintains. This includes the following asset sub-classes:</p> <ul style="list-style-type: none"> Bridges Hard Landscapes Soft Landscapes Trees Park Lighting Riverbanks 	<p>✓ Financial Valuations</p> <p>✓ Asset Registers in Asset Management System</p> <p>✓ Condition Assessment Data</p> <p>✗ Preventative Maintenance Plans</p> <p>✗ Community Consultation and Demand Drivers</p>
PROPERTIES	<p>This class includes the City's buildings and land assets that the City owns, maintains or leases to the public. This class includes the following asset sub-classes:</p> <ul style="list-style-type: none"> Buildings Land Leasehold Improvements Leased Land 	<p>✓ Financial Valuations</p> <p>✓ Asset Registers in Asset Management System</p> <p>✗ Condition Assessment Data</p> <p>✗ Preventative Maintenance Plans</p> <p>✗ Community Consultation and Demand Drivers</p>

Asset class	Description	Data completeness
ARTS, CULTURE & HERITAGE	The Arts, Culture & Heritage asset class recognises the assets that provide artistic and heritage value to the City of Perth. This class includes the following asset sub-classes: <ul style="list-style-type: none"> • Works of Art • Public Art • Memorabilia 	<ul style="list-style-type: none"> ✓ Financial Valuations ✗ Asset Registers in Asset Management System ✗ Condition Assessment Data ✗ Community Consultation and Demand Drivers
PLANT & EQUIPMENT	The Plant & Equipment class is a broad asset class that comprises the following sub-classes: <ul style="list-style-type: none"> • IT Equipment • Furniture • Plant and Fleet Equipment • Parking Equipment 	<ul style="list-style-type: none"> ✓ Financial Valuations ✓ Asset Registers in Asset Management System ✓ Condition Assessment Data ✓ Preventative Maintenance Plans ✗ Community Consultation and Demand Drivers

7.7. Long Term Financial Plan and Annual Budgeting

Section 6.2 of the *Local Government Act 1995* requires each local government to prepare and adopt an annual budget for its municipal fund. The annual budget is guided by the Corporate Business Plan, which plays an important role in aligning the City's short-term activities to its longer-term goals and objectives.

The annual budget is an essential element of prudent management practices.

The City has a decentralised budgeting process whereby the individual Directorates and Business Units develop their own budget estimates within the guidelines established by Finance. Revenue and expenditure estimates are required to be developed using zero-based budgeting techniques so that every cost centre is re-evaluated from a neutral position.

The intended aim of this approach is that all budget estimates and forecasts, such as capital works and new proposals, are developed in line with the adopted Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan.

The responsibility of assessing the current operations in relation to priorities within the Strategic Community Plan and Corporate Business Plan rests with the Directors and Business Unit Managers.

Operational budget estimates are limited by Council through the adopted budget parameters.

Interviews conducted with stakeholders indicate that, because of the limitations of asset management (aforementioned), and to a certain extent project management, the financial planning horizon is constrained to a **two years'** period. The required planning horizon of the Corporate Business Plan is **four** years and the Long Term Financial Plan is **10** years. Accordingly, the City does not have the ability to accurately forecast and manage capital plan beyond the short-term.

On the surface, the City's budgeting process is not too dissimilar to other local governments subject to the Integrated Planning and Reporting Framework. There are however, deficiencies in the integration and interface between the different business units and their relative priorities.

Other reviews undertaken by consultants identified that the Strategic Community Plan and the supporting Corporate Business Plan do not effectively capture the organisation's strategy. The Strategic Community Plan lacks a clear and complete articulation of the City's strategic choices, priorities and targets. A decision was previously taken to exclude "business as usual" activities from the Strategic Community Plan and the Corporate Business Plan. Consequently, the documents do not explicitly define the contribution of all business units to the organisation's strategic priorities, nor define and prioritise specific objectives for each business unit. The integration and linkage between the Strategic Community Plan, Corporate Business Plan and business unit level strategies is not explicitly articulated.

Effectiveness of capital budgeting activity at the City has been influenced by asset management and project management. Whilst investigations into these disciplines warrant a separate review of their own, enquiries with relevant stakeholders in these regards indicated ongoing reform, which highlight the challenges that the City experienced in accurately forecasting its capital program. A key risk in this respect is inadequate analysis, design, delivery and/or status reporting of initiatives, resulting in additional expenses, time delays or scope changes.

We obtained evidence which indicated that:

- The "Integrated Parking Management System" (IPMS) was proposed to be implemented over 2 financial years with \$6.5 million of expenditure in 2018/2019 and \$10.5 million expenditure in 2019/2020. Despite the significant cost of the IPMS, there was no reference to the IPMS within the City's Long Term Financial Plan.
- The following material adjustments were required to the City's Long-Term Financial Plan:
 - Additional Core Systems costs of \$13.5 million (over 4 years);
 - Increased costs of Peth Convention Centre Carpark subsidence works by \$5 million to \$25 million; and
 - Increased costs of IPMS by \$6 million to \$17.7 million.

When combined with other error adjustments, the reserves fell to \$27m from \$60m, and cash fell to a low of \$45m from \$80m. The magnitude of corrections is significant. On this trajectory, if not properly managed, the City is at risk of experiencing liquidity issues.

As demonstrated above, the consequences of inadequate financial planning could be high for an organisation of the scale, scope and complexity such as the City.

8. Other Matters



8.1. Fringe Benefits Tax

Fringe benefits tax (“**FBT**”) is paid by employers on certain benefits they provide to their employees or their employees’ family or other associates. The FBT year starts on 1 April and ends at 31 March.

The City paid approximately \$650,000 - \$700,000 of FBT each year across the three years of the terms of reference. About 50% to 60% of this FBT relates to motor vehicle expenses, predominately calculated under the “Statutory Method”. The statutory formula method calculates the taxable value of the motor vehicle benefit as a percentage of the car’s value, based on the number of days during the FBT year on which the car was available for private use. A log book is not required to be maintained for calculating the taxable value of motor vehicles under this approach.

It appears that the City does not reinforce the requirement for log books to be kept for motor vehicles as demonstrated from the predominate use of the Statutory Method. Without a requirement to maintain log books for motor vehicles, the City may be exposed to paying a higher FBT amount than otherwise required had the actual private use portion been determined.

Our enquiries revealed that the City never had an external independent review or advice in relation to its compliance with FBT legislations.

8.2. Finance Capabilities

Our research of the Human Resource records revealed that apart from the former Director of Corporate Services, during the terms of reference, the two senior finance officers – Chief Accountant and Finance Manager – do not hold either a CPA or CA qualification.

Within the accounting profession, these two designations indicate finance expertise and ongoing professional development to maintain the requisite technical accounting skills in leadership, strategy and business.

8.3. Finance Services Structure

Finance Services at the City is comprised of more than 30 personnel. This level of staffing is usually commensurate with a multi-billion-dollar enterprise. There appears to be a high level of inefficiencies arising out of inadequate organisational financial management and poor system uptake. For instance, the installation of Directorate Accountants across the City was inspired from concerns from other business units’ managers unable to obtain the financial information in a manner that supports their business requirements.

For the level of resources invested within Finance Services, the expected gains have not been realised by way of a high performing, responsive finance department that provides financial stewardship to the City.

8.4. Systems

The following diagram describes at a high level the different systems that interfaces with the City’s primary finance system, Finance One.



Our enquiries revealed that customisations of various systems for interfacing with Finance One had been carried out without specific risk assessment. Whilst there appears to be an understanding of the transactional impacts from those customisations, but without a proper risk assessment, the broader system implications may not be identified.

8.5. Office of the Auditor General (OAG)'s Management Letter

The OAG management letter in relation to the 2018 financial year, identified the following salient matters that aligned to our observations on the City's financial management:

- 17 assets totalling \$120,465 in value and \$1,690 in depreciation were erroneously excluded due to incorrect commission dates;
- Financial ratios' calculations were not consistent with the information contained therein or reporting requirements; and
- At the time of the audit, the City's accounting records, supporting schedules, and other documents were not finalised.

8.6. Financial Management Processes

Based on our enquiries, the following improvement opportunities have been identified by the Directorate Accountants in relation to financial management at the City. A selection of these issues is provided hereunder to provide a perspective of the challenges within Finances Services:

- Consistent management reports across the City (verified, easy to understand, formatted in a visually appealing way that aids decision-making).
- Upskilling of data extraction knowledge (in particular XLOne, Business Objects and Power BI). Once a team of people is upskilled, the maintenance of reports and dashboards can either be split or rotated.
- XLOne can be used to streamline a lot of processes that involve Finance One data extraction and further manipulation with pre-set formulas as well as to replace repetitive data extraction processes from Finance One.
- Project management old and new process – minimal data integration, double to triple handling of project status updates and not one source of truth at a moment in time.
- Enterprise Budgeting Tech One module has much greater potential than its current use and can provide efficiencies in many areas. Every 'model' set up in Enterprise Budgeting can extract live Finance One data, have input forms for any external qualitative or quantitative data, have formulas and syntaxes designed to create new information using the mixture of previously mentioned data and also load back to budget or forecast ledgers. All info in Enterprise Budget models can be extracted using XLOne in various custom formats as per requirement of Management.
- New revised chart of accounts is not aligned to services and also not aligned to optimal activity-based cost hierarchy.
- Activity based costing is not transparent and not used to cascade the cost of support units down to service units optimally and through use of mutually agreed cost drivers.
- Pathway processes are not clear and involve the City invoicing itself. In addition, there are various issues within the Health and Activities business unit issuing quotes estimates internally and externally which inflates recognised accrued revenue and can get significantly reversed in the following period(s). There are also issues with Parking Services infringements and apparent lack of knowledge about the consequences of corrections and the end interface to Finance One.
- Unreliable HR/payroll data management and inconsistent employment data (including position descriptions that cannot always easily be made consistent due to signed employment contracts) – all HR movements and changes are currently also being maintained by Directorate Accountants on a spreadsheet in order to have a reliable snapshot of the Directorate workforce at any point in time.
- Budget review employee costs are based on payroll extract and thus do not include vacancies that have to be added manually as well as workforce plan hours that might be different during temporary reductions such as in case of return from maternity leave or transition to retirement. In addition to this, many allowances have to be added manually per position at each budget review.
- Invoice approval reminders – raw data is manipulated in a 'Directorate focussed' format and sent out by various Directorate Accountants.
- Invoice approvals are currently processed through the content management system. Finance One has the ability to allow for segregation of duties approvals via decentralised purchase ordering and segregated receipting as well as auto invoice matching by AP team – this option could potentially lead to material time savings across the City.
- Current salaried time costing to capital works is a very cumbersome and manual process (particularly when it involves cross Directorate support as the temporary TimeLord timesheet system does not even cater for cross Directorate time costing). BU rates across the City have had an inconsistent base calculation. As part of the 19/20 budget justification template, consistent rates have been issued. However, as they are no longer average BU rates but per band level, this will create even more manual work until HRIS is implemented.

- Journals processed by finance do not include obtaining approval from the business unit that is being charged resulting in allocation of costs that can be inaccurate.
- Assets data does not appear to be readily available.
- Project retention fund information is not readily available to project managers and other key stakeholders.
- No clear service standards or guidelines published for processing time.
- Invoices generation and report writing is restricted to one person. This is considered high risk. Overloaded one person and long waiting time. Need to empower more staff with the skill;
- Lack of ability to see commitment against budget line items. Officer creates purchase orders and place orders with Contractor for future works however when we look at our budgets, Correct commitment are not showing. Also drill down against commitments does not work, showing whom commitments are with and for what works.
- Commitments breakdown is not available for Hansen related orders.

8.7. Response to Inquiry

We were disappointed with the quality and timeliness of information provided by the City to our enquiries, which reinforce the view of the level of dysfunction that exists. There have been occasions where:

- Irrelevant information of substantial quantity was provided to us, causing unnecessary commitment of analysis time;
- Extended delays to supply FBT information that should be readily available in the City's official recordkeeping system;
- Failure to address questions directly and succinctly; or ambiguous responses given; and
- At times, inadequate collaboration to provide general contextual or framework type of information by the imposition of unnecessary protocols such as not allowing handwritten notes to be taken during meetings.

9. Recommendations



In order to attain a transformative effect of its culture and operations, the City needs to change the foundation with which gave rise to the dysfunction. An ad hoc approach is likely to cause further stress on the organisation without significantly improving accountability and producing a culture of high performance that is needed, and very much expected, to manage the state's capital city. What is required is comprehensive reform which:

- addresses: people/capabilities; systems; and processes;
- identifies conflict of interest as principle to guide policy development; and
- recognises the complexities of the procurement environment and the misconduct risks attendant.

In that context, we make the following recommendations, which include considerations of matters in the extended scope of work.

Recommendation 1	Rationale
<p>Conduct a functional review of the Finance Services area. The review is to identify the following:</p> <ul style="list-style-type: none"> • Current capability and maturity assessment of the Financial services unit. A diagnosis of current performance, including "client" feedback and expectations. • Services and resource level comparison against similar local governments and industry benchmarks. • Adequacy of measures in place to ensure compliance with relevant local government financial regulations, including tax obligations such as Fringe Benefits Tax. • The potential impact of industry and technological changes. • Impact of the City's projected growth to be taken into account. • Key performance indicators to monitor ongoing performance. • Gap analysis and recommendations. 	<p>To ensure alignment of the City's finance functions, processes, systems, operations and organisational design to its legislative purposes and performance expectations.</p>
Recommendation 2	Rationale
<p>Key financial processes and systems need to be process mapped and documented to support consistent decision making and ensure accountability.</p>	<p>To minimise business continuity risks and ensure consistency and transparency in decision-making.</p>
Recommendation 3	Rationale
<p>A. Develop comprehensive, organisation-wide strategies to combat fraud and corruption including a review of policy and procedures to manage conflicts of interests and related-party transactions.</p> <p>B. Reiterate the importance of conflict of interest and a training program that reinforces the need to:</p>	<p>To ensure the City has a robust framework to counteract misconduct and corruption risks.</p>

Recommendation 3	Rationale
<ul style="list-style-type: none"> i. Declare all interests, whether a direct or indirect financial interest, a proximity interest or an impartiality interest; ii. Abstain from any decision-making forum associated with the subject matter that may present a conflict of interest; iii. Restrict the person's access to relevant information that is sensitive; iv. Divest the personal interest, which creates the conflict; and v. Provide education to individuals about identifying conflicts of interest. 	
Recommendation 4	Rationale
<p>A. The City's procurement operating model should be underpinned by relevant skills, experience, people and governance systems. For high risk procurement, the City should consider the specific risks associated with that procurement in general (i.e. supply market considerations and business risk considerations), as well as risks particular to probity of the procurement process. This can assist in clarifying the specific role that the probity auditor and/or advisor will play and the particular issues that he/she may be required to address.</p> <p>B. The City should establish a centralised contract management function that aims to address the organisational-wide needs including measures that monitor payment (to avoid duplication), variation, out of scope work and overall expenditure (to ensure compliance with procurement policy). Contract management activities should include, but not limited to, the following:</p> <ul style="list-style-type: none"> o Establish, measure and monitor key performance indicators; o Conduct performance review of suppliers; o On-going integrity check and risk management e.g. insurance, registrations, licences, etc.; o Value testing and benchmarking; and o Manage contract variations as appropriate. 	<p>In a fiscal environment that is increasingly characterised by contracting resource availability and economic pressures and constraints, effective corruption and misconduct management is paramount to ensure value for money is obtained for ratepayers in all decision-makings.</p> <p>The City needs to demonstrate that it has the appropriate governance arrangements to support its procurement activities.</p>
Recommendation 5	Rationale
<p>The roles of probity auditor and probity advisor should be clearly distinguished.</p> <p>Where the procurement is complex and/or sensitive, a probity advisor should be engaged to establish the probity</p>	<p>The City did not appear to have a sound appreciation of the distinctions between probity auditors and probity advisors. This confusion not only had led to</p>

Recommendation 5	Rationale
management framework. A probity auditor should then be engaged to provide an independent scrutiny of the procurement process and express an objective opinion as to whether the prescribed probity requirements have been adhered to.	advice by consultants that was coloured by self-review risks, but importantly, the City did not obtain the level of assurance that it thought it did.
Recommendation 6	Rationale
Effective governance should enhance organisation performance, management and minimise risks. To this end, the City should reset the risk management and internal audit functions; and more broadly, governance; in their current form. A review should be conducted to identify whether the structure, skillset, output, delivery is commensurate with an organisation of the scale, scope and complexity such as the City. An evaluation should also be undertaken examining alternative internal audit models, which include outsource and co-source arrangements.	Internal audit and Risk Management are important elements in assisting the management team to meet their responsibilities. Internal audit and Risk Management are an integral part of the corporate Governance framework that manage risks, identify process efficiencies and achieve objectives.
Recommendation 7	Rationale
As part of the reform initiatives, the City should plan some culture training tailored to different stakeholders in the organisation with the objective of promulgating the importance of accountability, taking ownership for individual actions and lead by example. At the same time, the City should review its Human Resource regime and recalibrate its disciplinary approach to ensure its punitive measures are balanced and not having a deleterious effect on the culture of the organisation by deterring individuals from accepting responsibility for their actions.	In order for the City to attain a high performing culture, it is necessary for staff to take ownership and responsibility for their decision-making. Staff need to feel 'safe' when taking calculated risks in performing their roles. Mistakes will be made, and when they do, staff should have the confidence to accept and learn from the errors of their way.

Recommendation 8	Rationale
The City should ensure proper documentation and record keeping is maintained when applying <i>Council Policy 12.4 "Payments under section 5.50 of the Local Government Act 1995"</i> .	To give effect to the policy, proper records need to be maintained to evidence the application of the policy.
Recommendation 9	Rationale
Customisations of the Finance One system should be risk assessed to determine the broader implications in terms of stakeholders' engagement and overall integration and alignment with the organisational objectives.	To ensure a strategic approach to implementing information technologies at the City.
Recommendation 10	Rationale
Asset Management and Project Management represent core capabilities that are dependent upon for the delivery and management of the City's capital program. A comprehensive review should be conducted to determine whether these business units have the right capabilities, systems and processes necessary to support the delivery of the City's capital budget; and the structure is aligned to the organisation's operational requirements.	Capital budgeting does not appear to accurately match the City's capacity to deliver. A holistic review is warranted to ensure alignment between the City's capability to deliver with its capital plan.
Recommendation 11	Rationale
<p>When engaging investigators and external consultants/advisors, the City should ensure that:</p> <ul style="list-style-type: none"> • It identifies the nature of assurance it requires; • It ensures the service provider is appropriately qualified, and, seek evidence of that qualification and experience; • It ensures the investigator – whether internal or external – does not have a conflict of interest with the subject matter concerned; • It formalises the engagement with a term of reference that is signed by all parties; • Upon receipt of the deliverable such as a draft report, the City rigorously reviews the information paying careful attention to the quality of the finding, logic and supporting evidence; and • Weaknesses of governance and/or controls identified contribute to a 'lesson learnt' process as part of an intelligence-led internal audit function. 	To ensure the City appropriately commissions and obtains the right advice when conducting an investigation.



Recommendation 14	Rationale
<p>In respect of grants, donations and sponsorships, the City should, for:</p> <ul style="list-style-type: none"> A. Small one-off projects – request a report on achievements against objectives and financial acquittal when the project is completed. B. More complex projects and service delivery programs – conduct regular and rigorous review to determine progress and assess whether value for money has been achieved. This should include regular progress reports by the funding recipient against agreed performance measures or milestones and/or site visits by a representative from the City. A final acquittal report should include an independent financial audit accompanying the following information: <ul style="list-style-type: none"> a. Acquittal certificate; b. Balance Sheet; c. Income and Expenditure Statement, d. Asset Register; and e. Performance Report. <p>Surplus funds should be returned to the City unless the recipient has made a formal application for funding retention. A regular review of monitoring, reporting and evaluation activities for funding programs should be scheduled in the City's internal audit plan.</p>	<p>To ensure ratepayers obtain value for money from the funding provided.</p>

Addendum



10. Perth Public Art Foundation Audit



10.1. Analysis and Findings

Our procedures involved, on a test basis, obtaining evidence that supports the payments made by the Perth Public Art Foundation (PPAF). Our sampled testing revealed, predominately, there are supporting documents demonstrating expenditures were incurred for business purposes.

We found several duplicate payments, and payment committed in errors with respect to the treatment of GST status of the payees. These mistakes are limited and appear to be an administrative oversight.

10.2. Debit Amounts

10.2.1. Coverage

The following table outlines the payment types and amounts per the bank statements of the business transaction account for the period **1 July 2015 to 30 June 2018**.

Total	Expenditure (Cheques and EFT) as per Bank Statements	Automatic Credit Card Payments as per Bank Statements	Banks Fees and Charges
\$663,806.47	\$628,844.94	\$34,590.36	\$371.17

We conducted substantive testing of 179 invoices that represents \$565,268.77 in expenditures or 89.89% of payments made by cheques and electronic funds transfer.

Additionally, we reviewed a sample of 11 credit card transactions with the total value of \$3,784.67, which is approximately 11% of the total credit card payments.

10.2.2. Duplicate Payments

We observed the following instances of duplicate payments:

Supplier Invoice						Bank Statement		
Supplier	Invoice Date	ABN	GST Charged	GST	Amount (exc. GST)	Amount (inc. GST)	Cheque Number	Date Presented
██████	20/10/2016	91085538674	Y	\$7.00	\$70.00	\$77.00	287	5/12/2016
██████	20/10/2016	91085538674	Y	\$7.00	\$70.00	\$77.00	298	5/12/2016

The following is a potential duplicate payment.

Supplier Invoice						Bank Statement		
Supplier	Invoice Date	ABN	GST Charged	GST	Amount (exc. GST)	Amount (inc. GST)	Cheque Number	Date Presented
<i>Potential</i>								
██████████████████	28/08/2016	90196775063	N	-	\$1,420.00	\$1,420.00	220	15/09/2016
██████████████████	28/08/2016	90196775063	N	-	\$1,420.00	\$1,420.00	219	19/09/2016

10.2.3. GST Issues

We observed the following errors with the treatment of supplier's GST status.

PPAF paid an invoice amount that includes a GST component to a supplier who was not registered for GST and did not charge a GST on the Tax Invoice rendered.

Supplier Invoice			Bank Statement				ABN Lookup					
Supplier	Invoice Date	ABN	GST Charged	GST	Amount (exc. GST)	Amount (inc. GST)	Cheque Number	Date Presented	Amount	ABN Registered	GST Registered	GST Registration
[REDACTED]	5/08/2016	93925079443	N	-	\$375.00	\$375.00	217	18/08/2016	\$412.50	Y	N	Never

Suppliers charged GST on the Tax Invoice, but at the date of the invoice, was not registered for GST.

Supplier Invoice			Bank Statement				ABN Lookup					
Supplier	Invoice Date	ABN	GST Charged	GST	Amount (exc. GST)	Amount (inc. GST)	Cheque Number	Date Presented	Amount	ABN Registered	GST Registered	GST Registration
[REDACTED]	13/09/2016	81337477930	Y	\$142.00	\$1,420.00	\$1,562.00	248	3/10/2016	\$1,562.00	Y	N	08/01/2009 - 07/09/2016
[REDACTED]	24/11/2016	81337477930	Y	\$142.00	\$1,420.00	\$1,502.00	306	1/12/2016	\$1,502.00	Y	N	08/01/2009 - 07/09/2016
[REDACTED]	14/09/2016	81337477930	Y	\$426.00	\$4,260.00	\$4,686.00	249	5/10/2016	\$4,686.00	Y	N	08/01/2009 - 07/09/2016
[REDACTED]	1/02/2017	81337477930	Y	\$50.00	\$500.00	\$550.00	345	31/03/2017	\$550.00	Y	N	08/01/2009 - 07/09/2016
[REDACTED]	4/12/2016	37919513833	Y	\$400.00	\$4,000.00	\$4,400.00	310	28/12/2016	\$4,400.00	Y	N	Never
[REDACTED]	11/01/2017	33074311495	Y	\$80.00	\$800.00	\$880.00	352	18/05/2017	\$880.00	Y	N	Never
[REDACTED]	4/10/2016	33074311495	Y	\$320.00	\$3,200.00	\$3,520.00	256	13/10/2016	\$3,520.00	Y	N	Never

Suppliers did not charge GST on the Tax Invoice, but at the date of the invoice, was registered for GST, therefore should have charged a GST for their services.

Supplier Invoice			Bank Statement				ABN Lookup					
Supplier	Invoice Date	ABN	GST Charged	GST	Amount (exc. GST)	Amount (inc. GST)	Cheque Number	Date Presented	Amount	ABN Registered	GST Registered	GST Registration
[REDACTED]	28/11/2016	91881898836	N	-	\$1,200.00	\$1,200.00	280	9/11/2016	\$1,200.00	Y	Y	01/11/16 - Current
[REDACTED]	5/12/2016	90196775063	N	-	\$1,400.00	\$1,400.00	323	20/02/2017	\$1,400.00	Y	Y	08/03/17 - Current
[REDACTED]	28/08/2016	90196775063	N	-	\$1,420.00	\$1,420.00	220	15/09/2016	\$1,420.00	Y	Y	08/03/17 - Current
[REDACTED]	14/09/2016	90196775063	N	-	\$4,260.00	\$4,260.00	255	11/10/2016	\$4,260.00	Y	Y	08/03/17 - Current

10.3. What we did not do

We were not provided with the general ledgers supporting the financial statements, and accordingly did not validate the disclosures of amounts appearing on the PPAF financial statements. Our focus

was primarily concerned with whether suitable evidence exists to support the payments made by the PPAF. Accordingly, our procedures did not involve an examination of the classification of these expenditures in PPAF's financial statements.

10.3.1. Credit Amounts

The following table summarises all the credit entries in the bank statements.

Bank Statement			Perth Public Art Foundation Invoice				
Date	Description	Amount	Date	Description	Amount (exc. GST)	GST	Amount (inc. GST)
1/09/2015	Transfer in Branch Innaloo	\$221,672.78					
3/12/2015	Direct Credit Artsource	\$537.35	10/11/2015	Reimbursement - insurance associated with ROARY the baby dragon installation	\$537.35	-	\$537.35
7/01/2016	Direct Credit City of Perth	\$22,000.00	8/12/2015	Partnership - Administrative Support Costs (\$60,000 over three years)	\$20,000.00	\$2,000.00	\$22,000.00
29/07/2016	Direct Credit City of Perth	\$243,320.00	27/06/2016	2016 Cow Parade Perth	\$161,400.00	\$16,140.00	\$177,540.00
			27/06/2016	2016 Cow Parade Perth - Additional Cow Costs	\$46,800.00	\$4,680.00	\$51,480.00
			27/06/2016	2016 Cow Parade Perth - Activation Strategy	\$13,000.00	\$1,300.00	\$14,300.00
			Total		\$221,200.00	\$22,120.00	\$243,320.00
16/09/2016	██████████	\$11,000.00	5/08/2016	██████████ Wagyu Partnership Package - Cow Parade Perth 2016	\$10,000.00	\$1,000.00	\$11,000.00
29/09/2016	Direct Credit ██████████	\$7,150.00	18/09/2016	██████████ Hereford Cow Partner - Cow Parade Perth 2016	\$6,500.00	\$650.00	\$7,150.00
9/11/2016	Cash/Cheque Deposit Fremantle	\$1,200.00					
10/11/2016	Direct Credit City of Perth	\$74,030.00	2/10/2016	Partnership - Payment as per Agreement July 2016 - June 2017)	\$67,300.00	\$6,730.00	\$74,030.00
11/11/2016	Direct Credit ██████████	\$5,500.00	3/11/2016	██████████ Sponsored Cow - Cow Parade Perth 2016	\$5,000.00	\$500.00	\$5,500.00
13/12/2016	Direct Credit ██████████	\$7,150.00	1/12/2016	AMILITA + the Winds from the West Artwork - Cow Parade Perth 2016	\$6,500.00	\$650.00	\$7,150.00
19/12/2016	Direct Credit ██████████	\$46,750.00	2/12/2016	Purchase of 6 Cows/Artworks for the 2016 Cow Parade Perth	\$42,500.00	\$4,250.00	\$46,750.00
23/01/2017	Direct Credit ██████████	\$11,000.00	12/09/2016	██████████ Wagyu Cow Partner - Cow Parade Perth 2016	\$10,000.00	\$1,000.00	\$11,000.00
31/01/2017	Direct Credit City of Perth	\$26,730.00					
31/03/2017	Direct Credit City of Perth	\$26,388.87	2/02/2017	Cow Parade 2016 Perth - various expenses	\$23,989.88	\$2,398.98	\$26,388.87
28/04/2017	Direct Credit City of Perth	\$18,454.95	3/03/2017	Cow Parade 2016 Perth - various expenses	\$16,777.23	\$1,677.72	\$18,454.95
9/05/2017	Cheque Deposit ██████████	\$3,850.00	12/09/2016	██████████ Jersey Cow Partner - Cow Parade Perth 2016	\$3,500.00	\$350.00	\$3,850.00
31/05/2017	Direct Credit City of Perth	\$26,510.91	20/04/2017	2016 Cow Parade Perth - Final Reimbursement	\$24,100.83	\$2,410.08	\$26,510.91
31/07/2017	Direct Credit City of Perth	\$282.72	29/06/2017	Reimbursement REMIX Academy Perth 2017 - Conference Attendance	\$257.02	\$25.70	\$282.72
29/12/2017	Direct Credit City of Perth	\$52,300.00	13/12/2017	Partnership 2018	\$47,545.45	\$4,754.55	\$52,300.00
29/06/2018	Direct Credit City of	\$50,000.01	11/06/2018	Bicentenary Project - Funding	\$45,454.55	\$4,545.46	\$50,000.01

Bank Statement			Perth Public Art Foundation Invoice				
Date	Description	Amount	Date	Description	Amount (exc. GST)	GST	Amount (inc. GST)
	Perth						

10.4. Partnership Agreement

Our analysis of funding received in respect of the Partnership Agreement is as follows:

15 December 2016 Letter from PPAF, re. copy of executed agreement, 2015 – 2018 Principal Partnership Agreement

Funding total: \$592,936

Comprising of:

- \$429,036 (Executive Director salary)
- **\$163,900^ (PPAF funding)**

^The \$163,900 comprises:

- \$20,000 (already paid to PPAF as @ 15 December 2016)
- \$128,900*
- \$15,000

The \$128,900* comprises:

- \$24,300 (after the Agreement extension date)
- \$52,000 (after 1 July 2016)
- \$52,300 (after 1 July 2017)

***Note: these amounts total \$128,600 NOT \$128,900**

The following amounts were received in the bank statements.

7/01/2016	\$22,000.00
10/11/2016	\$74,030.00
31/01/2017	\$26,730.00
29/12/2017	\$52,300.00
	\$175,060.00

According to the bank statements, PPAF received \$175,060 in partnership income between 1 July 2015 and 30 June 2018. Hence there is a **discrepancy of \$11,160** (being \$175,060 minus \$163,900) between the agreed amount of funding and the funding that they actually received.

10.5. Cow Parade

On 27 July 2016, the City formalised the partnership with the Perth Public Art Foundation to deliver the 2016 Cow Parade. Funding is made up of the following payments:

Funded by:		
City of Perth		
29/07/2016		\$243,320.00
31/03/2017		\$26,388.87
28/04/2017		\$18,454.95
31/05/2017		\$26,510.91
Sub-total		\$314,674.73

Funded by:		
Corporate Partnership income		
	19/12/2016	\$46,750.00
	16/09/2016	\$11,000.00
	11/11/2016	\$5,500.00
	13/12/2016	\$7,150.00
	9/05/2017	\$3,850.00
	23/01/2017	\$11,000.00
	29/09/2016	\$7,150.00
Sub-total		\$92,400.00
Grand Total		\$407,074.73

We did not note an issue with payments received by the PPAF in relation to the Cow Parade.

11. Grants, Sponsorships and Donations



Tabled below is a summary of the documents obtained and reviewed, and interviews conducted during this audit:

Documents Reviewed:	<ul style="list-style-type: none"> • CP 18.8 – Provision of Sponsorship and Donations • CP 18.15 – Grants • CP 18.13 – Sponsorship and Grants • CP 18.14 – Donations • Local Government (Rules of Conduct) Regulations 2007 • Finance One Extract of Expenditure – Chung Wah • Finance One Extract of Expenditure – Perth Fashion Concepts Inc • Finance One Extract of Expenditure – Fashion Council WA • Finance One Extract of Expenditure – [REDACTED] • Chung Wah Sponsorship Application – 7 September 2015 • MSIEC Minutes of Meeting dated 10 November 2015 • Council Minutes of Meeting dated 24 November 2015 • Chung Wah Sponsorship Application – 5 September 2016 • MSIEC Minutes of Meeting dated 29 November 2016 • Council Minutes of Meeting dated 13 December 2016 • Chung Wah Sponsorship Application – 2017 • Council Minutes of Meeting dated 21 December 2017 • MSIRC Minutes of Meeting dated 16 June 2015 • Council Minutes of Meeting dated 30 June 2015 • Elected member Gift Declaration – LM Scaffidi • MSIRC Minutes of Meeting dated 26 July 2016 • Council Minutes of Meeting dated 9 August 2016 • MSIRC Minutes of Meeting dated 23 May 2017 • Council Minutes of Meeting dated 6 June 2017 • PFF 2017 Assessment Report - Undated • Finance and Administration Committee Minutes of Meeting dated 16 February 2016 • Council Minutes of Meeting dated 23 February 2016 • Finance and Administration Committee Minutes of Meeting dated 31 January 2017 • Council Minutes of Meeting dated 14 February 2017
Personnel Interviewed:	<ul style="list-style-type: none"> • Mr Ben Fitzpatrick, Manager Marketing & Business Sponsorship

11.1. Context

The City of Perth (**"the City"**) provides grants, sponsorships and donations to individuals and organisations within the community to:

- Stimulate inner city cultural development, through support of cultural events and activities;
- Provide philanthropic support to community groups, whilst enhancing the delivery of services to the community, and visitors to, the City;
- Exploit opportunities to advance the corporate image of the City; and
- Empower the community to develop and deliver a wide range of projects and initiatives that build upon the social, cultural, environmental and economic life within the City.

Grants, sponsorships and donations are provided by the City in the form of cash and/or in-kind contributions (provision of goods and services including venue hire, waiving City fees and charges, etc.).

To provide a consistent, equitable, transparent and efficient framework for the administration of all funding programs, the City implemented the following policies:

- *Policy 18.8 – Provision of Sponsorships and Donations – Replaced on 13 December 2016 with CP18.13 – Sponsorship and Grants; and*
- *CP 18.15 – Grants - Revoked and replaced on 13 December 2016, with CP 18.14 – Donations.*

11.1.1. Definitions

Sponsorship – CP 18.13

"Sponsorship is a commercial, negotiated arrangement in which the City provides cash and/or in-kind contributions to an entity in return for commercial leverage, promotion, activation or exposure to achieve defined outcomes from the City's Strategic Community Plan. Sponsorship is not philanthropic in nature and the Council expects to receive a reciprocal benefit beyond a modest acknowledgement. The sponsorship will provide tangible and mutual compensation for all parties in the arrangement."

Grants – CP 18.13

"Grants mean cash and/or in-kind contributions provided to a recipient for a specific, eligible purpose. This is as part of an approved grant program which ties into the City's Community Strategic Plan, with the understanding that there will be a defined outcome that directly or indirectly benefits the public, but with no expectation of a commercial return to the City. Grants are subject to conditions including reporting, accountability and a requirement for the funds to be expended for the direct purpose for which they were granted."

Donations – CP 18.14

"Donations by the City of Perth reflect its commitment to improve the wellbeing of the community within the City of Perth and the residents of Western Australia and Australia as a whole. The provision of a donation by the City of Perth is of a philanthropic nature to an organisation and the City does not seek a direct cost benefit to be returned."

In this evaluation, we focused on the processes followed by the City in relation to the following samples:

- Chung-Wah Association Incorporated ("**Chung Wah**");
- Perth Fashion Festival ("**PFF**"); and
- [REDACTED]

11.2. Analysis and Findings

Records Management is the complete and accurate maintenance of records created and received by the City, as required to meet its obligations for accountability, whilst ensuring the protection of the rights and interests of the City, its staff, ratepayers and the community.

The proper maintenance of records also provides evidence that processes were conducted in a consistent, equitable, transparent and efficient manner, and that funds provided were used for the purposes that they were awarded.

The analysis revealed that the City did not maintain documentary evidence to justify its decisions in awarding funds, in the form of sponsorships and donations. This, not only highlights poor management but makes it difficult for the City to justify the decisions it has made, exposing the City to claims of bias, favouritism, misconduct and fraud.

We found the City's contravened its own policy *CP 18.8* in that they made full payment of a sponsorship instead of making progressive payments prior to the commencement or finalisation of the event.

Progressive payment methods mitigate the risk of sponsorship funds not being used for the intended purpose. In this case, the City may not have received the benefits from the sponsorship. This risk is exacerbated by the lack of documentary evidence of an appropriate acquittance process that ensured funds had been expended in accordance with the terms and conditions. In this respect, the City does not have a requirement for an independent financial audit of the recipient's financial results.

These factors revealed that the City did not have in place adequate controls when managing ratepayers' funds.

11.2.1. Chung Wah

Chung Wah, founded in 1909, is a Chinese organisation in Western Australia with approximately "3000 family members". Chung Wah is viewed as a *de facto* institution, representing the Western Australian Chinese community and serving as the main link for business and social networking between the Chinese community, governmental agencies and the business fraternities.

Since 2012, the City has provided "Event Sponsorships" to Chung Wah for the Perth Chinese New Year Fair.

The objective of event sponsorship is to financially assist organisations in staging and presenting free, or low-cost, activities in city-based public places. Event sponsorship is a cost-effective means of presenting events and activities for the City, thus the cost of sponsoring an event must be less than the cost for the City to produce and manage the event itself.

11.2.1.1. Event Sponsorship and Expenditure

For the audit period, **1 October 2015 to 30 March 2018**, the City made the following payments to Chung Wah:

No	Date	Description	Amount (excl. GST)
1	8 December 2015	Sponsorship – Chinese New Year	30,000.00
2	8 December 2015	Sponsorship – Chinese New Year	30,000.00
3	24 February 2016	RFD Bond-Hire Northbridge Piazza Comm	2,250.00
4	8 April 2016	Hire of Chinese Lanterns for Yum Cha in the Park	200.00
5	11 April 2016	Lion Dancers for Yum Cha in the Park	1,350.00

No	Date	Description	Amount (excl. GST)
6	19 December 2016	Sponsorship 2016-2017	35,000.00
7	6 February 2017	Sponsorship 2016-2017	35,000.00
8	21 February 2017	RFD Bond-Reserve Hire-Pth Chinese NY	650.59
9	4 December 2017	Chinese New Year Fair 2018 Sponsorship	30,000.00
10	12 January 2018	Chung Wah CNY Performance	59.90
11	12 January 2018	Chung Wah CNY Performance	599.00
12	28 February 2018	Chinese New Year Fair 2018 Sponsorship	30,000.00
Total			195,109.49

Chinese New Year Fair – 2016

On 7 September 2015, Chung Wah submitted, via email, an “*Event Sponsorship Application*” form to the City, applying for \$70,000.00 (excl. GST) event sponsorship for the 2016 Chinese New Year Fair, to be held on 14 February 2016 in Northbridge.

The application was assessed by the City’s Marketing and Events Unit who recommended that the Marketing, Sponsorship and International Engagement Committee (“**MSIEC**”) approve the sponsorship for an amount of \$60,000.00 (excl. GST). On 10 November 2015, the **MSIEC** approved the recommendation for Council consideration.

On 24 November 2015, Council approved the application for \$60,000.00 (excl. GST).

With regards to the payment and assessment of event applications, the City’s policy, “*CP18.8 Provision of Sponsorship and Donations - Section 4 Event Sponsorship*” states that:

4.1 Eligibility

4.1.5 Payments to successful applicants will be staggered to ensure delivery of the event prior to full payment of sponsorship monies by Council.

4.4 Assessment Process

4.4.1 Event sponsorship applications are assessed considering the degree to which the event achieves the objectives for each sponsorship category as detailed below:

- c. Events - The extent to which the event:
 - i. Contributes towards the achievement of one or more of the City’s marketing objectives;
 - ii Increases visitation to the City;
 - iii. Encourages use of the City’s public spaces.”

We observed the following:

- No documentary evidence could be located on the assessment conducted by the Marketing and Events Unit to test the veracity of the recommendation to the **MSIEC**, and ultimately, to Council; and
- The City paid the full amount of \$60,000.00 (excl. GST) (two instalments of \$30,000.00 (excl. GST) each as per no 1 & 2 in the table above) to Chung Wah on 8 December 2015, which is prior to the event. This is in contrast with *Section 4.1.5 of CP 18.8*, which requires the City to make progressive payments to ensure that the event will be delivered.

It is worthy to note that in year 2017 and 2018, the City made progressive payments as required by Section 4.1.5 of CP 18.8

With regards to the acquittal of funding, "CP18.8 Provision of Sponsorship and Donations - Section 4.1.6 states:

*"The applicant must commit to provide to the City of Perth a report which provides proof of delivery of all promised benefits (or explanation of variance) **within three months** of the presentation of the event."*

On 25 May 2016, Chung Wah, via email, provided the City with an "Event Sponsorship Acquittal" report. The event took place on 14 February 2016 and Chung Wah was required to provide their acquittal report on or before 14 May 2016. Chung Wah submitted the acquittal report late, after the three-month period provided for in CP 18.8.

Furthermore, we could not locate documentary evidence that the City assessed and approved the acquittal report.

Chinese New Year 2017

On 5 September 2016, Chung Wah submitted, via email, an "Event Sponsorship Application" form to the City, applying for \$80,000.00 (excl. GST) event sponsorship for the 2017 Chinese New Year Fair, to be held on 29 January 2017 in Northbridge.

The application was assessed by the City's Economic Development and Activation Directorate who recommended that the MSIEC approve the sponsorship for an amount of \$70,000.00 (excl. GST). On 29 November 2016, the MSIEC approved the recommendation for Council consideration.

On 13 December 2016, Council approved the application for \$70,000.00 (excl. GST).

We could not locate documentary evidence on the assessment conducted by the Economic Development and Activation Directorate to confirm the veracity of the recommendation to the MSIEC, and ultimately, to Council.

Furthermore, we could not locate documentary evidence that the City assessed and approved the acquittal report received from Chung Wah on 2 May 2017.

Chinese New Year 2018

During 2017 (exact date unknown), Chung Wah submitted an "Event Sponsorship Application" form to the City, applying for an event sponsorship (unknown amount) for the 2018 Chinese New Year Fair, to be held on 18 February 2018 in Northbridge.

On 7 November 2017, the MSIEC recommended the approval of a \$50,000.00 (excl. GST) sponsorship.

On 21 November 2017, Council increased, and approved, the sponsorship amount to \$60,000.00 (excl. GST) stating that: *"The Committee also determined that the Chung Wah Association sponsorship should remain at a similar amount to previous years' sponsorships."*

We could not locate documentary evidence on the assessment conducted by the City to confirm the veracity of the recommendation to the MSIEC, and ultimately, to Council.

Furthermore, we could not locate documentary evidence that an "Event Sponsorship Acquittal" form was completed and submitted by Chung Wah and assessed by the City.

11.2.2. Perth Fashion Festival

Perth Fashion Festival Pty Ltd ("PFF") is contracted by Perth Fashion Concepts Inc. ("PFCI"), trading as Fashion Council WA ("FCWA"), to deliver the Perth Fashion Festival.

The Perth Fashion Festival comprises a variety of runway, community, industry and related events that foster some of Australia's most sought after creative talent and showcases Western Australian designers.

Between 2010 and 2014, the City sponsored the Perth Fashion Festival, through PFCI, as per the following table:

Year	Sponsorship Amount (excl. GST)
2010	\$286,835
2011	\$285,500
2012	\$295,000
2013	\$305,000
2014	\$313,000
Total	\$1,485,335

In February 2014, the Perth Fashion Festival Advisory Board was established and has included City representatives since.

In April 2014, Telstra was announced as the naming rights partner for a period of five years. The contribution provided by Telstra consisted of cash and in-kind sponsorships.

The Lord Mayor, Lisa Scaffidi (**"LM Scaffidi"**), has been the Perth Fashion Festival Ambassador since 2009 and was a Board member between 2015 and 2017.

11.2.2.1. Event Sponsorship and Expenditure

For the audit period, **1 October 2015 to 30 March 2018**, the City made the following payments to PFCI.

No	Date	Description	Amount (excl. GST)
1	12 October 2015	Perth Fashion Festival – Refund Bond Debtor	\$2,700.00
2	16 February 2016	WA Fashion Awards - Sponsorship	\$5,000.00
3	15 March 2016	2016 WA Fashion Awards x 2 tickets	\$298.64
4	15 March 2016	2016 WA Fashion Awards – Perth City Style Collaboration	\$15,000.00
5	12 April 2016	WA Fashion Awards - Sponsorship	\$5,000.00
6	23 August 2016	Perth Fashion Festival 2016/17 - Sponsorship	\$135,000.00
7	26 September 2016	Perth Fashion Festival 2016/17 - Sponsorship	\$135,000.00
8	26 July 2017	Sponsorship Fee	\$70,000.00
9	1 August 2017	Sponsorship Fee	\$70,000.00
10	1 September 2017	Sponsorship Fee	\$70,000.00
11	7 September 2017	Perth Fashion Festival City Ticketing	\$327.27
12	19 January 2018	Sponsorship Fee	\$42,247.80
Total			\$550,573.71

Perth Fashion Festival – 2015

In 2015 (exact date unknown), PFCI requested a sponsorship of \$320,190 (excl. GST) from the City for the Perth Fashion Festival, to be held in September 2015, and for the WA Fashion Awards ("WAFA"), to be held in early 2016.

On 16 June 2015, the Marketing, Sponsorship & International Relations Committee ("MSIRC") recommended a sponsorship amount of \$313,000.00 (excl. GST), which included \$10,000.00 (excl. GST) for the WAFA awards.

On 30 June 2015, Council approved the recommended sponsorship of \$313,000.00 (excl. GST).

On 22 December 2015, PFCI provided the City with a stakeholder report.

With regards to sponsorship, *CP18.8 Provision of Sponsorship and Donations – Section 4.3.2* states:

"Applicants must submit an application which addresses the assessment criteria for the category of sponsorship for which they are applying together with any other information requested by the City".

Section 4.4.1 states:

"Event sponsorship applications are assessed considering the degree to which the event achieves the objectives for each sponsorship category".

In this regard, we were unable to confirm the veracity of the recommendation made to the MSIRC, and ultimately, to Council, as we could not locate evidence of the "Event Sponsorship Application" form and the application assessment documentation.

Furthermore, we could not determine if the City assessed the stakeholder report.

Declaration of Gifts

Regulation 12 Gifts of the *Local Government (Rules of Conduct) Regulations 2007* states –

"Notifiable gifts, in relation to a person who is a council member, means –

- (a) A gift worth between \$50 and \$300; or*
- (b) A gift that is one of 2 or more gifts given to the council member by the same person within a period of 6 months that are in total worth between \$50 and \$300."*

"Prohibited gifts, in relation to a person who is a council member, means –

- (a) A gift worth more \$300 or more; or*
- (b) A gift that is one of 2 or more gifts given to the council member by the same person within a period of 6 months that are in total worth \$300 or more". [Emphasis added]*

"A person who is a council member must not accept a prohibited gift from a person –

- (a) Who is undertaking or seeking to undertake; or*
- (b) Who it is reasonable to believe is intending to undertake an activity involving local government discretion".*

"A person who is a council member and who accepts a notifiable gift from a person —

- (a) who is undertaking or seeking to undertake; or*
- (b) who it is reasonable to believe is intending to undertake, an activity involving a local government discretion must, within 10 days of accepting the gift, notify the CEO of the acceptance in accordance with subregulation (4)".*

On **23 March 2016**, LM Scaffidi declared the following gifts received from Perth Fashion Festival:

Gift Accepted	Description	Gift Value
4 August 2015	Attend the Perth Fashion Festival WA Designer Runway 1	\$140.70
4 August 2015	Attend the Perth Fashion Festival WA Designer Runway 2	\$140.70
4 August 2015	Attend the Perth Fashion Festival Ae'lkemi & Steph Audino	\$140.70
4 August 2015	Speech at the Perth Fashion Festival Opening Night	\$201.86
4 August 2015	Speech at the Perth Fashion Festival Launch of Windows in the City	\$40.00
4 August 2015	Attend the Perth Fashion Festival Closing Night	\$201.86
4 August 2015	Attend the Perth Fashion Festival Myer Lunch	\$346.64
Total		\$1,212.46

We observed the following:

- **LM Scaffidi did not declare the gifts within 10 days of accepting the gifts; and**
- **The value of the *Perth Fashion Festival Myer Lunch* exceeded the limit of \$300, rendering this a “Prohibited” gift. LM Scaffidi should not have accepted this gift.**

Furthermore, overall as there are “2 or more gifts given to the council member by the same person within a period of 6 months that are in total worth \$300 or more”, all the gifts listed in the table above are deemed “Prohibited Gifts”.

Perth Fashion Festival – 2016

PFCI previously presented the Perth Fashion Festival. As part of its strategic direction, PFCI transferred its incorporation as an association under the *Associations Incorporation Act 1987* to a registered public company under the *Corporations Act 2001* – Fashion Council WA Limited (“**FCWA**”).

In 2016 (exact date unknown), FCWA requested sponsorship of \$359,315.91 (excl. GST) from the City for the Perth Fashion Festival to be held in September 2016. The total sponsorship requested comprised \$330,000.00 (excl. GST) cash and \$29,315.91 (excl. GST) in-kind.

On 26 July 2016, MSIRC recommended a reduced sponsorship amount of \$240,000.00 (excl. GST) in cash and \$29,315.91 in-kind. The reduction in the cash sponsorship was due to the City's determination that the Perth Fashion Festival “does not provide optimum level of commercial returns to the City when compared to its other major partnerships” and “the level of sponsorship requested is believed by the assessment panel to be excessive for a predominantly ticketed event”.

In this meeting, Councilor Janet Davidson (“**Cr Davidson**”) proposed to increase the approved cash sponsorship amount of \$240,000.00 (excl. GST) by \$30,000.00 (excl. GST), but the motion was not seconded.

On 9 August 2016, in a Council meeting, Cr Davidson again proposed to increase the cash sponsorship amount to \$270,000.00 (excl. GST). Council accepted Cr Davidson's proposal and approved a sponsorship amount of \$270,000.00 (excl. GST) as well as the in-kind sponsorship amount of \$29,315.91 (excl. GST) (totaling \$299,315.91 (excl. GST)).

On 20 December 2016, FCWA provided the City with an impact assessment.

With regards to sponsorship, *CP18.8 Provision of Sponsorship and Donations – Section 4.3.2* states:

“Applicants must submit an application which addresses the assessment criteria for the category of sponsorship for which they are applying together with any other information requested by the City”.

Section 4.4.1 states:

"Event sponsorship applications are assessed considering the degree to which the event achieves the objectives for each sponsorship category".

With regards to the process followed by the City, we were unable to confirm the veracity of the recommendation made to the MSIRC, and ultimately, to Council, as we could not locate evidence of the "Event Sponsorship Application" form and the assessment documentation relating to the application.

Furthermore, we could not determine if the City had assessed the impact assessment provided by FCWA.

Perth Fashion Festival – 2017

In 2017 (exact date unknown), FCWA requested triennial sponsorship of \$375,000.00 (excl. GST) per year – totalling \$1,125,000.00 (excl. GST) over a three-year period – from the City for the Perth Fashion Festival.

The assessment panel comprised the following people:

- Ms Annaliese Battista ("**Ms Battista**"), Director of Economic Development & Activation;
- Mr Ben Fitzpatrick ("**Mr Fitzpatrick**"), Manager of Business Support & Sponsorship; and
- Ms Peta Galloway ("**Ms Galloway**"), Sponsorship Officer.

We observed that in July 2016, Ms Battista, accepted Perth Fashion Festival's invitation to join the Perth Fashion Festival Advisory Board ("**PFFAB**").

The assessment panel recommended a decreased annual sponsorship of \$230,000.00 (excl. GST) for the following reasons:

"With the event now firmly established in the Perth festival and event scene, it is appropriate for the City to reevaluate [sic] the level of funding provided in comparison to the outcomes provided by the event and benchmark this against other sponsorships the City undertakes."

"City funding for the event has increased steadily over recent years before a slight reduction in 2016, and the City's contribution is significant in the context of the overall sponsorship portfolio. The requested level of funding of \$375,000 represents 52% of the total Event Sponsorship budget for 2017/18."

"With a final panel assessment score of 65.2 out of 100, the application did not achieve the agreed threshold for triennial funding of a minimum score of 72 out of 100. The panel has unanimously agreed to provide funding under the Annual Event Sponsorship program with \$230,000 considered appropriate in comparison to other sponsorships in the City's portfolio and the expected return from the Festival."

On 23 May 2017, the MSIRC approved the recommended annual sponsorship of \$230,000.00 (excl. GST) for Council's consideration.

On 6 June 2017, in a Council meeting, Cr Davidson again proposed to increase the annual sponsorship amount to \$250,000.00 (excl. GST) for the Perth Fashion Festival. Council approved the \$250,000.00 (excl. GST) annual sponsorship.

On 8 January 2018, FCWA provided the City with an impact assessment.

Section 11 of CP 9.5 Sponsorship of Perth City Activities states:

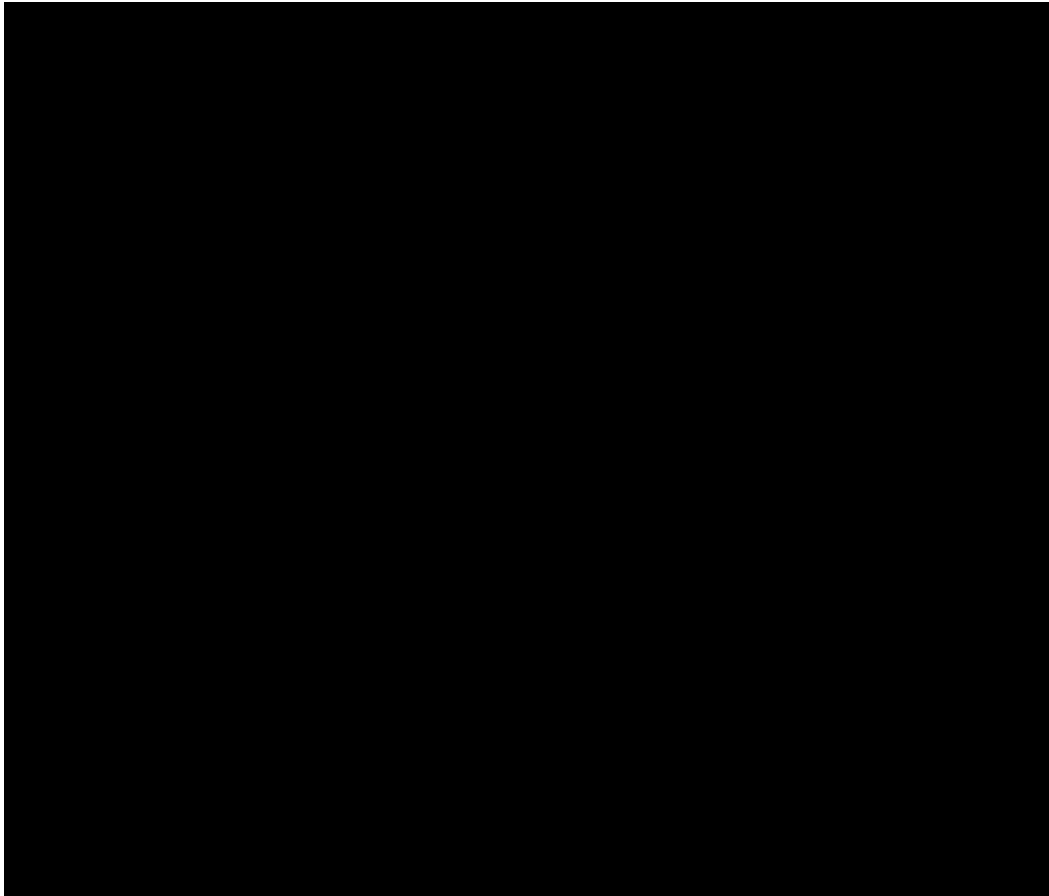
“City employees and members of the Council must declare an interest if any person with whom they are closely associated as defined in section 5.62 of the Local Government Act 1995 is entering into sponsorship arrangements with the City”.

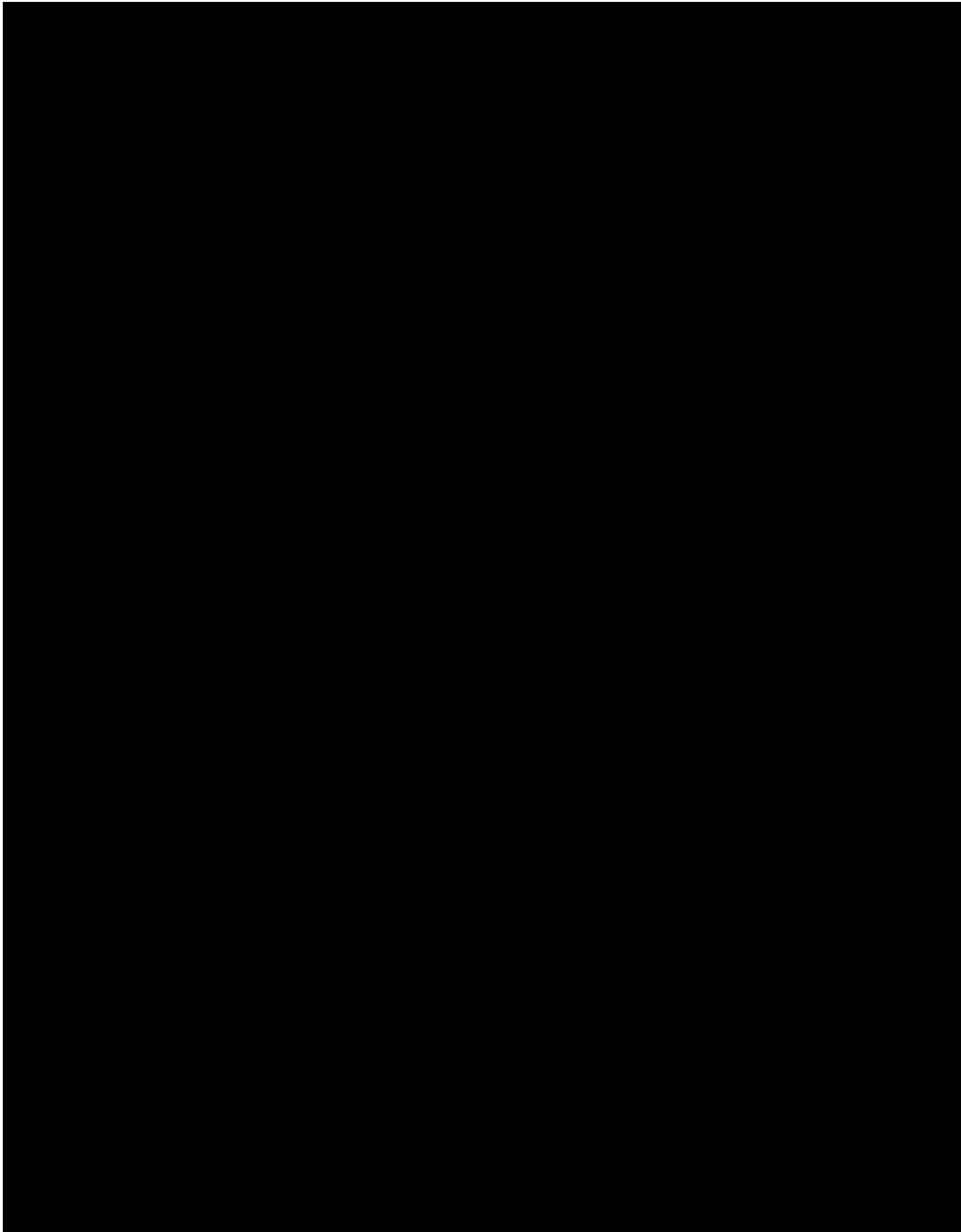
In this respect, we could not locate **“Declaration of Interest”** forms completed by the evaluation panel members.

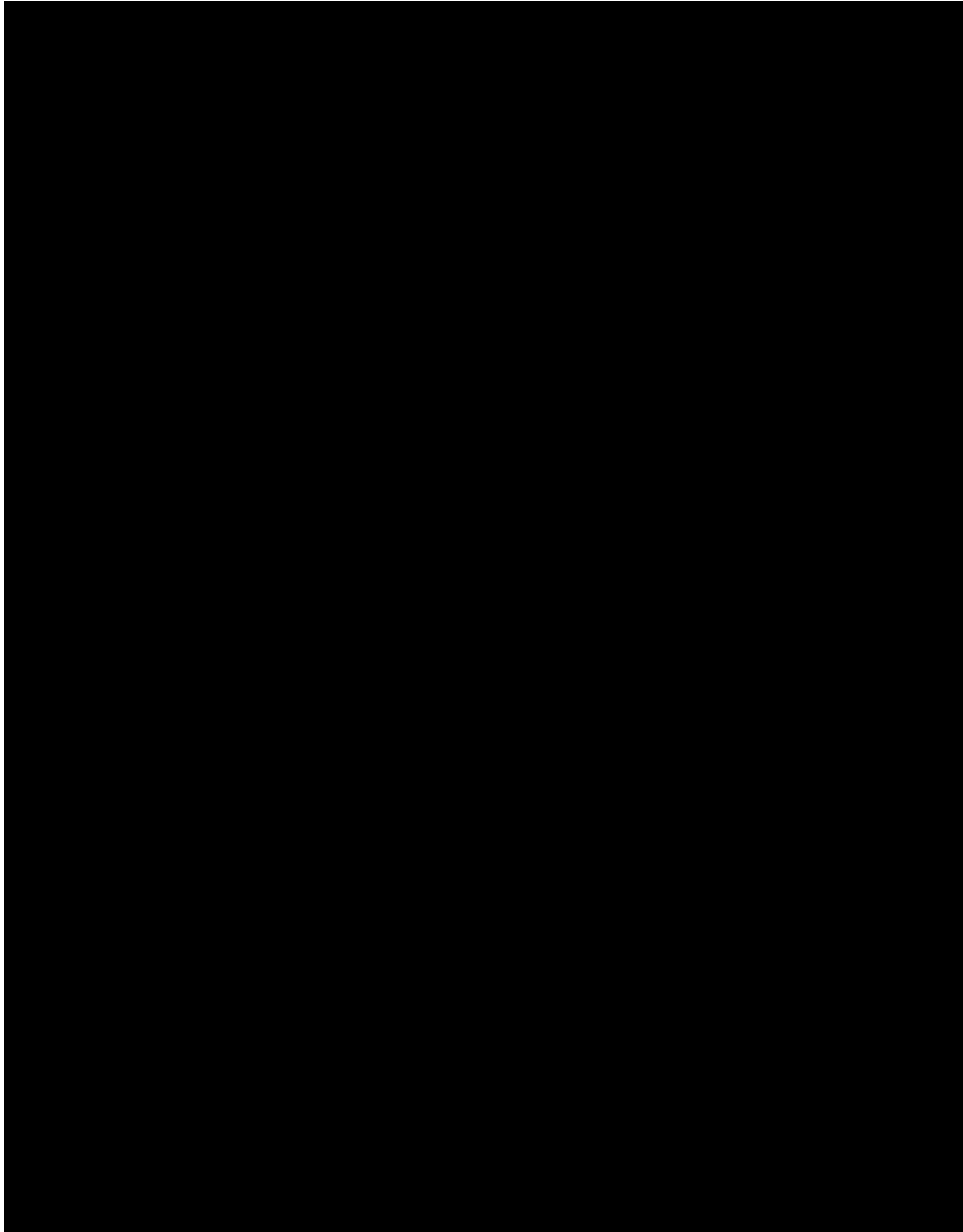
Section 10 of CP18.13 Sponsorship and Grants states:

“All sponsorships and grants must be acquitted within four months of the completion of the project or prior to subsequent application of further funding, whichever comes first. The City will provide a pro-forma acquittal document within the online management portal that can be used”.

With regards to the process followed by the City, we could not locate an **“Event Sponsorship Acquittal”** form as required by CP18.13 above or determine if the City had assessed the impact assessment provided by FWCA.







12. Parks Business Unit



Tabled below is a summary of the documents assessed and reviewed, and interviews conducted during this audit:

Documents Reviewed:	<ul style="list-style-type: none"> • CP 9.1 – Budgeting Policy • CP 9.7 – Purchasing • PR0559 – Construction and Maintenance (CMD) – Preparation of Parks Workforce Operating Budget • Parks Actual vs Budget Expenditure for 5 years Breakdown • 2015/16 Parks Material and Contracts Breakdown • 2016/17 Parks Material and Contracts Breakdown • 2017/18 Parks Material and Contracts Breakdown • Tender 022 13/14 - Tree Planting, Watering and Maintenance Services • Acceptance Letter dated 20 November 2013 • Contract Extension Letter dated 15 October 2015 • Tender 063-17/18 – Tree Watering and Maintenance Services • Council Minutes Dated 17 January 2018 • Tender 041 11/12 -Street Tree Pruning and Associated Works • Contract Extension Letter dated 2 July 2015 • Tender 164 16/17 – Tree Maintenance Services • Tender 019 13/14 – Water Feature Maintenance Service at Various Locations • Tender 008 15/16 - Water Feature Maintenance Service at Various Locations • Contract Expiry Letter dated 21 August 2018 • Tender 061 12/13 – Supply and Delivery of Annual Plants • Contract Extension Letter dated 16 October 2015 • Tender 056 17/18 – Supply and Delivery of Annual Plants • Contract Extension Letter signed on 21 November 2018 • Tender 043 14/15 – Supply and Installation of Automatic Irrigation Systems • Acceptance Letter dated 11 December 2014 • Tender 047 17/18 – Supply and Installation of Irrigation Systems • Acceptance Letter dated 30 November 2017
Personnel Interviewed:	<ul style="list-style-type: none"> • Ms Samantha Yan (Ms Yan) – Senior Financial Management Officer

12.1. Context

The City's Construction and Maintenance Directorate ("CMD") comprises six business units, including the Parks Business Unit ("the **Parks Unit**").

Each business unit prepares its own annual budget based on previous years' expenses, recurring work, maintenance and emergency forecasts and existing contracts. A consolidated budget template is prepared, reviewed by the CMD Director and Managers of each business unit, and uploaded into Finance One for preparation of Council approval.

After Council approval, CMD will circulate a quarterly "*Monthly Business Report*" to business unit Managers and Supervisors to review and monitor the progress on projects, employee movement and budget spend. Managers and Supervisors also extract monthly financial reports from Finance One to review and monitor its business unit's actual spend against its allocated budget.

With regards to the Parks Unit, who manage the City's parklands, road reserves, street trees, public places, mall horticultural presentations, boutique gardens and landscape maintenance and construction, the following budgets, per financial year ("FY"), were approved. The table also includes the actual spend per FY.

Parks Business Unit		
Financial Year	Approved Budget	Actual Expenditure
FY 2015/16	\$8,098,093.00	\$7,976,738.00
FY 2016/17	\$8,361,921.00	\$7,903,556.00
FY 2017/18	\$8,262,380.00	\$8,012,407.00

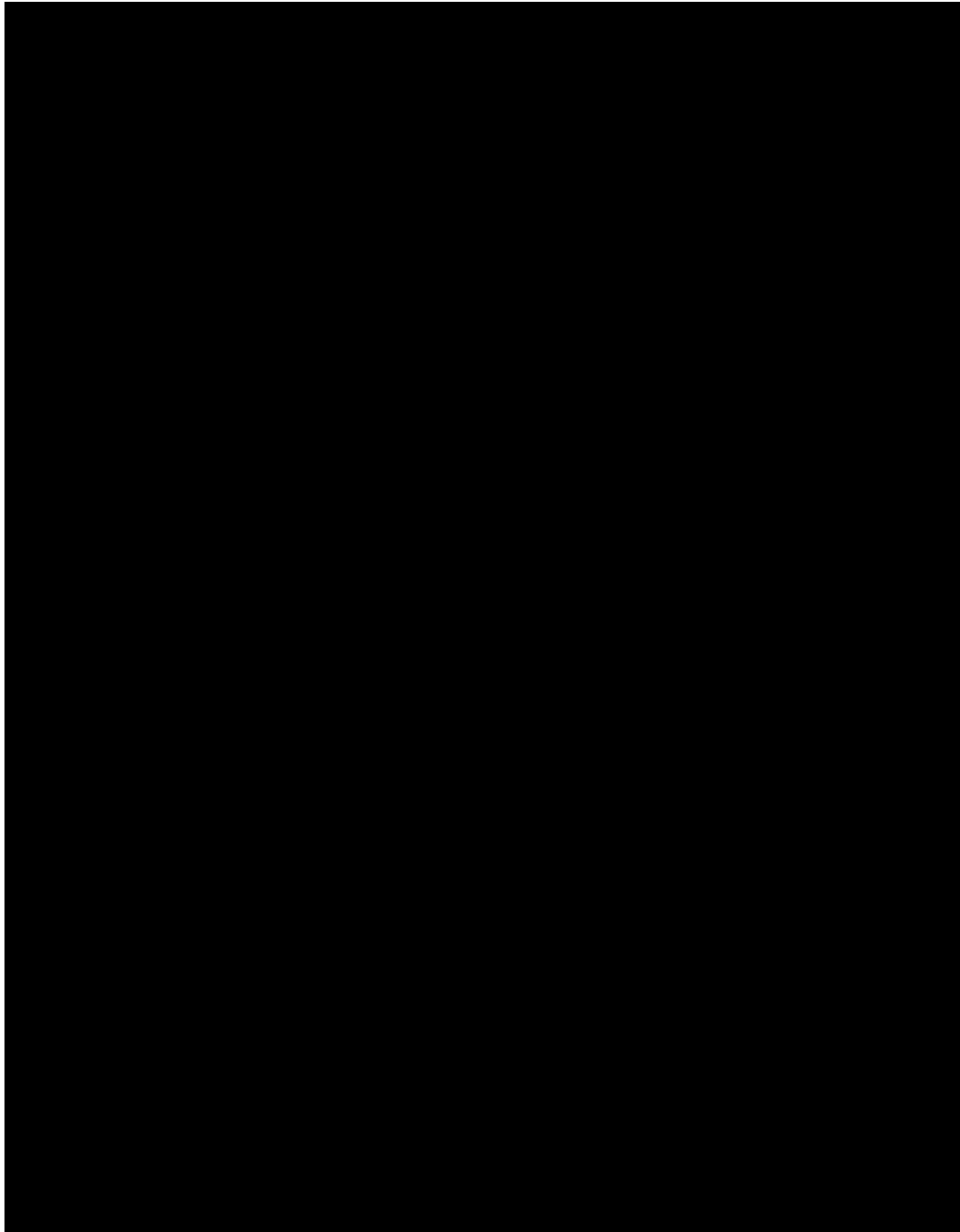
Approximately 60% of the approved budget relates to fleet, plant and workforce expenditure and the remaining 40% of the budget relates to "**material and contracts**".

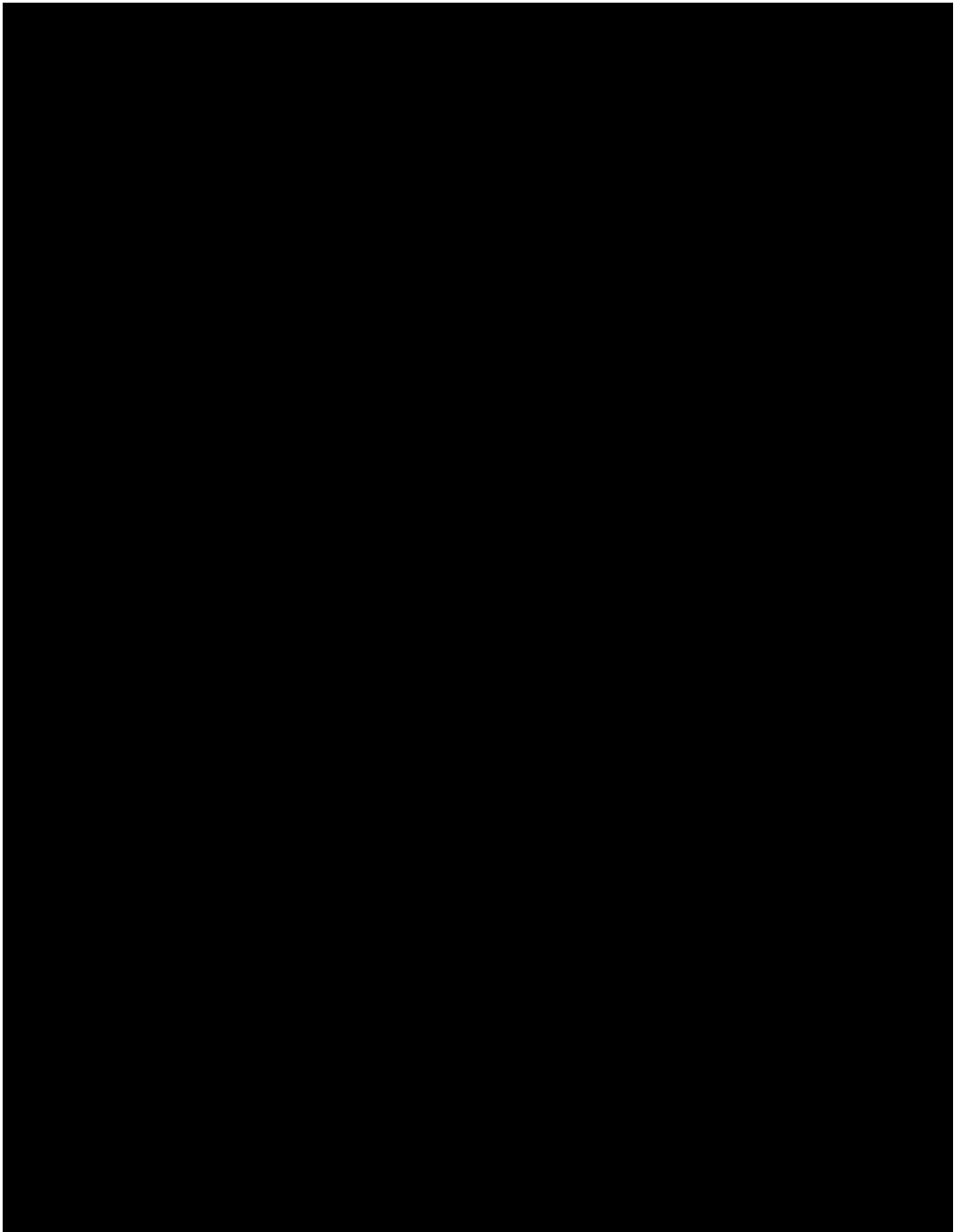
For the purpose of this review, to assess the Parks Unit's supplier spend and contract management, we focused on the Parks Unit's "**material and contracts**" budget (operational budget) and its actual spending against the budget. The "**material and contracts**" budget relates to the procurement activities undertaken by the Parks Unit.

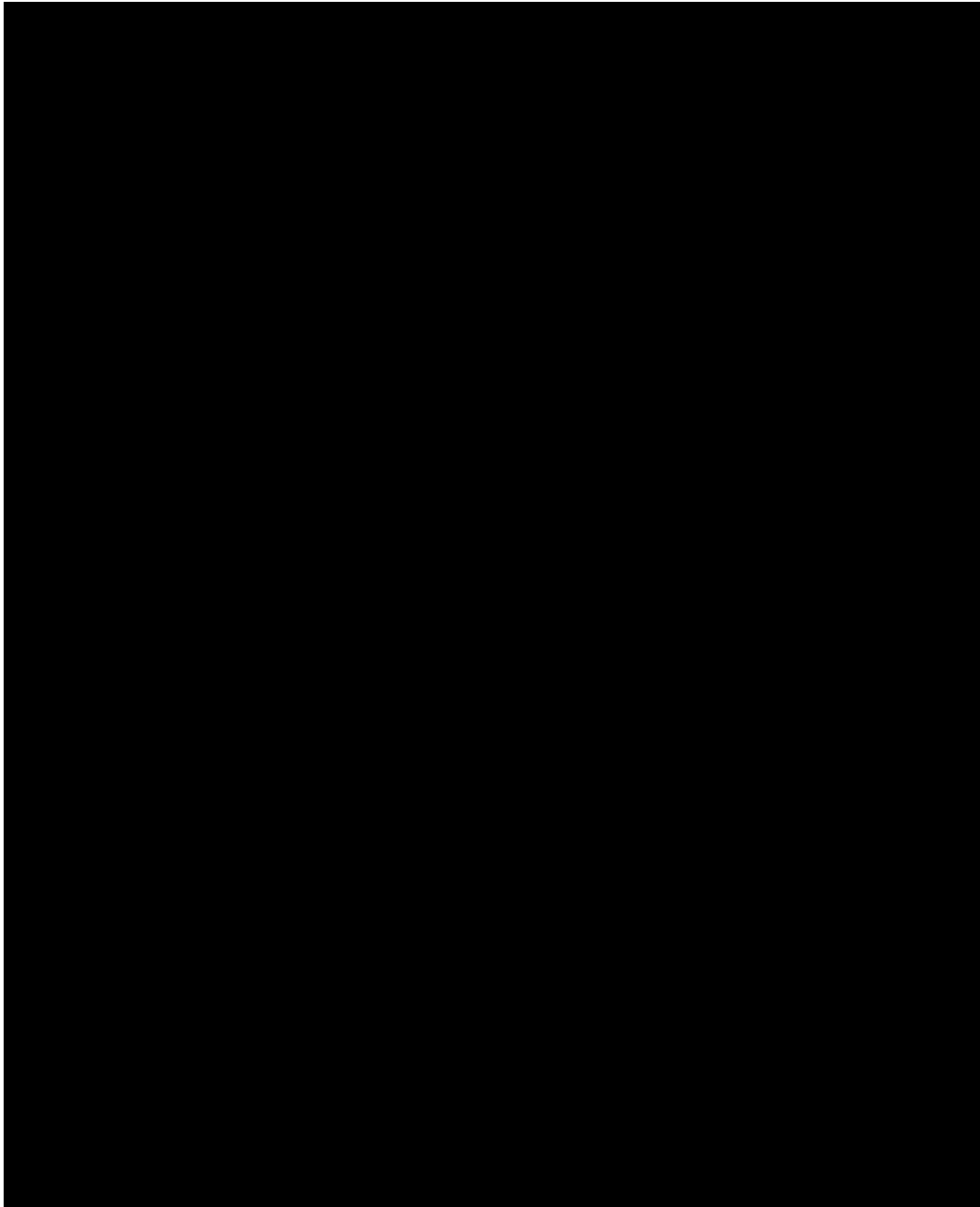
The table below indicate the Parks Unit budget, per FY, for "**material and contracts**", including the actual expenditure.

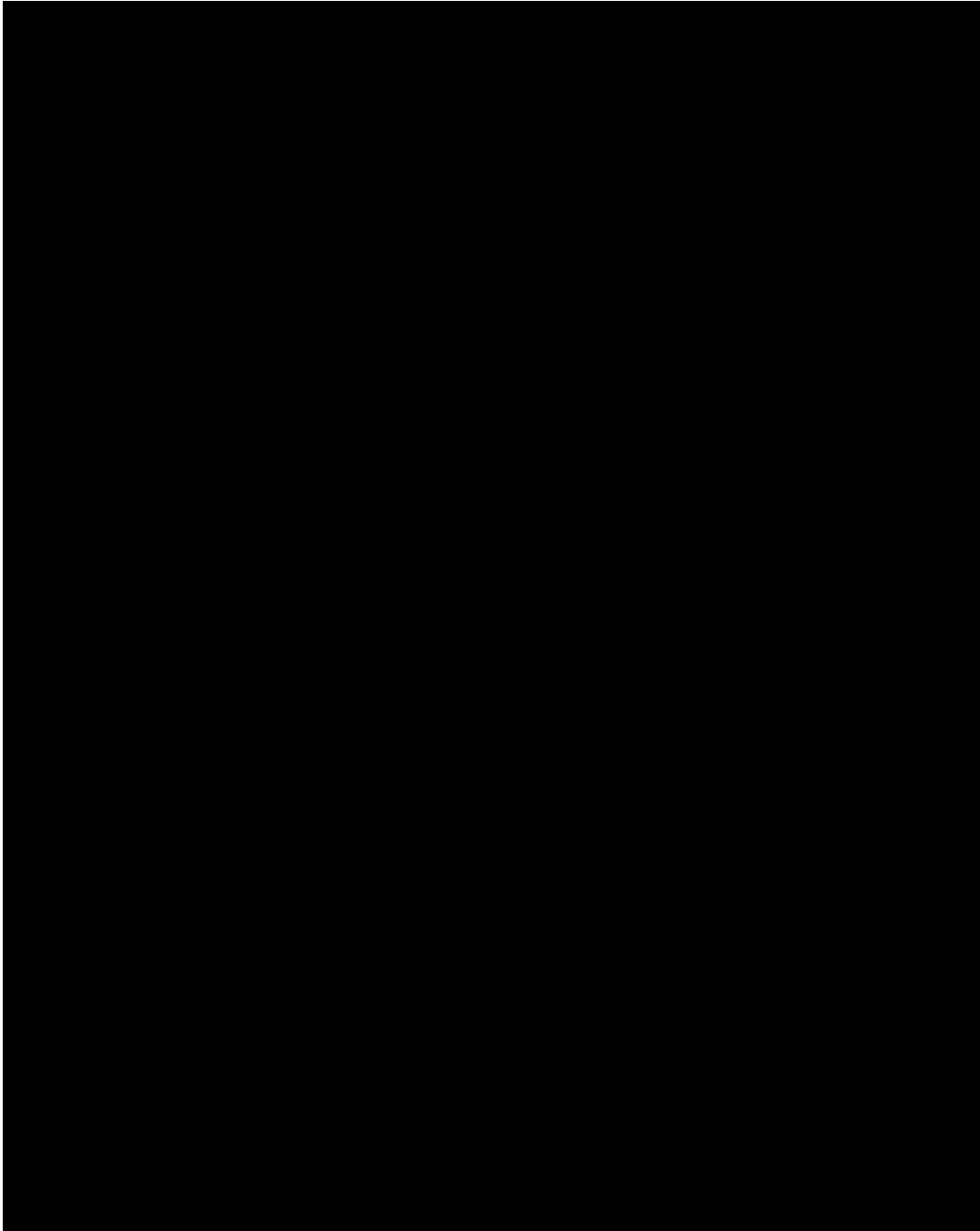
Material and Contracts		
Financial Year	Approved Budget	Actual Expenditure
FY 2015/16	\$3,213,537.00	\$3,157,171.00
FY 2016/17	\$3,343,544.00	\$3,167,121.00
FY 2017/18	\$3,318,410.00	\$3,163,527.00

For the FY periods above, we selected a sample of five suppliers who were engaged by the Parks Unit across all three FY's. We reviewed, on a high-level, the processes followed by the Parks Unit in the appointment of the suppliers and the management of the contracts and expenditure with each supplier.

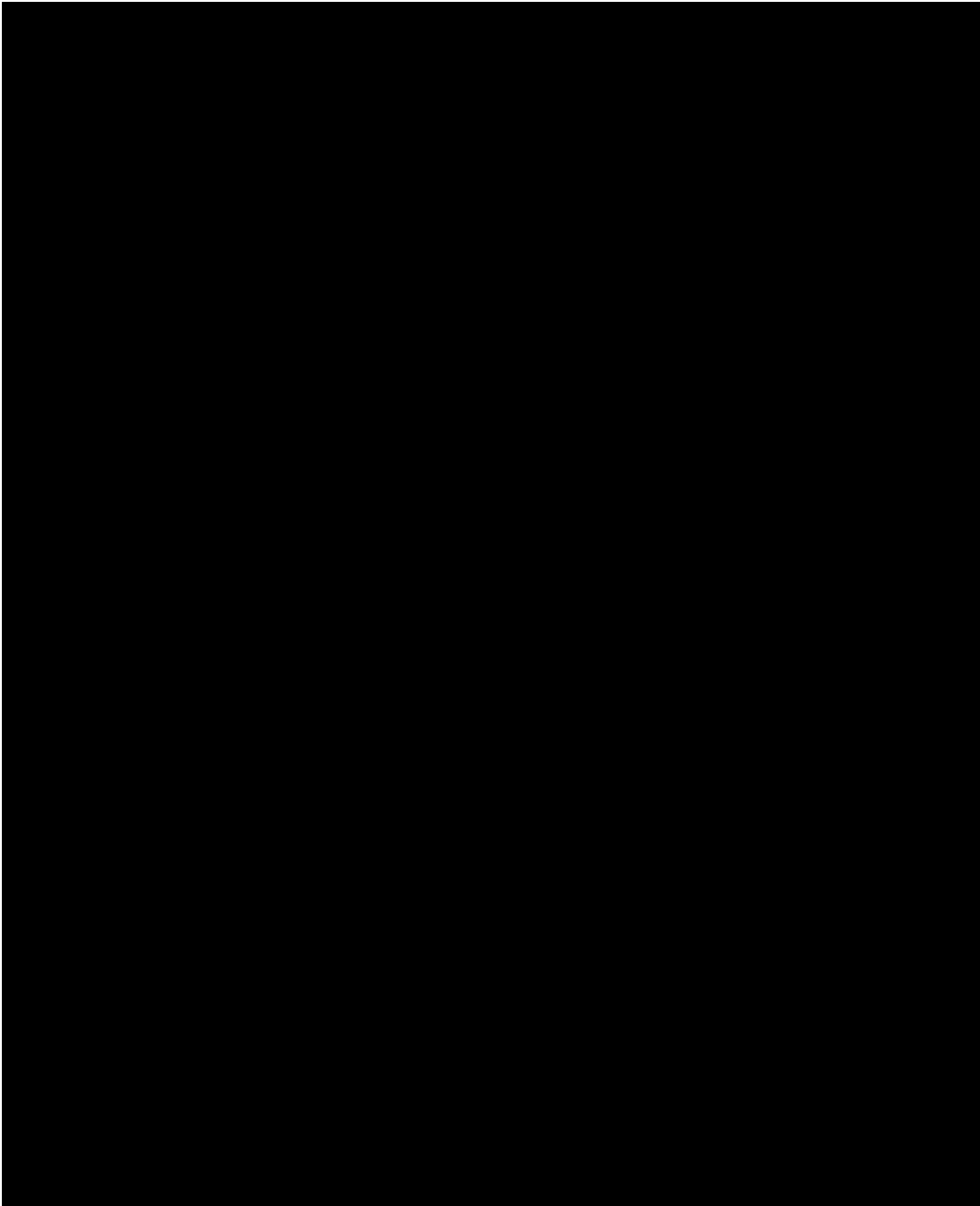


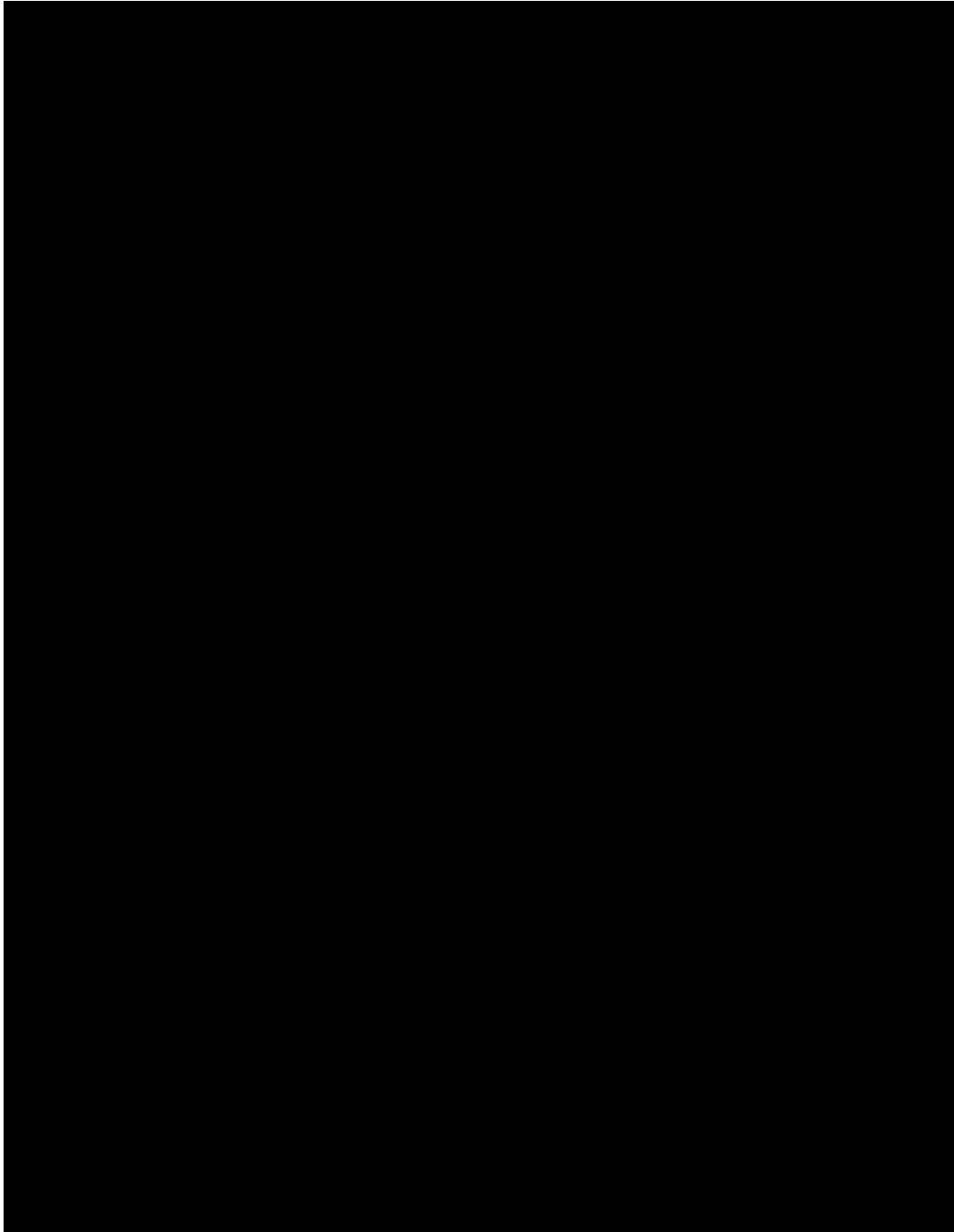


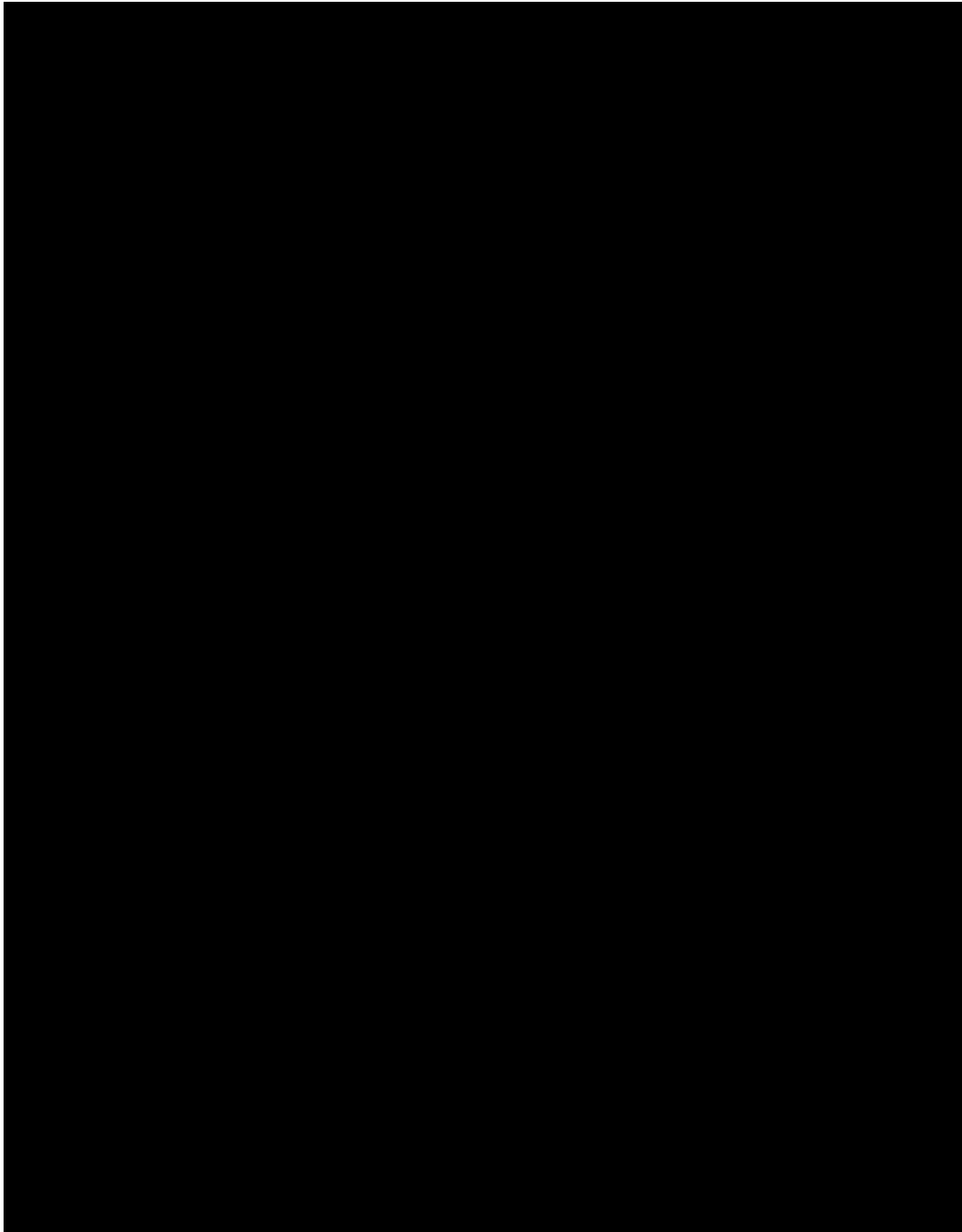


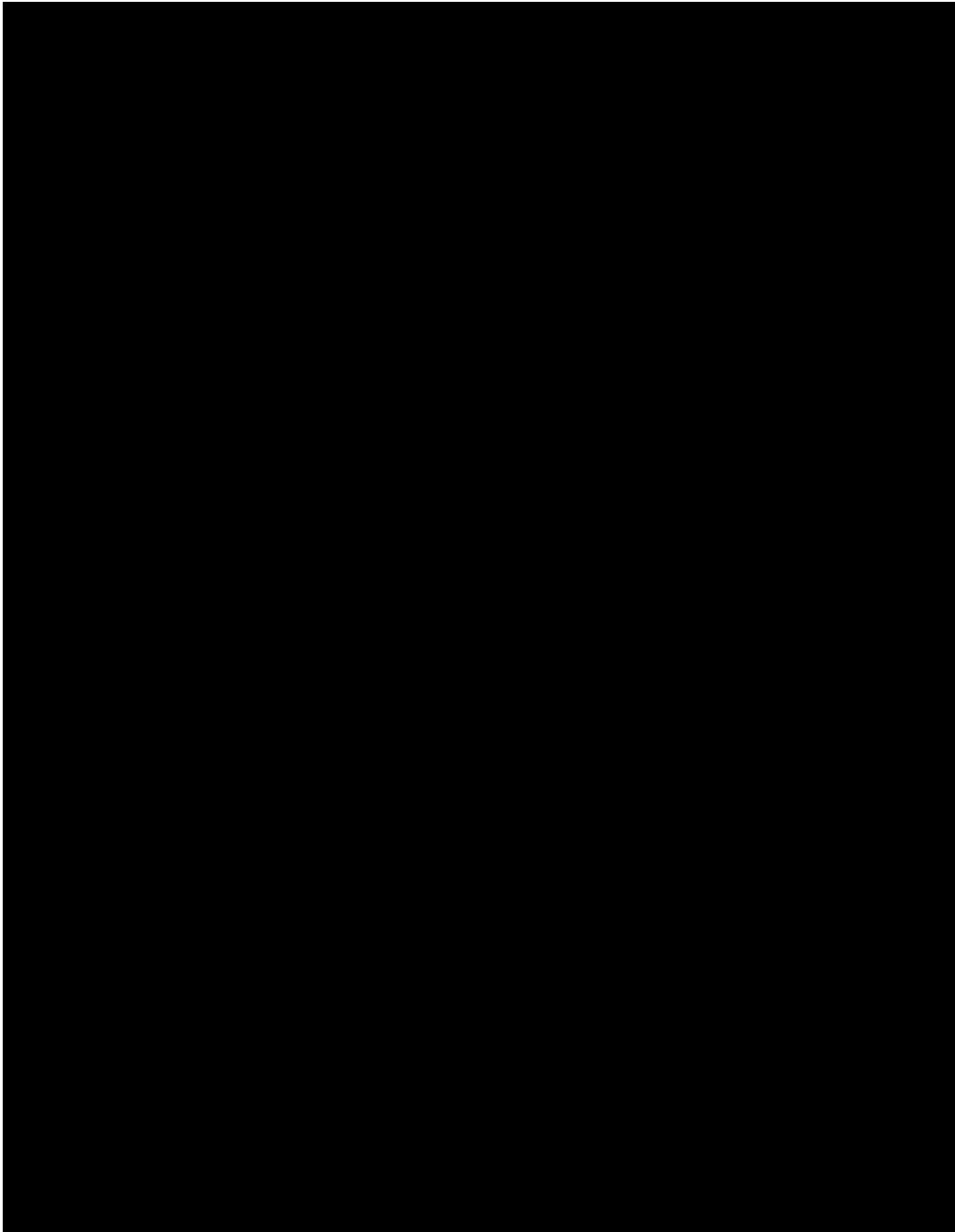


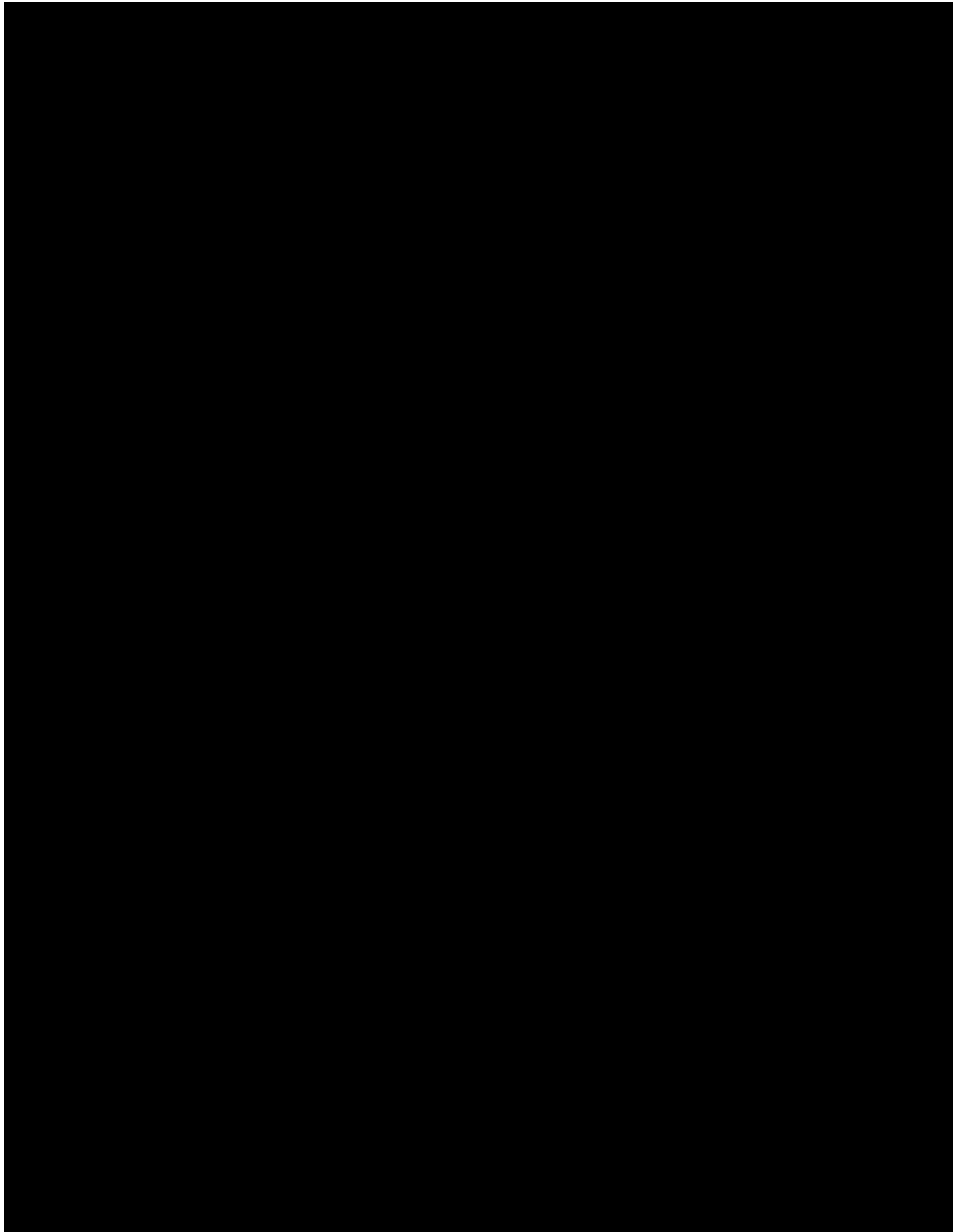


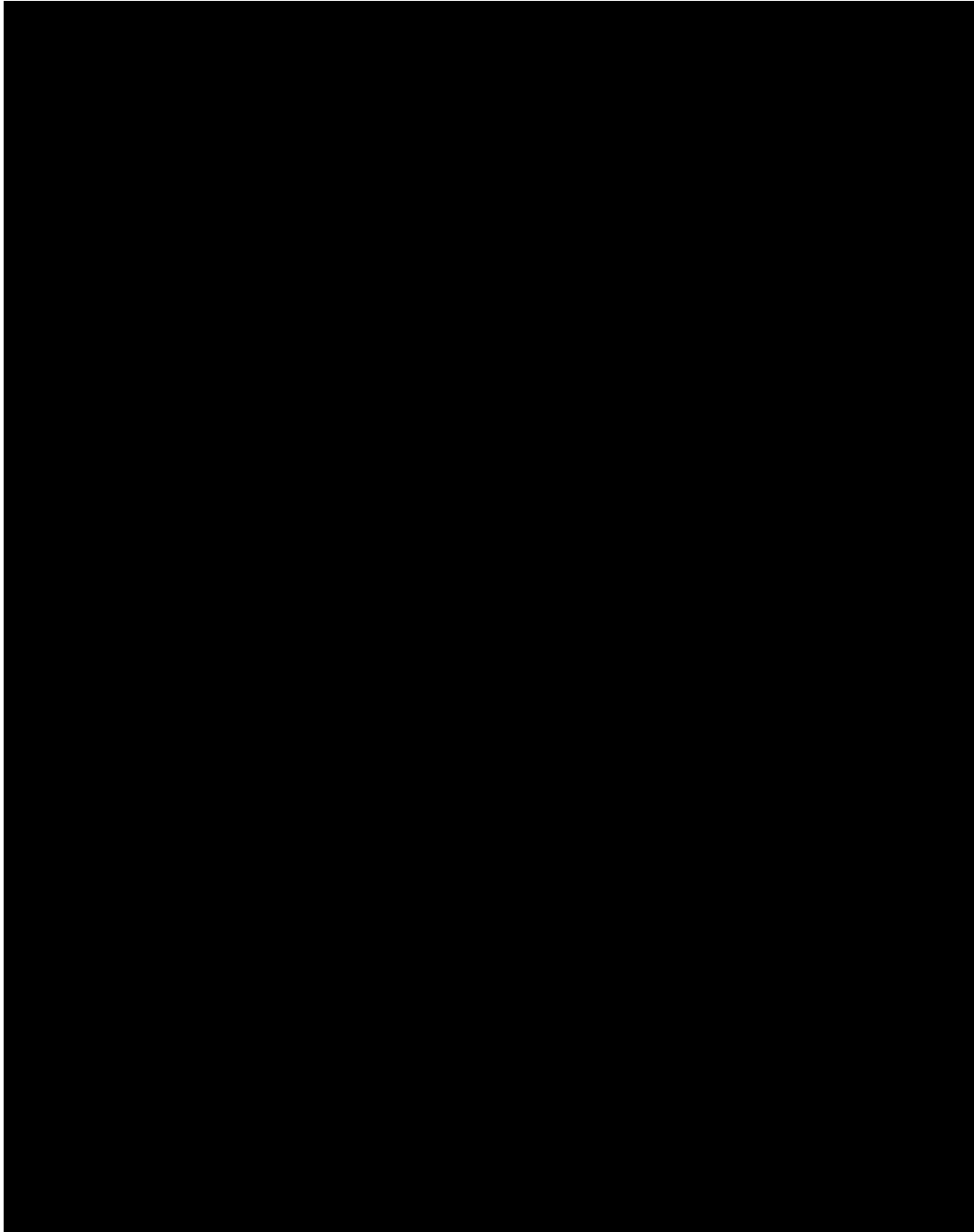


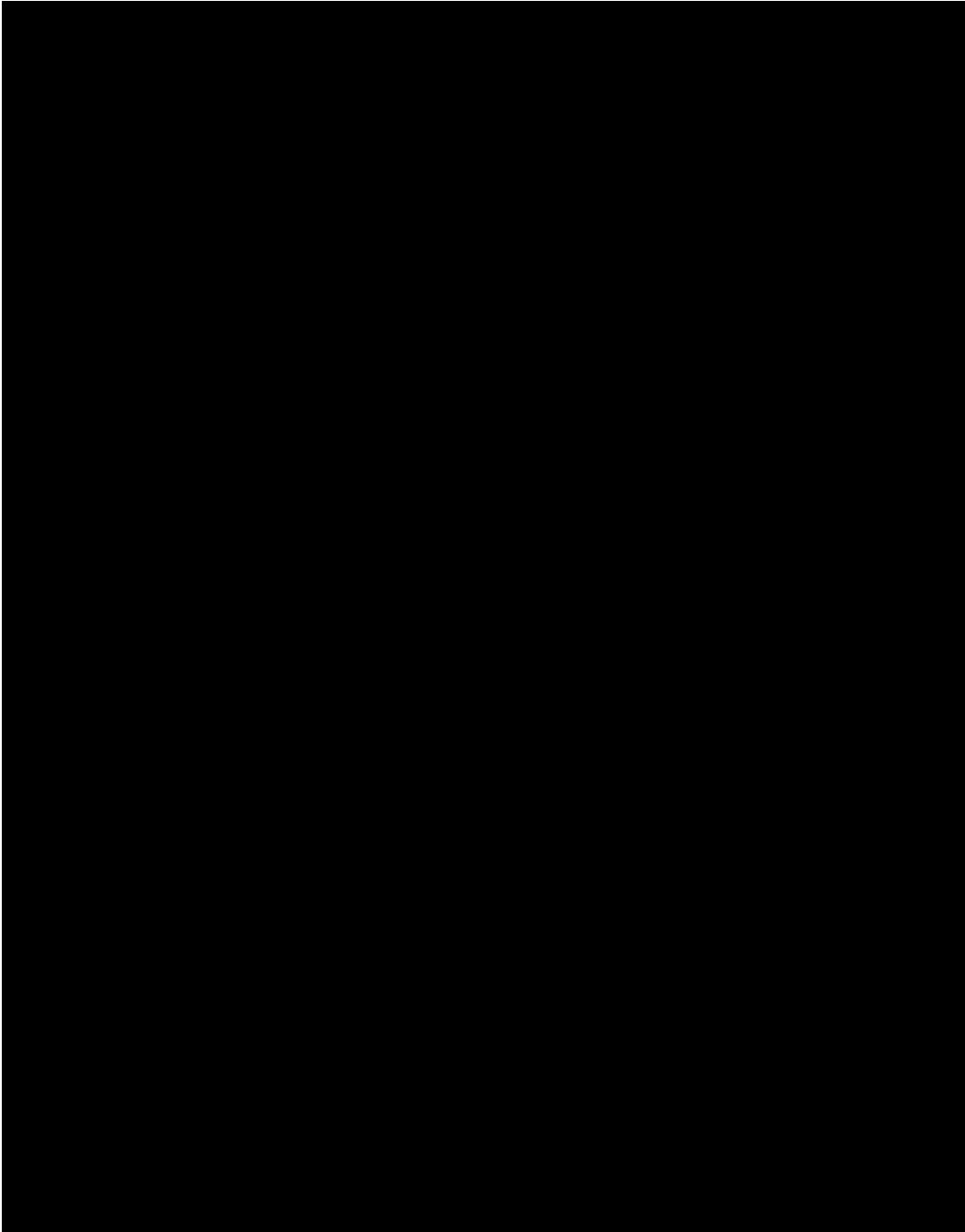


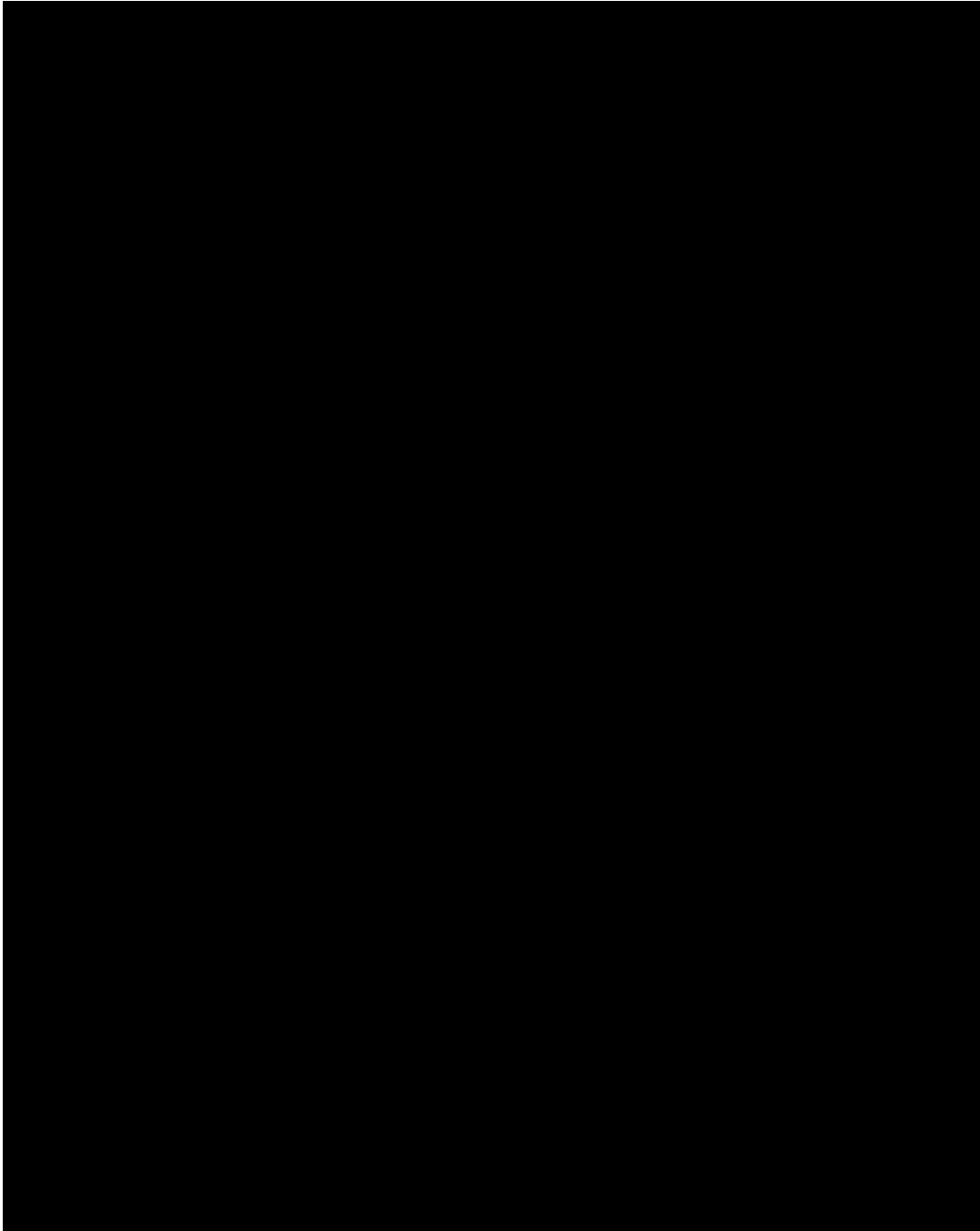


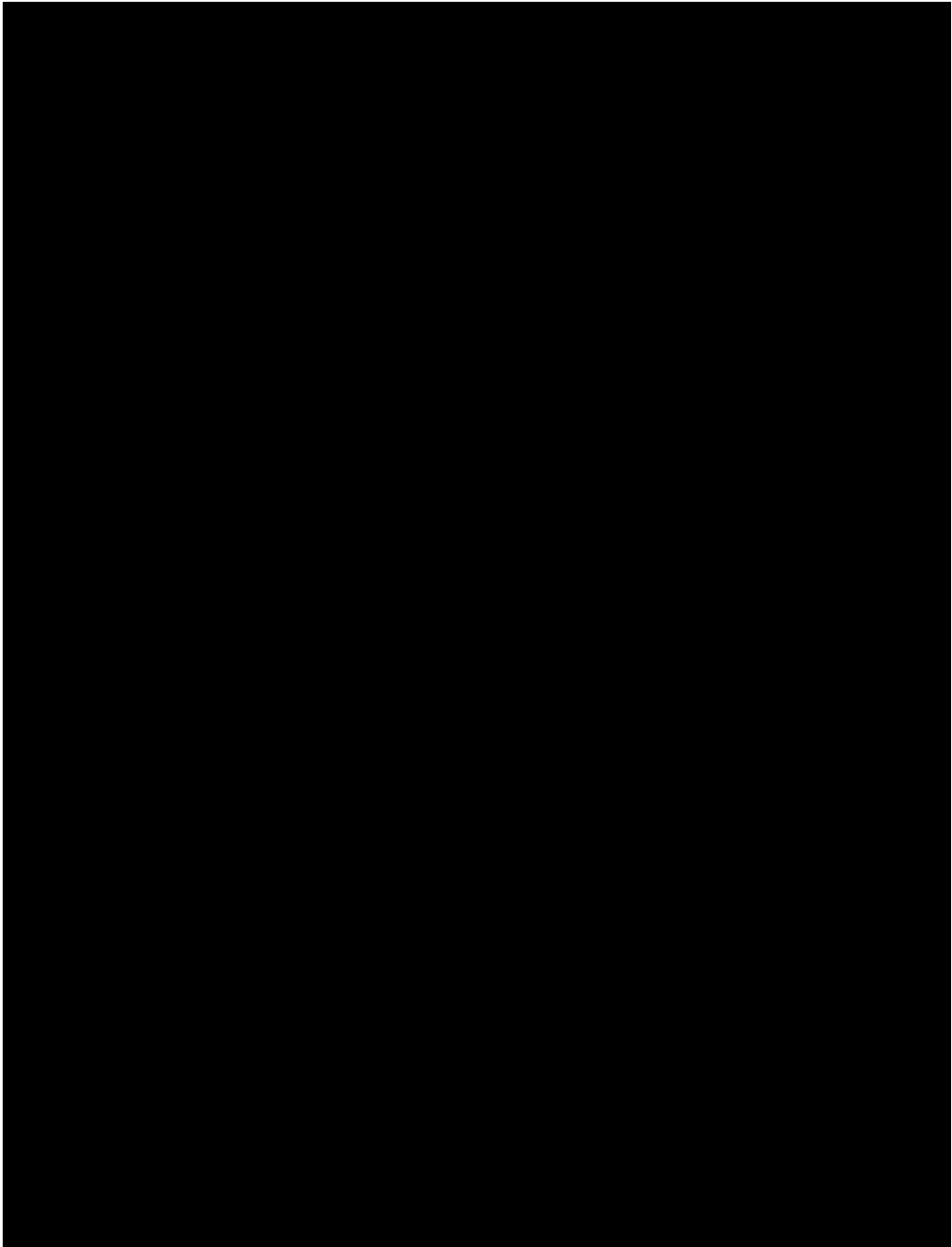


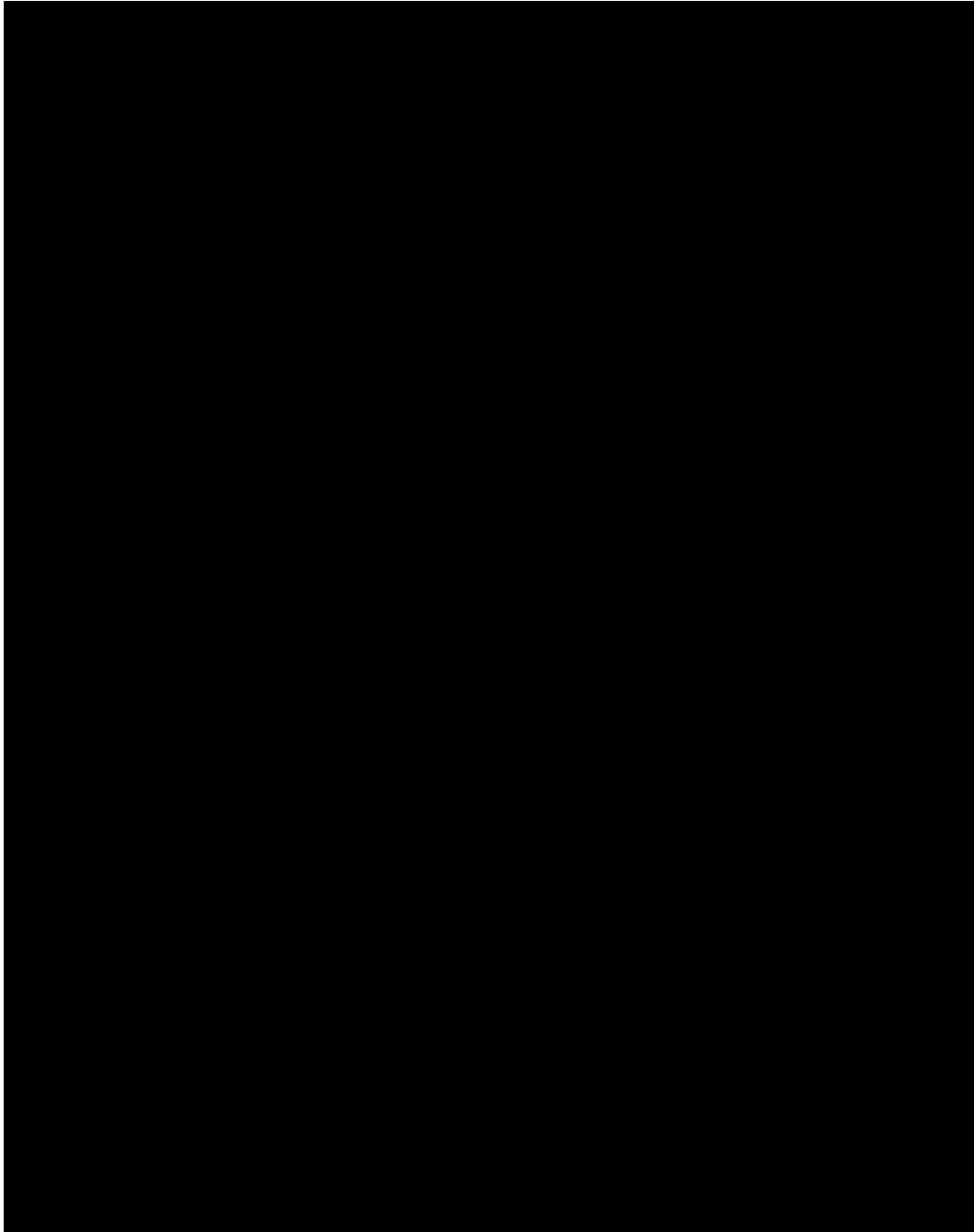












14. McLean Lane Enhancement Project



Tabled below is a summary of the documents assessed and reviewed, together with interviews conducted during this audit:

Documents Reviewed:	<ul style="list-style-type: none"> • CP 9.7 – Purchasing Policy • CP 9.8 – Contract Variations: Authority to Incur a Liability • Forgotten Spaces Revitalising Perth's Laneways • Works & Urban Development Committee WKS Minutes • Expenditure reports from Finance One • Council Minutes of Meeting held on 20 September 2016 • Summary of Property and Business Interests • Local Government Act 1995 • Local Government (Rules of Conduct) Regulations 2007 • Council Minutes of Meetings held on 13 February 2018 • Council Minutes of Meetings held on 21 July 2015 • Council Minutes of Meetings held on 13 December 2015
Personnel Interviewed:	<ul style="list-style-type: none"> • Ms Amanda Mannolini (Ms Mannolini) – Lead City Designer • Mr Chris Kopec (Mr Kopec) – Acting Manager Construction • Mr Daniel High (Mr High) – Acting Director Economic Development & Activation

14.1. Context

To improve vibrancy in the city, the City of Perth (the **City**) embarked on a revitalisation study of all the laneways in Perth's central core, through its Laneways Project Team: Strategy & Urban Development Units, in August 2007. Each laneway was assessed for its suitability to change.

The first phase of the laneway revitalisation study looked at the area encompassing the major retail and business core of the city bound by Wellington Street (north), Swan River (south), Pier Street (east) and Milligan Street (west).

The majority of the laneways in the study area were "*Right of Ways*" and in private ownership. Of the 34 laneways and "*Right of Ways*" in the study area, only 9 were owned (or part owned) by the City.

Priority laneways were identified to concentrate on first, namely:

- Prince Lane;
- Grand Lane;
- McLean Lane;
- Wolf Lane; and
- Howard Lane.

Wolf Lane was upgraded by the City in 2001 and used as a "benchmark" for the enhancement of the other prioritised laneways. In August 2008, the City formally adopted the strategy "*Forgotten Places – Revitalising Perth's Laneways*". The City commenced with the laneway enhancements as follows:

- Howard Lane – Work commenced in 2009;
- Grand Lane – Work commenced in 2010; and
- Prince Lane – Work commenced in 2012.

On 5 April 2016, Council approved the upgrade to McLean Lane, situated between Murray Street and Wellington Street. The works were undertaken in April 2017 following the completion of asbestos removal and roof replacement works in the Gaswork Building (337 Wellington Street) by the City and private footpath re-construction works by the owner of 100 Murray Street.

The City upgraded McLean Lane with new asphalt, drainage and lighting and commissioned professional artists or teams of artists to add art works.

The City also upgraded the luminaries along McLean Lane as part of the City's lighting strategy to improve security, energy efficiency and support for the night economy. Wifi hotspots were identified to facilitate the laneway activation strategy and promote small business development in the vicinity.

14.2. McLean Lane – The Site

McLean Lane functioned as a public walkway and service area for local businesses. The City owns three of the six buildings adjacent to the laneway: The Pier Street Car Park, Padlock building and Gasworks building.

The Padlock and Gasworks buildings were unoccupied at the time of the project and were undergoing minor maintenance work. The commercial building at 100 Murray Street was being refurbished, with a cafe on the ground level facing onto the lane. Access to this building's undercroft parking is via the lane.

There were two stages to the McLean Laneway enhancement project.

Stage 1 – Laneway upgrade and installation of design features

In April the City commenced with a general upgrade of McLean Lane with new asphalt, drainage and lighting as well as design features including:

- Neon word art: a large scale written expression ("*I still feel giddy*") inspired by the site's history and realised in neon lighting, to be mounted high on the facade of the Pier Street Car Park;
- Deer heads: three illuminated steel deer heads to be mounted to the Pier Street carpark wall opposite the entrance to Ambar Nightclub; and
- Catenary lighting with colourful and eclectic anodised aluminium pendant lights, inspired by domestic lamp shades.

Stage 2 – Installation of commissioned public artworks

Once the laneway upgrade works and design features were completed, Artists installed their works as approved in the detailed concept response phase. Following this stage, the City removed and installed new street lighting.



14.3. Analysis and Findings

- A lack of appropriate experience and knowledge, together with a siloed approach to plan and manage this project caused a delay in the finalisation of the McLean Lane Enhancement project resulting in a delay of a business outcome for the City and an increase in the estimated budget.

14.3.1. McLean Lane Enhancement Project Expenditure

Budget and Approval

The McLean Lane enhancement project was approved by Council on 20 September 2016. An extract of the Council minutes reads as follows:

“FINANCIAL IMPLICATIONS:

Account No	CW1966
Budget Item	McLean Laneway - Gasworks
Budget page number	38
Budgeted amount	\$1,276,500
Amount spent	\$ 119,162
Proposed construction cost	\$1,008,622
Proposed design & project Management cost (FY16/17)	\$ 148,716
Proposed total cost	\$1,276,500
Balance	\$0

“353/16 CITY LANEWAYS ENHANCEMENT PROJECT – MCLEAN LANE

Moved by Cr Limnios, seconded by Cr Harley

That Council:

1. receives the results of the public consultation on the McLean Lane Enhancement - Draft Concept Plan as detailed in Schedule 5;
2. approves the final concept plan for implementation as detailed in this report and Schedule 6, noting that construction is scheduled to be completed by Friday, 30 June 2017; and
3. notes that stakeholder consultation on a proposed partial daytime closure of McLean Lane (Murray Street end) to facilitate alfresco dining will be postponed until an alfresco application is received from the new tenants of 100 Murray Street.

The motion was put and carried

The votes were recorded as follows:

For: The Lord Mayor, Crs Adamos, Chen, Davidson, Green, Harley, Limnios, McEvoy and Yong

Against: Nil”

Project Expenditure

We performed an analysis of expenditures by supplier relating to the McLean Lane Enhancement project, which is tabled below.

Item No	Supplier Name (Vendor No)	Project Name	Quoted Amount	Invoiced Amount Paid (As per Finance 1)	Under / (Over) Spent
1	[REDACTED]	[REDACTED]	\$3,500.00	\$3,500.00	\$0
2	[REDACTED]	[REDACTED]	\$26,909.92	\$18,072.97	\$8,836.95
3	[REDACTED]	[REDACTED]	\$5,400.00	\$5,400.00	\$0
4	[REDACTED]	[REDACTED]	\$18,530.00	\$18,530.00	\$0
5	[REDACTED]	[REDACTED]	\$40,000.00	\$41,850.00	(\$1,850.00)
6	[REDACTED]	[REDACTED]	\$145,000.00	\$146,350.00	(\$1,350)
7	[REDACTED]	[REDACTED]	\$56,470.00	\$51,951.00	\$4,519.00
8	[REDACTED]	[REDACTED]	\$702,490.08	\$811,649.81	(\$109,159.73)
9	[REDACTED]	[REDACTED]	\$12,885.00	\$8,885.00	\$4,000.00
10	[REDACTED]	[REDACTED]	\$3,500.00	\$3,500.00	\$0
11	[REDACTED]	[REDACTED]	\$5,800.00	\$5,800.00	\$0
Total			\$1,020,485.00	\$1,115,488.78	(\$95,003.78)

All figures quoted in this table are exclusive of GST.

The total expensed amount on the project was **\$1,115,488.78**, which is **\$161,011.22** less than the budgeted amount approved by Council.

Notwithstanding the underspend, the City, on three occasions (*items 5, 6 & 8 in the table above*), paid the supplier more than the amount quoted by that supplier.

Council Policy "CP 9.8 Contract Variations – Authority to Incur a Liability" – Section 1 states that:

"Following the issue of a purchase order for the procurement of goods or services, the contract for purchase may be varied where:

1.2 Additional goods or services that were not, or could not have been, foreseen at the time the purchase order was issued are required;

1.5 The value of the additional goods or services required does not exceed the value of the initial contract by more than 10% or \$100,000."

Section 2 states that:

Contract variations that would result in the procurement of additional goods or services where the value of those additional goods or services would exceed the initial contract price by more than 10% or \$100,000 may, in exceptional circumstances, be approved by the Chief Executive Officer or a Director, subject to the variation not being contrary to the requirements of clause 1.2 above, and the reasons for the variation being documented and registered as a corporate record.

We noted the following:

- Item 5 & 6 – The quoted amounts did not exceed the 10% threshold provided for in CP 9.8; and
- Item 8 – The quoted amount increased by 15.5%, which is outside the threshold provided for by CP 9.8 and a variation to the initial contract price required approval.

With regards to Item 8, on 21 November 2017, Council approved an additional **\$196,975.00 (excl. GST)**. The additional amount approved related to the discovery of unidentified services and asbestos by the Dowsing Group.

The Acting Director - Economic Development & Activation, in relation to the unidentified services within this project, informed us that the McLean Lane Enhancement project as a whole, was not properly planned and managed by the Urban Design Team (UDT) and that they did not have the appropriate skill set to perform these types of projects.

To further contribute to the enhancement of McLean Lane, the City also paid an additional \$36,000.00 in the form of Grants to shop owners and to the owner of 100 – 104 Murray Street, to enhance the façade of the shops and the entrance of the building.

Implication

The lack of adequate planning, experience and knowledge by the UDT resulted in an unexpected increase in the original budget approved by Council and a delay in the finalisation of the McLean Lane Enhancement project.

14.3.2. Structural Design – Neon Artwork

- A. During 2016, the City sought proposals from professional Poets, Writers and Visual Artists (artists) to collaborate with the City's project design team to create a 'word artwork'.

Four submissions were received, and after the assessment and evaluation of the submissions, a panel with representatives from the Coordination and Design and Arts, Culture and Heritage units recommended the appointment of [REDACTED] **\$3,500 (excl. GST)**. The recommendation was approved on 19 August 2016 by the Acting Director Planning and Development.

- B. On 22 August 2016, the City requested quotations ("RFQ") for the "Structural Design Brief For Catenary Lighting & Other Light Fixings" from suppliers to design and document a number of lighting components to be fixed to building walls adjacent to McLean Lane. These lighting components included the neon artwork.

The RFQ stipulated, *inter alia* that "the Structural Engineer will need to provide advice and review the documentation drawings (to be produced by the CoP / ETC) for fixing of the neon artwork to the northern elevation of the Pier Street Car Park".

On 1 September 2016, [REDACTED] were appointed as the Structural Engineers to provide the structural design and documentation for the fixing of the neon artwork and other light fixings for an amount of **\$5,800 (excl. GST)**.

- C. At a meeting on 27 October 2016 between Development Approvals, Arts, Culture and Heritage, Planning and Development and Co-ordination & Design units, it was agreed that:

- The size and location of the artwork was acceptable (16018-A-SK09); and
- A plaque (150 X 210mm) to attribute the artwork would be mounted in the laneway.

On 29 November 2016, the Acting Manager Co-ordination & Design recommended the structural design and documentation for the fixing of the Neon Artwork drafted by [REDACTED] and to advertise this as part of a request for quotation process to a neon fabricator. The recommendation was approved by the Manager Development Approvals.

- D. During February 2017, the City requested quotations for the *"Neon Artwork Detailed Design & Fabrication"*.

Two submissions were received and on 3 March 2017, the submission of [REDACTED] for **\$56,470 (excl. GST)** was approved by the Acting Manager Co-ordination & Design.

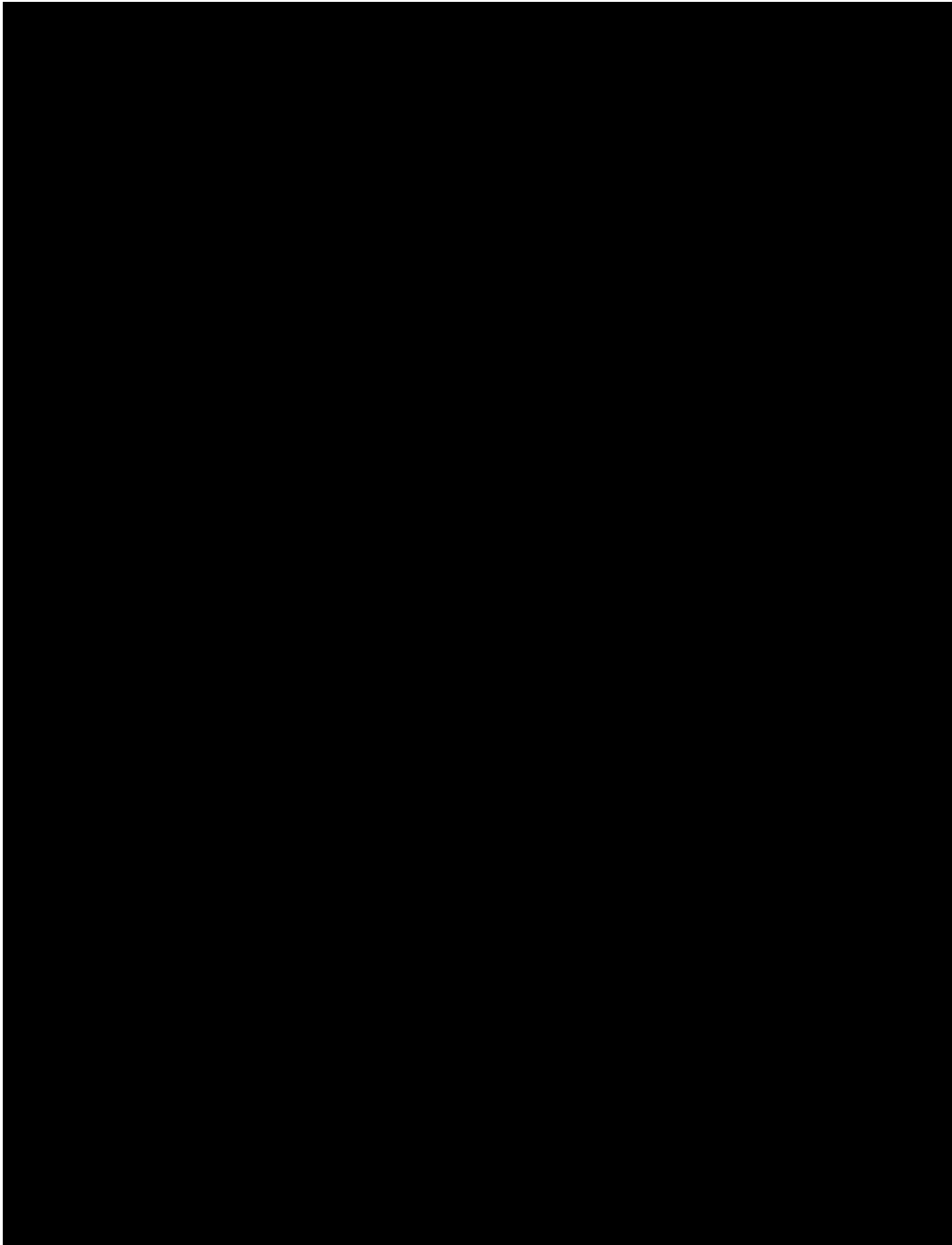
- E. On 14 March 2017, Council approved the award of the main tender – *"McLean Lane Enhancement Project Including Prefabricated Art Work Installation"* to the [REDACTED]. As part of this tender, [REDACTED] was responsible for the installation of the Neon Artwork.

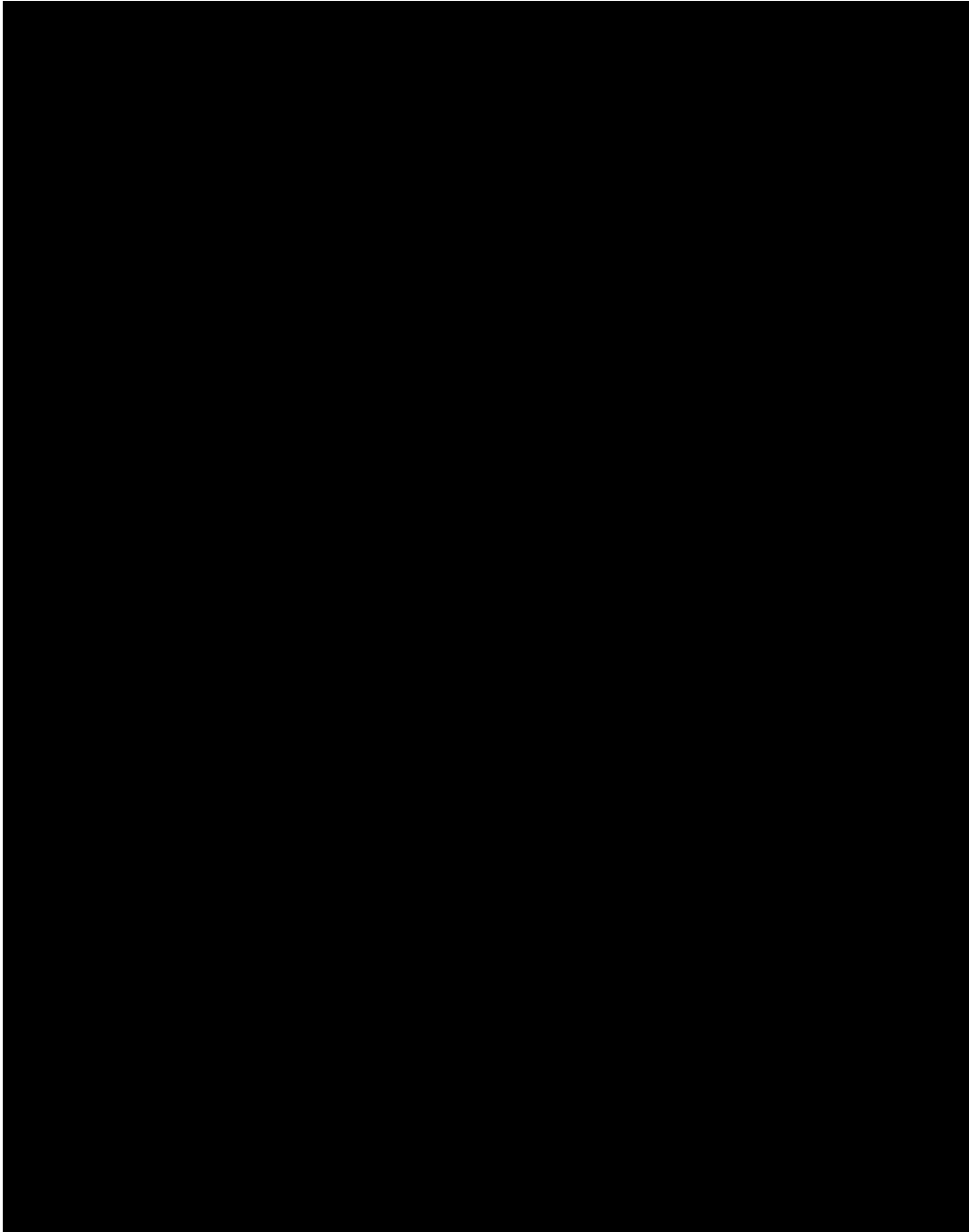
We noted that the Neon Artwork, after more than two years, has not been installed.

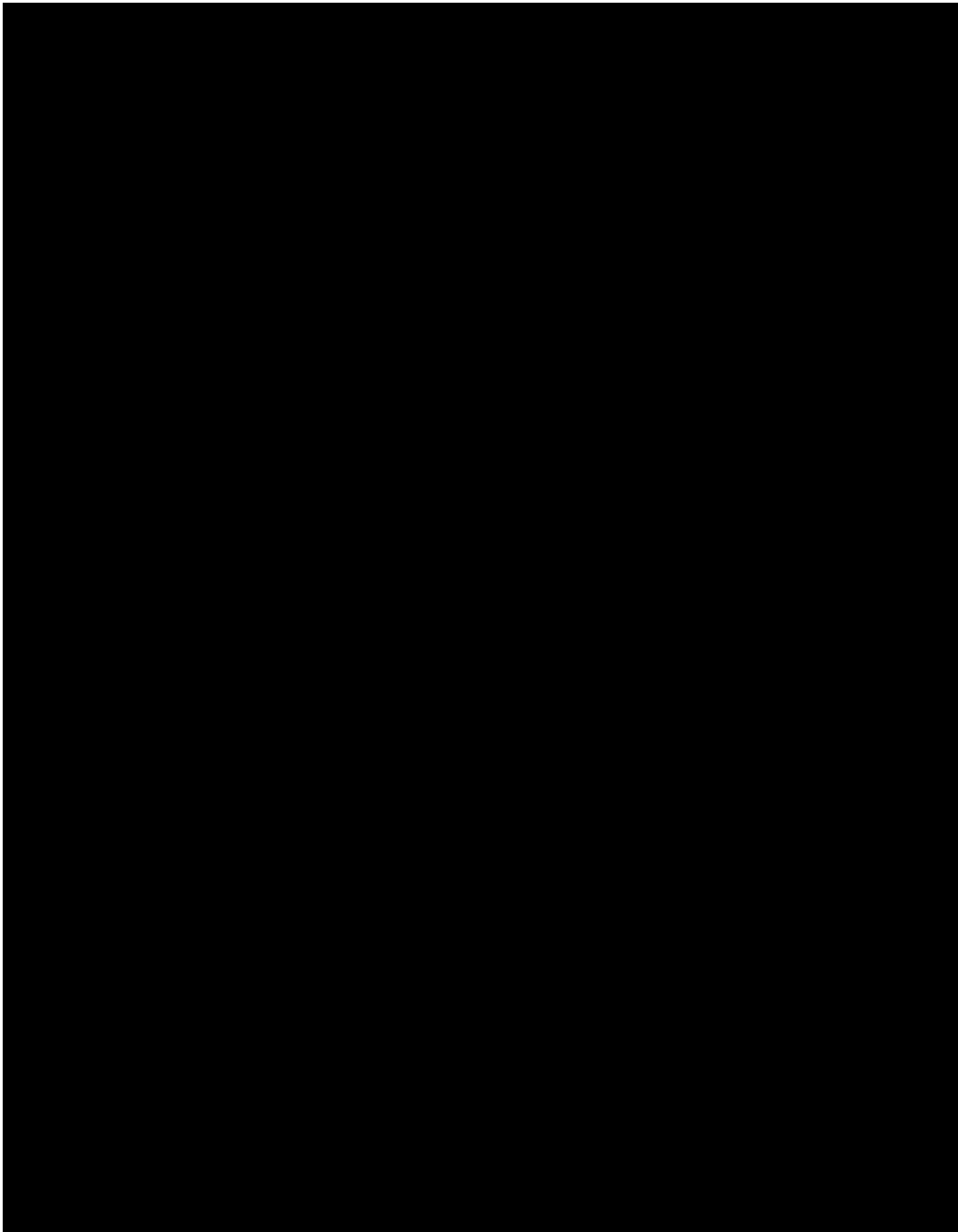
The Acting Manager - Construction advised that the Neon Artwork is currently in storage with [REDACTED]. The Neon Artwork was not installed as the City did not perform an "Engineering Assessment" on the area of the CPP building where the artwork was planned to be installed. An incorrect assumption was made by the previous Project Manager that the relevant area of the CPP building was adequate to hold the weight of the Neon Artwork, which weighed more than a tonne.

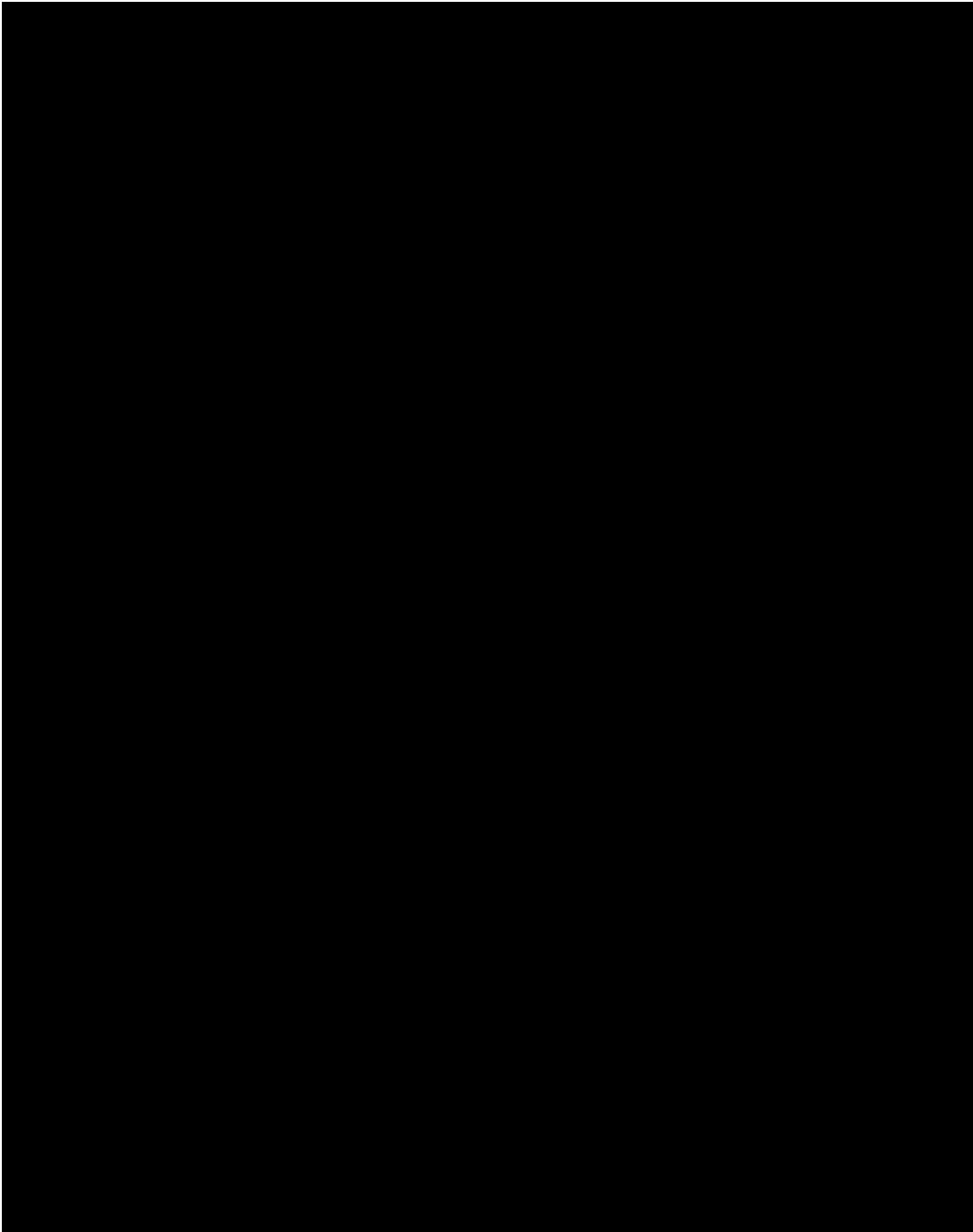
Implication

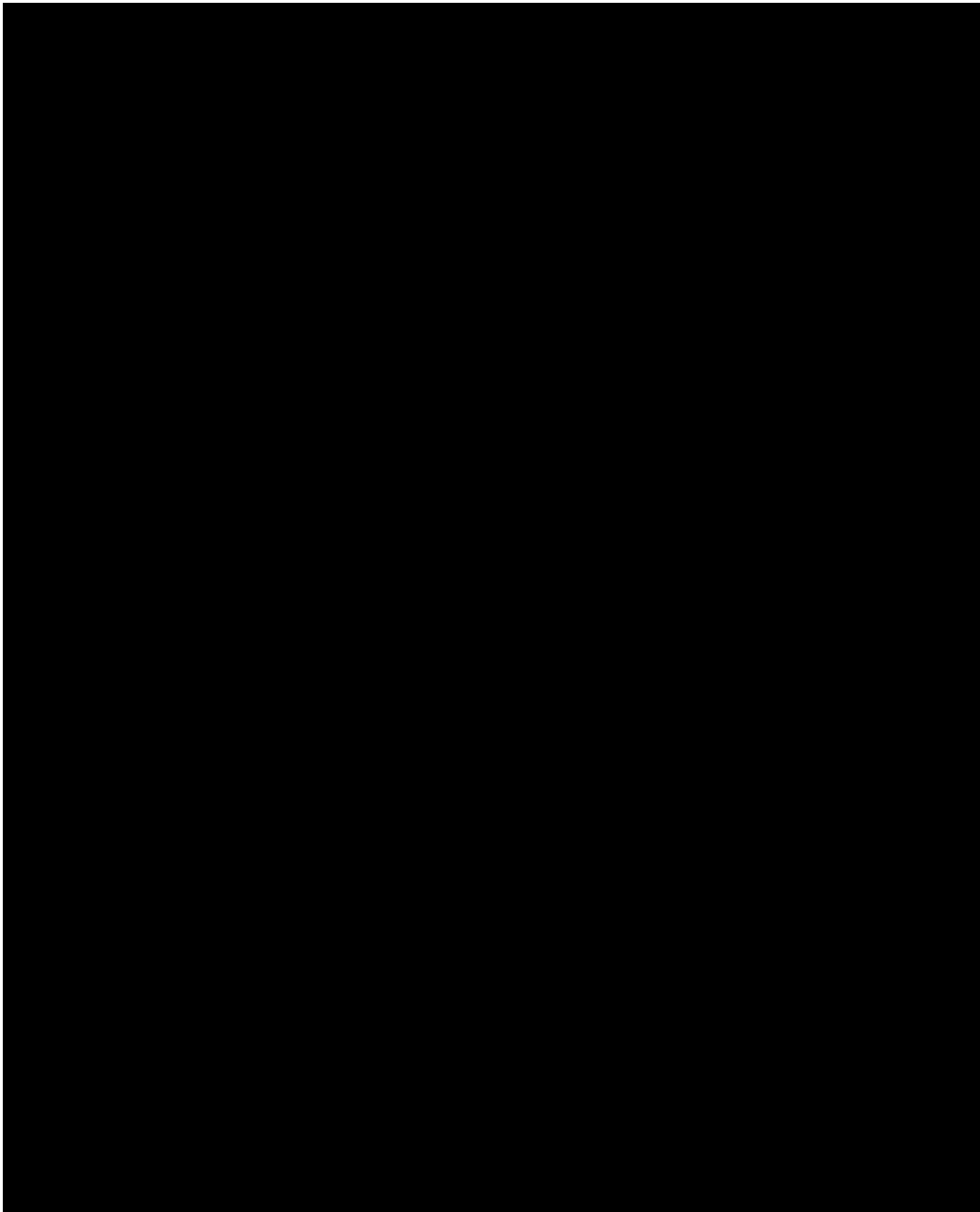
The lack of adequate project risk assessment, planning and project management by the City caused the City to engage different suppliers to resolve the issue with the installation of the Neon Artwork, resulting in an unnecessary commitment of time and money spent, and delays in achieving its business outcomes.

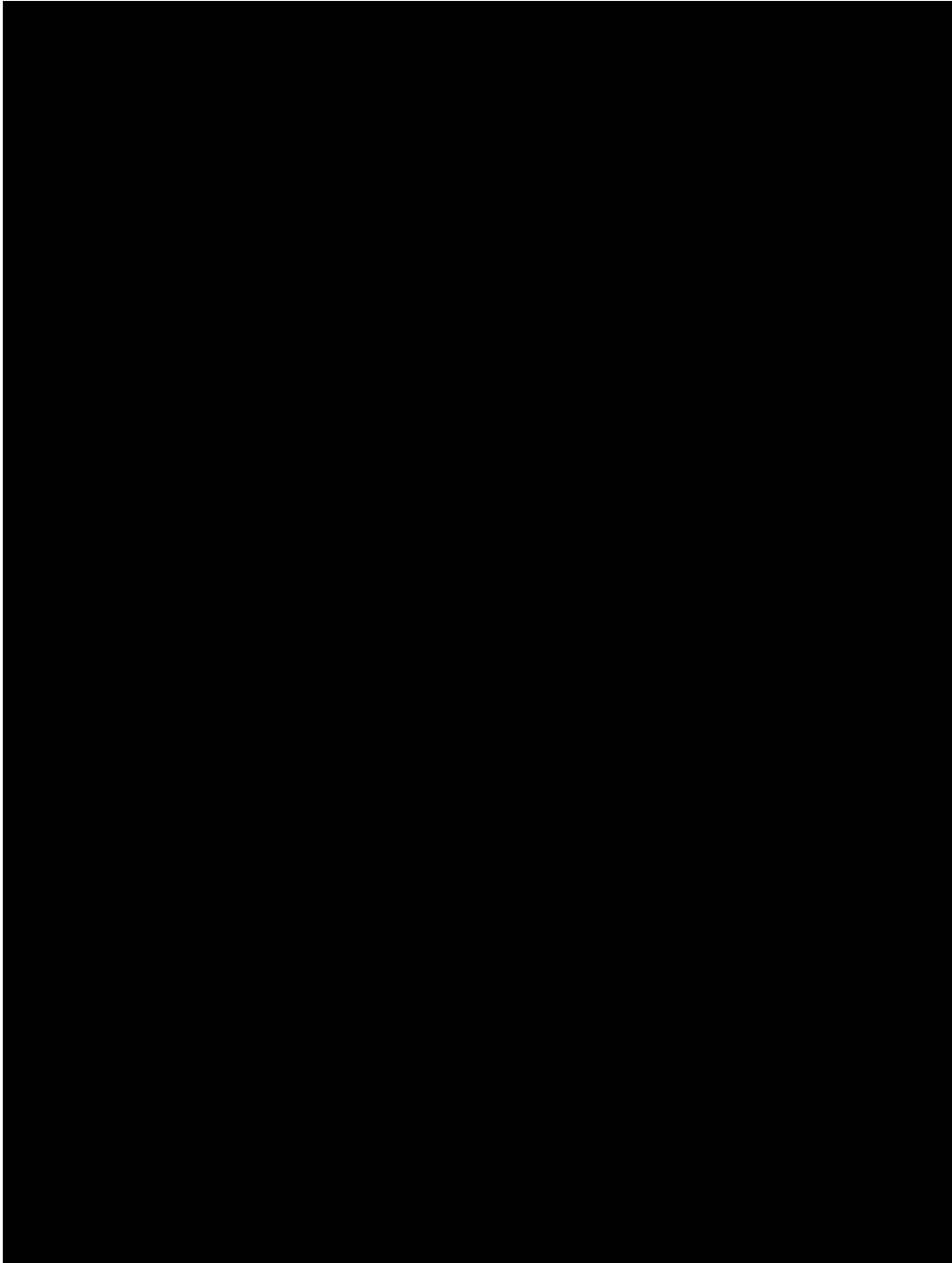












15. Workers' Compensation Expenditure



Tabled below is a summary of the documents assessed for this review:

Documents Reviewed:	<ul style="list-style-type: none"> Workers' Compensation Claim Register – 2016, 2017, 2018 Workers Compensation Process Injury Management Related Process Workers Compensation Documentation Process LGIS Renewal Report, 2 June 2016 LGIS Renewal Report, 8 June 2017 LGIS Renewal Report, 6 June 2018 Marsh Insurance Report

From our analysis, we make the following factual observations:

- There has been an upward trend of workers compensation claims, peaking in 2017 financial year;
- The City's claims consistently approached the maximum contribution levels;
- A change in insurer in 2018 financial year appears to have caused a decrease in premiums; and
- Claims financial data has not been accurately maintained by the City.

15.1. Context

LGIS was the City's insurer. Expenditure on the City's workers' compensation insurance premium was based on a performance rating policy. Under this arrangement, the City paid a minimum contribution at the start of the policy and the contribution amounts continued to be adjusted at a ratio of \$1.33 contribution for every \$1 paid claim until the maximum contribution was reached. Claims amount beyond the maximum contribution would be fully funded by the City's insurer, LGIS.

In November 2017, the City changed workers compensation insurer by moving to GIO.

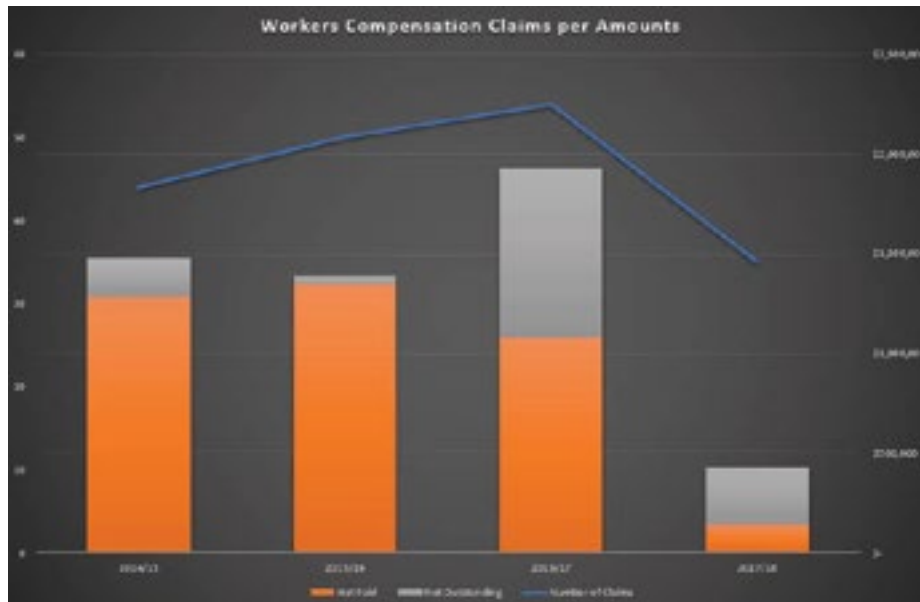
15.2. Analysis and Findings

The following table and accompanying graph highlight the City's claim history⁷.

Period	Number of Claims	Net Paid	Net Outstanding	Total Net Incurred
2014/15	44	\$1,279,225	\$199,745	\$1,478,970
2015/16	50	\$1,341,086	\$48,250	\$1,389,336
2016/17	54	\$1,076,532	\$852,291	\$1,928,823
2017/18	35*	\$138,757	\$288,136	\$426,893

*Claims include 3 months of LGIS and the balance with GIO.

⁷ Marsh, City of Perth, Insurance Report, 30 June 2018 to 30 June 2019



As can be seen, the claims history for 2016/2017 escalated in line with the increased number of claims. According to the “Marsh’s Insurance Report”, this was due to late lodgment and significant claim development, i.e. injury claims developing into physiological claims. Although the long tail claims sit within the LGIS scheme, claim development and history affect the 5-year loss ratio and get taken into account when the City applied a rate at renewal.

Within the terms of reference, our analysis revealed the following information in respect of workers compensation expenditure:

Financial Year	Workers Compensation Premiums	Contributions Paid	Maximum Contribution
2015/2016	\$1,934,492	\$1,808,334	\$2,182,796
2016/2017	\$2,143,217	\$2,128,605	\$2,128,605
2017/2018	\$1,417,607	\$1,417,607*	\$1,417,607*
		*LGIS: \$591,700 + GIO: \$825,907	*LGIS: \$591,700 + GIO: \$825,907

Based on the above information, we note the following:

- There has been an upward trend of workers compensation claims, peaking in 2017 financial year;
- The City’s claims consistently approached the maximum contribution levels; and
- A change in insurer in 2018 financial year appears to have caused a decrease in premiums.

15.3. Other matters

It appears the City's workers compensation claim related data have not been well managed. At the City's admission, we noted there were omissions of claims number in respect of the 2018 financial year. Our inquiry that from early 2017 to Sept 2018 there had been three different custodians overseeing the "*Workers Comp Spreadsheet*", which was used to monitor the workers compensation claims.

We further observe that there is no periodic reconciliation of claim numbers between the City's own records and that of the former insurer, LGIS, during renewals. Had this reconciliation been performed, the discrepancies now identified in the LGIS data would have been picked up.

Moreover, there are inconsistencies of claim data between LGIS and Marsh's reports. The City indicated that they concurred with Marsh's data.



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4.3

City of Perth Declaration by Council Members

Regulation 13(1)(c) of the *Local Government
(Constitutional) Regulations 1998*



CITY of PERTH

Local Government Act 1995

Local Government (Constitution) Regulations 1998

Declaration by Elected Member

I, LISA-MICHELLE SCAFFIDI of [REDACTED]
[REDACTED] having been elected to the office of
Lord Mayor of the City of Perth declare that I take the
office upon myself and will duly, faithfully, honestly, and
with integrity fulfil the duties of the office for the people in
the district according to the best of my judgment and
ability, and will observe the *Local Government (Rules of
Conduct) Regulations 2007*.

Declared at: Perth Town Hall
St Georges Terrace, Perth

On: 20 October 2015

By:

Before me:



CITY of PERTH

Local Government Act 1995

Local Government (Constitution) Regulations 1998

Declaration by Elected Member

I, JIMMY ADAMOS of [REDACTED]
[REDACTED] having been elected to the office of Councillor of the City of Perth declare that I take the office upon myself and will duly, faithfully, honestly, and with integrity fulfil the duties of the office for the people in the district according to the best of my judgment and ability, and will observe the *Local Government (Rules of Conduct) Regulations 2007*.

Declared at: Perth Town Hall
St Georges Terrace, Perth

On: 20 October 2015

By:

Before me:

Form 7. Declaration by Elected Member of Council

[r. 13 (1)(c)]



City of Perth

*Local Government Act 1995**Local Government (Constitution) Regulations 1998***Declaration by Elected Member**

I, Alexis Louise Foster Barton of [REDACTED]
 [REDACTED] having been elected to the office of Councillor of
 the City of Perth declare that I take the office upon myself and
 will duly, faithfully, honestly, and with integrity, fulfil the duties
 of the office for the people in the district according to the best
 of my judgment and ability, and will observe the *Local
 Government (Rules of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
 St Georges Terrace, Perth

On: 24 October 2017

By:

Before me:

Form 7 Declaration by elected member of Council

[r. 13 (1)(c)]



CITY of PERTH

Local Government Act 1995
Local Government (Constitution) Regulations 1998
Declaration by Elected Member

I, Rob Butler
full name
of [REDACTED]
current residential address

having been elected to the office of Deputy Lord Mayor of the City of Perth declare that I take the office upon myself and will duly, faithfully, honestly, and with integrity fulfil the duties of the office for the people in the district according to the best of my judgment and ability, and will observe the *Local Government (Rules of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
St Georges Terrace, Perth

On: 22 October 2013

By: [Signature]

Before me: [Signature]

COP Imaged Record - 25/10/2013



CITY of PERTH

Local Government Act 1995
Local Government (Constitution) Regulations 1998
Declaration by Elected Member

I, LILY CHEN of [REDACTED] having been elected to the office of Councillor of the City of Perth declare that I take the office upon myself and will duly, faithfully, honestly, and with integrity fulfil the duties of the office for the people in the district according to the best of my judgment and ability, and will observe the *Local Government (Rules of Conduct) Regulations 2007*.

Declared at: Perth Town Hall
St Georges Terrace, Perth

On: 20 October 2015

By:

Before me:



CITY of PERTH

Local Government Act 1995
Local Government (Constitution) Regulations 1998
Declaration by Elected Member

I, JANET ELIZABETH DAVIDSON of [REDACTED]
[REDACTED] having been elected to the
office of Councillor of the City of Perth declare that I take
the office upon myself and will duly, faithfully, honestly,
and with integrity fulfil the duties of the office for the
people in the district according to the best of my judgment
and ability, and will observe the *Local Government (Rules
of Conduct) Regulations 2007*.

Declared at: Perth Town Hall
St Georges Terrace, Perth

On: 20 October 2015

By:

J. E. Davidson

Before me:

Kerry [Signature]

Form 7. Declaration by Elected Member of Council

[r. 13 (1)(c)]



CITY of PERTH

Local Government Act 1995
Local Government (Constitution) Regulations 1998
Declaration by Elected Member

I, JEMMA MARIE GREEN of [REDACTED],
[REDACTED] having been elected to the office of
Councillor of the City of Perth declare that I take the office
upon myself and will duly, faithfully, honestly, and with
integrity fulfil the duties of the office for the people in the
district according to the best of my judgment and ability,
and will observe the *Local Government (Rules of Conduct)*
Regulations 2007.

Declared at: Perth Town Hall
St Georges Terrace, Perth

On: 20 October 2015

By:

Before me:

COP Imaged Record - 24/05/2016

Form 7. Declaration by Elected Member of Council

[r. 13 (1)(c)]



City of Perth

Local Government Act 1995

Local Government (Constitution) Regulations 1998

Declaration by Elected Member

I, Jemma Green
full name

of [REDACTED]
full residential address

having been elected to the office of Deputy Lord Mayor of the City of Perth declare that I take the office upon myself and will duly, faithfully, honestly, and with integrity, fulfil the duties of the office for the people in the district according to the best of my judgment and ability, and will observe the *Local Government (Rules of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
 27 St Georges Terrace, Perth

On: 24 October 2017

By:

Before me:

Form 7. Declaration by elected member of Council

[r. 13 (1)(c)]



CITY of PERTH

Local Government Act 1995
Local Government (Constitution) Regulations 1998
Declaration by Elected Member

I, **REECE HARLEY** of [REDACTED]
having been elected to the office of Councillor of the City
of Perth declare that I take the office upon myself and will
duly, faithfully, honestly, and with integrity fulfil the duties
of the office for the people in the district according to the
best of my judgment and ability, and will observe the *Local
Government (Rules of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
St Georges Terrace, Perth

On: 22 October 2013

By:

Reece Harley
.....
[Signature]
.....

Before me:

COP Imaged Record - 25/10/2013

Form 7. Declaration by Elected Member of Council

[r. 13 (1)(c)]



City of Perth

*Local Government Act 1995**Local Government (Constitution) Regulations 1998***Declaration by Elected Member**

I, Reece James Harley of [REDACTED]
 [REDACTED] having been elected to the office of Councillor of the City of Perth declare that I take the office upon myself and will duly, faithfully, honestly, and with integrity, fulfil the duties of the office for the people in the district according to the best of my judgment and ability, and will observe the *Local Government (Rules of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
 St Georges Terrace, Perth

On: 24 October 2017

By:

Before me:

Form 7. Declaration by Elected Member of Council

[r. 13 (1)(c)]



City of Perth

*Local Government Act 1995**Local Government (Constitution) Regulations 1998***Declaration by Elected Member**

I, Steven Jeffery Hasluck of [REDACTED]
 [REDACTED] having been elected to the office of Councillor of the City of Perth declare that I take the office upon myself and will duly, faithfully, honestly, and with integrity, fulfil the duties of the office for the people in the district according to the best of my judgment and ability, and will observe the *Local Government (Rules of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
 St Georges Terrace, Perth

On: 24 October 2017

By:

Before me:



City of Perth

Local Government Act 1995

Local Government (Constitution) Regulations 1998

Declaration by Elected Member

I, Dimitrios Athanasios Limnios of [REDACTED]
[REDACTED] having been elected to the office of Councillor of the City of Perth declare that I take the office upon myself and will duly, faithfully, honestly, and with integrity, fulfil the duties of the office for the people in the district according to the best of my judgment and ability, and will observe the *Local Government (Rules of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
St Georges Terrace, Perth

On: 24 October 2017

By:

Before me:



CITY of PERTH

Local Government Act 1995
Local Government (Constitution) Regulations 1998
Declaration by Elected Member

I, **DIMITRIOS (KNOWN AS JAMES) A. LIMNIOS** of [REDACTED]
[REDACTED] having been elected to the office of
Deputy Lord Mayor of the City of Perth declare that I take
the office upon myself and will duly, faithfully, honestly,
and with integrity fulfil the duties of the office for the
people in the district according to the best of my judgment
and ability, and will observe the *Local Government (Rules
of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
27 St Georges Terrace, Perth

On: 22 October 2015

By:

Before me:



CITY of PERTH

Local Government Act 1995

Local Government (Constitution) Regulations 1998

Declaration by Elected Member



I, JUDY MC EVOY of [REDACTED]
having been elected to the office of Councillor of the City
of Perth declare that I take the office upon myself and will
duly, faithfully, honestly, and with integrity fulfil the duties
of the office for the people in the district according to the
best of my judgment and ability, and will observe the *Local
Government (Rules of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
St Georges Terrace, Perth

On: 22 October 2013

By:

Before me:


.....

.....

Form 7. Declaration by elected member of Council

[r. 13 (1)(c)]



CITY of PERTH

Local Government Act 1995
Local Government (Constitution) Regulations 1998
Declaration by Elected Member

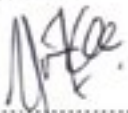
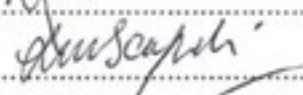
I, **KEITH YONG** of [REDACTED] having been elected to the office of Councillor of the City of Perth declare that I take the office upon myself and will duly, faithfully, honestly, and with integrity fulfil the duties of the office for the people in the district according to the best of my judgment and ability, and will observe the *Local Government (Rules of Conduct) Regulations 2007*.

Declared at: City of Perth Council Chambers, Council House,
St Georges Terrace, Perth

On: 22 October 2013

By:

Before me:


.....

.....

COP Imaged Record - 25/10/2013

4.4

City of Perth Commissioned Reports

ATTACHMENT 13.26A

Deloitte.



City of Perth
Organisational Capability
and Compliance
Assessment

6 June 2017

Page 4 of 56

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List of terms and definitions

1995 Act	Local Government Act 1995
2016 Act	City of Perth Act 2016
the Assessment	the City of Perth Organisational Capability and Compliance Assessment
CBP	Corporate Business Plan
CEO	The Chief Executive Officer
CPP	City of Perth Parking
ELG	Executive Leadership Group
SCP	Strategic Community Plan
the Administration	the part of the organisation City under the CEO
the City	the City of Perth
the Council	the part of the organisation City that consists of elected members
the in-scope legislation	the most relevant and significant legislation as specified in the Terms of Reference
the organisation	a synonym for the Administration

Limitations of our work

General Use Restriction

This report is prepared solely for the internal use of City of Perth. This report is not intended to and should not be used or relied upon by anyone else and we accept no duty of care to any other person or entity. The report has been prepared for the purpose set out in the Terms of Reference and as described in section 3 of this report. You should not refer to or use our name or the advice for any other purpose.

Inherent Limitations

The Services provided are advisory in nature and have not been conducted in accordance with the standards issued by the Australian Auditing and Assurance Standards Board and consequently no opinions or conclusions under these standards are expressed.

Because of the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur and not be detected. The matters raised in this report are only those which came to our attention during the course of performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made.

Our work is performed on a sample basis; we cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud.

Any projection of the evaluation of the control procedures to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Recommendations and suggestions for improvement should be assessed by management for their full commercial impact before they are implemented.

We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy, or reliability is given in relation to the statements and representations made by, and the information and documentation provided by City of Perth personnel. We have not attempted to verify these sources independently unless otherwise noted within the report.

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1 Executive summary

1.1 Purpose

The City of Perth (**the City**) has made a commitment to lead the Western Australian local government sector in the areas of governance, risk management, transparency and culture.

The independent Organisational Capability and Compliance Assessment (the **Assessment**) was commissioned to:

1. Build on the City's progress in reforming its governance and transparency
2. Provide a baseline for the City's performance in these areas
3. Identify opportunities across the City for further improvement.

Following consultation with the City to define the target outcomes of work, the Assessment was structured around three key focus areas: Legislative Compliance; Rigour and Transparency; and Capability and Value. The Assessment focused on providing a baseline of the City's performance in these areas, and was not designed as an audit.

By its nature, this report is a critical assessment of the City's operations. It focuses on identifying opportunities for improvement, in support of the City's goal to be a leader in the sector.

The findings are summarised below. A full explanation of the observations leading to each finding, as well as why it is important to the City, can be found in the main report.

1.2 Legislative compliance

The Legislative Compliance focus area reviewed the legislative compliance of the services currently delivered by the City.

Summary findings:

No.	Finding
1	One instance of previously undisclosed non-compliance with in-scope legislation was identified. City of Perth Parking does not have a business plan, which is required under the Local Government Act 1995 for major trading undertakings.
2	The majority of the City's services are discretionary in nature and not prescribed by legislation. Discretionary services are subject to the City's interpretation of the objects of legislation, which gives the City the ability to adjust scope and service levels to maintain a sustainable financial position.
3	The high degree of interpretation required means the City must rely on strategy and policy to guide decision making, however the City's current strategy and policy frameworks are insufficient in their current form.

1.3 Rigour and transparency

The Rigour and Transparency focus area sought to assess the rigour and transparency in the City's decision making, controls and risk management.

Summary findings:

No.	Finding
4	Decision making processes vary across directorates, and are unclear to many internal stakeholders. Lack of clarity leads to excessive escalation and inefficient decision making.
5	Certain corporate business controls are weak, leading to increased reliance on manual effort to maintain compliance and manage risk.
6	Management reporting is inconsistent and does not provide the executive leadership with the information required to make effective decisions.
7	Aspects of governance and risk are being improved through the development and rollout of new tools and frameworks.
8	Compliance risks remain, particularly in the context of an unprecedented number of changes in the workforce. Awareness of compliance requirements is constrained by insufficient on-boarding, training and policy and procedure documentation.

1.4 Capability and value

The Capability and Value focus area investigated whether the City has the right capabilities to deliver best value for its stakeholders.

Summary findings:

No.	Finding
9	There is no clear alignment between organisational strategy and business unit strategies. Misalignment leads to conflicting priorities between business units.
10	The organisation is managing to overall budget, not to business outcomes. Prioritisation and decision making is not informed by consistent measures of value and performance.
11	The City is limited in its ability to make informed decisions on workforce management. A complex position structure is limiting standardisation of roles and payroll classifications.
12	New roles and responsibilities are not well understood across the organisation, particularly for processes that are executed across multiple business units.
13	Business processes are at varying stages of redesign and levels of maturity. Processes that involve multiple business units are not well defined, impacting efficiency and transparency.
14	Procurement spend could be optimised through improved sourcing, consolidation and contract compliance.

1.5 Transformational change

Further to the three focus areas described above, the assessment identified a fourth overarching issue impacting the City's compliance and capability into the future: the recent organisation restructure has initiated transformational changes in how the City operates, however some issues threaten the success of this change.

Summary findings:

No.	Finding
15	While the restructure is nearing completion, other important elements of successful change have not yet been addressed, representing a major risk in terms of performance, culture and retention.
16	The ELG is insufficiently aligned to support successful transformation. While there is natural tension between competing priorities, unified sponsorship is required to manage the change.
17	The ELG's capacity to shape and lead the change is constrained by a high proportion of time devoted to operational matters.

1.6 Recommendations

The organisation must now complete the transformation that began with the restructure. The next phase of the transformation should be sequenced so that critical questions of legislative framework, strategy and business model are addressed first. This approach will help to prioritise and align the City's various inflight and planned improvement initiatives to the strategic direction.

High level recommendations:

No.	Recommendation
1	Clarify the City's Legislative Framework and Corporate Governance Framework to improve transparency in how legislative obligations and objectives are interpreted and applied.
2	Complete the development of a clear organisational strategy that makes explicit strategic choices on the City's priorities and how it balances competing expectations.
3	Based on a clear organisational strategy, make deliberate choices about the organisation's future business model.
4	Strengthen the City's operating model design, aligning in-flight and planned work towards a common and consistent target state.
5	Align the leadership in support of the transformational change, supported by centralised program management and organisational change management.

2 Context

2.1 The scope of local government services has broadened over time

The City provides services to its residents, ratepayers and visitors that are much broader than the traditional functions of local government. Consistent with other councils, the scope of these services have broadened over time.

According to the Commonwealth Grants Commission (2001), local government's functions have increased due to the following five factors:

1. *Devolution*: where another sphere of government gives local government responsibility for new functions
2. *Raising the bar*: where another sphere of government, through legislative or other changes, increases the complexity of or standard at which a local government service must be provided
3. *Cost shifting*: where there were two types of behaviour. The first is where local government agrees to provide a service on behalf of another sphere of government but funding is subsequently reduced or stopped, and local government is unable to withdraw because of community demand for the service. The second is where, for whatever reason, another sphere of government ceases to provide a service and local government steps in
4. *Increased community expectations*: where the community demands improvements in existing local government services
5. *Policy choice*: where individual local governments choose to expand their service provision.¹

Further, local governments are not prevented from providing the same services that the State provides. Section 3.2 of the Local Government Act 1995 (the **1995 Act**) states: "The scope of the general function of a local government in relation to its district is not limited by reason only that the Government of the State performs or may perform functions of a like nature".

While there are a number of agreements between State and local government that affect service provision, there is often very little clarity around the funding arrangements for the provision of these services. Consequently, funding has not always kept pace with changes in demand and costs. The House of Representatives Standing Committee on Economics, Finance and Public Administration (2003) found that the "growth in local government's functions has far outstripped its financial capacity to discharge all those functions adequately."²

¹ Commonwealth Grants Commission, Review of the Operation of the Local Government (Financial Assistance) Act 1995, June 2001, pp. 52-3.

² House of Representatives Standing Committee on Economics, Finance and Public Administration, Inquiry into Local Government and Cost Shifting, February 2003, p. 10.

2.2 New legislation reflects the City's unique position as a capital city

City of Perth's role has also been broadened by The City of Perth Act 2016 (the **2016 Act**). The 2016 Act sought to lay down a legislative framework for the City recognising that it should play a unique role as the local government of the capital city of Western Australia.

The 2016 Act identifies its range of stakeholders including ratepayers, businesses, visitors and tourists, and paints a broad canvas of aspirational goals for the City and its stakeholders. However, it neither prescribes what activities should be undertaken nor how those activities should be undertaken.

The City is still subject to the 1995 Act, to the Department of Local Government and Communities and to the Minister for Local Government, as well as over 400 other identified pieces of relevant legislation.

2.3 Increased pressure on the City's capacity to deliver

The City's rate of revenue growth is not keeping pace with operating costs, placing the City's operating surplus under pressure that has not been previously experienced.

Instead of the traditional reliance on rates as the predominant source of revenue, the City has historically enjoyed a significant secondary revenue stream from on- and off-street parking. Over the period 2013/14 to 2016/17 (budget), revenue from parking has increased by \$5.2 million at a compound annual growth rate of 2.4%. Over the same period, expenditure assigned to parking bay licence fees, levied by the Department of Transport to all parking bays in the Perth Parking Management Area, has increased by \$6.4 million at a compound annual growth rate of 16.4%. The Parking Levy cost represented 15.5% of CPP's revenue in 2013/14, which has increased to 22.7% in 2016/17 (budget).

Since 2013/14, revenue growth has not kept pace with expenditure growth. During this period, the City's total revenue has increased at a compound annual growth rate of 4.0%, whilst total expenditure has increased at a compound annual growth rate of 6.6%. Other than the impact of the Parking Levy increase, part of this expenditure increase can be attributed to the organisational restructure, which occurred in April 2015. Compounding costs in the delivery of key services has placed the City's operating surplus under pressure that has not been previously experienced, as outlined in Figure 1 below.

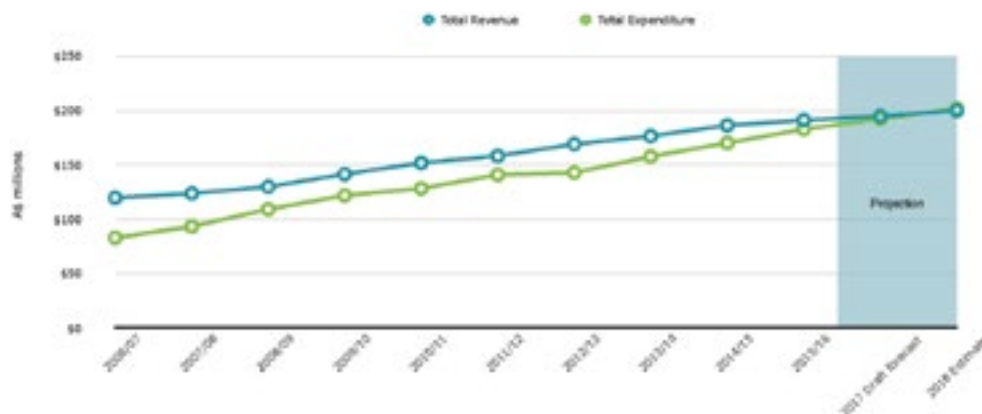


Figure 1: Total revenue versus total expenditure. (Source: City of Perth Long term financial analysis – Draft (Feb 2017))

In the context of a broadening role and increasing financial pressure, the City is left with the challenge of appropriately interpreting and implementing legislation, while balancing the competing interests of its various stakeholders in a financially sustainable manner.

3 Purpose and scope

3.1 Why did the City initiate the assessment?

The City recognises the importance of good governance and maintaining the highest levels of transparency in its operations, to protect and enhance its reputation as the capital city of Western Australia. The City has made a commitment to lead the Western Australian local government sector in the areas of governance, risk management, transparency and culture.

Since January 2016, the City has initiated and implemented a number of transparency measures and intends to build on these to better serve its residents, ratepayers and visitors. In order to demonstrate that it is meeting its respective obligations under State and Commonwealth legislation, the City must be in a position to understand its compliance with legislation and the effectiveness of its operations. Through a heightened level of rigour and transparency, the City intends to demonstrate that it is providing quality public services at competitive cost and optimum efficiency.

The independent Organisational Capability and Compliance Assessment was commissioned to:

1. Build on the City's progress in reforming its governance and transparency
2. Provide a baseline for the City's performance in these areas
3. Identify opportunities across the City for further improvement.

3.2 What did the assessment examine?

A Terms of Reference document was developed by the City to define the background, objectives and purpose of the Assessment. This was approved by Council on 21st March 2017.

The Terms of Reference outlined three key focus areas: Legislative Compliance; Rigour and Transparency; and Capability and Value around which the assessment was structured. Within each of these focus areas, the assessment sought to answer the following questions as outlined in Figure 2.



Figure 2: Focus area questions and scope. Source: Terms of Reference Assessment Terms of Reference

The Assessment focused on providing a baseline of the City's performance in these areas and was not designed as an audit.

3.3 Scope limitations

The Deloitte Governance Framework, Figure 3 below, defines the elements required for effective corporate governance. This figure is used to illustrate a number of scope limitations, described below.



Figure 3: The Deloitte Governance Framework (Source: Deloitte)

The assessment focused on the City's governance and functions under the CEO (the **Administration**). With reference to Figure 3, the scope excluded:

- **Board:** The City's Council (the **Council**)
- **External Bodies:** Regulatory bodies relevant to the City, such as the Department for Local Government.

The assessment excluded three other elements:

- **Technology:** The City has recently completed a strategic review of its technology landscape, so the Assessment was instructed to avoid duplication of this work.
 - **Incentives & Remuneration:** The Assessment was focused on organisational capability maturity. It excluded assessment of the capability and performance of individuals and how incentives and remuneration are linked to governance outcomes.
 - **Assurance:** The scope excluded audit services, as the Assessment did not seek to replicate existing assurance processes. The Assessment reviewed whether the scope of the City's services are compliant with its legislative obligations, but did not seek to review all elements of legislative compliance.
- Finally, the Assessment cannot be construed as legal advice – the City is advised to seek legal advice if it wishes to test the assessment's findings further.

4 Approach

4.1 How was the assessment structured?

The Assessment was structured into six work packages. Three work packages were an organisation-wide assessment:

- Legislative compliance assessment
- Organisational capability maturity assessment
- Spend analytics.

These work packages were supplemented with more detailed diagnostic assessments in relevant areas:

- Governance
- Finance
- Procurement.

Figure 4 outlines how the work packages contributed to the three focus areas of the Assessment.

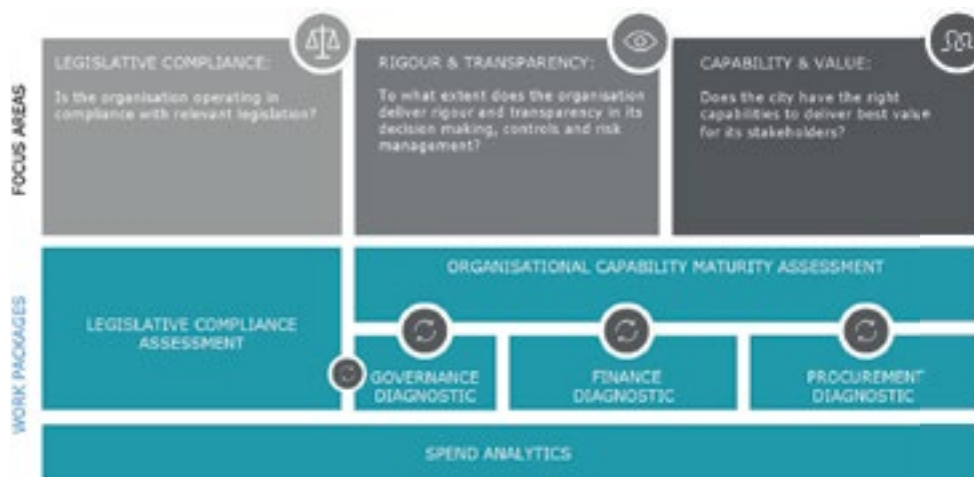


Figure 4: The work packages undertaken to complete the Organisational Capability and Compliance Assessment

4.2 How were the work packages delivered?

The key activities undertaken to deliver the assessment are outlined in Figure 5 below:

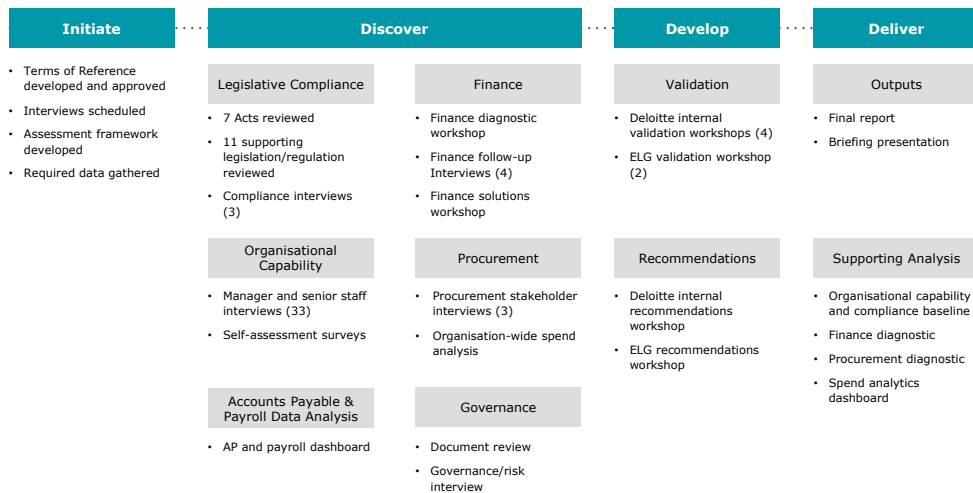


Figure 5: Assessment activities

The work packages were delivered using a range of methodologies and approaches, as outlined below.

Legislative compliance assessment

The Assessment sought to determine what services the City must and must not provide from a legislative perspective, relative to what services the City actually provides. Legislative compliance was assessed against a selection of the most relevant and significant legislation, listed below in Table 1:

In-scope legislation	Additional legislation considered
City of Perth Act (2016)	Environmental Protection Act (1986)
Local Government Act (1995)	Building Act (2011)
Planning and Development Act (2005)	Waste Resources and Recovery Act (2007)
Perth Parking Management Act (1999)	Food Act (2008)
Health Act (1911)	Perth Parking Management Regulations (1999)
Local Government Regulations	Building Regulations (2012)
	Local Government Regulations (1996)
	Litter Act (1979)
	Food Regulations (2009)
	City Planning Scheme (2015)
	Other local laws, such as the Perth Parking Local Law (2016)

Table 1: Legislation and regulation reviewed in this Assessment

See Appendix 1 for a list of all documents reviewed.

The City's legislative compliance obligations were ascertained by identifying and mapping key obligations against the City's policies and services. For example, where the City is legislatively required to perform a particular service, such as building control as mandated in the Building Regulations Act (2012), the City's relevant policies and services were assessed against that legislation. A gap analysis was then undertaken to ascertain any areas of non-compliance. The analysis was validated through a number of follow up interviews with relevant internal stakeholders as detailed in Figure 5 above.

This work produced a list of the City's services, and identified those that are mandated by legislation versus those that are discretionary.

Organisational capability maturity assessment

The purpose of this work was to determine the capability maturity of each of the City's functions focusing on four dimensions:

- Strategy
- People and organisation
- Process
- Governance.

A standardised five point maturity rating scale was used, measuring the extent to which capabilities are defined, measured and managed across each of these dimensions.

The assessment captured evidence through manager self-assessment questionnaires and structured interviews, based on Deloitte's Organisational Assessment Framework. The results were validated by comparing the self-assessed ratings with the documentary evidence. Where the documentary evidence could not substantiate a self-assessed rating, the rating was adjusted.

Finance diagnostic

The City's core Finance processes were assessed using feedback gathered through interviews of Finance's 'customers', inputs from two workshops, follow up interviews and a review of finance documentation including management reports and the chart of accounts.

This diagnostic defined the level of capability maturity in the City's Finance function, and an improvement initiatives roadmap outlining recommendations to bridge the current capability gaps.

Procurement diagnostic

The Procurement Diagnostic incorporated a procurement maturity assessment and a spend opportunity assessment. To determine the maturity of the procurement function, interviews were conducted with staff involved in contracting and procurement from across the organisation. The existing procurement process was documented based on these interviews, along with pain points and issues. A gap analysis compared the existing process to leading practices as defined by Deloitte's standard procurement process definition.

The spend opportunity assessment analysed the City's procurement data and applied Deloitte's benchmark savings per spend category, which represent the savings typically realised from addressing the gaps identified. This analysis informed a high level estimate of the savings opportunity related to improvements in procurement practices.

Governance diagnostic

Governance effectiveness was assessed using data gathered from workshops and manager interviews, discussions with governance stakeholders, and review of relevant documentation. The review conducted a gap analysis between leading practice as defined by Deloitte's Governance Framework and the current state.

Spend analytics

The Spend analytics work package analysed the City's accounts payable and payroll data. The data was consolidated and mapped to create an interactive dashboard. This dashboard was

used as a source of reference for the Assessment, to guide prioritisation and focus of activities, and to inform the analysis of payroll and procurement processes.

A standard suite of Deloitte tests were also applied to the accounts payable and payroll data to identify potential evidence of weak controls and poor practice.

5 Legislative Compliance

5.1 Introduction

This focus area sought to determine whether the organisation's services are delivered in compliance with relevant legislation.

5.2 The legislative environment

Legislative compliance is complex and multilayered

As the City operates within a number of legislative, regulatory and commercial environments, it faces a broad range of compliance obligations. Some of these obligations are consistent across the local government sector, such as the provision of waste services, while others are specific to the City, such as biannual meetings of the City of Perth Committee, given its status as a capital city.

The City's legislation and associated regulations cascade under a legislative hierarchy. Within this hierarchy, there are the head acts, namely the 2016 Act and the 1995 Act, which provide the framework within which other forms of legislation are able to come into effect. Underneath the head acts, there are over 400 pieces of lower level legislation and regulation that have varying applicability and degrees of prescription to service delivery or provision.

Table 2 below provides an overview of the legislative hierarchy and documents reviewed for the purposes of the Assessment.

Legislative Hierarchy	What this means	Legislation Examined
Head acts	Legislation that defines the existence, functions and significance of the City	City of Perth Act (2016) Local Government Act (1995)
Enabling legislation	Legislation that provides wide ranging powers to carry out functions	Perth Parking Management Act (1999) Planning & Development Act (2005) Health Act (1911) Environmental Protection Act (1986)
Service enabling legislation	Legislation that prescribes responsibility for particular services to the City	Building Act (2011) Waste Resource and Recovery Act (2007) Food Act (2008)
Service defining legislation	Legislation that defines the services the City may perform	Perth Parking Management Regulations (1999) Building Regulations (2012) Local Government Regulations (1996) Litter Act (1979) Food Regulations (2009)

Legislative Hierarchy	What this means	Legislation Examined
Operational requirements	Local laws, policies and schemes that define service provision and enforcement	(None reviewed)

Table 2: Legislative Hierarchy

Head acts are non-prescriptive

The head acts are not prescriptive about the services and the extent of services to be delivered. Instead, these head acts give local governments wide ranging powers to carry out almost all functions.

For example, the 2016 Act states that the first objective of the City is “to provide for the good government of persons in the City of Perth, including residents, ratepayers and visitors”. Similarly, the 1995 Act states that the general function of local government in Western Australia is to “provide for the good government of persons in its district.”

Enabling legislation and service enabling legislation can define what the City must and must not do

Only upon review of lower levels of the hierarchy does it become apparent what services the City must provide. Taking waste management as an example, the Waste Avoidance and Resource Recovery Act (2007) requires a local government to provide a waste service for the purpose of protecting human health or the environment. Local governments are required to comply with this obligation because of their responsibilities under the Environmental Protection Act (1986).

Other examples include the legislative requirement for the City to perform swimming pool and health inspections, which are prescribed in the Building Regulations Act (2012) and the Food Regulations Act (2009), respectively. The Building Regulations (2012) outline a local government’s responsibility to administer the State’s building regulations in accordance with the Building Code of Australia, relevant town planning requirements and local building laws.

However, the method by which such services are provided is sometimes up to the local government to decide. The City of Joondalup, for example, has chosen to substantially outsource its waste management service to a private contractor, whereas the City of Perth utilises a largely in-house workforce, supplemented by contractors and casual employees.

5.3 Findings

The legislative compliance assessment makes four key findings in relation to the City’s compliance obligations, the services it performs and how decisions (in relation to service provision) are made.

Finding 1: One instance of previously undisclosed non-compliance with in-scope legislation was identified

Observations

Through a review of the in-scope legislation, as well as those mechanisms the City has in place to enable compliance, one instance of non-compliance was identified in relation to the failure to prepare a business plan for the City’s major trading undertaking. No further evidence of non-compliance with in-scope legislation was identified.

A review of the in-scope legislation revealed the minimum service requirements with which the City must comply. Examples of these requirements are summarised below:

- The 2016 Act and the 1995 Act are administrative in nature and give the City wide ranging powers to carry out almost any function
- The Health Act (1911) allocates responsibility to the City for the construction and maintenance of all drainage within its district
- The Perth Parking Management Act (1999) requires the City to apply for and pay an annual licence fee for parking bays within the Perth Parking Management Area
- The Planning and Development Act (2005) mandates that all land that the City is responsible for be subject to the City's Planning Scheme, which provides for the creation of precinct plans, planning policies and guidance around decision making.

Each year, every local government in Western Australia must complete a Compliance Audit Return (the Return) that is submitted to the Department of Local Government and Communities. The Return asks a local government representative to answer a number of questions pertaining to the City's administration and operations, relative to legislative obligations. In 2015/16, the City self-disclosed 26 instances of non-compliance through its Return. For example, the City identified five occasions where procurement values exceeded or were about to exceed the tender threshold. Other areas of non-compliance reported by the City related to employee and Elected Member disclosure of interest and the disposal of property.

The first section of the 2015/16 Return considers Commercial Enterprises by Local Governments, including major trading undertakings. Major trading undertakings are defined in section 3.59 of the 1995 Act and Part 3 (9)(10) of Local Government (Functions and General) Regulations, where it is stipulated that any major trading undertaking must be supported by a business plan.

In its 2015/16 Return, the City responded that there were no major trading undertakings in 2016. The City of Perth Parking (CPP), however, can be considered a major trading undertaking under the definitions of legislation. The City had previously considered that the requirements under these pieces of legislation would not apply to CPP, as CPP began operating as a major undertaking prior to the Act's introduction in 1995/96.

During the course of this assessment, the City found that there was a transitional provision clause, which stipulated that if a business were to continue as a major trading undertaking it could be done without a business plan for two years (if the business were to cease before the completion of the two years) or one year if the operation were to continue. The City has never had a specific business plan in place for CPP, which means that City has been in breach of this provision since 1997. The City's staff are intending to address this compliance issue via the development of a CPP business plan.

Why is this finding important?

Maintaining a high degree of compliance demonstrates that the City is obeying laws and regulations in both its administration and operations. An ability to demonstrate compliance provides the Council, ELG, management, ratepayers and broader stakeholders with a degree of confidence that the City is doing what it should in an accountable and transparent manner.

Finding 2: The majority of the City's services are discretionary in nature and not prescribed by legislation

Observations

The City delivers 77 different services, represented in Figure 6 below. The legislative compliance assessment identified that 16 of these services are mandated as service requirements under relevant legislation (inner ring). Some services are able to be delegated by the State Government under legislation, such as affordable housing and pollution control (middle ring). Over time, the City's Council has chosen to provide other civic services beyond the mandated local government functions (outer ring).

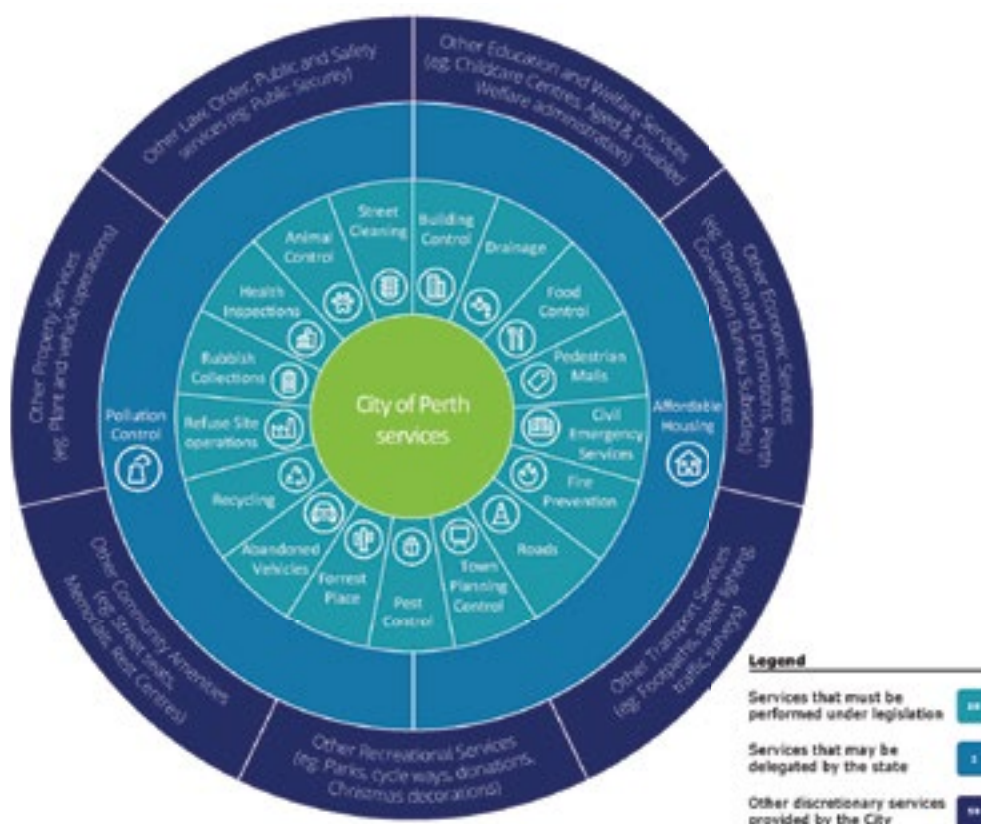


Figure 6: Services delivered by the City

It appears that a number of such discretionary services are provided on the basis of community demand. Further, the City is providing some services to a much wider group of service users than City residents and ratepayers. Social functions, such as management of homelessness, alcohol and drug problems, Skyworks, community safety and affordable housing are beyond the traditional scope of local government services. However the rationale, assumptions and benefits to ratepayers and stakeholders that underpin these services are not well documented, nor uniformly understood across the organisation.

The City does not have consistently and formally defined business requirements for its services; and where there are legislative obligations, these are not always reflected in policy and procedures. For example, the City's requirement to undertake inspections of food

premises, owing to its responsibility under the Food Regulations Act (2009), is referenced in the City's procedures, however, it is not reflected in a relevant policy. While there is no requirement for this legislative obligation to be reflected in policy, having a written Inspections of Food Premises policy in place would help clarify the City's position, whilst providing decision making requirements and guidelines on service provision.

Why is this finding important?

The City has an opportunity to enhance its governance framework by capturing legislative obligations under clearly defined service requirements. This view may take the form of a compliance management system or a regulatory compliance framework that defines the hierarchy of legislation, the City's resulting obligations and permissions, and its abilities to make choices on which services it will provide, including the extent of those services. By integrating legislative obligations with service requirements, the City will have a stronger foundation for making decisions on the services it provides, relative to its legislative obligations, financial capacity and organisational objectives.

Without a legal, social, economic and financial understanding of the implications associated with the provision of these services, the organisation is unable to quantify the funding and resources required to determine the sustainability of the service, and cannot inform decisions on service levels and trade-offs.

In current conditions, the City is managing its financial position with high scrutiny. The scope, service levels and level of subsidy of discretionary services are important levers in managing a sustainable operating surplus position for the City. Further, as State and Commonwealth governments pursue greater levels of fiscal austerity, it may be necessary for the City to undertake a business case to determine whether it is economically and socially feasible to take on additional services vacated by other spheres of government.

Finding 3: The high degree of interpretation required means the City must rely on strategy and policy to guide decision making, however the City's current strategy and policy frameworks are insufficient in their current form

Observations

With legislation prescribing only a subset of the City's services, it is up to the City's strategy and policy setting to direct the scope and extent of the services it delivers.

The organisation-wide strategy document for the City is the Strategic Community Plan (**SCP**). The SCP is published by the City every four years as a community facing strategy document that performs an important role in capturing the needs and priorities of the City. Underneath the SCP is the Corporate Business Plan (**CBP**), which defines the detailed implementation plan for services, key projects and capital investments over the next four years.

Previously, a decision was taken to exclude business-as-usual activities from these documents. Consequently, there are no priorities or targets set for business units such as Library Services and CPP. While this helps to focus the documents on the significant changes to the organisation, it has resulted in some of the City's business units being unable to rely on the SCP and CBP as the framework for detailed definition of their own services, priorities and operational targets, and demonstrating the contribution of these services to overall strategy.

While strategy should help inform discretionary choices and priorities, policies should define the mandatory business rules that business units must follow. There is a significant policy framework in place for the organisation, however as outlined below, the assessment identified some deficiencies in how the policies are risk rated and reviewed.

The City's Organisational Policy Manual defines a policy as a concise statement of strategic objectives, principles or specific operational activities that give effect to the City's obligations or objectives, minimise risk, guide subsequent decisions and actions and ensure that the community is served in an open, accountable, consistent and sustainable manner. Section 2.7(2)(b) of the 1995 Act states that the Council is to "determine the local government's

policies”, which are designed to provide direction for the ongoing management of City activities.

There are two policy categories at the City: firstly, a Council Policy, which is a policy required by legislation or a policy that governs a matter that affects the community and requires the approval of Council; and secondly, an organisational policy, which is a policy that affects the organisation’s day to day activities and does not require the approval of Council.

The City has developed procedures for both Council and organisational policies. According to these procedural documents, the objectives of the procedures are threefold: firstly, to ensure consistency in the formulation, approval and regular review of policies; secondly, ensure there is alignment between policies and the SCP; and finally, provide the approval mechanisms of the policies³. Through these procedures, the City has committed to initiating an annual review of each major policy (due to have commenced in January 2017).

Council policies

Since 2015, the City has been in the process of applying a risk-based approach to inform the frequency of the policy review period across Council and organisational policies. The City has initiated a risk-rating for the 109 Council policies, however at the time of our assessment, only 17 have been assigned a risk rating and a review period and a further four have been assigned a review period, but not a risk rating. Table 3, below, demonstrates the relationship risk-rating categories and policy review periods.

Risk-Rating								
	No risk-rating applied	Insignificant	Low	Minor	Moderate	Medium	High	Total
Frequency of Review	No review period applied	88						88
	Annual	1						1
	Biennial	2	3		2	2	1	10
	Triennial		1	5	1	1	1	9
	Every 4 years	1						1
	Total	92	1	8	1	3	3	1

Table 3: Risk-rating and frequency of review period for Council policies

Further, there appears to be a high degree of variance between risk categories and review periods. For example, a policy rated as “high” risk has the same biennial review period as a policy rated “low” risk. Similarly, a policy rated “medium” risk has the same triennial review period as a policy rated as “insignificant” risk.

In the City’s Risk Management Framework, four categories of risk are defined and applied to the risks captured in the City’s risk register: Low, Medium, High and Extreme. These categories are inconsistent when compared with the risk-rating categories used in the Council Policy Manual. For example, of the City’s 17 rated policies, there are five policies that do not have a risk definition as presented in the Risk Management Framework.

A broader review of the Council Policy Manual shows that 60% of policies are outdated as these have not been reviewed in the last five years. Examples of outdated policies governing

³ Procedure – Council Policies, City of Perth, 24 October 2016; Procedure – Organisational Policies, City of Perth, 24 October 2016.

service provision include On-street Parking Policy (last reviewed in 2009), Road Safety Audits Policy (last reviewed in 2010) and Community Consultation Policy (last reviewed in 2002).

Organisational policies

The City has ten organisational policies in place, considered to be those which affect the organisation's day to day business and do not require the approval of Council. Four of these policies do not have a risk-rating. Those that are risk-rated, however, apply the same defined risk categories that are presented in the City's Risk Management Framework.

Six of the ten organisational policies have not been reviewed in line with the intended review dates.

Why is this finding important?

Without clarity in the City's strategic choices and business rules, it is difficult for the City to demonstrate transparency and strategic alignment in its decision making and resource allocation. Such a demonstration is particularly important in the absence of prescriptive legislative obligations.

While there is a substantial policy framework in place, clearer alignment with the legislative obligations that do exist, combined with an improved regime of risk rating and review, will help to maintain and demonstrate the currency and completeness of the City's policies.

6 Rigour and Transparency

6.1 Introduction

The second focus area sought to determine the extent to which the Administration delivers rigour and transparency in its decision making, controls and risk management.

6.2 The governance environment

Why is good governance important?

The Governance Institute of Australia states that ultimately, good governance is important "to ensure value is delivered to the community for the rates and other charges it pays and which form the foundation for sustainability in the future". Good governance provides the foundation for rigour and transparency in the City's decision making, controls and risk management.

How is good governance achieved?

The 1995 Act does not specify how good governance should be achieved, and it is up to local governments to interpret and apply governance practices for both Council and the administration. There are various sources for guidelines on effective governance. The Victorian Good Governance Advisory Group defines the fundamental components of good governance in local government as enabling:

- **Accountability** – being answerable for the consequences of decisions made
- **Compliance** – demonstrating compliance with relevant legislation and policies
- **Transparency** – clarity and openness in the decision-making process
- **Fairness and equity** – demonstrating that the decision-making process has considered the interests of all relevant members of the community
- **Efficiency and effectiveness** – putting resources to best use.⁴

What did the assessment examine?

For the purposes of this Assessment, Deloitte's Governance Framework was used to assess the City's governance. The framework, as depicted in Figure 7 below, is split into five distinct sections:

- **Governing bodies** – setting the tone of the organisation and level of oversight for critical activities
- **Setting up for success** – establishing the organisation's strategic plan and risk appetite, operating model and accountabilities/responsibilities
- **Establishing boundaries** – assessing the level of policy/regulatory requirements and establishing policy and control frameworks
- **Aligning goals** – aligning budgeting and planning, performance management and reward to the organisation's strategic plan
- **Managing & reporting** – assessing usefulness of management information, level of risk management and clarity of board assurance to assist with decision making.

⁴ Victorian Good Governance Advisory Group, *Good Governance Guide*, 2012.
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Figure 7: Deloitte Governance Framework (Source: Deloitte)

6.3 Findings

The Organisational Capability Maturity Assessment identified five priority findings in relation to the City's rigour and transparency.

Finding 4: Decision making processes vary across directorates, and are unclear to many internal stakeholders

Observations

Each directorate and business unit has its own decision-making groups with varying meeting cadence, informal schemes of delegation and escalation triggers.

While the City has a documented scheme of delegation, the Assessment did not find evidence of formally defined, clearly communicated terms of reference for each internal decision-making group, nor were there consistently defined processes for decision making.

Decision making was reported to be more effective within directorates, however where decision making crossed organisational boundaries, interviewees reported a number of challenges such as:

- Delays and inefficiencies in resolving decisions, including a high degree of escalation to ELG to resolve decisions
- Lack of awareness of meeting forums, their intent and authority to make decisions
- Challenges with scheduling and availability of interested parties given the large number of internal stakeholders
- Relevant stakeholders not being consulted early enough in a process

- Increasing instances of managers only including a subset of relevant stakeholders in the decision-making process.

Why is this important?

In the absence of defined decision making rights and processes, the organisation suffers unnecessary friction, delays and escalations. Formalising decision rights in role descriptions and terms of reference will help to improve the rigour, transparency and efficiency of decision making, while reducing the unnecessary operational burden on the ELG.

Finding 5: Certain corporate business controls are weak

Observations

Review of compliance documentation and interviews confirmed that internal controls are defined and measured across the organisation. However, the effectiveness of some controls appears to be weak as outlined below.

Organisational policy and procedure

Finding 3 (above) identified that while the City has an established policy framework, the majority have not been reviewed in the last five years. Some managers also reported issues with policies being inconsistent, and in some cases, conflicting. Without structured, consistent and comprehensive organisational policies, some managers reported that they are, at times, selectively compliant with policies, where they consider that the policy lacks relevance. Determination of relevance is a subjective process that varies between managers. For example, a manager reported that their team uses a number of workarounds to get things done where current policies and procedures are restricting their ability to react to community and stakeholder needs.

Information systems

The City's information management systems are not seen as enabling effective and automated controls. Managers reported issues including:

- Limited workflow and automation leading to heavily manual processes
- Semi-automated processes which could be redesigned to be fully automated
- Transfer of data between systems requires manual extraction of data from source systems into spreadsheets, manipulation and re-entering into receiving systems
- Limited access to operational data which should be shared across business units to increase the visibility of operations.

To address this, there are a number of in-flight IT initiatives planned for delivery between 2017 and 2021, such as replacement of ageing systems and investment in new capabilities.

Supplier spend management

The City's approach to supplier and contract management is decentralised, with responsibility at the project or business unit level. There are limited controls in place to facilitate compliance with the City's Purchasing Policy (CP 9.7 Purchasing, 2015) and the 1995 Act, which articulates quotation/tender thresholds which apply to the procurement of goods and services.

Interviews suggested that most spend owners have little awareness of suppliers' cumulative spend. While the Contracts and Procurement team generates a monthly Contracts Expenditure Report listing cumulative supplier spend over \$75,000, interviews indicated this report is not consistently reviewed by business units, and does not provide visibility of spend under this threshold nor spend that is not under contract.

Payroll accuracy

A suite of automated tests were applied on the payroll data as part of the Assessment. This analysis flagged a number of transactions that the City should validate and or further investigate to confirm their accuracy and validity. These preliminary observations may reflect weak controls or data quality issues, or may be valid scenarios that are not self-evident in the data examined.

There are acknowledged issues with the accuracy of payroll and the manual controls put in place to mitigate errors. There is extensive use of handwritten forms in the payroll process, which require manual verification, a time intensive activity.

Payroll errors and near misses have been formally tracked since December 2016. During the period December 2016 to March 2017, 44 errors and near misses, which originate in both business units and payroll, were identified and recorded. These issues are outlined in Table 4 below.

	Issues generated in business units	Issues generated by payroll	Total
Number of Payment Errors	19	20	39
Number of Payment Near Misses	5	0	5
Total	24	20	44

Table 4: Summary of issues found in Payroll (Source: City of Perth)

The manual preventative control of having managers individually review and sign off their team's pay at each pay run appears ineffective, with many managers reporting that they were not in a position to vouch for the accuracy of the data.

Non-standard payments, such as overtime, carry the highest risk of error. For example, calculations related to overtime are recorded on employee summary sheets, outside the payroll system. There are no controls to validate the data recorded in the payroll system to ensure that all overtime items are in line with the relevant Enterprise Bargaining Agreement (EBA) and business rules.

In 2015/2016 overtime payments at double time (or greater) accounted for \$1.76 million (77% of total overtime and 2.2% of total payroll). Potentially, this cost could be reduced through consistent interpretation and application of overtime rules across business units as well as more effective workforce management practices to reduce the requirement of employees to undertake overtime hours.

The City is aware of the payroll issues outlined above and there is a planned initiative to address these through replacement of the payroll system as part of a larger Human Resources Information System project.

Invoice approvals

Finance reported that the proportion of invoices that remain unauthorised at month-end has increased substantially, from a long-term average of around 400 per month, to 900 per month in the last four to five months. Finance attributed this increase to new managers who were not familiar with the accounts payable process and associated deadlines.

Non-compliance with the invoice approval process impacts month-end close timelines as Finance must follow up with authorised approvers, and post month-end accruals where no action is taken. The value of accruals posted as a result of unapproved invoices at month-end is approximately \$1.3 million. Posting month end accruals is time consuming and increases the risk of variance in the City's financial projections.

Accounts payable

A suite of automated validity tests was applied on the accounts payable data as part of the Assessment. This analysis flagged a number of transactions that the City should further investigate to confirm their accuracy. These may reflect weak controls or data quality issues, or may be valid scenarios that are not self-evident from the data examined.

Lease management

Management of parking bays is split across CPP and the Properties Business Unit, due to inclusion of parking in lease arrangements. Interviewees identified that there are insufficient controls in place to prevent leases from lapsing, and changes to the parking capacity of leased properties is not consistently identified and applied, impeding the ability to accurately report on the total number of active parking bays.

Why is this finding important?

Internal controls are critical in the delivery of rigorous and transparent processes. The gaps identified should be addressed to provide improved assurance to the City's management and its stakeholders that the City is operating in a compliant and effective manner.

Finding 6: Management reporting is inconsistent and does not provide the executive leadership with the information required to make effective decisions

Observations

The quality of management information available to directors and managers was consistently reported to be poor, particularly reports provided by the Finance and Human Resources (HR) business units.

Finance reporting

Many interviewees commented on inconsistency in financial reporting. Directors and managers raised concerns about the scope, format, accuracy and timeliness of regular budget reporting. Several directors also provided examples of management reports that they have developed locally to supplement reporting provided by Finance.

Finance faces challenges in providing consistent and useful reporting, due to the lack of standardised, automated reports, the complex structure of the City's chart of accounts, and the insufficient integration across the City's various information systems.

Interviewees reported widespread support for the Directorate Accountants – a new role created to support each Directorate with financial analysis. However the quality of reporting is impacted by the high degree of manual effort, leading to a lack of confidence in the analysis provided.

Human Resources reporting

Finance and HR systems are not configured to provide an integrated view of workforce data. Generation of workforce reports is a manual, time consuming process with inputs from a mix of systems-based data and information provided by individual business unit managers.

Furthermore, the ELG reported discrepancies in the data provided in the HR monthly report and indicated they were reluctant to rely on it to make decisions given the inaccurate information.

Why is this finding important?

Unnecessary effort is spent on compiling data and reconciling differences, rather than using reports to draw insight. The lack of reliable and efficient management reporting impacts the City's ability to maintain oversight of operations and make informed and timely decisions.

Finding 7: Aspects of governance and risk are being improved through the development and rollout of new tools and frameworks

Observations

The Governance business unit supports the City by providing an advisory service in the fields of Risk, Strategy, Corporate Planning and Corporate Governance. The stated purpose of the City's Governance Business Unit is to "establish effective and efficient systems and processes

to ensure compliance, accountability, fairness and transparency to all of its stakeholders” (Governance Business Unit 2016/17 Business Plan).

New compliance tools that the Governance Business Unit has recently developed include:

- Corporate Compliance Calendar: a tool that identifies legislative compliance tasks to be completed by the City on a continuous basis. In time, the calendar is expected to help managers actively manage their compliance tasks
- Compliance Accountability Listing: a tool that is designed to identify legislative requirements (and other instruments) that apply to an individual and/or business unit
- Take Action Notice: through the use of a paralegal, the City identifies legislative changes captured in the Gazette, which is then communicated through to the management team
- Document Control Box: an addition to the City’s Policy template, to provide a consistent record of the policy custodian, any compliance requirements, risk rating and review frequency.

These tools are considered to be consistent with good practice and the City should continue to roll-out and embed them.

The City launched its new Risk Management Framework in early 2017. This framework has been developed and maintained by the Governance Unit to support the City to be more effective in recognising and managing its key risks at both the strategic and operational level. It also serves to further educate managers and staff on the value of effective risk management.

The City recognises that there is more work to be done to implement a truly effective and responsive risk management framework throughout the organisation. Such an approach will better equip the City to make risk-based decisions and to help prevent major incidents. For example, the City needs to develop a consistent approach for escalating and addressing significant risks identified by operational staff, such as asset condition risks and car park customer safety risks.

Why is this finding important?

Effective corporate governance plays a key role in maintaining rigour and transparency of the City’s operations, and provides reassurance to stakeholders that it is meeting their expectations. The City will benefit from a continued commitment to further develop and embed its corporate governance practices.

Finding 8: Compliance risks remain, particularly in the context of an unprecedented number of changes in the workforce

Observations

The City’s recent organisational restructure has had a number of impacts on the City’s operational environment. The restructure established one new directorate and a number of new and significantly changed business units. This restructure also led to a large change in the City’s workforce with the appointment of 158 new (permanent and fixed term) and departure of 152 employees since April 2015, as illustrated in Figure 8 below.

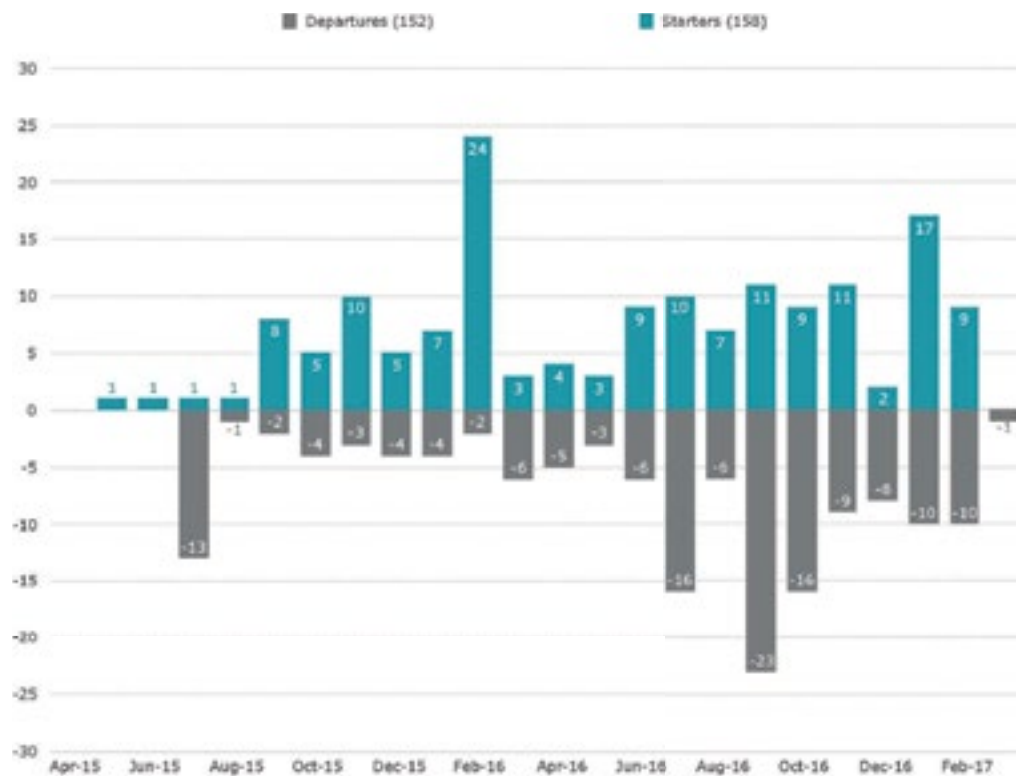


Figure 8: Timeline of starters and departures since April 2015 (Source: City of Perth)

These organisational changes have increased the risk of non-compliance, loss of organisational knowledge with staff leaving and new staff joining the organisation, often from outside of the local government sector.

Interviews identified that the on-boarding program had not proved sufficient in training new staff in compliance. Combined with outdated policy and procedure documentation, this omission has led to a reliance on existing employees to educate new starters about the City's ways of working, such as the navigation and application of legislative obligations, policies and procedures, systems and execution of daily activities.

The ELG voiced concerns about the potential for this organic approach to on-boarding inadvertently reinforcing poor behaviours and causing incorrect execution of tasks through adoption of a 'this is how we have always done it' mindset. The ELG also highlighted the need for existing employees to regularly refresh their knowledge of the City's responsibilities, restrictions and the legislation under which it operates.

Why is this finding important?

A concerted effort is required to refresh all staff on the City's policies in order to align ways of working to the obligations as set out in these policies.

7 Capability and Value

7.1 Introduction

The third focus area set out to determine the extent to which the City has the right capabilities to deliver best value for its stakeholders.

7.2 The organisational environment

This focus area set out to assess the organisation's capability maturity, meaning the extent to which its capabilities are defined, measured and managed. The current state of the City's organisation provided important context to the assessment, as summarised below.

Organisation structure is new and stabilising

The City is in a state of transition, having recently undertaken a significant restructure. Many business units are still embedding the resulting changes to their structures, teams and services, including defining roles, processes and procedures.

Large proportion of managers and employees are new to the City

158 permanent and fixed term employees have joined the organisation since the announcement of the restructure from various industries, bringing innovative ideas to the City. This change has introduced new diversity of expertise and talent but risks diluting organisational understanding of public service operations, with a number of managers new to local government.

7.3 Findings

The Assessment identified six findings regarding the City's capability maturity.

Finding 9: There is no clear alignment between organisational strategy and business unit strategies

Observations

The City's Integrated Planning and Reporting Framework, outlined in Figure 9, shows the interaction between plans, informing strategies and strategic enablers.



Figure 9: Integrated Planning and Reporting Framework (Source: City of Perth)

Interview feedback from directors and managers, combined with a review of existing plans and enablers, revealed that the SCP and the supporting Corporate Business Plan (CBP) do not effectively capture the organisation's strategy. Three specific issues were identified – absence of business as usual activities, insufficient target setting, and a lack of integration between the various strategy and planning documents. These issues are outlined below.

The Strategic Community Plan (SCP) is the organisation-wide strategy document for the City. The SCP is a community facing strategy document that is refreshed every four years. Its purpose and function is formally defined in Regulation 19C of the Local Government (Administration) Regulations 1996. As the SCP is necessarily an external facing document, it does not fulfil the role of an internal business strategy for the organisation. Specifically, it lacks a clear and complete articulation of the City's strategic choices, priorities and targets.

A decision was previously taken to exclude business as usual activities from the SCP and the CBP. Consequently, the documents do not explicitly define the contribution of all business units to the organisation's strategic priorities, nor define and prioritise specific objectives for each business unit. The Community and Commercial Services Directorate reported the most concern that it cannot align to the SCP. Its business units, including Community Services, Library, Parking Services and Commercial Parking among others, have independently developed strategies to fulfil their operational requirements, but these strategies cannot demonstrate explicit alignment to the SCP.

The majority of business units do not have specific targets included within the SCP or the CBP. Managers consequently tend to see the SCP and CBP as too broad, not directly actionable or irrelevant to their operations.

The integration and linkage between the SCP, CBP and business unit level strategies is not explicitly articulated. In addition, there is insufficient integration between business unit strategies. Managers reported that their business unit strategies and plans have been developed in isolation, with limited or no collaboration with other areas of the organisation. This exacerbates coordination problems for the organisation, as the trade-off between competing business unit priorities is not explicitly resolved. For example, best practice urban design and sustainability can conflict with maximising parking revenue; while innovation in capital works design can clash with standardisation and efficiency of ongoing maintenance.

Consequently, the current suite of strategy and planning documents does not provide the clarity needed for leaders to make business decisions within the organisation.

Why is this finding important?

In the absence of a clearly defined organisational strategy, the organisation cannot effectively prioritise and manage its portfolio of services and investments. The lack of clarity in the purpose and priorities of the City has led to competing strategic imperatives, and significant effort invested in resolving escalated issues.

Finding 10: The organisation is managing to overall budget, not to business outcomes

Observations

The most common performance metric used by business units in monthly financial reports and project reporting was actual versus budgeted expenditure. However, the City does not have mechanisms in place to measure benefits realisation or return on investment.

Consequently, investment prioritisation and approval decisions are made without a consistent view of projected benefits and how these align to target outcomes. The Economic Development and Activation Directorate reports that there is a current initiative implementing tools for measuring economic and social return on investment, which will be delivered by December 2017.

Commercial Parking and Waste and Cleansing business units have indicated that they manage to a Profit & Loss (P&L) statement. Both business units are able to articulate their break-even point and can clearly communicate the financial benefit delivered for the City. Furthermore, Waste and Cleansing has adopted a strategy to transition from a subsidised to a cost recovery charging model, by growing its commercial waste business.

While a P&L statement may not be the most appropriate tool for all business units, regular monitoring of cost to serve, value and/or quality is expected. Approximately 14 of the business units reported having no metrics or performance indicators in place. Most business units that had metrics stated that they developed their own indicators with limited linkage to corporate strategy and objectives.

Why is this finding important?

The City has limited, high level metrics to understand business performance and inform decision making. Finer grain measures of costs and outcomes per service or project are increasingly important to optimally manage constrained resources and demonstrate how the City is delivering value.

Finding 11: The City is limited in its ability to make informed decisions on workforce management

Observations

The Assessment has identified four workforce management gaps: providing an accurate and stable estimate of the organisation's establishment; management reporting on workforce; the structure of the position hierarchy; and development of key performance indicators.

The City of Perth Workforce Plan outlines "the required resources, capabilities and competencies the City requires to deliver against its objectives, as well as to continue to service the community." This plan defines the full time equivalent establishment number (i.e. the approved workforce size) for each directorate, but there is no guidance for managers as to how this data was put together or how they should use it to guide their resourcing decisions. Directors reported that establishment figures for their directorates do not seem stable, which makes operational recruitment decisions difficult without a confident understanding of the approved capacity for their directorate.

Human Resources is currently unable to support business unit managers with timely data to optimise the workforce. The process for reporting workforce information is manual and time intensive, collating data and information from a number of sources. The first of these reports was produced in February 2017 with January data. Issues with the accuracy of the data provided have been identified by the ELG leading to a lack of trust and reducing the likelihood of use to support decision making at a senior level.

For example, eight business unit managers are seeking to hire new talent to fill perceived staffing gaps, without sufficient information to confidently determine if their team is working at full utilisation or on strategically aligned activities. Managers appear unable to accurately assess critical resourcing decisions such as whether it would be in the financial interest of the City to hire additional staff members or if it would provide greater cost benefit to upskill or cross skill current team members to fill capability gaps and improve productivity.

There is no explicit management of a position hierarchy, resulting in a high number of unique positions and payroll classifications. The City's workforce for 2016/17 is approximately 756.5 full time equivalent staff, for which there appear to be 530 unique positions and over 185 payroll classifications. The complex position structure makes it difficult to provide peer to peer comparisons, which are required to inform salary decisions and market analysis. In addition, the complex structure is a barrier to introducing and maintaining role-based IT system controls, a core element of many modern organisational compliance regimes.

The performance framework implemented by HR in 2016 has not been consistently rolled out to all business units across the City and there is not yet a shared understanding of the framework across the manager cohort, making it difficult to fairly benchmark employee performance. In addition, a number of interviewees reported that they have not had a performance review for a number of years.

Why is this finding important?

At this critical juncture when the organisation is trying to embed a new structure, lack of timely HR information is inhibiting the City from making informed decisions about resourcing. Without this information, the organisation is more likely to see inefficient use of human capital and associated payroll expenditure.

Without consistent employee performance metrics, there is a limited evidence base to use in measuring the performance and effectiveness of staff in delivering value that is aligned to corporate strategy.

Finding 12: New roles and responsibilities are not well understood across the organisation, particularly for processes that are executed across multiple business units

Observations

The new organisational structure increased directorates from four to five and business units from 20 to 30. Figure 10 below illustrates the level of change experienced by the City as a result of the restructure.

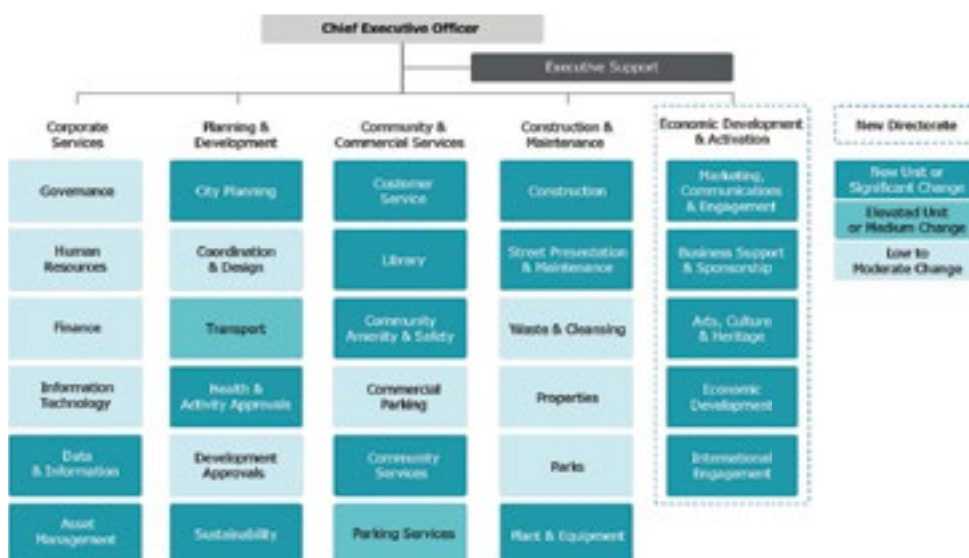


Figure 10: Levels of change since restructure

The restructure was implemented independently within business units, with managers responsible for designing their own structure based on an allocated headcount. The new structure and the approach to its implementation has led to additional complexity, and increased silos between business units and directorates. The new structure requires more consultation and collaboration between business units; however, new roles and their responsibilities are not sufficiently defined nor understood outside of their business units.

Managers have indicated that there is some duplication of roles and responsibilities between business units, potentially increasing complexity and costs, while reducing productivity. For example, analysis of the City's payroll data identified that there are 20 finance-focused roles and 14 procurement-focused roles spread across business units, in addition to the Finance business unit and the directorate accountant business partnering model. While this design may be justifiable, there is no explicit operating model design that defines the rationale and how these roles interact.

Delivery of capital works projects is proving a particular pain point within the new structure. Business units involved across various stages of the project delivery lifecycle reported a significant level of rework of detailed designs. Lack of consultation between the Planning and Design, Construction, Street Presentation & Maintenance and Parks business units has, in some cases, led to unworkable designs. In one significant example, a completed project in a public space needed to be replaced because of materials that were not fit for purpose had been used.

Why is this finding important?

The lack of organisation-wide clarity and shared understanding of roles and responsibilities is causing indecisiveness, wasted effort and unconstructive tension between teams. Siloes are deepening due to ineffective team collaboration, which left unchecked may impact staff morale and retention of talent.

Finding 13: Business processes are at varying stages of redesign and levels of maturity

Observations

The Assessment identified that some business units have well documented procedures – particularly those with higher occupational health and safety risk exposure, as well as those closely regulated by legislation. Managers of these business units place significant importance on their team's compliance with procedures to mitigate risks to individuals.

While there is activity underway to further define processes following the restructure, there is limited evidence of business units working together to define cross-silo dependencies and hand over points. Various business units including Street Presentation and Maintenance, Community Services, Commercial Parking and Library stated that staff members are redefining processes and procedures within their individual business units. This siloed approach is degrading performance in cross-directorate processes such as Development and Health Approvals, according to relevant interviewees.

Why is this finding important?

The new structure has encouraged greater specialisation of roles, which means clearly documented process design is increasingly important to maintain clarity in dependencies between roles and efficiency in process execution. Leading practice business process design typically takes a top down approach, working from overall outcomes to processes and roles. A coordinated effort to map business processes would provide greater alignment between business units, more effective consultation, clearer roles and responsibilities, and enable greater efficiency in utilisation of staff.

Finding 14: Procurement spend could be optimised through improved sourcing, consolidation and contract compliance

The assessment identified the following issues which are constraining the value that the City is delivering through its procurement activities:

- Process execution is inconsistent with insufficient governance and transparency to drive compliance
- There is limited evidence of category management, reducing the potential to achieve economies of scale
- There is no formal framework for procurement collaboration across business units, meaning similar procurements can be duplicated
- There is no consistent and rigorous market testing to ensure that purchases are achieving best value.

As part of the Assessment, accounts payable data for the period March 2016 – February 2017 was analysed to identify the potential value of improved procurement processes. The data was grouped into spend categories to identify the most material areas of procurement spend. Savings benchmarks, based on similar procurement reform initiatives, were then applied to each category to determine the potential savings opportunity at the City.

Why is this finding important?

By optimising procurement spend through improved sourcing practices, consolidation of contracts and improved contract compliance, the City has the opportunity to reduce total

operational spend by 2%-6%. Such a saving would result in an approximate savings range of \$2 million - \$5 million per annum.

8 Transformational change

8.1 Introduction

This theme arose from the findings of the other three focus areas.

During the course of the Assessment, it became apparent that a common theme was arising from all the work packages: the restructure has initiated a transformational change, which must be completed in order to achieve a valuable outcome.

8.2 A transformational restructure

The restructure was planned and initiated under the previous CEO in 2015. Project initiation documentation reviewed as part of the Assessment states that the objectives of the new structure were to bring Economic Development and Activation to the fore, as well as to implement the previous CEO's vision for the organisation as a structure without silos. Those ELG members who were in post under the previous CEO reported that implementing the new structure was prioritised in the interests of speed, against the backdrop of the State Government's local government reform agenda at the time. However, other elements of transformational change – such as refreshing strategy, processes and policy – were intended to be addressed once the restructure had been completed.

8.3 Findings

Finding 15: While the restructure is nearing completion, other important elements of successful change have not yet been addressed, representing a major risk in terms of performance, culture and retention

Observations

Deloitte's Enterprise Model, outlined in Figure 11 below, identifies the dimensions that need to be considered when designing and implementing transformational change. Consistency and top-down alignment is important in effective design, while the sequencing and management of change is critical to achieving a purpose-driven, successful and sustainable transformation.

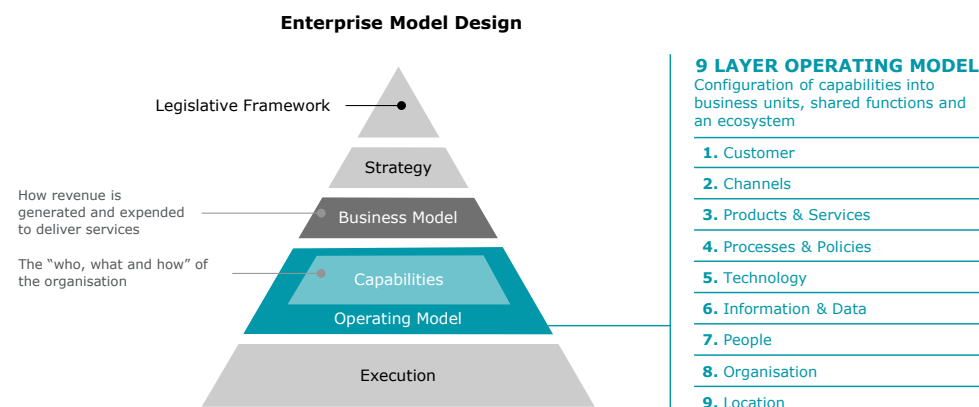


Figure 11: Deloitte's Enterprise Model

The restructure was supported at the outset with detailed planning and consultation, as evidenced by the document review, which included a substantial body of design work and project initiation documentation completed during the early phases of the restructure. However, the City's transformation focussed on restructuring of people and organisation first, rather than starting with a clear strategy and business model design.

Further, the organisational change was not delivered under a clear and widely understood purpose. Interviews identified that many managers now seem unclear about the restructure's intent and benefit. Only the longest serving managers were able to articulate that the new structure was intended to reduce the silos between directorates and business units.

Interviews gathered considerable qualitative evidence that the organisation is currently experiencing the typical negative side effects of transformational change delivered without a strategically-aligned change program grounded in a clear purpose. Issues were raised across all directorates relating to productivity, culture, leadership and low employee engagement. In particular, as the restructure was implemented in a devolved manner, it appears that the silos the restructure set out to reduce have deepened.

Examples of operational issues that have been caused or exacerbated by the restructure include:

- Critical knowledge and relationships have been lost via staff turnover
- Problems are experienced with executing processes that require cross-directorate collaboration, such as Planning and Health Approvals
- Challenges are reported with signing off new designs for capital works projects due to a lack of clarity over roles and decision rights between operational business units
- Operational business units such as Parks and Street Presentation & Maintenance reported frustrations with the structural separation of strategy and operations, as they have insufficient influence over design decisions for assets that they then become responsible for maintaining.

There are currently a large number of in-flight and planned initiatives addressing other layers of the enterprise model, including strategy refresh, process definition, role definition and technology investment. But projects remain devolved with no evidence of a single, coherent top down design.

Why is this finding important?

The full impact of the current, partially-transformed state is hard to quantify in the absence of performance indicators. However, a coherent, top-down program structure would increase the likelihood of successfully delivering the transformation.

Finding 16: The ELG is insufficiently aligned to support successful transformation

Observations

There are natural tensions between the goals of the City's various services, and consequently, debate within the ELG is to be expected and welcomed. However, in the absence of an organisational strategy that articulates clearly prioritised strategic objectives, conflict arising from competing priorities is difficult to resolve and is visible to staff.

In contrast, successful transformation requires strong and unified sponsorship. PROSCI is a change method which identifies three important sponsor roles that were not evident in the

case of the restructure. Table 5 outlines the three main roles of the executive sponsorship coalition and the gaps identified in the execution of the restructure to date.

Sponsor Role	Gaps identified
Participate actively and visibly throughout the project	Implementation of the restructure was devolved to business unit managers without a central organisational design defined by ELG (Finding 13, section 7.3)
Build a coalition of sponsorship with managers and peers	Managers were unable to articulate the purpose and target outcomes of the restructure (Finding 16, section 8.3)
Communicate effectively with employees	Internal communications were handled locally by business unit managers (Finding 13, section 7.3)

Table 5: Sponsor role gap analysis (Source: PROSCI)

Why is this finding important?

A strong sponsorship coalition is the most important critical success factor in delivering transformation. Active and unified leadership, supported by a centralised investment in organisational change management will help to provide a purpose-driven, leader-led change.

Finding 17: The ELG's capacity to shape and lead the change is constrained by a high proportion of time devoted to operational matters

Evidence

Deloitte's Four Faces of Leadership Model defines the four diverse roles that executive leaders are expected to play: shaping strategy and direction (strategist); leading change (catalyst); managing risk (steward); and managing efficient and effective operations (operator). Balancing these facets is important in delivering stakeholder expectations.

Engagement with ELG, as well as the manager interviews, identified that a high proportion of directors' time is currently spent managing operational issues, and that this is a barrier to them spending more time on higher value roles in strategy and change.

Figure 12 shows an average of the directors' self-reported allocation of time between the four different roles of the executive. It compares the estimate of actual of time versus what they believe is required to best deliver the transformation and the expectations of their role.

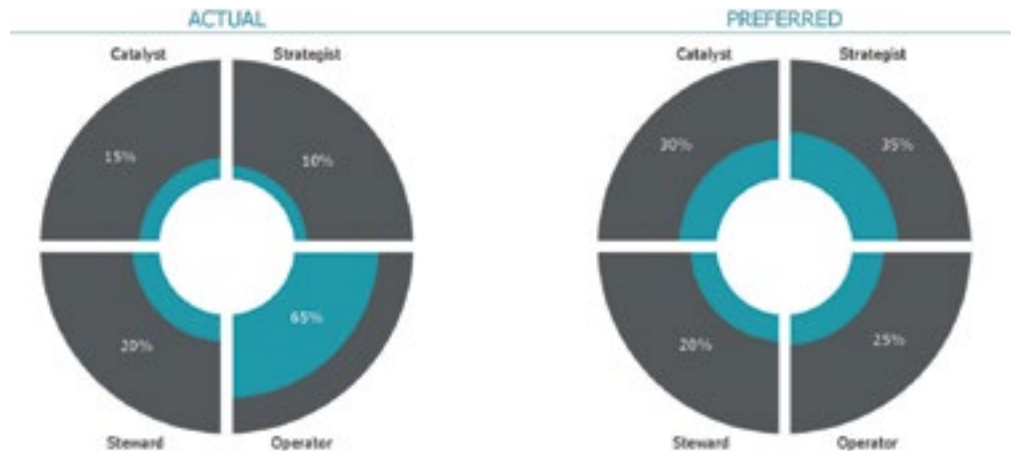


Figure 12: Actual and preferred ELG work priorities

The interaction between Council and the Executive was not an in-scope element of this assessment. Nevertheless, discussions with ELG identified that there may be potential to reduce its operational workload by clarifying and streamlining the relationship between Council and ELG. Such a protocol should be considered as part of future work to clarify the City's governance framework.

Why is this finding important?

The City is currently an organisation focussed on change, while seeking to maintain the levels of operational performance expected by its stakeholders. It will remain hard for ELG to commit sufficient energy to strategy and change unless it can manage down the volume of operational commitments.

9 Recommendations

The findings outlined above identify a number of potential improvements with respect to compliance, governance, capability maturity and embedding change.

Five summary recommendations are presented below, which represent the priority areas of focus for the City to consider in support of its goal to be a leader in the sector with respect to governance and transparency and to deliver best value for its stakeholders.

Recommendation 1: Clarify the City's Legislative Framework and Corporate Governance Framework to improve transparency in how legislative obligations and objectives are interpreted and applied

A high degree of interpretation is required to translate the City's legislative obligations and permissions into strategy, policy and procedure. This interpretation often requires specific legal advice, which the City procures from law firms through its Legal Services Contract.

The City should further clarify its Legislative Framework (which forms part of the broader Corporate Governance Framework currently being developed) to improve transparency in how legislative obligations and objectives are interpreted and applied. The Legislative Framework should identify and define the hierarchy of legislation, the City's resulting obligations and permissions, and its abilities to make choices on which services it will provide, including the extent of those services.

To make best use of the Legislative Framework, the City should also establish guidelines and policies on the interpretation of legislation, including when further legal advice should be obtained.

In finalising its Corporate Governance Framework, the City should draw from existing good practice developed within and for the local government sector, such as the Good Governance Guide prepared by a consortium of Victorian local government stakeholders, the Governance Institute of Australia's Good Governance Guide for Local Government and local references such as the City of Joondalup's Governance Framework. City of Joondalup is an example of good practice in local government corporate governance because it has similarly pursued an agenda of increased transparency, rigour and effectiveness, with a sustained investment in implementing good corporate governance practices.

Recommendation 2: Complete the development of a clear organisational strategy that makes explicit strategic choices on the City's priorities and how it balances competing expectations

The SCP performs an important role, as defined in the Integrated Planning and Reporting Framework, in capturing the needs and priorities of the City. The process for its ongoing development is well defined and must continue. However, as the SCP is necessarily an external facing document, it does not fulfil the role of an internal organisational strategy.

ELG has been working since November 2016 to refresh the City's strategy. This work should be prioritised and consider:

- The organisation's purpose, values and aspirations, how these inform priorities and strategic choices, and how best to communicate these within the organisation
- How the organisation can best respond to the various external challenges and competing expectations it currently faces
- Clear and principled prioritisation of the organisation's strategic objectives and targets to help resolve conflicts and day to day decision making in areas such as design and place making, operational service delivery, customer service and financial sustainability
- How management reporting based on key performance indicators that cascade through all levels of the business can be utilised to enable better decision making and measure the performance of strategy execution.

Recommendation 3: Based on a clear organisational strategy, make deliberate choices about the organisation's future business model

The majority of the services delivered by the City can be considered to be discretionary in nature. The City therefore has a considerable degree of freedom to decide whether, how and how much of these services the organisation should deliver.

Each service should be explicitly defined to understand its rationale and optimal delivery model, including consideration of key issues such as:

- Its legislative position – understanding constraints and obligations, and addressing the key question "Must we deliver the service in the way it is currently done?"
- The expectations of service users/customers and wider stakeholders
- Current and forecast demand
- Current and required service levels
- The strategic, financial, economic and social outcomes of the service and the impact if service delivery were changed, reduced or stopped
- The availability and maturity of alternative service delivery models, such as commercial or not for profit providers
- The charging model, whether that be wholly public funded, subsidised, cost neutral or for profit to subsidise other services.

Recommendation 4: Strengthen the City's operating model design, aligning in-flight and planned work towards a common and consistent target state

Considerable work has already been completed against several layers of the operating model – customer, channels, technology, information and data, people and organisation – as well as many current and planned projects. To make sure that these initiatives deliver maximum impact and value, they must now be structured and prioritised into a second phase of transformation to deliver a cohesive operating model.

The work must:

- Define the what, who, why and how of the future organisation
- Demonstrate clear alignment with the organisational strategy
- Logically sequence the change to support successful implementation.

Existing and planned initiatives that do not contribute to the new operating model design can be deprioritised or stopped.

Cross-organisational processes and decision rights should be prioritised when designing the new operating model.

The new cohesive operating model will address issues caused by devolved organisational design and provide clarity and efficiency in how the City delivers to its operational obligations and expectations.

Recommendation 5: Align the leadership in support of the transformational change

In order to give the next phase of transformation the best chance of success, the program will need to be actively managed. This phase should include:

- Active and unified leadership from ELG
- Targeted interventions, led from the top, to refresh the organisational culture, aligned with organisational purpose, values and aspirations
- A centralised program management capability to facilitate planning and prioritisation, reporting and governance, and benefits management
- Targeted communications, training and support to maintain stakeholder and employee engagement through the transformation.

This approach will bring together the piecemeal projects addressing individual layers of the operating model, with explicit definition of strategic contribution and improved control and visibility over cost and quality.

Appendices

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Appendix 1

– List of documents reviewed

ALGA Submission to the Productivity Commission Childcare Inquiry (Feb 2014)	City of Perth Operational Report for Elected Members
Audit and Risk Committee Minutes – 8th Aug 2016	City of Perth Procedure – Accounts Payable
Audit and Risk Committee Report – Cash Handling Review	City of Perth Risk Management Framework
Budget Manual 2011-12	City of Perth Safe City Strategy 2016-2020
Child Care Services Agreement 2013	City of Perth Waste Strategy 2014-2024+
Child Care Services Wage Schedule 2013	City of Perth Workforce Plan 2016-2020 (Vision 2029)
City of Joondalup – Governance Framework	Corporate Business Plan 2016-2020
City of Perth – Corporate Induction (2017)	Corporate Induction Slide Pack (2017)
City of Perth – Corporate Learning and Development Calendar 2017-2018	Council Policy Suite
City of Perth – Learning and Development Strategy Update - January 2017	CPA Australia – Excellence in Governance in Local Government (2005)
City of Perth – Performance Shaping Memo ELG 6 December 2015	Crisis & Business Continuity Management Framework – 31 October 2016
City of Perth Act (2016)	DLGC Local Government Operation Guidelines Elected Member Induction (Number 4 – June 2011)
City of Perth Annual Budgets 2012/13 – 2016/17	Draft - ELG Rules of Engagement
City of Perth Annual Reports 2012/13 – 2015/16	Draft – Organisational Change Management Plan
City of Perth Code of Conduct Acknowledgement Declaration	Economics and Industry Standing Committee – Growing WA through Innovation
City of Perth Delegated Authority Register (Dec 2013)	Finance Diagnostic
City of Perth HR Report – March 2017	Finance In Flight Initiatives
City of Perth Human Resources – Organisational Restructure – Next Steps (May 2016)	Finance One Chart of Accounts
City of Perth Human Resources – Organisational Restructure 2015 FAQ	Finance One Reports List (May 2017)
City of Perth Intranet – New City of Perth Restructure Update (June 2015)	Finance Organisational Chart (March 2017)
City of Perth Leadership and Development Strategy (Jan 2016)	Financial Management Task Force – Report Feb 2017
City of Perth Leadership Development Program Info	Financial Management Task Force – Reporting Timetable March 2017
	Fortnightly Payroll Checklist (April 2017)
	Health (Miscellaneous Provisions) Act (1911)
	Health Act (1911)
	HRIS Review Project – Business Requirements – Payroll
	Invoices Accrual (Mar 2017)
	List of current contracts

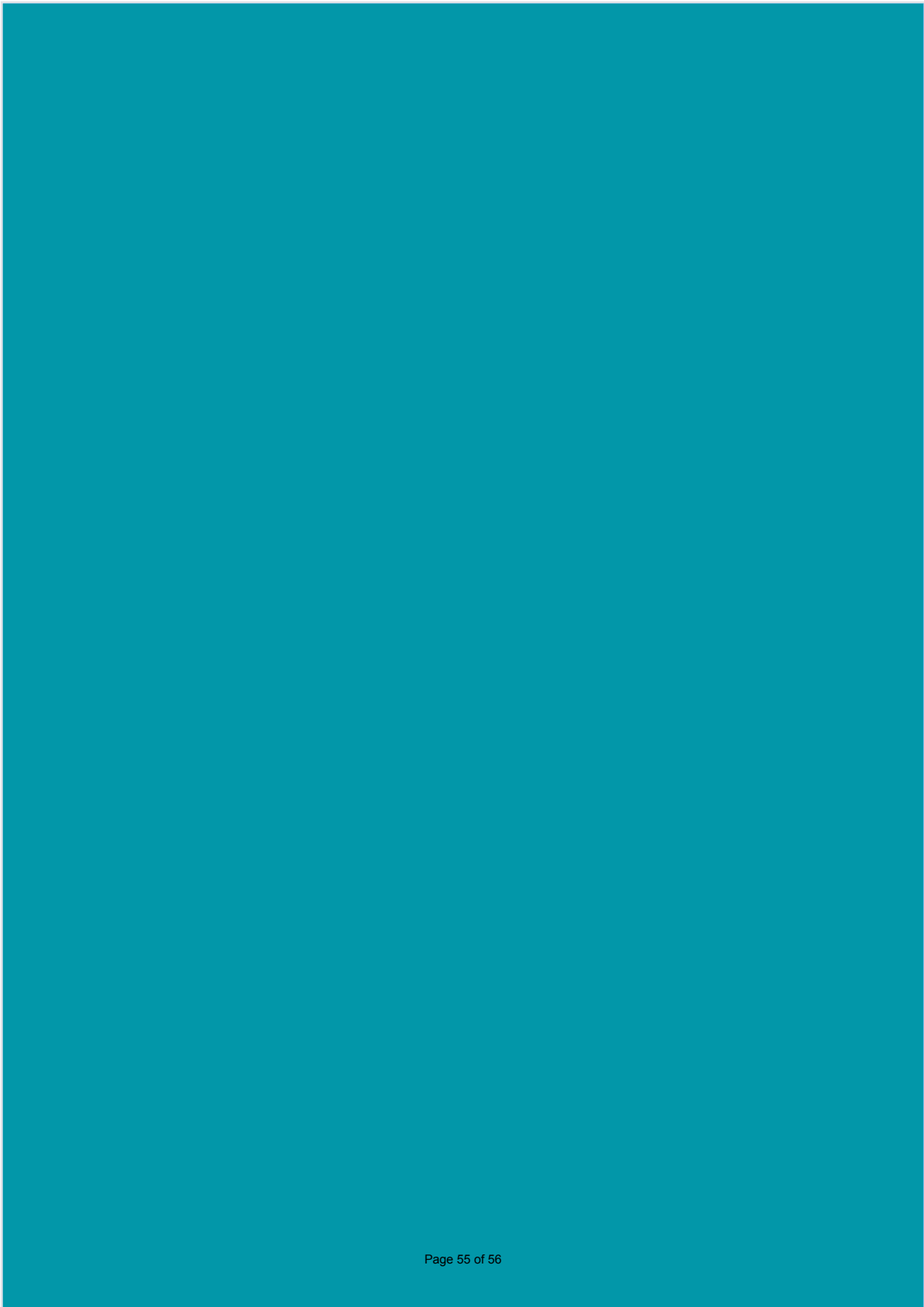
List of Payroll Errors and Near misses	(October 2016) Salaried Officers Agreement 2014
Local Government (Administration) Regulations (1996)	Salaried Offices Wage Schedule 2016
Local Government (Financial Management) Regulations (1996)	Standing Committee on Economics, Finance and Public Administration – Inquiry into Local Government and Cost Shifting (Feb 2003)
Local Government (Functions and General) Regulations (1996)	Standing Committee on Economics, Finance and Public Administration – Official Committee Hansard (Feb 2003)
Local Government (Miscellaneous Provisions) Act (1960)	Strategic Community Plan – Vision 2029+
Local Government (Rules of Conduct) Regulations (1996)	Termination Checklist – Payroll
Local Government (Uniform Local Provisions) Regulations (1996)	The New City of Perth – Transition Approach (May (2016)
Local Government Act (1995)	The New City of Perth (May 2015)
Long term financial analysis – Draft (Feb 2017)	Timetable of Monthly Accounts
Management Report by ORG CODE Period 8 2016/17	WALGA - Public Library Services in Western Australia in 2025 (June 2015)
Management Report by UNIT Period 8 2016/17	Waste Avoidance and Resource Recovery Levy Act (2007)
New Starter Checklist – Payroll	Waste Avoidance and Resource Recovery Levy Regulations (2008)
Organisational Policy Suite (24 Feb 17)	Waste Avoidance and Resource Recovery Regulations (2008)
Outside Workforce Enterprise Bargaining Agreement – Updated Wage Schedule 2016	
Outside Workforce Enterprise Bargaining Agreement 2012-2015	
Perth Parking Local Law (2017)	
Perth Parking Management (Taxing) Act (1999)	
Perth Parking Management Act (1999)	
Perth Parking Management Regulations (1999)	
Perth Parking Policy (2014)	
Planning and Development Act (2005)	
Public Health Act (2016)	
Public Sector Commission – Accountability Map	
Public Sector Commission – Good Governance Guide: Checklist	
Public Sector Commission – Misconduct management arrangements at the City of Perth: Final evaluation advice	

Appendix 2

– List of interviewees and workshop attendees

A/Director Economic Development & Activation
A/Director Planning & Development
A/Manager Coordination & Design
A/Manager Customer Service
A/Manager Street Presentation & Maintenance
Accounts Payable Officer
Accounts Receivable Officer
Budget and Capital Accountant
CEO
Chief Accountant
Construction and Maintenance
Contracts Officer - CPP
Contracts & Procurement Specialist
Corporate & Business Strategy Consultant
Director Community & Commercial Services
Director Construction & Maintenance
Director Corporate Services
Directorate Accountant
Finance & Customer Service Head – CPP
Financial Accountant
Funds Management Officer
Internal Auditor
Manager Arts, Culture and Heritage
Manager Asset Management
Manager Business Support & Sponsorship
Manager City Planning
Manager Commercial Parking
Manager Community Amenity & Safety
Manager Community Services
Manager Construction
Manager Data and Information
Manager Development Approvals
Manager Economic Development
Manager Executive Support
Manager Finance
Manager Governance
Manager Health and Activity Approvals
Manager Human Resources
Manager Information Technology
Manager Library

Manager Parking Services
Manager Parks
Manager Plant and Equipment
Manager Properties
Manager Sustainability
Manager Transport
Manager Waste & Cleansing
Marketing and Communications
Payroll Specialist
Risk Management Coordinator
Senior Business Analyst
Senior Contracts Officer
Senior Management Accountant
Senior Rates Coordinator
Senior Waste Management Officer
Supervisor Day St/Clean Waste Management



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City of Perth

2018 Performance and Capability Review

Making a Difference



Introduction

The City has utilised the Australian Business Excellence Framework (ABEF), which is an internationally recognised and benchmarked best practice leadership framework, to conduct an external evaluation and performance review. For the benefit of the City the European Quality Framework was also referenced to ensure the appropriate areas of leadership and delivery practices were all understood in terms of organisational sustainability. These frameworks are underpinned by agreed international proven leadership principles.

As well as measuring improvement to performance and providing a capability and sustainability baseline, output from the performance review can be used to prioritise and plan for improvements to integrate within the business planning process over the four years of the Corporate Business Plan, which will assist in strengthening the organisation's capability to achieve their outcomes through strategic and operational excellence.

This feedback report has been produced as a result of an evaluation carried out during November 2018.

It is our hope that the comments contained in this report will both confirm many things that you may already know about the City as well as provide new perspectives to plan for improvement.

Approach

This feedback report has been prepared following an evaluation and assessment. The process incorporates a number of key steps including:

1. **Planning** – Desktop analysis and understanding of City approaches, plans and systems
2. **Executive Assessment** – Executive interviews
3. **Manager Assessment** – Two Guided Focus Groups
4. **Employees' Assessment** – Five Guided Focus Groups
5. **Review and Prioritisation** – Executive Team Workshop to be actioned in January

This report is structured according to the 7 Categories and 16 Items of the current Australian Business Excellence Framework. It contains a list of the practices currently in place and the opportunities for improvement that have been determined during the review.

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Findings

The City of Perth is an organisation with a renowned and proud history. An organisation that has recently performed well under extraordinary circumstances, displaying areas of innovation and continued service delivery as reflected in the community survey. This is due to the passion and commitment of past and present employees. Employees at all levels have contributed their time and energy to providing a baseline analysis and insight into areas of opportunity. They now look to the leadership team to action and strengthen the capability of the organisation in the future.

The review and analysis of quantitative and qualitative data revealed that the City has displayed strengths to build upon in some key operational and technical areas. However it is important to understand that the future challenges of the Capital City, and changing requirements of future Councils, Stakeholders and Communities, will demand an aligned integrated “One City” strategic approach which is adaptive, responsive and capable.

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Findings

The future leadership challenge for the executive is to build aligned strategic direction, improved team alignment and consistency in delivery. Delivery must focus on efficiency as well as reducing complexity and variation in practices. The team must work to create an aligned and integrated one organisational system with a thorough understanding of interdependencies and connections. It will be important to understand what is currently in place to build on, discard or create new practices and ensure a united team approach.

Currently the City appears to work as independent siloed areas within a decentralised model with central control, without a corporate integrated plan defining accountabilities and budget. There isn't a clear line of sight for the leadership team to services and business areas which is creating duplication, rework, considerable cost and independent directorate decision making. End-to-end processes are not clear and current processes are dependent on structure and relationships versus clear process handovers. Currently the culture is one of competition, tension and lack of trust. This is a reflection of the organisational system design and practices.

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Considerations for Leadership Review

It must be noted that in the future the leadership team will continue to be challenged as caretakers of our Capital City, with an increasing population and growth demands, changing stakeholder and community expectations and demand for resources. It will be important for the team to focus on the following risks in order to continue to build a sustainable and agile organisation:

- A 'One City' approach will ensure leaders at all levels hold an organisation wide stewardship and commitment.
- Build a cohesive leadership approach of the whole City versus the functions and components, focusing on an aligned direction and strengthening leadership accountabilities. Future leaders need to be proud to be part of the Capital City of Perth, building consistency and stability.
- Create capacity through reduction of complexity, waste, rework and aligned consistent processes with a focus on simplicity.
- Strengthen the culture of organisational stewardship and accountability with a focus on improvement and performance driving efficiency and effectiveness of outcomes.

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Priorities for Leadership Consideration

Whilst improvements have been identified in each of the 16 items of the framework, it's vital that the leadership team focus on the critical few to ensure organisational capability. The future focus of consistency and integration will demand that leaders are aligned in their priorities and building on improvements already in place.

The following are seen to be the most urgent priorities for leadership consideration:

- Strengthen leadership accountabilities and transparent, delegated decision making within an integrated planning and reporting process, aligned to budget, driving strategic alignment and direction.
- Organisational structure realignment allowing functional consolidation, centralisation, clarity of roles and improving end-to-end processes.

Continued...

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Priorities for Leadership Consideration cont...

- Continue to review strategy, developing a supporting set of strategies (centrally managed) that support the City's 'positioning' and service roles. Currently there is no clarity on roles when it comes to:
 - Optimising identified areas of opportunity
 - Strategically addressing demands and issues
 - Influencing discussions with external stakeholders (who are currently independently managed within Business units).
- Ensure stakeholders and customer interactions/experiences are identified, prioritised and centrally managed to build a 'One City' approach to relationships and advocacy.
- Develop a 'systems view' and a business process model identifying core customer journeys and processes with a focus on alignment, seamless service and knowledge retention.
- Prioritise technology, data analysis, business improvement and innovation to ensure the City is equipped for the future by increasing agility and responsiveness.

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ABEF Framework

The Australian Business Excellence Framework relates to whole organisations, no matter what industry sector they represent or how they are organised internally. The framework is a tool for any organisation to monitor its progress towards achieving its own long-term goals.

Assessment is based on performance with respect to Approach, Deployment, Results, and Improvement. The Categories cover all key management processes. The Items allow for analysis and measurement of success at a more detailed level.

Helen Hardcastle has analysed the City of Perth's approach and performance against each item and provided recommendations for focused improvement moving forward.



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ABEF Items

- 1.0 LEADERSHIP**
 - 1.1 Leadership and governance throughout the organisation
 - 1.2 Leading the organisational culture
 - 1.3 Society, community and environmental responsibility
- 2.0 STRATEGY & PLANNING**
 - 2.1 Strategic Direction
 - 2.2 The Planning Process
- 3.0 INFORMATION AND KNOWLEDGE**
 - 3.1 Generating, collecting and analysing the right data to inform decision-making
 - 3.2 Creating value through applying knowledge
- 4.0 PEOPLE**
 - 4.1 A great place to work
 - 4.2 Building organisational capability through people
- 5.0 CUSTOMER AND MARKET FOCUS**
 - 5.1 Gaining and using knowledge of customers and other stakeholders
 - 5.2 Effective management of customer and other stakeholder relationships
 - 5.3 Customers and other stakeholders' perception of value
- 6.0 PROCESS MANAGEMENT, IMPROVEMENT & INNOVATION**
 - 6.1 Identification and Management of Processes
 - 6.2 Process improvement and innovation
- 7.0 RESULTS AND SUSTAINABLE PERFORMANCE**
 - 7.1 Measuring and communicating organisational results
 - 7.2 Achieving sustainable performance

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1. Leadership Focus

This category explores how organisations develop and use leadership concepts, business processes and management systems, how they develop cultures that are consistent with their values and how they support their communities and the environment.

Key Issues:

- How the organisation defines direction and communicates its purpose, vision and goals.
- How the organisation develops and promotes an effective leadership system.
- How good governance and role modelling is a day to day occurrence.
- How it develops a culture and supports behaviours which are consistent with its values.
- How it encourages creativity and innovation and provides for organisational adaptation.
- How the organisation contributes to the community, environment and demonstrates social responsibility and ethical behaviour.

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1.1 Leadership & governance throughout the organisation

Practices in Place:	Improvement Opportunities:
<ul style="list-style-type: none"> Executive minutes are available supported by CEO feedback. Some executive and managers provide cascading information regular feedback. Leaders are supportive and approachable. Governance processes in place with defined financial delegations. Managers are supported in decisions. 	<ul style="list-style-type: none"> Further develop an aligned purpose and strategic direction. Consistently communicate leadership direction through defined cascading team briefs that are consistent and transparent, building a 'one team' approach. Review structure to ensure functional alignment and integration. Review leadership meeting structures and intent (strategic, tactical and operational). Strengthen Governance through the review of Council Policy, defined organisational policy, management practices, standardised templates and review of all delegations and supporting audit ensuring legislation and standards are met. Develop leadership accountabilities and expectations. Review delegation of decisions. Currently executive and manager decisions are functionally focused. Develop an organisational management system (systems view) to drive clarity of organisational policy, practices and documentation.

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1.2 Leading the Organisational Culture

<i>Practices In Place:</i>	<i>Improvement Opportunities:</i>
<ul style="list-style-type: none">• Employees are passionate about their services. There is a willingness to contribute and learn.• Values are defined and referred to in the recruitment process and position descriptions.• Code of Conduct has been developed.	<ul style="list-style-type: none">• Build on the leadership culture to rebuild identity with supporting behaviours aligned to the values.• Build a culture of organisational stewardship, accountability and improvement focusing on the purpose of improving service to the community.

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1.3 Society, community and environmental responsibility

<i>Practices In Place:</i>	<i>Improvement Opportunities:</i>
<ul style="list-style-type: none">• Environmental Plan and strategies have been developed.• The City contributes to local community and business groups	<ul style="list-style-type: none">• Review Capital City Act to define the City's future leadership role.• Further develop and centralise community engagement Policy, strategies and practices.

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2. Strategy and Planning

This Category explores how the organisations establish systems to set strategic directions (where the organisation has come from, where it is going and how it will get there) and how they deploy plans to achieve those strategies.

Key Issues:

- How the organisation defines strategic position and applies and communicates its purpose, vision and goals.
- How it prepares itself for sustainable organisational success.
- How the organisation selects and creates strategic relationships.
- The way in which the organisation turns direction into actionable plans that are aligned and measured for performance.
- How the organisation performs gap analysis to achieve organisational goals and ongoing system improvement.

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2.1 Strategic Direction

Practices In Place:	Improvement Opportunities:
<ul style="list-style-type: none"> The Strategic and operational risks and practices have been developed. Land use strategy (City Planning Strategy) is developed and integrated Share to Shape process engaged with broad range of stakeholders to create Community Vision driving the development of the Strategic Community Plan. Supporting research and context underpins the development of strategy 	<ul style="list-style-type: none"> Review and develop organisational strategy to ensure the role of the City is defined. Support through the development of agreed definitions and templates Continue to build an understanding of the City's role as a Capital City. Integrate all plans, strategies, informing plans including capital, and align actions into the Corporate Business Plan. Review and integrate the Asset planning strategy, Workforce Plan and Long term Financial Plan to ensure financial modelling assists in decision-making. Develop a centralised prioritised approach and accountability to shared partnerships, MOUs, agreements and advocacy to benefit the organisation.

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2.2 The Planning Process

Practices In Place:	Improvement Opportunities:
<ul style="list-style-type: none"> Functional areas have developed business unit plans, however each directorate is working at a different maturity and development is within business unit discretion. Asset management plans are functionally developed with central control. Whilst there is a Corporate Business Plan there are no reporting mechanisms excepting within some directorates to the executive member. Currently the planning process doesn't drive budgetary decisions. 	<ul style="list-style-type: none"> Continue to integrate all plans, strategies, informing plans including capital, and align actions into the Corporate Business Plan. The yearly planning process against budget will identify priorities and services and accountabilities. Currently this process is bottom up with no planning reprioritisation. Continue to define asset service levels with clear definitions of costs. Continue to build an understanding of service role, capability and level with the review of service plans, budget and workforce. Identify and align KPIs for reporting and review from Council, executive, team and to the individual. Improve project management practices for reporting.

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3. Information and Knowledge

This category focuses on the effective application of the information and knowledge required to achieve the organisation's objectives and the need for efficient and effective processes to acquire, analyse, apply and manage the information and knowledge.

Key Issues:

- How the organisation determines what data is required, how it is collected, analysed and shared to enhance the achievement of organisational goals.
- How the organisation integrates a variety of information from various sources and uses that information in decision making at all levels.
- How the organisation addresses the impact of variation to its operation.
- How the organisation defines and addresses its knowledge requirements.
- How the organisation uses knowledge in its activities and to improve organisational performance.
- How the organisation maximises its strategic advantage by harnessing the knowledge available.

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3.1 Generation, collecting and analysing the right data to inform decision making

Practices In Place:	Improvement Opportunities:
<ul style="list-style-type: none"> Operational data is available in some areas. Safety and financial reporting. Monthly and quarterly qualitative and financial reporting against projects and key initiatives in some directorates. 	<ul style="list-style-type: none"> Develop an aligned central ICT Governance Framework and Digital strategy building service capacity. Ensure the inclusion of Smart Technology. Continue to integrate Customer (CRM) and stakeholder strategies across the City. Further define what data is to be reported monthly and quarterly. Ensure this data is reviewed to assist decision making and improvement practices. Build integrity and validity of data whilst improving the employee skills and central support of data use, analytics and information analysis. Review IT systems and support – currently systems are not integrated, appear complex and proving to be time consuming with staff using manual workarounds.

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3.2 Creating value through applying knowledge

Practices In Place:	Improvement Opportunities:
<ul style="list-style-type: none"> Records are stored. Some areas have procedural work instructions but currently there is no consistency. 	<ul style="list-style-type: none"> Build the management system aligned to process model to identify the hierarchy of documents and to capture and store work practices and knowledge. Currently knowledge management is a high risk. Review records capture to ensure consistency of storage and improved efficiency for retrieval. Support knowledge capture through mentoring and coaching across the organisation. Systematically facilitate 'Lessons Learnt' to ensure project information capture with a focus on learning and improvement.

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4. People

This Category explores how organisations acknowledge that people are essential and are to be valued, and how they create great places for people to work by attracting the right people, developing their skills, engaging them and retaining them. Appropriate policies, systems, processes and tools ensure that people are engaged and make a meaningful contribution to organisational improvement, goals and success.

Key Issues:

- How the organisation maximises potential of people through the culture that encourages performance, trust & respect, promotes strong relationships.
- The organisation maintains communication mechanisms that support an open environment that allows all directional communication.
- How the organisation provides a work environment conducive to maximising the potential of its people, and which recognises well being as a critical component of business success.
- How the organisation aligns its people objectives with other objectives and enables the full potential of all people to be realised.
- How all people are encouraged, monitored and recognised for contributing to achieving organisational goals and continually improving the organisation.

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4.1 A great place to work

<i>Practices In Place:</i>	<i>Improvement Opportunities:</i>
<ul style="list-style-type: none">• Operational and toolbox team meetings are held in most areas.• Executive feedback to managers and newsletters in most directorates.• OHS Policy, a supporting committee with training and data reporting in place.• Grievance Policy and process.• Health and Wellbeing Plan.	<ul style="list-style-type: none">• Develop consistent cascading and cross functional communication practices.• Engage employees with input into yearly service planning, reporting, data review and improvement.• Further develop cross functional teams to support projects working towards a 'one organisation' approach.

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4.2 Building organisational capability through people

Practices In Place:	Improvement Opportunities:
<ul style="list-style-type: none"> Recruitment and Induction processes established. HR Policy in place. HR practices supported through directorate specialists. Annual performance reviews conducted with training needs identified. Training supported with defined budgets. Onboarding processes being reviewed. 	<ul style="list-style-type: none"> Further develop workforce plan, service requirements, accountabilities and roles. Identify current and future workforce capability and skills requirements to develop a mobile, flexible and diverse workforce for the future. Identify opportunities to simplify structure increasing span of control. Review HR policy, role and practices. Review the annual performance feedback (Performance Shaping) approach and practices. Ensure employee KPIs are aligned to the business planning process and performance expectations. Ensure employee performance is recognised and valued.

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5. Customers and Other Stakeholders

This Category explores how organisations analyse their customers and other stakeholder requirements, how they use this knowledge, how they manage their relationships and how they deliver increasing value to customers and other stakeholders.

Key Issues:

- How the organisation ensures an on-going understanding of the needs and expectations of present and potential customers and other stakeholders.
- How the organisation manages and evaluates relationships with its customers and other stakeholders with respect to the value it creates for them.
- The process for gathering customer feedback on its customer and other stakeholder relationship management practices.
- How the organisation measures customers and other stakeholders perception of value and achievement of its goals for satisfaction.

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5.1 Gaining and using knowledge of customers and other stakeholders

Practices In Place:	Improvement Opportunities:
<ul style="list-style-type: none"> A Stakeholder management framework is being developed. The community has input into the Strategic Planning process and City Planning Strategy. Stakeholder feedback and engagement is sought at service and project levels. 	<ul style="list-style-type: none"> Further develop a central prioritised approach to Community and Stakeholder interactions providing coordination and facilitation support with a focus on seamless interfaces. Currently it is perceived that the community are 'over consulted'. Ensure customer and stakeholder information is centrally stored and available for use in design, codesign or business planning. A Stakeholder database has been developed together with the CRM but not embedded, integrated or deployed.

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5.2 Effective management of customer and other stakeholder relationships

Practices In Place:	Improvement Opportunities
<ul style="list-style-type: none"> Customer guidelines and charter developed both internal and external. Centralised customer service has been established with a digital CRM system to assist in tracking and reporting customer feedback and work requests. 	<ul style="list-style-type: none"> Deploy and embed a Customer First culture improving customer experiences through the customer guidelines and charter to ensure consistency in practice. Review guidelines for consideration in management of all stakeholders. Continue to centralise customer service channels through supporting information, sharing and training to increase efficiency and standardised customer management, with a focus on seamless service and the customer experience. Develop an understanding of end-to-end customer journeys and workflow to identify digital solutions, improve efficiencies of handovers, management of complex issues and understanding of major internal 'blockers'.

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5.3 Customers and other stakeholders perception of value

<i>Practices in Place:</i>	<i>Improvement Opportunities:</i>
<ul style="list-style-type: none"> Customer perceptions survey conducted yearly. 	<ul style="list-style-type: none"> Further develop and understand all customer and stakeholder feedback and data to report and analyse with a focus on improvement. Develop an approach to capturing priority stakeholder feedback across the organisation.

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6. Process Management, Improvement & Innovation

This Category explores the processes organisations use to supply value to stakeholders. It also examines how they encourage innovation and improvements to these processes and, therefore, improve the quality of their products and services.

Key Issues:

- The organisation's systems for identifying, defining, measuring and managing its end to end processes to meet stakeholder requirements.
- Methods and support for innovation and improvement of the processes used by the organisation to achieve its goals.
- Utilisation of measurement to control variation and involving staff in improvement of processes.
- Methods for determining the quality of products and services as delivered to the customer.
- Comparative performance of the organisation's products and services.

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6.1 Identification and management of processes

<i>Practices In Place:</i>	<i>Improvement Opportunities:</i>
<ul style="list-style-type: none"> Some areas have documented procedures and practices. Internal audit in place 	<ul style="list-style-type: none"> Develop a 'systems view' or a management system that identifies end-to-end customer journeys and documented supporting processes. Develop glossary of terms and definitions and supporting standardised templates together with ownership. Review and develop processes, procedures or work practices with a focus on simplicity as needed to reduce risk and complexity. Review and centralise procurement and contract management. Standardise and centralise MOU, partnership, sponsorship, grants and donations agreements. Review audit to ensure compliance, standards, legislation and risk controls are monitored.

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6.2 Process improvement and innovation

<i>Practices In Place:</i>	<i>Improvement Opportunities:</i>
<ul style="list-style-type: none"> There is a focus on review and improvement in some areas but this is leadership dependent. 	<ul style="list-style-type: none"> Develop an approach to improvement and innovation, using customer feedback and trends to focus on the critical few. Continue to review service levels and challenge service delivery models with a focus on improvement.

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7. Results and Sustainable Performance

This Category explores the method an organisation uses to monitor and demonstrate how well it is performing and how well it is likely to perform in the future. The organisation must have clear and appropriate measures against their objectives and their stakeholder requirements that enable it to undertake review and improvement.

Key Issues:

- How management measures and communicates the performance against the organisation's purpose and goals from a holistic perspective.
- How well the organisation is performing as shown by its key performance indicators and other measures.
- Indicators and other information the organisation uses to handle risk and organisational capability for sustainability of its success into the future.
- How the organisation considers its relevance to stakeholders.

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7.1 Measuring and communicating organisational results

Practices In Place:	Improvement Opportunities:
<ul style="list-style-type: none">• Financial reporting occurs.• Safety data is reported on.• Annual report reflects progress against plan.	<ul style="list-style-type: none">• Continue to develop a measurement framework against Plan to report, review and share success with stakeholders including the leadership team, staff and Councillors.

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7.2 Achieving sustainable performance

<i>Practices In Place:</i>	<i>Improvement Opportunities:</i>
<ul style="list-style-type: none">• Long term Financial Plan developed.• Asset Management and Workforce Plans in place for ongoing review.	<ul style="list-style-type: none">• Review the Long term Financial Planning process ensuring the inclusion of asset costs and prioritized projects.• Develop future sustainability measures including further integration of strategic risk, knowledge capture and reviews of Asset and Workforce plans.

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Performance Methodology

The Australian Business Excellence Framework has been used as the basis for this assessment.

The Business Excellence Principles underpin the design of the Framework and the assessment process considers how effectively the implementation of the Categories and Items aligns to the concepts embedded in the Principles.

The Principles are summarised as follows. They are considered to be governing laws which can be used as a basis for predicting and reasoning and they can be interpreted through the 7 Categories and 16 Items which form the Australian Business Excellence Framework.

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Performance Methodology cont.

1. Clear direction and mutually agreed plans enable organisational alignment and a focus on the achievement of goals.
2. Understanding what customers and other stakeholder's value, now and in the future, enables organisational direction, strategy and action.
3. All people work *in* a system. Outcomes are improved when people work *on* the system and its associated processes.
4. Engaging people's enthusiasm, resourcefulness and participation Improves organisational performance.
5. Innovation and learning influence the agility and responsiveness of the organisation.
6. Effective use of facts, data and knowledge leads to improved decisions.
7. Variation impacts predictability, profitability and performance.
8. Sustainable performance is determined by an organisation's ability to deliver value for all stakeholders in an ethically, socially and environmentally responsible manner.
9. Leaders determine the culture and value system of the organisation through their decisions and behaviour.

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ADRI

The ADRI assessment dimensions, which are used for scoring, for each item, form a learning cycle and the assessment considers:

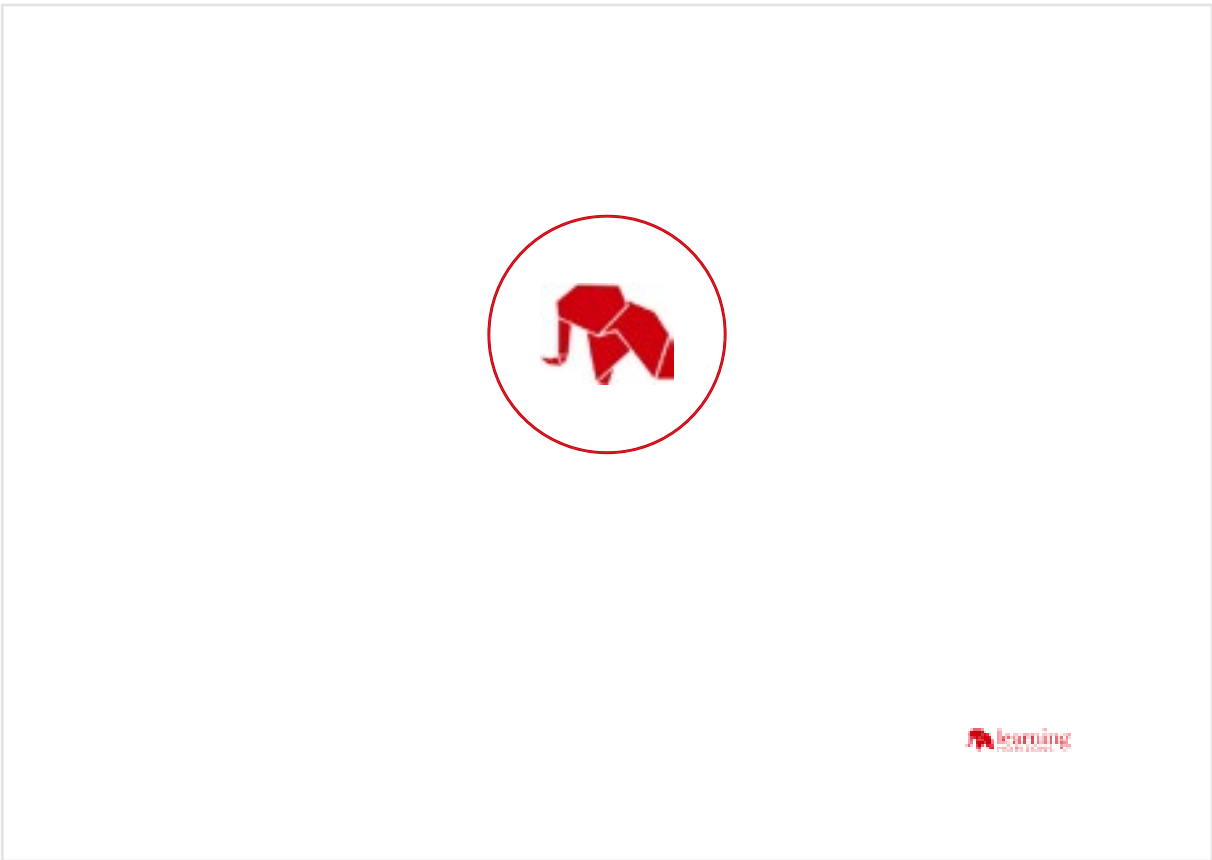
- How thinking, planning, structures and processes i.e. the **APPROACH** aligns with the Principles.
- How the **DEPLOYMENT** of the **APPROACH** aligns with the Principles.
- How the measuring and monitoring of the **RESULTS** of the **DEPLOYMENT** of the **APPROACH** aligns with the Principles
- How **IMPROVEMENT** through learning and adapting aligns with the Principles

As such the dimensions of 'ADRI' are aligned in assessing organisational performance against each item of the ABEF. The scores reflect the level of maturity and future capability of the City to achieve its outcomes. This assessment has identified the Strengths and Opportunities for Improvement for each of the 16 Items and they are detailed in this report.

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REPORT TO THE CITY OF PERTH STAKEHOLDER ENGAGEMENT AND CORPORATE COMMUNICATIONS

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December 2018



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EXECUTIVE SUMMARY

“Increasingly, reputation, identity and the perceived quality of place determine where talent, capital and tourism flow.” ResonanceCom (an international company that measures the reputation of global cities)

It is clear from the investigations by the consultants that external stakeholders and City staff alike are concerned that Perth’s reputation has been severely damaged over the past 18 months. Both cohorts referenced the City of Perth Act (2016) and feel that the City does not necessarily follow the intent of the Act, that instead the City is insular and lacks the macro view required of a capital city.

To achieve the synergies required by the Act (which states that the City of Perth must “engage and give regard to not only its ratepayers, residents and property owners, but all citizens that visit, work or have an interest in the future of Western Australia’s Capital City) much needs to be done by the City, not least to more effectively engage with its wide-ranging stakeholders.

This begins with the City’s own fundamental processes, practices and structure and then extends to its culture, where the concept of “customer service” is inconsistent. For example, it is clear that the advantages of a CEO (or a leadership group through the CEO) having direct access to communications professionals is not being effectively leveraged by the CEO’s office to add value to the leadership function of the City and protecting and promoting the City’s reputation generally.

It should be noted that there are good people on the City’s staff, and like external stakeholders they too are constantly frustrated by myopic thinking, red tape, silos and a lack of direction and collegiate spirit by leaders.

All stakeholders are looking for the City’s culture that seeks to solve problems, rather than one of conflict and dispute. There is a general desire for the City to “elevate its thinking”.

City has competitors not partners or collaborators, yet many of the staff desire for a change in this attitude as their professional outputs as well as their own personal job satisfaction relies on a culture of collaboration both internally and with external agencies and stakeholders.

All external stakeholders and senior staff see the Commissioners being in charge representing an opportunity to rebuild the City of Perth. A “business as usual” scenario for the City in the context of this report will attract significant risk for the organisation and will be perceived as a lost opportunity. The recommendations - both internal and external – therefore should be closely considered in this context.

The Commissioners are in a strong position to empower the City to seize this once-in-a-generation opportunity to take the lead and develop a Perth Brand in line with its Act. The City is well positioned to achieve a positive and agreed outcome for the whole State of Western Australia.

The effectiveness and impact of the Corporate Communications and Stakeholder Engagement functions are influenced by actions and engagement with many of the City’s business units. In this report, examples of these have been included to illustrate these relationships and opportunities for change that will improve the City’s communications, engagement and ultimately reputation - internally and externally.

SUMMARY OF KEY FINDINGS AND RECOMMENDATIONS

KEY FINDINGS	RECOMMENDATIONS
External stakeholders are concerned that the City is not complying with the intent and terms of the City of Perth Act.	1. City's obligations and performance under the City of Perth Act should be reviewed for compliance and an action plan implemented where there are stakeholder engagement shortfalls
There is a lack of systemised engagement at a high level with external stakeholders which adversely impacts on effective and meaningful relationships with all stakeholders.	2. Set up a high level governance framework with major projects and long term strategic stakeholders which will transcend political cycles and also reduce the risk in relying solely on personal relationships. (A major project cannot rely on personal relationships – a formal one is more enduring).
The City's strategic and operational relationship with the Public Transport Authority is limiting the economic opportunity of the city.	3. The consultants see the repair of the City's relationship with the Public Transport Authority as a priority.
The City of Perth has no activation plan that aligns with the intent of the City of Perth Act and the City's Strategic Community Plan. This ultimately adversely impacts on the vibrancy and attractiveness of the city.	4. Create a comprehensive Activation Plan that should span two years and have an appropriate budget and outcomes.
The City and most State Government Departments and agencies do not have effective relationships required by a capital city.	5. There should be an overall stakeholder engagement strategy specifically tailored to the City's relationship with State Government agencies. This must then be imbedded into the culture with the Directors taking the lead and it being reflected in their KPIs.
There are specific issues regarding the City's responsibilities and engagement with external stakeholders on major infrastructure projects.	6. The Commissioners review and establish the most effective way for the City to work in partnership with major development projects throughout the term of the development and that timely responses would be measured and tracked throughout the project.
There is no tourism or destination marketing strategy that has been developed with industry stakeholders.	7. That the City of Perth takes the lead on developing a destination marketing working group with the tourism and retail sectors.
There appears to be no comprehensive scope of works used in the development of the website and there are issues around the project's value for money.	8. The website project needs to be reviewed for fit-for-purpose for the City's many strategic objectives and for communications with stakeholders. Further, it should be world's best practice for capital city websites.

The City of Perth has not clearly identified the opportunities for partnerships for events and activations.	9. Consider outsourcing community-based activations to Activate Perth so the City can focus on larger events and activations.
While the stakeholder engagement framework is sufficient in how to engage with some stakeholders, there is no thought given to strategic engagement. This means that there is no differentiation of stakeholders and therefore no recognition at the importance and impact on the City's strategic goals by high-level stakeholders.	10. Stakeholders are mapped and segmented into tiers so it is clear who owns the relationship and what is the best way to engage.
Business units do not have continuity of contact with engagement with their stakeholders to the detriment of the City's success.	11. Directors and the CEO become the responsible officers for stakeholder engagement that relate to their directorate/work teams and that performance and evaluation of these form part of director KPIs. They should also undertake a 2 hour Stakeholder Engagement Decision Maker training program that is available.
The "one size fits all" stakeholder engagement function and centralised process has created a bottle neck and has led to inconsistent engagement.	12. The stakeholder engagement function moves to Corporate Communications and becomes an advisory and support role delivered by skilled staff.
Corporate Communications is not being used effectively by the City's leadership.	13. More structured use of the functions of Corporate Communications. Including the Manager in all Executive meetings.
There is little demonstrated informed understanding by the Executive of issues-management and media relations which is having an adverse impact on the City's reputation.	14. Create an Issues Management Plan and ensure the timely involvement of the Senior Media Advisor in media relations.
Concern and commentary from external stakeholders on the lack of a Perth brand is a major issue.	15. The City of Perth takes the lead in developing a Brand for the City.
There is a major opportunity in both recruitment and structural changes within the Directorate of Economic Development and Activation.	16. To ensure best practice in recruitment of Director and Marketing Manager.
There is no strategic documentation for marketing the City and its services to its external stakeholders.	17. Review the structure of the Marketing Business Unit.
By constraining the Economic Development Unit from driving partnership outcomes derived from engaging consistently with its own strategic stakeholders, economic development opportunities are being lost, including with organisations such as Study Perth, Historic Heart and the Property Council.	18. Develop a Strategic Marketing Plan that focuses on local stakeholders and includes an events strategy.
	19. The EDU should be allowed to develop its own stakeholder engagement strategy with clear linkages to its economic development directions paper.

INTERNAL ENVIRONMENT

The City of Perth has for some time lacked stable, authentic leadership with no clear articulated vision and little commitment to the organisation's values displayed by the leadership team. It is perceived by external stakeholders as dysfunctional, isolated, overly bureaucratic, and arrogant.

Put simply, the organisation needs to elevate its thinking to become a capital city and live up to the City of Perth Act. This has the opportunity to be an inspirational message for staff. At the same time, the culture must ensure this aspiration is supported by customer service and collaboration with stakeholders.

There is evidence that many of the staff see the organisation in a similar way with a silo mentality isolating entire teams from each other and limiting commitment to the City's purpose. There is evidence that they work well in their teams, but overall staff have responded to the lack of vision, leadership and direction by keeping their heads down.

Many of the officers on the ground have been described by external stakeholders as "keen and proactive", but when they go back to the office they meet barriers that mean they can't deliver. The City of Perth was described by one stakeholder as a "Reverse Tardis". Everything is possible on the outside, but back within the City walls, nothing happens. This must be dispiriting for the proactive officers whose enthusiasm is being squashed and whose talent is being squandered by the organisation.

External stakeholders say they only get information from the City of Perth's relevant officer/manager if they seek it out themselves. For many, notably the membership bodies, often they do not know which question to ask, so therefore cannot engage at the point of policy review/formulation relevant to their members.

As a result of working in an environment where no one has the courage or commitment (two of the organisation's values) to make decisions, staff are anxious, risk adverse and they do not feel confident in a "toxic" workplace. This has created an unsustainable 20% staff turnover as people at all levels vote with their feet.

The lack of commitment to its values by the organisation's leaders has fragmented the culture. This has been compounded by direction from the Executives as being confusing. There is a focus on process to the cost of outcomes that limits achieving outcomes. The Executive meeting has as much as 250 pages in it. Agenda items can be up to 30 pages long. This is a real governance issue and needs to be urgently addressed by the CEO and Commissioners. This is possibly a symptom of Managers being too frightened to make decisions so they push the paperwork up to the Directors with the outcome of the City becoming dysfunctional which in turn impacts on stakeholders.

Stakeholders' negative perception of the City impacts on staff's own perceptions of the City has been compounded by the negative publicity over the Lord Mayor and councillors.

It is clear that the Directors are not empowered to make decisions or drive engagement that will achieve outcomes. Rather, there is a focus on internal processes. The impact on City customers - internal and external - has damaged individual and organisational reputations.

It is important that stakeholders are mapped and segmented into tiers so it is clear who owns the relationship and what is the best way to engage. The stakeholder framework can work, but some stakeholders are more sophisticated and require a bespoke engagement plan.

Findings

The culture of the City of Perth is seen by both staff and stakeholders as “toxic”

The Executive does not meet regularly and its meetings are almost entirely operational with a huge volume of information. This does not leave room for discussion around strategy or meaningful decision-making and represents a governance issue.

Staff and stakeholders are unsure of what the future holds in terms of Council or Commissioners. This has adversely impacted on behaviours, particularly in the leadership group.

There is little evidence that staff understand who their customers are, how to discuss customer needs or lead conversations with customers that are responsive, provide clarity and manage expectations.

There is much red tape and an old-fashioned compliance mentality that limits the City’s agility and adversely impacts on City’s achievements and engagement with external stakeholders.

Recommendations

1. The Executive has a vital role to play. It should:

- (a) Hold a series meetings with staff to talk about the purpose of the City – including the City of Perth Act and the organisation’s values.
- (b) Hold a strategy day devoted solely to seeking ways to improve the culture and change Directors’ behaviours. Finish with a compact between Directors that seek to improve adverse behaviours, including a better understanding of customer service.
- (c) Demonstrate the teamwork value and act in a collegiate way.
- (d) Identify opportunities to celebrate success.
- (e) Use the last staff survey/research to identify opportunities for better communications and other issues. These should be put on the agenda to find solutions on the strategy day.
- (f) Create a big hairy idea for staff to rally around. The consultants’ recommendation: driving a Perth Brand.

2. Steps required include:

- (a) Executive meetings held fortnightly.
- (b) Set an agenda with standing items including stakeholder engagement.
- (c) The Corporate Communications Manager is included in the meeting.
- (d) Agenda items are no more than three pages.
- (e) Directors receive training on how to run a high level meeting.
- (f) The current CEO uses his experience to revamp the meeting format.

3. Ensure that there is a structure and culture that can transcend political cycles

4. It is important that stakeholders are mapped and segmented into tiers so it is clear who owns the relationship and what is the best way to engage. The Stakeholder Framework can work, but some stakeholders are more sophisticated and require a bespoke engagement plan.

5. Independently review approvals and compliance processes and identify where they act as barriers and where they can be improved to change the intent to solving problems rather than creating them (overcoming the ‘no’ culture).

Strategy And Partnership Unit

The City of Perth stakeholder engagement function was formally established in March 2017. Since that time a Stakeholder Engagement Framework and a Stakeholder Engagement Plan Template (Engagement Plan) have been written. The stakeholder engagement function was moved to Strategy and Partnership Unit (SPU) in March 2018.

These two stakeholder engagement documents inform the City's engagement processes. They have been further supported by training which has been undertaken by Managers in business units across the City who are Project Owners. The training has introduced the principles and processes of the International Association for Public Participation (IAP2) – the benchmark for stakeholder engagement.

The Strategy Partnership Unit is supported by core documentation that requires review and upgrade. There are significant gaps in strategic stakeholder engagement and the need to reflect sensitive engagement processes with differing cultural groups including Aboriginal, Culturally and Linguistically Diverse communities. Additional steps are required in the Engagement Plan document to fully complete the engagement 'contract' with stakeholders, particularly in the close-the-loop and evaluation actions require focus as these are not being carried out well at the moment.

SPU has only approved three Engagement Plans in the period August – December 2018 when compared to the "dozens" signed off by the Officer in the previous year. This small number indicates that there are considerable unmoderated stakeholder engagements taking place given the number of live projects the City will have.

This function currently only relates for formally approved Council decisions, master plans, revitalisation programs and other matters, possibly due to resourcing levels. There is an equally important function of stakeholder engagement that should take place at business unit level, EG: The Avenue Case Study.

The preferred SPU benchmark for Engagement Plan preparation is six weeks. This gives time for the Project Owner to gather relevant data, scope and structure planning and stakeholder identification can be undertaken. The sign-off process by SPU can be over two months, which delays the start time of projects. The consultants were told of one signoff that took over four months.

Support and advice by SPU is delivered to Project Owners who are Managers and Officers in business units. The Project Owners have come to see the SPU approval process as compliance rather than support. This damages and under-values the significant benefits of engagement and reduces willingness for Project Owners to use the engagement tools fully to achieve strong community outcomes.

The five days IAP2 training are made up of three core modules plus any two of five one-day elective courses to achieve the Certificate of Training. Many Managers have undertaken some of the three core modules available. Use of the training should be undertaken immediately the training is completed as techniques and tools are easily lost in the rush of other day to day work.

SPU staff have limited IAP2 training. Actions by the Manager and the capacity of the one Stakeholder Engagement Officer has limited SPU's capacity to fully meet its brief as advisor and supporter.

SPU only reviews and updates the Engagement Plan Template annually. There is no indication that new external resources like the Small Business Development Corporation publication [Supporting Small Business During Works Projects](#) are suggested to Project Owners or stakeholders as additional resources.

The SPU Manager has regularly engaged in a stakeholder working party related to the CBD upgrade of Forrest Place with building owner ISPT. This is at the heart of Perth's retail malls. The engagement process has been a priority external process for SPU. However, a description of how this project was progressing by SPU staff differs substantially from that of the stakeholder representative (See Case Study).

Currently SPU, nor the any other City officer has a role in the engagement processes for infrastructure works taking place over the next 12-18 months along the full length of Roe St Northbridge. These works will involve the Water Corporation, Main Roads, PTA and MRA among others. The works will impact on business and major activation events including Fringeworld, Chinese New Year and Perth Festival. Water Corporation is leading the stakeholder engagement process, but there is not visible input on the engagement process from the City. Advice from the City's Construction staff is that the work does not enter the City's brief until there is a project handover. The timing of this is unknown. This means the City may inherit a stakeholder engagement problem, not of its making if Water Corporation staff do not consider the City's interests as well as its own. The consultants are unsure how they could.

Completed Engagement Plans

The consultants have examined a number of Engagement Plans. Two provide useful comparisons. The Wellington Square redevelopment engagement plan is comprehensive, it engaged a diverse group of local residents, workers, community organisations, service groups, property and business owners. A comprehensive engagement process was prepared and outcomes from it informed the planning, heritage usage and design considerations. It also included service providers for the considerable number of homeless people in the area. The Masterplan for this redevelopment was approved by Council in September 2018. It is unclear whether there has been a full project close-the-loop for stakeholders and evaluation process completed once approval was achieved.

In contrast the East End Revitalisation Engagement Plan attracted a small number of responses. An earlier engagement process was undertaken 3 years ago. The responses received during this 2018 engagement plan are disappointing. There were just 31 responses, 62 people attended information sessions. There appears to be very limited engagement from local workers and businesses. Surprisingly, 289 people viewed the You Tube animation of the proposed changes to one area of the masterplan. This however, does not appear to be a value for money exercise.

The Engagement Plan was approved in July 2018 and the consultation documented in October of the same year. This contrasts with the 15 month duration of the Wellington Square consultation. This second plan leaves the reader less convinced of its rigor and use of correct engagement tools. There is no evidence that senior staff considered the volume or quality of the responses was enough to demonstrate that a desired engagement process had been completed, or if it offered a critical mass of support for the proposed developments.

Stakeholder Engagement Principles

The City does not differentiate between stakeholders and there is no recognition of the difference of need and opportunity for the City when considering different types of stakeholder. These could be broken into three tiers: High, Medium and Low. A process of first principles should identify who stakeholders are and:

- What level the stakeholder is in?
- Who in the City owns the stakeholder relationship?
- What actions are required by the owner to realise the objectives of the relationship and its outcomes?

The use of the Engagement Plan will differ depending on the level and nature of the relationship. For instance; the high level relationship between the City and the Director General of the Department of Premier and Cabinet would be owned by the CEO. This Engagement Plan would be prepared with a three to five year time frame and will require elements not included in the Engagement Plan Template.

The terms, actions and outcomes from a medium level relationship with stakeholders such as Activate Perth, Tourism WA, AHA and Kings Park would be over a shorter time frame and with different objectives/outcomes. The owner would be the appropriate Director who would oversee actions and engagements by themselves or staff. A low level engagement plan includes stakeholders that will be affected by a masterplan, substantial or minor projects that will involve diverse groups and individuals. Each plan will involve working towards the project objectives, testing and clarifying steps and content with the stakeholders in a variety of forums. The owner of this relationship may also be a Director or Manager and have a timeline measured in months or one or two years.

Each of these levels requires a different level owner, to receive input and responses to inform the City's objectives. Adopting a structure like this will assist the City in establishing a structured, responsive and appropriate timelines for the relationship to develop.

Findings
Not all SPU staff have undertaken stakeholder engagement the training.
Engagement Plans vary greatly in their degree of success. Even those well executed and where stakeholders are fully engaged the final steps in the engagement plan are not fully completed and few learnings are considered or applied.
Staff turnover and role changes mean that a number of Project Owners have not undertaken training and others have not completed the full five day three unit training.
Engagement often is process driven, narrow in scope, inconsistent and has led to, in one instance, an extremely poor stakeholder outcomes for a major CBD development (see case study).
The SPU is only evaluating engagement plans that are Council approved and that other engagement is being carried out with our without engagement plans.
Time taken by SPU to sign off submitted engagement plans is inconsistent and there is no KPI.
The City has no facility to input or check planned stakeholder engagement by external infrastructure projects that impact on Perth's businesses, community and activation programs. Potential for reputation damage is high.
Qualified stakeholder engagement resources are inconsistent across diverse work teams.

Recommendations

1. The Stakeholder Engagement function should be fully devolved to business units so that stakeholders can have continuity of contact with Project Owners and their staff.
2. Directors and the CEO become the responsible officers for stakeholder engagement that relate to their directorate/work teams and that performance and evaluation of these form part of director KPIs. They should also undertake the training.
3. The City continues to train staff in stakeholder engagement so the full certificate qualification can be achieved.
4. The advisory and support role currently fulfilled by SPU is required by the City, but it should be moved to Corporate Communications with proper resourcing.
5. Employ two experienced stakeholder engagement specialists with an IAP2 qualified external panel member providing advice to the recruitment process. The first, on a full time basis, the second on an 18 month contract to help build in-house skills and confidence of Project Managers.
6. The City adopts measures that ensure that the quality of the outcomes from stakeholder engagement is what counts. (Did it meet the stakeholder's needs while offering value for the City?)
7. A City-driven review of appropriate tiers of stakeholders be implemented, owners allocated, objectives identified and timelines established. The role for Directors in the leadership and management of these relationships will need to form part of their KPIs.

Corporate Communications

The City of Perth's communications – both internal and external - are inconsistent. The City has a fundamental problem; it lacks a sophisticated understanding of a 'customer.' Since stakeholders are also customers, there are lost opportunities in the formation of relationships and partnerships due to the overall lack of a positive exchange between the City and its stakeholders. Just as customers in the narrow sense of the word have expectations in a transactional relationship, stakeholders' expectations are opportunities for collaboration, innovation and outcomes greater than the sum of its parts.

The opportunities lost from not forming stakeholder partnerships for the City is contrary to its own stated goals in its Strategic Community Plan. This states that Perth is a City "that builds effective partnerships between its community, business and government bodies to create a great place to be."

Moreover, failure to effectively engage widely and build synergies is contrary to the City of Perth Act which says the City of Perth must "engage and give regard to not only its ratepayers, residents and property owners, but all citizens that visit, work or have an interest in the future of Western Australia's Capital City".

The Corporate Communications Unit (CCU) was originally in the Marketing and Economic Development Directorate but as the result of a Deloitte report recommendation 18 months ago, it was moved to the CEO's office, with the Corporate Communications Manager reporting directly to the CEO.

This is in line with most large organisations these days as this structure recognises the strategic value of Corporate Communications in promoting and protecting the corporate brand.

For the City, corporate communications is critical to the protection and promotion of the City's reputation. It is a major tool to achieving the strategic objectives of the City of Perth Act which aims to recognise, promote and enhance the special social, economic, cultural, environmental and civic role that the City plays because Perth is the capital of Western Australia.

The CCU is a major contributor to the City of Perth's reputation through its engagement with ratepayers, the media and in the creation of corporate communications tools for the City.

According to the CCU's Business Plan, the unit provides three key benefits to the City and its stakeholders which are:

1. Confident internal clients that are well equipped to communicate and engage with their audiences.
2. Informed stakeholders with quick and easy access to the information they need and want.
3. Supportive stakeholders that are empowered to be part of creating Perth's future and understand the City of Perth's decisions.

The CCU is a well-resourced full service team with 10 staff including digital and design capacity. Its stated purpose is to develop and maintain "a constructive and engaging conversation between the City of Perth and its stakeholders". The CCU regards its own stakeholders as (a) the City's internal business units which it helps to engage with their own specific stakeholders and (b) ratepayers.

CCU has a media relations function and it sees itself as also providing a key service of "reputation management." The consultants suggest that reputation management is a critical function of Corporate Communications but one that is not sufficiently emphasised or understood by senior management.

It is clear that the advantages of a CEO (or a leadership group through the CEO) having direct access to communications professionals is not being effectively leveraged by the CEO's office or protecting and promoting the City's reputation generally.

One obvious example is the fact that the Corporate Communications Manager is not included in the Executive meetings where the Manager can identify opportunities for proactive promotions and media issues.

A Crisis Communications Protocol document was created by Corporate Communications after the Skyworks tragedy in January 2017, there is no Issues' Management Plan with guidelines on how to approach a potential or real-time media issue.

The risk of inadequate media relations is contained in the City's Risk Management Plan made in August. The risk controls were assessed as "adequate". There was an Inquiry Communications Plan was being formulated for approval by late November, but this has not yet been sighted by the consultants.

Overall, however, the evidence indicates that the CEO or Executive do not utilise the Senior Media Advisor effectively with examples that the Advisor is rarely given the chance to actually "advise" in managing the media, at the critical moments. While the CEO/Executive is respectful of the Senior Media Adviser, there is no real sophisticated understanding of the media management function.

The Corporate Communications Manager's expertise in marketing and corporate communications is a separate and specialised skill and should be recognised as such. While lawyers might tell you what not to say, a good media advisor will tell you what you need to say. There are examples when not saying anything results in extending an adverse media cycle another 24 hours at least.

Nor is there any indication that the CEO or the City of Perth have a sophisticated understanding of the strategic value of the corporate communications business function in Brand/Reputation management outside of operational functions such as consultation with ratepayers, and providing support to business units. These are important areas where the CCU excels. There needs to be a clear recognition of Corporate Communications as an important element in the City of Perth's reputation value chain.

The City of Perth Act states that one of the City's objectives is "to represent the community and encourage community participation in decision-making".

The City's Strategic Community Plan states that: "A city that involves community, citizens and stakeholders in its future direction. Citizens have trust in the City of Perth and comfort knowing they collaborate with community, governments and businesses alike, working in an open and transparent manner. People feel connected, listened to and engaged with their City."

While the above aligns with Corporate Communications Unit's purpose, a comprehensive study – called the Perth Perception Study – released earlier this year indicates that only 38% of the community and its citizens (business community) is satisfied with the City's engagement with them.

The CCU engages with the community through various ways including the quarterly City News delivered electronically and by direct mail. However, the City's primary communications vehicle is its website, notably the Engage Perth website which also links to the corporate website – perth.wa.gov.au. The [Engage Perth](#) URL offers ratepayers and the general public an opportunity to provide specific feedback on City projects.

One of the CCU's self-described benefits is it ensures "informed stakeholders with quick and easy access to the information they need and want". This implies there is an up-to-date website and an efficient portal for stakeholders such as ratepayers to access.

The corporate website has recently undergone a major rebuild and is essentially a portal for corporate/council matters; a destination marketing role (under the vistperth.com.au website address) and a feedback site. "Future Perth" (investment attraction) is also an important part of the corporate/council website and the Engage Perth function will also sit within the portal. Currently under development is a website targeting local businesses where they can "list" their business and offer promotional opportunities. Also, sitting separately within Economic Development and activation sits an [Invest Perth](#) microsite.

Phase one – the destination marketing ("Visit Perth") component of the website was developed by an advertising agency under the aegis of the Marketing Business Unit. There is evidence that there was little consultation internally, no governance or adherence to the City's style guide. (The Director of Economic Development and Activation overrode objections from the CCU Manager on this). The result is that phase one of the website's development cost \$800,000; a "value for money" question. Phase two has now been handed to Corporate Communications to deliver. There are questions around the website's actual capability. If you Google "Perth"; "City of Perth" or "visit Perth", you are currently taken to a landing page and

then directed to an “archive” page. If this continues for too long, it has the potential to damage the reputation of the city.

Issues around finishing the website include:

- Only one person in the CCU to manage the project;
- The need to scope the second phase and assess what cap-ex funds are needed;
- The potential need to go to tender to deliver the second phase (preferable given there are significant issues around deliverables and value for money in the first phase and ;
- The Brand Agency still holds the platform licence for another two years.

The fact that there has been little consultation with other internal stakeholders raises questions around the website’s current fit-for-purpose status and the issue now around “retro-fitting” a consultation process into the completion of the website.

Digital Platforms

The City of Perth has a Facebook page run by Marketing, which also runs the City’s Instagram account. CCU runs Twitter and LinkedIn pages. The Economic Development Unit appears to have its own LinkedIn page. The Facebook page features only those posts the Marketing Unit deems “engaging”. Community services, for instance, have been told their communications are “too boring” as have Corporate Communications. Instead, a local wine bar, for instance, gets to post its latest deal on the City’s Facebook page, while a city-owned child-care service, or a possible post informing ratepayers of a corporate matter, are not allowed.

Social media can be a powerful communications tool and requires creativity to ensure engaging content. However, the consultants question if it is being used effectively to reach its full potential for the City’s stakeholder engagement across the spectrum. Other capital cities, such as the City of Brisbane, have Facebook pages that incorporate messaging for disparate target audiences.

Internal Communications

Internally, CCU predominantly provides a suite of marketing services to the business units which are part of the value chain for stakeholder engagement. However, the Stakeholder Engagement Framework does not calibrate the tiers of stakeholders and therefore can overlook who should have real ownership of the stakeholder. For example how does the City communicate parking changes to the public? Who “owns” the messaging in this case? The difficulty for CCU is that its outputs are reliant on the performance of other business units to deliver information or even recognise a stakeholder.

While the CCU is responsible in the creation of “supportive stakeholders that are empowered to be part of creating Perth’s future and understand the City of Perth’s decisions”, it is unclear how the City decides priorities of resources and ensure that the other business units are actually “owning” their stakeholders?

Findings

The Executive is not receiving the advantages of having Corporate Communications reporting directly to the CEO. These skills are not fully utilised by the Executive to improve its message effectiveness or appropriately management the City's reputation.

Corporate Communications is not properly understood by Commissioners, CEO and Directors and as such is not being effectively leveraged at the City to add value to the leadership function of the City of Perth or advancing the City's reputation generally.

Documentation, evaluation, planning and execution of communications meets a high standard.

CCU has a Business Unit Plan, it evaluates projects and outcomes; it is proactive in relation to Council meetings and in trying to anticipate outcomes for management and news releases. It is hampered by not being included in the information circle in a timely fashion or consulted at critical points of management of an issue.

CCU has taken over the second phase of the City's website to review functionality and content and introduce more effective internal consultation processes.

There is no co-ordinated approach to the website and it is unclear where the decision to rebuild it was made, its scope or strategic objectives documented.

Senior Media Advisor is not used strategically or treated as an equal player during discussions of sensitive matters. This role is one of an advisor who speaks when he's spoken to.

There is no Issues Management Plan.

There are many City good news stories not being told. These don't appear to be sought consistently by CCU and it's not clear from in-house interviews that managers and staff would know which of their work achievements would make a good news story.

The Corporate Communications Unit policies and procedures are not complied with consistently as Directors overrule CCU decisions that are based on these policies.

There were six staff in the digital team in marketing. Three of these: Videographer and two digital officers moved to CCU so that 'non-event' activities across the City including core City work can be promoted via digital platforms for residents and workers in the city.

Recommendations

1. The Corporate Communications Unit's purpose is reworded to make it clear to the organisation they have reputation management as part of their remit which in turns gives them authority to discuss strategic issues that impact on reputation with Directorates.
2. More structured use of the functions in the CCU including:
 - (a) The Corporate Communications Manager is included in the Executive where the Manager can identify opportunities for proactive promotions and equally importantly, potential issues.
 - (b) Corporate communications and issues are included in the Executive agenda as a standing item to encourage Directors to think of external communications matters.
 - (c) Structured work in progress between the CCU Manager and the Senior Media Adviser identifying media opportunities or potential issues.
 - (d) While the CCU Manager is included in Agenda Settlement meetings, the Senior Media Advisor should also attend these to anticipate any media issues or opportunities.
 - (e) "Talking points" for CEO/Commissioners should be created for looming major issues as an outcome of any of the above meetings.
3. Commissioners, CEO and Directors are (a) 'educated' on both the importance of corporate communications generally and issue management being a critical leadership skill; and (b) undergo media training.
4. An issues management plan is created rather than rely on just a risk assessment.

5. Senior Media Advisor involved in CEO/Commissioner meetings at the outset on major decisions that could attract media attention.
6. An internal steering group across the relevant Directorates is created with the brief that finishing the website is a high priority. This group should consider best practice with other capital cities' websites around the world. The consultants cannot emphasise enough how important an information-rich, easily navigable website is to stakeholder engagement and the City of Perth's reputation.
7. The City of Perth reviews its social media strategy (or creates one) taking into account the needs of different Directorates and effective messaging. This should be done by both Marketing and Corporate Communications together with consultation of Community Services; Economic Development; and arts and culture.
8. Stakeholders are mapped, segmented and prioritised – IE, put into tiers. This will assist in prioritising time spent on the engagement plan and identify ownership of the stakeholder and their strategic value to the City.
9. The stakeholder engagement function is moved to the CCU and regarded in the context as a support function to the Directorates which are appropriately resourced to do this.
10. Directorates are empowered to lead and drive engagement with stakeholders and held accountable.

Economic Development and Activation

The Economic Development and Activation Directorate represents one of the City of Perth's biggest opportunities. Its functions are almost entirely outward-facing; its team is dominated by young professionals from disparate backgrounds, several of whom in key positions have only been with the City of Perth for two years or less. They bring fresh perspectives to the organisation.

The majority of these staff members are well aware of the City of Perth's obligations under the City of Perth Act and use this as a guiding light. This Directorate can make a difference in boosting the City's reputation through high level stakeholder engagement if their activities are focused and promoted and the organisation does not limit them with red tape and overly bureaucratic processes.

The Marketing Business Unit has been hampered by an internal perception of not consulting properly. This is directly attributable to a Marketing Manager who appeared to operate unilaterally on a number of projects, the most high profile (and costly) being the website.

The three Co-ordinators who reported into the Marketing Manager, cover activation, events and campaign. The three work well together more due to the collegiate styles of all three, than good management. The Campaign Co-Ordinator is currently the Acting Marketing Manager.

Two of the three have worked for the City of Perth for one year or less. Neither has received an induction and it has been left to chance for them to understand what people internally do or what the City's procedures are. These staff have relied on advice from the third member of the team as to who to go to for support in approvals, for instance, and have been building their own relationships in order to get things done.

This modus operandi has also applied to external stakeholders as they have attempted to build relationships with City stakeholders from Dexu in Kings Square to the MRA and Cathedral Square stakeholders.

There is no mapping or definitive list of stakeholders relevant to the Directorate.

There is no strategic thinking when it comes to events, activations and marketing campaigns aimed at retailers and businesses. Moreover, there is no integration of service delivery to ratepayers and Perth businesses; nor is there rigorous research undertaken to identify success (or otherwise) of the City's campaigns, events or activations. As a result of the lack of integration and research of stakeholder (or customer) satisfaction, the residual effect of much of the City's marketing activities is unknown.

There is no real differentiation between events and activations, so while the officers understand the difference, no one outside of the Directorate probably does. Events should drive visitation to the City while activations contribute to the vibrancy of a City. Both enhance the visitor experience and the City's Brand; and both generate significant benefits to stakeholders from business to ratepayers. Events and activation were recently split out but this can reduce the opportunity for an integrated approach in developing a destination marketing profile as well as place making generally.

Both areas experience significant internal barriers, notably from the approvals process which can cause failures in events in particular. There is a large approvals team but evidence from both the City's events team and from external stakeholders such as Activate Perth indicate that the Approvals Unit (in a different directorate) does not have a strong sense of customer service to either internal or to external events being sponsored by the City or by external organisations.

This lack of flexibility creates barriers in achieving outcomes for events or activations. There is no real understanding outside of the ED&A Directorate that it can disadvantage the City's vibrancy and Brand. For example, the City charges events' organisers according to cost per person, so there is no incentive to attract record numbers (the event Colour Run is an example). Without flexibility, the City will lose events as it did with a waterslide event/attraction. It has gone to the City of South Perth where it will attract visitors and add vibrancy to the South Perth foreshore throughout summer.

The City of Perth's escalating costs for managing events means even city-owned events are hampered by the same processes. The Anzac Day Parade was charged \$120,000 for 'in-kind' services by the City. It was easier for the Economic Development and Activation Directorate to give the RSL a cheque for \$100,000 so it could pay the City of Perth Approvals Unit.

Beyond the operational level, the consultants have failed to find a marketing strategy developed by the City; an events strategy; an events calendar; or an events policy with a criteria that drives visitation or supports the City Brand. There appears to be no events feasibility analysis to provide transparency in decision-making which in turn will assist stakeholders in the process.

Nor is there any measurement of most events. The City doesn't have an insight as to the value-for-money delivered by an event, yet at the same time it appears to make decisions in isolation without consulting the community. For example: the City cut the New Year's Eve event in Northbridge, but there was no evidence to support the decision or ascertain its impact on stakeholders.

It appears there are no funds to do an overall events strategy and there is nothing in the Corporate Business Plan for events. There is no branding. Yet the City of Perth spends significant amounts of money on events – Skyworks alone costs more than \$1million – but the City really doesn't understand why it is doing it in the context of its obligations under the

City of Perth Act. Yet events can be a powerful tool, not least in engendering community pride and strengthening cultural ties; they support the Brand and attract visitation to the city.

The City stages seven marketing campaigns a year, but again there appears to be a lack of integration with other marketing activities such as aligning activations with campaigns.

Stakeholders aligned with tactical campaigns are the food and beverage, entertainment, and retail sectors. There is no systemised engagement with these segments such as a direct email that can inform them of what the City is planning by way of campaigns so stakeholders can participate. Businesses can promote on the City website which in turn promotes the 'experience' of being in Perth. There is an opportunity for these stakeholders to understand the value of what the Marketing Business Unit can do for their business and get engaged with the campaigns with offers and promotions. There has been no consistency of engagement with these stakeholder groups.

An example of this type of stakeholder engagement is "Let's Thursday like its Friday" which worked well in the first year, but then it fell back in year two because no one had the time to freshen it up.

In summary, City marketing needs a clear direction and strategy which can transcend the current situation where the three co-ordinators and their teams work together to achieve outcomes virtually in isolation. These officers are "just getting on with it".

Digital platforms such as Facebook and Instagram should support the marketing activities of the City as well as the community activities. There seems to be a lack of involvement from most facets of the organisation with either the website or the digital platforms.

The former Marketing Manager was responsible the development of a new website with the Digital Co-Ordinator leading the project. It was two years in development and yet without real internal consultation or any oversight, given the huge cost. There appears to be no digital strategy which should sit in the Marketing Strategy.

Economic Development Unit

The Economic Development Unit (EDU) is being held back by the current structure of a centralised stakeholder engagement function. The EDU knows who its stakeholders are and has a good strategic direction for how the City can facilitate economic development through connecting networks of the City's many stakeholders.

This involves an extensive scope of stakeholders from bodies such as Study Perth, to developers including the Property Council, to corporates to small business.

The EDU also provides advice and support to new business entrants as well as "providing investment and business-to-business opportunities for existing businesses through promotion of local providers to international networks and trade delegations."

In other words, active and sophisticated stakeholder engagement is critical for the success of the EDU and if there was ever an argument for the segmentation of stakeholders and the empowerment of a business unit to engage directly, then the EDU is it.

However, the consultants feel that the City has tied itself to complex and limiting internal procedures. As a result it is not engaging at the right level and at the right time, so economic development opportunities are lost.

Despite the elaborate procedures, stakeholders are confused. An example is where the Economic Development Unit developed a three-year funding agreement with Historic Heart, including getting the legal aspects lined up. Then Strategy and Planning got involved and EDU waited for four months for an approval of the contract from Strategy and Partnerships (as part of the engagement management plan). When EDU finally thought they make contact with Historic Heart, EDU discovered that the City's Manager of Strategy and Partnerships had been meeting with the Historic Heart's Executive Director. This lack of communication and appropriation of stakeholders (and the hard work already done) by Strategy and Partnerships erodes trust between business units. It also wastes time.

This creates confusion with stakeholders and begs the question; who owns the relationship?'

By not having a clear direction and a high level of ownership of stakeholders, the City lacks an advocacy and priority platform for policies and issues such as the cable car or an Aboriginal Cultural Centre at Elizabeth Quay, Perth Convention and Exhibition Centre expansion, or the Bicentennial. Who will own these visionary projects and who will proactively lead them?

It appears that business units tend to develop their own channels to reach stakeholders – in the EDU's case, a micro investment site was created, but there was no consistent branding because the Unit undertook the work on its own.

Having such a website address as a major communications and engagement channel with business is critical in assisting the ED&A Directorate achieve outcomes such as promoting Perth as an ideal business and investment destination and connecting local businesses with international businesses to take advantage of potential export opportunities. In this instance, the microsite <https://invest.perth.wa.gov.au/> has been successful in delivering a significant benefit in advocacy and relationship building through increased online engagement. As well as more than 33,000 website sessions and 93 enquiries submitted via the website, the EDU has gained 35% increase in its LinkedIn audience.

Critical to developing an effective City-based business eco-system is a specific stakeholder engagement plan for EDU, including a digital strategy. Another important role of the City is to encourage the diversification of Perth's economy and support growth in the tourism and international education sectors and the EDU has carriage of this.

The City's Economic Directions Paper highlights the need to drive a more collaborative approach to tourism industry development in Perth by private and public sectors. It also addresses the growing demand from overseas visitors for "new authentic experiences, particularly in regards to Aboriginal and cultural tourism" adding that "there is a clear opportunity for the City to work with key stakeholders to increase the number of Aboriginal tourism businesses and cultural experiences located within Perth."

There is evidence that the EDU is active in addressing issues with business stakeholders as they arise such as lobbying internally to get alfresco fees and regulations reduced. The result is less cost and compliance for businesses and increased vibrancy for the city.

At the same time, Economic Development should be at the table as the City develops policies that impact on business stakeholders. For instance the City doesn't yet have a clear policy on Airbnb. This represents a dichotomy that has resulted after the City has spent five years incentivising hotels. The AHA raised this issue as well.

Arts and culture are an important element of economic development and the activation of a city and is addressed in the community section.

The game-changer for the City of Perth in the attracting tourists, investment or talent, would be focussing on an over-arching Brand and a Destination Marketing Strategy for the City. There has been much discussion about this in the media and with stakeholders: the City of Perth should take the lead.

Findings
The Economic Development Unit has a clear direction, but is often stymied by “cookie cutter” stakeholder engagement which is not necessarily focused on specific outputs.
Economic Development has a huge range of stakeholders with which it needs to engage, but there is a lack of mapping of stakeholders overall.
There is often no clear ownership of the relationship with a stakeholder.
There is concern that there is no oversight of the consultation process of the development of the Customer Relationship Management software with the result there is a risk that it is not necessarily “fit for purpose” for all business units.
City of Perth is reactive, not proactive when it comes to economic development and marketing itself.
There is no stable senior leadership in the Directorate which can consistently drive advocacy and partnerships.
The EDU is very active in the international space with activities ranging from hosting large trade delegations, sharing best practices with sister cities and world energy partners, to sponsoring the PCB, Destination Perth and Study Perth.
The City of Perth does not have a Destination Marketing Strategy which defines Perth’s Brand and supports investment attraction, tourism and international education. This should be created in consultation with the lead stakeholders listed in the recommendations contained in the Tourism section of this report.
Red tape can kill innovation or give competitors an advantage.
There appears to be no overall Marketing Plan for the City.
There is no events strategy with supporting policies, feasibility analysis, research, or budget.
There is no year-round events and Cultural Activities Calendar.
There is no digital strategy.
Activation and Events Business Units have been separated, having once worked together. In the process synergies appear to be lost.
There are no overall Place Activation or Place Management Plans.
There is little integration of campaigns and activation where activations can support campaigns and give them more weight.
Groups like Activate Perth are nimble and as long as they are aligned to the City’s strategic objectives, should be supported.
Internally, there has been no formal inductions with new staff who have had to make their way through the City’s maze of finding the right people to help them get approvals for events or activations.
There is limited research linking post campaign reports, events and other activities and which can inform further strategies and plans.
Marketing is planning to establish an opinion panel and use the direct feedback from retailers which began in early 2018, but appears to have stalled. Only 5 businesses have signed on. This initiative still appears on the website as the lead story in the Initiatives section – signalling a failed engagement process.
Tension between the Marketing and Corporate Communications Business Units is disadvantaging the City.
The Marketing Unit runs on collegiate spirit and personal relationships with no apparent formal vision or purpose.

Recommendations

1. The City of Perth takes the lead in developing a Brand for the City. It should create a working group including representatives from tourism (Destination Perth, PCB, TWA, and the Tourism Council); membership bodies such as the Property Council and the Committee for Perth; other stakeholders in State Government (including the Department of Premier and Cabinet) and relevant City staff.
2. At the same time the City develops a Destination Marketing Strategic Plan working with industry stakeholders and local businesses to develop a narrative for the City, a visual identity, style guide and so on. This piece of work should support and add value to point 1, as well as give direction for the City's Marketing Plan which would focus on local stakeholders.
3. Economic Development and Activation plays a more proactive role in economic advocacy matters for the City which align with its obligations under the City of Perth Act and identifies opportunities to take the lead on driving outcomes for the City and its stakeholders.
4. Good recruitment of the two key vacant roles in ED&A is vital. To ensure best practice in recruiting a new Director of ED&A, it is recommended there be an independent person such as the CEO of the Committee for Perth on the recruitment panel. The recruitment panel for the Marketing Manager role should also have a well-respected marketing professional on the panel.
5. A clear map or list of ED&A's stakeholders and a specific Stakeholder Engagement Plan which makes clear who "owns" the relationship.
6. The EDU is empowered to take on its own stakeholder engagement on the basis there is a Stakeholder Engagement Strategic Plan with KPIs that the Director and Manager will report against.
7. Stakeholders within the City should be segmented and "tiered" to identify the complexity of each one because different stakeholders need different approaches.
8. International relationships are more clearly communicated and leveraged with a report on trade delegations and conferences more regularly promulgated.
9. Strategic Marketing Plan focusing on local stakeholders developed which includes an events strategy for the City (including taking in the development of an Events Policy and Budget).
10. The structure of the marketing team is reviewed with consideration given to how best to integrate its activities to create improved synergies across all the marketing disciplines.
11. An events and cultural calendar created and promulgated.
12. A digital strategy created which addresses the need for a fit-for-purpose and information-rich website, as well as consistency of policy around the use of the other digital platforms. This should be done as an internal working group across the major stakeholders such as Corporate Communications, Community Services and Arts and Culture.
13. The website development to be led by Corporate Communications due to their resourcing and governance processes, but marketing and economic development are an important part of the internal steering group.
14. Approvals specifically for events and activations moved into the ED&A with one experienced person also providing assistance in shepherding customers/stakeholders through the approvals process.
15. EDU, Marketing and Corporate Communications develop a plan specifically promoting the activities and achievements of the Economic Development Business Unit – both internally and externally. (The City of Perth needs to find ways of more effectively marketing itself on a wider stage).
16. Strategic issues and policies which have the potential to impact on Economic Development and Activation stakeholders, such as the Airbnb example, should be an ongoing item on the agenda for the Executive. So should the Perth Brand.

17. Outsource activations under \$100,000 to Activate Perth with an agreement that ensures their activities align with the directorate's strategic objectives.

Coordination and Design

There is a mismatch in the current working relationship between Coordination and Design and the Construction Business Units. These two City functions are required to work closely, however there appears to be stakeholder engagement confusion and a low level of customer service caused by an internal change in the City's structure.

There was a time when the Coordination and Design Unit (CDU) team would be attached to construction projects for the life of the project. CDU undertakes the frontend consultation with stakeholders and also prepares the Engagement Plan, Construction completes the back end including the engagement process.

The structural change means that CDU currently has approximately a 15% view of the project before it is handed over to Construction (different Directorate). This change has had a detrimental impact on the stakeholder engagement process.

For the stakeholder, there is no end-to-end engagement perspective.

There appear to be variable engagement skills among construction staff and it is unclear that these staff use the Engagement Plan that has been prepared by CDU.

CDU has experienced challenging workflow timelines as the process of Engagement Plan approval by the Strategy and Partnership Unit has been overly lengthy in some instances. The structural change has also thrown up lack of consistency for projects that involved Wadjuk stakeholders.

Findings

From a stakeholder engagement perspective there are many positives for there to be a complete project overview by City staff that offers continuity and confidence in the City's relationship with stakeholders.

Steps need to be taken to address confused workflows in the interactions (or not) between Planning and Development and Construction and Maintenance staff.

The CDU team is one of a number across the City that have had issues with the timely signoff to Engagement Plans.

There is an opportunity to improve engagement with aboriginal people who are stakeholders in construction projects.

Recommendations

1. The relationship between Coordination and Design Unit and Construction requires review with customer service as a principle-measure and adjustments made to relevant position descriptions are required.
2. Examine ways in which the two work teams can deliver effective customer service and engage with stakeholders as one entity.

EXTERNAL ENVIRONMENT

State Government Agencies

To be successful the City of Perth needs to have strong and close relationships with a number of State Government departments and agencies. While there is evidence of some successful work taking place at officer level, the much needed strategic alliance is in poor shape.

One telling observation came from the Director General of the Department of Premier and Cabinet who noted, that since the McGowan Government was elected there had been no contact from the City to the Director General's office.

"Given the considerable change of policy, focus on tourism and the potential considerable role the City could play in the economic, social and cultural life for Western Australians and visitors for this state, the City has been surprisingly silent." The Director General indicated that he would welcome a long and positive relationship with senior City representatives and that the State would benefit significantly from this.

There are other State Government stakeholder relationships that are central to the City's operations. One is a close working relationship with the Department of Local Government, Sports and Cultural Industries. Staff see opportunities for the City in this relationship in particular, but this view has not been matched with proactive engagement by Executive members.

It is clear from the consultants' interviews with State Government stakeholders that there is universal frustration at the lack of engagement by the City.

The consultants have focussed the following critical areas.

Planning and Infrastructure

Planning and infrastructure is a capital city's core business. The City of Perth's goal is to have "an exceptionally well designed, functional and accessible city" that has "accessible public and private spaces".

According to senior staff of the State Planning Department and the Chairman of the WA Planning Commission (WAPC), the City of Perth has not taken a leadership role in the vision for the City. As such, it has missed opportunities for the planning of the city. Perceptions are that the City does not "have skin in the game" and as a consequence, Perth lacks an integrated vision.

Currently, the only real interface that the WAPC has with the City is the Central Perth Planning Committee. WAPC has sought to have a MoU between it and the City on its local planning strategy, but this has not borne fruit.

City officers do respond to stakeholders but across the business units there is inconsistency. For instance, in property, there is limited and infrequent engagement; in heritage, there is good engagement. However, overall processes are done well by officers who are "getting on with the work". Yet there is no underlying strategy and as a result there is a level of anxiety by stakeholders wondering when the City of Perth will function properly again. One comment was: "it's as if they have accepted that they have been sidelined".

The Department and Planning Commission believe that this period of disruption is the ideal time to scrutinise existing processes and aim for transparency in the City’s planning vision and decisions to instil confidence in stakeholders.

Metropolitan Redevelopment Authority

The MRA also strongly believes there is no strategic vision by the City of Perth that anchors objectives with strategies for the greater good.

In fact, the only thing the City of Perth and the MRA seem to agree upon is that the relationship between the two organisations is “terrible”.

The MRA said that it deals with five local government entities. The relationship with four of the five is positive, while the relationship with the City is poor and has been inconsistent over the years.

In its work, the MRA is conscious of both community objectives and that what it leaves behind local government has to run.

“We try to keep focused on the end point but even when we sometimes think we have alignment with the City, it loses sight of the objective,” commented a senior MRA staff member.

An example where engagement between the MRA and a local government authority has worked well is the Scarborough foreshore development with the City of Stirling where a steering committee was formed and the precinct was handed over in a phased way.

Another high benchmark for collaboration in major projects appears to be the development of a new high school in the City of Subiaco on Kitchener Park. The City of Subiaco has set up a Precinct Liaison Committee for the project with the Subiaco Mayor and CEO and the Departments of Sport and Recreation, Planning and Education. It has become an information-sharing portal with sub-groups such as transport. The result is a governance framework which formalises the engagement. It informs everyone but does not preclude separate, more informal relationships and it allows a genuine relationship that is both interpersonal but also entity to entity.

Projects with the City that have the MRA leading include the Perth City Link; New Northbridge; Claisebrook; Riverside project; Yagan Square; Elizabeth Quay and the Cultural Centre.

According to the MRA, not many projects have worked in terms of relationship between the two organisations. An exception was the CCTV/safety issue addressed in the Cultural Centre where cross-coordination of that work was effective, but more because “it was a necessity”.

Public Transport Authority

Public transport is a critical service for any capital city. The City of Perth Act relates directly to the City’s responsibility to be “continuously improving the services and facilities that the City of Perth provides to the community and to local, interstate and international visitors”.

The City's Strategic Community Plan states that its goal is to be a city where there is "the ability to move freely and easily... in a safe and efficient manner" thereby creating "a strong sense of place that can be enjoyed by all."

Unfortunately, the City of Perth has a poor relationship with the Public Transport Authority. The PTA sees the City as myopic in respect to parking and public transport. Ongoing conflict between the City of Perth Manager responsible for engaging with the PTA has led the PTA Managing Director to lodge a complaint with the City's former CEO.

The perception is that because the City's revenue from parking is a third of its budget, it runs the parking strategy as a commercial enterprise without consideration of public transport needs.

This short term opportunism is seen as limiting city revitalisation and therefore impacting on the city's economic growth.

As one external stakeholder observed that "the City of Perth is concerned about the tobacconist on the corner and has no macro-view. This is preventing the city from reaching its full potential."

At the operational level, the PTA's bus contractors which deliver national and international contracts, find the City of Perth difficult to deal with. The PTA itself says its relationship with the City is the "worst of any local government."

Both the PTA and the Committee for Perth cite examples where Councillors failed to understand the importance of public transport to a city and their responsibility to consider public transport beyond the City's boundaries.

The most telling example communicated by the CEO of the Committee for Perth relates to light rail and the City's concern that it would ruin the look of Hay Street mall. Light Rail became a political campaign based purely on aesthetics, not on community was the comment. It ignored PTA reports and even when information came to light, Councillors ignored that.

The perception of external stakeholders is that the City stopped a project that would have benefited the whole state.

The PTA has an informative DVD with evidence-based research on the fact the public "want public transport," but when the PTA invited Councillors to view the DVD, they refused to see it.

Findings

Major infrastructure projects are changing the face of Perth, but the City of Perth does not have an integrated vision that leverages Perth's uniqueness despite, it being articulated in the Strategic Community Plan.

The City is not attuned to the fact that big issues are defining the City. For example: retailing is changing; the need for activation of the exciting new spaces around the city; the use of City-owned infrastructure such as the Concert Hall.

The City needs to recognise the leadership role of being a capital city, but temper it with the understanding that credibility and respect are earned not imposed.

The City seems to have ceded any real involvement in the overall planning vision of the city including public transport planning.

The City of Perth has a poor relationship with both the MRA and the PTA with engagement being either non-existent or 'toxic'.

Some areas of planning or approvals get into the detail of saying “no” instead of having positive dialogue with stakeholders.
The City does not understand that it has a role for the region which requires across-boundary co-operation.
The City needs to take control of Elizabeth Quay and other spaces in terms of activation.
Governance for important State government relationships is poor. MRA has an MoU with the City, but no-one in the City appears to know it.
In the case of Elizabeth Quay, it is not clear what the City of Perth budgeted for operating costs before the rates revenue from the hotels and apartments come on line, though this could explain its reluctance to take the handover.
When considering public transport, the City of Perth is myopic and its decision making and vision do not extend beyond its boundaries.
There are several examples where the City of Perth has not made a decision on transport matters in a timely fashion including Jewel Lane in East Perth (two and half years); the closing of Moore Street crossing near Royal Perth Hospital (three years); and in the past, a second exit into Roe Street for the Perth Bus Station.
The City feels like it is competing with the MRA and does not work in partnership.
There have been such significant breakdowns in communications and engagement between the City and the State Government, to the extent that the Committee for Perth was asked by Government “how to speak to the City of Perth”. The outcome of this frustration was the Perth City Summit.
For large developments there is no one unit within the City operations where developers can establish a working relationship with a suitable staff member who is briefed to be the internal advocate for the project. Such a role would provide continuity for the developer and act to solve project problems in a timely manner.

RECOMMENDATIONS
1. Establish a high level governance framework with major projects which will transcend political cycles and also reduce the risk of relying solely on personal relationships. (A major project cannot rely on personal relationships – a formal one is more enduring).
2. In the case of the MRA and City relationship, there should be an MoU which signals intent and an engagement process that works for both parties.
3. There should also be a formal MoU between the City and the WAPC to ensure there is a more integrated vision for planning in the capital city and which guarantees engagement between State and local government.
4. The City of Perth will gain from being a more active participant of central committees and working groups, such as Central Perth Planning Committee, MRA and the Public Transport Working Group (participation). This should be part of the relevant Director’s KPI to ensure accountability.
5. The consultants have identified the repair of the City’s relationship with the PTA as a priority.
6. The City of Perth’s attitude to public transport and the need for it to have a macro view should be tested.
7. The City of Perth should develop an overarching activation plan which in turn plans activations for major projects as these are completed. A plan could span two years, have an appropriate budget and have outcomes that align with the intent of the City of Perth Act and the City’s Strategic Community Plan.
8. An overall stakeholder engagement strategy is required that is specifically tailored to the City’s relationship with State Government agencies. This must then be imbedded into the

culture with the Directors taking the lead and performance being reflected in Director's KPIs.
9. Scrutinise existing City's planning processes and identify actions to give transparency to planning vision and decisions to instil greater confidence in stakeholders.
10. The City's CEO and that of the MRA should engage regularly and the MRA/Landcorp Chair and CEO should brief Council periodically.
11. The Commissioners review and establish the most effective way for the City to work in partnership with major development projects throughout the term of the development and that timely responses measured and tracked throughout the project.

Tourism

Perth is recognised as the most remote capital on the globe and it is certainly the furthest from any other Australian capital. These geographical facts alone should be a compelling reason for the City to have a highly developed tourism strategy that is the base of strong relationships with local national and international partners. The City has helped secure new hotels, but there are still shortfalls in relationships that drive this sector.

One of its stated goals in the City's Strategic Community Plan is to develop a city "that is recognised internationally and locally as a leader in the Indian Ocean Rim for diversity and excellence in business, tourism, education, technology and trade."

It is therefore critical that the City engage well with tourism bodies, notably Tourism WA, and membership stakeholder bodies such as the Australian Hotels Association. As part of this project, the consultants interviewed senior staff at TWA and the AHA.

Recent sector appointments have resulted in a new TWA Managing Director and a CEO (who is also Director-General of the Department of Jobs, Tourism, Science and Innovation), as well as a new CEO and Chairman of Destination Perth. These appointments mean the tourism agency landscape has changed, creating opportunity for the City.

All external tourism stakeholders see the City's role as promoting and developing a world class destination, one that is vibrant, diverse and attractive for tourists and visitors.

However, aside from some positive engagement in the past on hotel development and bonus ratios, overall tourism industry sector stakeholders describe their engagement with the City of Perth as "ad hoc and superficial".

In the case of the AHA, it claims the only "regular communications" has been limited to City newsletters. It notes that even advice on important policy changes or reviews that impact on their members has been ad hoc or discovered as the result of an AHA query.

In terms of destination development, engagement with the City's Planning directorate on the development of hotels several years ago was good. An example was the Westin (2011 – 2015) when senior TWA staff were meeting with the City's Martin Mileham on a regular basis. At the time, the City showed flexibility with the plot-ratio bonus and gave incentives. This was considered a significant benefit to the tourism sector because at the time the biggest barrier was lack of hotels.

However, in recent years, engagement between the City and TWA in terms of destination development has been viewed as "hit and miss" and taking a long time. The AHA and the Property Council note that plot ratio incentives were due for review, but there has been little or no engagement on this matter by the City.

The AHA gave the example of the long-standing review of the Northbridge Noise Management Act. While this is State government legislation, it is city-led but the AHA says it has not had any consultation on the matter since 2017. TWA has been talking to the City of Perth for five years on the topic. In one case, the officer with carriage of the noise management review for a decade left the City, but the AHA only found out eight months after she had left.

Noise Management Legislation is a critical factor in planning a vibrant place for inner city residents. It will be of particular relevance to Elizabeth Quay as the apartment buildings and hotels are completed.

Further examples were raised with the consultants on policy reviews such as outdoor dining where the AHA noted a lack of clarity of the recommendations. A food truck trial was scheduled to run for 12 months, but council said a review wasn't necessary and it would adopt a policy without the trial. AHA members found that the City of Perth website had no links to the Engage Perth website which, the AHA claims is "designed to give an impression of engagement".

Both TWA and AHA senior staff made the comment that each was aware of a new "engagement team" established 18 months ago, but neither group have met the Manager of the team.

Findings

Despite clear goals in the City's Strategic Community Plan, it has not taken a leadership role to make Perth a vibrant city.
The City of Perth Executive is seen as dysfunctional with the structural changes made some time ago (the SPU) having minimal impact on the City's performance in engagement with tourism stakeholders.
The City of Perth needs to be an enabler for the visitor experience. However, it has taken a middle space on this - not a leadership role.
Perth is not a 24-hour/seven day destination. The City must identify opportunities to make the city hum – whether identifying precincts such as the Cultural Centre or working with stakeholders to create activities such as night markets.
There needs to be better promotion and subscription services to update industry, either on the website or through direct engagement.
Key stakeholders in the tourism sector have requested a forum where they can meet the Commissioners, to discuss policy issues or ask questions.

RECOMMENDATIONS

1. That the City of Perth takes the lead on tourism in the city. It could create a working group encompassing TWA, AHA, the Tourism Council, Destination Perth, Perth Convention Bureau and other relevant tourism industry stakeholders to provide an ongoing forum for engagement aimed at raising policy issues as well as proactively identifying opportunities and enablers for the visitor experience in Perth.
Note: the Destination Marketing Strategy included in the Economic Development recommendations should be developed with these stakeholders.
2. Establish a regular forum for the Commissioners to speak directly to tourism industry stakeholders.
3. Ensure the website is up to date and contains relevant tourism industry information that industry leaders in the sector can access and disseminate.
4. Information should be promulgated in a timely way either by direct email or newsletter and every opportunity is taken to promote the [Visit Perth](#) website. The website should be

content-rich and ensure there are clear links between the newly developed City website and other relevant tourism links such as westernaustralia.com and experienceperth.com.

Brand Perth

A Perth Brand is an opportunity that has been repeatedly raised by stakeholders with the consultants in their interviews.

The City of Perth Act states the City's role is "to maintain and strengthen the local, national and international reputation of the Perth metropolitan area as an innovative, sustainable and vibrant global city that attracts and welcomes everyone."

However, while the call for the development of a "Perth Brand" at State Government level is gaining momentum, the City of Perth has failed to take the lead, to the frustration of its stakeholders and staff. Several stakeholders see that the City has "never had a vision for its Brand". This is a major drawback in attracting investment, visitors and international students and generally constraining the City's economic development.

Stakeholders with a national outlook are concerned that the reputation of the City has been badly damaged by the controversies around the Lord Mayor and the circumstances surrounding the Council's suspension.

Yet at the same time, there is unprecedented infrastructure coming on line in Perth. Some of these developments such as Yagan Square, Elizabeth Quay, Optus Stadium and the new museum as well as the city's enhanced connectivity, add significantly to the visitor experience and the enjoyment of Perth by people in their city.

This changing face of the city can act as a catalyst for the City of Perth to work with stakeholders to identify the City's unique selling points and develop a compelling and unifying narrative of what Perth means. The result could be a fully integrated Brand and a city whose reputation is well and truly restored.

The Commissioners are in a strong position to empower the City to seize this once-in-a-generation opportunity to take the lead and develop a Perth Brand in line with its Act. With proactive staff and close interface with a wide variety of stakeholders, the City is well positioned to achieve a positive and agreed outcome for the whole State of Western Australia.

Community: Business and Ratepayers

The City of Perth and the Local Government Acts each require engagement with the City's community. The City of Perth Act states as one of its Objects (8.1(b)) "*to represent the community and encourage community participation in decision-making*". The City's formal stakeholder engagement began in 2017 and led to the creation of a Stakeholder Engagement Framework and an Engagement Plan Template. The opportunity contained within these documents has not been fully used in a way that meets the needs of stakeholders. To some degree the documents reflect a 'tick the box' mentality. Stakeholder engagement with the City's communities and businesses is inconsistent, selective and in many cases has led to poor outcomes.

Activate Perth

Activate Perth is a not-for-profit association formed as the result of the recommendations of the Perth Summit convened by John Carey MLA in August, 2017. Its mission is to create a community connection in the City of Perth by “facilitating novel partnerships and projects between business, the community and government”.

Activate Perth is comprised of residents and businesses who want to be actively engaged with the City of Perth at a grassroots level. Activate Perth states that it will “champion the renewal and activation of our city, partner and co-create with the community, City of Perth property owners and businesses, to bring streets and public spaces to life through a series of activations, events and projects, as well as bring life to vacant buildings.”

Activate Perth has sought to fill a vacuum at a community engagement level. It aims “to promote the interests of the local communities by facilitating activation projects and partnerships that make it a more vibrant place to live, work and play”.

It has recently submitted a funding proposal to the City of Perth including neighbourhood and community programs. Its focus in the neighbourhood arena includes managing agreed initiatives across two or more neighbourhoods/precincts.

Activate Perth’s approach was agreed by its board, separately with the City’s previous Director of Economic Development and Activation and John Carey MLA. It was also endorsed by the City, as policy in February 2018.

Activate Perth’s ability to collaborate with stakeholders and act in a collegiate manner with the City is a great opportunity to deliver on its own strategic goals to “build effective partnerships between its community, business and government bodies to create a great place to be”.

Currently, Activate Perth has a good relationship with the City at officer level. The previous Director was an ex-officio member of the Activate Board.

However, like other stakeholders, Activate Perth has found that while there is good intent from one directorate with which they work closely, ultimately the ‘wonderful’ staff are “completely disempowered due to discrete silos”.

The consultants have been told by a number of people that the Perth Festival Giants almost foundered because the City of Perth introduced so much red tape. The City of Perth should be an enabler of vibrancy in the city, not a barrier.

Findings

Activate Perth’s activities offer an opportunity for the City of Perth to build communities.
The City seems to have precinct plans, but no activation plan (as already identified in the section on Infrastructure).
Activate Perth can deliver community activations worth of \$100,000 while above that sum the City of Perth should be undertaking the event. An example is that Activate Perth is currently working with Raine Square corporates and the Department of Planning to deliver activations in the Raine Square space.
Activate Perth is agile while the City of Perth is not.
Red tape can kill innovation and opportunities for vibrancy.

Recommendations

1. Review approval processes and if not already in place, establish KPIs to measure the timeliness of service for permits to be issued.
2. Consider outsourcing community-based activations to Activate Perth and the City to focus on larger events and activations.
3. Adopt a customer focus where the City can enable activations for the benefit of the community.
4. Formulate a neighbourhood development strategy.

Customer Relationship Management

The City has been trialling a Customer Relationship Management solution which should assist in informing the above processes. The project is led by the Director of Community and Commercial Services and has been trialled over six months in the Customer Service Business Unit. A gap analysis was undertaken and part of its scope was for the CRM to remain fit for purpose for the City for the next five years.

An App has been developed to connect with the CRM to make it user-friendly and able to be updated from mobile devices.

Within two weeks of the trial beginning Customer Service staff recognised the great benefit of the data the system was gathering and these staff now receive a large number of internal requests for information that are resolved in seconds rather than hours. The consultants understand that this is now working live for all City staff, with much of the take up by staff yet to be achieved. For Customer Service staff the CRM has delivered major benefits that is driven by the consolidated data it generates for internal and external City customers.

There is potential for the CRM to be important for both Corporate Communications and Stakeholder Engagement as it provides opportunities to segment established relationship hierarchies and cross reference information for high, medium and low level stakeholders. There are associated security measures that differentiate these segments.

Further work to come includes refining the problems the CRM will address for the City and its customers and also how data input can be adopted by staff in a way to support and build strong internal culture across the Directorates. Experience in other workplaces provide evidence that this can be achieved if properly instigated.

Homelessness

Capital cities the world over are challenged by homeless residents. The Property Council believes that the City of Perth should take the lead on homelessness. One City Director believes the State Government should be leading this space and the City playing its part.

The City's staff say they are focusing on homelessness and are working hard to maintain relationships with the homeless sector including hosting forums with service providers.

There is a Homelessness Framework Committee with 40 organisation members and three working groups.

However, staff do not fully understand what the City's role should be. The City has other local governments seeking information on how they can deal with this issue.

There is an opportunity for the City of Perth to take the lead and be a player with the already active service organisations and the State Government. The City should be clear on where in its structure, the ownership sits for addressing this important stakeholder matter.

Perth's Wudjuk People

The City has had a difficult start with the Reconciliation Action Plan, but has appeared to have worked to rebuild relationships with the Wadjuk working party and other Aboriginal groups. A number of workshops were held and the then CEO met with community elders. The RAP was launched in April 2018.

An external reference group with *Bridiyas* (bosses) and a terms of reference for the group that was drawn up in consultation with the *Bridiyas* will be established for future work.

Other local governments are now asking the City how to do it. This is commendable.

All Community Service team members have undertaken cultural awareness training, which is mandatory for this staff cohort.

The Community Service team has worked with WALGA to develop local government protocols for consultation including developing a toolkit.

The Community Services team has developed a social strategy which identified needs such as youth and senior sectors however, prioritisation is difficult. Community leadership level is not decisive. The leaders endorse the priorities, then change their minds, then shift again.

Community Services' work is integrated across the organisation and this team is assisting other business units in engagement with this community.

Note: The City's broader relationship with Aboriginal people appears to be confused. One stakeholder noted that the City does not fly the Aboriginal flag at Council House, even on Sorry Day. Issues like sit-ins at Heirisson Island are treated as law and order problems rather than community issues.

Arts and Culture

A rich and active life in a modern City is driven by the creative industries. This important cultural and economic driver excels when it establishes partnerships. Investment in these activities offers a very high rate of return in financial, social and cultural measures because they attract people from outside as the activities reflect the culture and imagination of a place. The model of collaboration and partnerships, led by the City, can also be adopted by other business and community sectors.

The consultants heard about significant external and internal frustration with the City's lack of clear vision and leadership about what the arts and culture sector offers. As one arts stakeholder noted: "The City does not recognise its value, the opportunities and does not take it seriously." The City does not have to do it all, but it does however need to change how it interacts with and supports arts and culture.

Two of the City's greatest visitor attractors are arts organisations: the Perth Festival and Fringeworld. These two highly professional organisations say they are treated as mendicants by staff. Both have reported attending post-event debriefings where City staff have talked at them, rather than the discussion being a meeting of equals.

The Festival and Fringeworld are just two organisations that say each would greatly welcome the opportunity to collaborate more with City to expand and position mid-year arts events aimed at bringing people into the CBD.

One stakeholder noted that: “If attitudes by City’s staff improved, there is a great likelihood that the City, its residents, visitors and businesses would all gain. And the City’s reputation as proactive and can-do organisation would be so much better.”

Activation through events would see the City gain from additional parking fees, new customers at local businesses and an enlivened and more liveable destination. In the words of one senior State Government officer; “The State Government is investing over \$400m in a new Museum in the cultural centre, surely the City can invest some of the money it earns from parking into the activities that happen nearby.”

Perth has a great diversity of arts and cultural organisations. Perth Festival, Fringeworld, Activate Perth, and small organisations including Awesome Festival, WA Youth Theatre Company, WritingWA, WA Music Association and State Cultural Agencies to name a few.

These organisations and others should be asked for feedback on the City’s draft Cultural Development Framework.

Another beneficial step would be with partnering with leading think tanks that have a deep understanding of the contribution the arts can make including the Committee for Perth and Chamber of Culture and Arts.

Findings

The specialist knowledge, networks, skills and experience of arts and cultural organisations will add great value to the City’s arts and activation offerings across the year. It will also add to the vibrancy of the city.

There appears to be little engagement by the City’s Executive with the Department of Local Government Sports Cultural Industries or arts and culture organisations. As a result there are many missed opportunities in the arts and culture space.

The City’s current arts and activation staff work across many internal business units to secure services and approvals. Internal and external customers have described dealing with approvals and compliance business units was like “hostage negotiation”.

Recommendations

1. Executive members engage more fully with arts organisations within the City and appropriate State Government Departments.
2. The City needs to take a greater leadership role in arts and culture as well recognising the value of its own arts and culture business function within the organisation.
3. Assess the feasibility utilising the skills and experience of arts organisations to a greater degree for City events.

APPENDIX

CASE STUDIES

Forrest Place Redevelopment

Currently there is a large redevelopment of the City's prime retail district adjacent to Forrest Place by Investment Superannuation Property Trust (ISPT). When asked about the stakeholder engagement process the ISPT representative stated that: "it had been the most frustrating process of my career. The process had been beset with City officers who could not make a decision, staff didn't have the information required to inform questions being asked by us. It's been an exercise in frustration."

"The revolving door of City staff resignations meant that Arts and Heritage Coordinators did not feel confident that they could make any decisions that were permanent. So all decisions were delegated to officer level and these officers insisted on a Development Application for each item of place making around the development, rather than a combined DA. Absolutely no common sense was used."

One of the City's existing leases with commercial tenants has cost the project over \$500,000 in legal fees for Supreme Court appearances because the City's approval of the DA for the development did not take into account lease terms the City had with existing cafes. This has meant that the developers cannot open a prime food retail outlet until 2021/22. The future income loss and the cost of legal fees will be enormous.

"The \$100m project was held up because the City's arborist would not allow a tree to be trimmed."

"If this project did not have deep pockets, it would have failed some time ago."

Matagarup Bridge and Carpark Jazz

An activated (augmented reality) art walk in East Perth was created to complement the opening of the Matagarup Bridge and the connection of East Perth to Optus Stadium. There were 12,000 people using the bridge for major events so the PTA and Activate Perth thought it would benefit business and ensure dispersal of the crowds if there was a walking trail established. The City of Perth had not responded to requests about being involved, so PTA and Activate Perth went ahead. The consultants were told that after two meetings between the parties, City officers "looking grumpy" and said the City had already installed red and black posts as trail markers.

However, both Activate Perth and the City's officer wanted to do something innovative but despite the enthusiasm of the City's Wayfinding Manager, the then CEO and relevant Director decided against further involvement by the City of Perth. As a result the Department of Transport reallocated the project money they had originally earmarked for the City to Activate Perth to get the project done.

There were 17 art locations and the City required a Development Application for each site. It took six weeks of full-time work for a volunteer to get the approvals. The city said it wanted original titles for each location so the same volunteer paid for them herself.

Along the route she had to deal with the City; WA Planning Commission; MRA; Swan River Trust, Heritage; and put in place a MoU with the West Australian Cricket Association. The City could have facilitated this but instead made it as difficult as possible to deliver an innovative activation. When the artwork walk got up, the City took the positive step and videoed it and put on social media and its website.

Consistent feedback is that there seems to be culture of “no” by City of Perth staff, so stakeholders seeking permits for small activations just won’t bother as it is too hard (and expensive).

This sort of perception among stakeholders ultimately creates risk of them bypassing the City of Perth processes. An example was “Carpark Jazz” with the WA Youth Jazz orchestra which wanted to try acoustics in unusual places. Activate Perth saw it as an opportunity to “surprise and delight” the East Perth community by utilizing the Regal Place carpark. The East Perth neighbourhood group applied for a City grant of \$2,500 as a stipend for the orchestra, and the use of the carpark.

The event organisers went to Approvals (Directorate of Community Services) for a permit. After waiting three and a half weeks, the City requested \$2,000 for use of the carpark (not used on Sundays) which represented 80% of the \$2,500 the City had given the event as a grant.

After three days filling in the paperwork for the permit and answering questions, the relevant Director wanted Activate Perth to cancel the event. The organisation had to escalate it to the CEO and finally approvals were given at 3pm, two hours before the event was due to start.

The Avenue, Nedlands

Soon after changes to the City’s western boundaries were legislated by the State Government, the City’s Transport Business Unit surveyed the Nedlands/Crawley area that had been added to the City. In a proactive move, staff identified The Avenue, Nedlands as an unsafe area used as a “rat-run” by drivers taking a shortcut to Stirling Highway. The Transport Unit scoped out a study project and contracted a well-regarded external engineering and traffic specialist consultancy to examine safety options and to undertake stakeholder engagement.

The City’s preferred solution and the one most liked by local residents, was to block off a section of The Avenue. Unfortunately this option was announced by the contractor as a *fait accompli* rather than a proposal ‘in consideration’. The announcement was slammed by the local media. Nedlands City criticised Perth City, other stakeholders spoke strongly against the proposal and the Transport Unit beat a tactical retreat.

Upon investigation, City staff discovered that while the contractor had undertaken stakeholder engagement, it had only engaged with the residents of houses along The Avenue and not a wider group including the local member Bill Marmion MLA, the University of WA, other local government, the sailing clubs in the area or local businesses. No-one in the City’s Transport team had checked the proposed engagement plan of the external contractor. The contractor’s failings ultimately damaged the City’s reputation.

Stakeholder engagement was undertaken, but not to the extent that the project required. What began as a proactive initiative by the City of Perth had turned into an own-goal.

Early in 2018 a new process of consultation was started to address the safety issue. This time the City used the City's Engagement Plan Template. This document provided a thorough overview of stakeholders beyond the immediate area and as far away as the QEII Medical Centre.

The scope expanded to include cycling links to local destinations, improved walking access, upgraded signage and the potential to increase street parking.

The Engagement Plan was created by Transport staff and supported by the City's Stakeholder Engagement Officer. It was well structured, identified diverse stakeholders and offered the best opportunity to achieve the safety improvements sought. The Engagement Plan noted "the consultation would work towards repairing the relationship with various stakeholders." In the instance of this second consultation, the options considered by stakeholders did not include closing The Avenue.

This project has now moved from concept to detailed design. A local group of residents who meet regularly have provided feedback on these designs including input on elements of creating car bays between street trees.

Before the results of the consultation were made public, Perth City staff wrote to and held a telephone conversation with the Director of Technical Services of The City of Nedlands as a briefing on the outcome of the consultation process. There was much surprise when just three days later the contents of that briefing appeared in the local press as a letter to the editor from a Nedlands Councillor. The community however was silent. Clearly their expectations had been met by the proposed changes.

What is yet to be completed in stakeholder engagement is a close-the-loop process on the project so that stakeholders understand when changes will be made, any information related to construction and a predicted project completion date.

Given the degree of interest by local stakeholders the Project Owner may wish to consider some statistics of the project including amount/weight/length of materials used, work hours to complete the project and other facts that may be of interest to those close to the project. A full project evaluation is also yet to be undertaken. This will be done once all construction and engagement activity is completed. A road safety audit will also be undertaken 6-8 weeks after the completion to ensure that the original safety issue has been properly addressed.

Elizabeth Quay

The MRA says that in the Elizabeth Quay project it has been "excruciatingly painful" getting the City on board for a formal handover. The City's view, however, is that the MRA "does not want to follow due process, just hand it over".

Both parties agree that the City of Perth has had limited involvement with Elizabeth Quay with the City noting that the Executive group has not seen or heard from Elizabeth Quay for "12 to 18 months".

A comment from one MRA source is that in 11 years, they can't think of one decision Council has made to help progress Barrack Square or Elizabeth Quay. According to the MRA, it should have been an easy one for the City to engage with, but "we are not there yet". The counter comment from the City is that the MRA is "still not clear" on who is responsible for activation

at Elizabeth Quay (which would explain why the space is attracting criticism in the media as being “dead”).

The State Government created the MRA as a vehicle to re-generate urban spaces and then hand it over. In the case of Elizabeth Quay, no MoU or steering committee was set up, so in the end, the MRA appears to have taken the attitude of “let’s just get on with it” and City became irrelevant. MRA did try to form a steering committee with the City at the outset of the project “but it didn’t work”.

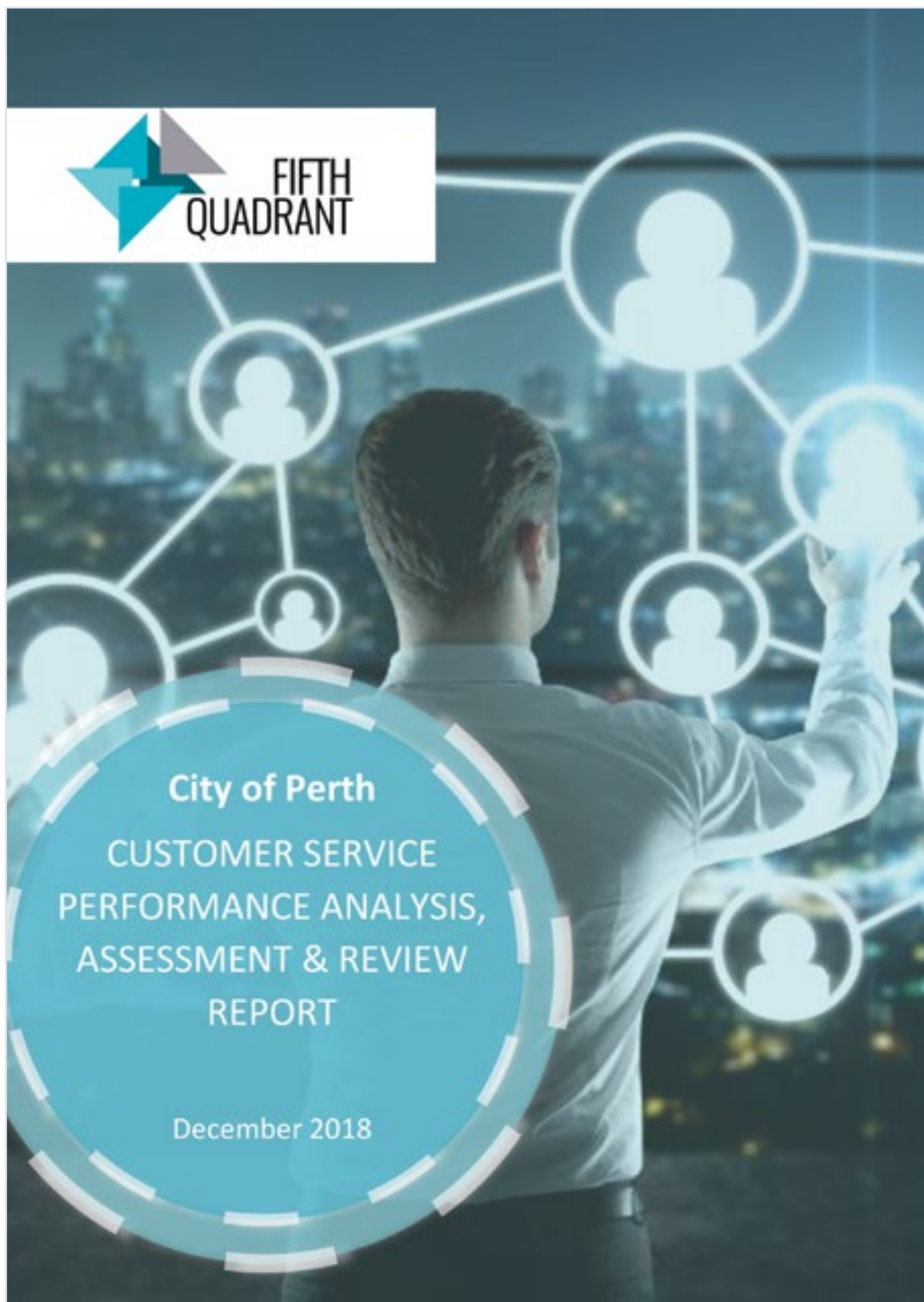
The City said that when the project was started, the City appointed an engineer to work with the MRA on creating specifications, but the City eventually removed the officer because it was not productive. What resulted were unfavourable outcomes that could have been avoided if there was a better relationship between the two organisations. One example cited is the MRA’s use of a granite covering for the paving that the City had used in St Georges Terrace and found it cracked in a short length of time.

Methodology

The consultants undertook desk top research reading widely on City documents, including the Strategic Community Plan, City of Perth Act, Frameworks, Templates Business Unit Engagement Plans, Program Evaluations and the City’s websites. Interviews were undertaken with the external stakeholders identified by the Commissioners as well as over 20 City staff from the A/CEO to Officers who were undertaking work relevant to the project brief.

As the report was in development call backs were made to clarify points raised during the interviews.

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Executive Summary

The City of Perth Council engaged Fifth Quadrant, an independent Customer Experience Consulting and Research organisation to conduct an independent review of the City's corporate performance in the area of customer service.

The objective of the project was to provide an independent review of the City's Customer Service functions and the effectiveness within the culture of the organisation, having regard to the following:

1. Customer service standards, charters and other relevant policies and procedures
2. Customer request management (CRM) processes, monitoring and reporting systems
3. Interconnectedness between customer service standards and CRM monitoring and reporting systems;
4. Engagement and commitment of the Executive Leadership Group in leading the City's service performance
5. Engagement and commitment of the Management Group in guiding, directing and reinforcing the City's service performance
6. How staff members generally rate their own internal and external customer service effort
7. Where service sits in the hierarchy of organisational culture in the opinion of staff members
8. How genuinely and effectively is "commitment to excellent service" embedded in the cultural fabric of the City

The key stages of the methodology utilised to conduct the review were:

1. Project Initiation
2. Document and Data Review
3. Stakeholder Interviews
4. On-site Observations
5. Performance Benchmarking
6. Cultural Health Check Survey
7. Customer Service Performance Analysis, Assessment & Review Report

Current State Assessment Key Findings

An independent and evidence-based current state assessment and analysis of City of Perth's current customer service operations including performance benchmarking was conducted as part of this program of work in the areas of Strategy, Multi-Channel, People, Workforce Optimisation, Technology, Operational Efficiency & Effectiveness and Customer Experience. A summary of the key findings are provided below:

Areas of Good Performance

1. Defined organisational strategy includes customer centric goals and KPIs
2. Good practice defined customer charters
3. Defined customer service strategy and implementation plan
4. Good range of customer interaction channels available
5. Greater proportion of enquiries handled via self-service than benchmark
6. Professionally presented front counter environment
7. e-portal provides good self-service functionality and allows tracking of progress
8. Business case for web chat developed
9. Mobile application mock up developed
10. Higher than benchmark probationary success
11. Lower than benchmark sick leave
12. Higher than benchmark on-going training days
13. Good range of staff benefits offered
14. Defined reward and recognition program
15. All CSOs trained to handle phone and digital interactions
16. Lower than benchmark number of desktop applications
17. Greater than benchmark channel response targets
18. Greater than benchmark phone response performance
19. Good practice QA monitoring framework
20. Lower than benchmark proportion of customer complaints

Areas of Opportunity

16 areas of opportunity to further optimise customer service performance were identified during the current state assessment as follows:

1. Lower than benchmark assignment of budget to technology
2. Greater proportion of enquiries handled via email than benchmark
3. Lower than benchmark proportion of outbound contacts
4. Variable number of direct reports to each Team Leader
5. Higher than benchmark staff turnover
6. Higher than benchmark speed to competency
7. Lower than benchmark use of e-learning
8. Long term forecasts not in place
9. Staffing based on budget rather than required FTE
10. Email not currently included in forecasts
11. Forecast accuracy not tracked
12. No formal real time management plan
13. CSO's targeted on call answering KPI
14. Lower than benchmark number of contacts monitored for QA
15. Less than benchmark frequency for customer measurement program
16. Lower than benchmark customer feedback response rate

City of Perth's current performance was benchmarked against contact centres of a similar size, the government sector and the wider contact centre sector. The summary findings of the performance benchmarking results for City of Perth are provided below:

	City of Perth
Number of areas at or above benchmarks	14
Number of areas below benchmarks	10

Cultural Health Check Survey Insights

A short culture health check survey was designed to allow City of Perth staff to confidentially provide feedback with regard to the current organisational culture. The survey was available online and in hard copy for employees to complete.

The survey included statements that participants could agree or disagree with as follows:

1. Strongly Agree
2. Agree
3. Neither Agree Nor Disagree
4. Disagree
5. Strongly Disagree

A total of 139 council employees completed the culture health check survey during November 2018. This is approximately 20% of total City of Perth employees.

The most positive results were provided for:

- 'My role includes customer service' (93% agreed or strongly agreed)
- 'I feel proud to provide customer service to the community (90% agreed or strongly agreed)
- 'I know the City's email and contact phone number' (73% agreed or strongly agreed)

The least positive results were provided for:

- 'There is communication at team meetings around customer service performance' (38% disagreed or strongly disagreed). The Economic Development and Activation Unit and Corporate Services Unit had the highest rate of disagreement towards communication of customer service performance with 50% and 48% of the respondents indicating they disagreed or strongly disagreed.
- 'Council employees are encouraged to participate in Customer Service Training' (36% disagreed or strongly disagreed). The Economic Development and Activation Unit had the highest proportion of respondents that stated they were not encouraged to participate in customer service training with 58% indicating they disagreed or strongly disagreed.
- 'I am aware of the Internal and External Customer Charters' (35% disagreed or strongly disagreed). The Economic Development and Activation Unit had the least awareness with 84% indicating they disagreed or strongly disagreed.

Stakeholder Interview Quantitative Insights

Representatives from the Management and Executive Leadership Group were interviewed as part of this review to determine engagement and commitment towards service. A total of 8 stakeholder interviews were conducted. Participants were asked to provide a rating for the following three statements:

1. A commitment to excellent service is embedded in the organisation
2. The Executive team work together to improve the customer experience
3. Customer needs are included in all our decision making

Utilising the same rating scale as the cultural health check survey of 1-5, the results were as follows:

Of the 8 participants, 50% agreed (4) that a commitment to excellent service is embedded across the organisation, 2 neither agreed nor disagreed and the remaining 1 participant strongly disagreed.

3 participants agreed that the city's executive team work together to improve the customer experience whilst an equal number (3) disagreed and the remaining participant neither agreed nor disagreed.

6 participants (75%) either agreed or strongly agreed that customer needs are included in all decision making whilst the remaining 2 participants either disagreed or neither agreed or disagreed.

Performance Analysis & Assessment Summary

The City of Perth Customer Service function has transformed significantly over the previous year with the creation of the Customer Experience Centre to provide a centralised operating model for customer contact. The centralisation of customer contact is still in progress with other areas of Council to be transitioned into the centre over the coming months.

The City of Perth aspires to provide a best in class local government customer experience to allow customers to engage easily with the city via their channel of choice. The transformational journey to achieve this aspiration is in progress with the current customer service offering performing to industry benchmarks and best practice in 14 of the 24 primary measures.

To support City of Perth to continue their journey to achieve a best in class customer experience, it will be critical to focus on and invest in the following areas:

1. Strategy: Alignment of all areas of Council to a common customer experience vision and objectives is required to support customer centric transformation.
2. Technology: To provide a seamless multi-channel experience that will allow greater personalisation a single view of the customer is required across all interaction channels. Investment in an enterprise wide CRM and Knowledge Management System (KMS) are integral

to this objective. An intuitive KMS is a pre-requisite for the implementation of AI/Chatbots in the future which could significantly reduce operating costs.

3. Customer Channels: To ensure customers can interact with Council via their channel of choice and receive a seamless experience, the digital platform needs to be self-service enabled with additional channels implemented to increase channel choice (e.g. Web chat and a Mobile Application).
4. Workforce Planning: To ensure the appropriate number of staff are trained and available to handle customer contact as additional areas are transferred to the Customer Experience Centre, the implementation of workforce planning processes are required to accurately calculate the number of resources required to achieve defined service outcome targets. As new channels are introduced and customer channel preferences continue to change, it is important to ensure a future forecast is developed for all interaction channels.

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SECTION 1. Introduction



1.1 Project Background

Perth, the capital city of Western Australia, has grown rapidly and seen tremendous revitalisation boosted by strong industry sector growth as well as population growth. The City of Perth is a local government area and body, within the Perth metropolitan area. The City covers the Perth city centre and surrounding suburbs.

The City of Perth provide services to more than 27,000 residents as well as the daily influx of over 150,000 workers and visitors into the area playing a vital role in the development of the state's largest and most thriving business hub. The City's urban landscape continues to transform as major development projects, like Elizabeth Quay, Perth City Link and Waterbank, come to completion.

The City of Perth Council engaged Fifth Quadrant as an external consultancy to conduct an independent review of the City's corporate performance in the area of customer service.

As a dedicated customer experience research, design and consulting organisation with deep expertise in performance analysis and review, Fifth Quadrant is very well positioned to support the City of Perth with this critical program of work.

1.2 Project Objectives

The objective of the project is to provide an independent review of the City's Customer Service functions and the effectiveness within the culture of the organisation, having regard to the following:

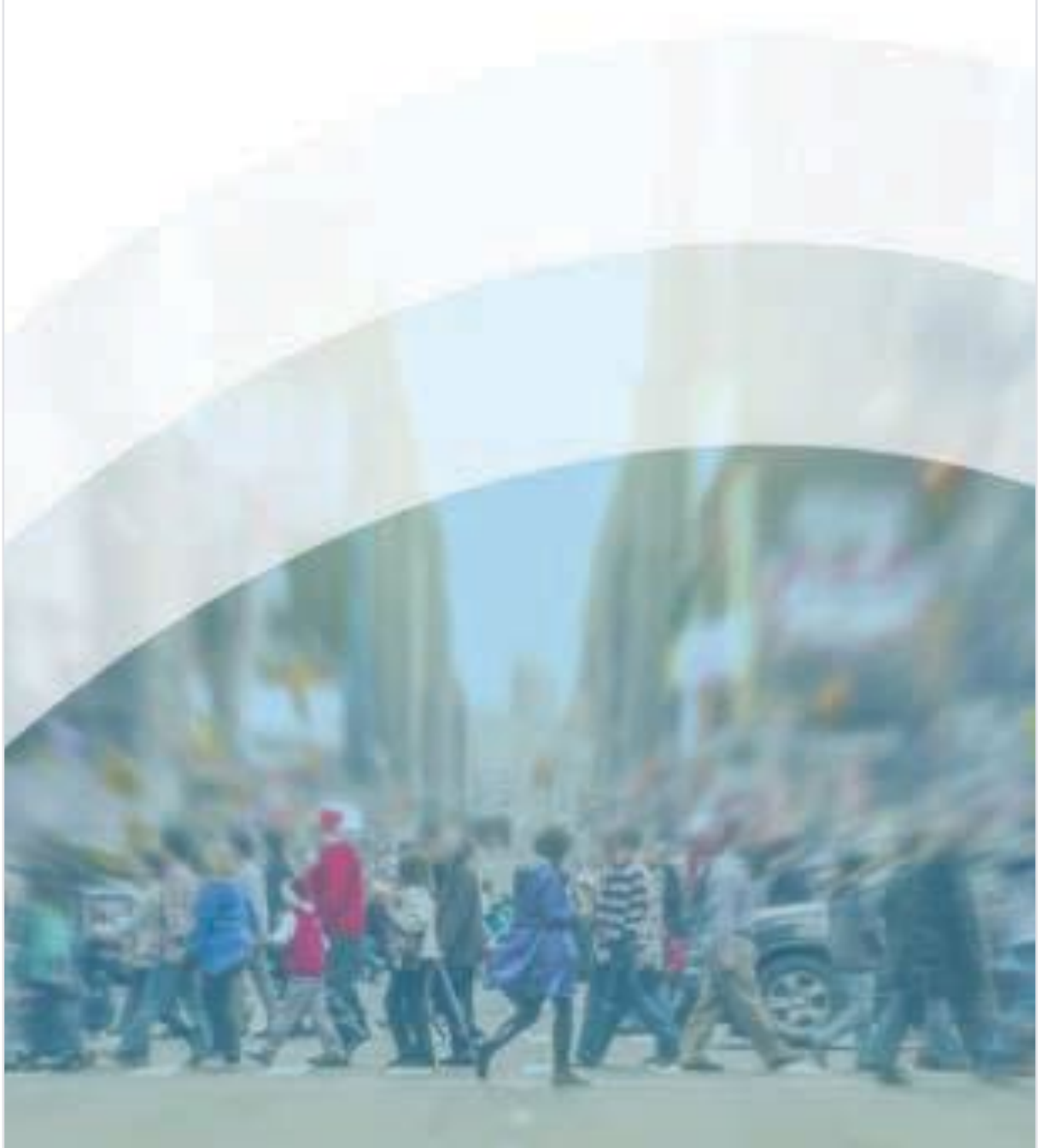
- Customer service standards, charters and other relevant policies and procedures
- Customer request management (CRM) processes, monitoring and reporting systems
- Interconnectedness between customer service standards and CRM monitoring and reporting systems;
- Engagement and commitment of the Executive Leadership Group in leading the City's service performance
- Engagement and commitment of the Management Group in guiding, directing and reinforcing the City's service performance
- How staff members generally rate their own internal and external customer service effort
- Where service sits in the hierarchy of organisational culture in the opinion of staff members
- How genuinely and effectively is "commitment to excellent service" embedded in the cultural fabric of the City

1.3 Structure of this Report

This report is structured as follows:

1. Introduction
2. Current State Customer Service Performance Analysis Assessment
3. Performance Analysis Key Findings
4. Cultural Health Check Survey Results
5. Appendix

SECTION 2. Current State Customer Service Analysis & Assessment



2.1 Introduction

This section of the report provides an independent and evidence-based current state assessment and analysis of City of Perth's current customer service operations including performance benchmarking in the following areas:

- Strategy and Operating Model
- Multi-Channel Capability
- People Capability: Skills, Experience and Capacity & Recruitment, Learning and Development and on-boarding of staff
- Workforce Optimisation
- Technology & Telephony – Multi-Channel, CRM, KMS, WFM, Telephony
- Operational Process efficiency and effectiveness
- Customer Experience Performance

The analysis of findings and summary results of the current state assessment can be found in section 3 of this report.

2.2 Strategy Assessment

This section of the report provides an assessment of the current organisational strategies as context.

2.2.1 Organisational Strategy Assessment

The City developed a strategic community plan 'Shaping our Capital City' during 2017. This is the community's vision for Perth City.

In 2013, the City of Perth undertook extensive consultation to develop the first Strategic Community Plan. The Strategic Community Plan now provides the blueprint for the City to achieve what the community most values in its operations. After three years of the plan being in place, the City undertook early in 2017 to have another meaningful dialogue with the community and stakeholders about the vision for the City.

City of Perth is working towards becoming a leader in Open Government through actively listening and collaborating with its citizens, community and stakeholders in the development of the Strategic Community Plan.

City of Perth has a defined corporate business plan for 2017-2021. The key areas of focus are shown in the figure below:

Figure 1: City of Perth Corporate Plan Areas of Focus



A vision statement is supported by areas of focus that are aligned with goals.

The next figure shows the corporate plan's goals

Figure 2: City of Perth Corporate Plan Goals



The vision goals and values are shown in the figure below

Figure 3: City of Perth Corporate Plan Vision, Goals and Values



The areas of the corporate plan that relate to customer service are shown in the figure below.

Figure 4: City of Perth Corporate Plan Goal 8



The City of Perth's defined organisational strategy is a good practice example of a community focused council business plan that includes specific strategic objectives relating to service delivery. The operational initiatives associated with the key results areas of creating a customer centric organisation and having efficient and effective systems and processes to support performance and growth are defined and include measurement KPIs to track progress and outcomes.

2.2.2 Customer Charter Assessment

Customer charters are usually public documents developed in consultation with employees, stakeholders and customers that set out the standards of customer service customers can expect. A charter should be a strong performance measurement and accountability tool as it focuses on customer outcomes. A customer charter will typically include:

External Factors

- Services offered
- Customer promise
- What you can expect from us
- What we value
- Standards
- What to do if there is a problem

Internal Factors

- Descriptor of Customer Experience culture
- Behaviours
- Service attributes
- Measures

City of Perth developed internal and external customer charters that were launched in 2018 as shown in the figures below.

Figure 5: City of Perth Internal Customer Service Charter



The internal customer charter includes values, commitments to customer service and standards of service for phone and email.

2.2.3 Customer Contact Strategy Assessment

In order to ensure a contact centre is aligned to and supports the overarching organisational strategy, it is essential that a contact centre strategy is defined as part of a wider multi-channel strategy and plan.

Key elements of a contact centre strategy include:

1. Defined commercial and organisational objectives
2. Multi-Channel strategy and plans
3. KPIs aligned to organisational strategy
4. Operating Model and Budget
5. Long term contact volume forecasts and resource requirements
6. Customer Experience goals and objectives
7. Efficiency and Effectiveness goals, objectives and plans
8. Employee Engagement, reward and recognition plans
9. Succession plan & Training and Development strategy
10. Innovation and continuous improvement plans
11. Technology and telephony plan
12. Environment and facilities plan

A Customer Service Strategy was developed by Deloitte in July 2016 for the City of Perth that has been utilised to further develop action plans to guide and optimise service delivery across the City. Key elements of the Customer Service Strategy are provided in the following figures.

Figure 7: City of Perth Customer Service Strategy



Figure 8: City of Perth Customer Service Strategy



Figure 9: City of Perth Customer Service Strategy



The customer service strategy provides a defined approach to the implementation of quick wins through to the achievement of good levels of customer experience maturity over a 2+ year period for the City; however the City acknowledged the strategy didn't consider the current culture and systems in place.

A Customer Service Project Team was established to drive these deliverables based on the current state. The following guiding principles provide direction for the Customer Experience Centre.

Continuous Improvement

Reviewing processes to ensure we stay at the top of our game and customer satisfaction is always our prime focus.

Key Goals

- Provide the highest standard of customer service by consistently reviewing and adapting processes to meet customer needs and expectations

Dedication to Excellence

City of Perth employees are committed to providing the tools and resources to ensure information is up-to-date and customers are given accurate and timely responses.

Key Goals

- Create effective and efficient customer experiences by offering seamless self-service technology solutions
- Utilise tools to build upon inclusive and accessible customer service
- Use data collected from tools and resources to identify further opportunities to improve

Shaping the Future

Proactively engaging and collaborating with units, directorates and people across the organisation to build a strong and vibrant future for the customers of the City.

Key Goals

- Embrace a culture of change across the organisation
- Educate staff to understand and appreciate ‘experience service’ and the objectives behind ‘every interaction is customer service’

Experience Unit Action Plan 2018-2020

The Experience Service Framework aims to outline the ongoing commitment by the City to not only the staff that provide the community with a customer service experience, but with a focus on transforming and adapting to customer’s needs, while at the same time meeting operational requirements. The City aims to shape the experience for customers upon a service culture that works to build foundations of understanding and knowledge.

At the time of this review, the implementation of the customer service strategy has been developed into a business plan for the customer service unit and included a situational analysis (SWOT) to further shape the implementation of the business plan. The implementation is progressing well with many initiatives fully implemented. The following initiatives have been completed or are in progress:

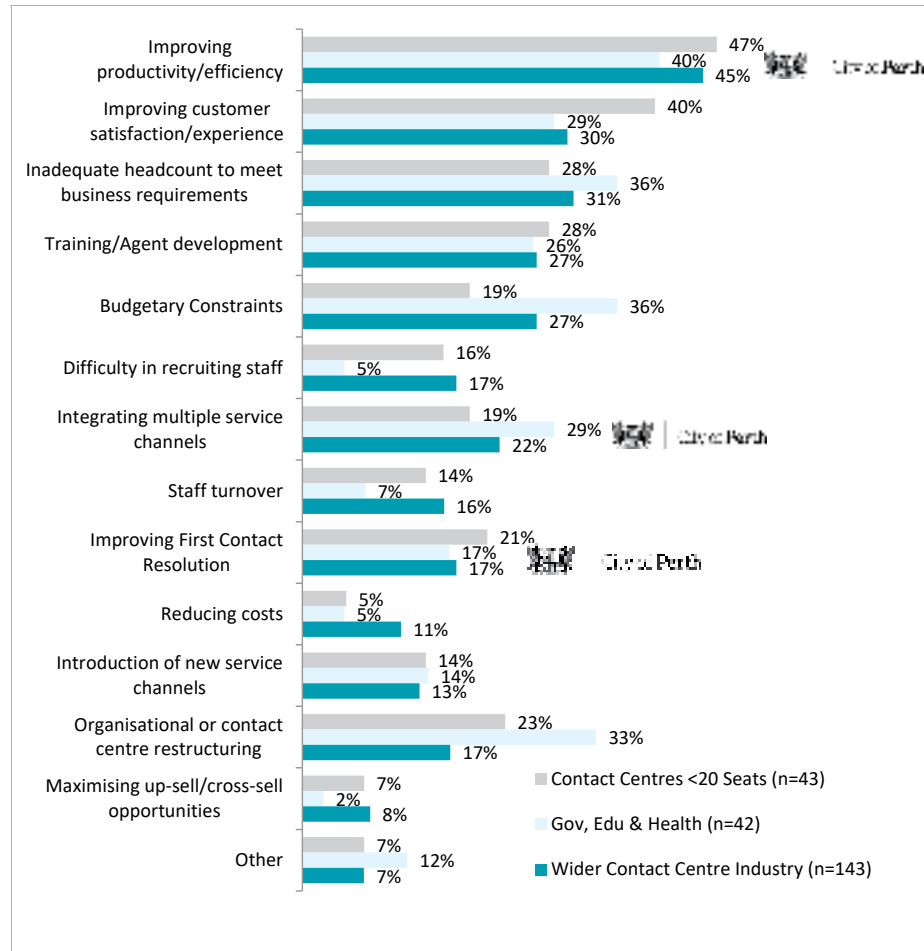
Table 1: Customer Service Unit Business Plan Initiatives Progress

Initiative	Deadline	Status
Recruitment and Induction Current position descriptions modified to identify the new vision and direction for Customer Service in the future Standards of service expectations to be added to the objectives and accountabilities for each officer	June 2018	Complete
External Customer Charter Draft and implement a new External Customer Charter that is built upon the guiding principles outlined on our Experience Service strategy	June 2018	Complete
Internal Customer Charter Draft and implement a new Internal Customer Charter that is built upon the guiding principles outlined on our Experience Service strategy	June 2018	Complete
Culture Program - Experience Service Develop and implement a cultural program that encourages the entire organisation to support a long-term customer service strategy The program will include intranet page devoted to Customer Service, discussion forums, recognition of customer service and e-learning modules related to Experience Service	June 2019	In progress
Customer Service Training Program Develop and implement a new induction program for roll-out to existing and new Customer Service staff across soft and technical skills. Engage staff in online, e-learning modules across disability awareness, customer service behavioural skills and unit processes	June 2019	In progress
Consolidate Phone System Review and map current phone system to determine where improvements can be made to simplify call routing and handling Utilise new licences to route administration duties to quantify workload and workforce requirements	June 2019	In progress ETA February 2019
Customer Satisfaction Survey Building upon the 2017 Customer Satisfaction Survey, the next customer survey will aim to identify and quantify the improvements and success of the Experience Strategy and its action plan	March 2019	In progress RFQ released

2.2.4 Challenges & Objectives

The figure below shows the challenges indicated by research participants in comparison to City of Perth.

Figure 10: Contact Centre Challenges



City of Perth indicated that the biggest challenges for the next financial year are:

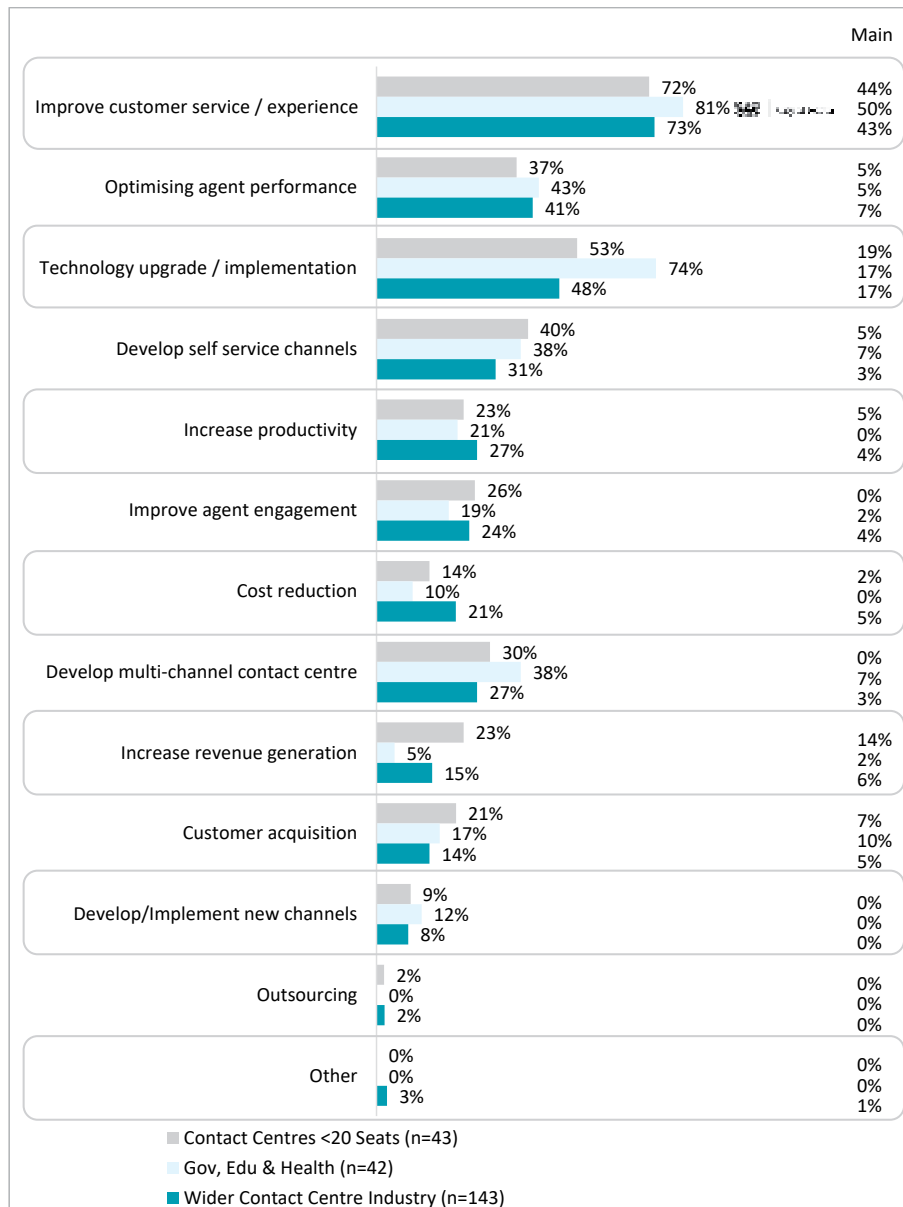
- Improving first contact resolution rates (similar to 17% of the government sector)
- Integrating multiple service channels (similar to 29% of the government sector)
- Improving productivity / efficiency (similar to 40% of the government sector)

The top three challenges for the government sector include:

1. Improving productivity/efficiency (40%)
2. Inadequate headcount to meet business requirements (36%)
3. Budgetary constraints (36%)

The following figure shows the strategic objectives indicated by research participants in comparison to City of Perth.

Figure 11: Strategic Objectives



The primary strategic objective for City of Perth over the coming financial year is to improve the customer experience which is consistent with 72% of centres of a similar size and 81% of the government sector. City of Perth also indicated that other strategic objectives include:

- Improve customer service / experience
- Technology upgrade / implementation
- Develop customer self-service channels
- Increase productivity
- Optimising agent performance
- Improving agent engagement
- Developing a multi-channel contact centre
- Developing/implementing a new channel

The top three strategic objectives for the government sector include:

1. Improve customer service (81%)
2. Technology implementation or upgrade (74%)
3. Optimising agent performance (43%)

2.2.5 Budget Breakdown

The following table below shows the breakdown of contact centre budgets as indicated by research participants in comparison to City of Perth

Table 2: Budget Breakdown

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	23	27	71
Human Resources (incl. salary, benefits, recruitment/training costs)	98%	67%	70%	68%
Technology	<1%	9%	9%	10%
Telecommunications	<1%	9%	11%	10%
Real estate (incl. allocated budget under a lease or rental agreement, or for occupying physical contact centre space)	0%	8%	5%	7%
Other (incl. electricity, stationery, other miscellaneous costs, etc.)	<1%	6%	5%	6%

98% of The City of Perth's customer contact budget is assigned to human resources which is a greater proportion than all other industry sectors. City of Perth assigns much less of their budget to technology (less than 1%) in comparison to the government sector (9%) however this may be attributed elsewhere within the City's budgets.

The following table below shows the anticipated change to budget for the next financial year as indicated by research participants in comparison to City of Perth.

Table 3: Change to Budget next FY

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	16	34	97
Increase (by what percentage ___ %)	1.5%	52% will increase budget by a median of 3%	41% will increase budget by a median of 5%	37% will increase budget by a median of 5%
Remain the same		39%	56%	49%
Decrease (by what percentage ___ %)		10% will decrease budget by a median of 10%	3% will decrease budget by a median of 3%	13% will decrease budget by a median of 10%

The budget for City of Perth’s customer contact is expected to increase by 1.5% over the coming financial year, which is in line with 41% of the government sector, however the expected increase in the government sector is greater at 5%.

Overall, contact centres are most likely to retain the same budget as this year (49%); however 37% of the wider industry is expecting to increase their budgets by 5%. This can be attributed to an improved and ongoing focus on improving customer experience and continued investment in contact centre channels.

2.2.6 Contact Centre Interactions

The table below shows the type of contact centre interactions as indicated by research participants in comparison to City of Perth

Table 4: Type of Contact Centre Interaction

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	43	42	143
Customer Service	76%	83%	90%	80%
Inbound Sales	23%	7%	5%	9%
Outbound Sales / Telemarketing		7%	3%	6%
Other		3%	1%	5%

City of Perth handle a total of 76% of interactions that are customer service related which is lower than the government sector (90%) as a result of a higher proportion of inbound contacts being sales related (23%).

2.3 Multi-Channel Capability Assessment

This section of the report provides an assessment of City of Perth's current multi-channel capability with performance benchmarking to industry, as appropriate to identify opportunities to improve channel capability.

In Australia, over the previous 2-3 years a total of 74% of interactions were handled via phone channels which has slowly started to reduce to 71% this year as a result of an increase in usage of self service and digital channels however the increased usage of non-phone channels is increasing at a slow pace of around 1% per annum. The proportion of contacts handled via phone channels has decreased at a slower rate than expected in recent years (3% decrease since 2014), showing an ongoing preference for voice interaction by Australian consumers.

Organisations expect phone interactions to decrease by around 9% over the next 12 months with a corresponding increase to web chat, social media and self-service channels. This would theoretically result in a slightly lower cost to serve as a result of self-service channels not requiring human interaction, however with the introduction of additional channels, the majority of organisations report an overall increase to contact demand as customers utilise multiple channels rather than change from using the phone channel to an alternate.

Next year, organisations are predicting a greater decrease in phone interaction that would see a reduction to 63% of total interactions. This will be as a result of an increased focus on providing self-service functionality with 53% of organisations offering self-service next year in comparison to 38% currently. In addition, 14% of organisations expect to introduce chat bots in 2018 compared to 2% of organisations this year. Web chat and social media are also expected to increase slightly by 1-2%.

With the most significant proportion of contacts still being managed via phone channels it is critical that organisations balance the investment into lower cost channels such as self-service with continued investment in phone channels to ensure the customer experience is not degraded in contact centre managed channels.

As consumer behaviour continues to evolve and channel preferences change, the resulting channel mix will increase the time per interaction as more simplex enquiries are handled via self-service channels. This is likely to result in a static cost to serve for the next 3+ years as the net difference will be insignificant as handling times and complexity increase.

It is predicted that the phone channel will continue to be the primary contact channel for the next 2-3 years however as further investment is made in self-service channels and across the multi-channel environment, this is expected to reduce at a greater rate within the next 5 years. The most significant impact to costs in the contact centre environment will be driven by an increase in self-service and chat bots in the future.

As interactions transition to lower AHT and self-service channels whilst human interaction channels will increase in complexity and therefore AHT, the resulting changes to overall cost to serve may actually increase over the next 2-3 years as customers continue to engage through multiple channels.

Multi-channel infers offering multiple channels for customers to interact with an organisation. Omni-channel experience is defined as the design of the customer experience through your customer's eyes to provide an integrated, seamless and consistent customer experience across all channels including face to face, mobile, digital and voice. Omni-channel anticipates that customers may start in one channel and move to another as they progress to a resolution or purchase.

It is therefore critical that the transition between channels for customers is easy, doesn't require the repetition of information and has the same look, feel and consistency of information regardless of the channels utilised. With the transition to an Omni-channel environment and customer expectations for immediacy of response, it will be critical for Defence Bank to define their channel transition plans to further enhance the existing digital strategy and to measure and track the results.

The complexity of defining, implementing and measuring the success of channel transition plans includes the following considerations:

1. What are customer's channel preferences per interaction type? Typically, for more complex interactions higher touch human interaction channels are preferred, whereas self-service channels are generally a preference for simplex transactions
2. Will offering additional channels promote greater interaction with customers / potential customers rather than change the channel of interaction? i.e. Overall contact volumes across channel may not immediately decline but customer advocacy may increase
3. How will customer advocacy be impacted if human interaction is reduced?

The 11 major channels that customers can use to interact with an organisation include:

1. Face-to-face
2. Phone
3. Web self-service
4. Social Media
5. Email
6. Other Correspondence (Letter or Fax)
7. Web chat
8. Video chat
9. SMS/Text
10. Mobile Smartphone Application
11. Chatbot

2.3.1 Customer Contact Channel Assessment

The following table shows the percentage of interactions per channel this year as indicated by research participants in comparison to City of Perth.

Table 5: Percentage of Interactions Per Channel

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	42	42	142
Phone (mainly handled by agent after call routing)	48%	66%	73%	64%
Email	29%	20%	12%	16%
Phone (mainly handled by IVR)	10%	4%	2%	6%
Self-Service/online	8%	2%	5%	5%
Web chat/ video chat	0%	1%	2%	2%
Social media	<1%	1%	1%	1%
SMS/ Instant Messaging	<1%	1%	0%	1%
Phone (mainly handled by speech recognition)	0%	0%	0%	1%
Smartphone app	0%	0%	0%	<1%
Chatbot	0%	0%	0%	<1%
Other*	4%	5%	5%	4%

*Includes counter and letter

This year in the government sector a total of 75% of interactions were handled via phone channels, followed by 12% via email with the remaining 13% handled across self-service, web chat, social media and other channels.

City of Perth handles 58% of enquiries via phone which is lower than the government sector and the wider contact centre industry (71%). As result of the lower proportion of phone interactions at City of Perth, more enquiries are handled via email (29%) than the wider industry (16%) and government sector (12%). A focus on reducing the proportion of email enquiries handled by the City would improve operational efficiency as the handling times for email interactions are typically greater than phone interactions. City of Perth also currently handles a greater proportion of enquiries online (8%) than all other industry sectors (5%), demonstrating a greater level of digital maturity.

The following table shows the expected percentage of interactions per channel for next year as indicated by research participants in comparison to City of Perth.

Table 6: Future Percentage of Interactions Per Channel

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	42	41	137
Phone (mainly handled by agent after call routing)	45%	58%	62%	55%
Email	28%	19%	11%	15%
Self-Service/online	11%	6%	10%	9%
Phone (mainly handled by IVR)	9%	4%	4%	7%
Web chat/ video chat	1%	3%	4%	4%
Social media	2%	2%	2%	2%
Smartphone app	<1%	1%	1%	1%
SMS/ Instant Messaging	0%	0%	0%	1%
Phone (mainly handled by speech recognition)	0%	1%	0%	1%
Chatbot	0%	1%	1%	1%
Other*	4%	4%	4%	4%

*Other includes front counter and letters

City of Perth is expecting 54% of interactions to be handled via the phone channel next year which is a 4% reduction from this year (58%) which is less than the expected decline amongst the government sector (9%). City of Perth is expecting to increase self-service by 3% next year which will continue to place City of Perth ahead of industry counterparts in the provision of digital self-service.

City of Perth is expecting to introduce web chat next year and anticipate this channel will handle 1% of customer interactions. This is slightly lower than the government and wider industry contact centre sectors (4%) however as a new channel is introduced, customer usage of web chat is likely to further increase during the following year.

City of Perth expects to slightly increase its level of social media enquiries from less than 1% to 2% next year which is in line with the government and wider industry's expected increase.

City of Perth expects to maintain the proportion of counter and letter enquiries next year at 4% of total interactions.

Overall, the City of Perth's expected change to channel usage next year shows a good balance of self service and human interaction channels available, however as per the comments with regard to the

proportion of enquiries handled this year via email, City of Perth should continue to focus on reducing the proportion of email enquires via the promotion and optimisation of lower cost channels, such as web chat, phone and self-service.

2.3.1.1 Counter Channel Assessment

The City of Perth counter service is located at Council House in the main council building. The serviced hours are 8am to 5pm, Monday to Friday. Two Customer Service Officers are scheduled onto the front counter each day; opening shift from 7.30am - 3.30pm closing shift from 9am-5.30pm. The Customer Service Officers are responsible for face to face enquiries, answering internal calls and actioning emails from the customer service email queue. Customer Service Officers scheduled onto the front counter are also responsible for managing cash including reconciling of float, assistance with on-site events and signing for courier deliveries.

The Customer Service Counter serviced by Customer Service Officers was implemented in July 2018. Prior to this there were two separate services; concierge was responsible for signing in and directing visitors to the Council House and the Customer Service team for dealing with face to face enquiries and taking payments however did not have the technology infrastructure or training to complete several queries at first point of contact.

The following figure shows average monthly counter volume for City of Perth from 2013 to 2017.

Figure 12: Counter Volume Trend 2013-2017

CUSTOMERS	Avg for Year
2013-2014	2012
2014-2015	2140
2015-2016	1973
2016-2017	1996

This high level data suggests that the volume of counter enquiries is declining slightly each year as alternate channels are developed and available to customers to interact via their channel of choice.

The counter environment is presented professionally and is well designed to allow visitors to easily approach the counter to seek guidance and advice.

2.3.1.2 Phone Channel Assessment

The City of Perth advertises a principle telephone number for customers (08) 9461 3333 on the website and collateral with the following operating hours: Monday to Friday, 8:00 am-5:00 pm (local time).

Calls are routed to the dedicated SME Customer Service Officer (CSO) based on the IVR option selected by the caller. If the dedicated CSO is unavailable the call will be routed to the next available member of the Customer Service team.

Outside of the Customer Service team operating hours, an out of hours message is played and includes the following options; press one for parking and ticket information and press two for all other enquiries. Option 1 is directed to the offsite parking customer service team until 7am where this is routed to the Customer Service CPP (team 2) call queue. Option 2 is directed to the security and surveillance business unit.

Additional information regarding the call queues and routing can be found in section 2.5.2 of this report.

The following figure shows average monthly call volume for City of Perth from 2013 to 2017.

Figure 13: Call Volume Trend 2013-2017

CONTACT CENTRE CALLS	Monthly Avg for Year
2013-2014	2340
2014-2015	2489
2015-2016	2834
2016-2017	2915

Call volume has increased each year suggesting that there is an increasing scope and volume of the community that is serviced by the City of Perth customer service team as a result of the establishment of the Customer Experience Centre.

It is good practice to advertise a single telephone number to avoid customers directly contacting other areas of Council and to allow a consolidated view of customer contact demand.

The table below shows inbound versus outbound interactions as indicated by research participants in comparison to City of Perth.

Table 7: Inbound vs. Outbound Interactions

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	43	42	143
Inbound	99%	83%	94%	84%
Outbound	1%	17%	6%	16%

City of Perth handles 99% inbound contact which is slightly higher than the government sector (94%). The government sector is now handling 6% of overall contacts as outbound interaction, whereas City of Perth is handling only 1% of interactions via outbound contact.

2.3.1.3 Email Channel Assessment

The City of Perth advertise an email address info@cityofperth.wa.gov.au on the footer of each webpage as well of the 'Contact us' page of the website.

The inbound emails flow through to an Outlook inbox and are recorded in Microsoft Dynamics CRM. All Customer Service Officers members have access to this inbox. The inbox utilises the tagging functionality to determine allocation of emails to officers. At the commencement of each day, Team Leaders will delegate emails according to volume and capacity. At mid-day Team Leaders will check the CRM to ensure emails are tracking to initial target and will move resources according to email volume.

Microsoft Dynamics CRM has been integrated with Outlook since January 2018. This has enabled personalised auto responses to customers and the recording of all email/surface mail correspondence (including Spam, Dial Before you Dig, Internal Requests) in the CRM preventing emails being deleted or moved to processed without action. Once the Customer Service Unit has access to a full year for data, email will be included into the workforce management processes.

The following figure shows average monthly email volume for City of Perth from 2013 to 2017.

Figure 14: Email Volume Trend 2013-2017

EMAILS	Average
2013-2014	32
2014-2015	22
2015-2016	14
2016 - 2017	45

This high level data would indicate that email volumes to the City have been variable in recent years. Tracking of email volumes prior to January 2018 was manual and required several business units input and therefore may not be accurate.

2.3.1.1 Website/ Self-service Channel Assessment

The City of Perth Customer Service team has identified online self-service as a priority and have included actions in this regard in their Experience Service Action Plan 2018 -2020 recognising the benefits digitalising and automating processes will bring to both the Council and customers.

The City of Perth website can be used by customers to address queries through information provided or via the e-services portal.

Customers can access information on the website using the search function or via the menu matrix. There is also a feedback question to determine usefulness of information on each page at the footer. This feedback is provided to the Corporate Communications team to identify areas of improvement.

Customers can also make requests through the e-service portal which is integrated to the CRM. The following actions can be made via the portal;

- Applications - Road and footpath, events, CCTV.
- Customer Service – Request heritage forms, provide feedback, subscribe or register to newsletters, rate enquiry, bin request, animal registrations, building approvals, business licence renewals, Town Hall bookings, weddings, report city issues and health approvals.
- Licencing – Food vendor, food business approval, health approval.
- General enquiry – Access to advertised applications.
- Payments – Rates, infringements, debtor payments, application payments, pet registration, private property registration.

Customers can also access the progress of requests made on the e-portal. This is a significant feature as it will support a reduction of inbound enquiries through the phone and email channels as customers can self-serve to check progress.

The City of Perth Customer Service Unit have prepared a business case and mock up for a “My City” mobile app to improve customer engagement and increase self-service as shown in the figure below.

Figure 15: Mobile App Mock Up



Less than 1% of the wider industry has implemented a mobile App. City of Perth would therefore be ahead of the industry and especially the government sector if they proceed with the development of a mobile app.

The City of Perth also prepared a business case to recommend the introduction of live chat on the website.

2.3.1.2 Social Media Channel Assessment

Social Media is used as a channel is used by City of Perth for outgoing messages and to reply to incoming contact from customers. The social media options available include Facebook, Instagram, Twitter and Linked In. Corporate Services own all social media channels through Hootsuite and record queries or feedback in the CRM for the Customer Service team to action.

As social media continues to grow it is important to consider the potential increase to customer enquiries via this channel and the processes required to ensure consistency of response across the channel environment.

Organisations that are successful in delivering customer service through social media typically have:

1. An overarching service charter and principles for internet based service delivery
2. Agents with developed Social Media skills
3. Agents with authority to make service based decisions

4. A clear escalation process and supporting business processes
5. CRM information at the desktop
6. Social Media monitoring, analytics and routing software
7. Social Service KPIs and reporting frameworks
8. Workforce planning of the Social Media channel
9. Quality monitoring of the Social Media channel
10. A tested Risk Management strategy

2.4 People Capability Assessment

This section of the report provides an assessment of the people capability of City of Perth's customer service team with performance benchmarking in the following areas:

- Organisational Structure
- Staff Tenure, Turnover and Absence
- Recruitment
- Staff Training
- Staff Wages and Incentives
- Staff Engagement
- Reward and Recognition

2.4.1 Organisational Structure Assessment

The following section provides an assessment of the current City of Perth Customer Service Unit organisational structure.

The following figure shows the current executive level organisational chart.

Figure 16: Organisational Structure



The CEO has five key reporting groups; Corporate Services, Planning and Development, Community and Commercial Services, Construction and Maintenance and Economic Development and Activation. The Director of Community and Commercial Services has seven key reporting groups; Customer Service, Parking Services, Commercial Parking, Library, Community Amenity and Safety, Community Services and Healthy and Activity Approvals. The Manager of Customer Service reports directly into the Director of Community and Commercial Services.

The structure of the Customer Service unit is shown in the figure below:

Figure 17: Customer Service Organisational Structure



The Manager of Customer Service has four direct reports; two Team leaders, a Project and Research Officer and a Contractor for Microsoft Dynamics CRM.

Of the two teams, one has 5 members reporting to a Team Leader and the other team has 10 members reporting to the second Team Leader.

The best practice ratio of Supervisor or Team Leader to frontline team members is 1:12 to allow sufficient time to complete management, coaching, quality assurance, contact centre management and administration tasks to a good practice standard. To allow a more balanced work load between the Team Leaders, City of Perth may want to consider assigning an equal number of direct reports to each Team Leader.

The following table shows the percentage breakdown of contact centre roles as indicated by research participants in comparison to City of Perth.

Table 8: FTE percentage breakdown of Contact Centre Roles

Average number of employees in each category	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	42	42	140
Contact Centre Manager	7%	7%	3%	2%
Team Leaders/Supervisors	14%	9%	9%	8%
Contact Centre Agents	71%	69%	78%	84%
Rostering/Forecasting/Scheduling/Workforce Analysts or Managers		1%	2%	1%
Quality Monitoring/Quality Assurance Analysts/Managers	7%	3%	2%	2%
Trainers		2%	1%	1%
Contact Centre dedicated IT support		0%	1%	0%
Administrative support		4%	1%	1%
Other (specify) e.g. Reporting Analyst, Knowledge Manager, Business Improvement		2%	3%	1%

City of Perth currently assigns 71% of the contact centre workforce to frontline agent roles, which is lower than the government sector (78%) and wider industry (84%), however is aligned to contact centres of a similar size (69%).

City of Perth currently assigns a higher proportion of staff to quality assurance roles (7%) in comparison to similar sized contact centres (3%) and the government sector (2%); however this is one dedicated FTE.

City of Perth has a higher proportion of contact centre Team Leaders in the organisational structure at 14% compared to contact centres of similar size (9%).

City of Perth does not currently have any staff assigned to training or workforce management roles. These activities should be defined and assigned within the position descriptions of the contact centre leadership team to ensure appropriate processes are in place to support the centre.

The next table shows the percentage of home based agents as indicated by research participants in comparison to City of Perth.

Table 9: Home Based Agents

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
	n= 1	42	42	142
Percent of agents home based	1%	12% have Home Based Agents. On average 19% of agents are home based	5% have Home Based Agents. On average 1% of agents are home based	16% have Home Based Agents. On average 8% of agents are home based
Percent of home based agents in next 12 months	1%	21% will have Home Based Agents in 12 months' time. On average 25% of agents will be home based	24% will have Home Based Agents in 12 months' time. On average 8% of agents will be home based	37% will have Home Based Agents in 12 months' time. On average 14% of agents will be home based

City of Perth currently has 1% of the workforce working from home and expects this to remain at the same level next year. 5% of the government sector currently has home based agents which equates to 1% of the workforce and is expecting this to increase to 8% next year.

The contact centre of the future will require frontline team members to have a broader skill set than in previous years with the capability to handle interactions across multiple channels as the usage of non-phone channels is expected to increase over the next 2-5 years. At the same time, organisations will have to deal with new demands from the next generation of workers who don't want to work long shifts in centralised operations. In order to recruit and retain the best talent, organisations will have to identify and adapt working environments and arrangements.

The ability to attract and retain appropriately skilled talent in the contact centre industry has consistently been a challenge for many organisations. In order to adapt to the changing needs of workers, many organisations are utilising a work at home model to increase the available candidate pool, allow for flexible working arrangements and increase the retention of staff.

2.4.2 Staff Tenure, Turnover & Absence Assessment

The following table shows the average tenure of roles in the contact centre as indicated by research participants in comparison to City of Perth.

Table 10: Average Tenure

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	51	30	103
Agents – full-time	5 years, 4.5 months	3 years, 8 months	6 years, 6 months	3 years, 9 months
Agents – part-time	12 years	3 years 2 months	4 years, 0 months	3 years, 3 months
Team Leaders/Supervisors	2 years	4 years, 9 months	5 years, 4 months	5 years, 1 month
Contact Centre Managers	2 years	4 years, 2 months	4 years, 7 months	4 years, 10 months

Full time agents at City of Perth have an average tenure of 5 years and 4.5 months which is greater than contact centres of a similar size (3 years, 7 months) and slightly less than the government sector (6 years, 6 months). Part time Agents at City of Perth however have a much greater tenure than all other industry sectors.

The tenure for City of Perth Team Leaders is 2 years which is significantly less than contact centres of a similar size (4 years, 9 months) and the government sector (5 years, 4 months). The tenure of the Contact Centre Manager is also lower at 2 years than all other industry sectors.

The tenure of the team is reflective of the changes that have been implemented for the Customer Service Unit.

The table below shows the agent turnover in the contact centre as indicated by research participants in comparison to City of Perth.

Table 11: Agent Turnover

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	34	32	105
Full time agent turnover	33%	12%	8%	19%
Part time agent turnover		9%	7%	15%

The full time agent turnover at City of Perth is 33% which is much greater than the government sector (8%) and the wider industry (19%) and is reflective of the changes occurring across Council and within the Customer Service Unit.

High levels of staff turnover reduce overall operational efficiency and effectiveness and add cost as new staff require sufficient time to be trained and to achieve competence.

The next table below shows the reasons for leaving the contact centre as indicated by research participants in comparison to City of Perth.

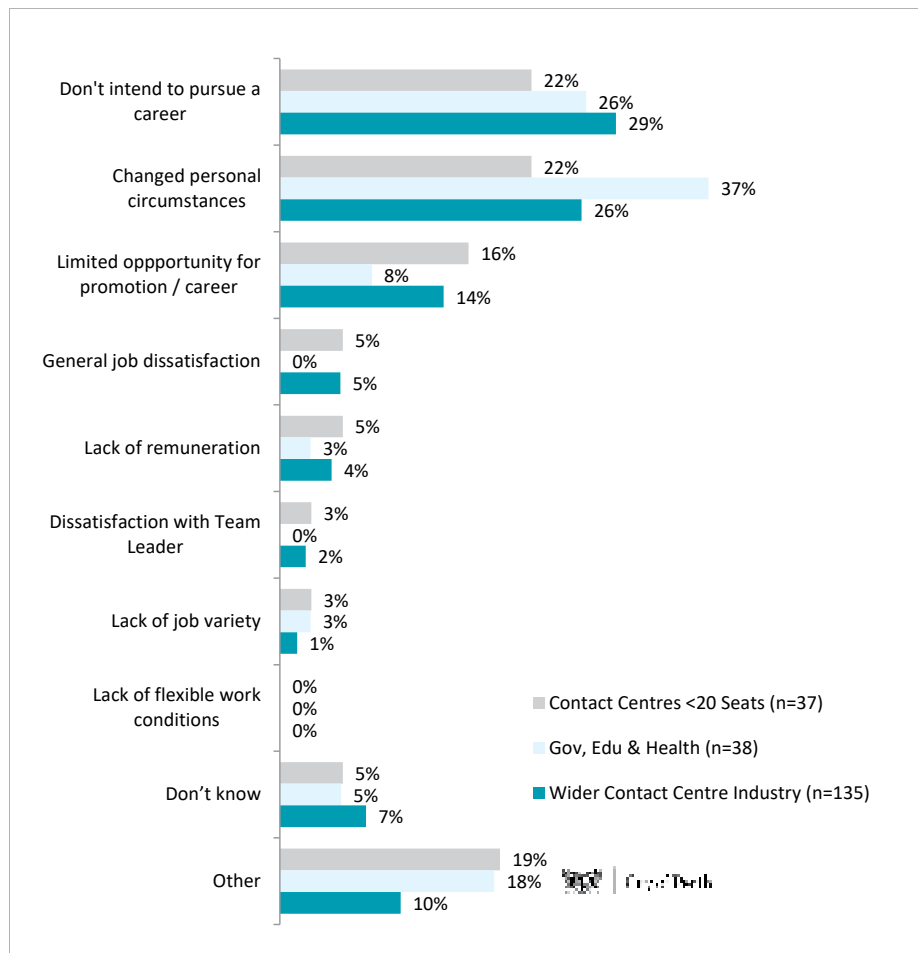
Table 12: Reasons for Leaving

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	100	38	135
Resigned	40%	51%	43%	48%
Transferred to other parts of the business		31%	37%	30%
Were dismissed/retrenched	20%	8%	4%	9%
Did not renew contract	20%	5%	7%	4%
Retired	20%	2%	7%	3%
Other		3%	2%	6%

For City of Perth, 40% of staff leaving customer service was a result of resignation and the remaining 60% of staff were either dismissed, did not have a contract renewed or retired. City of Perth dismissed a greater proportion of staff leaving (20%) than the government sector (4%) and wider industry (9%). City of Perth didn't transfer any staff from the Customer Service Unit to other areas of the organisation, which is common practice in the government sector (37% of leavers) to retain knowledge and skills in the organisation.

The following figure shows the primary reasons for leaving the contact centre as indicated by research participants in comparison to City of Perth.

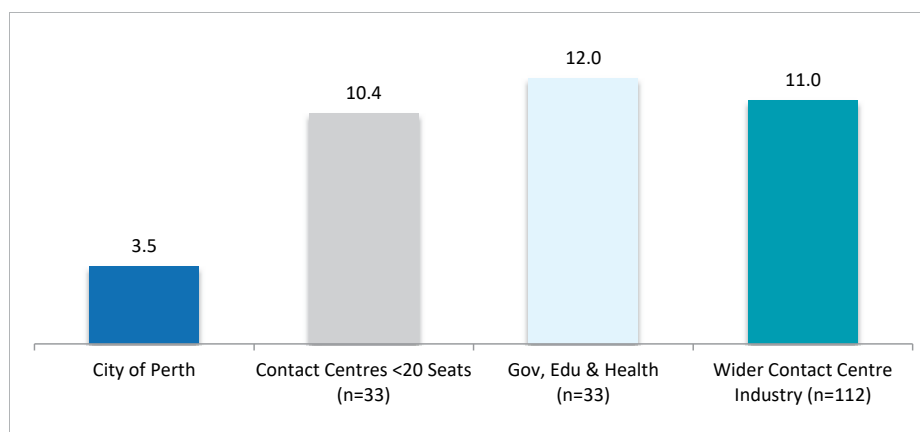
Figure 18: Primary reason for leaving



The primary reasons for staff leaving City of Perth customer service was a result of organisational change. The primary reason for leaving in the government sector is a change of personal circumstance (37%).

The figure below shows the average sick leave days for contact centres as indicated by research participants in comparison to City of Perth.

Figure 19: Sick Leave



Sick leave for City of Perth Customer Service Unit for the last financial year was 3.3 days which is much lower than all other industry sectors.

2.4.3 Recruitment Assessment

When recruiting for a contact centre and customer service roles it is best practice to ensure the recruitment process allows for the opportunity for potential new staff to demonstrate their customer service and contact centre skills and associated competencies. It is typical practice to conduct assessments and testing during recruitment in addition to competency based interviews to assess customer facing competencies and organisational fit.

A typical recruitment process for contact centre roles includes:

1. Identify all core competencies, minimum skills and experience required for Multi-Channel roles
2. Advertise
3. Short List candidates based on core competencies, minimum skills and experience
4. Phone screen short listed candidates to assess communication and telephone skills
5. Group Assessment including customer service role plays and competency assessment

6. Interview: Competency based questions, provide further detail of the role, understand previous experience and team fit
7. Test: Numeracy, Literacy and computer skills
8. Final Short List
9. Offer

The recruitment process for City of Perth Customer Service Unit is as follows:

1. Recruitment will commence when the Customer Service Manager completes a 'Request to Recruit' form this is signed off by the Director of Community and Commercial Services. Currently recruitment can be applied for if there is a resignation, change of circumstances of current FTE (for example maternity leave) or if business case is put forward with sufficient budget associated.
2. Upon sign off for recruitment, the Customer Service Manager will liaise with Human Resources to advertise the role(s) for on the City of Perth website and SEEK.
3. The advert prompts the applicant to submit a CV detailing employment history, educational qualifications and contact details and a summary outlining relevant experience and achievements, relatable to all of the selection criteria outlined in the 'Position Description' document shown in the figure below.

Figure 20: Selection Criteria for Customer Service Officers

Selection Criteria	
Essential	<ul style="list-style-type: none">▪ Experience in front line customer service across a range of contact channels▪ Experience in providing first contact resolution▪ Understanding standards of service and key performance indicators (KPI's)▪ Ability to work in a fast-paced and flexible environment▪ A positive 'can-do' attitude▪ Ability to multi-task and prioritise while working under minimal guidance
Desirable	<ul style="list-style-type: none">▪ Experience in local government contact centre environment

Applicants are required to submit documentation through the City of Perth careers portal or SEEK portal.

4. Once the recruitment advertisement expires, the Customer Service Manager and Team Leaders will review all applications and shortlist candidates based on application data and screening content. Team Leaders may call applicants to clarify details and compile a more comprehensive profile of the application.

5. Applicants will be contacted if they have been selected for the next stage of the recruitment process and will be invited to a face to face interview. Interviews consist of 8 questions with the interviewer writing commentary and providing a rating of 1-5. Included are a mix of experience, competency and opinion based questions. A sample of the interview questions is provided in the figure below however these are changed regularly upon the discretion of the Customer Service Leadership team.
6. Team Leaders will contact the successful candidates nominated referees and background checks will be completed.

There is currently assessment or testing completed for service staff prior to an offer of employment. It is typical practice in the customer service industry to conduct assessments and testing during recruitment in addition to competency based interviews. A phone screen prior to the face to face interview would allow City of Perth to assess phone and communication skills which would further support a good practice recruitment approach.

2.4.4 Staff Training Assessment

A staff on-boarding check list is in place for new starters to the contact centre as follows:

BEFORE THE EMPLOYEE'S START DATE

Outcome: *This is a welcoming work environment with informed colleagues and a fully-equipped work space; new employees feel "settled in" on their first day.*

Schedule and Job Duties

- Call employee:
 - Confirm start date, time, place, parking, dress code, etc.
 - Identify computer needs and requirements.
 - Provide name of their on boarding buddy.
- Send welcome video
- Prepare employee's calendar for the first two weeks.
- Plan the employee's first assignment.
- Advise concierge of time and date of employee's arrival and who to contact

Socialisation

- Email Commercial Parking group. Include start date, employee's role, and bio.
- Set up meetings with critical people for the employee's first few weeks. Employee could attend management meeting if appropriate.
- Arrange for lunch with the appropriate person or buddy for the first day and during first week.
- Select the buddy.
- Meet with the buddy, and provide suggestions and tips
- Arrange for car park visits. LPR, boom gated and open air car park.

Work Environment

- Put together welcome packet from the department and include: job description, welcome letter, contact names and phone lists, parking and transportation information, mission and values of the Directorate, information on the unit etc.
- Clean the work area, and set up office space with supplies.
- Order business cards if required and name plate.
- Add employee to relevant email lists.
- If employee has delegated authority, request relevant authorisation rights on Content Manager and Finance One e.g. if they have a finance budget
- Employee may also need a 'red card' if they are an 'authorised person'. The card is issued to CPOs, CPTLs, Technicians and Unit Manager to carry
- Employee may need access to car parks, an access card may be issued(dependent on role)
- Set up in Time Lord
- Ensure IT authorisations are in place e.g. if the new employee will be managing a team, the employee will need to have the correct permissions on ESS to authorise leave etc.

Technology Access and Related

- Arrange for login details
- Arrange for access to common drives.
- Arrange for phone installation.

FIRST DAY

Outcome: Employee feels welcome and is prepared to start working; begins to understand the position and performance expectations.

Schedule, Job Duties, and Expectations

- Clarify the first week's schedule, and confirm required and recommended training e.g. record keeping, EEO, OHS.
- Provide an overview of the functional area – its purpose, organisational structure, and goals.
- Review job description, outline of duties, and expectations.
- Describe how employee's job fits in the department, and how the job and department contribute to the unit.
- Review hours of work. Explain policies and procedures for overtime, use of annual leave, flexi and sick time etc.

Socialisation

- Be available to greet the employee on the first day.
- Introduce employee to others in the workplace.
- Introduce employee to his/her buddy.
- Take employee out to lunch.
- Provide details of social club

Work Environment

- Take employee to Properties Unit to collect building access card.
- Provide specific safety and emergency information i.e. where the Assembly area is, fire exits, first aid kit, first aiders, safety rep, toilets, kitchen
- Take employee on a tour.
- Explain how to get additional supplies and where stationery cabinet is located.

Technology Access and Related

- Provide information on setting up voicemail and computer.
- Explain how to log onto printers for first time
- Set up email signature
- Provide employee with laptop/mobile phone etc. as required

FIRST WEEK

Outcome: *New employee builds knowledge of internal processes and performance expectations; feels settled into the new work environment.*

Schedule, Job Duties, and Expectations

- Give employee his/her initial assignment.
- Debrief with employee after he/she attends initial meetings, attends training, and begins work on initial assignment. Also touch base quickly each day.
- Explain the annual performance review and goal-setting process.
- Review the process related to the probationary period.

Technology Access and Related

- Ensure employee has fully functioning computer and systems access and understands how to use them.
- Depending on role of the employee, it may be useful for them to sit with each work area for an overview of that particular area and how they interface with their role/function
- Content Manager training
- Finance One training (dependent on role)
- Hansen Training (dependent on role)
- How to raise an IT service request
- How to use ESS
- Time Lord
- Add employee to meetings,
- Add employee to relevant email groups e.g. CPP, CPP Admin Group, Commercial Parking etc.
- Ensure employee is familiar with internal/external arrangements

Car Park Visits

- Visit the three car parks, Licence Plate Recognition, boom gated car park and open air car park. Explain how they all work and their differences.

An induction booklet is also documented that includes the following;

- Summary of the council's vision, values, executive team, culture, team standards, code of conduct, and customer experience model
- Team Culture: The Customer Experience Centre Leadership Team, purpose and aims of the Customer Service Centre, Customer Service Centre's team values, rules concerning annual leave, start and finish times and what does a day in the life of a Customer Service Officer look like
- Customer Service standards: In person, phone, email, social media and internal customer.
- Corporate Systems: Pathways, Empower, Bank Manager Hansen, Cisco, Intramaps, Outlook and TRIM
- Rates: Roles and responsibilities, legislation, LGA regulations for requests for property owner details, role as a collection point for the emergency services levy, pensioner rebates and penalties.
- Waste: roles and responsibilities, landfill, recycling and commercial services particulars, footpath and street cleaning schedules, creating a Hansen request and managing enquiries.
- Parking: Roles and responsibilities, commercial, car park and kerb side particulars, product details, management of parking offices, creation of Hansen requests and managing enquiries.
- Public Health: Roles and responsibilities, purpose of Health registration/certification applications, health compliance, Council's role of enforcements and fees and changes and administration of applications.
- Legal Compliance and Infringement Services: Processes, fine values and registry.
- Building Services: site plan details, certifications, building requirements, fee structure, building fee calculator and certification services

This booklet acts as an induction guides as well as a refresher resource for Customer Services Officers.

The induction process is well documented and provides a consistent learning experience for new starters, however it is noted a new training program will be developed as an initiative included in the Customer Service Unit business plan scheduled for June 2019.

The following table shows the number of days training assigned to contact centre staff as indicated by research participants in comparison to City of Perth.

Table 13: Staff Training

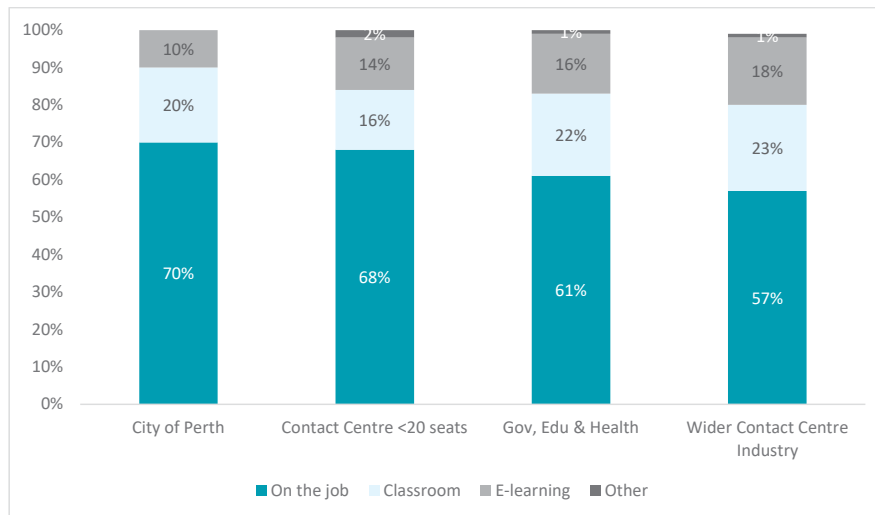
	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	41	41	140
NEW EMPLOYEES				
Number of days training – New Inductees	20 days	15 days	13 days	15 days
Speed to competency – New Inductees (weeks)	12 weeks	9 weeks	8 weeks	9 weeks
Proportion of new employees pass probationary period	100%	94%	97%	92%
EXPERIENCED EMPLOYEES				
Number of days training per year – Experienced agents	15 days per year	9 days per year	10 days per year	9 days per year

New starters at City of Perth receive 20 days of induction training which is more than the wider industry (15 days) and the government sector (13 days). City of Perth reported that 75% of new staff in a recent intake took approximately 12 weeks to achieve competency following induction training which is more than the government sector (8 weeks) and the wider industry (9 weeks).

For ongoing training, City of Perth plan for 10 hours of training per person, per month (on average) which equates to 15 days per annum, which is more than all other sectors. This is normally one full day and additional shorter sessions. Inter-departmental training is also completed for five working days at a time (where a team member sits with another team).

The figure below shows the methods of training delivery for contact centre staff as indicated by research participants in comparison to City of Perth.

Figure 21: Staff Training Methods



City of Perth primarily utilise on the job training (70%) complemented by e-learning (10%) and classroom training (20%). The government sector also primarily utilise on the job training (61%), and a similar amount of classroom training (22%), however the government sector is utilising more e-learning (16%) than City of Perth (10%). It is noted that further e-learning modules will be included in the development of a new training program.

2.4.5 Staff Wages & Incentives Assessment

The table below shows the average staff wages for roles in the contact centre as indicated by research participants in comparison to City of Perth.

Table 14: Staff Wages

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
	n= 1	n=4-38	n=5-34	n=15-115
FULL TIME EMPLOYEES				
Contact Centre Manager	\$125,000	\$97,578 (Median \$95,000)	\$108,764 (Median \$104,000)	\$112,274 (Median \$105,000)
Team Leaders / Supervisors	\$83,310	\$67,606 (Median \$65,000)	\$75,913 (Median \$79,000)	\$72,721 (Median \$74,000)
Full time Agents	\$70,252	\$55,674 (Median \$55,000)	\$60,802 (Median \$60,500)	\$55,210 (Median \$55,000)
Rostering / Forecasting / Scheduling / Workforce Manager		\$57,000 (Median \$62,500)	\$77,130 (Median \$74,000)	\$73,209 (Median \$74,500)
Quality Monitoring / Quality Assurance Analysts / Managers	\$74,587	\$58,143 (Median \$68,000)	\$73,607 (Median \$72,000)	\$67,443 (Median \$70,000)
Trainers		\$63,500 (Median \$60,000)	\$73,903 (Median \$73,500)	\$71,768 (Median \$70,000)
Contact Centre dedicated IT support		\$64,000 (Median \$70,000)	\$72,600 (Median \$75,000)	\$71,800 (Median \$72,000)
Administrative support		\$48,500 (Median \$52,500)	\$62,810 (Median \$59,000)	\$59,277 (Median \$58,500)
PART TIME EMPLOYEES				
Contact Centre Manager		-	-	-
Team Leaders / Supervisors	\$38.25	\$20.67 (Median \$29)	\$43.80 (Median \$41)	\$34.10 (Median \$35)
Contact Centre Agents	\$31.25	\$30.91 (Median \$31.38)	\$33.10 (Median \$34)	\$30.70 (Median \$29)
Rostering / Forecasting / Scheduling / Workforce Manager		\$35.00 (Median \$35)	\$35.00 (Median \$35)	\$34.20 (Median \$35)

City of Perth remunerate full time agents \$70,252, which is more than the median for the wider industry (\$55,000) and the median for the government sector (\$60,500).

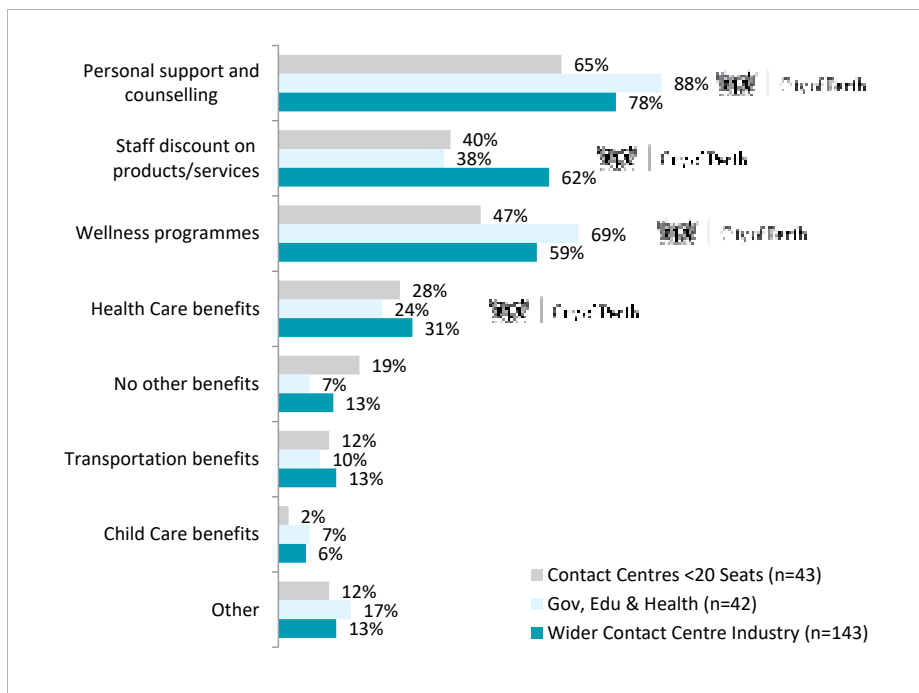
Team Leaders at City of Perth are remunerated \$83,310, which is more than the median for the wider industry (\$74,000) and the government sector (\$79,000).

The City of Perth Contact Centre Manager is also remunerated at a higher rate than all other industry sectors.

City of Perth's Quality Assurance staff are remunerated at \$74,587 which is similar to the median in the government sector (\$72,000).

The following figure shows the staff benefits offered by the wider contact centre industry as well as the government sector and centres of a similar size.

Figure 22: Staff Benefits



The government sector most commonly provides personal support and counselling (88%) and wellness programmes (69%). City of Perth offers health care benefits, staff discounts, wellness programmes and personal support and counselling, which is a good range of staff benefits.

2.4.6 Reward and Recognition Assessment

A good practice approach to the definition of a reward and recognition program within the customer service industry is to identify behaviours and the associated measurable KPIs that enable organisational success. Typically, this will include areas that an individual and/ or team can contribute directly towards and recognises their achievements.

Rewards may not always need to be monetary and can include opportunities to spend time with another area of the business, additional break time, shadowing a superior or an interview/lunch with a senior executive. Recognition can be in the form of team based praise, cards, awards and trophies.

The City of Perth has an organisation wide Reward and Recognition program inflight which is based on a nomination scheme. There are four types of rewards recognised;

- The Safety recognition award administered monthly by OSH and rewarded with a certificate and acknowledgement in the Inside City Newsletter.
- Business Unit award for outstanding performance rewarded at the Business Unit Manager's discretion. Awardees receive an award up to the value of \$50 (chosen by recipient) and \$54 for the end of year function.
- CEO Recognition award for outstanding performance administered by Human Resources. A total of two recipients per annum who receive \$500 Red Balloon voucher, certificate and letter from CEO and feature in the Inside City Newsletter.
- CEO Perth Star Annual award for transformational individual performance administered by Human Resources. A total of five recipients are awarded at the end of year event and receive \$1000 Red Balloon voucher, certificate and letter from CEO, addition of phone to 'Hall of Fame' in Council House Foyer and a showcase on social media (subject to permission from the employee).

The criteria for the awards include collaboration, improvement ideas and service which support customer service best practice.

The City of Perth has a process and definition document for the Reward and Recognition program that is reviewed bi-annually. The Customer Service Unit should continue to promote engagement towards this program as the unit continues to experience process and operational change to continue to support employee engagement.

2.5 Workforce Optimisation Assessment

This section of the report provides an assessment of the workforce optimisation capability at City of Perth including:

- Workforce Management
- Agent Assignment & Multi-skilling
- Data and Reporting

2.5.1 Workforce Management Assessment

Workforce Management (WFM) is the practice of ensuring that the optimum numbers of staff are available to respond to customer interactions at the appropriate time and through their preferred channels, whilst ensuring service levels and KPI's are achieved. This requires highly accurate staffing forecasts and the management of work schedules on a day-to-day basis.

The key stages of a WFM process can be found in the figure below:

Figure 23: Workforce Management Process Model



A workforce management cycle includes 8 critical steps:

1. Gather and analyse data – capture historical volume data and AHT for all channels by interval, daily, weekly and monthly to create a forecast
2. Forecast staff workload – using historical call volume and AHT to calculate workload
3. Calculate base staff requirements – using an Erlang C calculation to determine phone base staff required and workload calculation for all other channels
4. Understanding staffing trade-offs (service levels) and costs – consider preferred service level goals and implications to costs
5. Calculate shrinkage – identify all paid non workload activities including annual leave, training, meetings and coaching sessions
6. Calculate total required staff – add shrinkage onto base staff to determine required staff
7. Consider scheduling options – identify scheduling options available to match required staff and support EA guidelines
8. Track and manage daily performance – track expected performance to actual performance on the day and implement reaction strategies

2.5.1.1 Contact Centre Forecasting

In order for basic workforce management principles to be applied and for the calculation of staffing requirements, contact volumes and average handle time (AHT) data across all channels and skills is required.

The starting point for the forecasting process assumes that history is a good predictor of the future. It is therefore necessary to ensure that all historical data is captured and maintained. Data required to complete any forecast includes:

- Volume by interval (30 minute or 1 hour intervals), daily, weekly and monthly for all channels and skills – including interactions offered, answered and abandoned
- Average Handle time by interval, daily, weekly and monthly for all channels and skills

In the forecasting processes, it is critical to know what a normal volume is before any unusual events. It is also important to understand when and what variations may exist. Variations are events or situations that are different from a normal day but happen frequently. This includes days before and after public holidays, business drivers such as marketing campaigns and regular events.

All data should be reviewed in a timely matter to ensure the data that has been captured is accurate or identify if data is missing. Any data that appears unusual in comparison to a typical period is referred to as abnormal data. Abnormal data should be stored for repeatable events or normalised or discarded for forecasting purposes.

Forecasting for all channels is essential to predict future volumes which are then used to understand overall staffing requirements. Once all data is available a forecast model needs to be created. A

forecast needs to incorporate trends and seasonality and is required for short, medium and long term planning.

Short term forecasting – A short term forecast provides daily and intraday volume and average handle time for a 3 month period with particular focus on the coming two weeks to provide visibility of expected performance so plans can be put in place to ensure service performance levels are achieved.

Medium term forecasting – A medium term forecast provides a 3 month, volume and average handle time forecast by day. A medium term forecast allows for longer term leave and shrinkage planning. The medium term forecast should be reviewed on a monthly basis for a rolling 3 month period and should include a review of the previous month.

Long term forecasting – A long term forecast includes monthly volume and average handle time for a 12 to 18 month period. Long term forecasting provides the estimated number of staff required month by month and allows for strategic and budget planning and for longer term recruitment and resourcing plans to be defined. The long term forecast should be updated on a monthly basis for a rolling 18 month period, with a strong focus on the 4 to 5 month period for recruitment decisions.

All forecasts once created should be reviewed on a regular basis for accuracy and effectiveness.

With a short, medium and long term forecast created for all channels and skills, the next step in the WFM process is to determine how many resources are required to handle the expected workload.

Staff workload is made up of volume of work and average handle time which are both outcomes of the forecasting process and agreeing on service level goals for each channel.

A different calculation is required to determine staffing base requirements for each channel. This is due to the nature of the work. To determine email and outbound calls base requirements a workload calculation would be required. For inbound calls and web chat, due to the random nature that calls/chats arrive a model called Erlang C is necessary.

City of Perth has a short-term forecast in place for the phone channel and front counter based on the same day of the previous year. Once 12 months of data is captured in the CRM, due January 2019, an email forecast will also be created. The current forecast considers the number of FTE as an input based on actuals rather than an output as a calculation of staffing requirements. The Customer Service unit do not have medium to long-term forecasts in place that take into account all channels and the expected shift in inbound volume for each channel over time.

To support the continuing success of the Customer Service Unit, a focus on longer term forecasting to calculate staffing needs should be in place to ensure the ongoing achievement of service outcomes as additional contacts are incorporated into the scope of the team.

2.5.1.2 Contact Centre Resourcing and Scheduling

Creating schedules is a process that is designed to match the available workforce to the actual staff requirements. The biggest challenge in this process is the difference between what Consultants want and are available to work compared to what the business requires the Consultants to work based on when customers are expected to contact the organisation.

Creating schedules also needs to consider the working arrangement or employee agreements of all Consultants. Areas for consideration include:

- Maximum days worked per day and per week
- Hours worked with and without break times
- Variance in start and stop times per day
- Covering operating hours
- Required consecutive days off

Schedules need to be communicated to Consultants in a timely manner to ensure all Consultants are aware of what time they need to start and what time any activities will take place on any given day.

The Customer Service Unit resourcing plan is based on FTE requirements for 1 hour intervals and is completed via an in-house custom built excel spreadsheet. It utilises call volume data from CICSO for the previous year and requires AHT, occupancy and Agent calls per hour to be inputted. The output is a FTE requirement per hour interval and a Service Level projection. This information is used to schedule the Customer Service Officers to shifts.

City of Perth Customer Service team is currently resourced by 11 full-time Customer Service Officers in two teams;

- Team 1: Six Customer Service Officers.
- Team 2: Five Six Customer Service Officers (transferred from the Parking Services Unit and City of Perth Parking Office. This team was integrated into the Customer Services Department in June 2018.)

Team 1 assigns two Officers to the front counter with the following shift times;

- 7.45pm -4.15pm
- 9.00am – 5.30pm

The remaining team members will be scheduled on shifts with a start time of 8.00am, 8.30am or 9.00am. If all three starting times are utilised (one-to-one training or leave) then the 4th resource will be scheduled on to 8am start time to 10.00am. CSOs will be scheduled for the same shift time for a full fortnight. Rosters are created at the minimum a month in advance and released to Customer Service Officers 4 weeks in advance, which is good practice.

2.5.1.3 Shrinkage Management

Shrinkage is any paid activity that needs to take place but takes the agent away from handling a customer interaction. All shrinkages should be planned in advance whenever possible to ensure activities are taking place during lower workload intervals. Shrinkage should also be applied to overall FTE calculations to ensure the total number of staff required includes all activities.

Typical shrinkage activities that can be planned include:

- Annual Leave
- Sick leave and other paid leave
- Team Meeting
- Coaching and Development
- Training
- Paid breaks
- Completing other follow-up channel work
- Unproductive / Non work time

Once full visibility of all off-phone or unproductive activities are developed, it can be identified which shrinkage activities can be used to assist with managing volume peaks and troughs through the planning process. Examples of shrinkages that can be used to manage monthly and daily volume peaks and troughs include annual leave, meetings, coaching and development and unproductive activities.

In addition to capturing the actual shrinkage, analysis of actual shrinkage and a review of the budget shrinkage should be completed on a regular basis. An example of a best practice budget shrinkage calculation (based on a full time employee) can be found in the figure below:

Figure 24: Proposed Budget Shrinkage

Shrinkage	Calculation	Hours p/a
Annual Leave	8 hours x 20 days	160
Sick Leave	8 hours x 12 days	96
Paid Breaks	2 x 15 minutes per day x 5 days x 48 weeks	120
Meetings	60 minutes every month	12
Coaching	30 minutes every week x 48 weeks	24
Training/Compliance	9 days per annum	72
Performance Review	1 hour twice per annum	2
Unexplained	30 minutes per day x 5 days x 48 weeks	120
Non Productive	15 minutes per day x 5 days x 48 weeks	60
Total Shrinkage hours		666
Available hours based on 40 hours per week		2080
		32%

The current average shrinkage across the wider contact centre industry is 32% and may vary depending on sick leave entitlements, hours worked per day and other coaching, training and development activities.

The City of Perth does not include shrinkage activities in the workforce management process to calculate overall staffing requirements or manage resourcing.

2.5.1.4 Real Time Management

The last step of the Workforce Planning process is managing performance on the day, in real time. This involves proactive monitoring on the day and comparing what was expected to happen based on the forecast created and comparing this to what is actually happening. A real time management framework should include a reaction strategy to support quick decision making and reduce any impact to the customer experience.

It is best practice for a reaction strategy, once agreed by Team Leaders and management to be communicated to all team members to ensure all roles, responsibilities and expectations are clearly articulated to eliminate delays in actions taking place. A reaction strategy should be specific for each channel.

A reaction strategy should be specific for each channel. An example of a reaction strategy for phone and email is as follows:

Figure 25: Inbound Calls Real Time Management Reaction Strategy

SEVERE BACKLOG SI 60% - 70%	SI 40% - 50%	SI 20% - 30%	SI 10% - 20%	SI 5% - 10%	SI 0% - 5%
<ul style="list-style-type: none"> Reassign staff Team Meetings Training Outlets <p>Increase Part Time staff</p> <p>Utilise resources from other channels</p>	<p>Defer other work</p> <p>Identify available capacity from other channels</p>	<p>Optimise workflow</p>	<p>Normal Operations</p>	<p>Speed up payment tasks</p> <p>Review workflow in other channels</p>	<p>Allocate resources to other channels</p> <p>Consider training</p> <p>Consider sending temp staff</p>

Figure 26: Email Real Time Management Reaction Strategy

SEVERE BACKLOG SI 60% - 70%	SI 40% - 50%	SI 20% - 30%	SI 10% - 20%	SI 5% - 10%	SI 0% - 5%
<ul style="list-style-type: none"> Reassign staff Team Meetings Training Outlets <p>Increase Part Time staff</p> <p>Utilise resources from other channels</p>	<p>Defer other work</p> <p>Identify available capacity from other channels</p>	<p>Optimise workflow</p>	<p>Normal Operations</p>	<p>Schedule external tasks</p> <p>Review workflow in other channels</p>	<p>Allocate resources to other channels</p> <p>Consider training</p> <p>Consider sending temp staff</p>

As forecasting is currently limited for the City of Perth Customer Service Unit, there is limited opportunity to implement formal real time management strategies. The process is managed informally by the leadership team with several Customer Service Officers being utilised across phone and email channels as required to assist with achieving service levels across both channels.

The Customer Service Manager and Team Leaders in the Customer Service team monitor the call and email queues in the morning, midday and before close of business and advise Customer Service Officers to prioritise channels accordingly.

Once City of Perth has formal long, medium and short term forecasts in place and the appropriate number of staff based on required service outcomes with the inclusion of shrinkage, a real time management plan can be developed to support the achievement of service levels and a good customer experience.

2.5.1.5 Workforce Management Technology

Workforce management (WFM) is the process of ensuring an organisation has the right amount of adequately trained employees, with the necessary skills across all channels and workload to handle customer enquiries. A WFM system provides an organisation with the functionality to automate all workforce management processes and to manage resources as effectively as possible across all channels and areas. Features of a WFM system include:

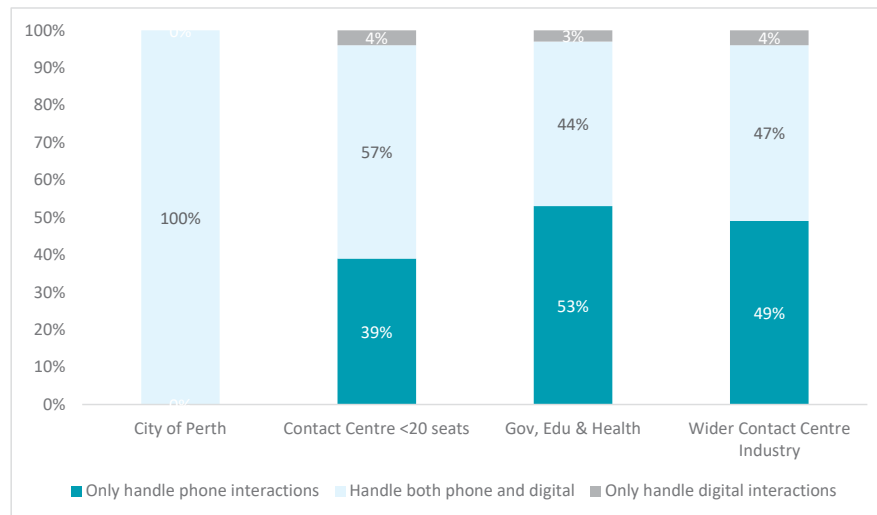
- Data feeds being captured from all workload channels
- Based on historical data, forecasts are created to determine future resource needs
- Rostering available resources to match expected requirements identified through the forecasting process
- Providing employees with visibility to view their rosters
- Scheduling of breaks and other activities including team meetings, coaching and training
- Capturing paid and unpaid leave including annual leave and sick leave
- Real time management to view what was expected to happen compared to actual performance real time (by the second)

City of Perth do not currently utilise a WFM system. All workforce planning is completed via excel spreadsheets and word documents which is not as efficient or effective as an automated WFM system and processes.

2.5.2 Agent Assignment & Multi-Skilling Assessment

The following figure shows the status of multi-skilling in the contact centre as indicated by research participants in comparison to City of Perth

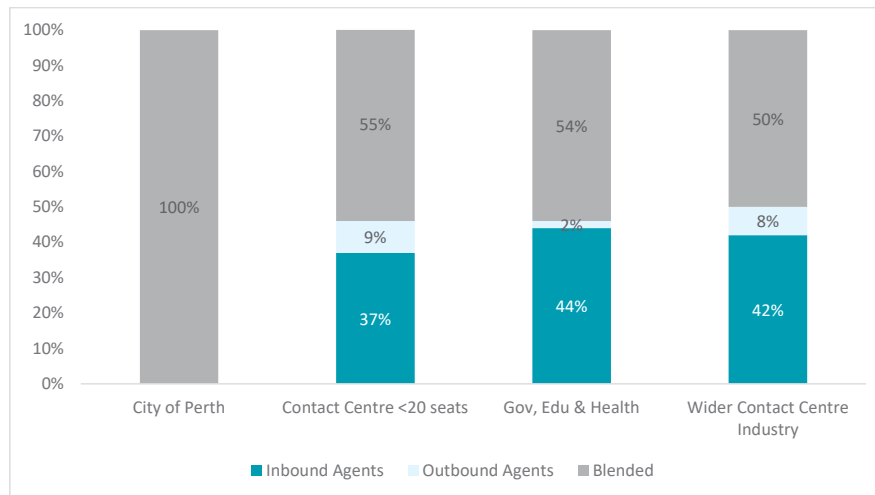
Figure 27: Multi-Skilled Agents



City of Perth has skilled 100% of frontline agents to handle both phone and digital interactions which is a greater than the wider contact centre industry (47%) and provides optimum flexibility to manage changes to contact demand across the channel environment.

The figure below shows the percentage of staff assigned to inbound and outbound activity in the contact centre as indicated by research participants in comparison to City of Perth.

Figure 28: Dedicated and Blended Agents



All of City of Perth's frontline agents are skilled to handle both inbound and outbound contacts which is a greater proportion than all other industry sectors, which also provides greater operational flexibility.

2.5.3 Data and Reporting Assessment

With so many measurements available in the contact centre environment, it is critical to ensure the appropriate measures are identified and reported on to allow the evaluation of performance to defined targets. Performance reporting is a critical element to any organisation to provide visibility and insight into performance drivers and trends to manage the continuous improvement of the customer experience and overall organisational performance.

City of Perth Customer Service produces several reports for internal stakeholders and the wider organisation.

The projections for telephone service is available via an excel spreadsheet dashboard as shown in the figure below.

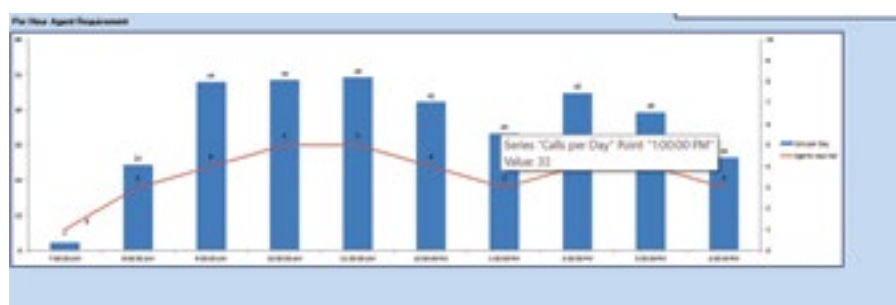
Figure 29: Telephone Performance Dashboard



The dashboard provides a snapshot view of call volume and service level per interval at a monthly level.

The dashboard also provides a per interval view of agents required and forecast calls per day as shown in the figure below.

Figure 30: Telephone Performance Dashboard



A similar dashboard is also in place for counter enquiries. Both dashboards are used by the Customer Service Leadership team to determine resource allocations during the day.

The Customer Service team also produce several ongoing reports for other Business units, ELG and the Commissioners. These include;

- Customer Service Unit Monthly Report
- Customer Service Unit Summary YTD
- Daily Chief Executive Daily Inbox Report
- CSC Monthly Feedback Report

The Customer Services Unit Report is a word document distributed to the other Business Units and ELG at the end of each month. The following information is included;

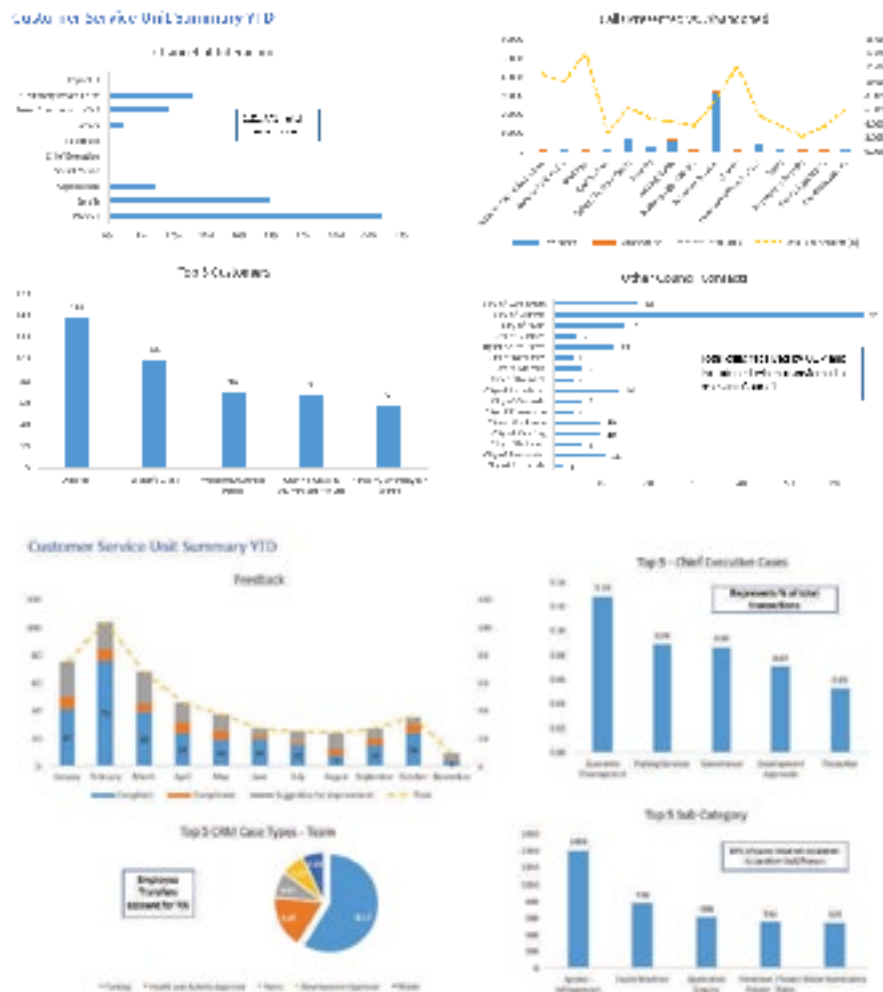
- a) Team Overview
- b) Human Resources Update: FTE count and budget, vacancies, resignations
- c) Utilisation: cost per transactions rate based on FY17/18
- d) Operation and Capital Budget
- e) Project Status Reports
- f) KPIS and performance in FY17/18 and previous month
 - a. Inbound calls: Service level, average abandonment rate, average time in queue, FCR, average speed of answer, adherence, average time in queue, AHT, cost to serve
 - b. Email: Service level, average response time
 - c. Social Media: Service level, average response time, FCR
- g) Total number of transactions (YTD)
- h) Feedback: Average time to resolve, % feedback items resolved in 10 days, number of compliments

The Customer Service graphs presented in PowerPoint provide a high level summary for Customer Service, ELG, BU's and the Commissioners. The following information is included in this report;

- a) Channels of Interaction YTD volume
- b) Calls presented vs. Call abandoned
- c) Top 5 customers
- d) Other council contacts
- e) Key escalations to specific units
- f) Incident locations image
- g) CRM cases created by month
- h) Feedback YTD volume
- i) Top 5 Chief Executive cases
- j) Top 5 CRM case types by team

A snap shot of the Customer Service Graphs are shown in the figure below.

Figure 31: Customer Service Graphs



The Daily Chief Executive Daily Inbox Report is a CRM generated report that gives a daily update of inbound emails to the Chief Executive Inbox and the status. The CSC Monthly Feedback Report to ELG provides a qualitative summary of the feedback process and highly quantitative analysis of monthly feedback included type and channel received.

Customer Service also generates a number of automated reports through CRM that are sent to specific delegates including parks analysis and parking.

To ensure engagement amongst the greater organisation including ELG and other business units, it is important that reports are succinct, align to the business units KPIs and current projects and provide a level of context through trend data (target and previous results).

When assessing the most appropriate KPIs for a contact centre it is important to identify the key performance areas that either directly contributes to or are enablers to the achievement of organisational outcomes. In addition, customer experience measures are also required to monitor the efficiency and effectiveness of service delivery.

The following key metrics are typically reported on a daily, weekly and monthly cycle:

Inbound calls

- Service level target versus actual (e.g. 80% of calls to be answered in 30 seconds)
- Average abandonment rate (calls abandoned before answering)
- Average time in queue (total wait time of answered calls / no. answered calls that waited in the queue)
- Average talk time (talk + hold)
- First contact resolution (percentage of calls closed first call)
- Average wrap time (after call work time)
- Average speed of answer (total wait time of calls answered / no. calls answered)
- Occupancy rate (handling time / log in time)
- Average time in queue before abandon (average amounts of time per Abandoned call the customer waited to be answered before abandoning the call)
- Average hold time (the amount of time an answered call is put on hold by an agent)
- Average handling time (talk time+hold+wrap time)
- Utilisation rate ((handling time + available time) / (paid time))

Outbound Calls

- % of right party connect (connecting to the right person the first time)
- Average talk time (talk + hold)

Email

- Service level target versus actual (e.g. 100% of emails resolved within 24 hours)
- Average speed of response (total time required to process and respond to email)
- First contact resolution (percent of contacts closed first email)
- Number of email interactions before an enquiry resolved

2.6 Technology and Telephony Assessment

The following section provides an assessment of City of Perth technology and telephony capability.

2.6.1 Technology Assessment

The following table below shows the current technologies in place in contact centres as indicated by research participants in comparison to City of Perth.

Table 15: Current Technology

Currently have a system and planning to upgrade / have a system and no plans to upgrade	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	43	42	143
Speech recognition applications	Don't have a system and no plans to purchase	0%	5%	10%
SMS	Don't have a system but planning to purchase	49%	36%	52%
Speech analytics	Don't have a system and no plans to purchase	7%	10%	13%
Biometric Identity Verification	Don't have a system and no plans to purchase	2%	2%	3%
Predictive Dialler	Don't have a system and no plans to purchase	19%	21%	29%
Voice & data recording & quality monitoring tools	Have and plan to upgrade	33%	45%	57%
Web chat	Don't have a system but planning to purchase	37%	40%	50%
Performance management	Don't have a system but planning to purchase	40%	38%	45%
Call (voice-only) recording system	Have but no plans to upgrade	53%	67%	77%
Email	Have and plan to upgrade	35%	43%	51%
Unified Communications	Have and plan to upgrade	35%	31%	37%
E-Learning System	Have but no plans to upgrade	58%	64%	73%

Workforce Management tools	Don't have a system and no plans to upgrade	35%	50%	57%
Customer Contact/Customer Relationship management (CRM)	Have but no plans to upgrade	70%	69%	71%
Customer Survey tools (includes IVR, Email and web based systems)	Have and plan to upgrade	51%	62%	65%
Social media monitoring	Have but no plans to upgrade	42%	45%	45%
Automatic Call Distributor (ACD)	Have and plan to upgrade	58%	71%	73%
Interactive Voice Response (IVR)	Have but no plans to upgrade	67%	81%	77%
Knowledge/Content Management System	Have but no plans to upgrade	60%	74%	65%
Video based contact centre	Have but no plans to upgrade	7%	10%	8%
Virtual Hold/Automatic Call Back	Have and plan to upgrade	44%	60%	45%

The City of Perth utilise the Cisco telephony system.

The City of Perth are planning to implement web chat and performance management technologies in addition to upgrading virtual hold, ACD, customer survey tools, email management, a voice / data recording & quality monitoring tool.

The City of Perth recently trialled Microsoft Dynamics CRM with the intent to roll out the CRM across the enterprise to provide a single view of the customer across all departments and channels.

The key aim of the pilot was to address requirements in the following areas:

- Contact/Relationship Management
- Case Management
- Telephony/Email Integration

Following successful delivery of the pilot solution, a decision was made to continue development of the CRM to address additional key areas of business value with additional functions to be developed.

The following table below shows the number of desktop applications used by contact centres as indicated by research participants in comparison to City of Perth.

Table 16: Desktop Applications

Average	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	39	40	135
Number of desktop applications	2	4	6	5

The number of applications utilised by the City of Perth frontline team is 2 (CRM & Pathway), which is less than the wider industry (5) and the government sector (6).

The number of systems used impacts the quality of records within each system and influences the time required in training to learn each system in addition to impacting speed to competency for new agents and operational efficiency.

2.6.2 Telephony Assessment

The City of Perth advertises 12 phone numbers on their website and corresponding collateral. The following figure shows the contact numbers provided on the website.

Figure 32: City of Perth Contact Page

Contact Customer Service

- info@cityofperth.wa.gov.au
- (08) 9461 3333

ABN NUMBER
The City of Perth ABN number is 83 780 118 628

Quick Contact List

CONTACT	PHONE NUMBER
City of Perth Library	(08) 9461 3268
Security, surveillance & after hours issues	(08) 9461 9811
Emergency security contact	(08) 9461 9999
Development approvals	(08) 9461 3299
Recycling & Rubbish (Waste management)	(08) 9461 3277
Rates enquiries	(08) 9461 3296
Parking infringements	(08) 9461 3296
Scaffolding	(08) 9461 3296
Perth Town Hall	(08) 9461 3055
Tenders	(08) 9461 3247
Media enquiries	(08) 9461 3425

Customer Service Line

Please direct all enquiries related to events, promotions, approvals, bookings, general questions and feedback to our Customer Service Line:

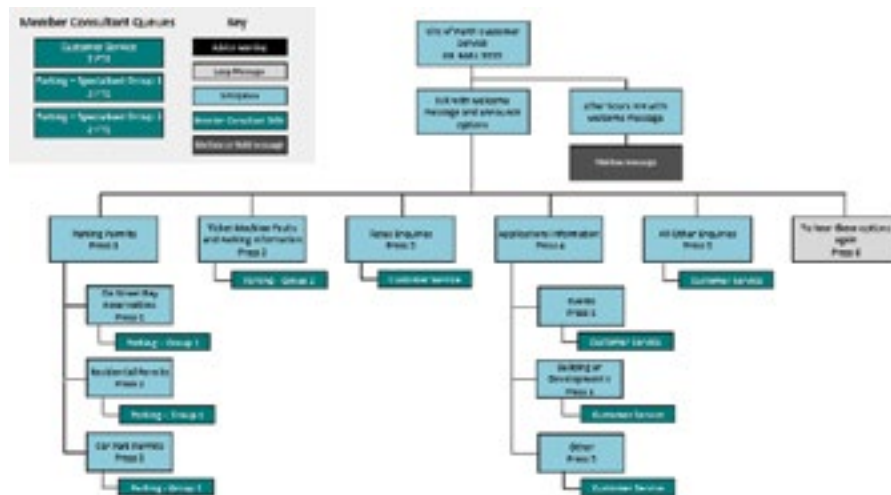
(08) 9461 3333

The Customer Service number, (08) 9461 3333 is advertised as the lead contact number on the footer of the website and is also provided at the top and bottom of the contact us page along with operating hours. The hours of the specialised contact numbers are not communicated clearly.

All calls received to the customer service number are directed to City of Perth via the CISCO Finesse system. Call lines are open Monday to Friday 8.00am- 5.00pm.

The following figure shows the structure of the IVR for City of Perth’s customer service line.

Figure 33: High level IVR Structure for (08) 9461 3333



Upon selecting an option, the caller will navigate through the IVR options. There are three additional layers for options 1 and 4, whilst there is only one additional layer for options 2, 4 and 5.

Once callers have navigated through the IVR by selecting options, calls are routed to a Customer Service Officer depending on their queue skill. Within the Parking Permits layer, calls to options 1 and 2 are queued to three specialised CSOs, and calls to option 3 are queued to another 2 specialised FTE. All other IVR options are routed to the customer service skill group. Once CPP and PSU units have completely integrated into the Customer Service Unit it is expected that all Customer Service Officers will handle all call queues.

IVR design should be as simple as possible for the caller to be connected to an appropriately trained CSO. Options within an IVR should correspond to different skill sets within the contact centre, as creating additional options for the customer to select complicates navigation, and is unnecessary as calls are ultimately routed to the same group of CSOs.

As City of Perth continue to consolidate customer interaction into the Customer Service Unit, the additional telephone numbers should be retired to simplify connection for customers and to provide City of Perth with greater visibility of customer contact demand and performance across all touch-points in Council.

2.7 Operational Efficiency and Effectiveness Assessment

This section of the report provides an assessment of City of Perth operational efficiency and effectiveness including performance benchmark comparisons where appropriate to inform the implementation of best practice contact centre operations.

2.7.1 Interactions Per Week

The following table shows the average number of interactions handled by contact centres as indicated by research participants in comparison to City of Perth.

Table 17: Total Interactions Per Week

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	107	42	139
Interactions per week	4,113	2,474 (Median 1,500)	10,367 (Median 4,400)	13,959 (Median 4,900)

City of Perth currently handles an average of 4,113 interactions per week, which is greater than contact centres of a similar size (median 3,000).

2.7.2 Service Level Targets Assessment

The table below shows the service level targets in place for contact centres as indicated by research participants in comparison to City of Perth.

Table 18: Service Level Targets

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
	n= 1	43	42	143
Inbound calls	90% in 15 seconds (internal target)	80% of calls answered under 30 seconds 42%	80% of calls answered under 30 seconds 45%	80% of calls answered under 30 seconds 37%
Emails	100% emails resolved within 24 hrs	100% emails resolved within 24hrs or less 39%	100% emails resolved within 48 hrs or less 38%	100% of emails resolved within 48 hours or less 57%
Webchat	N/A	We do not set a target 25% . Of those that set a target the highest is 100% of webchat enquires resolved within 2 hrs (50%)	We do not set a target 36% . Of those that set a target the highest is 100% of webchat enquires resolved within 2 hrs (45%)	Do not set a target 40% . Of those that set a target the highest is 100% webchat enquiries resolved within 2 hours (31%)
Social Media	100% social media enquiries resolved within 2 hours	100% social media enquiries resolved within 2hrs (38%)	We do not set a target (38%). Of those that set a target the highest is 100% of webchat enquires resolved within 24 hrs (31%)	100% of social media enquiries resolved within 2 hours (32%)

City of Perth currently set an internal target for inbound calls of 90% of calls answered in 15 seconds, which is much higher than the most common target in the government sector (80% answered in less than 30 seconds).

City of Perth targets responding to 100% of emails within 24 hours, which is a more responsive target than the government sector (100% within 48 hours).

For social media, City of Perth target 100% of enquiries to be responded to within 2 hours, which is more responsive than the government sector where the most common target is 100% resolved within 24 hours (31%).

The table below shows the KPIs at a centre level for City of Perth.

Table 19: Overall Customer Service (TL and CSM) KPIs

Description	KPI
Answering Calls	90% of calls answered within 15 seconds
	100% of calls answered within 30 seconds
Abandoned	Less than 5% abandoned calls
Quality	5 assessments per person, per week completed
Meetings	Minimum two coaching/one on one sessions per person, per month
	Minimum two team meetings per month
Forecasting	No more than 10% variance to call forecast each month

Quality Indicators

- AHT of 3 – 4 minutes
- Hold Time up to 30 seconds per call on average

The City of Perth target very high levels of performance for call handling that are above benchmarks for all sectors. Whilst this can be seen as a greater level of service responsiveness and therefore a positive standard for City of Perth, achieving such high levels of service within the contact centre can only be achieved through lower levels of staff utilisation to ensure a staff member is available to answer calls more quickly and therefore potentially adds to the cost to serve.

AHT as a metric is a critical input to the calculation of resources required during the workforce planning process, however good practice contact centres do not target frontline CSO's on their AHT as this can drive unwanted behaviours to reduce call duration and not provide a good customer experience. Typically AHT will be tracked at an individual and team level within an acceptable range target. Once a range is established, performance can be tracked to identify outliers either above or below the range to provide coaching and assistance to return to the accepted range.

2.7.3 CSO Target Assessment

Whilst each organisation has unique organisational drivers and objectives, KPIs for frontline agents should include areas within their span of control that contribute to the centre level and will typically include a balance of efficiency and effectiveness measures:

1. **Efficiency** – Contacts per hour; Contacts per day; Adherence to schedule
2. **Effectiveness** – Quality Assurance; First contact resolution; Customer satisfaction

City of Perth frontline CSO's have a scorecard in place with defined KPIs as shown in the following figure.

Figure 34: CSO KPIs

Description	KPI
Availability	80% of logged in time in Available Status
Answering Calls	Calls answered within 8 seconds
On-Time	Logged into system in order to take first call at designated start time (95%)
Quality	Average quality score of 80% or more each month
Customer Data	80% of CRM Cases completed
Customer Charter	Adherence to external and internal customer charter standards of service
Turnaround	Deliver 90% of applications as per agreed time period stated in the terms and conditions

CSO's are targetting on availability, call answering, on time to start shift, QA result measures, customer data, customer charter standards and turnaround. The CSO KPIs are a combination of efficiency and effectiveness measures, however answering calls within 8 seconds as a measure at CSO level is not advisable as this is not an area within the control of the CSO, rather an outcome of the accuracy of workforce management practice to ensure the right number of people are available at the right time to answer call demand.

2.7.4 Operational Performance Assessment

The following table shows the current operational performance for contact centres as indicated by research participants in comparison to City of Perth's YTD results.

Table 20: Operational Performance Benchmarks – Phone

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1			
INBOUND CALLS				
Percentage of inbound calls answered within the Service Level Target (SLA)	81% (within 15 secs)	82%	75%	76%
Average abandonment rate (calls abandoned before answering)	4%	6%	11%	9%
Average time in queue (total wait time of answered calls / no. answered calls that waited in the queue)	18 seconds	70 seconds	115 seconds	81 seconds
First contact resolution (percentage of contacts closed first contact)	83.81%	74%	78%	76%
Average speed of answer (total wait time of calls answered / no. calls answered)	17 seconds	54 seconds	100 seconds	73 seconds
Occupancy rate (handling time / logged in time)	87.23%	79%	80%	80%
Inbound conversion rate (percentage of total inbound calls that were converted to an actual sale)	N/A	31%	6%	31%
Average time in queue before abandon (average amounts of time per abandoned call the customer waited to be answered before abandoning the call)	70 seconds	80 seconds	84 seconds	109 seconds
Average handling time (talk time + hold + wrap time)	115 seconds	232 seconds	349 seconds	360 seconds
Utilisation rate ((handling time + available time) / (paid time))	-	85%	77%	81%
OUTBOUND CALLS				
n=		Min 4	Min 2	Min 21
% of right party connect (connecting to the right person the first time)	N/A	83%	80%	79%
Outbound conversion rate (percentage of total outbound calls that were converted to an actual sale)	N/A	33%	33%	28%

City of Perth is currently achieving a service level for inbound calls of 81% versus the target of 90% of calls answered within 15 seconds. The government sector is currently achieving a service level for inbound calls of 75% versus the most common target of 80% answered in less than 30 seconds, which means City of Perth are outperforming the government sector for inbound call responsiveness.

The average call abandonment rate at City of Perth is currently 4%, which is less than the government sector (11%) and the wider industry (9%).

The average time in queue for City of Perth is currently 18 seconds which is also much lower than the government sector (115 seconds) and the wider industry (81 seconds).

City of Perth are achieving a first call resolution rate of 83.81% which is greater than the government sector (78%) and the wider industry (76%).

The average speed to answer for calls at City of Perth is currently 17 seconds, which is also significantly lower than the government sector (100 seconds) and the wider industry (73 seconds).

The occupancy rate for City of Perth is 87.23 %. This is higher than contact centres of the similar size (79%) and the wider industry (80%).

The average time in queue before abandon for City of Perth is 70 seconds which is less than the government sector (84 seconds) and the wider industry (109 seconds).

City of Perth has an average handling time for calls of 115 seconds which is much less than the government sector (349 seconds) and the wider industry (360 seconds).

The table below shows the current operational performance for email KPIs as indicated by research participants in comparison to City of Perth

Table 21: Operational Performance Benchmarks – Email

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
	n= 1	Min 18	Min 4	Min 23
Percentage of emails answered within the Service Level Target (SLA)	80.7%	89% (Median 98)	87% (Median 97)	91% (Median 95)
Average speed of response for email transactions (total time required to process and respond to emails / total number of emails received; excluding automated email responses)	5 hours 45 mins	2,346 seconds (39 minutes) (Median 14.7 minutes or 885sec)	1,613 seconds (26 minutes) (Median 7.5 minutes or 450sec)	2,959 seconds (49 minutes) (Median 10 minutes or 600ec)
First contact resolution for email transactions (percentage of contacts closed first email)	Not measured	71% (Median 75)	70% (Median 80)	78% (Median 80)

City of Perth reports that 80.7% of emails are answered within the target of 100% within 24 hours. The government sector is currently responding to 87% of emails within the most common target of 100% emails resolved within 48 hrs or less.

The next table below shows the current operational performance for Webchat KPIs as indicated by research participants.

Table 22: Operational Performance Benchmarks – Webchat

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
	n= 1	Min 2	Min 6	Min 13
Percentage of webchat enquiries answered within the Service Level Target (SLA)	N/A	97% (Median 100)	96% (Median 100)	92% (Median 95)
Average speed of response for webchat transactions (total time required to process and respond to Web Chat / total number of Web Chats received; excluding automated Web Chat responses)	N/A	35 seconds (Median 35)	257 seconds (Median 70)	1,500 seconds (Median 60)
First contact resolution for webchat transactions (percentage of contacts closed first chat)	N/A	85% (Median 85)	95% (Median 100)	88% (Median 90)

The government sector is currently responding to 96% of webchats within the most common target of 100% of webchat enquiries resolved within 2 hrs.

The following table shows the current operational performance for social media KPIs as indicated by research participants.

Table 23: Operational Performance Benchmarks – Social Media

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
	n= 1	Min 3	Min 4	Min 11
Percentage of Social Media enquiries answered within the Service Level Target (SLA)	100%	84% (Median 90%)	87% (Median 100%)	93% (Median 99%)
Average speed of response for Social Media transactions (total time required to process and respond to Social Media enquiries / total number of Social Media enquiries received; excluding automated responses)	30 minutes	41.6 minutes (or 2,500 sec)	46.6 minutes (or 2,798 seconds)	25 minutes (or 1482 seconds)
First contact resolution for Social Media transactions (percentage of contacts closed first chat)	100%	75% (Median 90%)	79% (Median 98%)	86% (Median 93%)

City of Perth is achieving a service level of 100% of social media enquiries responded to versus the target of 100% social media enquiries resolved within 2 hours which is in line with the median for the government sector (100%) and the wider industry (99%).

City of Perth has an average speed of response for Social Media transactions of 30 minutes, which is less than the government sector (46.6 minutes) however slightly more than the wider industry (25 minutes).

The first contact resolution rate for City of Perth social media enquiries is 100% which is higher than the government sector (median 98%) and wider industry (median 93%).

2.7.5 Operational Effectiveness Assessment

This section of the report provides an assessment of City of Perth's operational effectiveness in the area of Quality Assurance.

Quality assurance in the contact centre environment is critical to ensuring procedural and industry compliance and to support the delivery of a good customer experience. Quality Assurance is a process which allows for regular evaluation of the effectiveness of all interactions between an organisation and their customers. A quality assurance program would typically involve reviewing and evaluating a sample of interactions across all channels against defined scoring criteria. These results are then used to inform coaching and development plans for frontline staff and should align with the results received from customer experience measures.

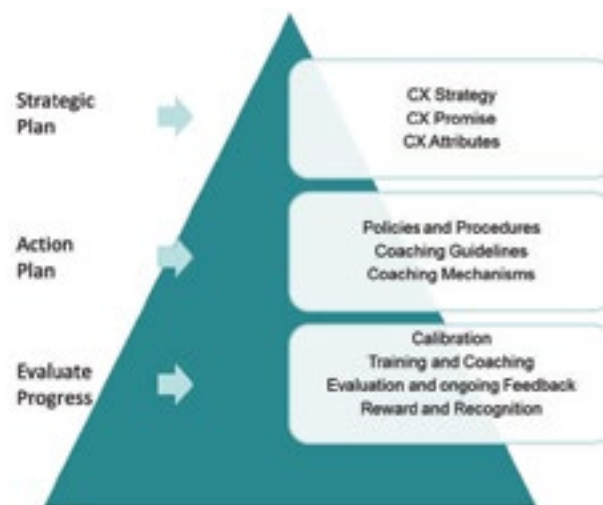
Best practice considerations for a Quality Assurance Program are as follows:

1. Establish Quality Assurance guiding principles including:
 - a. Strategic Plans
 - b. Actions and Programs, and
 - c. Evaluation Programs
2. Establish weighting of all customer experience and compliance attributes
3. Determine the number of enquiries/interactions to be monitored
4. Conduct calibration sessions at least monthly
5. Establish evaluation criteria and scoring systems
6. Establish evaluation form sections / categories
7. Create reporting that aligns to key business objectives
8. Provide formal and ongoing feedback coaching and development

9. Provide input to staff training:
 - a. Expectations set during induction
 - b. Alignment of measured areas with training materials
10. Include quality evaluation results as part of KPIs and recognising and rewarding achievements

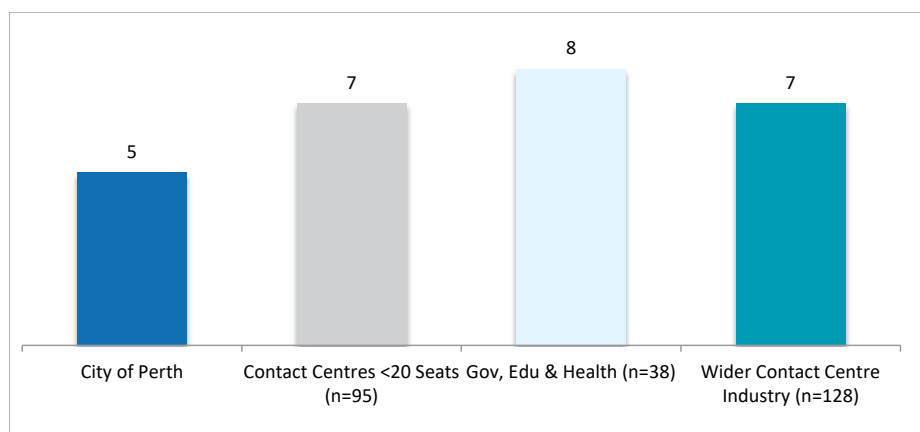
The model below shows the key elements in the Quality Assurance framework:

Figure 35: Quality Assurance Framework



The figure below shows the average number of interactions monitored for quality assurance purposes per Agent per month as indicated by research participants in comparison to City of Perth

Figure 36: Number of interactions monitored per Agent for QA



City of Perth stated that they monitor 5 interactions per CSO per month which is less than the government sector (8 per month) and wider industry (7 per month). Only phone interactions are formally monitored with email and front counter assessed on an ad hoc basis. To drive superior quality assurance monitoring interactions across all channels is critical.

The Quality Assurance process is driven by the Complaints and Quality Officer. Each call is assessed by the Customer Service Officer and Team Leader using the template shown in the figure below.

Figure 37: QA Phone Assessment

Customer Quality Assessment			
TRANSACTION DETAILS:			
Transaction Date:			
Transaction ID:			
Time of Call:			
Monitoring Date:			
Agent Name:			
Evaluator Name:			
Program:	Customer Experience Centre		
Site:	City of Perth - St Georges Terrace		
QUALITY SCORE:			
Customer Service	0	PASS/FAIL	
Business Objectives:	0	PASS/FAIL	
Overall Passing	0	PASS/FAIL	
CALL ATTRIBUTES			
Customer Service			
PASS/FAIL	1.1 Customer Focus		
	Used Standard Greeting	2	
	Identified Caller	2	
	Used Caller's Name	2	
	Actively Listened to Customer	5	
	Identified importance of issue to customer	2	
	Displayed proper amount of empathy	5	
	Demonstrated an interest in assisting the caller	5	
	Clear pitch and pace	1	
	Used terms the customer could understand	5	
	"Owned the call" - Call resolved	5	
	Transferred call appropriately	5	
	TOTAL	39	0
PASS/FAIL	1.2 Provided Customer Accurate Information		
	Asked Relevant Questions	5	
	Used tools/resources effectively to find correct information	5	
	Provided Correct Information to Customer	5	
	Provided clear instructions on process after request	5	
TOTAL	20	0	
PASS/FAIL	1.3 Call Control		
	Call was controlled	2	
	Knowledge of content lead to timely action	2	
	Sense of urgency to resolve Customer's request	2	
	Hold Time was appropriate	2	
	Completed relevant steps before transfer	2	
	Appropriate activity during call and including not ready time	1	
	TOTAL	11	0
Business Objectives:			
PASS/FAIL	2.1 System Inputs		
	All data entry correct	5	
	Correct Systems used for collection/transmission of call data	5	
TOTAL	10	0	
PASS/FAIL	2.2 Followed policies to avoid lost revenue or unnecessary costs		
	Escalated/Transferred call to correct department	5	
	Relevant data collected and processed to correct department	5	
TOTAL	10	0	
PASS/FAIL	2.3 Was Call Resolved		
	Call resolved within Guidelines	10	
TOTAL	10	0	
Business Intelligence			
	2.3 Was the customer dissatisfied?		
	2.1 Systems / Tools		
	Website		Comment
	Application		
	2.2 Service Issues		
	Self service option limitation		
	Payment Methods/ Options		
	Customer Service Staff- Call Centre		
	Long queue/ hold time to get through to an agent		
	Repeat Call		
	Other (Please add notes)		
	2.3 Company Process or Policy		
	Timeframe		
	Process		

The assessment is broken down into three categories; customer service and business outcomes which are scored and business intelligence which is used to capture opportunities for process and technology improvement. The customer service category consists of customer focus, customer accuracy of information and call control and represents 70% of the assessment scoring. The business objectives category consists of system inputs, policy and resolution and represents 30% of the assessment scoring. Each call attribute field can be populated with either a pass or fail and are assigned a value for weighting. All call attributes add to a total of 100. The pass mark is 80% to pass the assessment.

Team Leaders will address identified coaching needs in their fortnightly 1:1s with CSO's.

A weekly calibration session between the Quality and Complaints Officer and Team Leaders is carried out to ensure consistency across evaluations and discuss common themes in call listening, training needs and opportunities for process improvement. Process improvements will be raised with the Customer Service Project Team.

The QA process is well defined and includes a good practice balanced approach to scoring with the addition of calibration sessions to identify improvement opportunities.

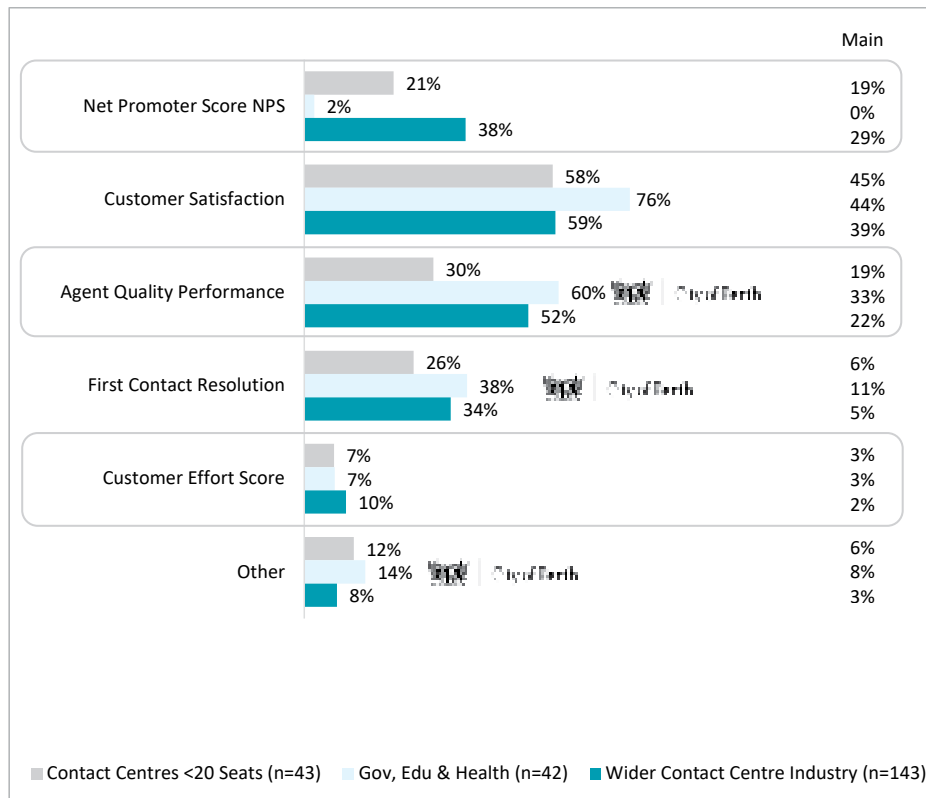
2.8 Customer Experience Performance Assessment

This section of the report provides an assessment and performance benchmarking of City of Perth's customer experience measurements and performance.

2.8.1 Customer Experience Measurement Assessment

The figure below shows the customer experience measures currently utilised by contact centres as indicated by research participants in comparison to City of Perth.

Figure 38: Customer Experience Measures



The City of Perth currently measure first contact resolution and agent quality to measure the customer experience, in addition to completing a bi-annual customer survey.

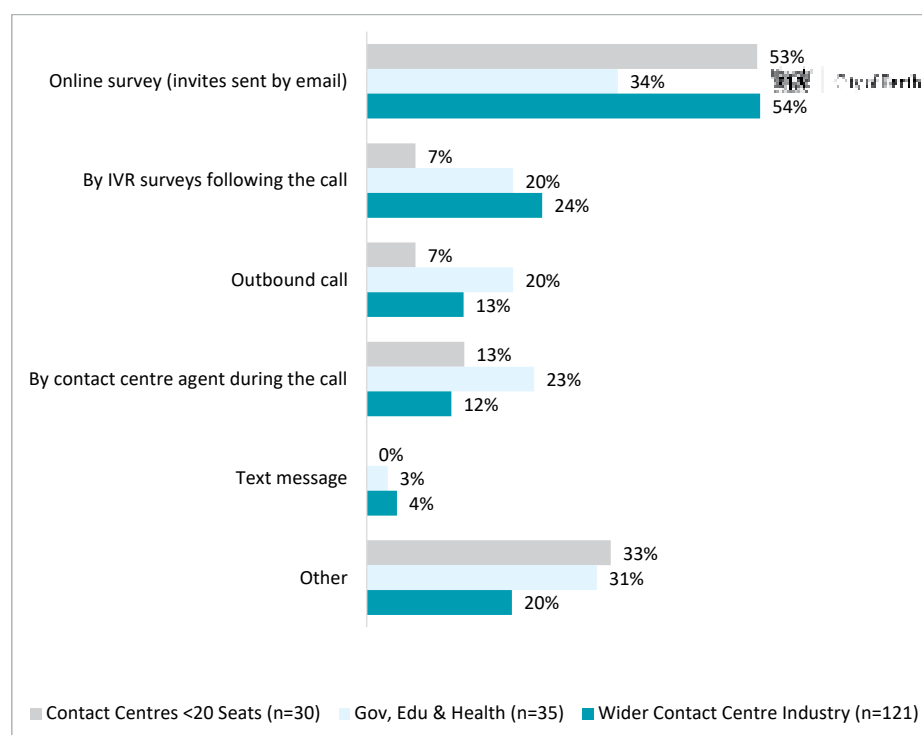
The primary customer experience measures used by the government sector include:

1. Customer Satisfaction (76%)
2. Agent Quality Performance (60%)
3. First Contact Resolution (38%)

An RFQ was issued during October 2018 for a new customer satisfaction research program, as an initiative within the Customer Service Strategy.

The next figure shows the customer experience measurement methods currently utilised by contact centres as indicated by research participants in comparison to City of Perth.

Figure 39: Customer Experience Measurement Method



The City of Perth distributes customer surveys via online surveys. The most common methods in the government sector are also online surveys (34%), IVR post call surveys (20%) and other (31%) which includes market research, 3rd party surveys via mail or email.

The following table shows the proportion of contacts requested to provide customer experience feedback by contact centres as indicated by research participants in comparison to City of Perth.

Table 24: Proportion of Requests for Customer Feedback and Response Rate

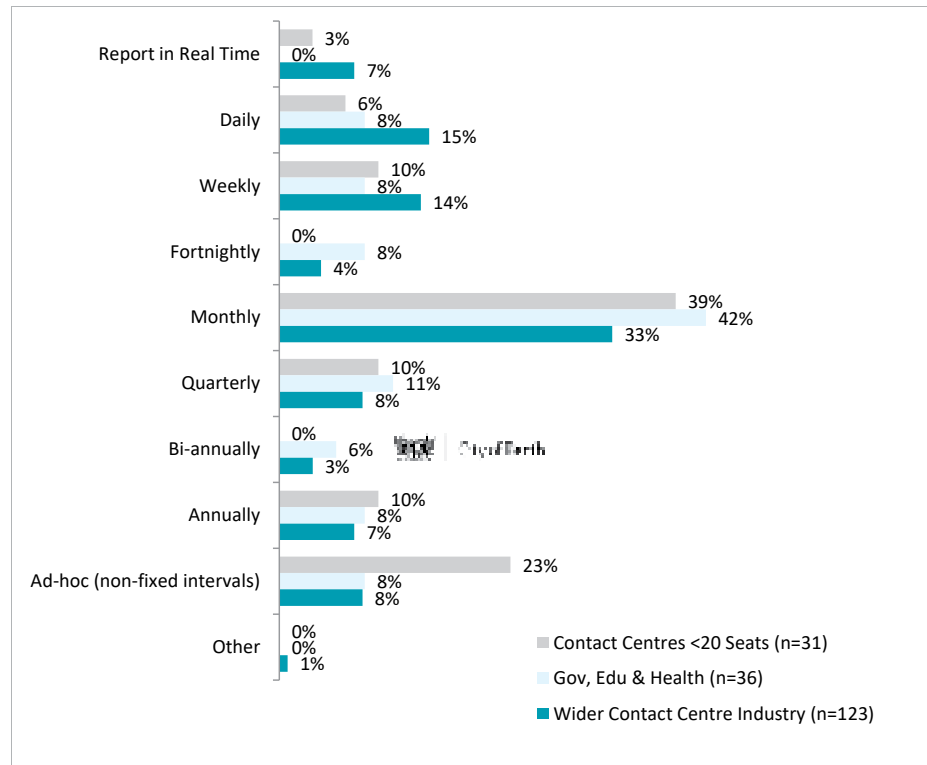
	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	27	26	88
Proportion of contacts do you request feedback	35%	30% Median	10% Median	50% Median
Actual response rate	14.7%	35% Median	40% Median	23% Median

The City of Perth contact 35% of customers who have made contact in the last 12 months. The actual response rate is 14.7%.

The City of Perth are requesting feedback from a greater proportion of customers (35%) than the government sector (10%), however the response rate is much lower at 14.7% in comparison to the government sector (40%).

The figure below shows the frequency of customer experience reporting currently utilised by contact centres as indicated by research participants in comparison to City of Perth.

Figure 40: Frequency of Customer Experience Reporting



City of Perth currently report on customer experience performance on a bi-annual basis which is in line with 6% of the government sector and 3% of the wider industry.

The most common frequency for reporting customer experience is currently monthly, however 10% of the wider industry is now reporting in real time to allow immediate root cause analysis and continuous improvement efforts.

2.8.2 Customer Complaints Assessment

In March 2017, City of Perth Customer Service conducted a survey to collect perceptions of the City from residents, rate payers, business owners, city workers and visitors. One of the key insights delivered was with regard to the dissatisfaction of the community towards the handling of feedback and complaints. As a result, the department designed and delivered a feedback framework and policy.

Customers can lodge a complaint over the phone, in person, written letter and via various digital channels including email, online form on social media.

The resolution process includes the following steps;

1. Customer Service Officer will endeavour to seek a first contact resolution
2. If customer is not satisfied with result or Customer Service Officer cannot resolve, the complaint is referred to the dedicated Complaints Officer.
3. If customer is not satisfied with result or Complaints Officer cannot resolve, the complaint will be referred to the applicable unit manager.
4. As a last resort, customer can elect to take their unresolved complaint to the City of Perth Ombudsman service.

A representative from each business unit has been nominated to act as a contact point between their unit and the Customer Service Unit when the complaint cannot be resolved in steps 1 or 2.

Complaints are tagged and tracked within the Microsoft Dynamics CRM and are reported monthly with exceptions if the complaint is related to a staff member or of an urgent nature.

The following table shows the percentage of customer complaints for contact centres as indicated by research participants in comparison to City of Perth.

Table 25: Customer Complaints

	City of Perth	Contact Centres <20 Seats	Gov, Edu & Health	Wider Contact Centre Industry
n=	1	61	24	83
% of interactions were complaints	0.002%	5%	4%	5%

The City of Perth reports that less than 1% of interactions are complaints which is significantly less than the government sector (4%) and the wider contact centre industry (5%).

SECTION 3.

Customer Service Performance Analysis Key Insights



3.1 Introduction

This section of the report provides key insights from the performance analysis and assessment completed for this review and context with regard to contact centre best practice.

3.2 Contact Centre Best Practice

The Contact Centre industry in Australia has evolved from traditional call centre operations handling voice interactions to include multiple customer interaction channels and back office processing over the previous five to six years. Today's contact centre operations are highly complex with multiple functions and channels operating to support the customer experience goals and objectives of an organisation. The strategic objectives and performance goals of contact centres vary considerably based on the industry sector and drivers of customer outcomes. To achieve best practice in contact centre operations, these nuances need to be considered, however at the core of achieving best practice, the following figure shows the key attributes required to be considered as performing in the top quartile of the industry.

Figure 41: Contact Centre Best Practice Attributes



3.2.1.1 Best Practice: People

In an industry that is heavily reliant on people capability, the most critical element for contact centres to achieve best practice is an optimised and engaged workforce. Best practice contact centres utilise effective workforce management practices to ultimately ensure the right number of trained people are available to effectively handle contact demand across the channel environment. Maintaining a trained and competent workforce is imperative to operational performance therefore best practice contact centres have low attrition rates and a highly engaged workforce with strong leadership and support roles including Workforce Management/Reporting, Quality Assurance and Training to ensure the effective management of operations. Best practice contact centres will consistently achieve performance targets with an optimised workforce.

3.2.1.2 Best Practice: Technology

Technology is critical enabler of operational efficiency and effectiveness. For contact centres to achieve best practice technology solutions need to provide the most operationally efficient and effective support based on the needs of the organisation. Frontline teams need to have simple technology interfaces that allow efficient contact handling rather than having to navigate multiple technologies and use a customer relationship management (CRM) and knowledge base (KMS) that is consistent across both the internal users and customer interaction channels. Critical to all best practice contact centres is also the effective utilisation of workforce management systems to ensure an optimised workforce is maintained and a QA system to support ongoing improvement of operational effectiveness.

3.2.1.3 Best Practice: Process

To enable best practice, contact centres need to design processes that are customer centric, reduce effort and are operationally efficient. To support ongoing improvement, continuous process review and re-engineering is required to ensure processes are optimised and effective. Best practice contact centres will also utilise real time customer feedback to investigate root cause issues and implement rapid solutions to enhance the customer experience.

To ensure the quality of the customer experience, best practice contact centres will utilise a robust multi-channel quality assurance program that will ensure service effectiveness is measured and that support and coaching is targeted to improve performance. On-going training for frontline teams needs to also be planned and delivered to support the ongoing optimisation of individual performance.

The most critical element for all best practice contact centres is the workforce management process that should be used to inform financial budgets and planning to ultimately ensure the right number of people are available to handle contact demand to defined performance goals.

3.3 Customer Service Performance Analysis Summary

A summary of City of Perth's performance analysis and benchmarking can be found in the table below.

Table 26: City of Perth Areas of Good Performance and Areas of Opportunity Summary

Performance Area	Area of Good Performance	Area of Opportunity
Strategy	<p>Defined organisational strategy includes customer centric goals and KPIs</p> <p>Good practice defined customer charters</p> <p>Defined customer service strategy and implementation plan</p>	<p>Lower than benchmark assignment of budget to technology</p>
Multi-Channel Capability	<p>Good range of customer interaction channels available</p> <p>Greater proportion of enquiries handled via self-service than benchmark</p> <p>Professionally presented front counter environment</p> <p>e-portal provides good self-service functionality and allows tracking of progress</p> <p>Business case for web chat developed</p> <p>Mobile application mock up developed</p>	<p>Greater proportion of enquiries handled via email than benchmark</p> <p>Lower than benchmark proportion of outbound contacts</p>
People Capability	<p>Higher than benchmark probationary success</p> <p>Lower than benchmark sick leave</p> <p>Higher than benchmark on-going training days</p> <p>Good range of staff benefit offered</p> <p>Defined reward and recognition program</p>	<p>Variable number of direct reports to each Team Leader</p> <p>Higher than benchmark staff turnover</p> <p>Higher than benchmark speed to competency</p> <p>Lower than benchmark use of e-learning</p>

Workforce Optimisation	All CSOs trained to handle phone and digital interactions	Long term forecasts not in place Staffing based on budget rather than required FTE Email not currently included in forecasts Forecast accuracy not tracked No formal real time management plan
Technology	Lower than benchmark number of desktop applications	
Operational Efficiency and Effectiveness	Greater than benchmark channel response targets Greater than benchmark phone response performance Good practice QA monitoring framework	CSO's targeted on call answering KPI Lower than benchmark number of contacts monitored for QA
Customer Experience	Lower than benchmark proportion of customer complaints	Less than benchmark frequency for customer measurement program Lower than benchmark customer feedback response rate

Details of each assessment area can be found in section 2 of this report.

A summary of City of Perth's key performance benchmark metrics compared to the wider contact centre industry, similar sized centres and the government sector can be found in the table below.

Table 27: City of Perth Performance Benchmarking Results

		City of Perth	Similar Size Contact Centres	Government Sector	Contact Centre Industry
Multi-Channel Capability	Proportion of customer interactions handled via phone	58%	69%	75%	71%
	Proportion of inbound contacts	99%	86%	94%	84%
	Future self-service (% of total interactions)	11%	10%	10%	9%
People Capability	% of home based agents	1%	9%	1%	8%
	Agent Tenure (full time)	5 years, 4.5 months	4 years, 2 months	6 years, 6 months	3 years, 9 months
	Staff Turnover	33%	16%	8%	19%
	Sick Leave p.a	3.3 days	10 days	12 days	11 days
	Number of days training provided - induction	20	14	13	15
	Number of days training provided - ongoing	15	9	10	9
	Speed to competency	12 weeks	9 weeks	8 weeks	9 weeks

		City of Perth	Similar Sized Contact Centres	Government Sector	Contact Centre Industry
Tech	Number of desktop applications	2	5	6	5
Operational Performance	Target SLAs – Phone	90% of calls within 15 seconds	80% of calls answered in 30 seconds	80% of calls answered in 20 seconds	80% of calls answered in 10 seconds
	Performance to SLA Target - Phone	81%	76%	75%	76%
	First Contact Resolution - Phone	83.81%	76%	78%	78%
	Target SLAs – Email	100% emails resolved within 24 hrs	100% emails resolved within 48hrs	100% emails resolved within 48 hrs	100% emails resolved within 48 hrs
	Performance to SLA Target - Email	80.7%	91%	97%	91%
	First Contact Resolution - Email	Not measured	78%	80%	78%
	Performance to SLA Target – Social Media	100%	99%	100%	99%
	First Contact Resolution – Social Media	100%	90%	98%	91%
	Occupancy Rate	87.23%	79%	80%	80%
	Number of calls monitored per agent per month	5	8	8	7
		City of Perth	Similar Sized Contact Centres	Government Sector	Contact Centre Industry
Customer Experience	Frequency of customer satisfaction / experience reporting	Bi-annual	Monthly	Monthly	Monthly
	Customer feedback response rate	14.7%	25%	40%	23%
	Percent of customer interactions are complaints p.a	0.002%	6%	4%	5%

The summary findings of the performance benchmarking results for City of Perth are provided below:

Table 28: City of Perth Performance Benchmarking Summary

	City of Perth
Number of areas at or above benchmarks	14
Number of areas below benchmarks	10

A comprehensive analysis of all performance benchmark metrics can be found throughout section 2 in this report.

3.4 Current State Assessment Summary

The City of Perth Customer Service function has transformed significantly over the previous year with the creation of the Customer Experience Centre to provide a centralised operating model for customer contact. The centralisation of customer contact is still in progress with other areas of Council to be transitioned into the centre over the coming months.

The City of Perth aspires to provide a best in class local government customer experience to allow customers to engage easily with the city via their channel of choice. The transformational journey to achieve this aspiration is in progress with the current customer service offering performing to industry benchmarks and best practice in 14 of the 24 primary measures.

To support City of Perth to continue their journey to achieve a best in class customer experience, it will be critical to focus on and invest in the following areas:

1. **Strategy:** Alignment of all areas of Council to a common customer experience vision and objectives is required to support customer centric transformation.
2. **Technology:** To provide a seamless multi-channel experience that will allow greater personalisation a single view of the customer is required across all interaction channels. Investment in an enterprise wide CRM and Knowledge Management System (KMS) are integral to this objective. An intuitive KMS is a pre-requisite for the implementation of AI/Chatbots in the future which could significantly reduce operating costs.
3. **Customer Channels:** To ensure customers can interact with Council via their channel of choice and receive a seamless experience, the digital platform needs to be self-service enabled with additional channels implemented to increase channel choice (e.g. Web chat and a Mobile Application).
4. **Workforce Planning:** To ensure the appropriate number of staff are trained and available to handle customer contact as additional areas are transferred to the Customer Experience Centre, the implementation of workforce planning processes are required to accurately calculate the number of resources required to achieve defined service outcome targets. As new channels are introduced and customer channel preferences continue to change, it is important to ensure a future forecast is developed for all interaction channels.

SECTION 4. Cultural Health Check Survey Results



4.1 Introduction

A short culture health check survey was designed to allow City of Perth staff to confidentially provide feedback with regard to the current organisational culture. The survey was available online and in hard copy for employees to complete.

The survey included statements that participants could agree or disagree with as follows:

1. Strongly Agree
2. Agree
3. Neither Agree Nor Disagree
4. Disagree
5. Strongly Disagree

The questions included in the survey were as follows:

- Q1. Community perception of Council's customer service is positive
- Q2. Who is responsible for customer service at the City of Perth?
- Q3. The Customer Service Unit is well perceived in Council
- Q4. I know what the City's Customer Service Unit does. Please list below:
- Q5. The Customer Service Unit assists you/your team in providing your services
- Q6. I am aware of the Internal and External Customer Charters
- Q7. I know the City's general email and contact phone number
- Q8. Council employees are encouraged to participate in Customer Service training
- Q9. There is communication at team meetings around our customer service performance
- Q10. My role includes customer service
- Q11. I feel proud to provide customer service to the community

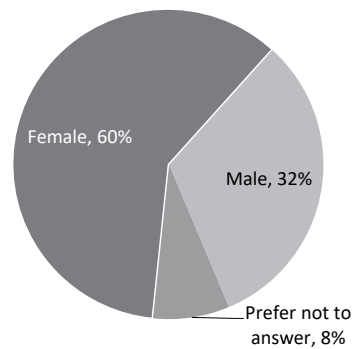
4.2 Cultural Health Check Respondents

A total of 139 council employees completed the culture health check survey during November 2018. This is approximately 20% of total City of Perth employees.

Results from the survey were then analysed to provide scores for each question, by group or department and at an aggregate whole of Council level. Results for each group were published if considered significant.

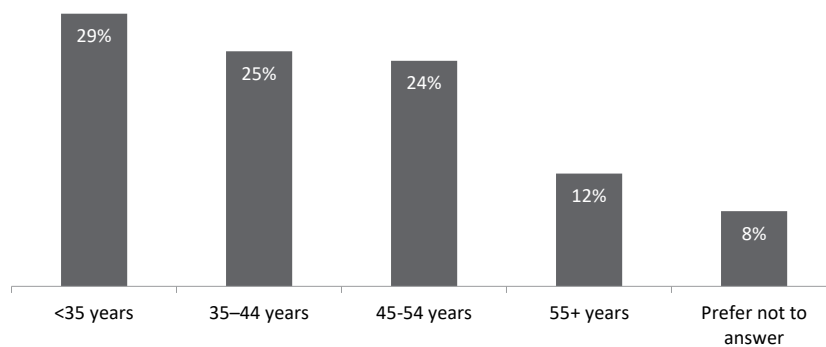
Of the 139 respondents to the culture health check survey, 83 were female, 48 were male and 12 preferred not to answer.

Figure 42: Gender of Respondents



The figure below shows the breakdown of the age of survey respondents.

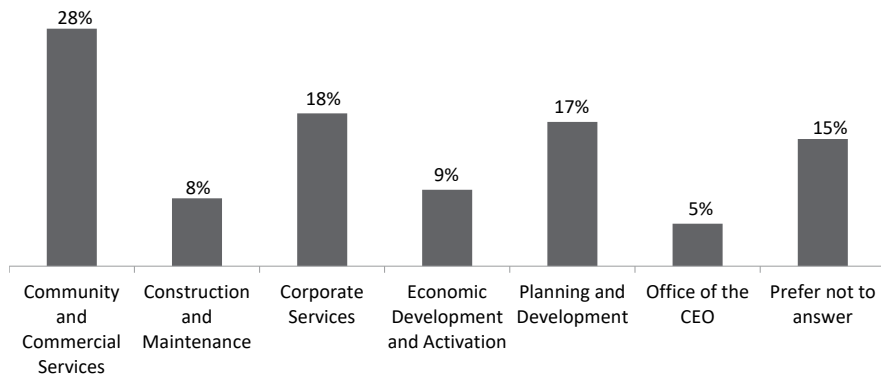
Figure 43: Age of Respondents



Of the 139 respondents, 127 provided their age bracket. 29% of survey respondents are within the <35 years old group.

The following figure shows the breakdown of respondents by department.

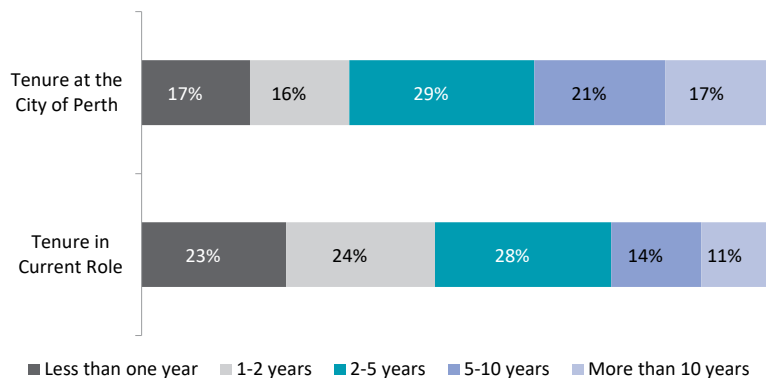
Figure 44: Department of Respondents



Of the 139 respondents, 39 stated they currently work in Community and Commercial Services which was the largest respondent group followed by Corporate Services of which 25 employees completed the survey. 21 respondents preferred not to state the department they currently worked in.

The following figure shows the breakdown of respondents by tenure at the City of Perth Council and in their current role.

Figure 45: Tenure of Respondents



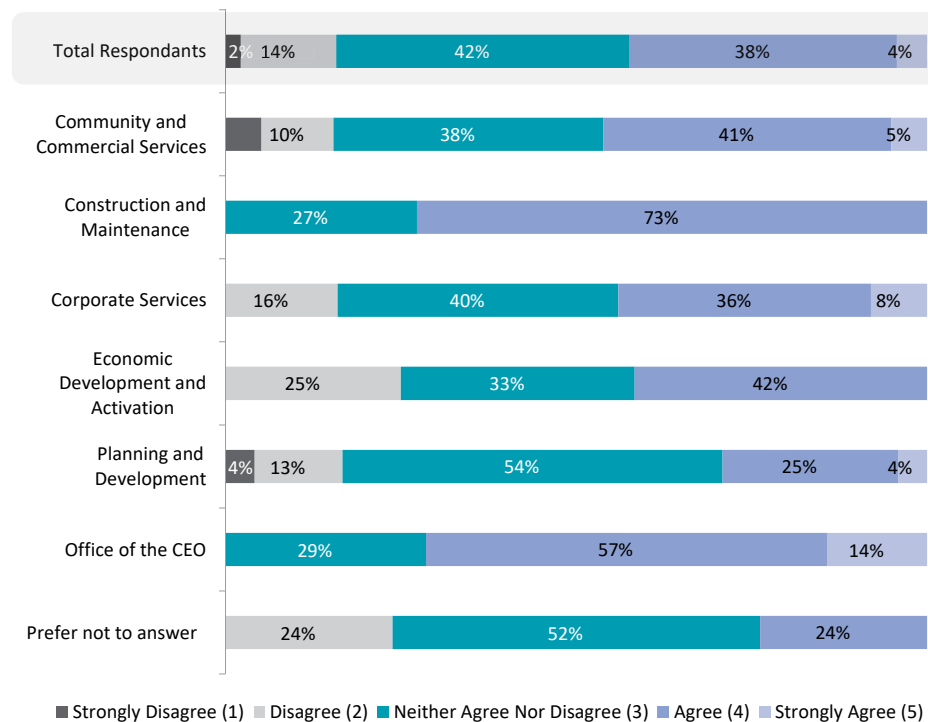
Of the 139 respondents, 40 have been at the council for 2-5 years, 23 have been at the council for less than one year and 23 have been at the council for more than 10 years. Tenure in role has a similar respondent pool size in the 2-5 years as tenure at council however had more respondents in the less than one year category (32) and less respondents in the more than 10 years category (15) indicating some movement of resources across departments.

4.3 Cultural Health Check Survey Results

This section of the report provides insights from the City of Perth culture health check survey. Respondents were asked to rate each statement from 1 to 5.

The figure below shows the City of Perth's employee's responses.

Figure 46: Community perception of Council's customer service is positive



Overall, of the 139 respondents, 58 (42%) either agreed or strongly agreed that the community's perception of the Council's customer service was positive and the same amount of respondents neither agreed nor disagreed (58). A total of 22 respondents (16%) disagreed or strongly disagreed

that the communities' perception of the Council's customer service was positive. The Construction and Maintenance department were most likely to agree or strongly agree (73%) closely followed by the Office of the CEO (71%). Respondents who preferred not to state their department were most likely to be agnostic or disagree with the statement (76%).

The next question asked respondents, "Who is responsible for customer service at the City of Perth". This was a free text response field. 120 of the 139 respondents referenced "all" or "everyone". Commentary provided from respondents who believed customer service was the responsibility of everyone included;

"All employees, not just those in direct client facing roles that are responsible for servicing the public"

"Everyone that works with the City of Perth in some way or other either with external customers or internal customers is responsible. The main responsibility lies with people that deal directly with customers."

"Everybody! We are all internal customers and we are all responsible for providing a service to the city's ratepayers, visitors, businesses, residents and workers externally."

Respondents who provided commentary that indicated customer service was not a shared responsibility included;

"Manager Customer Service"

"I don't know. There doesn't seem to be a clear outline of responsibilities or processes for customer service queries (external)."

"Contact centre"

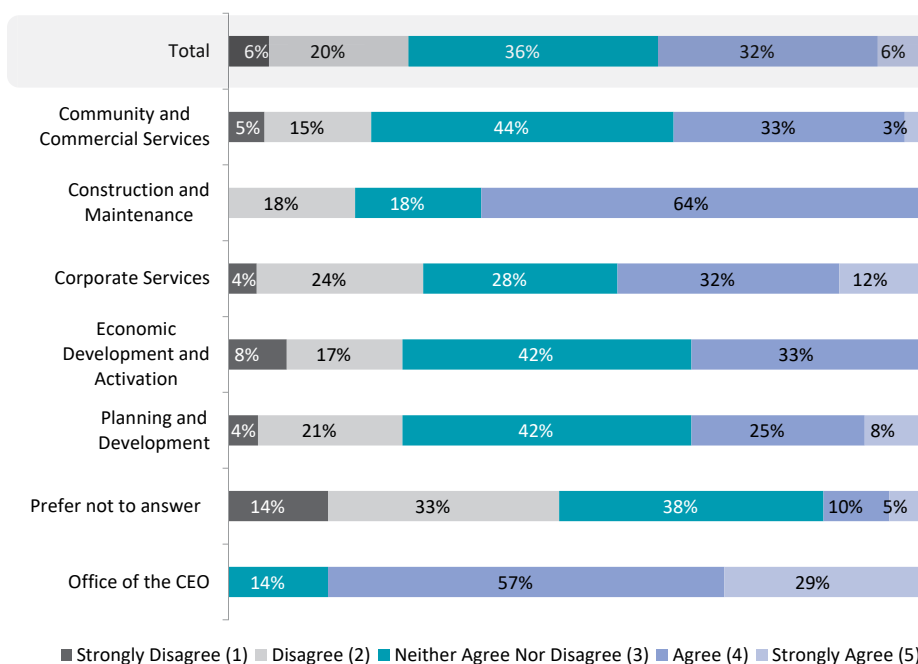
"Customer services section"

"The Community Services Directorate - Customer Service Unit"

"Community and Commercial Services"

The following figure shows the perception of the Customer Service Unit at the City of Perth.

Figure 47: The Customer Service Unit is well perceived in Council



Overall, of the 139 respondents, 53 agreed or strongly agreed (38%) that the Customer Service Unit was perceived well in the Council while 50 neither agreed nor disagreed (36%). 36 respondents disagreed or strongly disagreed (26%) that the Customer Service Unit was perceived well in Council.

The Office of the CEO and Construction and Maintenance Units had the highest proportion of respondents that agreed or strongly agreed with the statement (86% and 64% respectively). The category, 'prefer not to answer' and the Corporate Services Unit were most likely to disagree with the statement (47% and 28% respectively).

The next question asked respondents, "What does the Customer Service Unit do?" This was a free text response field. Commentary provided from respondents that indicated sound knowledge of the Customer Service Unit's role included;

"Lead the organisation's engagement and service of community. First line of contact developing processes that ensure customers have a positive experience when dealing with the City. Managing the customer contact centre. Major stakeholder in CRM system" – Non Customer Services Employee

“First contact for customers via email, in person and over the phone. Triage enquiries to relevant units. Residential parking applications. Register Hansen/Pathways requests. Manage and coordinate customer feedback on behalf of the City. Payments. Inbox for CEO/Commissioners. Info. City emails. Parking permits. Assist with visitor system.” - Commercial and Community Services Employee

*“First point of contact to answer queries for the city's ratepayers, visitors, businesses and residents.”
– Non Customer Service Employee*

“Assist with customer queries via counter, email and phone. Direct any queries to the appropriate departments” - Non-Customer Service Employee

“Represents the organisation as a one stop shop to provide information and support to both external and internal customers” – Non Customer Service Employee

Commentary provided from respondents that indicated limited or negative knowledge of the Customer Service Unit's role included;

“My experience to date is that they act as an interface between the public and the organisation (City), but there is a limited understanding of the work of the various business units and that enquiries from the public are sometimes misdirected or not appropriately triaged / dealt with before they are escalated to Business Units.” -Non- customer service employee

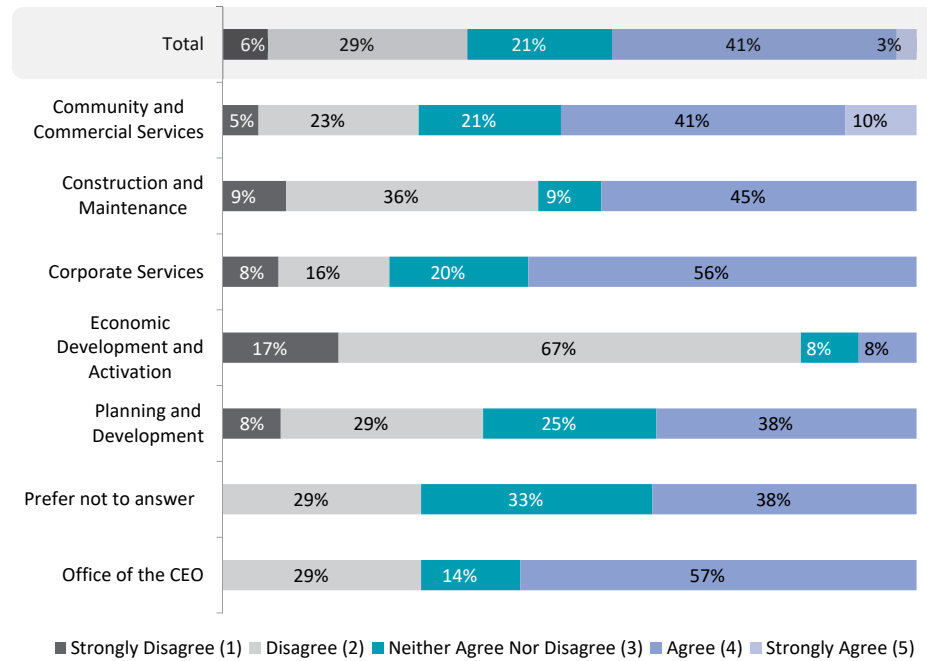
“I don't know. They seem to pass external callers through to anyone who will pick up the phone, without a clear understanding of what the customer is asking (or that they are putting them through to the correct unit).” -Non-Customer Service Employee

“Take payments Phone Calls - but put through to wrong people Emails - but put through to wrong people.” -Non-Customer Service Employee

“Apart from looking after visitors at the ground floor entrance, I'm not really sure.” –Non Customer Service Employee

The following figure shows the breakdown of responses to awareness of the City of Perth’s internal and external customer charters.

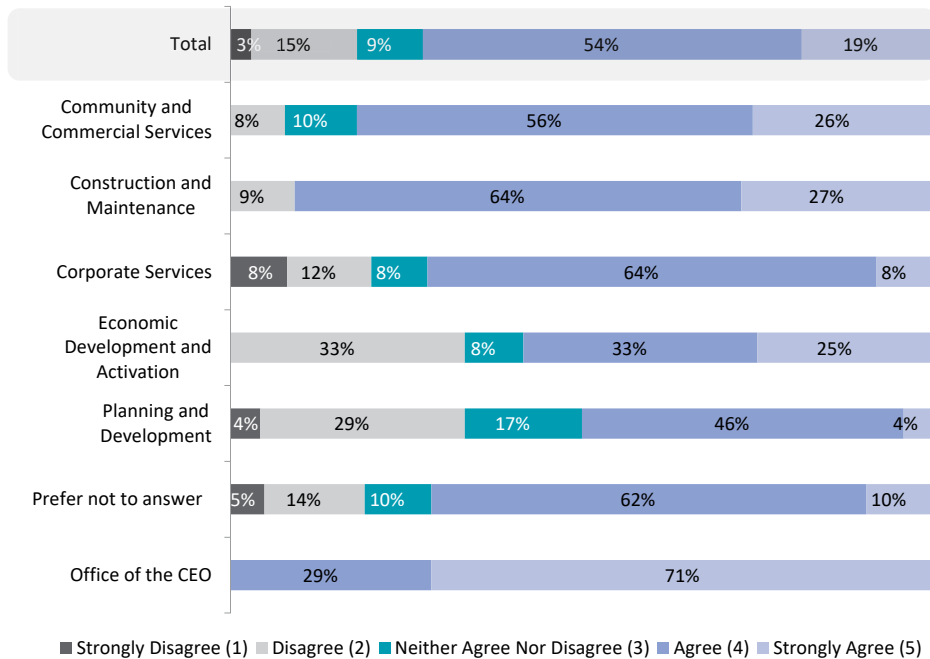
Figure 48: I am aware of the Internal and External Customer Charters



Overall 61 of the 139 respondents (44%) stated they agreed or strongly agreed that they were aware of the Council’s customer charters. 49 of the 139 respondents (35%) stated they strongly disagreed or disagreed that they were aware while 29 neither agreed nor disagreed (21%). The Office of the CEO and Corporate Services had the greatest awareness of the customer charters with 57% and 56% respectively stating they either agreed or strongly agreed that they were aware of the customer charters while the Economic Development and Activation Unit had the least awareness with 84% indicating they disagreed or strongly disagreed.

The following figure shows the breakdown of responses to awareness of the City of Perth’s email and contact phone number.

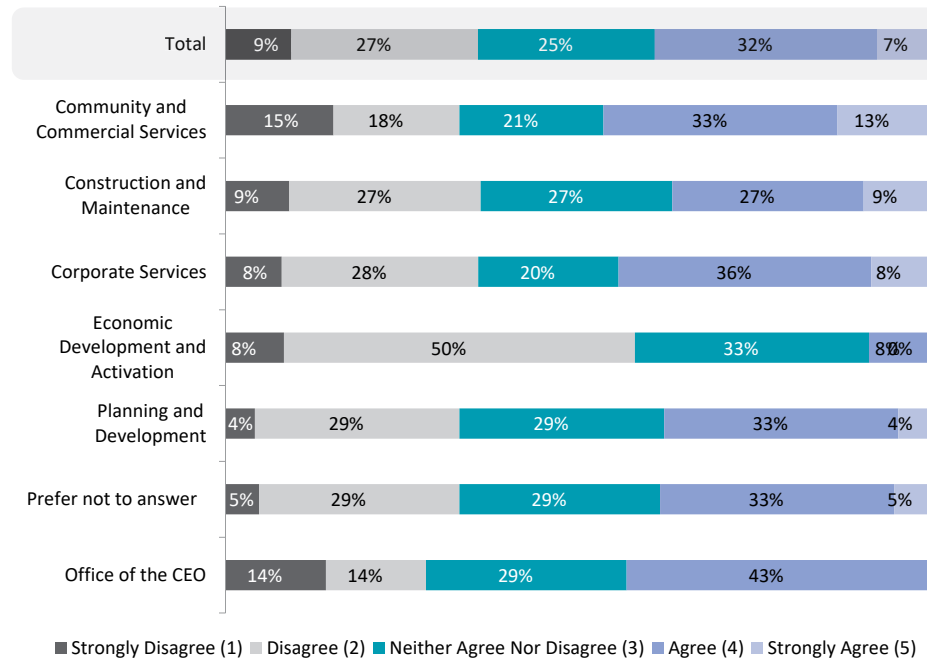
Figure 49: I know the City’s email and contact phone number



Overall 87 of the 139 respondents (73%) stated they agreed or strongly agreed that they know the City’s email and contact number. 25 of the 139 respondents (18%) stated they strongly disagreed or disagreed that they were aware while 12 neither agreed nor disagreed (9%) that they know the City’s contact details. The Office of the CEO and Construction and Maintenance had the greatest awareness of the City’s contact details with 100% and 91% respectively stating they either agreed or strongly agreed; while the Economic Development and Activation Unit and Planning and Development Units had the least awareness of the contact details with 33% of the respondents indicating they disagreed or strongly disagreed.

The following figure shows the respondents perception of encouragement to participate in customer service training at the City of Perth.

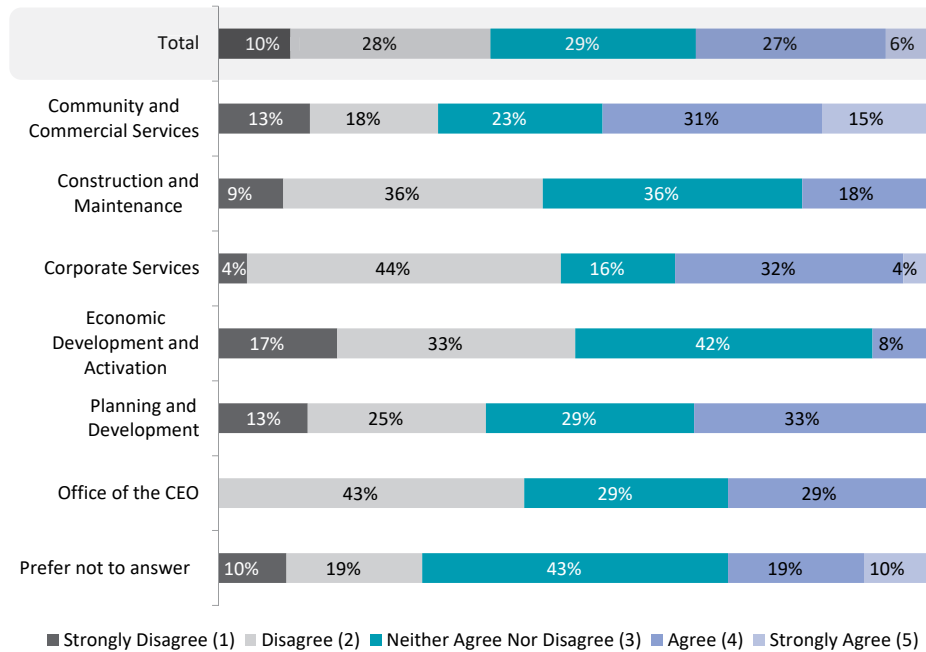
Figure 50: Council employees are encouraged to participate in Customer Service Training



Overall, 64 of the 139 respondents (39%) stated they agreed or strongly agreed that they are encouraged to participate in customer service training, 25% of respondents neither agreed nor disagreed and the remaining 36% of respondents disagreed or strongly disagreed. The Economic Development and Activation Unit had the highest proportion of respondents that stated they were not encouraged to participate in customer service training with 58% indicating they disagreed or strongly disagreed.

The following figure shows a breakdown of responses in regards to communication around customer service performance at team meetings.

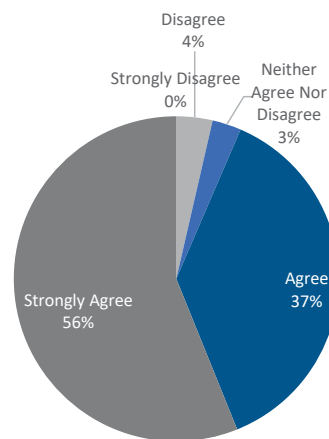
Figure 51: There is communication at team meetings around customer service performance



Overall, 46 of the 139 respondents (33%) stated they agreed or strongly agreed that there is communication around customer service performance at team meetings. 52 of the 139 respondents (38%) stated they strongly disagreed or disagreed that there was communication while the remaining 40 neither agreed nor disagreed (29%). Community and Commercial Services had the greatest agreement around communication of customer service performance with 46% stating they either agreed or strongly agreed. The Economic Development and Activation Unit and Corporate Services Unit had the highest rate of disagreement towards communication of customer service performance with 50% and 48% of the respondents indicating they disagreed or strongly disagreed.

The following figure shows the responses to the question, 'My role includes customer service'.

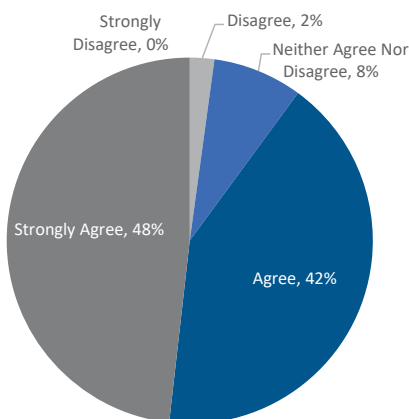
Figure 52: My role includes customer service



A significant majority of respondents, 130 of the 139 respondents (93%) stated they agreed or strongly agreed that their role includes customer service. 5 the 139 respondents (4%) stated they disagreed that their role included customer service and 4 stated they neither agreed nor disagreed that their role included customer service (3%).

The figure below shows the degree to which the respondents feel proud to provide service to the community.

Figure 53: I feel proud to provide customer service to the community



The greatest proportion of respondents, 126 of the 139 (90%) stated they agreed or strongly agreed that they felt proud to provide customer service to the community. 2% of respondents stated they strongly disagreed or disagreed and the remaining 8% stated they neither agreed nor disagreed that they felt proud to provide customer service to the community.

The final question asked respondents if they have any comments regarding the culture at Council or any results captured in this survey. Of the 139 respondents that completed the survey, 89 provided additional commentary.

Themes included performance of the Customer Service team and internal customer service. A snapshot of responses have been included below.

“There has been a perceptible difference in the approach to customer service from the Customer Service Unit in the past year and this is setting the bar high for the rest of the organisation. Customer service are a delight to deal with and I feel there is work to be done for the entire organisation. Every single business unit should recognise customer service as part of their role both for internal and external stakeholders) and we each should be concerned with being as helpful as possible to ensure we represent the City well.” –Non Customer Service Employee

“Personally I think CSC is doing a great job but for reasons that I am unaware of the perception in the Council is that they aren't. Maybe this is because they have recently undergone a massive change in centralising customer service and there have naturally been some challenges with this.” –Non Customer Service Employee

“The culture from a customer service perspective is to be helpful and provide good customer service. I don't think this has changed recently - my opinion is that the City staff have been quite focused on good service since I started here long before the past 4 year crisis period. Unfortunately the culture and team spirit has and is still affected by the unsuccessful restructure (in terms of execution and outcomes). On an executive level it has been quite disastrous and also the huge turnover for the whole organisation has been a problem. Unfortunately the exorbitant time taken to resolve the process has not helped and is to blame for the slow recovery. However there are positive signs.” - Commercial and Community Services Employee

“Customer service internally could still use work as individuals can be protective and defensive about what they contribute. Or are defensive because they are hiding that they don't contribute anything. There is also very little accountability for work which crosses between units & directorates as nobody wants to get the blame if things go south.” –Non Customer Service Employee

“I find at times there a significant amount of time for inquiries to reach the appropriate person, which can be somewhat annoying from a customer and staff perspective. Priorities across units also means what is important for one person may not seem as important to the other so at times officers can be left waiting, this can then impact staff who are needing to respond to external stakeholders. I think there could be an improvement of service between internal stakeholders. At times, there is also a lack of people wanting to take responsibility / ownership for phone calls.”

4.4 Cultural Health Check Survey Key Insights

The following table shows the summary results for each of the ranked statements included in the culture survey.

Table 29: City of Perth Culture Survey Summary Results

Statement	Agree or Strongly Agree	Neither Agree or Disagree	Disagree or Strongly Disagree
The community's perception of the Council's customer service was positive	42%	42%	16%
The Customer Service Unit is well perceived in Council	38%	36%	26%
I am aware of the Internal and External Customer Charters	44%	21%	35%
I know the City's email and contact phone number	73%	9%	18%
Council employees are encouraged to participate in Customer Service Training	39%	25%	36%
There is communication at team meetings around customer service performance	33%	29%	38%
My role includes customer service	93%	3%	4%
I feel proud to provide customer service to the community	90%	8%	2%

The most positive results were provided for:

- 'My role includes customer service' (93% agreed or strongly agreed)
- 'I feel proud to provide customer service to the community (90% agreed or strongly agreed)
- 'I know the City's email and contact phone number' (73% agreed or strongly agreed)

The least positive results were provided for:

- 'There is communication at team meetings around customer service performance' (38% disagreed or strongly disagreed). The Economic Development and Activation Unit and Corporate Services Unit had the highest rate of disagreement towards communication of

customer service performance with 50% and 48% of the respondents indicating they disagreed or strongly disagreed.

- 'Council employees are encouraged to participate in Customer Service Training' (36% disagreed or strongly disagreed). The Economic Development and Activation Unit had the highest proportion of respondents that stated they were not encouraged to participate in customer service training with 58% indicating they disagreed or strongly disagreed.
- 'I am aware of the Internal and External Customer Charters' (35% disagreed or strongly disagreed). The Economic Development and Activation Unit had the least awareness with 84% indicating they disagreed or strongly disagreed.

4.5 Stakeholder Interview Quantitative Results

Representatives from the Management and Executive Leadership Group were also interviewed as part of this review to determine engagement and commitment towards service and to clarify information provided via the Request for Information. The structured interviews included both quantitative and qualitative questions that assessed:

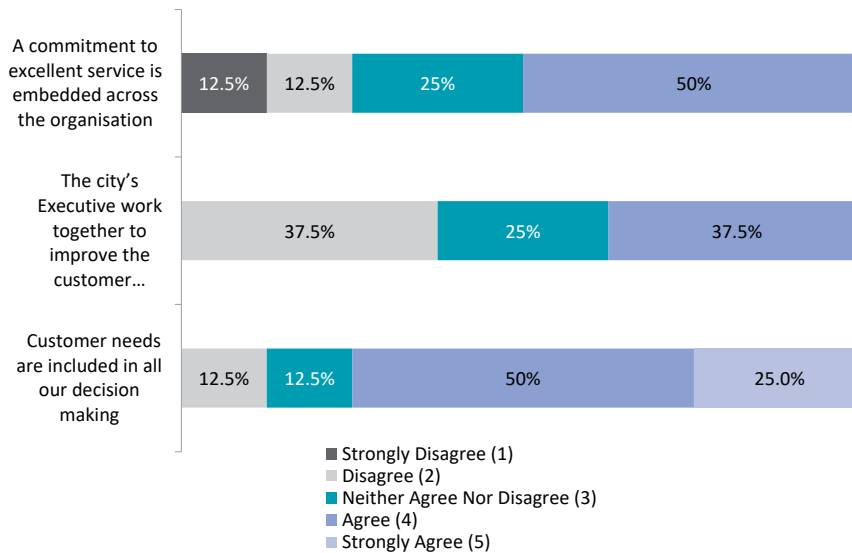
- Engagement and commitment of the Executive Leadership Group in leading the City's service performance
- Engagement and commitment of the Management Group in guiding, directing and reinforcing the City's service performance

A total of 8 stakeholder interviews were conducted. Participants were asked to provide a rating for the following three statements:

1. A commitment to excellent service is embedded in the organisation
2. The Executive team work together to improve the customer experience
3. Customer needs are included in all our decision making

Utilising the same rating scale as the cultural health check survey of 1-5, the results were as follows:

Figure 54: Stakeholder Interview Question Ratings



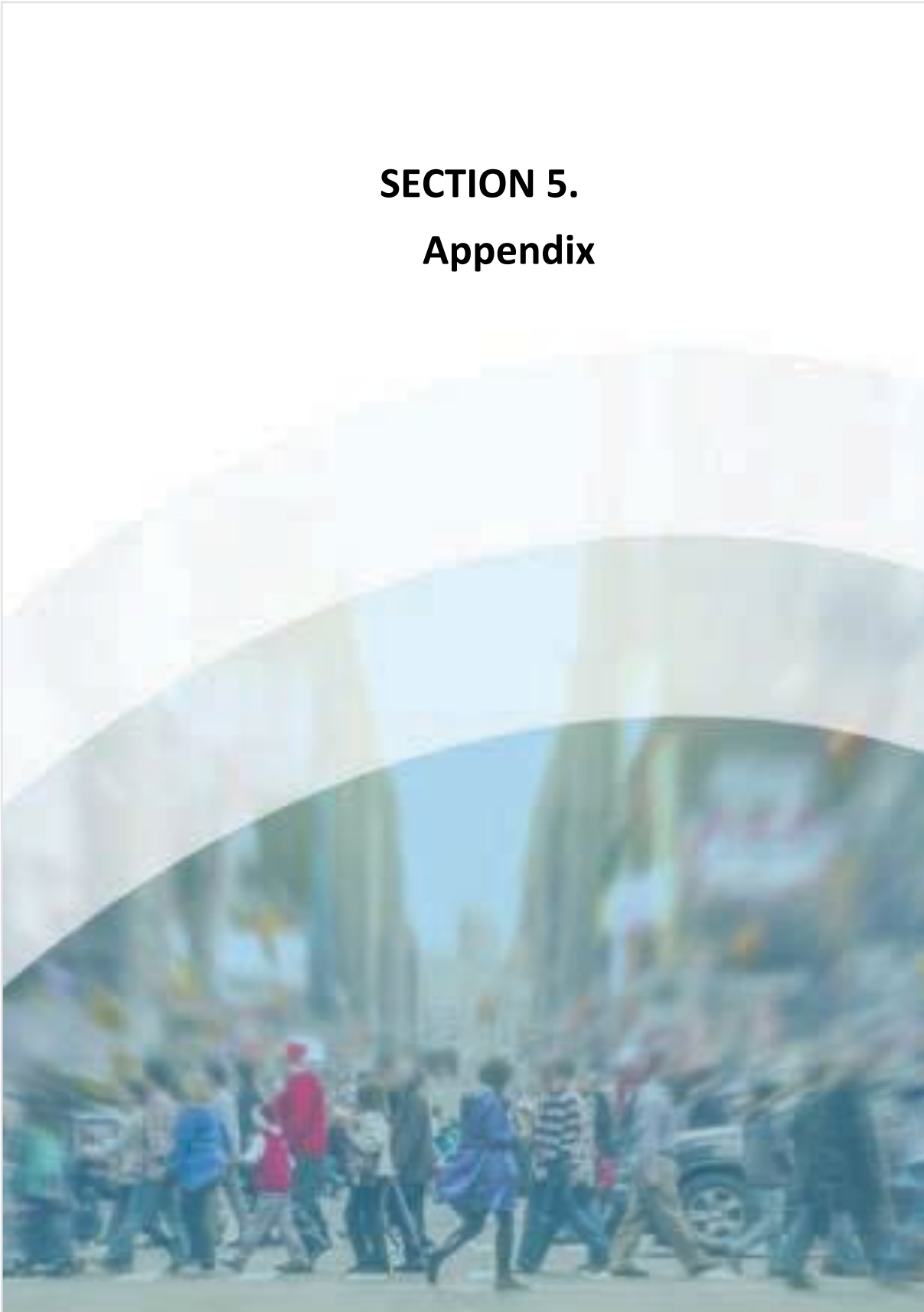
Of the 8 participants, 50% agreed (4) that a commitment to excellent service is embedded across the organisation, 2 neither agreed nor disagreed and the remaining 1 participant strongly disagreed.

3 participants agreed that the city's executive team work together to improve the customer experience whilst an equal number (3) disagreed and the remaining participant neither agreed nor disagreed.

6 participants (75%) either agreed or strongly agreed that customer needs are included in all decision making whilst the remaining 2 participants either disagreed or neither agreed or disagreed.

A summary of the comments from the stakeholder interviews can be found in the appendix of this report.

SECTION 5. Appendix



5.1 Project Methodology

The high level approach and methodology to achieve the objectives of this program are detailed below:



Further details of the approach are detailed in the following section of this report.

5.1.1 Project Initiation

At the commencement of the project, a workshop was facilitated by Fifth Quadrant with key City of Perth stakeholders with the following purpose and objectives:

1. Project briefing to all project team members
2. Gather initial feedback, ideas and suggestions
3. Agree project resources and refine timelines
4. Agree project governance and reporting
5. Identify project risks, mitigations and interdependencies

Fifth Quadrant works collaboratively with our clients to ensure mutual success for our engagements. During the project initiation meeting we will agree an appropriate frequency and format for project governance and for engagement with the City of Perth team that may include weekly or fortnightly project status reports and meetings, the establishment of a steering committee and formal project management approaches. The project initiation meeting will be conducted via telephone conference to establish the program of work prior to site visits.

5.1.2 Document and Data Review

Fifth Quadrant issued a Request for Information (RFI) to City of Perth on Friday, 19th October in order to leverage existing research and documentation.

Documents reviewed include:

1. Organisational strategy
 - a. City of Perth Strategic Community Plan
 - b. City of Perth Corporate Business Plan
 - c. Deloitte Report – OCCA
2. Customer experience strategy and roadmap
 - a. Customer Service Timeline Report Q3 and Q4 17/18 FY
 - b. Timeline Report Q3 and Q4 17/18 FY
 - c. Memo – Update Customer Service Project
 - d. CEC Final
 - e. Experience Service Action Plan
 - f. CSC Business Unit Planning 18/19
 - g. Inside City July 2018
 - h. Inside City August 2018
 - i. Deloitte – Customer Service Strategy
 - j. COP – ELG Presentation Deloitte Review
 - k. COP Costing Estimate
 - l. Quick Wins
3. Omni-Channel strategy and plans
 - a. My City – Inspiring Community Engagement
 - b. Screenshots – Prototype
 - c. Corporate Communications Strategy
 - d. Re-allocation of Capital Works – Ground Floor
 - e. Interior Concept 1
 - f. Interior Concept 2
 - g. Ground Floor
 - h. Briefing Note – Ground Floor
 - i. Council House Accessibility Report
 - j. Council Counter
 - k. Proposed Contact Centre

- I. Live Chat Proposal
- 4. Digital strategy and plans
 - a. DAI Strategy Paper 2017-18
 - b. IBM Smarter Cities Communication
 - c. DAI Business Plan 2018-2019
 - d. Digital Workplace Business Case
- 5. Customer charter and/or promise
 - a. Customer Charter – ELG Endorsement Report
 - b. Customer Charter – Organisation Feedback
 - c. Internal Customer Charter
 - d. External Customer Charter
- 6. Existing customer experience research, insights, personas and customer journey maps
 - a. Memo – Self Service
 - b. Extended Hours – Optus Stadium
 - c. Customer Service Operating Hours
 - d. After Hours - Insight
 - e. Pilot Plan for Afterhours
 - f. Minutes – Pilot for Afterhours
- 7. Customer satisfaction measurement framework and performance
 - a. City of Perth Perceptions Survey
 - b. City of Perth Perceptions Survey – Qualitative Feedback
 - c. City of Perth Perceptions Survey Results
 - d. Topline Findings
 - e. City of Perth Perceptions Survey Questionnaire
 - f. Winter Parking Promo Survey Results
 - g. RFQ – Customer Satisfaction Survey
 - h. City of Perth Customer Satisfaction Discussion Guide
 - i. Customer Survey Update
 - j. ELG Report – Feedback Framework
 - k. Service Feedback Policy
 - l. Feedback Process
 - m. ELG Report – Feedback Update
 - n. CSC Monthly Feedback Report

- o. Introduction to Customer Feedback
 - p. Escalation Process
 - q. Feedback Decision Process
- 8. Previous 13 months multi-channel performance reports at intra-day and interval level
 - a. City of Perth – CS (including WFM and Trends)
 - b. City of Perth – CS (2) – (including WFM and Trends)
- 9. Multi-Channel contact volume forecast & AHT's
 - a. Multi-channel Report (Pilot – to date)
- 10. Current enquiry, interaction and transaction details, per channel
 - a. Customer Service Centre – Stats Update
 - b. Customer Service Centre – FY 17/18 Stats Update
- 11. Current SLAs, KPI's and measures
 - a. Customer Service KPIs
- 12. Workforce management process and practice
 - a. Memo to Director – Foodbank Volunteer
 - b. Current Roster – October 2018
 - c. Previous Roster Example
 - d. Onboarding Checklist
 - e. Induction Training Schedule
 - f. Induction Booklet
- 13. Operational process and procedure documentation
 - a. CRM
 - i. CRM – Case Management
 - ii. CRM – Allocate Cases
 - iii. CRM – Creating Reports Using Advanced Find
 - iv. CRM – How to create a Knowledge Article
 - v. CRM – Missing Details
 - vi. CRM – Searches
 - vii. CRM – Shortcuts
 - viii. CRM – What to do with spam
 - ix. CRM – When to create a contact vs. account
 - x. CRM Training – Adding a person to an Organisation
 - xi. CRM Training – Duplicate Record

- xii. CRM Training Guide
- xiii. CRM Training Outline and Plan
- xiv. CRM Training – Including Trainer Notes
- xv. CRM Training
- xvi. CRM Training Searching using Wildcards
- xvii. CRM Usage Guide
- xviii. CSC Form – Learner Experience Feedback
- xix. How to book feature lighting
- xx. How to book banners
- xxi. How to create a busking permit
- b. Chief Exec Inbox
 - i. Chief Executive Process
 - ii. Commissioner Communication Infographic
 - iii. Transfer of Chief Executive Inbox
 - iv. CEE Handover Process
- c. Review Reports
 - i. Banner and Flag Hire Review
 - ii. Banner and Flag Hire Draft Guidelines
 - iii. Transfer of Info.City and Surface Mail to Customer Service
 - iv. Info.City and Surface Mail
 - v. Info.City and Surface Mail Review Update – ELG
 - vi. CSC Unit Procedures Review
- d. Cash Handling
 - i. Cash Reconciliation Forms
 - ii. Beginning of Day Checklist
 - iii. End of Day Checklist
 - iv. Daily Reconciliation
 - v. Cumulative Totals
 - vi. Cash Handling
 - vii. Receipt Reversal
 - viii. Supervisor Receipt Reversal
- e. Customer Service
 - i. Attaching documents to Pathway

- ii. CAS Animal Registration
- iii. CAS Dog Registration
- iv. Citizenship Ceremony
- v. CISCO Phones
- vi. Compliance Statement Form
- vii. CPP Permits Officer
- viii. CPP Faulty Ticket Machine
- ix. CPP Bonus Parking Cards
- x. CPP Raising CPP Invoices
- xi. CPP Hansen Service Requests
- xii. CPP Staff Access Cards
- xiii. CPP Parking Cards
- xiv. CPP Accounts
- xv. CPP Credit Card Refund
- xvi. Event Enquiries
- xvii. WAC Missed Bin Services
- xviii. WAC Street Sweeping
- xix. WAC Bin Repair
- xx. Reservations – On-Street Parking
- xxi. Infringement Withdrawal Forms
- xxii. Mail Deliveries
- xxiii. Mall Access Applications
- xxiv. Graffiti Requests
- xxv. Graffiti Inbox
- xxvi. Government House Right of Way
- xxvii. SPM Street Signs and Parking Bay Maintenance
- xxviii. SPM Street Furniture
- xxix. SPM Road Maintenance
- xxx. SPM Footpath Maintenance
- xxxi. Settlement Enquiries
- xxxii. Pathway Work Instruction – Kerbside Permits
- xxxiii. PSU Mall Access (Urgent)
- xxxiv. PSU Invoicing and Job Sheets

- xxxv. PSU Adding Additional Bays
- xxxvi. PSU Debtor Bookings
- xxxvii. PSU Reservations Process
- xxxviii. Parks Furniture Maintenance
- xxxix. Parks Footpaths
 - xl. Parks Rubbish Collection
 - xli. Parks Trees
 - xl. Parks Irrigation
- xl. Rates Training Workbook 2018
- xliv. Residential Parking Permits
- xlvi. Report It
- xlvi. Customer Requests
- xlvi. CSC Call Handling
- xlvi. Wedding Hire Guide 2018

14. Quality assurance framework and performance

- a. TM Fault Assessment
- b. Quick Reference Listening Assessment
- c. Monthly Learning Log
- d. Learning Summary
- e. Intramaps Assessment
- f. Hansen Assessment
- g. Call Quality Assessment Template
- h. Face to Face Observation Assessment
- i. CM Assessment
- j. Rates Training – Learner Experience Feedback
- k. CRM Training Assessment

15. Technology architecture, strategy and plans

- a. DCS Presentation – Core Systems Upgrade
- b. CRM Demo
- c. ELG Report – CRM Pilot to Production
- d. CRM Pilot to Production – As Built
- e. CRM Pilot to Production – P2S
- f. CRM Functional Requirements

- g. CRM System Testing Functionality
- h. Regression Testing Template
- i. Jira Process and Artefacts
- j. Customer Service Bookings Feasibility
- k. CRM Requirements – HAA
- l. DSDM Agile Development Approach
- m. DSDM Agile Management Approach
- n. DSDM Agile Solution Architecture Definition
- o. CRM Business Case
- p. City of Perth – Contractor Report
- q. City of Perth – Email Notification
- r. City of Perth – Operations Support Guide
- s. City of Perth – Price List Updating Procedure
- t. City of Perth – Solution Specification Booking System
- u. City of Perth – Test Case Banners
- v. City of Perth – Test Case Busking
- w. City of Perth – Test Case Feature Lighting
- x. COP Booking System Fields
- y. XperiDo Quickstart
- z. CSC Memo for Approval – Bookings CRM
- aa. City of Perth – 0365 Dynamics
- bb. City of Perth – 0365 Dynamics
- cc. Business Case and Plan
- dd. Project Charter
- ee. Visitor Management System RFQ
- ff. Work Breakdown Structure
- gg. ITAC Report – Visitor Management System
- hh. Quality Check Scenarios
- ii. VMS Risk Register
- jj. Implementation Memo – VMS
- kk. Induction Video for Council House
- ll. City of Perth Test Software Quality Assurance
- mm. High Level Presentation – Exec

- nn. TPO Report – City of Perth
- 16. Telephony structure and call routing configuration
 - a. IVR 2017
 - b. LMDRF IVR – Restructured
 - c. Phone Line Assessment IVR vs. No IVR
 - d. IVR Proposed
 - e. Parking IVR Version 2
- 17. Organisational structure and position descriptions
 - a. Management Structure
 - b. Customer Service Organisation Chart – October
 - c. Transition to CSC
 - d. Customer Service Quality and Complaints Officer
 - e. Customer Service Team Leader
 - f. Project Support Officer
 - g. Reviewed Customer Service
 - h. Reviewed Parking Permit and Reservations
 - i. Manager Customer Service
- 18. Employee engagement results
 - a. Open Responses – Staff Survey
 - b. DCC Culture Survey Feedback
 - c. Whole Organisation
- 19. Employee Enterprise Agreement
 - a. Salaried Officers Agreement

5.1.3 Stakeholder Interviews

Fifth Quadrant completed stakeholder interviews with key City of Perth personnel on Thursday 8th November and Friday 9th November. Interviews were conducted with the following personnel:

1. Paul Gale
2. Alison Egan
3. Ben Fitzpatrick
4. Simone Holmes-Cavanagh
5. Robert Mianich

6. Rebecca Moore
7. Erica Barrenger (rescheduled to phone conference call on the 23rd November)
8. Paul Crosetta
9. Alyce Higgins

The purpose of the stakeholder interviews was to clarify information provided via the Request for Information and fully explore the drivers for current performance.

5.1.4 Onsite Observations

A Fifth Quadrant Consultant also spent time on-site to conduct an evaluation of the current practice and procedure, through side-by-side monitoring with key operational personnel. The purpose of the on-site observation was to gain an understanding of:

1. Current enquiries
2. Enquiry handling processes per channel
3. Current service, sales and multi-channel skill capabilities
4. Use of technology across channels
5. Evaluate current customer experience provided

The observations took place on Thursday 8th November and Friday 9th November with frontline and Team Leader staff.

5.1.5 Performance Benchmarking

Fifth Quadrant has produced annual contact centre benchmarking reports for over 13 years, focused on the Australian contact centre sector that provide rich evidence based data and insights into the current performance and trends of the industry. Fifth Quadrant will utilise our exclusive benchmarking database to provide City of Perth with a quantitative assessment of their current customer service performance.

City of Perth will be invited to complete Fifth Quadrant's performance benchmarking questionnaire to provide a comparison against our extensive database. Areas included are as follows:

1. Contact Centre Industry Profile
2. Challenges and Objectives
3. Operating Costs & Budget Breakdown
4. Outsourcing
5. Contact Centre Interaction Breakdown
6. Multi-Channel including breakdown of interactions per channel; Inbound versus Outbound
7. Organisational Structure & Staff Ratios

8. Home based Agents
9. Employee Tenure, Turnover, Reasons for leaving and Absence
10. Recruitment
11. Staff Training: Induction, Ongoing, Speed to competency
12. Employee Remuneration per role
13. Employee Benefits & Reward and Recognition
14. Workforce Optimisation: Dedicated and Multi-skilled agents
15. Technology: Current and planned; desk top applications
16. Performance Management: Service Level Targets per channel; performance per channel;
17. Customer Experience including Quality Assurance and Complaint Handling

The results were benchmarked against the following sectors:

1. Similar sized contact centres
2. Government Sector (Local, State and Federal)
3. Whole of contact centre industry

5.1.6 Culture Health Check

A short culture health check survey was designed to allow City of Perth staff to confidentially provide feedback with regard to the current organisational culture. The survey was available online and in hard copies for employees to complete.

5.1.7 Synthesis

The data and information collated from the prior phases of work will be analysed and synthesised in order to provide a performance analysis, assessment and review of the City of Perth's Customer Service.

5.1.8 Customer Service Assessment and Review Report

The final Customer Service Assessment and Review Report includes the following:

1. Executive summary and key findings of City of Perth's customer service assessment
2. In depth assessment of overall customer service performance and capability
3. Quantitative and qualitative analysis of information gathered from document and data review, stakeholder interviews, onsite observations and culture health check survey

5.2 Cultural Health Check Survey Data

Data collected by Fifth Quadrant for the cultural health check survey is provided to City of Perth in a separate data file.

5.3 Stakeholder Interview Summary Comments

The following comments are provided from the 8 stakeholder interviews conducted as part of this review.

- **What is your view on the customer service currently provided by Council?**

“For public facing customer service it has improved over the last 12 months. The changes have impacted positively.”

“I think the team have developed significantly over the last 12 months – going in the right direction with a big improvement in complaint handling and resolution.”

“Internal customer service isn’t so good. People don’t respond to emails or reply and don’t answer calls. There’s no baseline or framework for dealing with internal stakeholders so people don’t respond.”

“There’s no script for answering the phone internally.”

“It varies depending on the area – People think only the customer service unit are responsible. Some areas could improve.”

“It’s significantly better than what it was. Alyce has done a great job.”

“We have too many sources of information and too many disparate systems – no single of customer but now have CRM. “

“Ethos of customer service is not across the organisation.”

“Budget to increase resources is needed.”

“Customers provide information to frontline and then transferred cold so annoying to customers.”

“I think its exceptional – improved a lot; good leadership; customer issues are being dealt with well.”

“Centralisation has alleviated problems – better co-ordinated than previously.”

▪ **How well do all departments work together to deliver a good customer experience?**

“There isn’t a co-ordinated approach.”

“The customer charter sets out the guidelines but greater visibility is needed across the organisation.”

“We need more training for all Officers that are customer facing.”

“We should think from the customer perspective rather than policy.”

“It could be improved a lot – between teams and sub teams in the same directorate it’s good but across directorates there’s more difference in opinion.”

“It’s better than I’ve experienced elsewhere – room for improvement and we are going in the right direction.”

“There’s room for improvement. No joined up approach.”

“Not too well I don’t think. We don’t have a stakeholder management framework across council.”

“Not joined up - customers can call other areas.”

“We need somewhere to view all customer info across council.”

“There’s a long way to go. Roles and responsibilities need clarification.”

▪ **How would you describe the culture?**

“We’ve had some issues. We’ve had 5 CEOs in 11 months which has impacted on the city’s reputation and then on to staff.”

“Talk about re-structure causes concerns.”

“At a Unit level it’s fantastic. At the Directorate level it can be combative and obstructive.”

“It’s transitional but I think it will improve. A lot of work has been completed – values created by the team they live by them and could quote.”

“We’ve been doing a lot of work but can’t change overnight.”

“8 departures from Exec team of 15 in last few months. People are voting with their feet.”

“A bit frustrated – changes in leadership, lack of clear decision making.”

“It has got a lot better - this is the path we’re on and the dates we’re going to meet.”

“People are questioning what the culture is all about. Attrition is now 22% across the organisation. So much change – re-structure caused more problems.”

▪ **Are there any barriers to delivering a good customer experience? If so, please describe**

“No clear framework regardless of change to Exec to support decision making.”

“Yes, legislative and compliance - need to be risk focused.”

“We need to do some work on processes and procedure to move away from paper based.”

“Different systems don’t talk to each other. We need to consolidate as this is a major impediment to the ‘customer function’.”

“Different units are doing different things.”

“How do we get customers connected to the team they need to talk to?”

“I think there’s a lack of prioritisation – not strategic top down approach – needs to be established to ensure everyone is aligned to the same priorities.”

5.4 Performance Benchmarking Questionnaire

The questionnaire completed by City of Perth for the performance benchmarking analysis can be found in this section of the report.

CONTACT CENTRE PROFILE

So we can establish trends in the contact centre industry, we will ask you to provide some information regarding the size of your contact centre operations over the next couple of questions.

- A1.** How many contact centres and contact centre seats do you currently operate?
If you are unsure, please provide your best estimate. (Please see table below)
- A2.** How many contact centres and contact centre seats did you operate 12 months ago?
If you are unsure, please provide your best estimate. (Please see table below)
- A3.** How many contact centres and contact centre seats do you expect to operate in 12 months' time?
If you are unsure, please provide your best estimate. (Please see table below)

	A1. currently	A2. 12 months ago	A3. In 12 months' time
Total number of contact centres			
Total number of contact centre seats			
Don't Know			

- A4.** Thinking about your total organisation, approximately what percentage of all customer interactions are conducted via the following channels? If unsure, please provide your best estimate.

Contact Centre managed channels	____%
Online	____%
Branch/Retail/Other Face to Face	____%
Other (please specify _____)	____%
Don't know	
TOTAL	100%

OUTSOURCING

IF YOU ARE A CONTACT CENTRE OUTSOURCING PROVIDER, PLEASE GO TO C1

B1. Approximately what percentage of your total contact centre functionality is currently outsourced to third party providers? If unsure, please provide your best estimate.

1. _____ %
2. None **GO TO C1**
3. Don't know **GO TO C1**

MULTIPLE RESPONSE

B2. What contact centre functions do you currently outsource? Please select all that apply.

	Function(s) currently outsourced
1. Customer Service	
2. After Hours Contacts	
3. Overflow	
4. Technical Support (Help Desk)	
5. Inbound Sales Contacts (Order Taking & Tracking)	
6. Outbound Sales/Telemarketing/ /Lead Generation	
7. Collections	
8. Reservations/Ticketing	
9. Claims	
10. Other (specify) _____	

MULTIPLE RESPONSE

B3. In which countries are outsourced agents located? Please select all that apply.

	Locations currently outsourced
1. Australia	
2. India	
3. Indonesia	
4. Malaysia	
5. New Zealand	
6. Philippines	
7. South Africa	
8. Other (specify) _____	

In the remainder of the survey, we would like you to focus on the functions you manage in-house and do not outsource.

CONTACT CENTRE INTERACTIONS

PLEASE ANSWER C2 IF NUMBER OF CONTACT CENTRES YOU CURRENTLY OPERATE IS BIGGER THAN 1:

- C1. For the purpose of this study, when we refer to contact centre, we are referring to the contact centre functionalities and seats you are responsible for either at one location or across multiple sites.

How many contact centre seats does this include?

1. _____
2. Don't know

- C2. Approximately, how many customer interactions does this contact centre handle in an average week, including all interaction types? If unsure, please provide your best estimate.

1. _____ interactions per week
2. Don't know

- C3. What proportion of these interactions are self-service or assisted interactions?

Fully self-service interactions	_____%
Assisted interactions (partially or fully by agent)	_____%
Don't know	X

- C4. What percentage of these transactions are through the channels listed below?
If unsure, please provide your best estimate. (Please see table below)

- C5. What percentage of these transactions do you expect in 12 months' time to be through the channels listed below? If unsure, please provide your best estimate. (Please see table below)

	C4. Current transactions		C5. Transactions expected in 12 months	
Phone (mainly handled by agent after call routing)	_____%	Don't know	_____%	Don't know
Phone (mainly handled by IVR)	_____%	Don't know	_____%	Don't know
Phone (mainly handled by speech recognition)	_____%	Don't know	_____%	Don't know
Email	_____%	Don't know	_____%	Don't know
Social media	_____%	Don't know	_____%	Don't know
Web chat/ video chat	_____%	Don't know	_____%	Don't know

SMS/ Instant Messaging	____%	Don't know	____%	Don't know
Smartphone app	____%	Don't know	____%	Don't know
Chatbot	____%	Don't know	____%	Don't know
Self-Service/online	____%	Don't know	____%	Don't know
Other, please specify _____	____%	Don't know	____%	Don't know
TOTAL(xx%) +Don't know (xx%) =	100%		100%	

C5a. Which functions do your Chatbot/s currently support?

Customer Service	
Sales	
Other, please specify _____	
Don't know	
TOTAL	100%

C6. Overall what percentage of your contact centre interactions are inbound vs outbound?
If unsure, please provide your best estimate.

Inbound	____%
Outbound	____%
Don't know	
TOTAL	100%

C7. What proportion of your agents handle outbound vs inbound contacts, including all channels?
If unsure, please provide your best estimate.

Inbound only agents	____%
Outbound only agents	____%
Blended inbound and outbound agents	____%
Don't know	

TOTAL	100%
--------------	-------------

C8. Approximately, what percentage of your contact centre's total customer interactions are composed of the following categories? If unsure, please provide your best estimate.

Customer service	____%
Inbound sales	____%
Outbound sales/telemarketing	____%
Other, please specify	____%
Don't know	
TOTAL	100%

C9. What percentage of your agents fall into the following categories? If unsure, please provide your best estimate.

Only handle phone interactions (inbound or outbound)	____%
Only handle digital interactions (e.g. social media, webchat, email etc.)	____%
Handle both phone and digital interactions	____%
Don't know	
TOTAL	100%

PERFORMANCE MANAGEMENT

SINGLE RESPONSE

PLEASE ONLY ANSWER IF YOU HAVE INBOUND CONTACTS (AT C9 INBOUND IS NOT 0%)

D1. What is your current Service Level Target (SLA) for inbound calls?

1. 90% of calls answered in 10 seconds
2. 90% of calls answered in 20 seconds
3. 90% calls answered in 30 seconds
4. 80% of calls answered in 10 seconds
5. 80% of calls answered in 20 seconds
6. 80% of calls answered in 30 seconds
7. 70% of calls answered in 10 seconds
8. 70% of calls answered in 20 seconds
9. 70% of calls answered in 30 seconds

10. Other please specify _____
11. We do not set a target

SINGLE RESPONSE

PLEASE ONLY ANSWER IF YOU HAVE INBOUND EMAIL ENQUIRIES (AT C7 EMAIL IS NOT 0% AND AT C9 INBOUND IS NOT 0%)

D2. What is your current Service Level Target (SLA) for inbound email enquiries?

1. 100% of emails resolved within 2 hours
2. 100% of emails resolved within 4 hours
3. 100% of emails resolved within 24 hours
4. 100% of emails resolved within 48 hours
5. 90% of emails resolved within 24 hours
6. 90% of emails resolved within 48 hours
7. 80% of emails resolved within 24 hours
8. 80% of emails resolved within 48 hours
9. Other please specify _____
10. We do not set a target

SINGLE RESPONSE

PLEASE ONLY ANSWER IF YOU HAVE WEBCHAT ENQUIRIES (AT C7 WEBCHAT IS NOT 0%)

D3. What is your current Service Level Target (SLA) for webchat enquiries? (E.g. 90% of webchat enquiries resolved within 48 hours)

1. 100% of webchat enquiries resolved within 2 hours
2. 100% of webchat enquiries resolved within 4 hours
3. 100% of webchat enquiries resolved within 24 hours
4. Other please specify _____
5. We do not set a target

SINGLE RESPONSE

PLEASE ONLY ANSWER IF YOU HAVE SOCIAL MEDIA ENQUIRIES (AT C7 SOCIAL MEDIA IS NOT 0%)

D4. What is your current Service Level Target (SLA) for social media enquiries? (E.g. 90% of social media enquiries are resolved with 48 hours)

1. 100% of social media enquiries resolved within 2 hours
2. 100% of social media enquiries resolved within 4 hours
3. 100% of social media enquiries resolved within 24 hours
4. 100% of social media enquiries resolved within 48 hours
5. Other please specify _____
6. We do not set a target

D5. For each of the following Key Performance Indicators (KPIs) for telephone interactions, could you please indicate your contact centre's actual performance for the past financial year? If unsure, please provide your best estimate.

INBOUND CALLS (ANSWER YOU HAVE INBOUND CALLS)	Performance
Percentage of inbound calls answered within the Service Level Target (SLA) ASK IF SET A TARGET (D1=1-10)	_____ % Don't know
Average abandonment rate (calls abandoned before answering)	_____ % <input type="checkbox"/> Don't know

Average time in queue (total wait time of answered calls / no. answered calls that waited in the queue)	_____seconds <input type="checkbox"/> Don't know
First contact resolution (percentage of contacts closed first contact)	_____ % <input type="checkbox"/> Don't know
Average speed of answer (total wait time of calls answered / no. calls answered)	_____seconds <input type="checkbox"/> Don't know
Occupancy rate (handling time / logged in time)	_____ % <input type="checkbox"/> Don't know
Inbound conversion rate (percentage of total inbound calls that were converted to an actual sale) ASK IF INBOUND SALES IN C11 IS NOT 0	_____ % <input type="checkbox"/> Don't know
Average time in queue before abandon (average amounts of time per abandoned call the customer waited to be answered before abandoning the call)	_____seconds <input type="checkbox"/> Don't know
Average handling time (talk time + hold + wrap time)	_____seconds <input type="checkbox"/> Don't know
Utilisation rate ((handling time + available time) / (paid time))	_____ % <input type="checkbox"/> Don't know
OUTBOUND CALLS (ANSWER IF YOU HAVE OUTBOUND CALLS)	
% of right party connect (connecting to the right person the first time)	_____ % <input type="checkbox"/> Don't know
Outbound conversion rate (percentage of total outbound calls that were converted to an actual sale)	_____ % <input type="checkbox"/> Don't know

ANSWER ONLY IF HAVE EMAIL (C7 EMAIL NOT 0%)

D6. For each of the following KPIs for email interactions could you please indicate your contact centre's actual performance for the last financial year? If unsure, please provide your best estimate.

EMAIL KPIs	Performance
Percentage of emails answered within the Service Level Target (SLA) – ASK IF SET A TARGET	_____ % Don't know
Average speed of response for email transactions (total time required to process and respond to emails / total number of emails received; excluding automated email responses)	_____seconds <input type="checkbox"/> Don't know
First contact resolution for email transactions (percentage of contacts closed first email)	_____ % <input type="checkbox"/> Don't know

ANSWER ONLY IF HAVE WEBCHAT (C7 WEBCHAT NOT 0%)

D7. For each of the following KPI's for Webchat interactions could you please indicate your contact centre's actual performance for the last financial year? If unsure, please provide your best estimate.

WEB KPIs	Performance
Percentage of webchat enquiries answered within the Service Level Target (SLA) - ASK IF SET A TARGET	_____ % Don't know
Average speed of response for Web Chat transactions (total time required to process and respond to Web Chat / total number of Web Chats received; excluding automated Web Chat responses)	_____seconds <input type="checkbox"/> Don't know
First contact resolution for Web Chat transactions (percentage of contacts closed first chat)	_____ % <input type="checkbox"/> Don't know

ASK ONLY IF USE SOCIAL MEDIA (C7 SOCIAL MEDIA NOT 0%)

D8. For each of the following KPI's for Social Media interactions could you please indicate your contact centre's actual performance for the last financial year? If unsure, please provide your best estimate.

Social Media KPIs	Performance
Percentage of Social Media enquiries answered within the Service Level Target (SLA)	_____ % <input type="checkbox"/> Don't know
Average speed of response for Social Media transactions (total time required to process and respond to Social Media enquiries / total number of Social Media enquiries received; excluding automated responses)	_____ seconds <input type="checkbox"/> Don't know
First contact resolution for Social Media transactions (percentage of contacts closed first chat)	_____ % <input type="checkbox"/> Don't know

ANSWER ONLY IF YOU USE CHATBOT (AT C7 CHATBOT NOT 0% OR DON'T KNOW)

D9. What are your current KPIs and performance for your Chatbot?

KPI	Target	Performance

QUALITY ASSURANCE

E1. On average, how many interactions per agent per month are listened to / reviewed by quality monitoring staff / team leaders / managers for quality assurance purposes? If unsure, please provide your best estimate.

Number of contacts reviewed (including calls, emails, social media interactions and webchats)	1. _____ contacts 2. Don't know
---	------------------------------------

CUSTOMER EXPERIENCE

MULTIPLE RESPONSE

F1. What specific measures does your contact centre use when measuring customer satisfaction or experience? Please select all that apply.

1. Customer Satisfaction
2. Net Promoter Score (NPS)/Recommendation
3. Customer Effort Score
4. First Contact Resolution
5. Agent quality performance
6. Other (please specify) _____
7. Don't measure (GO TO G1)

SINGLE RESPONSE

F1a. What is your main customer satisfaction/experience measure?

1. Customer Satisfaction
2. Net Promoter Score (NPS)/Recommendation
3. Customer Effort Score
4. First Contact Resolution
5. Agent quality performance
6. Other (please specify) _____

F1b. What is your most recent score for the customer satisfaction/experience KPIs you measure?

	Score/Description
Customer Satisfaction	
Net Promoter Score (NPS)/ Recommendation	
Customer Effort Score	
First Contact Resolution	
Agent Quality Performance	
Other (please specify _____)	

SINGLE RESPONSE

F2. How often does your contact centre formally report on the customer satisfaction or experience results?

1. Reporting in real time/near real time
2. Daily
3. Weekly
4. Fortnightly
5. Monthly
6. Quarterly
7. Bi-annually
8. Annually
9. Ad-hoc (non-fixed intervals)
10. Other (please specify) _____

MULTIPLE RESPONSE

F3. How does your contact centre currently measure its customer satisfaction or experience? Please select all that apply.

1. By contact centre agent during the call
2. By IVR surveys following the call
3. Outbound call
4. Text message
5. Online survey (invites sent by email)
6. Other, please specify _____
7. Do not currently assess customer satisfaction/experience

SINGLE RESPONSE

F4. And which one is your main method?

1. By contact centre agent during the call
2. By IVR surveys following the call
3. Outbound call
4. Text message
5. Online survey (invites sent by email)
6. Other, please specify _____
7. Do not currently assess customer satisfaction/experience

F5. What proportion of your contacts do you request feedback from? If unsure, please provide your best estimate.

1. _____%
2. Don't know

F6. What is the response rate to your customer satisfaction/experience surveys? If unsure, please provide your best estimate.

1. _____%
2. Don't know

COMPLAINTS HANDLING

G1. For the last financial year, approximately what percentage of your contact centre's customer interactions were complaints (inbound and outbound)? If unsure, please provide your best estimate.

1. _____
2. Don't know

PEOPLE

Over the next few questions, we would like to ask you about the staff involved in the daily running of your contact centre.

- H1. How many staff involved in the daily running of your contact centre belong to the following classifications? Please indicate the number of full-time and part-time/casual staff for each role. If unsure, please provide your best estimate.

Role	Number of full-time staff	Number of part-time/casual staff	Number of FTE staff
a) Contact Centre Manager	Don't know	Don't know	Don't know
b) Team Leaders/Supervisors	Don't know	Don't know	Don't know
c) Contact Centre Agents	Don't know	Don't know	Don't know
d) Rostering/Forecasting/Scheduling/Workforce Analysts or Managers	Don't know	Don't know	Don't know
e) Quality Monitoring/Quality Assurance Analysts/Managers	Don't know	Don't know	Don't know
f) Trainers	Don't know	Don't know	Don't know
g) Contact Centre dedicated IT support	Don't know	Don't know	Don't know
h) Administrative support	Don't know	Don't know	Don't know
i) Other (specify) e.g. Reporting Analyst, Knowledge Manager, Business Improvement	Don't know	Don't know	Don't know

- H2. As a proportion of the total number of agents in your contact centre, what percentage of your agents are home-based agents? And what percentage of your agents do you expect to be home based agents in 12 months' time?

The term home-based agent refers to agents who work from home with real time telephone and computer access to information required to handle customer enquiries as part of a virtual contact centre team.

	Current % of Home-based agents	% of home-based agents in 12 months' time
Percentage of agents	1. _____% 2. Don't know	1. _____% 2. Don't now

- H3. What is the average length of tenure (total months of employment) of staff in your contact centre?

For the purpose of this study, please calculate the average length of tenure as the average number of months that your employees have been employed by your organisation.

	Tenure (in months)
Agents – full-time	Months Don't know

Agents – part-time	Months	Don't know
Team Leaders/Supervisors	Months	Don't know
Contact Centre Managers	Months	Don't know

H4. For the last financial year, what was your contact centre's average level of agent turnover?

For the purpose of this study, please calculate average level of agent turnover as the number of staff who have left (agents who resigned, transferred to other parts of the business, agents who did not renew contracts, were dismissed, retired, and retrenched from the contact centre) divided by average number of staff in the last financial year.

	Turnover (%)	Don't know
Full time agent turnover	____%	
Part time agent turnover	____%	

H5. Of all the agents who left employment with your contact centre during the last financial year, what percentage...?

1. Resigned _____%
 2. Transferred to other parts of the business _____%
 3. Did not renew contract _____%
 4. Were dismissed/retrenched _____%
 5. Retired _____%
 6. Other, please specify _____%
- Sum to 100%**

SINGLE RESPONSE

H6. What was the primary reason why agents left your contact centre during the last financial year?

1. Changed personal circumstances
2. Limited opportunities for promotion/ career development
3. Lack of remuneration
4. Dissatisfaction with Team Leaders/Supervisors
5. Lack of job variety
6. Lack of flexible work conditions
7. General job dissatisfaction
8. Do not intend to pursue a career in contact centres
9. Other, please specify _____
10. Don't Know

H7. For the last financial year, what was the average number of days per annum a full-time agent was not present in your centre due to sick leave? If unsure, please provide your best estimate.

Average number of days a full time employee for not present due to sick leave last year	1. ____/365 days
	2. Don't know

TRAINING AND CAREER DEVELOPMENT

- I1. How many days training do new inductees receive prior to starting work in the contact centre?
If unsure, please provide your best estimate.
1. _____ days
 2. Not sure
- I2. For new inductees, after they have completed their induction training, what is the Average Speed to Competency (number of weeks it takes for new employees to become competent in terms of meeting set performance targets)? If unsure, please provide your best estimate.
1. _____ weeks
 2. Not sure
- I3. How many days per year do your experienced agents (after completing induction) receive training (including on the job training, external/internal classroom training, e-learning, etc.)?
If unsure, please provide your best estimate.
1. _____ days per year
 2. Not sure
- I4. Of the total days of training per year for experienced agents, what proportion of training is offered through the following methods? If unsure, please provide your best estimate.
- | | Training offered (%) |
|---|----------------------|
| a) On the job training | _____ % |
| b) External/internal classroom training | _____ % |
| c) E-learning | _____ % |
| d) Other, please specify _____ | _____ % |
| e) Not sure | _____ % |
| Total | 100% |
- I5. What proportion of your new employees successfully pass their probationary period?
If unsure, please provide your best estimate.
1. _____ %
 2. Don't know

WAGES & INCENTIVES

- J1. On average, what is the annual base wage of your full-time contact centre staff (excluding on-costs and any allowances)?**

Role	AUD	Not sure
a) Contact Centre Manager		
b) Team Leaders/Supervisors		
c) Full time Agents		
d) Rostering/Forecasting/Scheduling/Workforce Manager		
e) Quality Monitoring/Quality Assurance Analysts/Managers		
f) Trainers		
g) Contact Centre dedicated IT support		
h) Administrative support		

- J2. On average, what do you pay your part-time/casual contact centre agents per hour (excluding on-costs and any allowances)?**

Role	AUD per hour	Not sure
a) Contact Centre Manager		
b) Team Leaders/Supervisors		
c) Full time Agents		
d) Rostering/Forecasting/Scheduling/Workforce Manager		
e) Quality Monitoring/Quality Assurance Analysts/Managers		
f) Trainers		
g) Contact Centre dedicated IT support		
h) Administrative support		

- J3. What percentage is added to the agent's base salary for...**

	Percentage added	Unsure
a) Overtime and shift allowances	_____ %	
b) On-costs (includes provision for sick leave, payroll tax, superannuation or pension fund and insurance. Excludes premises costs which are typically rent, power, cleaning etc.)	_____ %	
c) Financial incentive payments	_____ %	

MULTIPLE RESPONSE

- J4. What other benefits are provided to agents as part of their employment?**

Please select all that apply.

- Health care benefits
- Staff discounts on products/services
- Child care benefits
- Wellness programmes
- Personal support and counselling
- Transportation benefits
- Other (specify) _____
- No other benefit

COST OF OPERATIONS

K1. What is the total operating budget for your contact centre for the last financial year (including all HR, technology, telecommunications, rent and other costs associated with operating the contact centre)?

If unsure, please provide your best estimate.

Total operating budget	_____ (AUD)
Not sure	

K2. What is the approximate percentage breakdown of your budget (last financial year) for the following categories? If unsure, please provide your best estimate.

Human Resources (incl. salary, benefits, recruitment/training costs)	_____ %
Technology	_____ %
Telecommunications	_____ %
Real estate (incl. allocated budget under a lease or rental agreement, or for occupying physical contact centre space)	_____ %
Other (incl. electricity, stationery, other miscellaneous costs, etc.)	_____ %
Not sure	
Total	100%

K3. In the next financial year, will the total operating budget for your contact centre ...?

- 1 Increase (by what percentage ____ %)
- 2 Remain the same
- 3 Decrease (by what percentage ____ %)
- 4 Not sure

REVENUE GENERATION

L1. For the last financial year, what was the total revenue generated by your contact centre? Please provide an estimate if not sure of the exact figure.

1. \$ _____ AUD
2. Not sure
3. Not applicable – no sales opportunities at this centre

- L2. For the last financial year, of the total revenue generated by your contact centre, what percentage was generated from inbound contacts and what percentage was generated from outbound contacts? If unsure, please provide your best estimate.**

Inbound contacts	____%
Outbound contacts	____%
Not sure	
TOTAL	100%

TECHNOLOGY

- M1. For each of the technologies below, please select which ones you currently have in place in your contact centre and which ones are you going to purchase or upgrade this financial year?**

	Don't have a system and no plans to purchase	Don't have a system but planning to purchase	Have a system and planning to upgrade	Have a system but no plans to upgrade	Don't know
Automatic Call Distributor (ACD) (System that distributes and reports on incoming calls based on user configurable business rules)					
Interactive Voice Response (IVR) (Uses a pre-recorded database of voice messages to present options to a user. User input is retrieved via touch-tone key presses)					
Virtual Hold/Automated Call Back (A telephone system feature whereby the caller is provided with an option to request a call back whilst maintaining their place in the queue)					
Predictive Dialler (Phone numbers in a database are automatically dialled. Once a connection is made with a person, the call is routed to an agent. Calls where there is no answer, busy, or answering machine picks up are detected and handled intelligently)					
Email (Email management system that routes emails to agents based on agent skills, and reports email statistics such as handle times, response					

times and first contact resolution rates)					
Customer Contact/Customer Relationship Management (CRM) tools (Desktop application that manages customer data)					
E-Learning system (Agent training that is fully or partially delivered online, commonly direct to the agent desktop)					
Knowledge/Content Management System (Systems that collect and manage organisational data, and make the data available to agents)					
Call (voice-only) recording system (Records the audio from telephone calls)					
Voice & data recording & quality monitoring tools (Workstation screen action is captured alongside the recorded audio from telephone interactions)					
Workforce Management tools (Application that forecasts, schedules and tracks agent activity)					
SMS (Systems that enable a contact centre agent to send/receive SMS messages)					
Web chat (Customers can chat live online with agents in real time, excludes online forums, MSN or other chat programs)					
Customer Survey tools (Includes IVR, email, and web-based systems that survey and analyse customer satisfaction after an interaction with an agent)					
Speech recognition applications (System that enables callers to interact directly using spoken words, without requiring an					

agent or touch-tone input)					
Speech analytics (Speech recognition technology is used to automatically capture, organise and analyse calls)					
Performance Management (Business Intelligence systems that provide users with direct access to contact centre data via real-time scorecards, interactive charts and data drill-down tools)					
Biometric Identity Verification (Technology that uses voice identification and verification techniques which compares the voice, of say a customer, with a voice print stored in a system, for the purpose of authenticating the person's identity)					
Social media monitoring / channel technology (Technology that monitors social networking websites such as Facebook, Twitter, etc. and supports customer interaction)					
Unified Communications (UC) (Customer contact via multiple channels (inbound voice, outbound voice, email, fax, web chat etc.) is managed by a single system, using common business rules, and delivered to the agent through a single desktop. Does not require CTI)					
Video-based contact centre (Technology that allows the customer to interact via video conferencing with an agent)					

M2. How many different applications do customer facing staff members use to resolve customer enquiries?

Number of applications		Don't know
------------------------	--	------------

CONTACT CENTRE CHALLENGES

MULTIPLE RESPONSE, ALLOW FOR MAXIMUM 3 RESPONSES

N1. For the 2017-2018 financial year, what will be the 3 most significant challenges facing your contact centre?

a) Difficulty in recruiting staff	
b) Staff turnover	
c) Inadequate headcount to effectively meet business requirements	
d) Training/Agent development	
e) Organisational or contact centre restructuring	
f) Introduction of new service channel(s)	
g) Integrating multiple service channels	
h) Improving customer satisfaction / experience	
i) Improving First Contact Resolution	
j) Maximising up-sell/cross-sell opportunities	
k) Budgetary constraints/Expectation to do more with less	
l) Reducing costs	
m) Improving productivity/efficiency	
n) Other (specify)	
o) None	

STRATEGY AND FUTURE TRENDS

MULTIPLE RESPONSE

O1. What are the main strategic objectives for your contact centre in the 2017-2018 financial year?

SINGLE RESPONSE

O2. And what is your main objective?

	O1. Objectives	O2. Main objective
a) Cost reduction		
b) Customer acquisition		
c) Improve customer service / experience		
d) Technology upgrade / implementation		
e) Develop customer self-service channels		
f) Increase revenue generation		
g) Increase productivity		
h) Optimising agent performance		
i) Improving agent engagement		
j) Outsourcing		
k) Developing a multi-channel contact centre		
l) Developing/implementing a new channel		
m) Other (specify _____)		

About Fifth Quadrant

Established in 1998, Fifth Quadrant is a Customer Experience Consulting, Research & Design organisation. We provide strategic and operational customer experience management consulting, research and design services.

We have one of the largest bodies of customer experience related research in Australia that allows us to provide rich, evidence based recommendations and an unrivalled level of knowledge and subject matter expertise.



Some of our **clients** include:



CONFIDENTIAL REPORT

City of Perth

Performance Analysis, Assessment and Review – HR

December 2018



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Acronyms used

BP	Business Partner
BU	Business Unit
CCC	Corruption & Crime Commission
CEO	Chief Executive Officer
COP	City of Perth
EBA	Enterprise Bargaining Agreement
EEO	Equal Employment Opportunity
ELG	Executive Leadership Group
EMS	Employee Management System
ER	Employee Relations
HR	HR
HRIS	HR Information System
HRM	HR Manager
IPRF	Integrated Planning Reporting Framework
IT	Information Technology
KPI	Key Performance Indicator
L&D	Learning & Development
MLG	Management Leadership Group
NPS	Net Promoter Score
OCCA	Organisational and Compliance Assessment
OD	Organisational Development
OSH	Occupational Safety & Health
PS	Performance Shaping

Survey rating scale

Survey respondents were asked to rate questions 1-76 in terms of: a) how important they are to the employee; and b) their perception of the current level of performance. Rating scales were from 1 to 5:

Level of importance:

1. No Importance
2. Somewhat Important
3. Average Importance
4. Important
5. Very Important

Level of performance:

1. Poor
2. Below Average
3. Average
4. Above Average
5. Very High

Executive summary

Executive summary

- Tower Human Capital (Tower) was appointed to conduct a Performance Analysis, Assessment and Review of the HR function on 17 September 2018
- The Review was conducted utilising a mix of processes and methodologies including staff interviews, employee survey and desktop review. A blended approach has contributed to achieving a wide cross-section of staff feedback. 43% of the City's staff participated in the staff survey. Of the 9 areas covered in the survey, the average score for level of importance was High and the average score for level of performance was Average. 54 interviews were conducted including Directors, Managers, first reports to Managers and terminated employees
- HR is not broken. The function has had 3 HRMs over the last 3 years. The HR team is in a state of flux; it is reactionary and is still trying to consolidate as a team, as well as bed down their own Operating Model in a performance- and resource-stretched environment
- Key strategies around cultural change require the total engagement and the leadership of the CEO and the Executive. HR have been playing a key role to support individual initiatives but do not have the power to drive the direction
- The current organisational positioning of HR reporting to the Director Corporate Services does not recognise or allow the function the level of influence required to drive major strategies or change

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Executive summary & key findings

A review of the capacity and effectiveness of systems and procedures in dealing with grievances and complaints

Finding

COP has comprehensive procedures in place for the management of grievances, with further support for Managers being provided by HR BPs and the ER team. 4 of the 5 matters ranked as highest importance by staff were related to grievances, despite COP being viewed as performing averagely in all 4. Ongoing education programs with Managers, Coordinators, Team Leaders and HR staff are currently taking place to increase knowledge and capability surrounding the grievance processes. Further investigation would need to be undertaken to fully understand and verify employees' specific concerns and dissatisfaction with the processes currently in place.

The ELG's response to concerns raised within the recent Catalyse Survey

Finding

- The ELG is not driving response activity as an Executive team. The ELG response has been largely individually generated in own Directorates
- The HR team have been the key drivers for action from the Survey

An employee assessment of the HR and OD performance of the City

Finding

In most of the elements of HR and OD activity, on average, the function is performing to an Average level of performance. The ER and L&D areas are performing above average in interview feedback but Average in survey feedback.

The effectiveness of the City's health and safety functions and appurtenant wellness programs and support services

Finding

OSH performance is above average and staff feedback in interviews and survey response is, in most instances, positive. The function is creative in its approach and has robust policies and processes. Activity, reporting and results are highly transparent. There is trust and confidence in the support provided by the function.

Wellness and mental health programs and initiatives have been prioritised and have been well received. Employees also see these areas as a priority and are calling for continued and increased focus on the programs, as well as action to stop leadership practices and behaviour that negatively impact wellness and mental health.

Executive summary & key findings

The effectiveness of performance management, annual performance appraisal and professional development and training across the organisation

Finding

Performance management, including PS (appraisal), has satisfactory procedures and guidance around process, and is performing to an average standard. The continuation of improvement around the framework and expectations will serve to improve the process experience for users. PS integration with COP values, capabilities and competencies will assist in the alignment of focus and performance of staff.

Training and L&D was rated as a strength in the survey's free response section. L&D has accountability for many activities classified as organisational development. Robust plans and processes are in place. The L&D function is acknowledged as performing well and is maturing in career and succession management. The function has a high interface with staff and BUs and is respected.

Assessment of the NPS analysis undertaken within the Catalyse Survey

Finding

There is no evidence that the City conducted any specific further analysis of the NPS following the Survey, although actions initiated as part of wider activities around values and employee engagement may also be expected to impact this score if successful. This Review's NPS outcome from the survey conducted is not a mirror replica of the Catalyse Survey, however comparatively the outcome represents a deterioration in NPS performance.

HR's overall performance

Finding

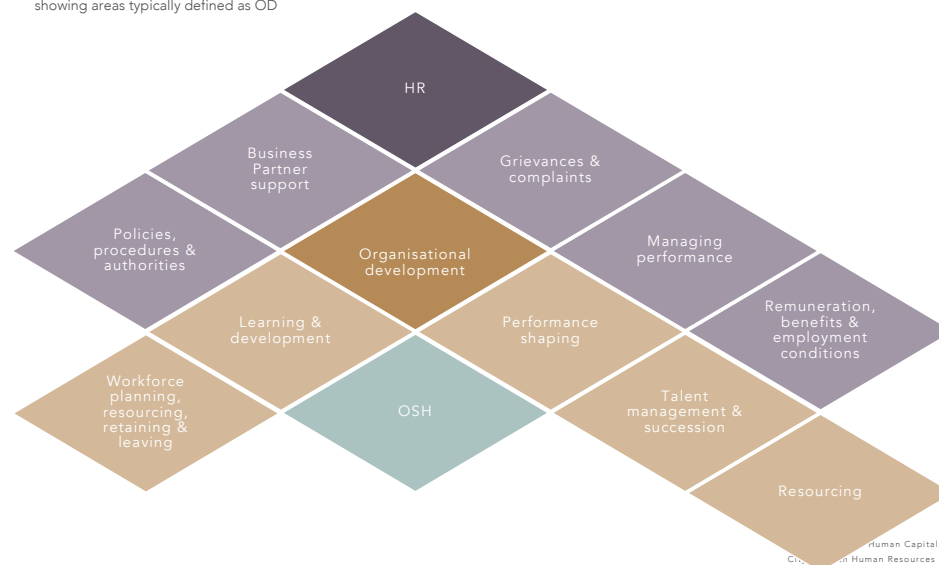
HR is not broken; it is seen to be performing at an Average level in difficult circumstances. However, a more strategic, planned and disciplined approach to its own planning and execution is required as is greater interface and transparency.

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Assessment of the HR and OD performance of the City – elements of the Review

- OD can be defined differently between organisations
- OD is typically a sub-function of HR
- For the purpose of this Review, the following diagram may assist in showing areas typically defined as OD

• Note: OSH does not report to HR and reports to the Corporate Services Director



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Actions for consideration

HR function & team

- Consider structural change with HR reporting directly to the CEO
- Regular structured reporting to the ELG
- Assessment of establishment requirements in a go-forward environment
- Actions to consolidate as a team, develop collaboration and understand effective interfaces
- A modified version of the HR Report for release on the intranet, also covering HR projects and progress on key activities

The role & purpose of HR in COP

HR is seen as an important function and staff want HR engagement. There is an opportunity to:

- Share and communicate a version of the HR and L&D Plans, reporting and other appropriate strategies – via intranet / employee communication sessions
- Clearly define the roles and responsibilities of HR and their key stakeholders: BU Managers, Directors, CEO and others as required
- Prioritise and resource key projects that will positively impact on performance: HRIS and policy review

HR strengths & issues

HR is not broken. HR has a number of positive strengths which provide a good basis for continuing improvement and performance. However there are several issues; many are around poor policies & processes, issues of trust and fairness, and lack of communications, visibility and exposure.

- Prioritise the Policy & Procedure project and plan communications and education
- Potential for employee catch-up and focus sessions to drive engagement and understanding of role

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Actions for consideration

Policies, procedures & authorities

- Prioritise the Policy & Procedure project
- Allocation of resources to a tightly defined project timeline to assess and complete core policies
- Review the governance around who has authority to change and make amendments and processes for change i.e. Council versus an Administration policy

Workforce planning, resourcing, retaining & leaving

- Reinforce processes for conflicts of interest and disclosure of pre-existing relationships in the recruitment processes
- Review potential to investigate issues of suspected nepotism/conflicts of interest in recruitment
- Develop clear scope around the City's establishment reporting requirements to support HRIS implementation
- Development of retention strategies and identification of high-risk/high-impact roles
- Review processes for selection of preferred recruitment providers

Remuneration, benefits & employment conditions

Seen as competitive.

- Strategies to leverage and better communicate the current benefit structure
- Review the equality of benefits for "outside" staff
- Review the practice of fixed-term employment to ensure fair application
- Assess the current salary increment practice and viability to align to performance

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Actions for consideration

Grievances & complaints

Effective policies & procedures are in place but there is a need to reinforce the integrity of processes and outcomes to improve staff confidence.

- Continue/refresh communications and education to ensure understanding and to manage expectations
- Review confidentiality and procedures around the Register
- Consider external complaint processes – 3rd party other than CCC
- Conduct an audit of selected matters over the last 12 months
- EEO and bullying related documentation is reviewed as a matter of priority
- Report bullying and discrimination matters separately and not bundled under Workplace Issues

L&D

- Develop a Change Management approach for COP to support cultural initiatives and their implementation and measurement including any upcoming survey
- Complete the Talent Management & Succession Strategy and develop implementation strategies
- L&D is known for the programs it provides but other roles and contributions are less understood. There is a need to establish linkages:
 - Educate and communicate alignment of activities – training link to COP capability requirements and competencies
 - Improve process & communications around the annual Training Plan

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Actions for consideration

Performance management & shaping

PS processes are maturing and are integrated with values and competencies. There is preparedness to simplify processes and customise to the needs of different workforce levels and this will improve outcomes.

Processes for the management of employee performance issues are in place but there are concerns about integrity of process and equality of treatment.

- Continue/refresh communications & education to ensure understanding & manage expectations
- Further staff education to raise confidence in conducting will support improvement
- Consider a selective audit of performance management matters that have become a grievance or complaint
- Continue to re-shape PS processes to support improved utilisation in BUs

OSH & employee wellness

OSH was the highest ranked area in the survey. It is respected and trusted and receives strong support from the ELG.

Robust policies and plans are in place, supported by accessible policies and procedures, an action orientation, performance monitoring and reporting. The function has high visibility and is highly transparent in the way it shares plans and performance.

- Maintain proactivity and level of engagement
- Potential partnering with L&D to integrate matters around mental health and well being being integrated in to wider general programs and inductions
- Strategies to address practices and behaviours that generate employee issues should be initiated and managed as a matter of priority

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High performance organisation assessment – summary findings & key high level next steps

Processes and systems

The HR function has immature systems and processes. Issues are more pronounced due to the variable standard and accuracy of foundation policies and procedures.

A lack of standard internal HR processes leads to variable and inconsistent outcomes.

- Strong executional disciplines are required

Expectations for the new HRIS are high amongst HR as well as Managers.

- The effective implementation is dependent on robust and accurate policy and process definition, and requires stronger accountability of the function to complete

Strategic objectives

HR have a Plan but not an integrated functional Strategy. An L&D Strategy is in place and a Talent Management & Succession Strategy is being finalised.

There is not a consistent view of the role of HR or priorities across Managers, staff or the HR team.

- Clarity of role and service level expectations is required

There is low awareness and transparency of HR strategies and plans across COP. HR strategies are not necessarily owned by the ELG.

- Verification and endorsement of strategic direction and plans
- Establish joint leadership ownership

Resources

Resources are currently strained; a combination of a high level of activity, turnover of HR team members, developing capability, and poor HR process and procedural frameworks contribute to this.

- Clarify roles, responsibilities and service expectations for BPs
- Review interfaces across the HR team and sub-functions



Organisation structure

There are a number of wider organisational issues around structure arising from the restructure 3 years ago. Failure to deal with general structural enablers, leadership, accountability and behaviour issues arising from these is impacting the organisation's performance as well as having a fundamental impact on culture. Many also see resolving structural issues as an HR accountability.

- Operating Model review is required

HR structure is based on principles of Business Partnership and Centers of Excellence and is a contemporary model.

The BP model is supported by Managers.

- Further maturity of processes and resources should strengthen the ability of HR to deliver successfully but will require a planned and structured approach

Culture

Successive surveys repeat a common set of messages. The majority of the negative contributors to culture are generated by perceptions of poor or inadequate leadership and behaviours, concerns about fairness and mistrust around some key employee processes.

The values and work around the launch was generally recognised and valued.

- Real ownership is required by the ELG
- Reinvigorate culture reboot strategies and stay on the path
- Set a date for the Catalyse Survey before the end of 2018
- Focus internally, ahead of external benchmarking
- The HR team requires consolidation, effective tools and confidence to grow as a strong & effective team

Learning

The L&D sub-function has a strong approach to measuring performance outcomes, benchmarking and improvement.

- Key skill and knowledge requirements of the HR and COP are being challenged by turnover and requires strategies to identify key areas/roles of high risk and impact
- Managing change effectively and embedding it quickly can be supported by a standard and disciplined approach to change management across COP
- Succession planning will be important to managing key dependency on individuals as well as unplanned turnover, risk of knowledge/skill loss and opportunities for career development

Background & scope

Background & purpose

In May 2018, the COP Council resolved that the City would seek proposals from suitably qualified consultants to undertake a Review of the City's corporate performance in the area of HR and OD. Tower was selected to undertake the Review in September 2018.

A key purpose of the Review is to provide the Commissioners with an accurate, fair and objective understanding of the City's overall HR and OD performance and capability.

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Scope of the Review

The Review required inclusion of:

- a. A review of the capacity and effectiveness of systems and procedures in dealing with grievances and complaints
- b. A review of the ELG's response to concerns raised within the recent "Catalyse" Survey
- c. An employee assessment of the HR and OD performance of the City by way of confidential survey, personal meetings and other appropriate means
- d. A review of the effectiveness of the City's health and safety functions and appurtenant wellness programs and support services
- e. A review of the effectiveness of performance management, annual performance appraisal and professional development and training across the organisation
- f. A follow up assessment of the NPS analysis undertaken within the Catalyse Survey
- g. Analysis, review and comment that can provide the Commissioners with an accurate, fair and objective understanding of the City's overall HR and OD performance and capability

In conducting interviews and a survey with staff other areas of feedback were received and have been included in this report.

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Key phases of the Review

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Key phases of the Review, methodology & interviews

1
Planning, preparation
& interviews with
Commissioners &
desktop review

2
Survey

3
Interview

4
Collate & report

COP specified a mix of processes and methodologies: staff interviews and survey and desktop review. A blended approach has contributed to achieving a wider cross section of staff feedback.

Interviews and the employee survey were conducted concurrently

Interviews

A key objective of the Review was to enable the participation of a wide cross-section of COP staff in 1:1 confidential meetings with a Tower representative. The purpose of discussions was to gain perspectives and opinions of staff as to current HR support arrangements, issues and potential needs going forward. As such, discussions were at a relatively high level. It was not the intention of the Review to conduct a detailed audit of the HR function.

A COP interview format was developed for the Review to provide consistency in the questions asked and was tailored to reflect the different employee demographics and levels. *Attachment 1 – Interview template.*

Categories of interview questions were:

- HR in COP
- Capability
- Grievance & complaint processes
- Performance management
- Development & training
- Culture & communications
- Health, safety & wellness
- All out

Executive and Manager interviews were conducted face-to-face at COP. Other staff had an opportunity to also meet at Tower's premises in St Georges Terrace or via telephone or Skype.

3 Directors and all Managers participated in the interview process. All other staff including HR staff were invited to participate through employee communications issued by the COP on 18 October and by emails to all staff from Tower on 19 October.

Interviews were conducted with 54 staff in accordance with the requirements as specified in the request to quote.

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Interviews

COP required a cross section of staff to be provided with an opportunity to participate in the interviews. Below is a summary of interview participation:

Organisational level	# of interviews
CEO	-
Director	3
Manager	31
First report to a Manager	7
Other	-
HR & OSH	9
Terminated staff	4
TOTAL	54

Participants were asked to give their perspectives in an open and honest way. A commitment was made that all feedback would be confidential and that at no stage would any comments be attributed to an individual. The majority of interview participants had over 12 months' service with COP.

Note: Although communications emphasised confidentiality and provided processes for discrete arrangements of interviews in Tower premises, we believe that the low incidence of interviews from general staff was impacted by a lack of trust of anonymity.

In summary

- There was a high degree of cooperation and openness in the interview process
- Very few people appeared to enter the interview with an "agenda in mind"
- Overall there is support and some degree of defensiveness towards the performance of HR
- There are strong views that leadership is lacking across the City. Leadership is described by most as the performance of the ELG
- There are some clear differences in the responses to similar questions across the interviews and the survey

A summary of interview responses is provided in Attachment 2.

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Staff survey

Tower designed and administered an online survey which was sent to all staff via their COP email addresses. In addition, Tower developed a paper based format following a request by COP to facilitate responses from staff who have limited access to computers*.

The survey was wider in scope than the interview process and requested responses from staff in a number of categories of HR and OSH activity. The table below outlines these categories and summarises the overall ratings and rankings for each area:

Survey section (ranked by level of performance)	Average rating of level of importance	Ranking	Average rating of level of performance	Ranking
OSH & wellness	4.53	3	3.36	1
PS processes	4.36	8	3.22	2
L&D	4.28	9	3.1	3
EEO, harassment & bullying	4.5	4	3.02	4
Employment processes including internal recruitment	4.5	5	2.93	5
Grievance & complaint management	4.59	1	2.93	6
HR policies & procedures & employment conditions	4.39	7	2.91	7
HR general	4.56	2	2.89	8
Culture	4.45	6	2.56	9

* Of the 25 paper surveys that were returned, 7 were missing every second page due to a photocopying error by COP.

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Staff survey

In addition, staff were given an opportunity to provide responses to a number of "free response" questions. Key question areas were around OSH & Wellness, HR and a general questions section.

All staff were invited to participate in the survey. 343 (43%) staff responded. Importantly, only 14 Managers and Directors participated, making up 4.1% of survey participants. This contributed to a different blend of responses to similar questions asked of Managers in their interviews.

As with interview responses, the survey outcomes have been drawn upon to develop the report.

Despite the fact that COP and Tower communicated heavily that the survey was confidential and anonymous there remained a high level of suspicion that this was not the case.

It should be noted that the report draws from the content of the discussions with selected staff to provide data and allow conclusions and recommendations to be made for the purpose of developing the report. It is not possible for Tower to vouch for the validity and accuracy of participant comments and feedback.

Directorate	Total staff	BU	BU staff
Office of the CEO	37	Corporate communications	12
% of Directorate to participate in the survey	81% (30)	Executive support	4
		Governance	16
		Office of the CEO	5
Community & commercial	36% (116)	Commercial parking	66
		Community & amenity	41
		Community & commercial services office	6
		Community services	61
		Customer service	14
		Health & activity approvals	27
		Library	44
Construction & maintenance	33% (58)	Parking services	61
		Construction	6
		Construction & maintenance office	8
		Parks	55
		Plant & equipment	13
		Properties	11
		Street presentation & maintenance	37
Corporate services	49% (55)	Waste & cleansing	48
		Asset management	6
		Corporate services office	2
		Data & information	32
		Finance	28
		HR	17
		Information technology	27
Economic development & activation	49% (33)	Arts, culture & heritage	18
		Business support & sponsorship	6
		Economic development	13
		Marketing & activation	25
		City planning	11
Planning & development	58% (46)	Co-ordination & design	23
		Development approvals	25
		Planning & development office	4
		Sustainability	7
		Transport	9
	793		

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Staff survey insights

- The Community & Commercial Services Directorate and Office of the CEO tended to rate both importance and performance higher than other Directorates
- The Planning & Development Directorate tended to rate both importance and performance lower than other Directorates
- Newer employees (0-2 years' tenure) consistently gave higher ratings, whilst employees with 3-10 years' tenure tended to give the lowest scores

Most important areas

- All but 1 of the highest importance scores were around Grievance & Complaint Management
- Highest importance ranking was Very Important (4.81) – Q40. "Everyone being treated the same no matter who they are"
- All areas were rated Average for performance
- The Office of the CEO rated importance higher than other Directorate for these 5 areas

Highest performing areas

- The majority of top performing areas are within OSH & Wellness (4 of 5 top ranking responses related to the function)
- Highest level of performance ranking was Above Average (3.61) – Q27. "Having a copy of my PS document"

Lowest performing areas

- Bottom performing areas were largely within Culture (4 of 5 bottom ranking)
- Lowest score for performance was Below Average (2.23) – Q57. "COP managing change well"
- NPS ("Q60. My recommending COP as a good place to work to a friend, colleague or family member") was the 3rd lowest performance ranking
- Community & Commercial Services Directorate consistently rated performance higher than other Directorates, elevating the average score. The average discrepancy between the highest and lowest score between Directorates was 0.82

- The Survey Report is provided in Attachment 3
- Free response question summary and detailed feedback is provided in Attachment 4

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The HR function

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The HR function & team

What staff said ...

Detracting

Promoting

They're at
pressure point

Great
experiences
with the team

Need
Leadership
support but can
get "blamed"

Turnover is a
problem

Don't feel they
have the
support of the
Execs or
Commissioners

Don't trust
them

Bend over
backwards to
support me
Helpful & try
hard

ER and L&D teams
are focused,
professional and
customer driven.
They are the
saving grace for
the department

I trust my
advisor, I have
the relationship

Not helpful,
pass issues on
to others

Approachable,
but come from
a Management
support
perspective

Team can
better support
each other

HR too
frightened to
speak up

Action oriented
and provide a
good service

Advice is hit
and miss
depending on
advisor

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The HR function & team

Managers see HR as trying hard to deliver under adverse conditions

- The HR team has faced 3 changes in Leadership over the last 4 years as well as significant internal turnover
- New team members, many of whom are entering from outside of the sector, have been challenged by pressured and busy environments, coupled with a need to onboard and come up to speed quickly with the sector, practices and processes of COP
- BUs and team's experience of the BP influence their wider perceptions of HR
- Although there were some issues identified in the Manager level interviews, there is strong support for the efforts of the HR team and empathy for their current position which is perceived to be "stretched" and not always supported by Leaders.
- The negative legacy of the restructure still impacts the perception of HR in the minds of many
- Confidence in and perceptions of the competence of the team are impacted by HR's ability to respond to matters quickly, along with the quality and consistency of advice
- The HR team has been in a state of flux; it is reactionary and is still trying to consolidate as a team, as well as bed down their own Operating Model in a performance- and resource-stretched environment

HR Business Plan

HR develops an annual Plan in accordance with the IPRF. See Strategic objectives.

HR reporting

Monthly Reports are produced by the department as confidential documents and are not distributed beyond the ELG. Reports cover:

1. Workforce planning: active recruitment by Directorate, new starters, turnover (including reasons) and exit survey feedback
2. Leave liability: excess annual leave, flexi accruals, time in lieu, self funded leave and absenteeism
3. Equity and diversity: gender, age and diverse work groups
4. L&D: study assistance, attendance at corporate learning events, e-learning completions and L&D projects
5. ER: grievances, disciplinary activity and employee issues
6. Workers compensation

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The HR function & team

Overall, HR is seen as doing an average job

Interview messages

Upside

- Support recruitment well
- Approachable & willing to help, supportive
- Seen as having different strengths & experiences
- Knowledge on day-to-day activity good
- Committed
- New team members bring new approaches and perspectives
- For some Managers trust was in place for others trust is still developing as relationships with the BP and Advisor are built

Downside

- Turnover is high
- The team are not as strong on the strategic elements of HR
- Lack of accessibility when needed
- They are directive because they are uncertain of policy application
- There is disunity in the team and some internal issues
- Lack of internal COP experience in the team and gap in knowledge transfer
- Perceived as having a lack of set processes for operational tasks
- Uncertainty about maintaining confidentiality and treating people impartially
- Varying experience and capability levels in the team but building
- Requirement of HR training on HR processes and practices
- Frustration when BPs have to defer to others for answers

Implications:

- Experience of the Advisor and wider perceptions influence responses
- Staff want a level of engagement with HR but many are not experiencing the level they would like
- Varied experience levels and workload are impacting effectiveness of support
- HR needs to work to influence the wider perceptions with employees

Survey messages

Upside

- It is important for employees to be able to get support from HR when they need it; 90% said it was Important/Very Important – Q50
- Employees want to be able to go to HR to raise issues or ask for assistance; 95% said it was Important/Very Important – Q49
- Designated HR representatives for each Directorate are very helpful & positive
- Specific HR Advisors are commended for being very helpful to their units
- Resilient amongst so much uncertainty
- Manage a very heavy workload
- Kind

Downside

- Performance of the HR team and function was rated Average (2.8) – Q48 & 49 – with nearly 40% of staff seeing HR performing Poor or Below Average
- 38% believe that the function's performance is Below Average/Poor – Q51
- In response to "Q85. How does HR provide support to you", 16.4% of employees in the free response said HR provides no support
- Discrepancy in advice amongst Advisors, can be hit and miss
- Under resourced and need more people
- There is a lack of respect for what they do
- Diminished trust in HR
- Some people don't know who their unit or Directorate HR representative is

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The HR function & team

HR has been carrying a lot of the baggage of the past restructure

Challenges

- HR is caught between a highly operational support environment and a need to focus and deliver a more strategic agenda
- HR does not have a voice at the ELG meetings and does not report regularly on HR agenda matters or projects at this level. Reporting to the ELG is done through the Director of Corporate Services
- HR turnover is disruptive for BUs but also for HR's ability to build a solid and aligned team
- Differing levels of capability and knowledge of COP practices
- Resources are stretched
- Perceived as complying to Directors' wishes to avoid the consequences of not doing so
- Whether staff would go to HR with an issue is variable
- Lack of trust impacts whether people will take an issue to HR
- Perceived impartiality of HR
- Bridging the gap to meet employee expectations of "supporting them"

Opportunities

- The new CEO has an ability to "reset" HR, its mandate and priorities, as well as emphasising support for the function
- Confidence in the team is improving
- Confirm roles, interfaces and accountabilities between BPs and ER
- Accelerate internal HR team onboarding into COP
- Build a solid HR team, not just in the sub-functions
- To be more transparent, share & communicate more of the HR agenda, progress, achievement & reporting – learning from OSH

Recommendations:

- Consider structural change with HR reporting directly to the CEO
- Regular structured reporting to the ELG
- Assessment of establishment requirements in a go-forward environment
- Actions to consolidate as a team, develop collaboration and understand effective interfaces
- A modified version of the HR Report for release on the intranet

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The role, purpose & performance of HR

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The role & purpose of HR in COP

What staff said ...



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The role & purpose of HR in COP

The purpose of HR is to provide "strategic and operational support to the COP by assisting teams in making informed and robust decisions in the management and development of its organisational capabilities" (HR Plan 18/19)

The current HR Plan (developed by a Alison Egan as the new HRM just after her appointment) outlines the key focus for 2018/2019 as:

- Delivery of the HR Service Model to the whole business
- Training Matrix and delivery of comprehensive training programs
- Implementation and promotion of the Reward and Recognition Program
- Overhaul of the onboarding procedure including candidate profiling, induction processes and management of probationary periods
- Cultural reboot: embedding the new company values into all aspects of HR and wider business function
- Addressing the 3 key issues raised from the employee survey:
 - Elected Members' behaviour (being in line with the Code of Conduct)
 - ELG providing inspirational leadership
 - Strong team spirit across the COP

A copy of the HR Plan is included in Attachment 5 – Audit of Plan status, and provides further details of anticipated service development and change across the planned timeline.

Very few Managers were aware that there was an HR Plan although some

acknowledged that the HRM did provide regular updates on activity in the MLG and Directorate meetings, and that BPs also provided updates in some instances. No Manager had seen the HR Plan.

- The following operational services and strategies are listed in the plan:

Operational services	Integrated strategies and plans
Recruitment	Organisational culture – development & cultural change
Employee lifecycle management	Leadership model & leadership development
Performance management & development	Mentoring program
L&D	Talent management & succession planning
ER	Reward & recognition program
Remuneration & benefits	Onboarding procedure
Reward & recognition	Workforce planning
HRIS	Organisational design – capability assessment & structural development
HR services	Organisational culture – development & cultural change
Injury management (return to work)	
Diversity & equal employment opportunity	
Recruitment	

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The role & purpose of HR in COP

The role of the BP in practice

The role of BPs is largely operationally focused.

The BP model was described consistently by BUs and HR as providing advice, guidance, coaching and supporting Line Management on people related matters including: recruitment, performance & grievance management, and interpretation and application of policies & procedures – “Supporting Line Management to make good people decisions”.

It is a maturing model and to be effective requires BPs to be capable from a technical perspective as well as having a high level of knowledge of policies, procedures, EBA arrangements and “the way things are done in COP”.

- The current BP model was highly supported by Line Management and HR
- There is variable BU/Directorate accountability. BUs exercise varying degrees of accountability and decision making for people and people related matters in their units. HR decision making in many areas had been pulled up to Director level for even very routine-based activity including higher duties, and authority to recruit below first reports to Managers
- HR BPs are considered part of the wider Directorate teams and participate in monthly Directorate meetings and weekly unit meetings. Structured one-to-one meetings are held in most Directorates on a fortnightly basis
- HR guides decision making rather than making the decisions

- HR assists Managers to act rather than HR “doing it all”
- Implementation and delivery was largely seen as a Management responsibility

Future growth potential:

Areas such as those below were not identified often and provide growth opportunities for Business Partnership:

- Organisation design
 - Determining more effective organisation design and structure
- Change Management
 - Planning, impact assessment
 - Assisting line to manage and lead people through change
- Talent management
- Engagement
- Culture
- Communications
 - Developing proactive, transparent processes
 - Circumventing miscommunication

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The role & purpose of HR in COP

Staff want more from HR than transactional services

Interview messages

Upside

- Day-to-day support and issue management
- Support Managers in decision making
- Provide clear and consistent advice
- Managing policy, procedures
- Advising on ‘how the City works’
- The keepers of culture
- L&D
- Onboarding
- Developing capacity, capability and succession planning
- Recruitment
- Having the right people to implement the strategy and support the Managers

Downside

- There are different views about what HR means
- HR’s role is not well understood
- Role has changed and that causes confusion
- No awareness of the HR Plan or Agenda

Survey messages

- Be a confidential, trustworthy and unbiased tool for staff
- Attracting and retaining talent
- Nurturing employee engagement
- Company culture
- Increasing productivity
- Encouraging teamwork and collaboration
- Being an advocate for employees – at all levels
- Ensuring processes and procedures are delivered with clarity throughout the organisation
- Providing support
- Overstretched because of the high turnover and therefore most of their time is spent in recruitment, forgoing other roles
- Not everyone understands what their role is, and where it ends

Implications:

- There is wide variability in how the role of HR is perceived
- There is a need to clarify the role of HR more broadly: what it is accountable for and how it meets those accountabilities
- HR is generally described as transactional
- Many survey respondents want HR to provide more support and be more connected to them

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The role & purpose of HR in COP

Having a clear understanding of what the role of HR is and what its key objectives are is important for managing expectations

Challenges

- Very low awareness of the HR Plan or agenda
- Heavy transactional and administrative load
- Operational priorities take up all of available time
- Core foundation activities are not getting completed e.g. policy project
- More strategic matters get pushed to the back of the queue
- Manual and paper-based systems
- Ongoing delays in the HRIS project
- Lack of system integration e.g. with payroll
- Consistency of advice
- Getting some Managers to take a higher level of ownership of activities and decision making
- HR's level of influence
- HR's level of engagement with the organisation
- Still some legacy of the restructure – association with exit of large numbers of people
- Perception that HR is aligned with Management

Opportunities

- Confirming and communicating with COP Leaders regarding what the BP structure is accountable for and how it will deliver
- Consolidating and building HR as one team
- To be more transparent in sharing their plans, progress & outcomes
- HRIS implementation to reduce administrative burden
- Less reactive, more planned approach
- To be more strategic approach
- To have more of an OD focus
- Support of Leadership

Recommendations:

- Share and communicate a version of the HR and L&D Plans, reporting and other appropriate strategies – via intranet / employee communication sessions
- Clearly define the roles and responsibilities of HR and their key stakeholders: BU Managers, Directors, CEO and others as required
- Prioritise and resource key projects that will positively impact on performance: HRIS and policy review

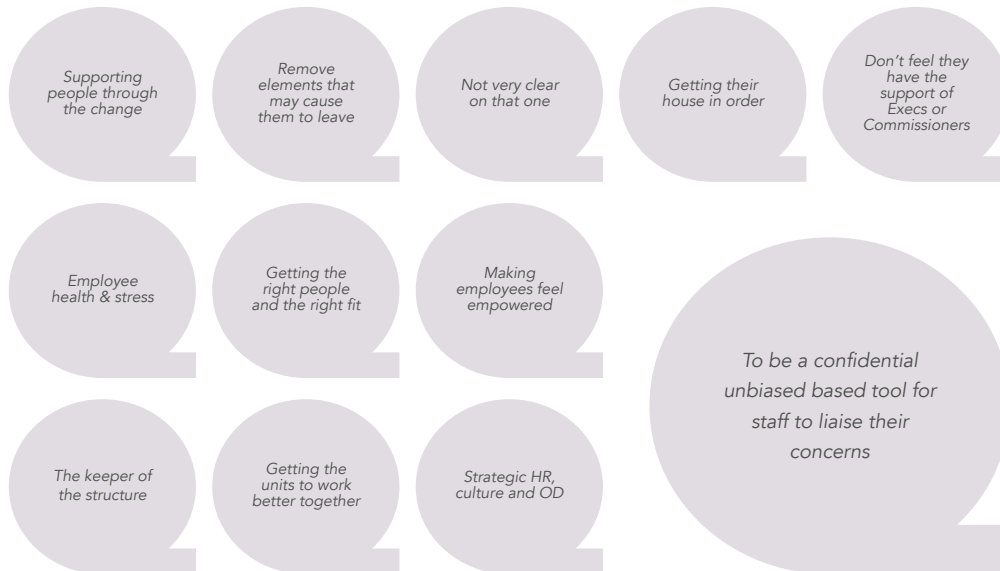
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Priorities, strengths & issues

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HR priorities

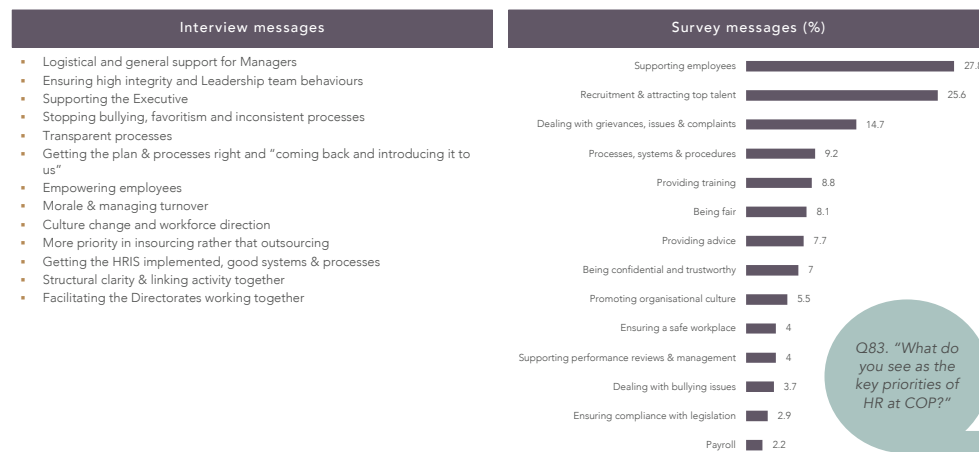
What staff said ...



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HR priorities

There is a significant divergence in the perceived HR priorities between Management interview feedback and survey feedback



Q83. "What do you see as the key priorities of HR at COP?"

Implications:

- Priorities as identified in the HR Plan were not highly identified in interviews. HR do have a Plan but there is minimal transparency of the Plan amongst Management
- Wider workforce and people management strategies are not well communicated or understood. Engagement of Leaders and staff in the Agenda will require improved communications and purposeful effort
- Interviewed staff talked about the support of HR to Managers and ELG, but not about their support for other officers

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HR priorities

Challenges

- Absence of CEO leadership and sponsorship of the HR function and Agenda
- Lack of Leadership stability
- Lack of consistency in the role and priorities of HR
- A lot of issues need to be Leader led
- HR resourcing

Opportunities

- Greater HR Plan transparency and engagement of Management in the Agenda
- Getting buy-in from the peer group

Recommendations:

- Confirm the HR Plan and priorities. Gain ELG alignment and support. Share and communicate a version of the HR and L&D Plan, reporting and other appropriate strategies – via intranet / employee communication sessions

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HR – strengths

What staff said ...

Detracting

Promoting

What they achieve is remarkable

They support people but no one supports them

Urgent recruitment is handled quickly

Resilience in the face of uncertainty

Doing the best it can given the hierarchy of people involved in issues and complaints

Respond in a timely manner

[BPs] Designated representative to each Directorate, this provides focal point of contact but also help HR to understand business

Professional and dedicated HR Team

Knowledge and technical expertise

Good at following up

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HR – strengths

Individual HR team members were identified frequently in interview discussions



Q.83 "What do they HR team do well?"

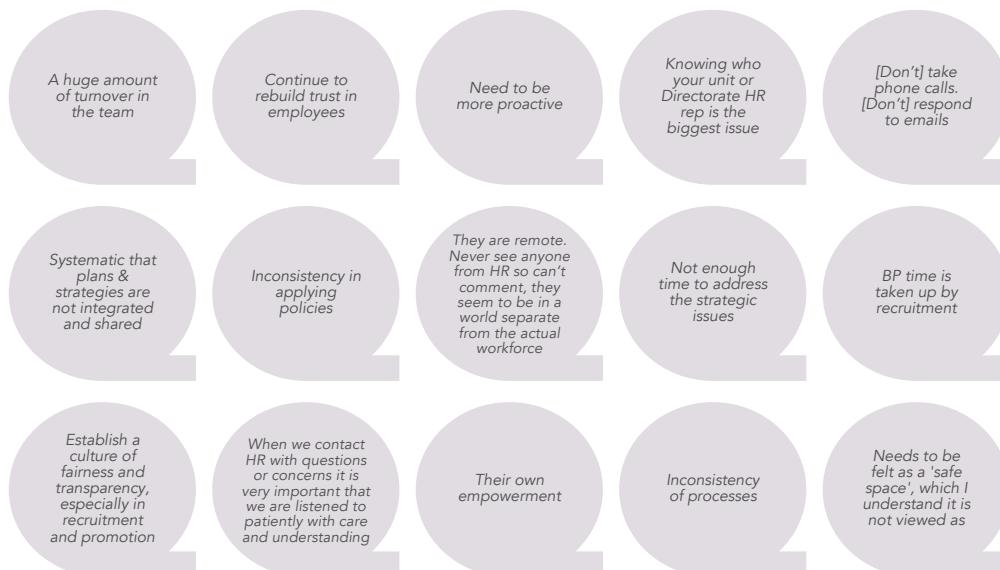
Implications:

- Staff perceptions of strengths will vary with their experience of HR
- The strengths cover the key pillars of HR: Business Partnership, L&D and ER

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HR – issues

What staff said ...



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HR – issues

Key findings

Interview messages

- Variable COP background and experience in HR team
- Lack of visibility of the HR Plan
- Policies out of date
- Mistakes are being made – e.g. wrong contracts
- More robustness needed in ensuring the right people, not just any people are employed
- Lack of resources and availability of BP
- Inconsistency of HR decision making, process, support & application of policies
- High turnover of the HR team, multiple changes in Advisors
- Trust in getting the right information is sometimes low
- HR also have issues in delivering in a timely manner and getting the right information to make decisions
- Workers comp. needs further resourcing
- Needs more assistance facilitating activity between the BUs
- Better understanding of what Managers need
- Disparity of role descriptions
- Poor systems and technology
- More support is needed for employees

Survey messages (%)



Q84. "What could the HR team do better?"

Implications:

- Improvement needed with policies, processes and procedures and their application which is not always consistent
- Issues raised in the survey around favouritism towards Management and ELG
- Recruitment is an issue including HR's ability to attract and retain the right talent. Staff turnover is a consistent concern amongst employees

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HR – strengths & issues

Challenges

- HR hold default accountability for: poor process implementation and execution; leadership and behavioural issues that are not managed appropriately; lapses of policy; and cultural issues more widely
- HR staff turnover
- The function is still evolving
- The number of initiatives HR are working on
- HR needs to be a role model, sometimes seen as not following the policies themselves – e.g. favouritism in recruitment
- MLG is not a forum for exploring Managers' needs & issues

Opportunities

- Continue to develop BPs in handling issues to reduce reliance on ER specialists
- Build employee trust
- Improve general HR communication and interaction with the wider workforce

Recommendations:

- Prioritise the Policy & Procedure project
- HR to reflect on outcomes versus where they want to be
- Potential for employee catch-up and focus sessions to drive engagement and understanding of role

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Core elements of HR

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HR policies, procedures & authorities

What staff said ...

Detracting

Promoting

Out of date

Now up to date

Waiting to be reviewed

Hidden & not easy to find

Should develop a Manager handbook

Not really policies

They're there but it's the interpretation that's the issue

Too grey and lead to inconsistencies

Easy to understand

Opportunity to consolidate the policies

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HR policies, procedures & authorities

Clear and updated policies & procedures are a key foundation of HR but are letting the function down

Whilst many policies and procedures are in place and accessible, many are also out of date and require review. Some have been repealed for a number of years and have not yet been replaced.

Policy effectiveness is impacted by many being out of date and in some cases inconsistent with each other. This has the potential to create inconsistency in application of policies by both HR and Leadership and diminishes users' confidence in applying the policies. The project review has not delivered effective outcomes and must be prioritised.

- There is no "one stop shop" for policies and procedures; they are fragmented and exist in different places on the intranet
- There is high level of awareness that policies are on the intranet but locating them is an issue for many
- Many Managers have a lack of confidence in the accuracy and currency of HR Policies
- HR team members, particularly those more recent to COP and Local Government, also share frustration around outdated, inaccurate or a lack of policy and procedure documentation
- Management, staff Leaders and HR team members are concerned about making mistakes and are less confident in directing their own staff decisions without reference to HR
- Uncertainty of policy and procedures can negatively impact decision making, disempower Management and staff, and create dependency on HR

- HR policy and procedure review is in process to support the implementation of the new HRIS
- Authority limits for decision making in HR processes are also variably understood – some saying they are very aware and others the opposite

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HR policies, procedures & authorities

Access to policies and procedures has improved with new intranet page but content is disappointing

Interview messages

Upside

- Accessible on the intranet
- Easy to find but not easy to find the answers
- New "lifecycle" on the intranet is an improvement
- Reasonably up to date

Downside

- Not very accessible, hidden & not easy to find
- Out of date
- Would not be able to navigate them without the BP
- Inconsistent interpretation & application e.g. in regards to flexitime
- The rules keep changing even if there is a policy
- Procedures come in emails and memos
- Not communicated when they change
- Unfairness in application
- A preference for fewer policies and guidelines for Management decision making
- They sit in different places, some are missing
- Uncertain if they are current or not
- Managers have little authority and in some cases are uncertain about their level of authority in HR approval processes

Survey messages

Downside

- Not equitable – their application is being applied inconsistently
- In the application of policy, 44% of respondents don't believe employees are treated consistently, even though 66% consider this Very Important – Q6
- Policies & procedures are not user friendly
- Performance rating for the accessibility and legibility of HR policies & procedures was Average (2.8). 34% of respondents considered it Poor or Below Average – Q1
- 38% of survey respondents said training and communications related to policy and procedures was Poor or Below Average – Q2
- 15.7% of survey respondents said that the HR team could develop better policies, processes & procedures when asked "What could the HR team do better?" – Q48

Implications:

- There is average at best confidence in policy documentation and the consistency of interpretation and application
- A considerable portion of staff do not find them user-friendly
- Authority levels are not consistently clear

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HR policies, procedures & authorities

Challenges

- Completing the review of existing policies, procedures and documentation
- Applying the policies & procedures to the issues
- Some Managers will continue to go to HR first
- The concern about consistent application can diminish the opportunity for Manager discretion around interpretation
- HR team are still in learning mode
- Outdated policies can diminish trust in HR and continue to drag HR into unnecessary routine matters and disempower Managers

Opportunities

- Consolidate HR policies in one location
- Potential to re-launch the policies and communicated expectations
- Simplify and streamline
- Develop a convention for policies & procedures – what should be or needs to be a policy and procedure and what does not; what they should look like
- Conduct an audit of all HR related policies & procedures
- Develop guidelines to assist Managers in applying and policies and procedures and for decision making support

Recommendations:

- Prioritise the Policy & Procedure project
- Allocation of resources to a tightly defined protect timeline to assess and complete core policies
- Review the governance around who has authority to change and make amendments and processes for change i.e. Council versus an Administration policy

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Workforce planning, resourcing, retaining & leaving

What staff said ...

Detracting

Promoting

We see our co-workers pushed out of the organisation by cruel Managers

Need to move people to permanent roles

People can be in acting roles for 1 or 2 years and then just get appointed into the role

HR fearful of doing the wrong thing – diversity recruitment

Workforce planning is run by finance, not what we need to fulfill the plan

Not supporting Managers sufficiently in retention, managing turnover

We don't attract or retain talent that can elevate our productivity

Nepotism is very obvious and some staff are being protected and looked after and given opportunities based on who they know

Equal opportunities are not made available to all staff

Managers should be managed on their turnover

Current internal position recruitment system is full of favouritism, bias and nepotism. It's to say the least disgraceful and corrupt

Where exit interviews were conducted, it appears that the information provided was not passed on/acted on

Staff are promoted, or change roles, regardless of their qualifications

No transparency in the process

Not just about getting talent to join your organisation. You need to know how to engage and retain them

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Workforce planning, resourcing, retaining & leaving

Recruitment & “getting the right staff” was ranked as a high priority in interviews and the top strength for HR in the survey

Workforce plan

The City's Workforce Plan 2018-2022 has been developed in response to the key strategic objectives within the City's IPRF and draws from strategies developed under the L&D Strategy.

The Plan outlines the resources, capabilities, and competencies the City requires to deliver against its objectives. It is designed to align to the organisation's strategic direction to enable effective future planning and outlines:

- Key organisational considerations: suspension of Council, current reviews and inquiry and culture agenda
- Current organisational structure
- Workforce profile: strengths and challenges
- Workforce requirements now and for the future: resourcing capabilities and competencies
- Workforce strategies: natural attrition, strategies for building human capital and risk mitigation for critical roles

Workforce Planning is a key objective in the HR Plan: “The implementation of a more structured approach and regular reporting/analysis for workforce planning with defined Human Capital increases for subsequent years determined & directly aligned with budget forecasts”. The HR Plan also noted that improved reporting was dependent on the HRIS implementation.

- The development of the Plan is a collaborative activity for the HR and Finance areas
- The HR Report provides monthly reporting on workforce metrics

Establishment management

The COP Establishment Procedure was repealed in 2015.

The absence of effective establishment management was identified in the Deloitte Report:

“The City is limited in its ability to make informed decisions on workforce management.”

“The Assessment has identified four workforce management gaps: providing an accurate and stable estimate of the organisation's establishment; management reporting on workforce; the structure of the position hierarchy; and development of key performance indicators.”

Organisational establishment processes and reporting was in place prior to the restructure. All departments had an agreed establishment number – the required resourcing for the unit. Recruitment and resourcing was managed to the budgeted establishment levels. The process was maintained by HR manually. HR does not currently have an HRIS and relies on payroll data for workforce information. The establishment system was discontinued following the restructure at this time due to the complexity of maintaining it.

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Workforce planning, resourcing, retaining & leaving

The absence of a more detailed establishment management process was also identified by a number of Managers as an area of high frustration. An example of feedback received is below:

*“Workforce planning is a massive issue”
“Do not have a system. All talk a difference language. No consistency of approach. Don't know what the establishment is. Laborious process. No profiles on the team – multiple systems – empower, BI – there is no single source of truth”*

Recruitment & attraction

- The Resourcing Strategy is the accountability of the L&D Centre of Excellence. A Draft Talent Acquisition, Identification, Management & Succession Planning Strategy is currently being prepared by the Senior L&D Advisor and is planned to be implemented in 2019. Execution of recruitment activity is the responsibility of the respective BU Managers supported by HR BPs
- There is a high level of criticism for recent recruitment freezes and the impact these have had on HR resourcing to recruit staff
- This financial year the team on average have 35 roles in the process of recruitment. This excludes activity conducted by external recruitment firms
- There are no specialist recruiters in COP and BPs have accountability for supporting recruitment in their respective Directorates

- The ability to attract staff to COP roles was raised in feedback as a potential area of concern in the current environment

Onboarding

COP has recently implemented new onboarding processes as part of the new City Learn platform. Staff now complete their online induction prior to commencing with the City. New starters have averaged 22 per month since July, with a spike in September of 43.

Retention

There are no specific retention strategies in place.

Leaving

- Turnover for the rolling 12 months is 21%, representing 153 departures
- Exit interviews are conducted for voluntary exiting staff. The top 3 reasons for turnover are: staff gaining a new opportunity outside of the COP, leadership style and team culture
- COP turnover performance is reported monthly as part of the HR Report. Voluntary turnover (resignations) for the last 6 months is running at a rate of around 7% or 56 staff (AA Oct), compared to All turnover of 10%

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Workforce planning, resourcing, retaining & leaving

Perception of recruitment and its effectiveness varies between the interview and survey groups

Interview messages

Upside

- Do a good job of recruitment
- New onboarding processes are good
- Responsive. Urgent recruitment is handled quickly
- Add value to the interview panel
- Guide on application of policies
- Very proactive and supportive and deliver in a timely matter

Downside

- Processes around the selection and usage of preferred recruitment providers
- Use of short-term appointment and contractors – extending them and not making them permanent
- Turnaround times are sometimes too long
- Takes up a large slab of the Advisor's role
- More understanding of diversity and regulatory environment/processes for recruitment & selection
- Improved focus needed on selection of the "right" people
- The current environment is impacting on the City's employment brand
- High turnover

Survey messages

- Recruitment is seen as both a strength and an area for improvement; respondents were varied in their opinion of Recruitment, Onboarding & Induction processes
 - 12.4% said that the HR team managed Recruitment well, and 3.5% said Onboarding & Inductions – free response
 - However, 11% said that they could do Recruitment better, and 4.2% said the same of Onboarding & Inductions – free response

Downside

- The issue of nepotism was raised 16 times in the free response section of the survey
- 31% feel employees are not treated fairly & equally in recruitment opportunities – Q19
- 40% see the accessibility & understanding around policies and procedures for recruitment, internal appointments & promotion as Below Average/Poor – Q18
- 89% of employee responses ranked effective induction as Important/Very Important but 65% ranked performance as Average or below – Q20
- Lack of transparency in the process
- Qualifications and experience are not always taken into consideration when comparing role appointments
- People leave because they cannot see internal opportunities for growth
- Work needs to be in staff retention

Implications:

- Irrespective of whether it is accurate or not, there is a perception amongst the workforce that processes are "not fair" and that COP processes are not being followed
- HR have an opportunity to measure the effectiveness of new COP induction processes as well as those applying to individual Directorates and BUs

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Workforce planning, resourcing, retaining & leaving

Challenges

- Turning around perceptions of lack of fairness in the process
- Reestablishing a discipline approach to establishment management

Opportunities

- Alignment of salary increases to performance to support retention and development
- Develop improved understanding of career progression
- Focused retention strategies to protect high risk roles, key skills and knowledge

Recommendations

- Reinforce processes for conflicts of interest and disclosure of pre-existing relationships in the recruitment processes
- Review potential to investigate issues of suspected nepotism/conflicts of interest in recruitment
- Develop clear scope around the City's establishment reporting requirements to support HRIS implementation
- Development of retention strategies and identification of high-risk/high-impact roles
- Review processes for selection of preferred recruitment providers

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Remuneration, benefits & employment conditions

What staff said ...

Detracting

Promoting

Source various other staff benefits/wellness programs and benchmark against other organisations

The flexible working environment (start and end hours) and flexi time accrual provides a fantastic work life balance for me

End short-term contracts for staff working on a full-time basis

A lot of benefits and programs are set at council house, and those of us who are customer-facing are often unable to attend or take advantage

Pays well and benefits are good

I think the HR team could better reiterate the existing benefits to staff as I think some employees forget about them

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Remuneration, benefits & employment conditions

COP remuneration is generally considered to be competitive

- All staff, other than the CEO, Directors and Managers, are employed under EBAs which specify salaries, allowances and conditions of employment
 - COP provides some additional benefits to those under the EBA including Healthy Life-Style benefits – e.g. optical allowance
- Manager classification and levels were reviewed in June 2017. Key criteria used for evaluating classification levels included:
 - BU financial control – budget and operating expenditure
 - BU size
 - Unit importance to the City
 - Complexity of the function
- In August 2017 the City conducted a benchmarking review of Manager remuneration utilising data sourced from other local government authorities. The review resulted in some adjustments being made to individual Managers
- Feedback was received that some staff do not fully understand the benefits that they receive as part of their employment at the City

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Remuneration, benefits & employment conditions

Interview messages

Upside

- Competitive salaries
- Good benefits

Downside

- Salary increments are automatic and not performance-based
- Some benefits are not as readily accessible to outside staff who are not based at Council House
- Frustration around the practice of using fixed term contract rather than ongoing employment arrangements
- Many employees do not realise or forget some of the benefits that they do receive
- Salary banding does not allow effective career growth for individuals
- There is a wide gap between Manager remuneration and that of the Directors

Survey messages

Upside

- Staff value the new reward and recognition program as a good initiative
- Healthy lifestyle rebate
- Flexible working environment and flexi time accrual

Downside

- 85% of staff believe recognising & rewarding high performing employees as Important or Very Important but only 21% believe that COP does a good job – Q7
- 31% don't believe they have a reasonable workload, although 93% rated it as Very Important/Important – Q5
- Lack of incentives (rewards & discounts)
- End short-term contracts for staff working on a full-time basis

Implications:

- If employees do not understand the benefits they receive then the City is getting minimal value out of providing them

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Remuneration, benefits & employment conditions

Challenges

- Fixed versus permanent appointments

Opportunities

- Alignment of salary increases to performance and goal achievement
- Further communications on the City's suite of employment benefits and conditions
- Ensuring equity of employment benefits

Recommendations:

- Strategies to leverage and better communicate the current benefit structure
- Review the equality of benefits for "outside" staff
- Review the practice of fixed-term employment to ensure fair application
- Assess the current salary increment practice and viability to align to performance

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Grievances & complaints incl. bullying, harassment & EEO

What staff said ...

Detracting Promoting

You have to be neutral and work through the process

Would have to be pretty bad for me to report it

Untouchables and poor behaviour is not addressed

People expect and want an investigation

It's very easy to lodge a grievance

If it's with HR the battle is lost

Every complaint should be handled through due process

Told by the then Manager of HR that certain members of ELG were untouchable because of their close relationship with the CEO

Process needs to help individuals resolve themselves

Processes are much better now

Their Manager confronted them after someone in that team put a bullying complaint against him

Directors can interfere and influence the direction

Not comfortable or well supported by the system

COP has a reputation for being a soft touch

Complying with policy doesn't mean the right outcomes are achieved

Directors not held to account

My co-workers who have lodged complaints have had them really poorly handled - one who ultimately got bullied into resigning

HR team don't support the individual complaints of employees and favour Management, breaching confidentiality and trust of officers

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Grievances & complaints incl. bullying, harassment & EEO

Good processes and procedures are in place and training & education in processes is ongoing

- As at the date of this report, there were 37 active complaints comprising 16 grievances, 20 disciplinary and 1 absenteeism matter. Following reporting, complaints are subject to substantiation and investigation
- 5 of the grievances were identified as a bullying allegation
 - Visits to EAP services for the period July 2017-June 2018 specified alleged Bullying matters on 7 occasions compared to 11 in 2016
- There is a high degree of variability of Managers' level of capability & and in some instances, belief that they can take ownership of the grievance process. Some Managers have a high degree of dependency on their Advisors, driven by an uncertainty of how the process should operate or concern for doing it properly and not making mistakes

Documentation, policies & procedures

- The Workplace Grievance Management Procedure applies to all grievances and complaints, including those arising from a bullying, EEO or harassment, disciplinary or performance related matter. The procedure is a current document and was last reviewed in July 2017
- Some other documents, such as The Prevention and Management of Workplace Bullying – Information Guide for Workers and Information Guide for Managers, refer to earlier and now superseded versions of Grievance Procedures and related documents
- The Bullying Guide and the EEO policy have both been identified for

review by the HR department

- The majority of Managers are aware of procedures and believe matters are managed in accordance with the procedures

Training

- Regular training is conducted internally by the Senior ER Advisor. The ER team have prioritised training for Managers and in 2019 will extend training to Coordinators and Team Leaders
- Training has also been conducted with HR Advisors to ensure understanding and familiarity of the City's processes. Many BPs are new to the City and are still developing familiarity and competence in acting as effective Advisors to Managers, as distinct from guardians of the procedure and process
- Feedback from interviews across Management and HR was that the training was useful and of a high standard

Complaint management

- The procedures encourage individuals to try to deal with issues themselves in the first instance and then to escalate the matter through the various stages of the procedure if necessary. HR's role in the process is support and guidance. Managers are accountable for the management and oversight of issues within their units. Once a matter involves an external party (Fair Work, Union), the ER team will assume management

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Grievances & complaints incl. bullying, harassment & EEO

- COP utilises external investigators in some instances where the matter has a higher level of sensitivity or complexity. This often results in lengthening the time frame of the process

Issue register

- All matters raised as a grievance or complaint are supposed to be entered into the Grievance and Complaints Register (Register), however some matters assessed to be highly sensitive by the HRM and Senior ER Advisor are not documented on the Register
- The Register is overseen by the Senior ER Advisor. Other BPs are responsible for entering the matter into the Register
- Although the Bullying Information Guide specifies that incidents are recorded in one central location as an OSH incident, this is not accurate as bullying incidents are recorded by HR in the Register

Reporting & governance

- Grievances and complaints are reported to the ELG on a monthly basis as part of the HR Report. Matters are classified as a grievance, disciplinary matter or workplace issue. Bullying and discrimination matters are classified as workplace issues and are not separately defined. A disadvantage of this treatment is that Senior Management are not necessarily made aware of these issues. It should be noted though that complaints of bullying or discrimination made by an employee may not be sustained following investigation
- Annual reporting is also made to the Public Sector Commission through the Governance Manager
- Interview and survey feedback reported concerns about breaches of

confidentiality as well as fear that if they did report matters they would not be treated confidentially

- During the interviews there were several matters raised including the following:

Complaints made to HR:

- Anonymous – matters were not dealt with and were suppressed

Bullying complaints:

- Anonymous – terminated employee. Made in writing to HR – not recorded in register
- Anonymous – complaint raised and was not investigated despite being told it was. Was never interviewed. Had a meeting with the CEO and he said that the matter had been closed out. Involved a Director
- Anonymous – advised HR and was asked to make a verbal statement. Was not asked to put in writing. Believed the person was trying to handle it well. Received no feedback, was not interviewed. Involved a Director
- Anonymous – an informal complaint to the CEO – did “not go anywhere”

- The above is a small sample. To understand these matters and any wider issues around them, further investigation would be required. Given all employees interviewed have requested anonymity, this may not be possible for these issues

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Grievances & complaints incl. bullying, harassment & EEO

External complaints

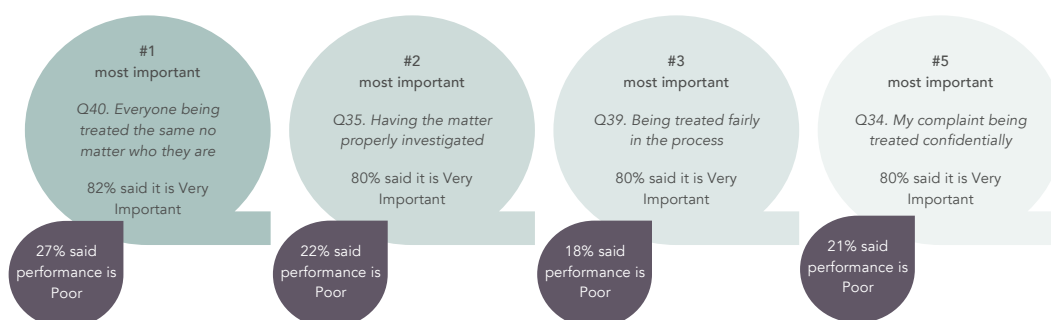
- An employee can also make a claim with the Fair Work Commission directly (if they choose to do so)
- Staff can also report matters of misconduct to:
 - Designated Public Interest Disclosure Offices. These are designated internal staff members – e.g. the Governance Manager
 - Public Sector Commission
 - CCC

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Grievances & complaints incl. bullying, harassment & EEO

Survey response

4 out of 5 of the **most important** areas for staff related to grievances and complaints, however all were **rated Average for performance**.



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Grievances & complaints incl. bullying, harassment & EEO

Perceived failings in fairness of process undermines its integrity

Interview messages	Survey messages
<p>Upside</p> <ul style="list-style-type: none"> ER support through the process is generally very good Awareness that there are procedures and where to find them Some Managers take a high level of accountability and initiate in their unit and manage utilising HR as advisors and support Processes are generally followed All complaints are logged on the Register Managers generally felt supported through the process Briefing sessions run by ER are valued <p>Downside</p> <ul style="list-style-type: none"> Processes can take a long time Level of familiarity of the policies is varied Belief that people are not treated uniformly across COP & is influenced by who the person is and their level Concerns about confidentiality and leakage Scripting of conversations by HR not always well received HR managing matters with employees is more difficult because of employee expectations Many issues arise out of performance management and bullying processes Communications and feedback during the processes is sometimes slow Managers are still learning and developing confidence around processes Some individuals with bullying issues are turning to colleagues and not HR Some Managers feel that if they involve HR early it can get accelerated 	<p>Downside</p> <ul style="list-style-type: none"> 45% of employees do not believe everyone is treated the same in the process, even though this was ranked as the most important concern – Q40 Free responses show employee perceptions that the HR team don't support the individual complaints of employees & favour Management, breaching confidentiality & trust of officers People are scared to speak up; 44% of employees said they do not feel comfortable making a complaint – Q15 & Q33 25% said they wouldn't know who to go to with an EEO, harassment or bullying issue – Q14 34% don't find the policies & procedures for raising grievances & complaints accessible – Q29 32% don't think that complaints are/would be managed to the policy – Q32 Almost half (47%) of staff don't trust that their issue/complaint is/would be properly investigated – Q50 Some individuals mentioned co-workers being "bullied out" Seems to be multiple issues of officers who feel they are being bullied by their Managers Perception that HR are afraid/unwilling to act if complaints are made against senior positions 38% don't believe that complaints are/would be treated confidentially – Q34 42% of staff see the independence and anonymity of complaints processes as Poor or Below Average – Q41
<p>Implications:</p> <ul style="list-style-type: none"> Perceptions of lack of fairness, independence and confidentiality are significant issues. This undermines the integrity of the process 	

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Grievances & complaints incl. bullying, harassment & EEO

Independent and anonymous complaint/whistle-blower processes are important to the majority of staff

Challenges

- Experiences and perceptions are strongly influencing confidence in fair process, with both Manager level staff and below
- Variable experience and capability of the HR BPs to effectively support processes
- Appointing an investigator often causes time delays
- Issues not being lodged as a complaint because they did not believe anything would happen
- Perceptions that raising issues would impact individuals personally and their careers
- Many Managers rely on support from their BPs and in more complex matters, the support from the ER team. Those Managers who self manage are more experienced and confident in processes

Opportunities

- Further ER education with Managers and Coordinators
- Further communication and reassurance about confidentiality
- Supporting and giving employees the confidence to resolve matters individually
- Ensuring those in the process are fully and regularly informed about progress

Recommendations:

- EEO and bullying related documentation is reviewed as a matter of priority
- Refresh/relaunch the procedures and process to give clear information of "how" the process operates
- Document the procedure for logging a matter on the Register to minimise uncertainty around when and what type of matters are logged
- Review who has access to the Register and minimise to improve confidentiality of matters
- Report Bullying and Discrimination matters separately and not bundled under Workplace Issues
- Confidential external complaint process (not CCC) to be implemented to restore confidence in the integrity of processes

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Learning, development, capability & succession

What staff said ...

Detracting

Promoting

Career development is mostly done in own Directorate ... it's up to Management

Reclassification of roles is frowned upon and this blocks progressive career steps

The quality of programs is excellent, awesome providers

Need to link to the PS process

No one has sought input from me in developing the training

People leave because there is no career progression

Reclassification is a huge barrier and needs to be resolved

L&D is a strength

Who does the gap analysis to identify the training?

Stop with the e-learning portals they are truly hideous

If you complain then you are not taking advantage of it

Is more training & development than ever before

Not a lot of opportunity besides sideways moves

Sarina is very active and proactive

I believe the COP provides the best training to staff although the staff may take it for granted

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Learning, development, capability & succession

The L&D function is acknowledged as performing well and is maturing in career and succession management

L&D has accountability for many of the activities typically defined and Organisational Development. It was recognised as a strength of HR in the open response section of the survey.

L&D has a strategic and operational agenda and has been a significant driver of the values integration into HR systems and processes & getting foundations and general development activity to support COP capability requirements & competencies into place.

L&D strategies are integrated with organisation capability and competency requirements of the City.

Scope of the L&D function

The scope of the L&D Centre of Excellence includes:

- Leadership Development Programs and Executive Coaching
- Learning and Organisational Development (including Culture)
- Talent Acquisition, Identification and Management (including Mentoring Program)
- Succession Planning

L&D Strategy

The current L&D Strategy was endorsed by the COP Executive in 2015 for the period 2015-18. It is comprehensive and was built on the base of defined Organisational Capabilities and an Organisational Training

Needs Analysis conducted in 2016 & 2017, in conjunction with Directors and BU Managers.

- Building training activity around COP organisational capabilities and competencies across job levels
- Supporting the values launch and integration of values into PS processes
- New role descriptions to clarify roles and incorporate KPI review and development into PS
- Launch of City Learn – new online induction processes

Training delivery

- Scope and provide delivery solutions for learning and development activity for:
 - Mandatory (compliance and statutory) learning requirement
 - Developing competency requirements for all role levels
- Training is also conducted by OSH. Managers are accountable for defining their own specific training needs & requirements with support from L&D

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Learning, development, capability & succession

Organisation capabilities

The key organisational capabilities required for the City to operate effectively now, as well as those that will be required for the future, have been defined and are outlined in the Workforce Plan.

The Workforce Plan identifies that an assessment will need to be undertaken to identify and execute initiatives to close any gaps. A major focus of this assessment will be to identify the interdependences between BUs and their impact. Timings for this activity are yet to be set.

Competencies

Competencies have been developed for all levels of staff: Executive Leadership, Frontline Management and other staff. Employee assessment against the competencies is a core component of the PS process. L&D activity is mapped against the Competencies.

Talent management, career development & succession

There are currently no structured approaches or formal processes for career development or succession. The absence of strategies in these areas was raised by Managers in interview sessions as an issue. A Draft Talent Acquisition, Identification, Management & Succession Planning Strategy 2019-2021 is currently being prepared by the Senior L&D Advisor and incorporates these elements. If supported by Leadership, the strategy will provide an opportunity to further develop COP's employee capability and knowledge base.

Training Matrix

The Training Matrix incorporates OSH training and details both mandatory and desirable learning and development requirements in all

BUs by role, as well as when the training is required to be conducted, the frequency of refresher requirements and mode of learning.

Corporate Training Needs Analysis

The last Training Needs Analysis was conducted in 2016 and is due to be refreshed in 2019. The aim of the process is to identify non-regulatory learning and development events to coordinate and deliver across the City.

City Learn

City Learn is an online training system launched in 2017 covering onboarding training including mandatory training activity.

Efficiency & cost

The function is a broker of services for negotiated rates and does not deliver programs.

Benchmarking

Benchmarking/self-assessments against a global benchmarking base evidence an approach to continuous improvement and functional learning.

Evaluation

A comprehensive evaluation was conducted in October 2018 and is included for reference in Attachment 7.

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Learning, development, capability & succession

L&D has solid foundations and the confidence of Management and the workforce

Interview messages

Upside

- Good & regular communications about training programs
- High quality programs
- BPs check in on the L&D requirements for their areas as part of the PS process
- Cost effective delivery
- The team is helpful and respected
- Units are using mentoring, acting upon opportunities, project opportunities and inter unit secondments & rotations as career development opportunities
- HIPOs identified in some units are being given "step up" opportunities
- There is an understanding that more focus is required in identifying talent and developing careers

Downside

- Some perception that training is not aligned to COP strategy, career paths and training needs of COP
- More focus needed on career pathways
- Need to build future Managers and Leaders
- Needs to be a link between the development needs in the PS process and the training that's delivered
- No organisational approach to identify needs and align to Plan
- A Training Plan needs to be developed at the start of the period before budgets are set
- A need to simplify the approvals process & administration
- No formalised succession or career developed processes – left to Managers
- Recruitment policies do not support internal succession

Implications:

- There is a low level of Management understanding of the L&D Plan and the link between the training offered and the wider organisational capability requirements & competencies
- City Learn is growing in recognition and has an opportunity to be leveraged further
- L&D opportunities are having a positive impact on career development

Survey messages

Upside

- 19.3% of free responses identified Training and L&D as a strength of HR – Q83
- 8.8% of free responses identified the provision of training as a priority of HR – Q82
- 45% said they use City Learn well – Q46
- 41% said they participated in non-compliance training on City Learn – Q86
- 84% of employees feel it's important to develop new skills and 41% believe they have opportunities to do so – Q42
- Praise for L&D team

Downside

- Although L&D overall was a high ranking category, it averaged as the least important category in the survey (4.28/5)
- 36% rank discussions about their future development opportunities as Below Average or Poor – Q45
- Staff take training for granted
- Lack of career progression opportunities
- 42% of employees rank career opportunities for them at COP as being Poor or Below Average but 84% said that it is Important/Very Important – Q44

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Learning, development, capability & succession

Opportunities outweigh challenges

Challenges

- The outside workforce has no, or limited, access to computers making access to online training difficult
- Fragmentation of training recording systems and manual, paper based processes
- There was one issue raised where the cost of a program was agreed and then commenced and then the approval of funding was reversed

Opportunities

- Stronger communications around an annual training plan to facilitate budget planning in BUs
- New HRIS will simplify processes
- Preparation of an annual training plan ahead of budget finalisation
- Publish the full year calendar on the intranet
- Manager consultation before finalisation of the program
- HR to engage and get involved and partner in many of the informal career development initiatives
- Career development actions are largely being driven by Divisional and BU initiatives
- Development of career pathways for progression
- Communication and education of Managers and Directors on the L&D Strategy
- Wider and deeper engagement on Plans and more transparency of outcomes

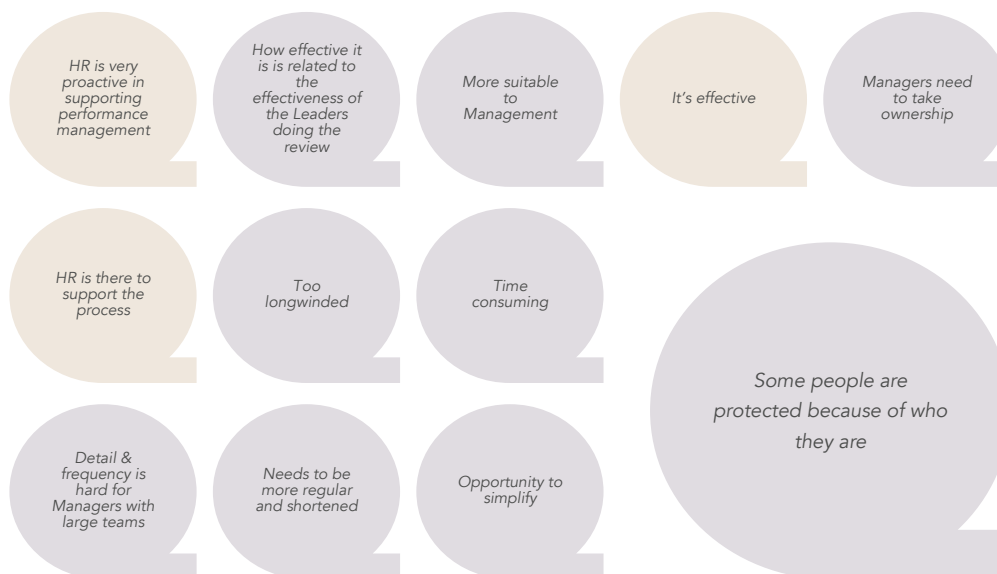
Recommendations:

- Develop a Change Management approach for COP
- Continue to re-shape PS processes to support utilisation in BUs
- Educate and communicate alignment of activities – training link to COP capability requirements and competencies
- Improve process and communications around the annual Training Plan

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Performance management, PS & effectiveness

What staff said ...



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Performance management, PS & effectiveness

"Having a copy of my performance shaping document" was the highest performing question in the survey but of low importance

Performance Management

- Performance management is the process of identifying, addressing and managing performance related issues of an individual staff member. Guidance for Managers and Supervisors is provided in the Managing Poor Performance Guideline. Most interviewees acknowledged an awareness of the performance guidelines although not all had experienced managing incidences of poor performance
- Anecdotal feedback from interviews is that the City have improved its management of employee performance issues over the past couple of years. Early identification of performance issues is encouraged and support for Managers is provided by HR BPs as required
- Incidents arising out of performance management processes are also logged on the Employee Issue Register

Performance shaping

- PS is the City's performance development system. It incorporates the City's Competency/Behavioural and Values Framework for all employees, including frontline Managers and Executives. It outlines the formal process for:
 - Annual employee performance planning and development
 - Mid-point review
 - End of year evaluation

- Whilst there was feedback in the desire for more regular, less formal/detailed reviews, overall the process was generally supported and seen as providing a framework for discussion and review and a good opportunity to clarify role expectations and accountabilities

Documentation

Material to support the process is significant and of a high quality including forms, a procedure and a comprehensive guidebook.

Training

All Managers have been trained in the processes and regular refreshers are run by the L&D team. Additional support is available from HR BPs and the L&D staff.

COP values & competencies

City values and core competencies for all employees have been incorporated into the PS documentation and process as an outcome of the OCCA report.

Performance KPIs

- Setting & reviewing KPIs is a key component of the process and encourages a cascading process, commencing with Directors. For general staff, setting individual KPIs was seen as "difficult" for some roles

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Performance management, PS & effectiveness

- Although processes for managing individual performance were acknowledged, some feedback was received that more widely COP "does not have a culture of measuring its own performance – no organisational KPIs, no performance tracking systems"

PS compliance

Compliance in 2018 is 95% compared to an estimated 45-65% in 2016-17.

Managing performance issues

Employee performance issues are also managed through the grievance processes.

Role clarity

- A key foundation for an individual's performance is an understanding of expectation; clear role descriptions are fundamental in this process
- The OCCA report Finding 12 (New roles & responsibilities are not well understood across the organisation, particularly for roles that are executed across multiple BUs)
 - Position description standardisation was initiated as a project and has now been completed across all roles. The project delivered a standard format, role standardisation where appropriate, and naming conventions

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Performance management, PS & effectiveness

Knowing what is expected of employees in their job is important to them

Interview messages

Upside

- If the process and procedures are followed it works well
- Are generally quick to resolve issues of poor performance
- Processes for managing poor performance are better now. In the past underperformers were tolerated, no records kept
- Management of individual performance issues is generally good
- PS –**
 - Picks up issues that can be managed along the way
 - Helps people to understand their jobs better
 - Facilitates setting KPIs
 - The development side of PS is positive
 - Some units have supplementary & more regular monthly processes

Downside

- Poor behaviour from Senior Leaders is tolerated and not dealt with
- Have to use the Advisor because there isn't a toolkit around how to manage performance issues
- PS –**
 - There are no consequences if you don't use the PS processes
 - Some staff don't understand why they do it
 - Performance ratings don't always reflect the way people perform
 - Scoring and what it means is not well understood
 - Does not work as well for operational staff
 - System is not enabled
 - Outcomes are not collated and used

Implications:

- A standardised approach to performance management is challenging and continuous improvement to simplify and improve processes is underway
- Staff want and would support regular feedback processes
- PS processes coupled with rollout of role descriptions can be expected to improve role clarity
- Managers and staff do not understand how processes are utilised

Survey messages

PS – Upside

- "Having a copy of my PS document" was the highest performing question in the survey. 57% said it was Above Average/High – Q27
- On average, PS Processes was the 2nd highest performing of any category in the survey (3.22/5)
- Staff value knowing what is expected of them in doing their job; 96% said it was Important/Very Important. 51% said performance was Above Average/Very High – Q22
- 85% of staff feel regular reviews of their performance is Important/Very Important – Q23

PS – Downside

- 26% don't believe they are receiving regular feedback throughout the year – Q23
- 25% don't think the feedback they receive from their Manager is fair & constructive – Q25
- 24% don't have an understanding of their areas for development – Q26

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Performance management, PS & effectiveness

Challenges

- A “one size fits all” approach across a diverse workforce demographic

Opportunities

- Improved systemisation of the PS process
- Clear role descriptions support understanding and alignment of expectations and underpin planning of development activity
- Develop Manager’s toolkit to reduce the need to involve HR in general or lower level performance issues
- HR is adapting the PS process and are open to a continuous improvement approach
- Less formal, more frequent processes
- Communication of how outcomes are utilized in forward planning

Recommendations:

- Continue/refresh communications & education to ensure understanding & manage expectations
- Further staff education to raise confidence in conducting will support improvement
- Consider a selective audit of performance management matters that have become a grievance or complaint
- Continue to re-shape PS processes to support improved utilisation in BUs

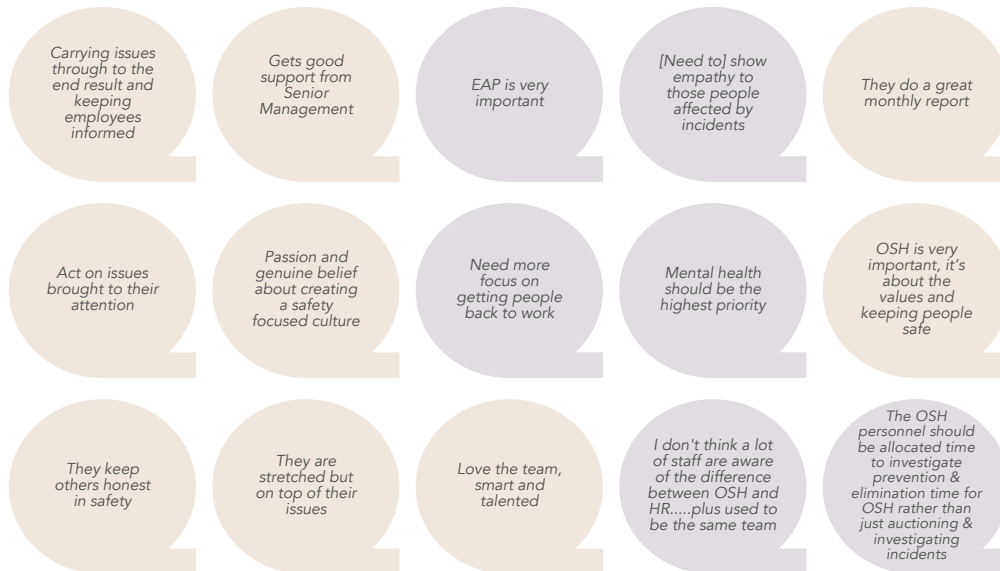
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OSH

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OSH

What staff said ...



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OSH

On average, OSH ranked the highest performing of any category in the survey

- OSH was separated from the HR function 2 years ago and now sits in the Construction & Maintenance Directorate. OSH reports through to Sol Merza, Senior Coordinator. There are 2 staff in the function. The Coordinator attends Directorate Manager meetings and the wider monthly MLG meetings
- The team is highly respected and overall is seen to be very knowledgeable, committed and energetic. It is acknowledged as receiving a high level of support from the previous CEO & Leadership team
- There is a high degree of transparency in the function. The OSH Plan and COP Performance Reports are available to all employees on the intranet
- The key priorities identified by staff in both interviews and the survey were maintaining a safe workplace and supporting health and wellness, particularly mental health

Scope of the function

- Key areas of accountability of the function are:

Contractor management	Inspections and auditing
Communications and consultation	Legislative compliance
Emergency management	Objectives and targets
Hazard identification, risk assessment & control	Operational safety
Health & wellbeing	Policy and commitment
Incident management	Statistics & reporting
Injury management	Training & competency

Roles and responsibilities

- The Framework clearly articulates the roles and responsibilities of all key individuals and groups including the OSH team, the CEO, the ELG, Corporate OSH and Risk Committee, Directorate OSH and Risk Groups, BU Manager, Supervision and all staff

Documentation, policies & procedures

- 41% of survey respondents ranked OSH policies and procedures as Above Average or Very High
- The key suite of OSH documents which guide the achievement of OSH objectives are the:
 - OSH Management Framework
 - OSH Policy
 - OSH Management Plan
- A comprehensive suite of specific matter-related policies and procedures have been developed
- There is a high level of awareness of OSH policies and documentation and where they can be found on the intranet
- Documentation is clear and easy to understand and can be relied upon as being current and accurate

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OSH

Consultation and relationships

- Safety Committee meetings are held monthly and attended by all Directorates
- Staff survey results indicate a good level of confidence in the function. In particular staff rated the team above average in 2 important areas:
 - Being able to raise an issue or ask for assistance
 - Getting support from OSH when needed
- Coordinator facilitates the corporate OSH and Risk

Reporting

- OSH produce a comprehensive Report on a monthly basis. Statistical performance is summarised in the table below:

Statistic	Target	Month	12 Month Rolling Total
Hours Worked		92,423	1,128,274
LTI ¹	<10		7.69
TRFR	-		31.91
AFR	-		54.06
Injury - LTI	0	0	8
Injury - MTI	0	4	28
Injury - F&I	1	1	25
Injury - No Treatment	0	0	30
Environmental Impact	0	0	48
Threatening Behaviour	0	0	3
Near Miss	1	1	25
Hazard Report Form	2	2	19
Damage - Property/Vehicle/Equipment	0	9	106
Security Breach	1	1	15
Injury Contractor	1	1	3
Injury Public	4	4	20
Total Incidents		31	339

¹ LTI = Lost Time Injury Frequency Rate (Number of LTI / Hours Worked x 1,000,000)
TRFR = Total Recordable Injury Frequency Rate (Number of LTI and MTI / Hours Worked x 1,000,000)
AFR = All Injury Frequency Rate (Number of LTI, MTI and F&I / Hours Worked x 1,000,000)
DMRFA = 12 Month Rolling Average / DMRT = 12 Month Rolling Total
² F&I = First Aid Injury
³ Team Member

*All incidences are in accordance with Australian Standard 1801.1-1990 - Workplace Injury and Disease Recording Standard

- In addition, the following is reported:
 - Summary detail of incidents
 - OSH activities for the month including work conducted, training, legislative changes and OSH procedural changes
 - Future OSH training and events
 - Statistics in graphical form
 - Safety alerts and articles of interest
- The Report is comprehensive and the information is available on the intranet for all employees. Many Managers were familiar with reporting and accessed these on a regular basis

Training

- OSH have comprehensive training programs. The function prepares annual Training Plans based on compliance, legislative/mandatory requirements as well as other identified training priorities. All staff have access to the Plan but need the authority of their Manager prior to acceptance on a program
- 47% of survey respondents rated the provision of effective and regular OSH training as Above Average or Very High (Q68)

Systems

- The Risk, Safety & Compliance System is an online record keeping & tracking system

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OSH

On average, OSH ranked the highest performing of any category in the survey (3.36/5)

4 of 5 of the highest performing areas related to OSH.



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OSH

The overall performance of the OSH team ranked above average in the survey

Interview messages

Upside

- The Executives and Managers now have a much bigger focus on safety reporting and prevention
- Accurate and comprehensive reporting
- Performance is improving and mental health issues are being dealt with
- They are the source of the truth for policy and process
- The improved performance in safety is positively impacting workers compensation costs
- Good policies & procedures
- Champions of good safety procedures and management
- The OSH Plan is accessible and on the intranet
- A gap analysis and consultation with the Directorates formed the basis of the Plan
- OSH Training Plan and programs are on the intranet – programs are good
- The team is helpful and approachable
- If was still part of HR would not be so effective
- Interviewed staff said their contact with OSH is mainly through training and health & wellbeing initiatives

Downside

- Concerns around going to EAP that it will be talked about and won't be taken seriously

Survey messages

Upside

- The key priorities identified by staff in both interviews and the survey were maintaining a safe workplace and supporting health & wellness, including mental health
- Respondents said their contact with OSH is mainly through training and health & wellbeing initiatives
- OSH's policies & procedures rate better than HR's (3.4 vs 2.8) – Q61 & Q1
- OSH team related questions all ranked Above Average: Doing a good job (Q73); Being able to raise an issue or ask for assistance (Q74); and Getting support when you need it (Q75)
- Small team doing a great job
- The team genuinely care
- 44% gave positive responses when responding to "other feedback" about the function – Q81
- Knowing that an issue will be acted upon (Q65) and that an accident or injury will be properly investigated (Q66) both rank Above Average
- 14% could think of no improvement opportunities

Downside

- 23% do not think they work in a safe & healthy environment – Q62
- Not all staff understand the difference between OSH and HR
- Team need more time to be preventative & proactive instead of reactive
- 15% of staff don't believe that adequate actions are taken to prevent reoccurrences – Q67
- 8% feel they need more resources

Implications:

- Generally very positive feedback however some employees do not understand the difference between OSH and HR which can hinder their effectiveness

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OSH

Challenges

- Stress and anxiety in the workplace
- Risk, Safety & Compliance System record keeping opportunities for improvement – the department is reviewing new systems
- Resourcing; potentially a need to back up with consultants as needed

Opportunities

- 10% of survey responders nominated more training
- Focus more on higher risk areas
- More focus on mental health areas
- Conversations and communications about their role and services to manage expectations
- Clarification of where Wellness and Mental Health resides
- Continue to build trust and rapport and demonstrate expertise
- Continue to promote training opportunities

Recommendations:

- Maintain proactivity and level of engagement

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Employee wellness

What staff said ...

Stress is having a serious harmful impact on mental and physical health

Mental Health first aid training was useful, but need ongoing initiatives

There's a lot of stuff happening around mental health and wellbeing

OSH was excluded from a working group set up by the CEO on Mental Health & Wellbeing

Sometimes it feels like the City doesn't care

Managers have a role to not put people into harm & by not overloading them

Sol's Mental First Aid sessions are getting the conversation started

I want to put my whole team through the [Mental First Aid] program

Employees are now more conscious of their own health and wellbeing than ever before. With increased awareness among employees, employers now need to consider monitoring, identifying and treating such wellness concerns in order to maintain a healthy and efficient brand

Most people know about EAP

Mental Health was a priority for the CEO

People don't have the direction to do their work – creates frustration, stress & turnover

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Employee wellness

Focusing on wellness initiatives alone is not sufficient. Addressing the causes of employee issues needs to be a priority

Staff feel mental health awareness and overall wellbeing is important. They acknowledge some of the recent programs as being very good (Mental First Aid) but want more consistent ongoing support. They want Leadership to be accountable for the issues that cause stress and anxiety in the workplace.

Employee Wellness is a key area of accountability of the OSH function. The City's Wellbeing Program is outlined in the Health and Wellbeing Procedure (the Procedure) – Attachment 6. The Procedure defines the program as a holistic approach which focuses "upon the team member's physical, psychological and social health both at work and beyond".

The Procedure defines the objective of the City is to "provide health & wellbeing initiatives to periodically monitor the health, safety and wellness of employees ... and is designed to support the proactive management and promotion of the team's health & wellbeing".

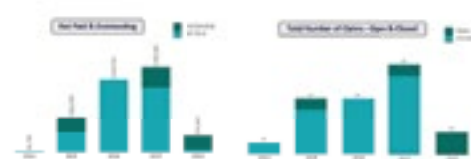
Health & Wellbeing Committee

The Steering Committee meets quarterly and is made up of representatives from the BUs. It was established to review the City's health and wellbeing initiatives, including the health and wellbeing of employees as well as strategies across the wider COP. In addition, the Committee aims to achieve Healthy Workplace accreditation.

Workers compensation – incidences of mental disease

The incidences of mental health claims and associated cost of claims increased each year from 2014 to 2017. This trend ceased in 2018. Whether this is a result of the City's programs is difficult to measure.

City of Perth - Mental Diseases



Key initiatives

EAP program

- EAP assists staff with both personal and work-related issues
- An employee or immediate family member is eligible for up to 5 counselling sessions per issue at no cost to the employee
- Communications and promotions of the EAP program are conducted regularly
- The EAP program is administered by the HR function. Over the last 2 years, staff accessing EAP has reduced. In the 2016-17 financial year, 80 staff members attended EAP counselling over a total of 198 sessions. For the same period in 2017-18, 69 staff attended counselling over a total of 164 sessions.

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Employee wellness

- Below are summaries of issues presented by counselling clients:

Jul 15 – Jun17

Most frequent work related and personal issues presented by counselling clients in the period:	
Issue	Frequency
Anxiety	20
Workplace stress	19
Depression	18
Relationship with partner	12
Alleged bullying	11
Organisational change	10
Career concerns	10
Fear of loss of job	10
Conflict with colleagues/management	9
Conflict with manager/supervisor	9

Jul 17 – Jun18

Most frequent work related and personal issues presented by counselling clients in the period:	
Issue	Frequency
Stress	17
Workplace stress	16
Relationship with partner	11
Alleged bullying	10
Organisational change	10
Career concerns	10
Fear of loss of job	10
Conflict with colleagues/management	9
Conflict with manager/supervisor	9

Annual health assessments

- In April each year COP provides all employees the chance to participate in health risk assessments which include:
 - Blood screening (to check blood sugar levels)
 - Nutritional diary keeping and review (to assist with healthy eating habits)

- Skeletal fitness (to ensure tasks are carried out with correct ergonomic posture)
- Discussion with an exercise physiologist (to develop an exercise plan)
- 12 month action plan (to assist employees with developing an exercise plan to suit the individual)
- Results are confidential, but trends and themes from the results are used for the scheduling of health & wellbeing activities within the City

Flu vaccinations

Annual influenza vaccinations are provided to employees during the last months of Autumn (April or May).

Eye sight screening

- The City provides assistance to employees who experience eyesight difficulties at work when using new or existing equipment
- One pair of optical glasses or contact lenses, or a contribution to having prescription lenses hardened to safety standards, up to the value of \$110 is paid for by the City

Employee wellness

Healthy lifestyle program

- COP provides a contribution of up to \$120 every 12 months from date of purchase towards an employee's health and fitness activity
- This may include using the contribution towards the purchase of equipment that aids physical activity such as a pair of running shoes, or towards a gym membership or fitness classes
- The City currently runs a massage program that offers employees a 15 minute massage on a 6-week rotation. An employee is able to use their healthy lifestyle contribution towards this program

Annual skin cancer screenings

Designed to assist in the early detection of suspected skin lesions. Priority if given to staff from outdoor units.

Mental wellbeing – First Aid for Mental Health training

- COP has partnered with St John Ambulance to offer First Aid for Mental Health for staff who wish to attend
- The course is designed to give individuals the skills needed to manage their own mental health and the confidence to approach a work colleague, family member or friend who may be experiencing mental health issues
- OSH team is highly proactive and has the support of the Executive to deliver on its Plan

- There is a high degree of awareness on the program and excellent feedback on the quality of the session

Health & wellbeing training

- Training in a number of areas is scheduled throughout the year and is published on the intranet and includes:
 - Manual Tasks, Communicable Disease Training, Drug and Alcohol training, Sun Safe Awareness – Working in Heat, Electrical Awareness Training, Life Balance and Wellbeing, Resilience and Mindfulness, Healthy Eating – Nutrition, Smoking, Physical Activity, Positive Psychology, Men's and Women's Health, Ergonomic Assessments and Fatigue Management Training (Night Shift Employees)

- In addition, L&D run regular Stress Management sessions

Program effectiveness

- Programs are having an impact as measured by awareness and dialog. Effectiveness of a suite of programs is difficult, other than anecdotally at this time
- Staff are aware of EAP, wellness programs and initiatives and are accessing them. More discussion, dialog and regular initiatives in Mental Health will serve to normalise the discussions
- Strategies to address practices and behaviours that generate employee issues should be initiated and managed as a matter of priority

Employee wellness

Around 45% of survey respondents said supporting mental health and wellness was a priority for OSH

Interview messages

Upside

- High priority and responsibility of OSH
- There are regular awareness sessions on EAP services
- People accessing EAP is increasing
- More open discussions about mental health in Directorates
- Demonstrated in practice – wellness programs, onsite physiotherapist, lunchtime talks
- The Mental Wellness Program was very good and fully subscribed

Downside

- Improving, but wellness is not yet fully integrated
- Other behaviour by Management can indicate that they don't care – e.g. not acknowledging uncertainty or heavy workloads
- Uncertainty with what the Wellness Working Group is doing

Survey messages

Upside

- Healthy initiatives and wellness programs have been received positively

Downside

- Consistent concerns raised around mental health at COP
- 34% do not believe that the mental health of staff is being supported, even though 76% rated this as Very Important – Q71
- In the free response section, 7.7% of respondents said the OSH team could do more mental health work – Q79
- Employees are feeling stressed
- Should be more free programs – e.g. yoga is currently paid

Implications:

- Staff are aware of EAP, wellness programs and initiatives and are accessing them
- Staff feel mental health awareness and overall wellbeing is important; they acknowledge some of the recent programs but want more consistent ongoing support
- OSH is doing a good job in this area but Management are contributing to issues and not necessarily supporting them

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Employee wellness

Challenges

- Directors and Managers to have increased awareness of how Management behaviours and staff workloads can impact their staff
- High employee turnover
- Balance between addressing the symptoms of poor behaviour and practices versus managing and stopping the actual behaviour itself

Opportunities

- Continue to promote the services and use of EAP and their confidentiality
- More open discussions in Directorates and BUs
- More focus on managing stress
- Bring in counsellors in traumatic situations – i.e. death of a member of the public
- Consider running sessions on working through uncertainty and change
- Clarify who has ownership of employee wellness and mental health – HR or OSH
- More work on work/life balance

Recommendations:

- Re-offer the Mental First Aid program. Consider shorter refreshers on a regular basis
- Strategies to address practices and behaviours that generate employee issues should be initiated and managed as a matter of priority
- Potential partnering with L&D to integrate matters around mental health and wellbeing into wider general programs and inductions

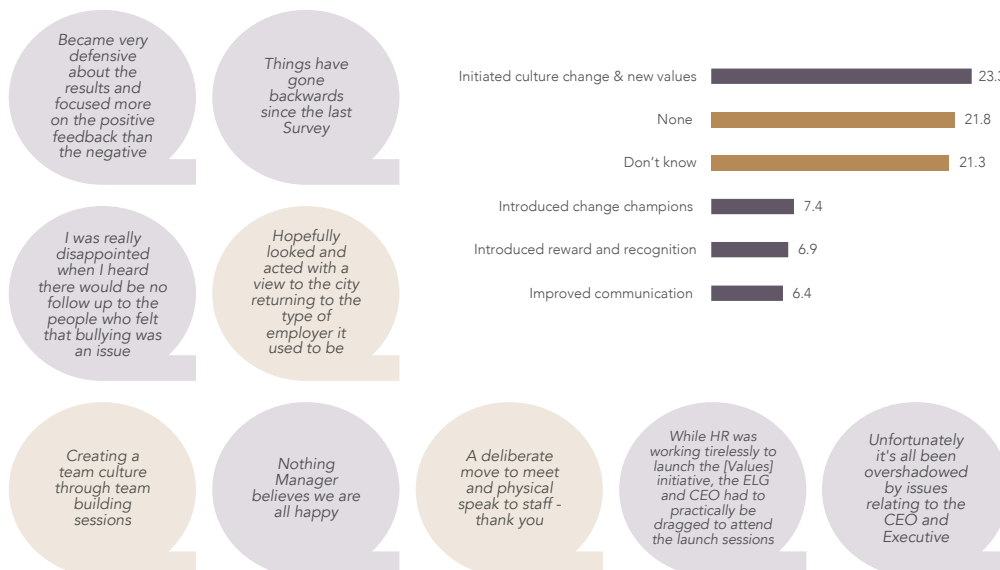
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The ELG response to Catalyst Survey outcomes

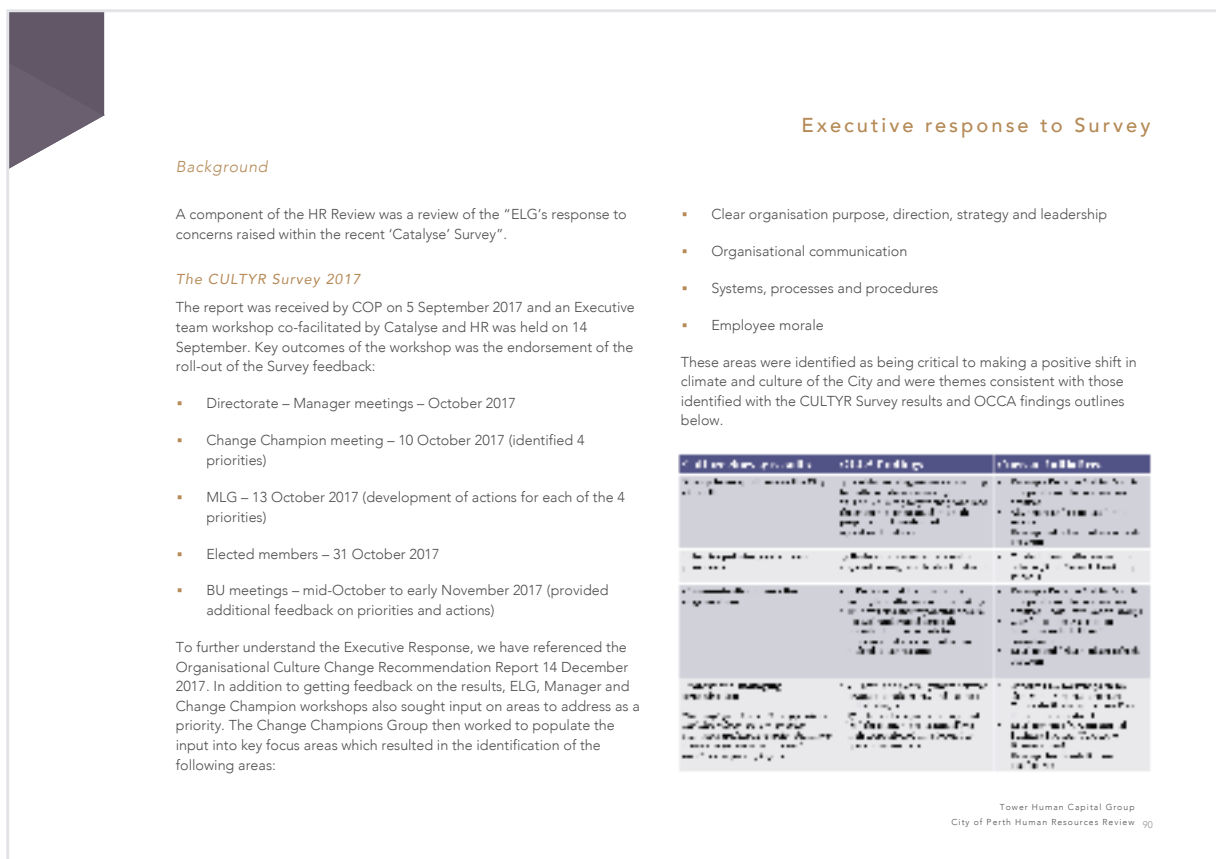
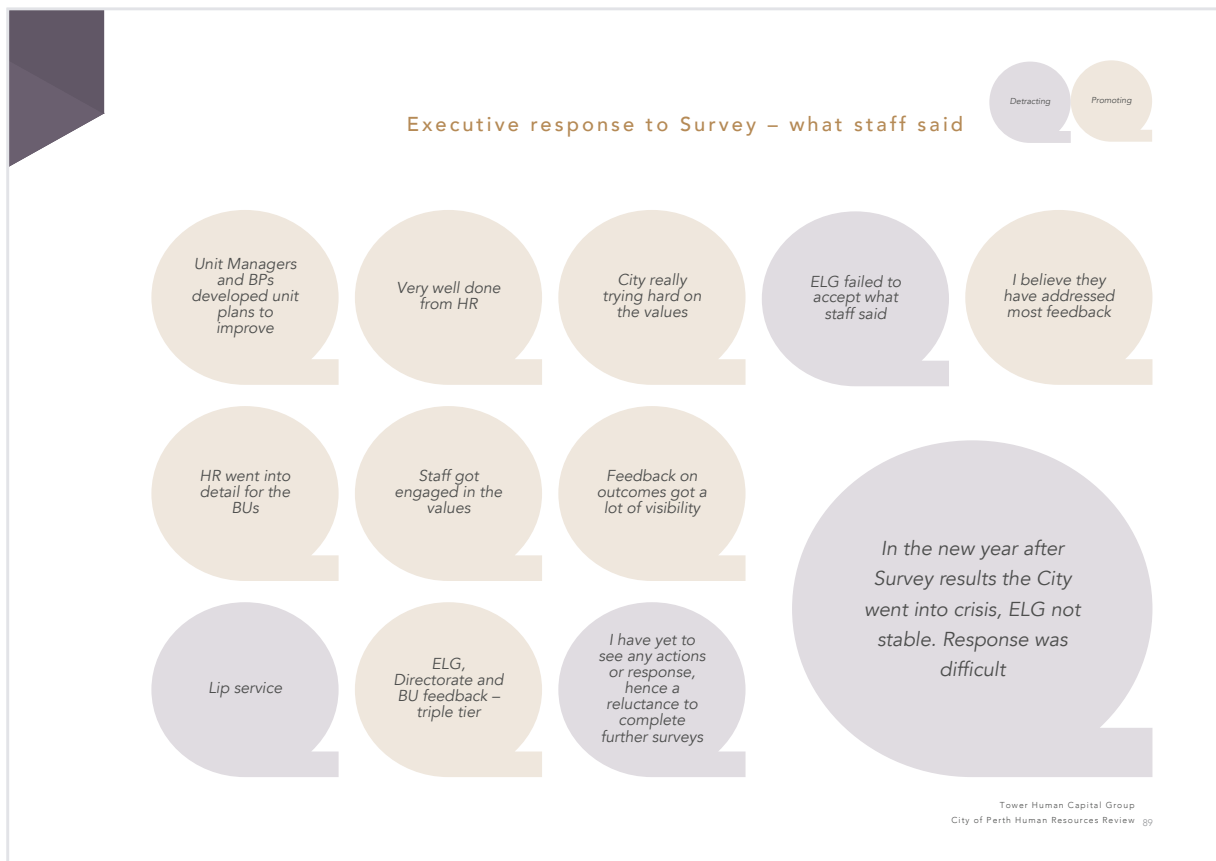
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Executive response to Survey – what staff said

Q93. "What actions do you think Management has either commenced or completed in response to feedback from the Your Say Survey?"



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Progress against the December 2017 Plan

The Report was prepared by the previous HRM (Kelly Pember) the L&D Advisor (Sarina Cuttone) and Catalyse (Survey provider), and presented to the ELG in December by Alison Egan. The report made a number of

recommendations. Progress and actions have been tracked against the recommendations in the following table:

Activity		What happened/is happening
Publish Survey results on the intranet by end 2017	●	Completed
Establish a business transformation office and appoint a Project Director on a 3 year contract	●	<ul style="list-style-type: none"> Recommendation not accepted – deferred Implemented Culture Change program – HR Embedding values training – 25 Aug 18
	●	Other key activity <ul style="list-style-type: none"> Values working group and values launched Nov 17 CEO awards Reward & Recognition program Change champions term of reference development for 2018/19 Policy review – not completed Position description standardisation - completed Tighter focus on OSH & Wellness
CEO and Executive coaching – Inspirational Leadership	●	<ul style="list-style-type: none"> ELG workshop with elected members – Nov 17 with Bartlett Workplace ELG workshop – mid-year with Bartlett Workplace CEO – Doug Abberley – ongoing ELG coaching – commenced but did not continue – (360 review and coaching with some Directors – Liane Cretney-Barnes
Since Survey completion: <ul style="list-style-type: none"> 3 /6 ELG resignations CEO departure 	●	<ul style="list-style-type: none"> Council suspended in March
Re-administer Survey in 12 months		Deferred, date to be established
Quick wins: <ul style="list-style-type: none"> Culture reboot sessions by the CEO and Executive team, release of the vision and values and Corporate Business Plan Casual dress implementation Morning tea bake-offs creating immediate team spirit; Birthdays are celebrated within BUs Tour escorts where an employee accompanies CEO on his am walk-around the City The CEO am walk-around the City extends to other areas, including the parks etc. Cross Directorate – BU morning teas; Regular Directorate morning teas are instigated Key milestones are celebrated within BUs/Directorates/organisation wide – 5, 10, 15, 20 years of service Reward & Recognition implementation with acknowledgement of employees role-modelling behaviours and/or representing the City's values Visibility of the CEO within the organisation; by way of floor walks, BBQs, am walks with staff etc. CEO and Executive Team BBQs with employees over January 2018 Communication, promotion and celebration of major projects and victories, rather than having to find them in ELG minutes 		<ul style="list-style-type: none"> Cross Directorate meetings – some Improved communications Service awards

Progress against the December 2017 Plan

Below is a summary of activity against the top 3 Catalyse Survey priorities:

Tracking against the top 3 Survey priorities	
Elected member behaviour	<ul style="list-style-type: none"> Council dismissed But what happens to prevent return to issues when the Council is returned?
ELG providing inspirational leadership	<ul style="list-style-type: none"> HR given the accountability to facilitate response Facilitated workshops initiated – but did not continue Coaching – fragmented
Strong team spirit	<ul style="list-style-type: none"> Values launch Reward & Recognition program Improved communications Directorate led activity BU team led activity

Staff feedback

Feedback from staff on the response to the Survey outcomes is mixed. There was a high level of staff recognition in the free response section of the Survey that Management initiated “culture change and values”. Additional areas recognised were the introduction of Change Champions, the Reward & Recognition program and improved communication. However, 22% of respondents said no change had been initiated.

Observations

Although the plan was presented to the ELG, it does not appear to have been owned by the ELG as an ELG strategy.

Whilst 2017 may have been the first external survey completed at the City, a number of internal surveys had been completed in preceding years. Along with these various change strategies there was also the formation

of culture change groups, Change Champions and culture change strategies. Those developed in 2016 for implementation the following years, were not progressed. The Catalyse Survey was commissioned and a new set of working groups developed and strategies developed.

There is a trend of not sticking to the strategies that have been set and moving onto a new survey and starting again.

Leading a change in culture requires a planned and deliberate strategy to shift from a current state to a new state. It also requires a committed, focused and aligned Leadership effort to achieve the required change. These requirements are not present at COP. Lack of stability and a fragmented approach to Leadership and direction make achieving inroads into organisational generated change almost impossible.

Executive feedback on response

Director feedback to ELG response noted:

Positive aspects

- Values launch
- Directors focused on what they could control individually
 - Directorate level activities
 - Internal survey
 - Values work
 - Newsletter

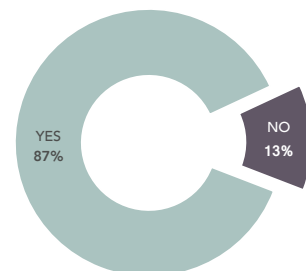
Negative/impacts

- Director resignations
- Lack of stability of the ELG
- CEO issues/absence of leadership
- Main focus was on keeping the organisation operating in day-to-day
- Low consolidated accountability from Leadership, including Managers
- Ability to respond as a team without CEO leadership is difficult

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Implications for future survey participation – what staff said

Q94. "Would you complete another survey?"



Yes! Give us a chance to have our say about 'what we think about upper Management' in the COP!!

Yes. But would want to see a greater willingness to reveal the truth of the Survey and a more genuine effort to implement change

Yes, in the hope that something may eventually get done about poor, poor, Management

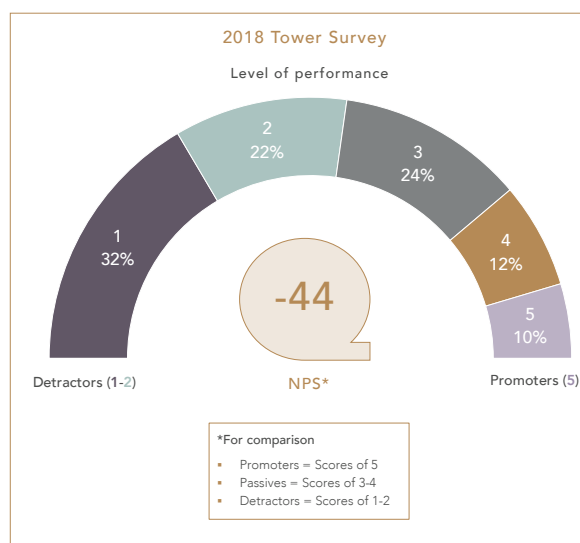
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Net Promotor Score

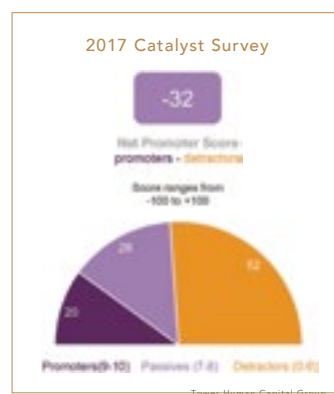
NPS – a follow up assessment of analysis

There is a significant deterioration in NPS rating as compared to the Catalyse Survey

As the Catalyst and Tower Surveys are different we have developed a comparative analysis using similar like for like principles to establish a measurement base.

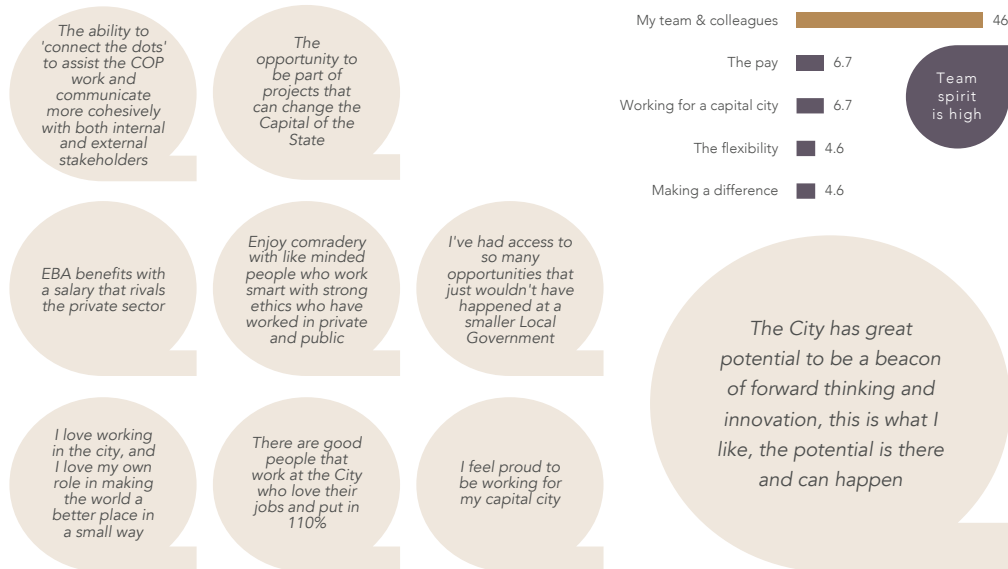


"How could I recommend the City as a place to work for anyone when I see so many of my ... co-workers in tears on a regular basis?"



What staff said about working for the city of Perth

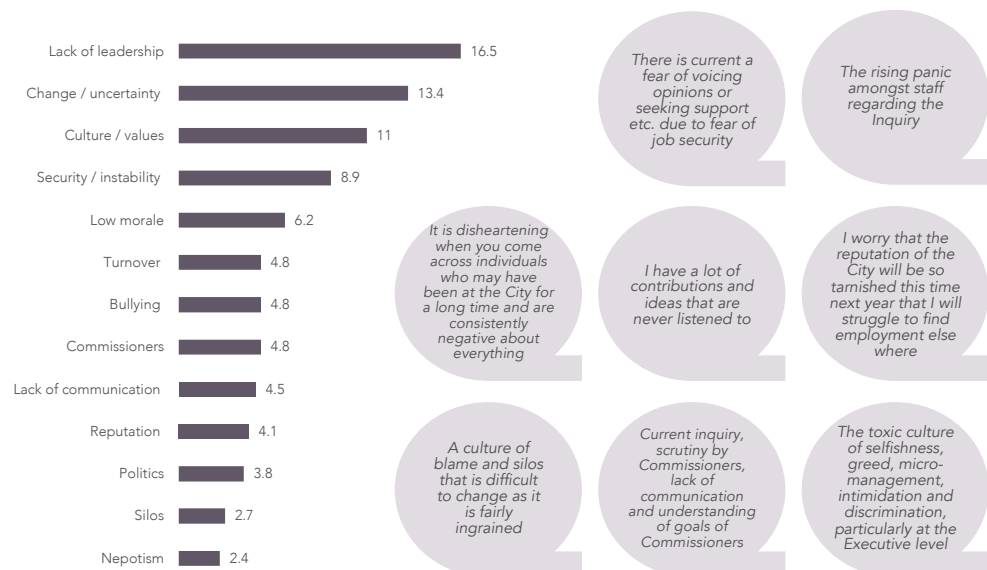
Q88. "What's the best thing about working for the COP?"



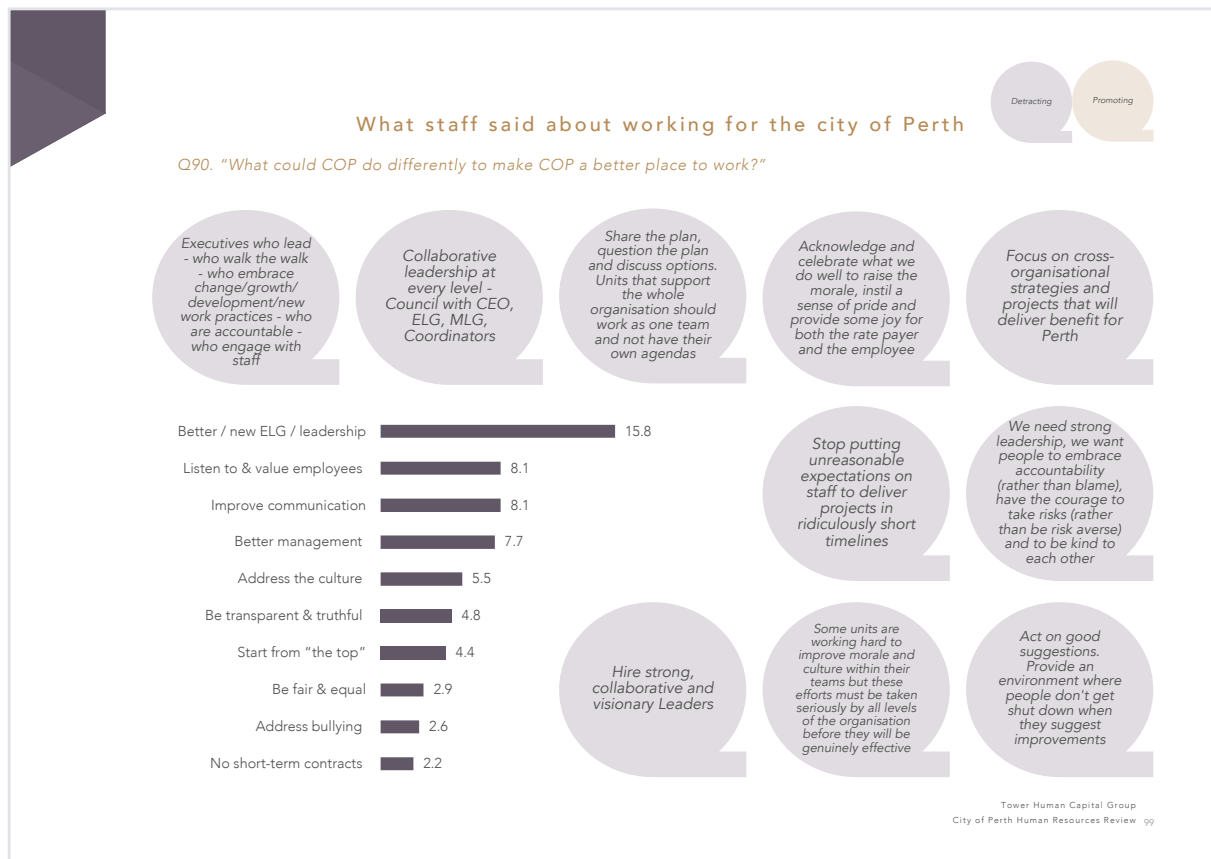
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What staff said about working for the city of Perth

Q89. "What concerns you most about working at COP?"



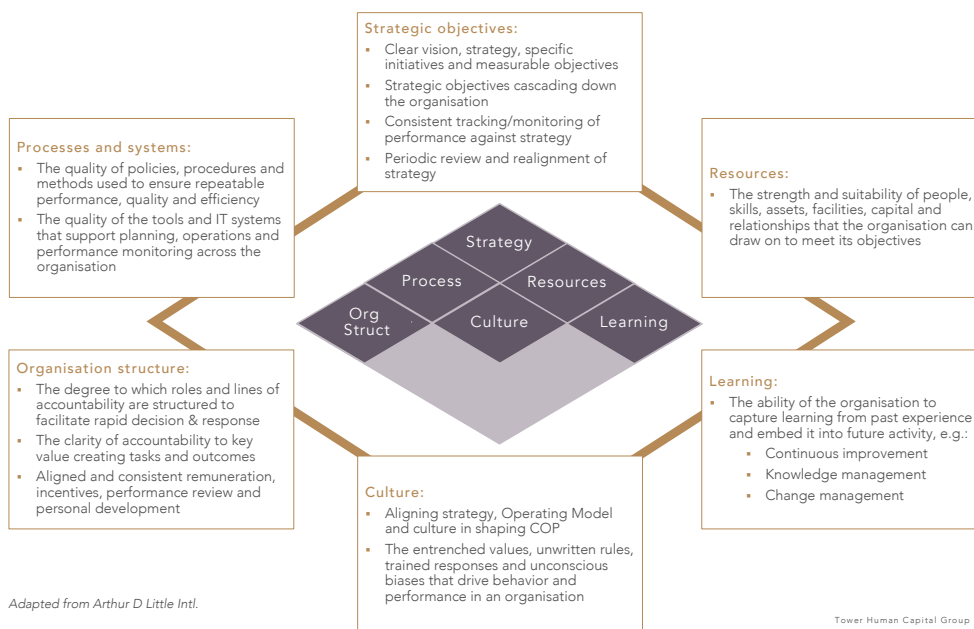
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High performing organisation review

High performing organisation model – reviewing COP against the model

The High performing organisation model provides a framework for assessment of current performance

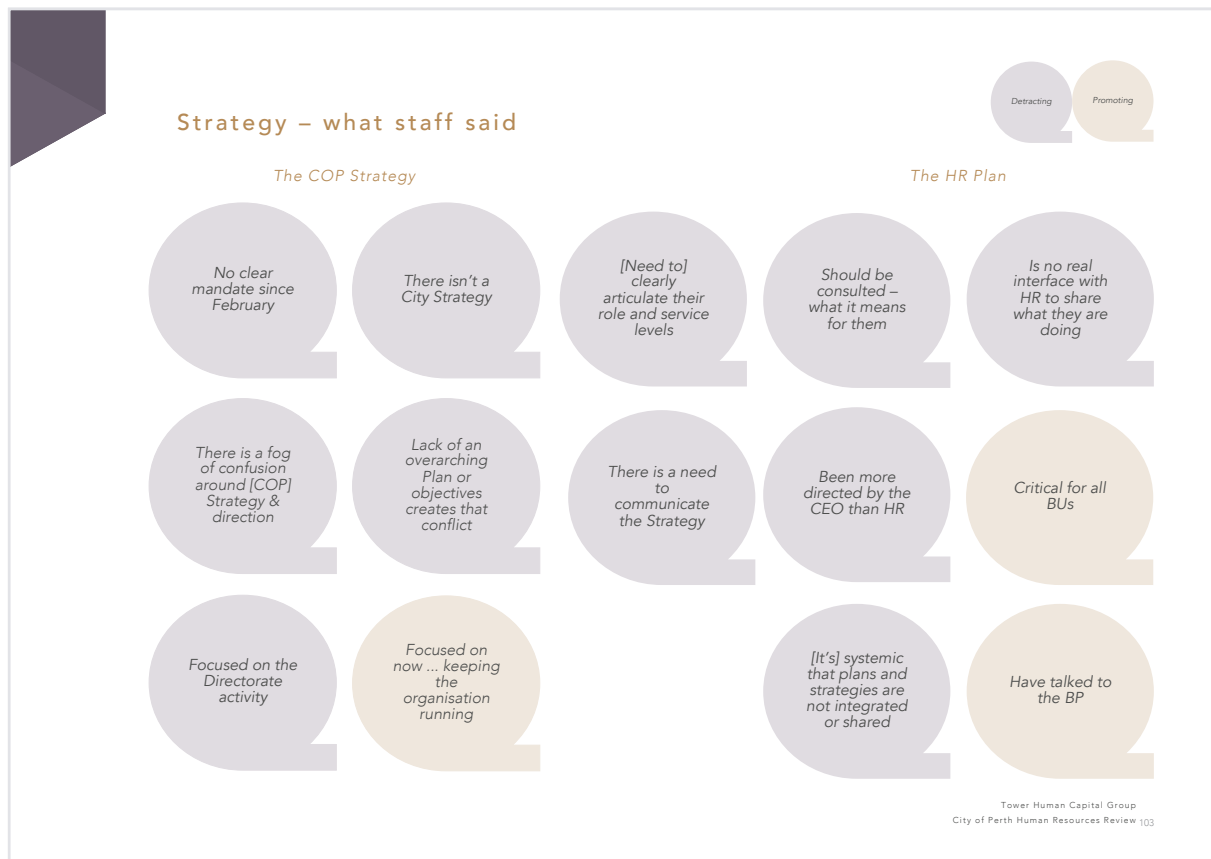


Strategic objectives

HR has a Plan but does not have an integrated functional Strategy

- The City has a Corporate Business Plan for 2017-2021. Although not a purpose of this Review, there were variable responses from time to time about the status or currency of the City's current Plan – whether it was current, being reviewed or that the City was operating to the Plan
- The Corporate Plan states that the City has an integrated planning and reporting Framework. As part of that Framework each Directorate and BU is required to produce an annual Plan and Budget. A business plan template is provided for each BU to complete
- The current HRM commenced in her role in November of 2017 and was immediately required to produce a departmental Annual Plan for 2018-2018. A wider HR Strategy has not been developed although a comprehensive L&D Strategy has. The Plan acknowledges alignment to 2 of the City's Strategic imperatives:
 - Goal 8: A City that delivers for its community: Great people are attracted, developed and retained to meet and exceed community expectations – Develop and implement organisational and cultural program to align the values and strategic priorities
 - Goal 9: An open and engaged City: Leadership is held to a high ethical standard – Enhance the City's reputation through transparent and authentic leadership, partnership and communications of programs and services
- Both of these areas cover priority areas raised in the Catalyst Survey
- Other aspects of the Plan cover priorities and actions in each of the HR service areas
- The HR Report measures organisational performance against measures such as absenteeism, turnover and complaints, but there are no measures around the performance of the function itself; for example: time to recruit, incident response time and performance to a service agreement
- There is a need to:
 - communicate the Strategy
 - Clearly articulate and communicate their role and service levels

"A lot of the cultural issues should be achieved by having a real plan for the city about what is supposed to be achieved – lack of an overarching plan or objectives creates that conflict. All working on their individual Plans not the collective. The best way to get what they [the Directors] want is to shout. Most CEOs would put a stop to this but Martin also undermines. If you could sort out this layer – trading and versatility of objectives then the org would click together fairly quickly. Very frustrated in where they are at. Really believe in the COP. Some staff are really great, incredible people but he does not intend to hang around"



Strategic objectives	
Messages	Challenges/Opportunities
<ul style="list-style-type: none"> Few Managers are aware that there is an HR Plan HR does not have time to address the strategic issues People management and culture strategy comes from HR and not from the Executive Employees are not asked for input or contribution Desire to see the Plan and understand the service levels Some of the HR team are not aware of the HR plan 	<p>Challenges</p> <ul style="list-style-type: none"> Lack of visible integration of the HR Strategy & Plan into wider Strategy does not encourage ownership from Leaders and Management Difficult for HR to get engagement of others in their Plan when very few have had any engagement in developing the Plan or any visibility of it The basic HR foundations such as clear policies are yet to be embedded Plan holds HR accountability for some areas that will not be possible for them to deliver – e.g. Inspirational Leadership The HR team is still in formation and doesn't necessarily share a common vision <p>Opportunities</p> <ul style="list-style-type: none"> HR to engage the ELG in refreshing and updating the forward Plan Wider communications on Plan priorities Formal presentation of the HR Plan at the ELG by the HRM, and in Directorates by HRM and responsible BPs Further engagement and input will build alignment and shared accountability in delivery Develop HR functional KPIs and feedback on performance Consider defining service level agreements for service delivery
<p>Implications</p> <ul style="list-style-type: none"> HR must bed down the basic foundations of HR before it can have credibility operating at a strategic level Implementing and embedding some aspects of the HR Plan will require higher levels of organisational integration, collaboration, information sharing and communications More transparency is required in developing and communicating the HR Strategy and Plan as well as performance against it <p>Strategy – what is it?</p> <ul style="list-style-type: none"> Clear vision, strategy, specific initiatives and measurable objectives Strategic objectives cascading down the organisation Consistent tracking/monitoring of performance against strategy Periodic review and realignment of strategy 	

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Organisation structure – the COP

Issues around the organisational structure have the capacity to impact on the wider organisational and HR performance

- Legacy issues around the implementation of the new structure 3 years ago still exist
- It appears that there was a low level of definition around the proposed new Operating Model or planning for the transition to the new Model
- The structure has not been effectively embedded into the organisation, nor have the required organisational enablers been implemented:
 - An effective Operating Model for the new structure – how the organisation will work together
 - Clarity of accountabilities – where they start, finish, require collaboration and input
 - How BUs would interface with each other
- Effectively dealing with potential overlaps and minimising duplication of errors
- Systems of collaboration
- Engagement of impact areas in decision making
- Full clarity of roles
- Effective delegations of authority to support decision making in the new structure
- Some interview feedback placed the responsibility for structure on HR
- These issues are predominantly impacting the Leadership levels – ELG and MLG but their response impacts the organisation

"The organisation is not structured correctly – overlaps, functions not in the right spot, lack of clarity – restructure saw 15 Managers go to 32"

Organisation structure received the 5th lowest performance ranking in the survey

Q8. An organisation structure that is clear & understood

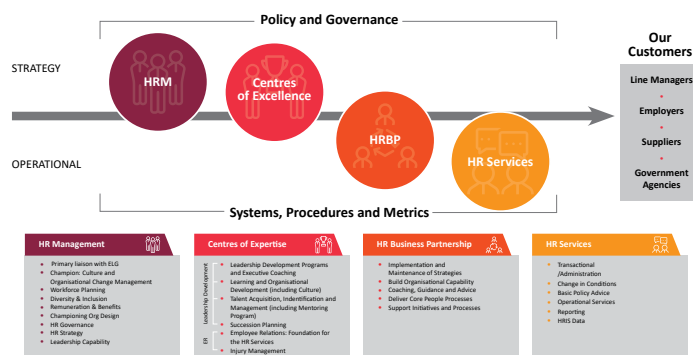
- Rated Average (2.54)
- 48% rated it Poor/Below Average
- Planning & Development Directorate rated it Below Average (2.13)

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HR services model

The HR function provides support to COP through a blend of:

- Centres of Excellence: ER and L&D who provide specialist support to the organisation directly in their respective areas of expertise as well as supporting the BP advisory team
- HR Business Partnership Support model: HR Advisors providing day to day support. HR services support and administration also reports under this activity
- The HRM provides direct interface to the ELG and also has direct accountability for a number of core service areas as outlined below



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Organisation structure – HR

Messages

Upside

- BP structure
- Clarity in who to go to for support
- Dedicated BP is a good model
- BPs can learn about their Directorate and develop relationships and trust
- Provides consistent approach and application on HR matters within the Directorate
- L&D and ER as specialist has good support

Downside

- Transactional versus advisory or supporting decision making and strategies
- Managers and Directors don't always get the support that they need
- Lack of availability of the BP
- Problem of continuity when BPs go on leave
- Less about the structure than the level of experience of the BP – some inexperienced
- Expectations of what is expected from HR vary between BUs
- Staff understand the role of HR differently

Implications

- Confirmation that the BP model is well accepted by the City
- The HR BP structure and Operating Model require experienced practitioners to deliver effectively
- Accountabilities and interfaces between the wider HR team may need to be clarified

Organisation structure – what is it?

- The degree to which roles and lines of accountability are structured to facilitate rapid decision & response
- The clarity of accountability to key value creating tasks and outcomes
- Aligned and consistent remuneration, incentives, performance review and personal development

Challenges/Opportunities

Challenges

- COP is still living in legacy of the restructure
- For the HR structure to be effective the level of experience and capability needs to be able to support it – ongoing turnover and experience of some HR BPs creates challenges
- HR provide consistent approach and application on HR matters within the Directorate but may be issues of consistency between Directorates
- In times of high recruitment activity BP resources are challenged
- Getting all sub areas of HR aligned and supporting each other as 1 unit

Opportunities:

- Encouraging teamwork and collaboration across the HR team
- Consideration of a dedicated Resourcing role
- Planned evolution of the BP role and skillset development to grow advisory capacity and capability
- Review the reporting relationship of HR to the CEO
- Initiate regular attendance of the HRM to ELG meeting to engage the ELG directly in key matters and initiatives

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Resources

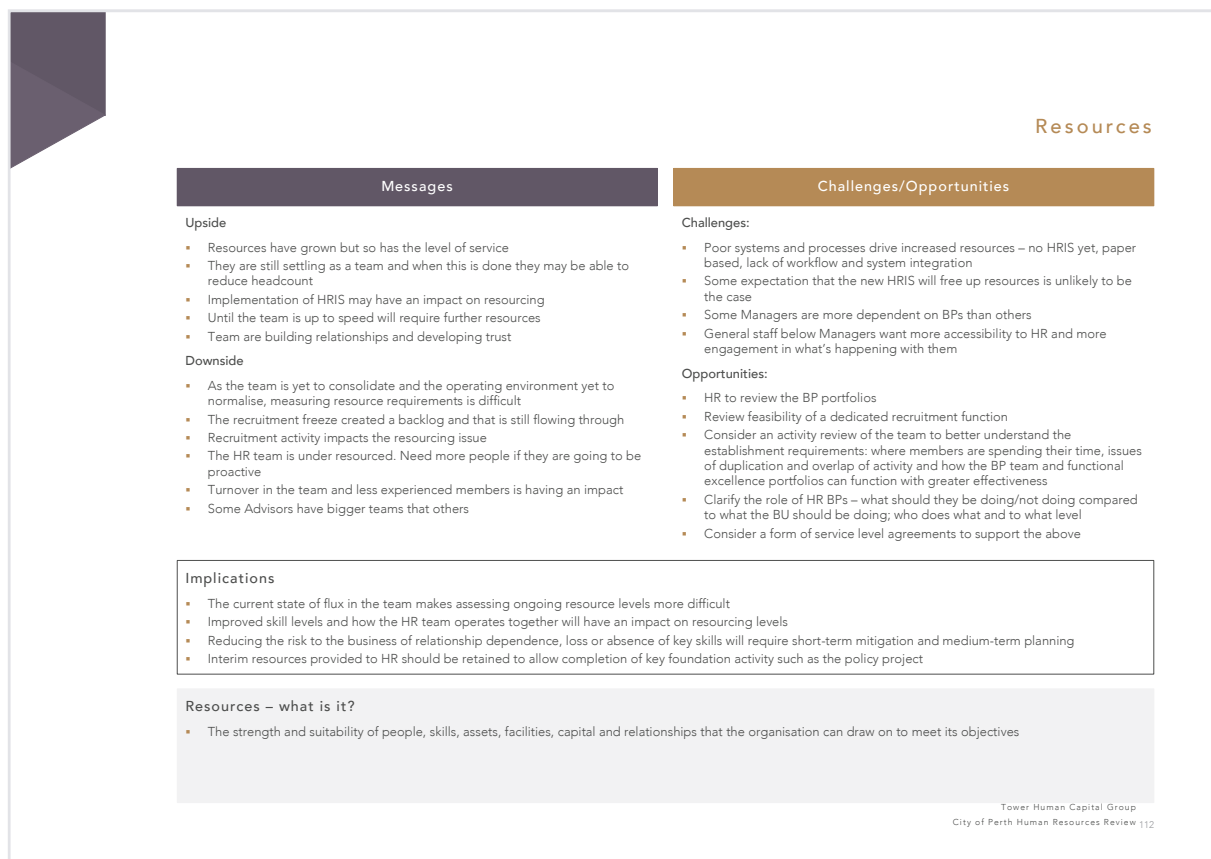
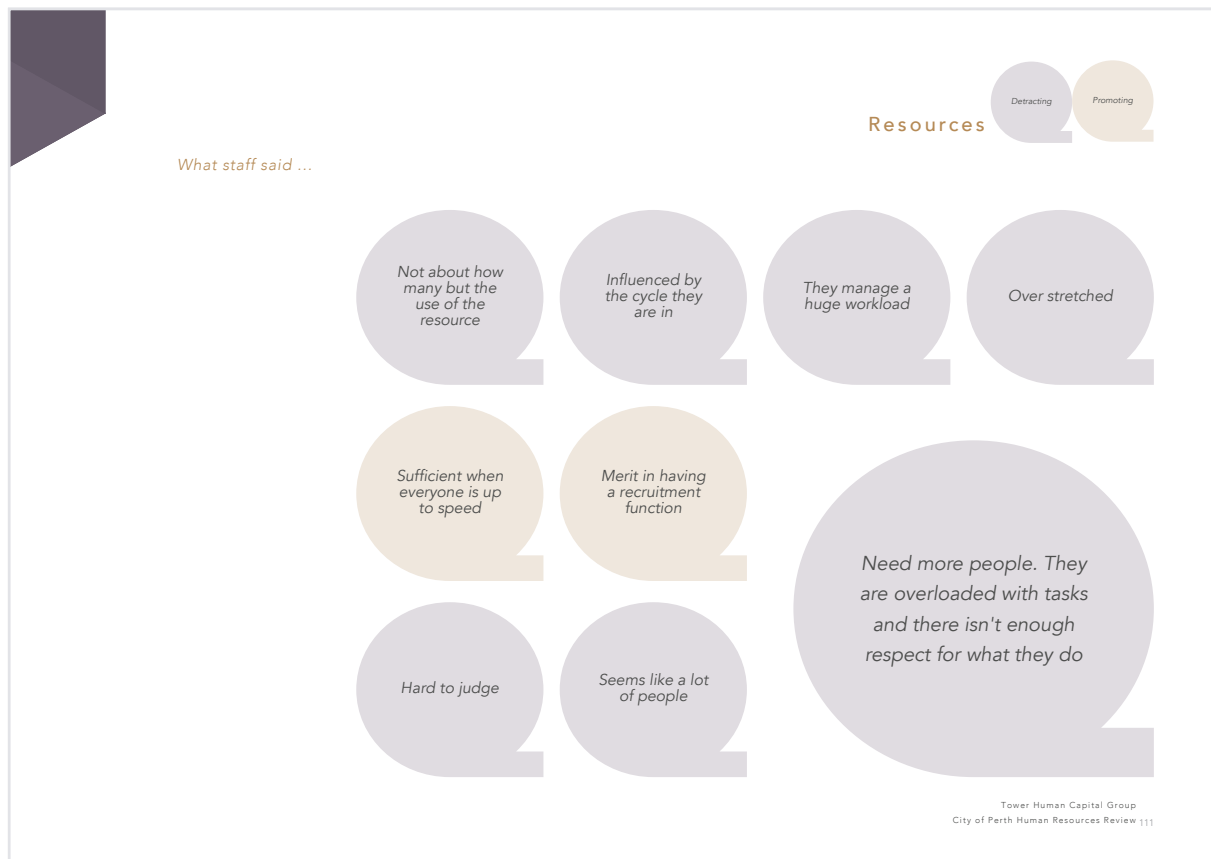
The state of flux makes measurement of current resources more difficult

In both interview and survey feedback there is a strong view that the HR team are operating to capacity.

- The effectiveness of resourcing is impacted by:
 - Spikes and sustained requirement for day to day operational and transactional support activity for BU Managers
 - The level of capability and experience of the HR team members (there are varying views of these areas as well)
 - Systems and processes
 - Variable understanding of their role
- The activities they are performing – are they doing what they are supposed to do?



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Learning & knowledge

60% of survey respondents say COP's ability to manage change is Below Average or Poor

HR have an opportunity to support key organisational strategies and processes around Change Management and wider organisational knowledge sharing.

L&D strategies are integrated with organisation capability and competency requirements at a corporate level.

Although there have been attempts to formulate more strategic and structured approaches around Change Management in the past few years, it appears that Leadership have been reluctant to follow or embed a structured and planned approach to change. This may be because of the lack of CEO leadership and wider issues impacting the City over the last 12 months, or perhaps because there is an underestimation of the effort and work required to achieve large-scale change and culture shift.

COP's ability to manage change well is considered the worst performing area

Q57. COP managing change well

- #1 lowest ranking of performance
- Rated Below Average (2.23)
- 35% said it was Poor
- The Planning & Development and Economic Development & Education Directorates rated it the lowest – **1.91**
- Rated Very Important (4.54)

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Learning & knowledge



What staff said ...

I've gone through so much change outside of my control whilst with the City, and they completely failed to keep me in the loop

Employees undertake a COP induction when they start but they also need a workplace-specific induction

Huge turnover of staff has created loss of knowledge and experience in some areas

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Learning & knowledge

Messages

Upside

L&D team are respected

Downside

- High turnover challenging knowledge management
- COP do not manage change well
- Absence of succession planning

Challenges/Opportunities

Challenges

- Whilst there is high visibility of the programs that HR offer there is a lower understanding amongst Managers and Directors about how the training is linked to wider organisational capabilities and competencies across job levels
- Exit of staff and core skills

Opportunities:

- Verify the organisational and individual capabilities required for the future
- Facilitate vehicles for sharing /greater integration of plans/ knowledge and strategic opportunities between Directorates
- Verify identification of core and high risk roles/individual across COP
- Develop and implement a Change Management approach for COP
- Project management skills and strong executional disciplines
- Gaining approval and launching the Talent & Succession Strategy
- Assess development requirements to support the future needs of COP in key functional and technical disciplines

Implications

- Investment in skill and capability development is positive
- The pace of change, challenging operational and leadership environment demand new and stronger skill and experience sets
- Managing change effectively and embedding it quickly can be supported by strong Change Management processes
- Succession planning will be important to managing key dependency on individuals as well as risk of knowledge/skill loss and opportunities for career development

Learning – what is it?

- The ability of the organisation to capture learning from past experience and embed it into future activity, e.g.:
 - Continuous improvement
 - Knowledge management
 - Change management

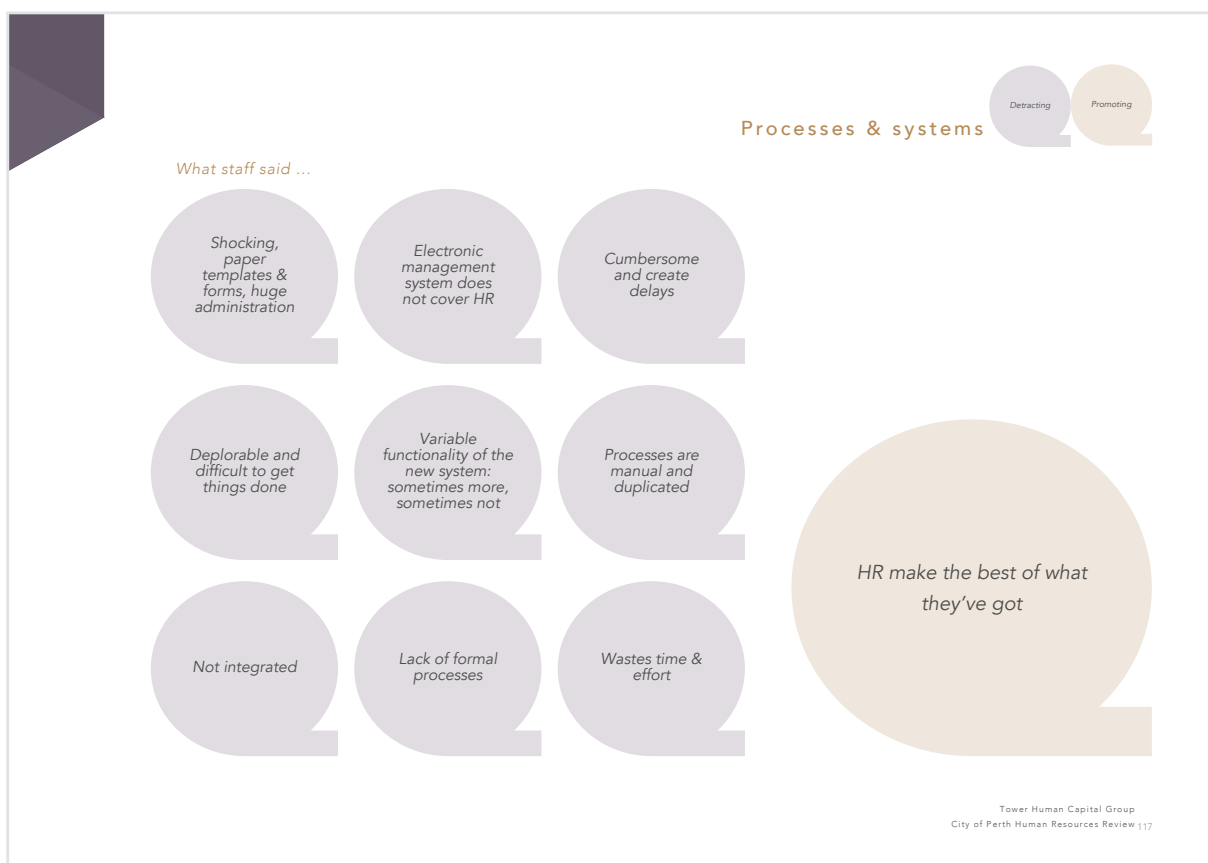
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Processes & systems

Key manual and cumbersome paper based processes are a frustration for Management and HR personnel

- Key systems owned by HR include:
 - City Learn: e-learning system
 - Empower: tracks qualifications that require refreshing as well as degrees, certificates, licenses, and police checks
 - Big Red Sky: recruitment system that track applicants
- There is currently no HRIS in place. The HRIS project has been subject to ongoing delays, poor project management and accountability for delivery of the project, as well as having multiple Project Managers
 - Implementation will bring improved functionality to HR information, workflows delegations and reporting as well as a reliable source of workforce data
 - The project is also dependent on up to date policies and procedures so that their application can be built into the system. The policy review work has yet to be completed
 - Phase 1 – Time & Attendance and Payroll is due for implementation in April to June 2019
 - The current Time & Attendance system was designed by IT and runs manual timesheets requiring entry within each BU
 - Phase 2 – HR includes modules for recruitment, talent management, onboarding and offboarding. Other than for recruitment, there are no existing systems
 - The budget for this phase has not yet been agreed
- Payroll is owned by Finance, however there is common misconception that this is a responsibility of HR
 - There is no integration between HR and payroll but HR is currently dependent on the payroll system for key employee data
- The new HR intranet pages have improved the ability to access and find HR information
- HR policies & procedures are subject to review to also streamline and simplify processes

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Processes & systems	
Messages	Challenges/Opportunities
<p>Upside</p> <ul style="list-style-type: none"> The recruitment system is good New HRIS is soon to be implemented <p>Downside</p> <ul style="list-style-type: none"> Usually paper-based and manual creating huge administration for HR and BU Management – timesheets, L&D approval, flexible work Limited workflow management. Have to print things off to get approvals, log chains of email HR processing is all manual and creates time delays Onboarding and offboarding processes EMS does not cover HR processes Duplication of activity No workforce planning system or staff establishment Some processes are not formalised so have to go to HR to check Processes and authorities change frequently e.g. recruitment Lack of integration Manual manipulation of data for HR information 	<p>Challenges</p> <ul style="list-style-type: none"> Will the new HRIS meet the expectations of HR or the business? HR to address the matter at a strategic and operationally effective level Source of data is the payroll system which is owned by Finance HR do not have good control of their own policies, systems and processes <p>Opportunities</p> <ul style="list-style-type: none"> Implementation of new HRIS and ensuring – <ul style="list-style-type: none"> sufficient resources to implement effectively sufficient training for HR and users Developments in EMS to cover some HR processes Review and simplify processes Confirmation of who owns establishment management – HR or Finance
<p>Implications</p> <ul style="list-style-type: none"> The culture and behaviours around the importance of having and adhering to policies, procedures, systems and processes is as important as their development and currency The impact of poor systems and processes is largely felt only by HR team members and Leadership 	
<p>Processes & systems – what is it?</p> <ul style="list-style-type: none"> The quality of procedures and methods used to ensure repeatable performance, quality and efficiency The quality of the tools and IT systems that support planning, operations and performance monitoring across the organisation 	

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Culture

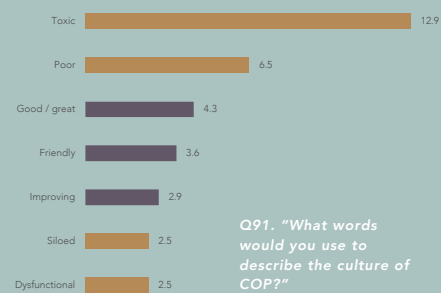
Driving culture change requires a purposeful and disciplined approach and clear accountability

- There are significant differences in the perception of culture and the issues surrounding it. Not all Directorates are the same
- Leadership of COP is a consistent driver of elements that propel a negative culture in COP
- There is a strong view amongst some Leaders that the Culture Survey would have shown an improvement in performance since the last Survey
- Some interview and survey respondents hold HR accountable for culture. A number of people were disappointed and angry that the Culture Survey was deferred

Culture ranked bottom 4 in survey for lowest performing areas

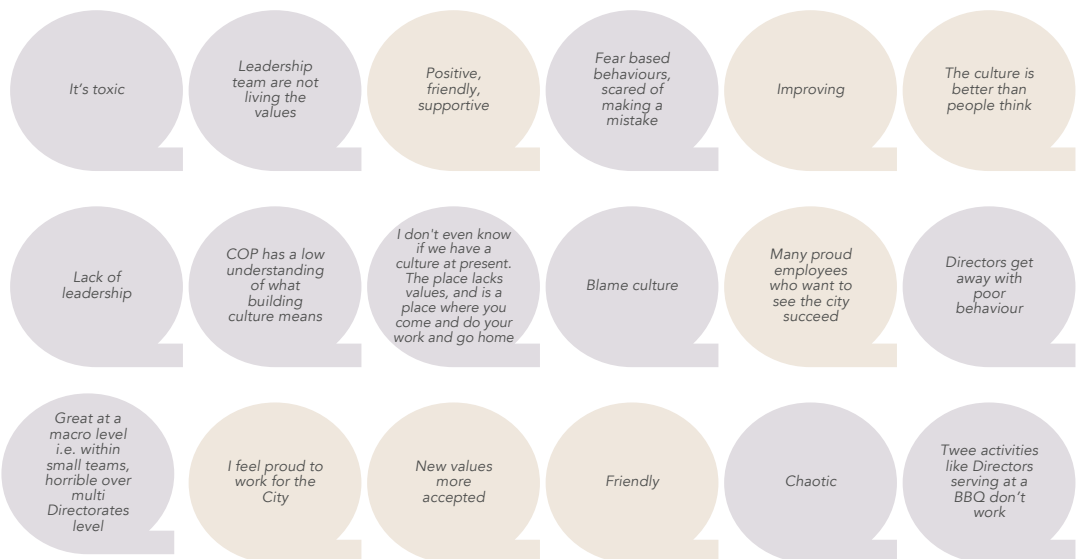


When describing the culture of COP in the survey, only 21.6% used positive descriptors. The most frequently used word was "Toxic"



Culture – what staff said

"It is unfair to imply cultural and morale issues at the City are the responsibility of one unit (HR) alone to address, as meaningful action requires support and genuine buy-in from across the organisation"



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Culture

Messages

Upside

- The bad behavior is largely restricted to the Leadership levels
- The recent work on values has assisted in bringing up morale
- Outside of the Executive people work to the values
- The new values resonate more with people
- Culture in BUs and Directorates is seen more positively than between units

Downside

- COP needs advice on how to implement in a coordinated way
- Director behaviour towards each other is poor
- ELG meetings are poor, lack of trust and instability
- Directorates have their own culture, and culture is varied between different levels of COP
- Managers need to step up and take accountability for shaping the culture
- Some of the concerns stem from the issues created by the restructure – departments are competitive, not sure where the boundaries are, and hide information. But this is improving and Managers are collaborating
- People are skeptical about the values
- Teamwork is fragmented
- The last couple of months have become worse
- Communication within BUs and Directorates occurs regularly, wider understanding may be limited
- 46% of survey respondents don't believe that everyone is treated with respect at work – Q54

Implications

- Poor leadership behaviour has been tolerated and if this continues will undermine any attempts for developing positive shifts in culture
- A deliberate approach will be required to develop and lock in the “go forward” culture that will align to and supports a shift from the current base

Culture – what is it?

- Aligning strategy, Operating Model and culture in shaping COP
- The entrenched values, unwritten rules, trained responses and unconscious biases that drive behavior and performance in an organisation

Challenges/Opportunities

Challenges

- Addressing culture change in a strategic and structured way
- The perception of some that culture is an HR accountability alone
- The perception that HR is failing the City or not competent because of the current Catalyst Survey results and continuing issues
- For culture change to be effective it will also require impacts across most elements of the High Performing Organisation Model

Opportunities:

- Improve communications about some of the strategies in progress across the City
- More transparent feedback and reporting
- Demonstrate commitment to high standards of behavior and integrity for Leadership
- Develop, commit and share a “Change Plan”

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Next steps

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Next steps

Tower recommend that COP Commissioners set up a meeting to discuss key aspects of the Review. We remain available for further discussion.

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Performance Analysis, Assessment and Review – Human
Resources

ATTACHMENT 1

INTERVIEW TEMPLATE

Tower Human Capital Group

City of Perth Human Resources Review

Interview template



A. General

1. What do you know about the current HR review?
2. Please provide an outline of your role. How long have you been with COP?
3. How do you interface with HR?

B. Human Resources in COP

1. What do you see as the key role/roles of HR?
2. **EXECUTIVES/MANAGERS/HR Staff** Are you familiar with the HR plan? Did you have input/were you consulted?
3. **EXECUTIVES/MANAGERS/HR Staff** Do you think these roles are well understood in the business and why?
4. **EXECUTIVES/MANAGERS/HR STAFF** What do you think the key business priorities for the HR function are?
5. Are you aware of COPs HR Policies and procedures? Are these accessible? Are they easy to understand? **HR:** When was the last time they were reviewed, where are the gaps?
6. **EXECUTIVES/MANAGERS/HR STAFF** Are policies and procedure in the function adequate for COP requirements?
7. How effective/friendly are the HR systems & processes across COP?
8. Are the team members approachable and helpful?
9. Do you trust HR to act in your best interests?
10. If you had an HR issue would you go to a member of the HR team? How comfortable would you feel?
11. What are the key strengths of the function? Are there things that the HR function does very well? What do you think the HR function could do more of?
12. Does the HR function have things that it could do better or differently?
13. **EXECUTIVES/MANAGERS** Are there any issues or gaps with the function and its performance?
14. **EXECUTIVES/MANAGERS/HR STAFF** Is there an authority matrix outlining clear authority for HR decision making across the COP? Are these well understood? Are they complied with?
15. **EXECUTIVES/MANAGERS/HR STAFF** Do you believe the HR function is sufficiently resourced?
16. **EXECUTIVES/MANAGERS/HR STAFF** How well supported are the HR teams? By City leadership?

Capability

1. **EXECS/MANAGERS** What is your opinion of the level of HR capability & competence?

2. Is the function respected across the organisation?
3. **EXECS/MANAGERS** - Is HR support for your area structured effectively?
4. **EXECS/MANAGERS**- How cost effective is the activity performed?

Grievance and Complaint Process – including Bullying and Harassment

1. Are you aware of the Grievance and Complaint policies and procedures?
2. How effectively are grievances and complaints managed at COP?
3. Have you ever had an issue? How was this managed? To your knowledge was it managed in accordance with the policy?
4. Have you ever felt that you have been bullied or harassed? Did you let anyone know? Did you report it? To whom?
5. Was the matter investigated? How satisfied were you with the outcome?
6. Would you feel comfortable making a complaint in the future?
7. **EXECS/MANAGERS** Does the Exec see grievances and complaints and the progress of these?

Performance Management

1. How effectively do you think employee performance issues are managed?
2. When did you have your last performance review with your manager or supervisor?
3. Tell me about your experience/perspectives on the effectiveness of the performance review process.
4. **EXECS/MANAGERS** – is it used by all areas?

Development and Training

1. How are you made aware of Training and development opportunities? How do you find out about them? Have you used City Learn on the intranet?
2. When was the last time that you participated in training?
3. **EXECS/MANAGERS** Can you please outline COP's Training and Development activity and its effectiveness?
4. **EXECS/MANAGERS** Who is accountable for identifying employee development needs?
5. **EXECS/MANAGERS** Where is Talent & Development budgeted?
6. **EXECS/MANAGERS** - Does COP have succession planning and career progression processes? To what levels do these go?

Culture & Communications

1. Do you feel COP lives by its values? What 2 or 3 words would you describe the culture of COP?

2. **EXECS/MANAGERS/HR** - How would you describe the culture in the HR team?
3. **EXECUTIVES** - Do you recall Exec review and response of the Cultyr Survey?
4. Did you participate in the last culture survey? Why not?
5. Did your manager/supervisor/COP communicate the outcomes to you?
6. Did COP act on outcomes of the survey? What actions have you seen?
7. Would you participate in another survey?
8. Do you feel your leaders communicate effectively with you?
9. Do you feel that you are kept informed about what is happening in your team and the organisation more broadly?

HR STAFF ONLY Metrics and Reporting

1. Are HR department metrics defined? What are they?
2. Is performance measured and reported regularly?
3. Who does the reporting go to? Who else gets to see the outcomes?

C. Health, Safety and Wellness (includes worker's compensation, rehab and return to work)

1. **EXECS/MANAGERS** What do you see as the role of HSW at COP?
2. **EXECS/MANAGERS/HR & HSE STAFF** What are the accountabilities of the function?
3. **EXECS/MANAGERS/ HSE STAFF** What do you think the key priorities for the function should be? How different is this from what is happening now?
4. **EXECS/MANAGERS/ HR & HSE STAFF** In your opinion, how important is the function to the good operations and culture of COP?
5. **EXECS/MANAGERS** - How cost effective is the activity performed?
6. **EXECS/MANAGERS** - Were you consulted in the development of the HSE Plan? Have you seen it?
7. **EXECS/MANAGERS** - Is the function resourced effectively?
8. Are you aware of the policies related to Health, Safety and Wellness? How accessible are they?
9. Have you ever been involved in a safety matter or incident? What was your experience? Were you treated fairly?
10. How important is employee wellbeing in practice in COP?

11. Have you participated in any of COP's wellness programs? What was your experience?
12. Are the team members approachable and helpful?
13. If you had an HSW issue would you go to a member of the HSE team?
14. What are the key strengths of the function? Are there things that the OHS function does very well? What do you think the function could do more of?
15. Does the function have things that it could do better or differently?
16. Have you ever had reason to enquire about submitting a Worker's Compensation claim? Tell me about your experience
17. Have you ever been involved in being rehabilitated for a workplace injury? How would you describe that experience?

D. All out

1. Is there anything else that you would like to tell me or raise with me that has not been covered in our discussion so far?



City of Perth
Performance Analysis, Assessment and Review – Human
Resources

ATTACHMENT 2

INTERVIEW RESPONSES

Tower Human Capital Group

City of Perth Human Resources Review

Interview responses



A. General

1. **What do you know about the current HR review?**
2. **Please provide an outline of your role. How long have you been with COP?**
3. **How do you interface with HR?**
 - Dedicated advisor
 - Meetings on a fortnightly basis/monthly with advisor
 - Alison attends regular MRG meetings
 - General complaints
 - Day to day behavior management
 - Workers compensation matters
 - EBA interpretation & enforcement
 - Seek their input in the way things are done
 - HR is very good
 - The adviser has been supporting the unit for a long time
 - Deals with them a lot as they cross over on a number of matters
 - Is a lot of change with advisory
 - Not a lot, only when have an issue Used to meet regularly buy advisor was changed and now on leave.
 - Some on training courses
 - In a few years had 4 different BPs – a lot of turnover. Did have regular fortnightly meetings with BP but because of staffing issues can do this
 - When first started in the role had an allocated advisor and felt supported, now have not had meetings for months. HR is stretched and feels they are less supported. Is inconsistency in levels of service, varies between advisors and not sure what to expect
 - Meet fortnightly with PB. Lot of support in recruitment
 - Had 3.5 BPs in 2 years
 - Fortnightly catch ups with Anna-Lee. She has a very good understanding of HR needs and people – continuity has been important
 - Use the intranet or call Anna-lee the HR BP if can't find things himself
 - Mainly around clocking up flexitime, award interpretation & conditions of employment, mediation, conflict resolution
 - Through interface with advisor and through corporate comms
 - Works with the ER group mainly especially Barbara and with advisor re disciplinary matters. Nicola his advisor
 - Have monthly meeting s with him – Anna- Lee. Informal interface. Occasionally HR come to monthly directorate meetings- when there is a specific issue. Regular informal discussions with Alison - approachable
 - Info not clear from HR. Not the knowledge or commitment from HR and different directions, lack of clarity around policies
 - Deal with HRM weekly. Largest directorate - 301 staff. Directorate team meetings each fortnight. Had Leonie, now Meera and Caris. Attend quarterly directorate meetings and they support her managers between them. Fortnightly newsletter in the directorate
 - A lot. Recent Performance management. In management team meeting HR, would provide updates, they attend. Nicola is the BP
 - Interact with HR on needs, recruitment, policy or specific matters, with BP
 - Fortnightly directorate meeting. Aria attends for HR. BP has 1:1 meeting with Manager. Fortnightly meetings with Alison not very structured but are valuable and support for him a pulse check Help him to align to what's Important for COP. Have to trust the HR team

- Fortnightly catch up with advisor – Caris who is new. 7th advisor in 3 years. Leonie was the BP but is seconded into a different role. Turnover every 7 months. Other contact is by email or phone. Fairly self-sufficient. Use HR support when issues are more complex. Confirmations & validating. 60 people. Had a complex case and because the advisors were not available went to Alison
- Issues around performance. Keep them informed, seek guidance sometimes. Not a lot to do with them. Stable team. BP Nicola. Did have a fortnightly catch up but now settled no a lot of need. She attends the CMD meeting
- All resourcing. Goes to HR when he has a vacancy or a challenging situation, goes to HR. BP is Nicola and she come to their Directorate meetings
- Newer position – 6 months ago as HR BP Lead. Was an advisor & BP for Community Services Directorate – providing generalist advice
- On 3rd advisor. Have extensive interface. 57 people. Some frustration. They have a very heavy workload and is having an impact on the people and they have shared this with them. People management. Leave, pay, discipline. Like to involve himself a good relationship
- Weekly with HRM, provide a monthly HR report to him re his directorate. Nicola attends monthly directorate meeting and then with the managers
- Did have a time when he was reviewing all the recruitment requests. Target business model – aim to do tweaks with the structure to get better alignment. The office of the CEO only set up last year. He got the project when he started – to monitor & co-ordination the process but didn't go so well. Leonie – fortnightly meets. Interface with Alison as needed
- Part of the team
- BP model. Different to what she thought it would be, mainly operational. Support recruitment, general advisory. Bureaucracy, the paper trail phenomenal. Has to be a paper trail. All conversations have to be documented. Flows into a blame culture
- Covering yourself so you do not get blamed, not compliance driven and not value adding
- Huge interaction. Were a range of issues on performance and productivity. No KPIs, no systems. Team used to poor practices. Setting a new precedent and manage staff through an extreme change and performance manager. Still working through the issues. Does not feel the staff were supported through the process nor the managers in the process. Complaints made in the process and was difficult. Don't have a change management process or unit. Caris the new BP, then before this Leonie
- Meet with her assist manager fortnightly. Go to person for issues and support. Previously more on their own and less support, smaller team. Been great and particularly helpful. Fortnightly meeting with other managers in directorate and HR attends. 3-4 changes or advisors
- Sub unit but must also have a link to the whole team. Collaboration can improve. Working with HR on an onboarding process before they commence and get aid an onboarding allowance
- Recent experience in recruitment – reasonably positive experience. Has a new advisor – Mira and she brings a lot to the role and a great service. A few meetings re concerns about another area. Gives a valuable independent view to help decision making
- People come to HR a lot. Worked hard to turn around and build the relationships
- Frequently, new to role, looking at secondments and advertising of positions and getting up to speed. No handover for him
- When she was seconded moved location too. Sits with the IT and the project team. Now sits upstairs with HR as the go live date was Nov. Has now moved nearer to April. Initially was a lot of ownership issues. IT, Finance and HR but was an IT project. Finds it exhausting and frustration. Feels that she does not way to be on the project any more. HR taking more ownership now over the last 4-5 months. Not initiated by Alison. 2 HR people now and need time with the rest of the HR team to train them. Scope: phase 1= Time and attendance and Payroll – Apr to June. Current T and A system was developed by IT and in run by IT Manual sheets, physically entered in the BUs. Phase 2 = HR – post June, recruitment, talent management, onboarding, off boarding. Except for recruitment there are no systems now. Budget for Phase 2 yet to be finally agreed. Tech 1 is the platform. Delay in project was because things were not done in the sequence that they should have been. Has been 3 project managers and now is a new one that is taking a more disciplined project management approach. Been a while now since she has done the HR advisor work so she is now considering what the opportunities are for her. Has spoken to Alison. No sense of

achievement as the project keeps going on and on – is draining. C&M said they didn't want to go on line, want to be manual and they can do this. Really keeping processes that same and not simplifying them

- Recruitment, losing people. Work with BP especially now on 6 vacancies – Arif. Met with Alison weekly as part of Corp services meetings
- Is looking after DCC & is shared with Carris and Anna Lee does one business unit for them. Community Amenity and safety, Commercial, Parking and the Library and thinks she does the DCC office
- Has a very militant workforce. Not of issues – time management, injures, bogus WC. Poor work attitude. Spent a lot of time in WC and ER. In the Fair Work a lot. OHS was more white color focused then. Nearly all cleaned up. Nicola the BP. Doesn't need frequent contact with HR. High degree of accountability himself

B. Human Resources in COP

1. What do you see as the key role/roles of HR?

- Support managers in decision making – the source of the truth
- Clarify policy
- Not just the normal things like recruitment, performance management ER
- Training and capacity building of staff
- Culture- support and make sure people have the capacity to check that people aren't behaving in the wrong way
- They should stand for the employees. Stand up for them and help them get through issues\
- Recruitment, proactive advice on ER, regulate recruitment, ensure processes are followed
- Support leadership in developing culture
- Role has changed since he commenced, now focus is more on the cultural aspects. COP is good at starting things but not at finishing them. Before was not a focus on this area. Do not think HR should be driving culture – leadership and the commissioner should be. ELG don't necessarily display the right culture. HR are used as a band aid
- Proactive, motivate and develop staff. Was challenging when the survey was delayed. Alison helped him with the messaging
- Provision of clear consistent advice, assist in recruitment and passion decisions made for the information of others
- ER, T&D, potential, recruitment, supporting business case development for structure changes, additional resources, issue management, advice and guidance, return to work and injury management
- Guide him – managers need to take ownership. HR are always there and bend over backwards to do this and to do it well. They set the framework. Support the organization
- Tough because the payroll system doesn't talk to the HR system – not enough integration. But is an HRIS project – ability of IT to install a fit for purpose solution isn't great
- Currently do a mediocre job of onboarding new staff. Use them for ER, managing sick leave, grievances
- Seem to be supporting the exec more than anyone else – the enquiry
- Multi-pronged, support managers as leaders, advice, assist people to manage the system
- Advise leaders and exec about how the city works towards the strategic HR plan. HR plan must be integrated with the overall plan
- Identifying opportunities to develop capacity, capability and succession planning below managers
- Advice and guidance to managers, subject matter experts
- Supposed to be custodian of the system, have clear policies and procedures, and follow them. Support our people.
- Selection and Recruitment, managing policies and procedures, and they should be independent (currently they report to a director in a division which means there is a conflict)
- Providing managers with assistance in recruitment, training, guidance on retention etc.
- At COP, it's enforcing rules. It should be about having the right people to implement the strategy and to support them as managers to do so. Less about developing them it's about putting people in boxes. Have had 3 managers. One was good friends of Rebecca Moore but had a falling out. Kelly was excellent but was a bit of a loss when she left. Is concerned about Alison. Poor language, unprofessional. Interfered in a PM process. Her interference resulted in the process becoming awful and it did permanent damage to the individual. Involved in a clique of the ELG

- Recruitment, employee advice, ER, L&D. Used to have injury management and OSH in HR, now OHS. Not doing: OD - succession, end to end reviews, capability, retention, or more strategic orientation. Now working on induction. Why aren't they doing this – new structure – 3 new directorates, 12 new BUs lot of recruitment of new people, performance issues, the restructure. Now have a good HRM, understands the difference between operational versus strategic HR
- Support managers on day to day basis. Often managers expect too much and managers should spend more time taking accountability
- Support role around general HR role, guidance and HR. Feels that they are doing a good job. Can ask them directly, can point her in the right direction. Making her job easier, giving her confidence. Anna-Lee is the BP
- Service. Needs to be more of a consultancy. Is a service but not very two way? Should be able to initiate within the rules - and then within the spirit in the rules. Alison is the third manager. Is a frustration with HR, revolving chair
- Support to her and the team. Good neutral go to for issues. Developing the org and the skills in the org, L&D programs, appropriate systems, education and training in ER. Ongoing support
- Recruitment – feedback is that this takes up most of their team. Performance
- Recruitment. Role is reactive. Not much time for them to work on strategic matter. Would like more support in encouraging better practices in the team, sense of ownership. But they don't have the time. Training and Dvt is very generic. He finds his own and just getting it done
- All of HR services, ER, Recruitment and selection, L&D injury management to help them manage their resources. More hand holding, new BU managers – after the org restructure, recruited a number of people without local Govt experience. They provide the support and guidance. Still heavy on the transactional side
- Never seen HR her function in any consistent way. Hasn't had an opportunity to get into a rhythm. Attrition high, getting people in and up to speed. No speed of process. Sees then as the doers – organize, do. Service oriented but difficult for her to deliver in a timely way
- Manage staff related issues, policies, procedures up to date and enforces, COP interests as employee
- Enabling the organization through strategic HR to deliver on the goals. The workforce plan is an annual requirement.
- No HR strategy, people chasing tails.
- Unit that provides specialist advice and support and necessary information needed to make those calls. Now is a group of people that don't want to make the calls, not the skills to make the calls and conflicting advice. But they are new. Where is the direction and leadership from above re their priorities – this is a wider issue in COP. So much BAU, reviews and assessments. Need to bed down and get the foundations tight. Draws and comparison with own unit
- A service and a support, compliance to regulations. Support managers: Focusing on empowering managers to do their jobs, challenge ways of thinking. When she first started was very administrative function
- Having the expertise in ER, staffing, guidance, and knowing what you can do that won't compromise the city.
- A lot of BUs use HR as a scape goat – HR said you can't do it. If something goes wrong, they say that HR said you can't. Needs to be more of a partnership. Because HR know that they do get blamed for things they are less likely to push back on things. For HR to have everything in place for when someone starts need managers also taking responsibility
- Facilitate engagement of staff – recruitment and people management requirements of the BU. Structure to help manage the team- performance, to salary changes and day to day. Also, sees a role in structuring resources properly – consistency of roles and pay levels. There are currently discrepancies – methods and structure of benchmarking. Different levels of management maturity
- Support employees and managers on issue management, performance management, behaviors, queries and processes and practices, grievances and EB management. Partner with manager and bring them up to speed, coaching in management of a staff issue. Sometimes people think that HR makes decisions on everything
- Recruitment, induction, getting him on board and the online program
- Need to be more of a strategic role. More reactive. Need to develop strategy and work towards it. Workforce planning, talent management is ticking boxes. Needs more influence – just reacting to what the business wants,

very rarely say no which keeps them in the operational space rather than looking longer term. No confidence that HR will really leverage the new system

- Personalities in the project. Changes in the team
- If HR aren't engaging
- Is work now on processes with a view to implement the systems approach but may not always be more effective
- Processes outside of the system not being looked at and don't feel they will be
- Varying functionality of the system – some cases will be easier and other won't be. Will be workflows, delegation, reporting, one source of truth
- Still need to be clear on who has accountability for what HR, Finance, and IT
- A guide through the HR process, HR admin processes and help manage processes – recruitment, Grievances, custodian of policies and procedures. Capacity to deal with things limits ability to do CI
- People respect HR to the extent that before they make a decision they have consulted HR – some is genuine, others are bum covering. They do work in partnership but what the function offers now is not the full remit – talent management, succession planning. So, the career development actions that come out of the PS process don't go anywhere. Internal career pathways are not very mature and would require Directors to be aligned. Level of support varies. The stronger the unit manager the more they take accountability, keep HR up to date, engage them as advisors this creates opportunity to look forward. In other units is a higher dependence on HR to support decision making and help and support through processes. Would like to be in the former position. And for HR to be able to think ahead and thinking forward. Managers doing their own day to day.
- Support role. Recruitment support, EBA interpretation a knowledge base to support them in managing their staff. High expectation of entitlement is a bigger need to check in with HR from a process perspective to make sure are doing the right thing. I.e. having a conversation and raise things about performance.
- Should be there for ALL. Should not be sent off to some independent people if you're feeling stressed. Only seem to be able to point you in different directions. Used to be able to ask about advice about how to deal with HR issues, my manager etc. – how do I manage this a bit better? In past, Manager wasn't supportive what wanted to do, there for offering advice. They should be offering professional advice. Wasn't with what he got his PM
- To provide support and guidance to manage teams affectively.
- Multi headed approach - systems and technical operational side - they are the gate keepers of employee data (position, salary, emergency details), any changes to are the responsibility of HR. Policy - they own the legislation around workplace policy, fair work, internal council and city systems and procedures. Advisory role - making sure rest of the business is following policy, then advising Managers and employers. Recruitment, retention & development - (thinks already configured where they need to be, just need to act). HR has a stewardship over payroll (payroll should come to HR, NOT HR come to payroll). HR don't seem to understand their impacts of what they do in the pay office. Not satisfied with service she's getting. HR has made some serious recruitment errors - their new HR Admin (which should have been gotten as a specialist) was then in agency — she's made some serious errors — promoting and demoting people incorrectly. HR doesn't value its own area enough to warrant a specialist in the role. Recruiting someone for 70/80\$K a year with no experience in the role, who is making mistake after mistake. Payroll was made to train the HR Admin. Alison - HRM - listened to feedback with a Masters in HR - but she is getting paid same as the other person. Alison didn't realise the effect of having an HR admin with no experience. Alison has brought through her 2IC who has no legislative knowledge, all her experience is around recruitment specialist - most senior person in terms of miles on clock but most inexperience around HR advisory — difference around experience and expertise. HR Admin who sets people up, HRM who is not sophisticated enough to know what she's truly managing and what her responsibilities are (all about recruiting instead of legislative etc). IMMATURE ORGANISATION. Seen minor improvements around efficiencies. Regression of service based that people are being promoted who shouldn't be. Spending too much time around interpretation, not enough time to catch up. Will need to implement a new system but people will mess it up just like before

2. **EXECUTIVES/MANAGERS/HR Staff** Are you familiar with the HR plan? Did you have input/were you consulted?

- No
- Keep updated when Alison updates managers at MLG meetings

- Alison been brought in recently. She's got one of the hardest jobs. Not enough time to address the strategic issues. Lot of turnover and only Leonie is there from the original advisors
 - Robert passes down information in the weekly Directorate meetings
 - As an acting Director have has meetings with Alison by normally would not see her
 - Lack of a cohesive vision, strategy and direction. This comes largely from HR and not from the exec. Leadership should take accountability for people management, culture and development and is not just the responsibility of HR.
 - Workforce planning and development planning has improved
 - Not much discussion with BP about forward plans, more operational, recruiting, performance shaping
 - Not aware of a plan and hasn't been asked to input. City has been in a state of reactivity and sometimes good work is not acknowledged
 - No but have talked with BP about what the focus areas will be and how that will provide service support and the things that will impact them
 - Through Anna-Lee and attendance at DLG
 - Not seen the plan. And no input. MLG not really a forum for exploring managers needs and issues. Not very useful for anyone. No
 - Alison come to the Change Manger Group
 - No **real** interface with HR to share what they are doing but probably should
 - Not really
 - No. Systemic that plans and strategies are not integrated or shared
 - Familiar though Directorate meets
 - Know the biggest priority is the HRIS. Now WF plan, no complete up to date org structure - system generation. Does not recall a briefing on the plan. Would be critical for all BUs
 - Knows what the general plan
 - Not eh pal but Nicola updates in the meetings
 - Told about it but the new HRM started just before all the problems with the council started
 - Yes, become more familiar in this role
 - No
 - No
 - Not seen it, been more directed by the CEO – directed by him. Plan may be retained as confidential during its progress
 - Was part of the process for the review of the onboarding processes
 - Generally, it should be in terms of what it means for them
 - Worked on the L&D strategy and also the valuation report
 - No. Would be good to get visibility of service levels. Clear definition of roles and boundaries – what services and what resources are required and what you pay – not just in HR. Need to define what the services should be
 - Not really, Sent for comment. Manager and the three supervisors
 - N. May be elements of it
 - No But knows that Alison did catch up with the senior team where they did come planning and still to cascade
3. **EXECUTIVES/MANAGERS/HR STAFF Do you think these roles are well understood in the business and why?**
- Advisor attends Directorate meetings & talks about what is happening around HR matters
 - In some areas, not all, in ours yes, we utilize HR to support our decision making
 - Concerned about the constant changes in HR and how to retain them
 - To some degree. Operational issues take priority
 - Mixed views – not on the standing for the employee side
 - Alison is spread too thinly. HR's role is not understood at all. 24% turnover so their focus is on recruitment – a back log because of the freeze and had to take on 2 new resources. Fighting fires
 - T&D is a strength
 - No and that's a fundamental problem

- Some of the interface with ELG on RTRs and reporting lines are not always well defined
- Team are encouraged and know that they can go to HR if they have an issue or a question Generally understood. Things have changed over the year – more hands on or hands off and this sometimes causes confusion. More hands on now- more involved i.e. Recruitment will help with the shortlisting
- No, some managers want HR to do the hard work for them
- Sometimes too much reliance on HR. Managers need to be able to play a key HR role themselves. Barbara's sessions on HR/ER matters. Managers need to be trusted in making decisions and consistently applying them
- Not really
- Is a strategy but it's not pushed out by the Director, not advocating for HR. Always been under scrutiny. Not really looking at what's needed and what the focus should be
- No expect too much not enough own accountability
- Different across the org. Some expect HR to be doing a lot of the doing. Some things really need to sit with the manager as the manager of people
- Feels yes. 2years ago introduced the BP model – they know who to go to. The advisory team are there on their remit and managers understand it
- No, different views about what this means. Frustration with HR. Alison in a difficult position. She is in catch up mode e.g. Induction, never seen an organization with so much lacking in this area
- Now it is more transactional because of the circumstances. Priority has been to get operations up to speed.
- Managers seek advice from each other. Want guidance eon making the right calls. Some fear in making the wrong call. First sign of conflict and the City back off – not wanting to deal with problems, easier to give in or pay off. Managers conflicted about making tough calls
- Need to understand what the issues are across the organization
- L&D team collaborates well to get good outcomes
- Generally. Just gone through a process to engage contractors to recruit staff. Not well defined. Took about 7 months to clarify what the roles are. The HRM has sorted/sorting this now. Alison is trying to do a good job – lot of legacy issues
- Yes
- No, with 3 HRMs in about 2 years have slightly different approaches and visions. See selves as a full-service HR center. Was different to this a few years ago
- He has no regular conversations about HR with others.

4. **EXECUTIVES/MANAGERS/HR STAFF** What do you think the key business priorities for the HR function are?

- Get the staffing levels correct
- Making sure staff are supported with the right resources
- Supporting the executive. There is a lack of stability there, uncertainty
- Good recruitment
- Stop all elements of bullying, favoritism and inconsistent processes. Ensure high integrity and leadership team behaviors
- Morale, managing turnover - no leadership, no CEO
- Hard to make a lot of progress with the state of flux – reviews, value for money review, the inquiry
- Culture change and workforce direction. Large number of issues need to be leader led
- Make employees feel empowered
- Proper and transparent processes
- More proactivity of insourcing V outsourcing – HR doesn't currently have a role in this
- HR playing more of a facilitating role in the directorates & units working together
- Get the plan and the processes right and then "come back to us and introduce it all"- the complete package i.e. Induction – don't need 33 packs, get a standard one – wastes resources and lacks consistency
- Because of the current environment and potential issues, they can assist more in the culture change processes, behaviours. Helping the managements group in T&D of staff and the shining lights get opportunities. Their approach has been good

- Facilitating processes with managers and helping them plan their people requirements & capability
- Performance management, KPI development and cascading these. Helping to get the organization picture and how this flows to other units and to individual KPIs. Processes to help track how COP is performing
- Structural clarity – see this interlinking with culture and will help to link activities across the organization. COP is not efficient in people knowing their roles and responsibilities or in giving people the authority to do their jobs.
- Structure clarity – sometimes is random activity
- Support staff – has been a lot of upheaval
- Get COP name up there as an employer of choice
- General logistical support to managers
- Need to be more the “keeper of the structure”
- COP is in a transitional stage – Deloitte report. Lot of work to change the culture but not there yet. Many things are outside the control of HR – counsellor suspension, leadership issues.
- Culture but more around leadership – upheaval, leadership is lacking. It’s about healing wounds and “looking after themselves”. People on stress leave, is a lot of “water cooler talk”
- Review and document any gaps in policies and procedures, update and ensure they are utilized and followed
- Onboarding but also is responsibilities with managers and leaders
- Focus and prioritise the HRIS
- Mental health
- Supporting people manage through the changes – commissioners, the pressure
- Recruitment & retention
- Since he has been here the whole team has left but not necessarily a cultural issue – explore own opportunities, back interstate, promoted to other local Govts. Only 2 negative reasons – the previous manager that did not get the role and moved because did not see their career developing at COP. Culture is not specifically an HR role
- Strat HR – culture, OD – structure, people retention, attraction, establishment management, recruitment, L&D. ER – Performance management – have a lot of issues, need to understand what is or isn’t a grievance. Need to be more robust in what a grievance is
- Need to reassess their processes i.e. On line induction. Doing a work around – do these before they come to work – but they don’t have the context. Should reassess the content. Don’t seem to understand the business and make decisions that aren’t the best for COP: not the right focus – the should ask others instead of telling. Applying past experiences to a situation they don’t fully understand
- Recruitment – right people, cultural fit, positive culture. Perhaps more screening is required. Have recently looked at psychometric testing. Rob has initiated this to get more rigor
- HR is reassuming control of the recruitment process. Was dictated to by elected members. Now the Commissioners - freezes. HR and Robert not being listened to or respected. Impact on their – HR’s service. Should be is no increases to FTE or salaries and if meet this can do what you want. Now CEO no longer signing off everything. Directors can now make decisions in their directorate. Need a huge shift to contract work – are no permanent roles. This is proving difficult. Contractors may not understand the impact here. State government has moved to permanency in roles so why don’t they. Attraction and retention.
- Getting stuff in order, systems and processes. Bring in the resources to do this. Get proper systems and processes. L&D adhoc. Needs to be in advance for the year, needs to be able to budget and plan for cover. Manager training with spread sheets – even compliance, licensing. No system approach – up to her. A big risk and concern for her. Her team also runs the cultural awareness training so has the full accountability for that – all spread sheet based
- Employee health – physical and mental. Strategies to manage perceptions of COP – high stress levels. Managers having to support this and is pressure on managers to feed the execs to feed the commissioners. Has been support for Execs but little for managers and they are bearing the brunt. Seriously lacking leadership. Lots of acting roles’. Starting to fall over operationally, not the leadership, feedback, report. Feels doing thing over again that have done for others – diverting from operational priorities
- HR needs to reduce the reactive activity such as recruitment should be providing assistance to manage proactively and support relationships and this is not happening
- Being them for managers and employees and supporting them – triage. Some pockets struggling with constant change. No significant impact of CEO leaving – saw it happen. People are resilient just keep on going

- Whole or should be focusing on stabilizing itself and develop a logical way forward
- Direction changes, don't complete things. When commissioners came in went back to thinks but still doesn't know what the progress is
- Want to see what the plan is wheat the strategy id to achieve it
- HR like all areas is reacting
- Looking at the structure – restructured in 2015 to break the silos but as increased it, duplication of effort, creates conflict. Who is doing what and where? Imbalance in salary scales across the board. Policies and procedure. Induction, on boarding. Highest turnover that he has ever seen
- Confirmation on establishment – don't know that headcount. Getting the systems to do this.
- Accurate, timely advice and paperwork. Advice to be correct and to build the relationships with client and to anticipate issues before they get out of hand. Build staff capability – coaching and support, performance manage where needed
- Any cultural engagement activity will be met with cynicism – better support managers through the time. Really need to look at resources given the level of activity and change management processes
- Being given the time resources and money to bed down a team with good policies processes and skilled team and a level of consistency and giving the same in for out. Time to bed down. Making a lot of decisions but are often short on the people to implement
- How will HR support managers, supervisors and the employees to hear listen and support their own teams. Have a distrusting organization. Understanding each unit's challenges and obstacles – 30 units. The better can support coaching, communications, operational support. Specialist culture person could be of benefit but it's about supporting the managers from the basic levels
- Provide manager support, and staff if come to them directly. Systems in place that make it easier for them to do this. HR can't be responsible for culture. Policies and procedures ate to date, accessible and that people are aware of them
- For L&D is the onboarding process, simplifying forms and automatic workflows using Share point. Will be one of the first processes to do this. Are showcasing the new process to "Focal Point" Forum tomorrow. Onboarding can be tedious. Some do it better than others, can't just blame HR. It is Simone's project
- Morale – facilitate a broader approach, organizational health. Ensure adequate resourcing – recruitment freeze not helping. Leadership decisions limit flexibility in recruitment. Clear policy and consistent practice. Does not feel is consistent. Can't sit back and think and plan and things properly
- Help managers maintain a positive team and to help them manage any of the issues. Organization is unsettled, uncertain a sense of hope but trepidation, morale lower, in last 6 months more behavioral issues
- Not sure they are in control. Focus on getting the right people in place. Don't feel they really target the right people. Just advertise, interview and recruit – not targeting, not a strategic approach to getting people on board. Identify who has what skills in the business and how they leverage the levels of skills, experience and knowledge – having people in the right positions. An example where he is trying to get someone seconded into his are from another directorate as she has the experience and that had been blocked. She applied for his role. Do 360s to get feedback
- Staff turnover – signal that something is wrong. Does not feel they are in a place to deal with the cultural issues – this sits with the Execs. Execs want to lay all of the accountability to roles below them – culture. HR can't do this when directors and fighting and infighting and bullying. Exec ignore a lot of things. Bizarre that Execs expect HR to fix the culture. Directors are derogatory about other directors in not pleasant. Someone seriously upset people when one of the managers left, bagged her and tried to hold her at COP. Ugly at the top. The captain has allowed his team to infight and misbehave
- No trust in leadership. Is very difficult. Provide information and awareness to the workforce, good stories to tell, don't see leaders in the workforce. Marketing and communications handle this. They get bogged down in the day to day

5. Are you aware of COP's HR Policies and procedures? Are these accessible? Are they easy to understand? When was the last time they were reviewed, where are the gaps?

- Yes, they're on the intranet and I go to the HR page
- Easy to understand
- Standard documents are easy to find but sometimes more difficult to find the answer to your query
- When you have a question depending on who you ask the answer can be different
- Gap is the specific application to issues
- Out of date. This was identified as part of the OCCA process and team are now seeking to address this
- Very accessible but if out of date people don't want to refer to them
- Seen a few and knew they have been updated but not seen these yet
- Not really very accessible – hidden and not easy to find- on the intranet
- Easily accessible on line. Can delve in if need to.
- Will go to the BP first with a question
- Some issues around interpretation of the EBA – BUs took the lead rather than HR
- Would not be able to navigate them without the advisor
- Website has improved and easier to find – around the employee lifecycle
- Now easier to find in the one area
- Knows are on the intranet but has not really looked at them. Did the refresher on City Learn. Quite good and easy to navigate
- Believe all are on the intranet – forms, how tos and organized in the life cycle of an employee which makes it easy. Reasonably up to date. Has not looked at the new intranet. Most staff unless they had an issue would not need to access the intranet
- Is a good landing page with a logical sequence to find things
- Could improve the consolidation of policies
- Is some inconsistent application & interpretation. This creates issues across the City. Is no substitute for good judgement
- Alison trying to use the MLD to discuss some of these issues. It is a horizontal and vertical management issue
- Change management of updates could be better i.e. JDF standardization process. Generally easy to understand. Poor example is the Code of Conduct at 33 pages
- Some things not easy to find some have been revoked over the years and are yet to be reviewed. The onboarding and off boarding procedures are out of date and is not working very well and could create a security issue
- Recently upgraded the intranet but the document needs review. Easy to follow but some are old
- Know there is a project on introducing a new HRIS but HR has not given the support or commitment/relevant resources and this has hampered the project and delayed it. Why? Turnover in the HR team, resourcing, Alison not able to attend
- There are no policies or guidelines – this is one of the problems. Policies should be accessible to everyone so know where you stand and be able to find the answer before going to HR.
- There are policies but they are not followed. They are not transparent or clear. Has noticed that over the past 3-years the recruitment process become doubtful. Some positions are not advertised with people just being appointed. No sight to the process, who was on the panel or that the role was open. People are picked for roles by the person that knows them. Highly doubtful of independence.
- Not really. Because doesn't need to, gets good service from Anna-Lee
- Are there but it's the interpretation that is the issue. E.g. Acting positions. Director signed off for them to be paid 100% but payroll deducted 7%. Payroll refer to policies that are not there. EBA interpretation not good. Even Barbra doesn't always know. Rules always changing- accumulation of flextime. Asked to lie to her staff about the application of flextime in the EBA
- Too much policy related activity is run by payroll, should be with HR
- They need to be updated. Don't reflect the current processes. Not appropriate for the business now i.e. Recruitment processes – decision to recruit goes to the CEO
- Yes, intranet. Would feel more comfortable going to the advisor
- Familiar. Intranet page easy to understand. ER function has refreshes and they are good sessions. Not helped when have constant change in direction from above. Need a consistent approach on an ongoing basis

- Are but not up to date. Not sure are reviewed. On the intranet but even with release of new programs like R&R, the procedures are still not up to date. No real procedure manual, have to go looking. Recent changes not in procedures – changes in recruitment. Procedures come in memos not in an updated procedure. Lack of trust. No consistency in the interpretation of the EB across the organization especially about flexi time and banking of hours. Lack of guiding documentation to ensure consistency
- There, accessible but are hard to find but not centralized. Been very grey but better
- Outdates and sometimes not relevant. Org has changed and evolved. Not always meeting the City of Perth Act
- Huge priority is to review but not been given the attention due to resourcing. On intranet. Provide support on interpretations. Queries re the policy, the application. Some managers new to local Govt & new managers need more support
- Along with EBA's heightened understanding of policies and procedures. Governance should play a larger role in governance and compliance
- Lot of work to be done – not just in HR. Not reviewed, revised and communicated
- Out of date. Has raised this. The is a procedure for establishing new positions on the intra newt. Was told was repealed in 2016 with intent of a new procedure being established but still nor done
- Firstly, not aware of the policies and procedures but also doesn't feel comfortable going to HR.
- When she started, she asked where they were and was told they were withdrawn for review and they had to go to the EB or ask Barbara. 2 months later was told about the policy manual and where to find it. The ones that are in there are current and can be relied upon
- Open to interpretation i.e. Flexi time, EBA interpretations
- Reflect on how better to support the team. Some still struggle in understanding. Bus always to go to their advisor fist and then to ER. Not all of them are fully up to date. Some are an issue. Cover most of the life cycle
- Not sure are up to date, not always easily accessible and sometimes ambiguous. They are a diverse organization so can't be a one size fits all so makes decisions on what is organizationally viable. Is a bit of a culture of entitlement. Sometimes need to pull HR up that for her staff they have different arrangements. Not everyone can work from home and have flexible arrangements – acknowledging that arrangements may need to be different- not always a Council House view. Their rostering arrangements are different
- For L&D reworked the page on the intranet and have had the feedback that everything is easier to find and people know what they have to do
- New web site structure has made it better. Application inconsistent – and processes
- Not up to date. Many revoked and not replaced, hard to find. Things taken off and put into other document, finding things is hard, sometimes in content manager sometimes in the HR drive, sometimes in a bigger policy manual, things missing. Started this project 2 years ago but did not follow through. Confusing – policies which should be procedures and vice versa. Need to be simplified. Need review but has been a matter of resources
- At induction only, nor specific manger briefing
- She is taking accountability to review all the relevant policies and procedures. 16-18/83 policies that have an impact on the system. Lot of gaps, some have been revoked and are still there. Some are not used or needed, some revoked but should not have been and the process is still required to be followed, some terminology old. No accountability to complete this work. Only 1 new procedure in about 5 years
- On par with the rest of the organisations policies. Very poor. Very procedural and do not describe intent of approach. Need review and get a more aligned and more concise policy manual. Need a policy framework for guidance on what is a policy and what is a procedure. Was no induction around these elements. Not well supported in HR and being brought up with corporate practice
- Only last week she found the Council HR policy document when she was looking somewhere else. – knowing where to go or how to access things is hard. Sometimes she does locate one and it refers to someone else. Can't rely on the documents that are there. Managers can't rely on the policies would have to check in with HR and they would have to check with other. Feels that she always has to bounce matters off someone else
- Accessible through intranet can find things through content manager and the new dash board on the intranet. Some policies are very old
- On intranet and many revoked... Parental leave had been revoked and not in place. not good when they're advertising w/l balance and employer of choice

- Yes. On the intranet but many have been revoked. E.g. was looking for policy around Parental Leave which had been revoked and not in place. Not good when COP is advertising work/life balance and 'employer of choice'
- Because of time joined, she had to become aware, was handed a team that was difficult and underperforming so had to become familiar, but also saw what didn't exist or hadn't be used before. But wouldn't have been familiar otherwise. Information v different depending who you speak with and subjective. Bit of grey because dealing with people, expecting there should be guidelines or precedents ... left to decision making. Someone was on probation, took 6 weeks for HR to decide that they cannot continue period, then person complained, gave them a payout ... degraded the decision and the conversations they'd had in 6 weeks (A now feeling not trusted to make decisions)

6. **EXECUTIVES/MANAGERS/HR STAFF** Are policies and procedure in the function adequate for COP requirements?

- Not up to date
- Biggest improvement would be to update then
- Lack of trust with HR is because the material is not up to date
- When you question, find that the answers of the HR team are different
- Feel for Alison, is very under resourced
- Not sure
- Lack of awareness of the Grievance and Complaints process
- ER training was useful
- Actual documents are onerous, principles are okay
- Out of date – being reviewed – more compliance versus guidance. Not easy to find
- Review and simplified – not just in HR
- Review and simplified – not just in HR
- Some areas need more explanation – flexi hours. Policy uses the word discretion but that creates inconsistency
- Some gaps
- Yes
- Need to be better
- Sufficient at the moment because are heaving embedded in the BUs if they weren't would not be
- Room for improvement
- Not current
- No, recommends that HR develop a handbook
- No. E.g. Had a staff member that was over the limit. No one knew about the relevant policy. Lack of understanding about the process or the actions and process. The person ended up being sent home for 3 months. Only OHS in the meeting and no HR
- No. Are waiting for review. Want to simplify and streamline activity. A lot of work has been done, need to be reinvigorated, finalise the policies and then implement them
- Effort to maintain currency.
- Y
- N
- No
- No. Some are valid but need to be more prescriptive and precise – some too gray, lead to inconsistencies
- Need alot of work
- Needs to be swifter attention to enquiries. A lot of change. Need a better formula. Nicola not enough for 6 BUs and over 200 staff. Recruitment, EBA interpretation. She is under a lot of pressure. Not a lot of balance

7. **How effective/friendly are the HR systems & processes across COP?**

- Because of a lack of staff is hit and miss: staff sent wrong contracts, wrong addresses
- Lack of staff is an issue
- Recruitment works well. I drive it with my advisor and director what I need

- Been huge improvements in documentation of processes
- Some are not – payroll systems are paper based, manually inputted, very manual
- Recruitment processes pretty good. Big Red Sky system good.
- HR facilitates the recruitment process but does not add value
- Onboarding and off boarding not good
- Recruitment runs smoothly – he takes the lead in the assessment of individuals
- Shocking, paper templates & forms, huge administration. Electronic management system does not cover HR areas
- Process oriented, some duplicate and add to process rather than simplify – RTR as an example
- Would like something like a handbook
- Pay system not talking to the pay Street processes and could be better integrated – employees paid after leaving employment
- Performance shaping process is being adjusted as they get feedback is an example of their openness to changing and improving things if it can be better for the user – quicker and easier. Sometimes have been cumbersome i.e. Salary reviews used to be tied to performance review
- Could be more effective – new HRIS will make a difference. Inefficiency now e.g. T&D form
- Constrained by a lot of paper based processes – administratively burdensome for managers i.e. Time sheets. Systems are clunky. Could be better with better systems
- Not really processes or systems in place to support them. E.g. Multiple time he gets asked to submit their structure, repeated requests for information
- Don't really have one is very paper based. Payroll- empower records leave but not attendance – required the org structure to be managed. HRIS is budgeted
- High turnover of HR means people don't know where to find things
- Need greater systemisation of processes for tracking and monitoring performance – performance shaping
- Need better functionality – skills, capability and development
- Onboarding process boring. They are general engineers and they feel they have been through them before. Main difficulty in coming from outside is about the obligations of the Local Govt Act. This is more important for a manager
- Not
- Systems are poor – spent 6 hours doing an audit on HR numbers. HRIS is only about payroll not about establishment or workforce planning. Workforce planning is run by finance. Not about what we need to fulfill the plan. HR should control the numbers. Payroll should sit in HR. No self-service for HR
- Systems are deplorable and difficult to get things done. Administrative effort the largest he has ever seen. Not sure what his will do
- Not much exposure. L&D forms are in hard copy, manual approval. Employee self-service –leave application
- Need a fit for purpose system. Processes needed first and then the HRIS. Currently are horrible. Time sheets paper based. Letters to extend contracts etc. are printed out. Time consuming. Not using content manager or workflow
- The intranet showing the employment cycle are good. But if the area does not relate to the cycle not sure where they are. Very manual. A lot of her people are not in the building so creates a long process, things get lost. They have their own process to track HR docs across the org. Manual processing delays the process
- Long road to go. Onboarding process needs a lot of work, working on the online activity but still a long way to go and let ourselves down. Not deep enough – need more on how we do things, how it works in local government. Training is not always captures and put onto personal files
- Not really efficient. Still have to sign paper time sheets – paper based but then has to be printed to then get the approvals. Not efficient. Likes a self-service as can approve leave but not intuitive
- Make the best of what they've got. The new HRI will really only be just payroll. In first phase HR will not have access to the data. Will be looking to build HR analytics outside of these processes. Recruitment system – big red sky id good. Content manager – for docs and policies. Have a monthly HR report that goes to Directors and CEO
- No real issue goes okay
- Team at pressure point. Manual paperwork that should be systemized. Also, related to the levels of authority. Inefficient, Directors have to sign everything
- Lack of formal processes, the right forms across the life cycle. New HRIS.

- Very poor, paper based. Impacts managers too
- Even the request to recruit forms take a lot of process. Multiple emails to extend secondment etc. The manual component is hard for managers little one for wider activity. Should be simple. The HRIS process is way over time and over budget
- Always looking for ways to improve or be more efficient. Are developing HR guides and this will be built on the intranet – like a self-support area. Looking for ways to help manager self-manage
- Improving. HR group had a lot of change and they are stretched, had a turnover of support and it's not been consistent. EBA is ambiguous and problematic. She now documents the responses to her questions so she can be consistent. Challenging for HR to get managers on board and support. Put some guidelines out around work practices. Lot of paper forms that have to get passed about, systems let processes down. Paper leave applications. Lack of integration. Empower. Disconnect between payroll and HR – disconnect. Clunky systems make it harder for HR and the clients
- When she started, she would make recommendations for changes and improvements and she would get shut down. Sarina is great. Consult with the boarder business e.g. - City Learn, well publicized even outside of COP. Had some great feedback. All training records are on Content Manager and City Learn (EEO Corse has 3-year expiry). Empower, (HR/Payroll – HR owns) tracks qualifications that requires refreshing and degrees, certificates, police checks, license. Still very manual
- Poor. Current system doesn't report EFTs properly. Not helped by Finance have their own view of the world – based on dollar. Neglect when people aren't being paid – on M/L. Lack of technical skills around the systems including payroll
- Systems are poor and not integrated. Things change all the time – recruitment processes. This is driven by ELG. Hard to stream-line things and simplify because that have so many steps. This is driven by ELG. Feels is about lack of trust between managers and directors – too operationally focused and are not in a strategic space. This slows down HR processes and it looks like HR are the ones controlling them
- Antiquated, slow, manual, nor integrated. Managers do have frustration but some are used to it. Feels is always chasing people up and sometimes things are missed. HRIS alone will make a big difference. Big Red Sky – applicant tracking system
- Systems do not talk with each other. Not integrated. Can get a report to filling to his budget so time sheet system does not talk to payroll – hopeless for project management – 101. Lot of paperwork driven activity. Should be an approved workflow. Got and email from governance and asking him about the Manager and Principal position for delegated authorities – pushed back on this. HR should run this process
- Very poor, paper based, unclear, inconsistent, fraught with error, manual. Lack of corporate priority. Void of the top in supporting HR process development from a strategic perspective
- Most are paper based. Forms to fill in email and paper trails because there has to be records. Systems don't talk to each other but this isn't that unusual. Content manager id something she needs to be more familiar with
- Lot of signing off. Some things that go to directors aren't needed i.e. higher duties allowances. Delegated authorities weaken the manager's position. Over structured

8. Are the team members approachable and helpful?

- Variable
- Leonie doesn't miss a beat
- Some can be grumpy, snappy on the phone
- Barbara is approachable and knowledgeable but can take her a long time to get back to you
- Lack current proper management of worker's compensation cases by a case manager. Had Francesca and she was amazing, she liaised with doctors etc.
- Barbara is now working to push the W/C cases
- Great experiences with the team
- Turnover of team members is an issue
- Good customer service

- Changed with each manager. Went downhill as the troubles have increased – turnover, employee relations issues, bullying. Feel the team is snowed under so the proactive advice is what suffers
- Positive and helpful
- Approachable and nice, try hard
- Has met Alison – very good and guided them through a staffing issue
- Great, helpful
- Has a very good relationship with the BP. Helpful, makes time. Those others who she has contact with – Barbara, Alison, have built up good relationships and are doing a good job.
- A good vibe, helpful and always make time – “what can I do”
- Yes, but never seen to be available
- Yes, action oriented, provide a good service
- Responsive to requests, knows how stretched they are. Need to also build capability in managers to make decisions
- Nicola and Barbara very helpful 7 always able to provide a response. Couldn’t fault and nice
- Not really – they pass issues onto other people,
- Yes, find them to be helpful
- Very easy, and lovey, especially Alison. Alignment of what she says and what she does
- Seems worse than normal now. People are afraid, not just in the directorate. Fear of being honest.
- Larger team now. High turnover. Difficult to recruit in the HR team. Inexperienced team. Lack support in the team
- Massive change? Leonie very good. Change since Alison has been in place. Now can trust the information – more confidence
- No as accessible as the team need them to be. Level of knowledge generally good on the day to day activity. Alison doesn’t understand the business. Some decisions not appropriate now- like the culture survey
- Only had contact with Anna – Lee – friendly approachable, adds value in recruitment
- Liked and respect Alison. She needs some certainty for her role - still on probation. Lot of new team members. Feedback on Arif is that he is struggling with processes, systems and changing direction. Bit to do with Barbara as a manager – she is very good and he is supportive of her. May need more resources here. 5 advisors in his time would like to see consistency. They are directive because they are new and are uncertain. Alison is not always aware of what has happened in the past
- Great bunch. Different strengths and weaknesses. Found more recently that the advisor’s skills are not matched to the needs of the unit. Barbara was also a go to person for complex ER matters. Now new process is to go to the advisor first and this has exposed the lack of experience of the advisor but this is an issue. Has given this feedback to Alison. She has a large area and 3 EBAs
- Hard to get hold of, anybody in HR. He’ll just go up there to find someone and not always responsive but know how busy they are
- Good. Only issue is the last advisor – blunt. Delays in processes, cumbersome,
- Her group – brilliant, recruited the right people, resilience, experienced. Gelling well. Overall brilliant, highly supportive, all set up in, and help. Alison 4th Manager in 19 years
- Very helpful. As a team no problems or issues, willing to help. Current manager breath of fresh air and lot of new people
- At pressure point, nice polite approachable, A state of confusion, everyone is doing a bit of everything. Stretched by turnover and recruitment. Need to look at their accountabilities and roles. Big issue if the systems and processes. Calls not getting answered, things taking longer to get done. Too much consultation in COP rather than the doing support
- Good, approachable advisor, ER good
- Tendency to comply with directors wishes. Those who don’t will be impacted. HR too frightened to speak up. Do the managers bidding. Alison has now been appointed.
- Doesn’t see HR as approachable. They are not friendly to staff but are chummy with the managers.
- At advisor and administrator level are friendly but directionless – this has some traction now because Leonie is there. Issue is between them and the ER team – blame, covering self, no collegiate support
 - Inconsistent rules, back track
 - Fear of raising issues

- o Received little guidance on ER process
 - o Alison and Barbara friends out of work. Leonie is aware and Alison blows it off
- Though that if she raised a matter it would remain confidential. HR then went to her Director. This behavior is common. Confidentiality is an issue, things getting back to people. Will tell you some information but not all. Not so much that you can do anything with. More widely people try to protect themselves
- Longer team advisors have built up good relationships, others less so. But some are not really trying to do this
- Mira is the advisor and is very helpful, then Leonie.
- Bunch of nice people. Let down by having no set process for the operational tasks that they need to complete. Less about the system than the process. With high turnover the handover and knowledge transfer gets missed
- Fairly approachable. Before Mira was hard to contact them. Are they thin or not managing their time well?
- Good, under the pump. Nicola has too much to do. Field staff and white color
- HR services support each other will and so to T&D and ER. Could be between across the functions. ER does regular training session to upskill managers and HE. T&D in their own silos don't push into other areas. T&D knocked back on supporting training for the roll out, will give the advice but not the resources. Are available
- Good, great bunch of people now, dedicated and helpful but hampered by high turnover and lack of corporate knowledge, inconsistency of advice sometimes
- Though are one team as whole more work to be done in terms of partnership between the areas, BP, OD and ER. They are all supportive, more about partnership, more integrated way of working and comfortable operating this way – sometimes feels have to really consider if she wants to ask a question – will it be seen as treading on toes, how will it be seen and will she be talked about, or threatening their ability. No team building so doesn't really know her peers
- Good, a good resource. When he needs them or wants them quickly.
- Approachable but whether they know what to do ... Dealt with on ad hoc basis. Issue with a colleague, heated discussion earlier this year, didn't hear anything for 4 months and was then expected to give his side of story. put at a disadvantage. Could have been nipped in the bud straight away
- Approachable but not helpful because they don't know what to do. Issues are ad hoc dealt with
- No. A had to performance manage, investigate her team (stealing), implement drug and alcohol. Her support around this was not professional. She's not being supported – helpful for her to make the call, then back the employee. More likely to go with the person making the complaint, not backing up the manager. Performance management plan. Having to BCC in all emails because she's terrified if wrong, will they back or not back? Someone going for 3 hour lunches. Being brought in to make change, but not supporting her change. Wellbeing and MH very important for employees, but not backing mgrs. Who are employees as well.

9. Do you trust HR to act in your best interests?

- Yes
- Trust that they would act in confidence
- Some by not others
- Some only – capability/intent/politics
- They believe they are but not sure that they know the direction that they should be saying
- Different advisors have different processes
- Or clear direction will go to Barbara
- Previously have been seen as an “agent of the executive” and not trusted. Then would make a grievance against a more senior person – wouldn't trust HR. Alison is working hard to turn this around
- Would approach Nicola because of the relationship but maybe not the others. Had an experience where went to HR with a question and the advisor didn't know. Had to feed this back to his Director and this has happened a couple of times
- Very open with them
- Lack of consistency between her Directorate and others, this creates tensions. No single voice as to how people are treated. Lack of respect from people
- Advice is important. Need those who are good specialists that can give really good advice

- Yes, on the day to day, no on not having the right systems and processes in place to facilitate the business being better
- Don't know. Generally – going to her advisor - limited contact and are establishing trust. Not much contact with others. Most staff would not have contact with HR, not visible
- Yes. But don't feel that HR have support of the execs or of the Commissioners. Maybe. Not sure of what they should be doing. A fog of confusion around strategy and direction
- Do but sometimes can be inconsistency. Sometimes a lack of empathy
- Yes
- Yes, in recruitment. Sometimes very keen to defend the City but managers need support too
- Yes, took a negative wrap at the restructure but thinks this has moved
- Yes. Feels the balance is right
- Been an improvement more recently. Main failing in the reactivity and time
- Is recruiting for 3 people and wants it to happen
- Trust in getting the right information is low. End up going to Barbara because they have the confidence in her, contracts go out incorrectly. Audits on data entry are poor. Sometimes defer to her. She is now doing salary benchmarking project
- Relationships with her stakeholders are positive, they confide in her. Get frustrated in her as a rep of HR because cannot deliver things in a timely way i.e. Job ad or reclassification
- Not really
- Not fully across the advisor level. Sometimes the manager needs to take care in what is shared with the advisors because the maturity is not there. Need to be careful how they present themselves across the organisation
- Y
- Not sure. Sarina first
- Yes, for his area
- No
- Y. Current team aligned in values
- Yes

10. If you had an HR issue would you go to a member of the HR team? How comfortable would you feel?

- Yes. Processes were managed well, (she) felt supported, followed the process and was investigated. It was stressful because it took such a long time
- Yes, with high confidence
- Yes. HR handled the restructuring process and did very well. Has admiration for them
- To 1 only
- Would bounce off Anna-Lee
- Comfortable that if gave Arif a query, he would come back to him. But not very experienced and not always able to come back with a definitive answer
- Advisor still new – yet to see
- Comfortable with their advisor
- Due to past experience, do not feel comfortable going to HR. They take no accountability. For recruitment, there is no clarity to the process, especially with interviewing internal and external candidate.
- No, as I would not want to be victimized – has no evidence that this would happen, but thinks it could.
- D&M& Yes
- To the advisor
- Would go to Alison or Barbara. Feel comfortable and have trust.
- Advisor. If was about her would go to her manager. She encourages team to try to manage the issue themselves
- Yes
- Would try to resolve issues first. If he sees that the issue could have further implications for the City will seek advice from HR to confirm direction
- She would go to Alison the chain of command

- Yes, and the team. Comfortable
- Want to entrust HR to act on issues. Feel they need to work through HE
- Depending on issue
- Doesn't know who to go to but also wouldn't feel comfortable as they don't believe they would keep confidentiality. Also doesn't know the process to contact someone.
- Feels her client group would. Would be concerned that if she raised an issue that it would be treated impartially
- Generally, yes but not about themselves
- Y
- Would with Mira. Depend what the issue was. Still some concern about independence. May feel they need to do what they have been asked to do because of consequences if they do not
- Would go to her supervisor and she has a high level of trust in her – discuss and advice
- Y. Does not remember meeting Alison
- No, over last couple of years all in for yourself, no one there for you if you need the support. When pushed this does not happen. Dysfunction between the Director level – if nobody there to support them then that's the way it is. Doesn't not feel fully supported by Alison. 4 managers since she has been there. The position gets sucked up by the CEO, the Directors and others and little time to really lead the HR team. Constant draining of energy, there is always someone there, not available
- Yes
- Would look at whether she was comfortable to talk to the person, check out experiences with a peer, then Leonie and next what the relationship was with that person
- Y but would also try and manage issues himself
- Been clear she's had a lot of issues - she hates it. HR knows this, told them she's struggling. But there's not been any help. Husband got into a serious accident, and asked to work from home for 2 weeks. If she was a poor performer that would have been fine. A lot of time given to bad team members, but not too good. 5 Managers resigned. She's been forced to stay. No consistency.

11. What are the key strengths of the function? Are there things that the HR function does very well? What do you think the HR function could do more of?

- Existing, longer term staff and their knowledge of COP and HR in COP
- Barbara
- Alison as a new manager, has faith in her
- Barbara does an exceptional role with a difficult work load
- Accommodating, positive, focused
- Serina and T&D very good. Ensures consistency in training and asks managers and participants for feedback on training
- They seem positive and generate this positivity despite everything
- L&D programs very good
- Recruitment given the volume they are dealing with
- Alison's leadership – impressed with her
- Function still evolving. Now is more around ER, Legal and compliance related matters
- Serina very good in staff development and good at getting good industry learning practices
- Lot of learning programs, AICD. Onboarding, Business cases, Project Management
- Keeping their head above water – 2 advisors for 700 people- what they achieve is remarkable, under resourced. If this was better, they could really do a good job
- T&D has improved. Serina is sourcing programs and reducing costs
- Urgent recruitment is handled quickly
- Knowledge and technical expertise
- Approachable and tell him what he needs to know, even if he doesn't want to hear it.
- Good at following up
- Good job in T&D

- Barbara is very good, knows her stuff, is level headed in resolving things
- Supportive of managers who have real needs
- Done some fantastic work – onboarding, values, reward
- Passion for COP
- Experiences in recruitment – assistance in getting the right fit
- Knowledgeable and helpful in areas of grievances, provide manager briefing
- Training and development is exceptional. Better than experienced anywhere else
- ER
- Needs to be transparent and independent.
- Consultation, be there when he needs them, very helpful, their accessibility
- Having a responsive HRM. Recruitment. New onboarding processes. Values work – change champions
- Advice of Performance management - Understand the consequences of good and bad
- Recruitment, adding value to the interview pane, doing the paperwork. Guiding you on application of policies etc.
- L&D - Serena, lot of work onto the online portal. Send notes around, train and develop staff, are trying to reduce cost. Other areas are WIP - PD standardization. HRIS delayed a number of times. Things still developing. Not allowed to succeed, constant changes and direction
- If are recruiting they are helpful – develop questions, attend interviews
- Resilience levels, are a bunch of troopers. They support people but no one supports them. Recruitment and selection – very proactive and supportive and deliver in a timely matter T&D
- Supportive to everybody, positive support morale and team building, ER good and strong, T&D good and strong. Maybe better to go back a d plan around that the strategy – what the organization needs to achieve its objectives
- ST recruitment, very responsive. ER & Barb very good
- ER – all bullying claims investigated fully. Recruitment. Investigations
- Regardless of what's happening are resilient, pretty nasty environment, committed
- Feels managers value the advisory side and input from HR when it's there. L&D well respected and positioned. Needs for the whole of COP and individual units
- She is frank with her advisor re what they are doing and get good support
- L&D- ability to reach the whole organization. People also approach them directly about HR matters and they push them back to HR. The people that they have. When OSH was in HR did a lot of the administration for them. OSH saves the attendance sheets in CM and she enters in Empower. If they don't save it correctly it will not show up on her search which means it will be missed. Towards Maturity L&D Development Report – in terms of that E learning platform doing well but trying to develop more E learning. Done some surveys
- Some good people – Mira and Alison. Need some breathing room. Need to define the service levels
- Good with customer service, mindful, respond in a timely manner, well experienced. Some inconsistencies because of new people, polite, aligned and share information and support each other. Feel her team members have her back. Feels managers have some good skills and experience across the function. Sometimes the issues with policies being out of date or changed do impact new people – impacts on HR's own tool kit is an issue
- Approachable, do their best, keeps her cool
- Improved in the ER space with Barbara coming on board. L&D too transformed but maybe not in the best way – a lot of training but also a lot of turnover. The source it and host the delivery.
- Seem to genuinely care about doing a good job. Have buy in to do the best they can. Systems and processes let them down
- Amount of knowledge at the leadership level and to be able to learn from. Customers – not heard a negative word. Got to build relationships and trust with some of the manager so that you can work effectively with them
- ER, L&D. WC better now, more proactive. The digital world allows the m to do more modern thinking. Needs to settle under and new manager. OHS improved since it left HR. HR needs to be understood at the CEO level
- Not really. Given the restructure of the organisation, and recruitment, massive strain. Being tied up in ground level matters instead of continuous improvement. Not their fault. Org is not thinking about the knock-on effects of their actions
- Keeping things confidential. Everyone knows about it, but not in a formal way that A can do anything about. "Gossipy"

- Generalist role is bad, but 2 specialist functions are good. The learning & development function (in terms of service, continuous improvement - they're mindful of their impacts with the organisation - they're constantly working to improve and streamline), meeting to talk about on boarding, how can they streamline new started — L&D understand the knock-on effects of their actions. Employee relations - good but a lot of unnecessary termination and industrial action because lack of Performance Management - things that should have been nipped in the bud They've taken on feedback well, they have listened to and work in conjunction with Payroll.

12. Does the HR function have things that it could do better or differently?

- More to support worker's compensation
- HR need more understanding of payroll, is a hands-off relationship between them & they need to work together
- Need some time to build themselves up
- OD, Serina is very good and very proactive
- Advisors are hanging in there and under a lot of pressure – need some recognition
- Be more proactive
- Keep on going
- Consistency of people and advice
- Regular support
- HR assisting and facilitating activity between the BUs. E.g. Serina facilitated a workshop with Construction and Transport – helped to integrate the units together – they were a unit before the restructure
- Don't get clear and consistent messages from HR. Get conflicting perspectives. Things keep changing and need more updating because things are changing quickly
- Consistency, capability and experience, knowing their boundaries
- Continuing to build up trust across the organization
- Alison should communicate the remit across the organization to manage expectations
- More E forms, streamlining processes
- More empowerment for HR – more authority
- A better forward looking plan
- Consistency of support
- Get control of recruitment processes and more support – no assistance with selection criteria, screening resumes, interviewing
- Better processes that can add value to managers. Understand what level of support managers need
- Timeliness and feeding back things to the manager
- Fewer initiatives – are a lot (change champions, culture change, awards) but more impactful ones – like an external activity that impacts everyone
- Manage turnover of staff
- Get some feedback from managers on how they can help
- More upfront engagement before things start
- Less dependence on paper
- Having a better understanding of the HR process would improve response time and consistency
- Reduce the disparity of position descriptions – create issues amongst the team members
- Improve availability
- They don't seem to be doing a lot. His is very self-sufficient and looks for the procedure and follows that
- Some initiatives not having the degree of impact that they should because of the leadership and other issues
- Better able to respond to ER issues across the HR team, Reduce the heavy reliance on being specialists like Barbara
- Better at not getting the wrong person in the role – at risk employees, using a whole person assessment and fit for purpose approach
- Have clear cut HR procedures on managing issues. Must be transparent – there are bias in recruitment, nepotism – people need to be judged on their capability and given a fair process.
- Need to have the policies and follow them. Everyone needs to take responsibility and accountability – HR should be role modeling this, currently it is not

- Doesn't have a lot of HR issues. At times recruitment has taken longer because they have been too busy
- Balance between strategic advisory rather than transactional. Have had advisors without consistency – now two new ones
- Understand the business better
- More contact and interface with other staff. Seems to be a number of teams seconded to different special project. She does not know how people are selected and recommends that may need to be a more open process to get the best people involved
- Need to push execs and commissioners more where decisions are impacting on HR outcomes. Accepting it creates other issues - are consequences. HR need to be confident to do this. Lee-Anne on a temp contract.
- Consistency, stability, systems
- Onboarding Does not feel the service has improved since they have been fully staffed
- Recruitment packages / Promote the city in good ways via LinkedIn
- HR data is a big problem. Manual manipulation from payroll data
- Need to improve onboarding. Onboarding was excellent for him. Very supportive before he started. When he got here was left to the outgoing person who was very poor. People actually start work before they have been onboarding over a period of weeks or months - disjointed
- Taking a step back, so reactive. Don't have the breathing space
- Systems and processes
- Advisory support in generalist HR to managers and employees alike. Clean up the PDs. More proactive
- They recruit 'yes' people. Feels like they put people in acting roles to test them and see if they can be pushed around.
- Bit of holding info to protect their roles. Streamlining processes where HR have the control. Less fire fighting
- Confidentiality. Having team members that can make difficult calls and stand by them. Feels they are worried about making the call too. The level of confidence in the support she is getting and the decision she is making.
- Variability of expectations for support. Feels it should be clear. They have checklists to support discussions. Leonie is the HR lead but not necessarily the best person. Ability to challenge, develop options, better outcomes for COP, sense of urgency, lack of understanding
- Consistency. Want to be able to rely on it. More stability and reduced turnover
- Develop a manual for themselves about their processes and guidelines to ensure more consistency
- Simplify things – policies and procedures. Sometimes execs add new things into their responsibilities. Lot of legacy issues compounds
- Need to find a way of being a bit more cross functional across the Directorates
- When a new person comes in or changes a position, HR should manage all of the change of activity – i.e. governance and delegation of authority. Skill assessment and skill matrix. 360 reviews for leaders and managers – way to give constructive feedback to leaders. Pay scales for market competitive role. Believes there is an enormous jump between a Manager role and a director role
- Get a lot of feedback about inconsistent advice. Feels are getting better. More about not the same situation for each
- Business communications, articulate better what they do and don't do, their objectives, optimizing and digitizing processes – old policies. HRIS is the worst run process – run by an IT infrastructure team, not appropriately resourced or project managed, poor sponsorship, no project governance. 1 year over just to get the first part in. The digital team will work with them to digitize some key processes and establish workflows – won't be done by the HRIS
- Feels if had more training on internal processes. Onboarding into the city., Barbara runs some internal EB programs would like Alison to do the same
- Response time & availability
- HR taking more of a role to tell people what it's here to do for them – better branding, sell itself better, and how it can support the business
- Honestly don't know because the whole structure of what he believed they should be doing (i.e. issue with my manager, whole trust has been gone). Fix the issue of trust. Org is no longer there for people

13. **EXECUTIVES/MANAGERS** Are there any issues or gaps with the function and its performance?

- Workers compensation management
- Process of handling employee queries – go to HR then get referred to payroll
- Have a high workload and a high staff turnover. Not helped by issues created by staff freezes
- Be clearer that they are on the employees' side – develop trust. Employees need empowerment
- Biggest concern in the support for Alison – no one to step into her shoes. She lacks senior support
- Was recognized as part of the HRIS implementation that some of the processes need to be reviewed but not sure she has the resources
- More integration with finance and payroll
- Maternity leave processes
- Experience and consistency
- Helping more to get people into the right roles. Helping to make sure that there is clarity around what people are expected to do. Clarity around the change and managing the change
- Their empowerment
- Level of HR experience
- Processing requests in a timely manner
- Getting consistency of advice- award interpretation, conditions
- More transparency
- Temporary appointment to fill a temp position – contractor very poor. Was not asked about his requirements or what he wanted
- Performance shaping only needed annually
- Better time frames in recruitment (lifting the freeze impacted)
- Keep interfacing with managers and be open and available
- Have had some short-term appointments to the Injury Management role. It's a critical role and a risk management issue
- Recently developed their own way to manage people on probation. Feels this is needed across the organization – get the right system in place
- No – perform really well for him
- Strategic HR. Very transactional – a function of where they have been and where they are now. Getting more traction on the culture – but what is the plan. Not doing the survey is disappointing
- The establishment and workforce planning. Report on how his team is tracking
- Ergonomic assessments and may be not sufficient care in following up etc.
- Would like to see more work on career pathways. And developing future leaders and programs. Need to move people to permanent roles
- Need a diversity offices. Employed the first Aboriginal person subject to an exemption. Fearful, of not doing the wrong thing. Ended up running the process themselves. Access and inclusion – sometimes inappropriate sharing of information – i.e. Have a disability traineeship. The access and inclusion plan also has a number of actions in it
- Not offering any service for employees. Recruitment is taking up their time. Have EAP, are there other things you can do?
- Skills of the advisors are okay. HR not supporting the managers enough to manage turnover, retentions, build resilience
- No
- Timeliness and resources
- Long time to close matters. Imbalance between the city's rights and employee's rights
- Culture. Gap around org change and culture change. Had a culture change plan but no one really able to implement. Feels some resources are needed to advise managers and then rolling out. What are they doing for team work - etc.
- Not a team – 3 entities in the room. Like each other but not a team
- Consistency of information and level of accountability. Poor performers get the benefit and good performers leave

- Consistency. Communication about terminations and everyone is doing what they need to do. Workforce planning numbers – finance/HR all have different number. No source of knowledge
- L&D- Since Sim join – this year- she provides such a good balance and complement each other well. Non-Employees – forms and onboarding processes
- Limited independence sometimes. All areas need KPIs. Will highlight the level of service that they do
- Biggest impact is the processes, up to date policies things that can make them more independent in their decision making
- Key services there but the consistence, reliability and resourcing that lets it down. Not Alison's fault
- A lot of turnover and change. This creates uncertainty from a functional perspective. Alison need to focus on retention to provide consistency in the function. And for reputation have a high level of integration cross the whole team as a function - unity
- Better branding of HR

14. **EXECUTIVES/MANAGERS/HR STAFF** Is there an authority matrix outlining clear authority for HR decision making across the COP? Are these well understood? Are they complied with?

- Somewhat, but then it changes so not always sure who has the sign off i.e. For recruitment
- It is on the forms but is different to in practice especially in recruitment but this is not an HR issues
- Need more control over the headcount/establishment. It sits with each Director and is not managed centrally so is no overall control
- Yes, is clear
- Understands what the delegations are
- Segregation of duties not where it needs to be
- Not always especially with recruitment
- Talks through with Ann-Lee. Aware of delegated authorities but things are very fluid
- No, keeps changing
- Not always, keeps changing – who signs off on recruitment, structure changes. Is room for improvement
- Need further accountability. Not documented- by word of mouth and keeps changing
- Not really understood. Not just in HR as are ongoing changes to the "rules" of who can do what and how
- No RACE matrix – Role: Accountability: Thinks that they need one
- Are and if you don't know you can ask
- Should be reviewed. Will challenge sometimes as believe that managers should have more accountability
- No changes too often. This week the Dir has the authority to sign off on recruitment, last week they couldn't
- Have had to refine over time. OK
- Delegations of authority exist but this changes – not their fault
- Changes
- Not clear because has changed so often. The authority Dirs. and Managers have is very uncertain
- Y
- Not really but better. HR can advise.
- No
- Yes
- Yes
- Yes
- Yes
- Yes, they can endorse but don't approve
- Yes. In some cases too much process for managers and more for HR i.e. Onboarding
- Y and No. HR are just part of the process. Inconsistency of higher level decision makers. Managers need the authority to manage their staff
- L&D yes, policies are clear. All expressing of interest and nominations for to MLG. So it's up to the manager and Sarina liaises with them. Costs are charged back to the area- they are accountable for the cost
- Yes, will refer to policies

- No because keeps changing recruitment processes, extensions of contact, confusing for HR too
- Thinks he has none. Can't even change a job title. He would check Nicola
- Yes. A lot of the time HR acts on what managers want rather than pushing back because they will just go to their Directors and get what they want any way – whatever the Director wants
- Doesn't have much authority in a decisive sense as goes to the Director. Procurement processes are killing him. Poor panel, didn't include all recruitment types. Procurement team HR just like "pump" parts
- Yes, ones that don't know are rouge – minority. Compliant because they are too scared of doing the wrong thing. Feels that have to document all discussions that you have with someone - confirm discussion and create a paper train – be able to sustain what they do. This erodes confident. If I go down I won't go down alone. Takes relationship based activity away. Feels like this in HR as well
- It's his team, not the Directors – older style processes, he is accountable but doesn't have sufficient sign off accountability – letters for customer have the Directors signature. He knows this because he has acted a number of times

15. **EXECUTIVES/MANAGERS/HR STAFF** Do you believe the HR function is sufficiently resourced?

- No
- No
- Yes. When they settle they may be able to reduce
- Need more people if are going to be proactive
- Unsure
- Systems and processes impact and when implemented resource may be better
- Under skilled in some areas so may need to supplements. Is a dynamic space and very fluid
- The more hands on you are the more resources you need. Depends. Also had high turnover themselves
- Running on the smell of an oily rag. May need to increase resources to get over the hump
- Over stretched
- Very busy team and is operating at a high functioning level
- Hard to judge
- Seems like a lot of people
- For him
- No. Back log of activity in many areas, historical impact heat is still following through
- Hard to tell. HR like a lot of areas. Don't have the systems and processes to support them. Lot of administration activity
- Would like to see size of unit reduce. Heavy but because are changes in decision making and HRIS. Freezes in recruitment impact on HR
- Have new recruits but was under resourced before. Leonie is the best advisor they have had. Now have 2
- Think are now
- No but influence by the cycle they are in
- Improved with additional advisors – but they are temporary to get over backlog in recruitment and current activity levels
- Difficult to comment - adequate
- It's the use of the resources
- Understand the model – sound. Nor sure. COP has a need for wide scale reform as well as BAU. Still a freeze for new positions
- No
- Under resourced to deliver to the level of expectations – change management, restructuring, redundancy
- Is merit having a recruitment process functions. May be of benefit
- Hard to judge. Grown since she started but so has the responsibilities and levels of service. Tendency not to put the resources in place to get the job done
- L&D okay. Sarina been accommodating – 5 short days -9-4
- Needs more definition

- Yes, once everyone is up to speed
- No, not in his directorate. She seems efficient. They get a lot of urgent requests and he has big directorate
- Yes, has grown significantly. Largely because of the process – recruitment. Thinks the allocation of advisors to units could be better
- No, for the current environment. In healthy state probably fine. Falling apart
- No. May need some recruitment specialists and take away a lot of the pain

16. **EXECUTIVES/MANAGERS/HR STAFF** How well supported are the HR teams? By City leadership?

- Supported by the managers
- Their advice is not always listened to (exec) and this can do a lot of damage. Problems could have been avoided – frustrating
- Not sure
- By the Director but not more broadly. Not an understanding of the complexity of the role
- Left out at sea. No one really values or supports them or understands what their role really is
- Lack of clarity for process of approval through recruitment
- In their directorate is well supported and individually trusted
- Not well supported. Lot of blaming from the exec and LG and this would make it difficult
- Not always. The organization needs to work to include the values
- Does not feel very well from leadership. On his 3rd advisor. Decisions are made which affects them but they are not involved in the process – recruitment authority
- Fully backed by their directorate. Whipping boy but not helped themselves by lack of consistency in advice. Their current directorate is not giving them the support they need. Not prioritized as a unit – should be at the right-hand side of the CEO and Director. Not used by CEO in a strategic way
- Could be better supported. Finance could help them generate support, systematize processes. Sometimes is pushed down to and administrative activity
- Not really. Would need to go the procedures? Unsure
- Supported on a professional and per level. Not sure of the level of support to get where they need to be. Feels resources need to be upped to get the systems and processes in place to give confidence in the function
- In past well supported but over last 6-12 month more adverse due to lack of service and understanding of operational requirements – just give up. Service level dropped off
- Not seen as a really important or critical unit in the city
- Very mixed. Does not see HR as a high priority from their director. Maybe a selective approach as to who he pays attention to Others reach out to check in
- Has the managers support and the support of her team. Not sure about the support from the Exec. Concerned that the execs see HR as a cause. Morale is not caused by a lack of function from the HR team
- Well. Exec would better support if didn't report to one director, should be a first level report
- Feels is sound
- L Yes by stakeholders and the Director – supportive of additional directors
- Same as the rest. If important enough to be reviewed that they are important enough to be given priority e.g. Culture
- Hard to gauge. Not necessarily consistent. Can be a punching bag – symptom of lack of continuity in the team
- L&D get the support. For their programs, Ideas. They put together good business cases. Feels HR services get hounded. Frustration from the business is that they get way too many inconsistencies. They need consistent processes. Some may need to relearn things.
- Depends on the Directorate. Feel valued and wanted
- Discussions about HR rarely come up
- Get the blame for a lot of thing. E.g. Organizational culture and who leads. Many thing HR do. Recruitment. If not the right person, HR get the blame even though managers make the decision
- No, pockets support but other execs use then as a scape goat about what they are not doing – punching bag. Some managers do not understand the breadth and scope of what they have to do

- Within but outside maybe not. For example, has observed that Finance and Payroll and HR push back on to HR. Not a good understanding of what the two areas are doing
- Thinks so, previous HRM had clashes

Capability

1. **EXECS/MANAGERS What is your opinion of the level of HR capability & competence?**

- Big divide between the longer serving team members and the newer ones
- Only exposure in the BP and this is very supportive
- A lot are new and it will take a while to build up the competency level
- Pretty good but with high turnover will be issues
- They rely a lot on his skill set and industry background for adjusting PDs, advertisements for roles
- Is impacted by turnover
- Generally committed and sufficiently skilled. With restructure it doubled the management team whilst bringing in new people from outside local government. This was always a risk and they required more support – lack of induction
- High
- Need to build competence, not all of the team are at the same level of experience that you should expect. Is a lot of turnover
- Inexperienced team. Only about 20% are fully experienced and capable
- Customer service driven, very knowledgeable and give good advice
- Still a number in the team coming up to speed
- Not where they should be. Been in meetings with the advisor always has to defer to someone else – does not give him confidence. Frustrating and he has stopped going to them so goes straight to the manager or Barbara
- His experience is very good – not trouble
- Lee-Anne and Alison is comfortable with. Advisor level are new - yet to be tested, need to develop trust
- Good. ER are competent, L&D. General HR, not sure are competent or have a lack of understanding or because of what they have been directed to do. Would be the lowest unit on his list to work with because of the environment. Previous advisor quit after 5 weeks - systems change in direction
- Advisors need to be appropriate to the unit and type of requirements, need. Should involve the Directorate in the recruitment
- All very competent
- Capable
- Advisory group - Improved with new recruits. An issue with one of the administrators. Some mismatch between the advisors and the ER team, no RTW role
- Believes are very competent. Some would question it whatever it is if they don't get the answer they want
- Below what he's used to, trying. Doesn't always support in a balance way across the portfolios
- Varying levels but reasonable. Leonie capable. Sometimes ask a question and if needed will come back with the answer. I.e. Had some questions around the study policy – they got back to him because they didn't know at the time
- Some of new ones are fantastic, high performing practitioners. Some of longer term ones too indoctrinated in COP of local Govt, competent. High TO – similar issues to eh
- Lost a lot of people. New and what you would expect. Very different from private enterprise
- A big gap between skill set and experience and needs. Have been working to build this – templated, guidebooks but is still a gap. Not performing at the band that they are employed for
- Some very competent and capable but turnover and employment of contractors compromises this
- Okay. Adequate
- Good
- Pretty good but some have been dodgy, current group good
- Significant competence, Swamped in administrative space - recruitment

2. Is the function respected across the organisation?

- Yes but hears some areas grumbling. Their Director is good at holding the managers accountable for people management in their function
- Sometimes, maybe less at the exec level. Manager group is very collegiate
- Less respected as they are seen to side with Directors
- Corporate services are a cohesive team and that team is supportive
- Low respect because HR gets the blame for the restructure and the mishandling – they do not feel HR has their back. The whole thing was not managed well
- Alison is quite well respected – the most they have ever had
- Not as respected as they should be
- In his directorate yes because of Anna-Lee. It's about her and this builds other reputations. They are working in a difficult environment
- Probably not but are some good operators – Barbara and Serena
- Recognise has been challenging because of the level of turnover
- By me and see the value. By others not as much as they should be by the leadership group
- Hears mixed reports about capacity and consistency – differences in advice or action
- Frustrated - Alison is great and has a wealth of knowledge
- Question the capability of the HR team, from experience some are not qualified to be in their role. Very unprofessional. Lack integrity.
- His team know who they are. His team do the recruitment for their own areas
- Variable
- Are issues, no – responsiveness, access, not responding to lower level staff
- Feels they are. Has not heard negative feedback
- Not at the level it should be. Lack of respect because things change so often. Not standing up for the way things should be done. Change of managers and advisors. People not being able to get the best advice
- As above
- Not as much as they were. Previous manager got too involved Alison maybe not enough, more reactive
- As a result of inefficiency of providing the service they are not respected
- Hope so. May be different. Employees, besides recruitment the only real contact with employees is that it's about negative matters – grievance or PM
- Degree of respect. Alison still new to the role. She needs to stop, prioritise and set the plan. Better structure the team, policies and procedures – allow for managers to better implement themselves, not always sure they are doing the right things in the COP
- From a transactional perspective. The way it's done is new to him. A number of processes have devolved. The accountants control the HR numbers. More autonomy for Directors in COP for their FTEs. No real establishment here
- In advisory side there is no consistency, work is riddled with errors. At restructure people were exited in a very uncaring and callous way – that impacts respect. No proactivity. People won't come to HR. Talks to them poorly on the phone, rude and disrespectful. This sets the tone for the whole team
- Variable based on experience of the support – some concern
- Merit if the support of BUs
- Hears negative comments sometimes but is easy to blame others. In a difficult role – balance individual and the organisation
- Mixed. His area tries to support. It's a partnership. Need to provide them with information so they can do their job. May be not so much in other areas. Lack understanding in what they do
- No, it's one of the whipping boys, so is payroll, even if it isn't in HR, Finance, Properties
- They don't drive stuff, just there
- No. All Managers. Conversations have the same types of issues – those who are needing HR support to get through difficult periods, getting support to make quick periods. Understands they've gone through difficult situations. They're complaining about each other. Not much confidence within their own team. Lack of confidence

3. EXECS/MANAGERS /s HR support for your area structured effectively?

- Yes, the dedicated business partner model is good
- Yes, lets then check in with how their managers are going
- Curious as to why OHS moved out of HR but Paul is doing a great job of moving the profile and effectiveness
- The issue is how it work in practice, doesn't see his advisor
- The structure makes sense, 1 dedicated person but is an issue when they change – continuity and knowledge impact
- Yes, develops a level of understanding in each Directorate
- Have been improvements in the structure since Alison put her new team in place
- Yes
- Structure yes but not the level of experience
- Works well
- BP structure good because allows advisors to get to know the unit. Sep out transactional activity
- In theory, issues in application- accessibility. Some areas of the business need more support than others at times. Many BUs are under resourced
- Works well, get to understand your business area, develop relationships
- Directorate model - gives consistency but can't tell if it is the best model yet
- Important to have someone allocated as the go to person, know the team and area and build the relationships. Some don't engage with the team but others only to her. Important to build the relationship with the whole unit
- Think model works
- Yes
- The BP model is very effective. More effectiveness now between advisors and ER – clarifying where the boundaries are
- Yes, consistency of resource is good. She attends the directorate managers group meeting. They can provide information back to her but she is thinly spread
- Have it reporting to CEO. Have a recruiting team. Allocate someone to policies and procedures, support of Governance. Admin
- Yes, standard approach
- Structure okay it's the capability
- What's lacking is dedicated recruitment activity
- Not really
- Yes, feels better supported. Dedicated BP
- Yes, more about resourcing and the policies and procedures around it
- Yes, maybe can enhance by making 2 roles - for back up and support
- If Nicola presumes that if went to her with a specialist matter that she would remain the conduit and bring in the specialist
- L&D looks good – proactive. ER good, Barbara is very good. Partnership network looks ok. Admin would be better with different processes
- Concept of the model has merit – but does it have sufficient resourcing to allow it to function effectively

4. EXECS/MANAGERS- How cost effective is the activity performed?

- Not visible
- Would be good to understand the cost
- No visibility

Grievance and Complaint Process – including Bullying and Harassment

1. Are you aware of the Grievance and Complaint policies and procedures?

- Yes, intranet
- Aware they exist but has not read them
- Yes, have had to work through an issue with HR
- Have informed the team
- Yes, has been through a difficult one with a team member
- Know about them but is not familiar
- No
- No
- Some training but has not looked at them
- Y
- Y
- Y
- Y
- Y
- Y
- Y
- Y
- Y
- Y
- Y
- Y
- Yes
- All come with different tool kits and knowledge levels and understanding on COP practice

2. How effectively are grievances and complaints managed at COP?

- Through own experience, well and to documented processes. Time delay was a frustration
- View is that they take some time
- Has been a support person. Feels process was handled appropriately
- Informal processes can achieve desired outcomes
- Would not feel comfortable or very well supported by the system, HR or the Exec
- Question whether it is uniformly applied across the City
- No faith in the formal system or the people
- Hard in an organization that is very political to get it right – inquiry, lack of strategy and leadership – not working
- Do not feel that the exec understands their obligations to be neutral, to be dispassionate and not to allow personal views to get in the way
- Alison stepped in with Anna-Lee to assist and it worked well and achieved good outcome
- Not used them. Recently went to a 2 hour briefing session run by Barbara. Found it useful and a reminder
- Sometimes, depend on who it's about. The higher up you go the less accountability you have. At Director level nothing happened
- An issue in his area was managed right away
- Feels some manager and Directors were not held to account. Still does not feel this would be managed effectively to get the best outcome
- Reasonably effective. HR like to script the discussions – he finds this patronising and condescending
- Generally effective. Have the ability to raise issues and deal with them themselves before taking matter up with HR
- A trickier area. Does not work well at the senior level. I.e. Policy is to take the issue to your direct manager - a Director. Most managers are not willing to do this. Fear of repercussions. He has experienced this. Just do not talk to your Director about these things. Within team an informal approach is used to resolution and has been effected. Team are very happy to go to him
- Feels Barbara does a good job. More tightly managed – what is a grievance? Pushing back on employee to go to managers and supervisors

- Same for each local government
- As had a Grievance lodged against him. Frustrating. Person did not move forward to provide Information. No back up information yet. Felt guilty without being trialed - false accusation and not supported
- Managed very maybe overly effectively. City has a reputation for being a soft touch. Have to go through a lot of hoops to discipline somebody. Some people use this to their advantage
- Managed by Barbara. Luck to have someone with the level of experience that he has, that's why they don't have many issues. Grievances come from mistreatment but COP treat people well
- Has been an increase because of the current environment, low levels of resilience. Managers now more willing and aware of the issues because of the performance shaping process. Advisors handle the general matter and performance improvement activity but the investigation. Delays with investigation
- No experience with grievance, but privy to others. Mora about how long it takes
- Balance between COP's interests and employees. Issues prolonged. Dependence on external investigations. Never seen so many in his career. Too many matters getting to this stage, matters not raised with managers first. HR building this process
- Not experienced it
- In line with policy and procedures. Feel managers are generally happy. Employees not very happy some time because HR don't manage these relationships well, or the communications – respect. This is how Barbara treat people – engaging and honest. – honest and compassionate
 - Advisors are ill equipped in this area- except for Nicola
- Feels managed appropriately in line with policies and procedures with the exception of time delays. All complaints should be on the register
- Staff raising issues, maturity around PM and bullying. A sexual harassment process that ended up being false. Other person's reputation was tarnished, no communications or feedback to them. Vie that if "they" get in first, they will be okay. If a complaint is made it's managed only, communications not managed and not closed off properly. Happens a lot
- Grievance. They go into a lot of detail here because of Local Govt requirements. People expect an investigation. Ware working to build in an assessment tool, as to whether an investigation is required. Management generally work well in this area. Time delay is significant. WA advisors are expected to manager their own grievances and complaints but they are not necessarily managing the communications and feedback processes well and this drives dissatisfaction
- Try to comply to policy and procedures but that doesn't mean the right outcome id achieved Not substance over form. Often about competency and politics. Not always fair and balanced
- Not well by all managers. Sometime can turn a major grievance into a major one. Mainly out of not really understanding. Some lack empathy. Some are unsure and will seek out more support. When HR comes in is generally seen as a support to assist and Barbara is really good at this
- One existing his area. Was interviewed by internal HR about a grievance and then an external investigator. – around 3 people. He was not aware of any issue. Did not give him any context. 6 months to be resolved. He was the Project Manager at the time. 2 months before the end of tit the person at the center of the issue stopped coming in to work. Took a long time to resolve.
- Used in a couple of times. The issue got sat on by his director which feels as against policies. Made a formal complaint. Never went anywhere. Did not get investigates. No communications. His Director did not forward it on. Does not know whether HR knew about it. On another went to Barbara and this was managed very well and a lot of follow up with Barbara. Both Bullying and harassment
- Takes grievances seriously, resource, investigation with good caliber people to get them done. Matters thoroughly addresses. The issue is when the employee does not accept the finding – they say people and managers and protected. Not really true. COP spend a lot of money trying to root out the cause of the issues. Some staff will never be happy.
- A lot of vexatious claims. Not just in COP

3. **Have you ever had an issue? How was this managed? To your knowledge was it managed in accordance with the policy?**
- Yes. Managed to policy. Advisor managed the process through. Barbara investigated. Kept informed and felt supported
 - Had an issue in own area and they managed the process himself. Was an appropriate and effective investigation but it took time
 - COP has no central procurement processes which can add to the delay – in appointing an external investigator
 - Yes and was managed well
 - Yes, not clear on what the process should be, not positive, slow, not had any feedback since it was raised and has not been informed about how it has progressed
 - Was involved in a complaint. Could perhaps have been handled better but in the circumstances, was okay and felt generally supportive. Barbara assisted to help level of confidence and information through the process
 - Not officially, didn't believe the person would do anything. Also knows about a bullying matter
 - HR involved, scripted, managed satisfactorily and well
 - Yes, two issues – both handled terribly and one still not resolved. One issue was escalated to HR manager, then HR Director and then CEO, next was to Fair Work.
 - Did not want to talk about his experiences with current Director
 - Has raised a number of issues. In relation to the Crisis Management team. Pushed for responses but never received any. Not dealt with – suppress them. COP breaks people wears them down to push them out. Raised issues on behalf of team members. When Director left was not protected any more
 - Escalated to her. Did not get the level of involvement that she expected – informed and that's all
 - One of his operational staff has made a complaint – is involved from this perspective. Barbara and Nicola are working with him through this. Thinks it's in line with policy
 - Very easy to lodge a grievance. Thinks it was handled in accordance with the policy but perhaps too quickly – proceed before any substantiation or attempt to resolve. Has not had any other feedback
 - Work well. Try and keep things within the unit. If escalates to her she will get involved if it is more complex will then go to HR. Process is good but when gets to HR may be delayed. Things can be delayed for months – resourcing. Quicker resolution puts people's minds at ease
 - No
 - Have had issues in own team. Found it easy to follow an effective – had to put someone on a performance plan, time consuming but gets the results
 - Performance shaping progress, matters not resolved, drag on
 - Feels stressed about the workload as it is at an unbearable level. People leave and are not replaced, doesn't feel supported or listened to. Manager is causing most of the stress as they feel they are taking on more work for the team to raise their own profile in the organization. Has raised the issue and manager suggested EAP but is concerned how this will be talked about and that they won't be taken seriously. They have seen others raise issues but it doesn't go anywhere
 - Not in her experience
 - No. Works on morale and open communications
 - Generally yes, but where they are not this is because the direction is directed at a more senior level. Has seen this happen with others
 - A termination matter, feels was managed appropriately
 - Managers just want to be told what the policies and procedures are but many of the HR team don't really understand them either.
 - Has had an issue. Was. Exploited more than not
 - Not happy, managed in terms of having a review then feeling they had to tick the box. This review that made them act on it ... whereas they weren't acting on the issue. Went through a lot of processes. Should have been dealt with appropriately, had to see counselling
 - Not raised anything personally

4. Have you ever felt that you have been bullied or harassed? Did you let anyone know? Did you report it? To whom?

- Yes – bullied. The person is no longer in COP. She made a complaint to HR, it was investigated. They were performance managed out
- Have heard that it does happen at senior levels
- If you question something in another directorate you get shut down quickly
- By elected members – not an issue now
- Minor incident with an email from a Director. Some behavioral issues but not as far as bullying
- Yes but let his colleague know how he felt informally and was resolved – not investigated
- Yes, bullied. Let HR know and believed that it was being handled. Believed it has been kept confidential. Nothing has happened since this time
- Would normally talk to people if happened. Has heard about some managers but has not seen the behaviors
- Ha been a support person. Feels managers need to be better equipped
- Would have to be pretty bad to report it because it would create a lot of tension and anguish
- No – have heard others talk about it but hasn't seen or experienced it.
- Yes – more widely across 3 including the CEO. Most of this behaviour is at the LS level
- Yes
- Harassed, undermined. Staff would say was been reversed bullied. Poor leadership by CEO Directors with bad behaviour, one has left
- Yes – the Director. The issue was resolved without a formal performance process through talking about it – tackling it, was hard though. Fellow managers, staff and colleagues knew about this they supported him though the process. HR know part of it but were not in the full picture
- On occasion, last year for a short time
- No but has seen this behavior and aggressive behaviors by the exec and sees it now still. The prior Director had a lot of issues he is trying to have working relationships. Went In with a conscious approach
- No
- Not himself but when he started there were a few in his team but these were resolved in the restructure. Will be odd issues
- Not recently for herself Was the matter investigated? How satisfied were you with the outcome?
- Some heavy conflicts. Some grievances in his team. Just recently resolved. Handled by ER. Took a long time. A lot of the problem-solving solution is to stand down and employee whilst the investigation is ongoing. Kept up to date. Directorate should be informed first. Takes people handled fairly
- Feeling bullied by manager and feels like they can't raise it as it will have an adverse effect on them.
- Experience with a bullying claim and then a reverse bullying claim. The individual was still in the role but little advice was given to the manager on how to handle the matter
- Staff got a lot of retaliation after she got clear direction in some handling some tough performance management issues. She raised this with HR and sought support and she didn't get it. Now the decision to resign. It's been difficult and they even make jokes about it. More the pressures of dealing with people who don't want to change and not having the support
- Not bullying but have had difficult conversations with Sarina and are out the other side now
- No. He has an open-door policy and he encourages team to talk with you
- Yes, didn't make a complaint and the person ended up leaving. Didn't follow the processes. Did not feel there was anyone inside HT that she could go to. On another matter did raise an issue with HR and it was managed and resolve
- Not himself. Team seems pretty happy but have lost 1/3 of team, pretty friendly but stretched. Resignations went to new opportunities
- Not to that extent – embarrassment. Had a fear of going further. If she was to say something would be concerned about her job. Everyone in the meeting and nothing done about it. Felt horrible – 6 weeks ago
- Y. By the workforce. Did not lodge a grievance. He is resilient

5. Was the matter investigated? How satisfied were you with the outcome?

- Yes and satisfied with the outcome- they were terminated by COP
- By elected members and are running through the process now.
- If elected members do the wrong thing there are no consequences
- Not sure, no outcome
- No
- After months of pushing was told that the matters had been investigated and closed out. They weren't (the people involved) ever interviewed. Had a meeting with CEO and he said the issues had been closed out
- Complained informally to CEO, not in writing, nothing happened
- No
- No, spoke to the person herself. Was hard emotionally. They resolved this between them and she saw change
- No
- Y
- Yes
- Not exactly, but if say wrong thing – ultra-sensitive, cultural, widespread behavior pattern that people are very defensive but hard to get accountability – no understanding of responsibility

6. Would you feel comfortable making a complaint in the future?

- Yes
- Would go straight to the HR Manager Alison – Have trust & confidence in her
- Would want to address the matter directly first and confident to do this
- No – too risky but feels less vulnerable now that the commissioners are here. Would never have gone to the CEO
- Yes to Anna-Lee
- Yes, because feel they are strong enough. Has had some team members com with issues and they have talked through and resolved them without going to HR
- Not sure. Would be difficult if the person was a superior but has confidence in her advisor and in Alison as the manager
- Would go to the person directly first. Is too much just running to HR. Things get very fractured. Would go to HR if was then not resolved
- Some Directors behavior is poor but nothing has been done for so long that you lose confidence
- If had a mater would feel he could raise it
- If had a complaint would feel comfortable
- No, because nothing gets done about it – one issue started 1-year ago and is still being dragged out and feedback not provided.
- No, nothing will happen if you do. They are protected. Martin is one of the main culprits. His peers are his support he will even go to the HRM if needed
- Never. Spouse said they needed to leave COP. Felt that is they stayed they would be admitting that she is condoning it. Someone came to her with a grievance and she can't do anything about it. There are endemic issues. For them it's the fear but this has been normalized in the culture. They are not seeing the problem
- Yes
- No, never addressed and CEO would not address. Would be very concerned. Untouchables and poor behavior is not addressed
- No. Do not feel the process is satisfactory. Does not assist people to resolve issues themselves. If is with HR the battle is lost. They can make it more difficult. Painful and causes unnecessary distress
- Would manage herself. Making a complaint would be a big thing to do. Would be concerned about how this impacted her career, and impacted relationships. Had a colleague confiding in her, can only listen – does not feel can do anything
- Yes and team too
- Would like to feel his team would. Feels less protected under a term contract, more reluctant to lodge
- No, as this will impact their progression at COP.
- No

- Recently conducted ER training. Some would not be comfortable going to their advisor. HR also has a role to advise and counsel employees who may have an issue
 - Would if she had an issue. Been to a number of training sessions
 - Will try and manage things within the team. He would make a complaint after he assessed how strategically it would play out.
 - No, career limiting
 - Depends on what it was. Doesn't not see himself as long term would question whether he wanted to move on
 - Could have come to HR about this, but came to us. Culture – don't step out of line (NOT VALUE – COURAGE to do things differently)
 - No
7. **EXECS/MANAGERS Does the Exec see grievances and complaints and the progress of these?**
- Have visibility into matters in own area – confidentiality
 - Regular interface with BP
 - Only generally to make people more aware of certain issues – maintain confidentiality. Example of an aggrieved person who left the building mouthing off when management weren't saying anything or managing – they didn't know – how could this be managed?
 - Meet with Barbara on a fortnightly basis. Alison weekly. Not at the investigation level
 - Up until the resolution the Manager was kept informed
 - Timely

Performance Management

1. **How effectively do you think employee performance issues are managed?**
- No, process is too long winded. Tick a box
 - Done to satisfy a process
 - Team leaders do their own monthly assessment of staff as it is more specific
 - If follow the process and procedure it works well
 - Frustration is that if you don't use the process are no consequences
 - From 40% to 95% compliance in completion
 - Not a culture that has a culture of monitoring it's performance. E.g. No meetings on performance and how the City is tracking. Still no organizational KPIs
 - High number of staff do performance shaping forms. Only the reviewing manager gets to see them. Then they go into the record keeping system
 - Pretty positive – only outcome is the scoring process
 - Up to each manager and Director. Also the consistency of advice
 - HR is very proactive
 - Has been handled quite well. In the BU all performance issues have been turned around. Feels HR are scared of performance management at the moment – more softly, softly, approach and is now not working so well
 - In the past underperformers got away with it. No records were kept. No one told people that they weren't doing things properly. Process is much better now
 - Manages them to the process and consults with Anna-Lee before he does anything
 - Good but a heavy process
 - Managed well in his unit gives good line of site into performance and projects. Picks up issues and can be resolved along the way
 - Not had the experience
 - Not well sometimes.
 - Big improvement. Poor behaviors nor being addressed.
 - Could be more effective by helping people to have clarity role expectations and expectations of leaders and manager

- Probably not well – potential conflict situation – reticent to do this - cultural, and reluctance. No visibility across the City
- Is effectively. Difficult to do especially if it's not working for you. Time consuming. Some reluctance by HR to initiate. May need more support from HR but this creates reluctance for managers to do it
- Check in with her team and issues are dealt with quickly. If people aren't delivering, put a PM plan in place. Will keep HR informed. When gets to warning stage or beyond will get them involved
- Never been to the stage where somebody has wanted a third party involved
- If manager manages the issues. HR has supported him. He stays on top of these matters. To be a manager in COP you need to be energetic and resilient
- But had to work through with one of her team and they ended up resigning. She was disappointed and left because of health issues and the complainant also departed
- Good support here. His staff, their meetings, BP is more of a process role
- As per grievance
- Yes. Not sure about procedures. Engaged HR and working through that now in informal processes. HR working well. One of gaps is the advice is advised through the advisor rather than having a tool kit. But has had good advice
- Often not managed. Performance ratings don't always reflect the way people perform. Managers don't want to work with performance issues – time sheet fraud, stealing from the float. History of issues without any formal processes being put into place.
- A bit of a mine field. A little inconsistent – advisor changes. Challenge is to get on to these things early. Developing the capacity within staff to deal with issues is important
- In the past not had a good basis to define these and the OPS process is a good base. Need to have good performance measures against the JD
- Managed well. Quick to resolve issues generally. Are instances where people are protected because of who they are and who they work for
- One of the people that left had a poorer review than he wanted but it was warranted - so feels this was justified
- Generally, HR provide reasonable advice but are challenging processes, gather the evidence and manage the process
- He handles them with his team and will call HR in as a reference point. First point of call if the supervisor and will then involve HR in the performance and development plan. If goes beyond this he will be involved and will become a disciplinary process

2. When did you have your last performance review with your manager or supervisor?

- 3 months ago, in line with the process
- Meets with leader fortnightly. Confidence in manager, she keeps her on track
- Not since the last cycle – manager away
- At 6 monthly intervals
- June
- Not yet,
- Has had an interim review
- Recently
- In June. Now has regular weekly catch ups with his Director
- Mid-Year
- July and own team
- July, her and team
- Have not had one because of no Director
- Y
- Y
- Y
- Y
- Y

- Y
- Had his first one this year – 1/3. He does then twice a year for his team
- End of July but feels like it is a bit of a joke. They asked for a pay raise but told no because their manager wasn't getting one. When questioned why that mattered as they had been performing well, they were told it was because they hadn't met their KPI - but they don't have any KPIs
- Had a probation review at 3 and 6 months
- Yes
- Performance shaping – each year. Never stick to with KPIs because nature of work is so dynamic, doesn't account for what actually doing. Strategy changing. Not being rewarded for meeting any KPIs – lost any value. Box ticking exercise. HRs fault for trying to enforce. Takes hours, and tedious. Did try to simplify. On different versions of the form, which took time
- July
- Had probationary review

3. Tell me about your experience/perspectives on the effectiveness of the performance review process.

- Performance shaping process is a bit of paper
- Salary increments are automatic and time based, not performance based. HR supports this
- Helps to strengthen skills
- More a process requirement
- Operates better at the manager level
- Development is important
- Good process
- More recent inclusion of values brings some duplication
- It's good, opens up the conversation, the questions are good
- Don't think the score leads to anything
- KPIs were what was in his business plan.
- Helpful for developing training needs
- Allowed him to have honest discussions with his Director that would not have had without it
- Likes the process and works well for a highly professional team – depends on the leadership capacity of the manager
- Talks regularly with team about development.
- Erica has been a good leader in terms of how this should work with her staff
- Good but a bit heavy. Could simplify the 12 monthly one. May be more linkages to experience
- Like the process but time consuming.
- Like the process and wants to use it as a tool but may be a little long a. Facilitates the conversation. Emphasizes the development and planning side and setting KPIs
- Good and productive too, helping to align performance to the unit plan and organization. Creates more accountability and sense of achievement of the team and how they fit into the picture, Believes COP had a good success rate and compliance was high
- Since the restructure is a much better process – more rigor. Managers now know how to use the process. People understand their accountabilities better. It can always improve
- Okay. Some repetitiveness
- With actions or KPIs sometime hard to hold people to account because things change
- Does give the employee the change to be told what they could be better at but most don't want to be reflective. Long winded and old fashioned. Talks to everyone every day. The docs are quite formal and a formal approach to managing staff each 6 months, could be a tick in the box. Okay with setting KPIs and the development areas
- PS process not very effective. No outcome bar a number. May have KPIs that need to be achieved and some feedback but not seen as a priority.
- Would be better if it was an enabled system
- Not consistently applied
- Employee probable see it as a tick the box exercise

- Quite good. Got a lot out of it because set KPIs and provided a structure to achieve
- Not much point to the performance review as commitments aren't kept. There must be some form of reward or recognition, otherwise futile exercise. Appreciate that it may not be a financial reward but could provide recognition through the working environment. At this time, performance management is very stressful on well-being.
- Performance shaping - hates it, repetitive, not easy to use. One of her managers has a monthly process and monthly check ins – it's about picking up behaviors early. Lack of awareness on operational service delivery. It's not collated. Do not map the L&D plan around requirements, no mapping requirements around capability to develop a training matrix- not mature
- Pretty good, one of the better ones. The document is very good to assist managers and staff address pertinent issues
- Okay process. Opportunity to explore L&D and growth, performance. Team don't like filling out the form. Helpful
- Bit clunky but never seen an amazing one. Lengthy. Some staff but a lot of effort in the meeting. Is a useful thing as is forward planning. Don't refer to it afterwards. Regular dialog is better. A system to log these discussions and meetings would be good. Needs to be easy from managers. Maybe a customizable process
- Performance shaping. For her fine. For team difficult. Overwhelming for many and nit really suitable for the work they are doing. They struggle. Have to take people off the flow – 100 hours needing backfilling or paying overtime to do this. So they do a hybrid
- Beneficial but useful in identifying a training or development need, how you will address things. Most okay for all roles
- Good. Opens the opportunity to have the discussion, be honest and review. Sees a flaw in the KPIs – people don't understand what they mean –not very well defined. Some repetitiveness in the T&D areas
- Very positive. Opportunity to talk about development and career expectation, setting objective. Employees responded positively, many were on the probationary review version. Feedback was positive
- Current process is a big task only finished a month and a half ago from the mid-year review. May need to think about simplifying and for different levels
- Lot of paperwork – twice a year and is too long to be used as an effective tool this frequently, in this format. Maybe alternative cycle is informal
- Only permanent staff do them. The process identified the performance issues that they are now working on. Scope of his team and role has changed significantly – very fluid. Setting and assessing KPIs is challenging – excused for not met
- Likes the process with their director and refer back to it. Many staff don't understand the value. Pay increments are given on an annual basis. This would be better if pay increases were aligned to this process and outcomes. Dos way too big – one size fits all. Not a lot of understanding of what the scores mean
- Not involved in the development of the PS process. Seen more as a task or KPI rather than as a real performance tool. Suggesting to potentially link to performance pay
- KPIs a little elusive for her level of staff. She has set some requirements for staff i.e. Customer service, attitude and instigated a monthly catch up. Cumbersome, creates expectations to answer all the questions and aspirations for operational staff so have adapted the process. Don't use the forms ass are on the intranet
- Sarina ended up developing the process and an accountability of L&D. The guide and forms have been improving it. 5 major improvements so far: merge 2 forms into 1, changing to a probationary review for probationary employees. When completed the employees put onto CM when signed off. Managers have responsibilities for their teams forms and development activities. Was a Training needs analysis doe in 2016
- Good but needs some refinement – simplify it given has to apply to all employees. Very large and time consuming
- Taken some time for people to understand them and see the benefit. Frequency may be an overkill for managers and supervisors with large teams. Should be informal anyway. Managers feel more empowered to raise issues when they arise, more open process. T&D needs sit in the files no system to identify or following up training and development needs
- Needs to be shorter, too long. Gave feedback to HR that her does not believe will have the impact needed. In old role was monthly meeting 1 page dealing with specific issues. COP needs to be more regular and shorter

- Took him back to the 1980s and 90s. very formal and not about continuous feedback. Many people lack the experience to do it. Some people put a lot of time and effort into it. Other less so. Work flowed to the next level up. Do not get aggregated up and nothing is done with the information or used for anything. Don't drive development plans well
 - Must have, but for an operational workforce – hand written is a very time-consuming process. They have fortnightly toolbox meeting. Daily feedback on performance
 - Conversation with Director was great. Team often questions what's the purpose of the process. No increments attached with it. A has chosen to give yearly increments because she's PM people. Feeling that it's a bit of a tix box process – but she's not doing this so she's getting a lot of pushback. A lot of pressure to give increments (money) when PM which she doesn't agree with
 - Process is a bit long winded - a bit clumsy. Effectiveness – responsibility is on the Managers. They developed a policy, the tool is a bit clunky and could do with streamlining, a bit repetitive, could be electronic
4. **EXECS/MANAGERS – is it used by all areas?**
- Yes
 - Yes, pushing for higher levels of compliance. Now 2 years in. The first year did not push hard. Now 955 compliance in the directorate and 100% in own unit

Development and Training

1. **How are you made aware of Training and development opportunities? How do you find out about them? Have you used City Learn on the intranet?**
- Serena and her team send around email, meet with us. Provides guidance on courses/programs and recommends
 - Familiar with City Learn
 - This is a strength. Serena and Lina send out course details
 - Are other initiatives like cultural awareness
 - New City Learn is great
 - Managers could take more accountability
 - By email from Serena or by direct letter from a vendor
 - Serena suggests programs. Does not use the internet very much, refers to emails or external research
 - Training calendar on the intranet and emails from Serena
 - Made aware by Serena sending out emails re expressions of interest. Asked through performance shaping process to identify NEEDS
 - Advertise on the intranet
 - Serena
 - Don't know but If did want something would go to the T&D team
 - Applied for external study based on performance action plan discussion. Received approval but then support was withdrawn although already commenced the study. Very painful and expensive issue for them.
 - Doing a lot of good things, positive experience. Can access T&D and has used City Learn. Happy with this.
 - Sarina though email; Encourages his team to identify their own programs
 - HR strong here apart from City learn. Courses excellent. Easy to get approval to attend - Sarina
 - Sarina send emails though the manager. Not the best comms around the E learning modules. Some are mandatory but were not aware of them
 - Emails. City Learn. Not flash but does the job. Support regularly refresher programs. Get reminders. Reports come to managers to let them know who still hasn't done things
 - Put development information into the shaping program but nothing happens to that. Would be god to have an annual plan for mandatory training. Other training managed by the unit and organized by them. Never been asked for this. Also, when new system or process is introducing is an opportunity for L&D to identify a need and support the implementation to ensure success. PPMS
 - OSH have a training calendar. L&D let them know. Talking with L&D about developing a corporate calendar so they can plan. Also have a need to do industry specific training and training on equipment

- Receive communications and updates. But is generic. Never received a communication about specific training that may be relevant for his team. If he asks they will help
- Well communicated through the L&D team, advisors are copied into manager communications. They check in on the L&D requirements and gap analysis as part of the Performance shaping process
- Advised by email of an opportunity. An ongoing issue for him. Problematic - being offered training programs during the year after he has set his budgets. Needs to be ahead of the cycle so can plan. Not sure that the needs coming out of the Shaping process go into the schedule. He prepared a matrix of needs and can request certain training if it isn't already in the mix. Safety have a schedule
- Sarina is very active – email. Gap – not seen any evidence on any organisation wide approach to identify the needs and align them with the program. Not been consulted
- Didn't know what City Learn was but they have done lots of training which has been good. COP has paid for courses.
- Email
- Y, communicated. Do not seek input from him
- Been invited to things by Sarina some have been good – Indigenous training and was really good, Disability access, stakeholder engagement, Local Govt Act, no. Not sure who does gap analysis. Sees it as an HR activity to identify the programs/tools that could fill the gaps. Doesn't feel this is done. Some people in the wrong chairs. Has seen a report about the City's project management capability generally and rated very poorly – systems and skill levels poor, lower than market remuneration. Set pay scales and inflexible – not about getting the best outcome – it's about control
- Use the resources always delivers a positive response from employees. Only limiting factor is Succession Planning. Hard her because if have an open position have to advertise even if you had the ideal internal candidate. Some of their training is OSH – annual manual handling, driving, fatigue. There is personal development of staff and general needs
- Nominate self. But nowhere to go with it, so many skills from training but not getting any value from it, and seeping away because not using. But time in asking for it, will get it
- Receive a lot of info – via email. Unit runs a lot of their own stuff for customer service. Hasn't been involved to get collaboration. Not sure what they do? They manage City Learn. They did a video for City Learn. Ripped to shreds
- Yes - mandatory courses

2. When was the last time that you participated in training?

- Recent, local government training for new managers. Very good and that best training have done in a long time
- AICD
- Conferences
- Emergency Management on line
- A lot of corporate training – values and culture
- Technical training from an external vendor
- Reconciliation Action training was excellent
- Cultural awareness
- Done many programs
- Recent business case training. Did a good job as was tailored to the City's requirements. Want to role this out to the rest of the team
- Values session, ICAM method training
- Wala Local Government obligations
- Email. Own units have typically designed and organized their own training
- Strategic Planning and Thinking
- Cultural awareness. An AIM prof. Would have liked more structure around the ER training
- Business case writing – was terrible. Bad facilitator
- Few weeks ago – business case writing. Has had some good opportunities since Alison came along

3. **EXECS/MANAGERS Can you please outline COP's Training and Development activity and its effectiveness?**

- Very good
- Is more training and development than ever before
- Is a strength
- Strongest point
- If you complain then you are not taking advantage of it
- Positive experience and good sessions
- Works hard to support lifting performance and aligns to COP needs. Can see training visible and where the \$ are being spent. He provides feedback on effectiveness to HR
- Most people get the training they need. Is good feedback on the mental health training
- Also opportunities to "Act up"
- Have to fill in a T&D form and get it signed by a director – could be simplified
- Training is outsourced
- Does not feel training is the biggest priority now but are some great opportunities
- Good and helps to build skills but could be improved by getting a better understanding of training needs. HR come out with courses. Need better data to track what staff needs are.
- Quality of programs can be variable and need a way to measure tangible outcomes
- Don't have experience with HR
- Depends on who you are. Found it difficult. Course identified in this PR process but not able to do it. Works for his team if he has the budget.
- Not mapping what's going in to the Shaping process and what needs it generated
- Very Good
- Pretty good. External provided. Also, look to source training for own team's needs. If had a unit plan for T&D that would be good
- Pretty effective. Looks like may be a core of people who utilise the programs. Maybe good to have a full year calendar on the Intranet - more self-service. Request courses that aren't listed. Top down driven – improve if got the units involved. Better if was not email driven. More marketing to the staff, drive them to nominate and register
- Generally high quality
- Few would go
- Effective. Kicking goals
- Very effective, refreshing, good quality awesome providers
- Should not be training just for the sake of it should be aligned to their career path in COP. For the benefit of the city. All requests come to managers – no need if have a budget
- Yes
- Sent out customer service training with no consultation with her. No sure what their function is. Some great courses
- HR need more T&D on their own processes but there is also a lack of accountability to make sure that they are familiar with processes and policies. They must take accountability
- FHR facilitates programs. Each area defines its own specific training needs and requirements.
- Lot of choice, identify programs. Funding varied. Training programs should be aligned with corporate objectives and he thinks they are. More time to understand the needs of individuals – better link to the PS process – more responsive

4. **EXECS/MANAGERS Who is accountable for identifying employee development needs?**

- Managers
- Serena sends out emails recommending programs rather than asking what is required
- Is a lack of consistency in how it is approved
- Uses the shaping process to identify and has regular meetings with team
- Him
- Managers

5. **EXECS/MANAGERS** Where is Talent & Development budgeted?

- Manager budgets and centrally for all of COP and compliance training
- Approach to budgeting is from a compliance perspective and not strategic. Do not feel that exec sees T&D as important as OHS which has so much more support
- Approach is not standardized across the City – some more generous than others
- Budget was slashed but a lot of things can be done cheaply

6. **EXECS/MANAGERS** - Does COP have succession planning and career progression processes? To what levels do these go?

- Succession planning doesn't work successfully at COP, don't talk about it
- My Director talks about it in my directorate
- Not mature
- Mostly done within each Directorate
- Purely up to managers
- Not formalized
- Not something that is well understood or developed
- The unit coordinates. Use mentoring with more experienced person, acting opportunities, project opportunities
- HR are limiting what they can do. Have to advertise all roles but need to have a practical way to reward good workers through career movement
- Yes and no. Secondments to other units. Career progression is important. Have identified the need to introduce trainee position
- Identify HIPOs in unit and give them step up experiences. His initiative and not facilitated by HR
- You must grow staff but reclassification is frowned upon. Need to think of the future. People do not feel there are progressive career steps, come I to COP but don't move. These are huge barriers and need to be broken
- Needs more focus, identifying talent, identifying and encouraging opportunities in acting up and development planning to build up careers
- Using job rotations with another manager
- Unsure. A lot of his staff get poached. Recent resignation was because of career progression – no confidence in getting the opportunity in COP because of the Director
- No, it's a maturity issue
- In other areas, pretty good. Not an HR issue, about the history of BU
- Up to unit managers to do this. No HR involvement at this stage
- Not aware of any emerging leader functions. Coaching and mentoring informal. Good to have a two-pronged approach - Internal mentors or coaches or external. He has one
- Does not exist, up to the managers. Recruitment processes make it difficult to plan for succession because these roles are not a pathway – they recruit all roles externally
- Not so good. Now a priority. Now raising the number of performance shaping reviews will increase this, development needs to promotion. Contract and term roles more of a product of the current environment concern for headcount and new positions
- No. Not a lot of opportunity for development beside s sideways. Nothing is guaranteed. All roles require formal processes. She has set up secondment opportunities in other units for a week – this is really the only way she can offer them this opportunity
- Should be a partnership with HR. He is accountable for his team. Some managers will rely on HR to facilitate

Culture & Communications

1. **Do you feel COP lives by its values? What 2 or 3 words would you describe the culture of COP?**

- Yes in my directorate

- Sometimes the exec group need to be reminded about the way they should behave towards each other in front of other staff. Has seen this first hand (2 directors in a lift talking about another staff member). The CEO can be inappropriate too – blaming others.
- Some directors more toxic than others. Sometimes sabotage people mentally.
- Always the same people that raise negative things
- No positivity flowing out of the Directors
- Culture driven by our own experiences
- Evolving, is more than stickers
- ELG meetings aren't good – is no trust. Only attends for his section. Big lack of trust and instability. General staff are not exposed to these things so poor behavior is quarantined
- Some do and some don't. It happens and Director and Manager levels and this is disappointing and they are more visible. They get away with it because of their influence and pressure. Who would challenge a Director. They can get away with it.
- Leadership team are not living the values,
- Culture has changed significantly in the last 12 months
- Values not practiced
- Pockets of culture-Directorates have different cultures & this causes tensions
- Organization has a low understanding of what building culture means
- Culture is different between units and levels
- Surprised by the level of respect that people have for the each other, push the values. Not seeing the bad behavior – except for a few
- Pretty good now but has been terrible, shocking 18 months -2 years ago. The work put in recently has assisted in bringing morale up and the values have assisted in this process
- Exec do not practice the values. As a group are disrespectful of each other, become personal in meetings, outcomes not achieved. Lack of direction is visible. Different rules each week, mismanagement
- Still a lot of mistrust between staff and the exec. Do not think exec lead by example. The exec issue is important. My leader is helpful and professional, trusts her, supports her, is little intervention, but hears from others about micro management, bullying, demoralizing, stopping employee activity, turning around decisions, undermining – ability to practice their own management styles is difficult
- Outside of the exec, do feel that people work to the values. The restructure created a lack of cooperation, lack of clarity, holding on to information and now is a big improvement. Now more co-operation, commitment to improve, finding solutions and helping others
- The work is really good but it gets tiring
- More of an issue with the Directors and maybe a lack of awareness that they are guilty. Some directors are not held to account. Sometimes have "twee" activities like Directors serving at a BBQ
- Trying to but not there yet
- Lot of very good people. Needs work but not bad
- Don't feel team members believe it but nothing makes him personally question it
- Lacks integrity.
- Very diverse backgrounds at COP with people from lots of different countries Finds the culture to be inclusive. Everyone is helpful,
- Tail of 2 parts. His team are amazing and works well across units Have a lot of external connections and representation. The decision-making processes internally makes it difficult to remain credible with these groups. Issue is with leadership. Their behaviors are also visible sometimes with other staff. People assuming the CEO is going. Feeling that Erica may withdraw her resignation because she is now the acting CEO. They were not unhappy when they heard she was resigning. Leaders don't trust each other. Below this there is a lot more trust
- The Directorate is, have directorate values, the words have the behaviors behind them. New values resonate more with people. Culture is better than people think. Feel people are very vocal about it being a toxic culture but that's exaggerated. Mid managers are not taking the accountability with on what culture looks like and shaping it
- No, no respect. Give managers the ability to manage and make decisions. Top down approach now and seems CEO has to sign off on everything. Divergence between the leadership level. Don't work together and behavioral

issues. Disjointed, misplaced purpose, too top down. Structure not right. Too many BUs, creates a massive matrix of communication. If reduced the number would be more effective

- No, lot of marketing spin. Lack of open comms or acknowledgment of how staff are feeling with the instability. No one has real information. No end dates to things – acting roles, who's the acting CEO tomorrow. How long in the manager acting director for – flow on impact.
- No, on the way slowly. For the top level, the exec and CEO – they are incapable and he would support going and clean sweeping out the exec. Doesn't see any of them being capable of going forward - a clean sweep. Frustrated, but are individual pockets of culture. The team and then the wider environment. CEO not a leader. Exec don't exhibit teamwork or respect which are core to values. Enough knowledge in the management group and are collaborative
- Getting better. No issues of culture in the unit. Some issues still stem from the restructure areas do not have support, are combative, keep secrets. Not as bad now. Pears good. Lack of leadership had a bit impact on the execs and on their ability to practice leadership. Has to be a place you want to be. Be supported professionally and personally, be able to have robust conversations
- At his unit level and Directorate level, mutual respect, pride. No, talk about them but many people given the courage to speak up. Issues really at the leadership level. Lack of leadership, lot of reputational damage, this leading to turnover of staff, lack of following a path. Stuck and don't get anywhere and do it over and over again. He recommended that after the restructure should review the "targeted business model" is it all working in the right way how could it be better. Still finalizing the plan. Thought they had the framework but Commissioners are now questioning - WIP
- Process started good but has disappeared. Values important and mean a lot. Need a common understanding of what they mean what it looks like, what behaviours. Sees it in his directorate and in his Director but not as a group. Variable. Parts of the organization sees values in a different way, demonstrated in different ways. Nonexistent with leadership. Good teamwork between C&C
- Some do, others use it as a tool to hold people to account and pull them up – not using them as intended. Culture is and individual responsibility, should be leadership lead. Is different at different level. Unknowns, leader issues, direction uncertainty, lot of blame – behaviors fear base
- Obvious that in some instance are not - at the director end particularly. Getting a new director is supportive. Yelling and screaming is observed not just at the manager level. So destructive (example of Marin M desk slapping over Martin raising getting a new safety resource
- Each individual directorate do within their own and they are committed, but not between. Lack of leadership gel. Every directorate has a different culture. Lack of respect because of the siloes. About behaviors and the consistency across COP
- An evolution. Managers need to take responsibility but lacking the advice on how to implement, or implement things in a coordinated way across COP. Martin use to talk to them at the Management and leaders meeting. No key plan to implement to
- Very depressing. People ducking for cover, frightened and at rock bottom, stay out of harms way. Market turning and they are leaving. No, the higher up you go the less the values apply, one rule for us another for them. Still a couple of these directors left now. Word – okay, feels pride a great service to the community, she will give it another go
- Doesn't feel like they live their values – and raised that 'Courage' to them meant that you needed to have this to be able to work at COP. Everyone is proud to work for COP and likes what we stand for but feels like no one is looking out for the workers and that they are played off against each other.
- Too new to say, good intentions, people cynical, - this review desensitized. Disappointed that other survey was delayed. Blame culture, many great people who want to see the city succeed
- Toxic- everywhere. She was part of the culture change group. Not anymore. Stopped hearing good thing about working here in the last couple of months hard to remain positive. Sam people. Group of people. The responsibility exists w with the people who are working here. Impossible task
- COP culture – not good enough to accept that some employees are behaving as they are

- People try to. But some managers are not honest or transparent either. His team is good. Generally the Directorate works well too. Some gaps though. Immature, inconsistency – not even, silos. – more about the individual managers
- No level of teamwork is at best fragmented. Everyone says that Directors do not work as a team, that means they don't respect each other. Hierarchy organization. Senior people expect respect, not earn it and don't pay respect down the organizations. Don't speak to people as a person, ignore them. Heard that the previous manager get into trouble for spending too much time out with her team and for not managing them. Not good interface between design and construction. Distrustful directorate to directorate, teams that need to be working together don't do so well – managers and directors not on the same page but the staff do – it's the leadership that are not aligned – fragmented
- No, execs a key part of the problem, nasty, don't collaborate, insular and siloed. No systems to integrate areas to align common goals. Doesn't think the execs understand- sausage sizzles don't change culture. Everyday consistent good behavior is needed
- Learning it's values. Culture comes from having a better outlook. If people feel good about their jobs will have a better outlook
- No. Stability, certainty – values. Friendly, ... extremely frustrating and challenging – but not in a typical way. Dysfunctional – culture set from the top ... working from bottom up. "I like it but it's challenging". No follow through. No unified vision or strategy. Lack of resource commitment. A lot of 'making do' – hard to pin this next to values of being great services and being creative etc. Everyone having to be an expert in everything because no one know the whole pictures
- Hard because 2-tiered. He knows execs are fighting and that flows through to a number of other decisions being made, ripples effects. Hearing from a lot of people that morale is lowest. Within his own teams, subculture of just getting on with it. All Directors are jockeying for positions
- No. Damaged, secretive, blame-culture
- Missed the mark with some of the values - COP is a service based organisation, it's about the people they service. Has worked in other organisations with really strong values. Really should focus on service and excellence. Culture - volatile & reactive & uncertain

2/3 words would you describe the culture of COP

- Improving: not toxic Long way to go: Right direction
- Under pressure, friendly, pride
- Inconsistent decision making, chaotic and challenging times
- Vacuum of leadership, no visible leadership, lack of inspirational leadership
- Culture of fear
- Collaborative, Open, Transparent
- Challenging, intense, exciting, very passionate
- Challenging, lack of exec leadership
- Good place to work,
- Chaotic, no clarity of certainly, clear leadership of direction, demoralizing, people resigning
- Overworked, Disgruntled Workers, Empire Building (doing things to make your own resume look good), Not Caring about People.
- Silo, insular, team specific

2 EXECs/MANAGERS/HR - How would you describe the culture in the HR team?

- Very positive
- Positive, Friendly, Happy, Focused
- Advisor is new and there has not been time to bond.
- HR have responsibility to be leaders in culture but because many are new this is difficult
- Strong internal culture, positive, supportive open
- Collaborative

- Good, Alison a good leader
- Positive and helpful
- Good vibe, positive, good team fit. Like and appreciate Alison. She took the time to link in with him
- HR strove to do the best they can to impact positivity
- Feel like they don't like each other, or don't get on well. Still under repair from previous management
- Must be an issue because have high turnover. Some of the staff have expressed issues to him
- Good but could be better, fatigued. Alison doing her best to support but are also fatigued. Turnover in her team – only 2 perm, rest ST contracts
- Immature. Not a collaborative bonded team. Certain expectations of HR. There are some issues here. HR needs to demonstrate their behavior in terms of objectivity and professionalism. Need to take care -if they are setting the precedent that can affect all of the organization

3 EXECUTIVES - Do you recall Exec review and response of the Cultyr Survey?

- Alison did a presentation of the outcomes
- Directorates had presentations too on their own results and drilled down further
- HR at the MJG, the Directorate and in the business unit – triple tier. Was very well done and gave them something to work with
- Was not at the City
- Had management feedback sessions, then went into detail in each unit with HR BP and talked to the unit team
- Presented at the MLG meeting but did not include responses to the open-ended questions
- HR ran sessions and promoted the outcomes
- Got the results at Christmas time. Early new year went in to crisis. ELG not stable. Ability to respond difficult. Started change champions. Did a pulse check on some of the questions from the survey? Directorate values in place. Fortnightly newsletter.
- No not at COP
- Had some temporary changes in behaviours. Failure to accept what staff said. Not accepting it
- Had own directorate meeting. HR had sit downs with the teams. Is still reinforced in the team meetings. Lot of visibility
- Works at the manager level. Mixed. Some units performed differently – those who didn't perform so well were dismissive. Change champions group came out of it and is led by Rebecca
- The managers had made it clear to the execs that people were frustrated that they didn't get feedback from the earlier survey so he went off and put a lot of effort into the roll out. Disheartening when Dirs stopped that last survey. They were keen to have their say and see what the results are. Chaos at the top end managers out a lot of positive effort put in to improve. Saw this survey as looking to find a cause or problems. People are just holding on to their jobs. Worse than what it was years ago. Speak up and you make yourself a target
- Net Promoter Score: feels response of employees was more directed to the employee's experience in their directorates

4 Did you participate in the last culture survey? Why not?

- Yes
- Not present
- Yes
- No – consciously didn't as had just had a bad experience. Team didn't participate. Lack of trust and disillusioned
- Yes
- Yes
- Yes

5 Did your manager/supervisor/COP communicate the outcomes to you?

- Yes, above
- What they sent out about the culture survey was typical about how they handle things badly – not consistent or authentic
- Serena ran a really good session She gave authentic feedback to staff, was very good and she called it the way it was
- Don't think so
- Helped him to understand his BU
- Sarina and Anna-lee presented to the unit and were supposed to be presenting to the LG on their feedback shared but does not think this happened. CEO BBQ. Awards was good. People felt some of this is superficial. Need the basics in place. Videoing the event looks like marketing spin. Want leadership to be visible, more communication. Early on had a session with the Commissioners at the Concert Hall but has been nothing since
- Y
- Y
- Y
- Yes
- Fuzzy. HR did a presentation, well below the benchmarks
- Had visibility

6 Did COP act on outcomes of the survey? What actions have you seen?

- Rollout of values
 - Lack of time and resources to get it off the ground
 - Values working group
- Change champions
- Elected member poor behavior did not disappear
- Inspirational Leadership – slight improvement. Trying to be nicer to each other.
- Very siloed mentality. Do not help each other. Fight for territory
- Seen no change in leadership behaviours but CEO was more visible for a while
- Staff go engaged
- Lip service
- Not present for the culture feedback from manager but had feedback on the Deloitte report
- Trying to do better on safety and bullying
- Really trying hard on the values
- Not sure
- Trying on the strategic vision
- Yes, thinks so
- Didn't see anything but a whole lot of other work to do, values went up, superficial things. Have seen a positive change in Rebecca
- Culture champions – they had an action plan, R&R plan CEO awards, new values, Training around embedding values. Lot are still happening
- Actioned very quickly and a lot of work put into it but a lot not finalized. ELGs had workshops, all of the managers, the OCCRA – putting it into an action plan to address – change champions came out of this and the Deloitte report. A lot of actions still ongoing
- Yes, not that bad but people often don't believe it is confidential especially the outside workforce
- At the time were active comms and as time went on BAU get back in
- Member of the change champions. He is initiating a mentoring program for people who are driven to improve their own life
- Didn't see the outcomes of the survey.
- Did nothing about their own leadership. Blaming council
- Had so many reviews but the execs are not capable of putting together a vision and a program. Speechless with the level of incompetency. Prior CEO was not capable of being a CEO, nice but...

- Band aid was not pulled off quickly enough. Have to take accountability for what is happening now and stop blaming the restructure. With the Commissioners everyone is expecting another restructure
- NO. They've probably tried to but not successfully. Lack of leadership – even though that was a bigger thing out of the survey they're focusing on the culture
- Never seen any actions from it, picking and choosing what they want to address
- No idea

7 Would you participate in another survey?

- Yes
- Was disappointed when the survey was deferred
- Yes, teams were keen too and very proactive. Were very disappointed when the survey was deferred
- No
- Yes

8 Do you feel your leaders communicate effectively with you?

- Yes in my directorate
- Robert has a good way of involving everyone in the weekly meetings
- Don't really follow what's happening on the intranet
- No, actively try to keep information from management – control and a bit of protection
- Yes, Directorate meeting every 3 months
- Managed but not very honest. Are fiefdoms. Director communicates down well. Each Director has a different style and are prepared to share different things.
- Are lots of rumors – fan the fires
- Director. Has a weekly manager meeting and general communications are shared is very good. Best comms are in the MLG and the DLG.
- Corporate comms don't seem to communicate anything but will help you
- Some but not others
- In his area good
- In her group
- Y
- Y
- Yes
- Yes
- Y. Dir tries very hard
- Comms across the City is good. In the directorate that she supports have good communications and she had a good understanding of what is going on but have never had exposure to the rest of Corporate Services. No meetings across corporate services that HR is involved in
- Does not need to much. Suggested that he needs to change the way his EA communicates on behalf of him. Use acronyms a lot

9 Do you feel that you are kept informed about what is happening in your team and the organisation more broadly?

- In my team yes but more difficult across the organization
- The MLG meetings are good but do not really share what is happening across the other units
- Would like to hear more about what is happening across other directorates
- Once a moth DCCE has a combined meeting with C&M
- Yes
- Alright but not always at the level of detail
- Not a lot of detail on wider organization activity
- Fortnightly directorate meetings, monthly coordinators meetings

- Exec struggle to get to the more important matters
- MLG not very effective, was best when Robert was acting CEO
- Communications between Directors is woeful – combative attitude
- Intranet announcements, newsletter, Desk of the CEO –CEO Friday freestyle, posters. Monthly MLG for information sharing.
- Face to face could be better
- Looks at the intranet in the morning
- Yes general
- Compartmentalized. No solid team since Feb or a clear mandate. Focus has been on keeping the org running
- In own directorate good. More widely is difficult. Don't have a formal forum. MLG – managers and execs meet but is not a formal group – not structured or effectively used
- No, not sur why. Lack of visibility about what other areas are working on. Lack of sharing. Not everyone working to corporate business plan or community Plan. No approval process for directorate plans. The restructure never dealt with this. A lot of people came from outside. The CEO was sacked. The leadership and the vision was lost, temp CEO. Units trying to define their functions themselves which had resulted in a creep of activities and scope
- Mostly. He has to deal with most in his role regularly. Things to keep the flow going – Manager meeting talk about what's happening. Have inter directorate communications/session with DCC as they have a lot to do with each other. Lot of work being done to try and share information
- Yes mainly from Paul
- Not good at informing people. This comes through in the survey. More recently Alison send out a comms on what is happening across COP – capital works, review, what the commissioner are doing. Had a huge impact because has not happened for such a long time
- As much as anyone through Desk of the COP announcements. Monthly management and LS meeting. Management group. Some protectionism is sharing information
- Request or ask for information. Would be good to have an organization management workshop to develop and communicate their plans together. Silos here
- MLG try to use this for this forum
- Has missed the MLG meeting of Fridays – the one where the commissioners attended. Normally informal -is no agenda and no minutes. ELG is for Directors and managers provide input into it Generally is pretty good.
- Not really. Weekly die. Monthly manager meeting. Not good at driving the corporate vision and objectives
-

HR STAFF ONLY Metrics and Reporting

1. **Are HR department metrics defined? What are they?**
 - Investigation training, testing Proactive and listen to needs. E.g. First aid program out of hours
2. **Is performance measured and reported regularly?**
3. **Who does the reporting go to? Who else gets to see the outcomes?**

C. Health, Safety and Wellness (includes worker's compensation, rehab and return to work)

1. **EXECS/MANAGERS What do you see as the role of HSW at COP?**
 - Supporting managers to perform their role
 - Source of truth for policy and process
 - Support in injury management
 - Making people safe
 - Physical, mental and overall wellbeing
 - Champions of good safety procedures and management

- Reduce LTIs
- Effectively manage safety issues
- Safe workplace
- Insurances, processes for reporting
- City doing well here, performance improvement, dealing with mental health issues
- Sol is doing a presentation with the team on general OHS. Need support in Mental Health training
- Prevention
- EAP – very important
- Sol gets good feedback on level of performance and good support from senior management including Martin and Paul
- Only time really has anything to do with them is when they cross over or they step into his area. Role to protect outside and inside staff and ensure they are safe in the workplace
- More health and well-being function, have lunch time sessions. Don't feel staff really know how to access some of the programs. Programs were broader and some physical activity sessions have been reduced
- Has a regular monthly meeting with them. A long way to go for systems, exporting and information
- Very good because it reports t Paul. Works well. Had good support. If was in HR would not be so efficient
- Safety of employees and implement policies and procedures. Responsibility moved to C&M 2 years ago and performance has improved
- HSE on his floor, part of his Directorate

2. **EXECS/MANAGERS/HR & HSE STAFF** What are the accountabilities of the function?

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3. **EXECS/MANAGERS/ HSE STAFF** What do you think the key priorities for the function should be? How different is this from what is happening now?

- Keep the City free of injury and risk
- Sol and John are god. John is a good resource and is helping with W/C cases
- OHS attends the monthly Directorate meetings
- Have a monthly OHS meeting that all directorates attend
- Do a great monthly report
- Managing return to work
- Focusing on the performance statistics
- Safety investigation and assessment
- Policies and procedures
- Reporting is encouraging, Finance keeps their head around it as performance improvement will impact positively on worker's comp
- More focus on higher risk areas
- More focus on getting people back to work
- Mental health issues
- Is stressful for people when are motivated and driven and priorities change. Mental health is important
- Preventative with the outside workforce because of higher risk
- Focus on good reporting
- To set the framework for policies and procedures, subject matter expertise. Help equip him to do his job better
- Be the bearer of difficult messages, issue escalation
- Supporting people in the reviews and investigations an emotional support for when they have to give evidence and then return to the workplace
- Outside worker safety
- Not sure should be in the mental health space. He would go to Alison. OSH is more physical safety and preventative
- Reduce LTIs and MTI'

- Employee safety. Mental wellness. Managers could do with awareness and how to prevent or be aware of issues for staff
 - Risk management
 - Done a lot of work. Procedures, work method statements inspections, compliance reviews. Reduce LTI, reporting good performance
 - Reduction risks, injuries. Minimise amount of hours lost as a result of injuries and medical issues. Build a culture around safety
 - Good focus, prevention, reporting, wellness. Worked well with Carlton
 - Better management reporting on safety stats. Policies and procedures implemented. Accurate reporting. Mental health and well-being. When he was away CEO and HR set up a working group – sponsorship group – Sol, CEO Alison by excluded him. He relayed his concerns
 - Outside workforce. Stress and anxiety – changes, reviews, concern for jobs,
 - Health and well-being, mental well ness. Becoming a significant part of health. Try and do a good job. They are the lead area for advising. Keep other areas honest in safety
 - Project start up for all contractor safety – systems and safe work plans. Have not seen them on sites but this is the project manager role. Observation is that there is a poor level of understanding of what responsibilities are for OHS for contractors – more situation based training
4. **EXECS/MANAGERS/ HR & HSE STAFF** In your opinion, how important is the function to the good operations and culture of COP?
- Very important – about the values and keeping people safe
 - Yes
 - More important in certain areas i.e. Outside the building where exposure to risk is higher
 - Pretty important
 - Very
 - Number 1. Martins number 1 priority was H&S
 - Very. H&S do well could do more in wellness. Looking at benefit, resilience app. Will do things himself to recognize performance and may have a BBQ
 - Very
 - Huge, it' up there, appalled that safety isn't up there
 - Critical
 - Very important, about the welfare of staff
 - Has been to a safety meeting and they interacted fantastically. Works as a team, spoke up, committed and collaborative
5. **EXECS/MANAGERS** - How cost effective is the activity performed?
6. **EXECS/MANAGERS** – Were you consulted in the development of the HSE Plan? Have you seen it?
- Not consulted but have reviewed it on the intranet
 - Know about it but not consulted. Is also exposed to the OHS and Risk Management Committee
 - Not the plan but see the reports and they are very comprehensive.
 - Somewhat, they do blanket campaigns
 - Sol gave a presentation to the LRG as a prelude to the Mental Health program
 - Not the plan but see the report monthly
 - No but have visibility in the MLG meetings. Onboarding strategy went out for comment
 - Yes, and performance stats
 - Yes

- Yes, Sol has reported, consulted back to all of the execs. When he started her worked with Clayton and a gap analysis and this formed the basis of the plan. Priorities are RTW, safety awareness and training, maintain P and P. Best practice.
- No

7. EXECS/MANAGERS - Is the function resourced effectively?

- One member down, very low resources
- Is appropriate
- They're pushed – there is a lot to do
- Yes
- No feel that they are stretched but are on top of their issues
- No but does a great job
- Under resourced
- Feel light
- Sufficient
- Believes needs more resources especially when gets the construction projects underway, but do have the safety reps in the areas

8. Are you aware of the policies related to Health, Safety and Wellness? How accessible are they?

- Yes, on the intranet
- Know where they are
- Yes
- Saying they are focusing on it - but really is little focus. Mental health no focus until recently. Many issues are mental health Issues
- Improved significantly, good new procedures
- Yes
- Yes
- Yes
- Never used it, not aware
- Generally
- Yes

9. Have you ever been involved in a safety matter or incident? What was your experience? Were you treated fairly?

- Related to a team member. Was treated very well, felt supported and confident with the support received by the OHS team. They know their stuff.
- Mental first Aid – Solis driving this
- Courses have been good – management talking points
- In the team
- Y, for his report
- A lot in the team have had an injury. There is high support in the process and supporting return to work – was very good
- Minor incident and put it into RMSS, investigated and closed it out
- Witnessed an incident. Response was very quick. OHS investigated the matter and instigated action
- No
- Have many incidents for general safety incidents
- CICT (Critical Incident Response Team) run by Konrad. Sol is across this too. Konrad runs training sessions and mock exercises
- RMSS is a clunky tool

- For team members
- Yes, OHS had no engagement with him at all. His first experience. His team member was not allowed to talk to him about it. No one from OHS or HR spoke to him
- Yes, very effective – RMSS system poor but the team manage well
- Is an escalation process. OHS coordinator attend regular directorate meetings
- Y. But a bit worried that John is being seconded into injury management. Work Reporting system good, processed managed well
- Yes staff member raised a concern – was dealt with well.

10. How important is employee wellbeing in practice in COP?

- Very important. Putting all the team through the Mental Wellness program
- City runs regular sessions on EAP services awareness
- Very
- Don't feel directors understand things. Have little programs but do not have the direction to do their work – is frustration and stress, turnover. The organization is not working for many
- COP is recognizing the importance. Recently more focus on mental health
- People accessing EAP is increasing
- The training is good
- More focus on stress issues
- Adequate, some good tools but in current circumstances could be improved
- What Sol is doing gets the conversation started
- Could be better. Maybe more team building. Gets pushed aside for day to day priorities
- Not really - \$120 to buy runners, pushing the EAP
- Improving but sees wellness in itself as a bit of an add on. It's the first time that have had training support in mental health
- The Exec and managers now have a much bigger focus on safety, reporting and prevention
- Do well in his directorate but is not the same in all. Erica has a good approach and cascade it down.
- Managers have a role to not put people into harm and by not overloading them
- Martin concerned about mental health – a priority
- Very e.g. a manager was leaving and no one even came to talk to the staff. They were upset
- Most aware of EAP
- Sometimes could better support people by bringing in a counsellor in certain circumstances – trauma
- Exceptionally important – mental health awareness. COP recognize they need to reduce the stigma
- Not very important in practice. Feels that I am (in the review) talking to people who are probably suffering the most. Managers give people a lot of protection
- Done a lot around encouraging people to go to EAP, talk in her directorate. Mental health fitness talked about in open discussions in the directorate. Medi health. More robust OHS health programs in place. Insurer more proactive
- Acknowledge it but don't manage it effectively. Need to write systems and processes that better support staff. Less policing and more supporting
- Not really, sometimes do not show the care that the care and acknowledgement around the uncertainty
- Yes. Was an injury but there was no one managing the case. No check in with her or the doctor for month There is now. She needs to check in to prompt action
- Is more important now, team working to develop awareness of MH but behaving other local Govts. Sometimes he feels the city doesn't care – i.e. Employee recognitions
- High priority. H&S own this. Not sure who owns EAP – thinks are HR
- Yes, demonstrated in practice. The wellness program was very good. On site physio, primarily for outside workers. People are excited about this. Have phased retirement programs
- Yes, recent training courses. Not sure who has accountability

- Lot of stuff around mental health and well-being. Form listening to people, this existed before but didn't use the current circumstances and an excuse.
- Mixed, huge turnover in some areas
- Reasonably committed to a pleasant workplace. He thought that this should be a place that provides this. Does not deliberately load stress on people. Allowances for programs, entry for City to Surf. Don't really do team building activities. Mental wellness program was fully subscribed. Pilot was very successful and Sol will try to run it again. 2 of his team went.
- Does not see a lot going on, calling out to say they can't take any more, under a lot of pressure but reviews keep coming
- A few benefits available to employees, Pilates, yoga. The challenge is who do you go to. At a team and organizational level with Managers looking after people is an intention to do so but with the challenge to support your team is challenging
- EAP + app, think because they have those they have it covered... vs facing the root cause. Need to tackle the issues for those having to use the service. Used EAP service before. Having to work 14 hour days

11. Have you participated in any of COP's wellness programs? What was your experience?

- Mental Health First aid
- Will encourage all of the team to do the Mental First Aid
- Signed self and all of team up for the Mental Health session. There is high interest in the program
- Not yet
- Going to the Mental Health session. Team has done a good job in the roll out
- Heard that the Mental Health session is very good and will be attending
- Lunch time talks and other programs positive
- OHS doing a good job
- Yes, and found them to be very good. Enjoyed them.
- A number of programs. Not sure how well these are communicated. Was a working group put together but this has now been put on hold. Physio on site is a good idea but will not be going to sites. Health checks and skin checks – needs better to comms on that
- If city was working under normal circumstances thinks it would be ok but it's not so you need more of these programs. Doing a lot to make people aware of EAP. Feels they are very aware
- Yes, personally participated
- Mental wellness
- No
- They use the words, but they don't do that at all. Working into a performance review like he did. Being asked to apply for a position, level 7 vs level 9. Not given good options
- OSH are trying to address MH because high level of stress and anxiety. She doesn't think there is a high level of stress and anxiety – thinks it's because CEO is on it that it's opening the doors for others. Quick band aid – needs to be a long-term plan and issue. Very reactive place of work. Would have had this MH awareness before the restructure. Don't have any change management. Toxic

12. Are the team members approachable and helpful?

- Very
- Brilliant
- Knowledgeable and friendly
- Yes
- Find pretty unapproachable. Police rather than empower
- Approachable and helpful. Would also go to the safety warden in the areas first – very effective process and they take their role seriously - act then escalate
- Likeable

- Really trying. Not sure if should stay where it is. Level of inaction in the org means that have to get on an accelerated journey
- Yes
- About the ergonomic assessment but the team member had to do a lot themselves
- Yes but could give more feedback
- Y
- Monthly meetings with Sol to define direction. Working with OSH in improvement strategies. He wants proactive solution and the team does this
- No
- Loves the team, smart, talent. Work well together, share openly, across each other's work. Maybe lack of comms between ER and Advisory – resources driven. Open
 - The new team members can also question what's done and why
- Very
- Yes

13. If you had an HSW issue would you go to a member of the HSE team?

- Yes, always
- Yes
- Yes
- Yes
- Yes
- No. Prefer to go to external or friend. No confidence in their confidentiality, no confidence that anything would be followed through
- Yes

14. What are the key strengths of the function? Are there things that the OHS function does very well? What do you think the function could do more of?

- Knowledge on OSH and the regulations
- Be more accessible
- The believe and are committed, energetic and excited
- Reports are good. Focus on performance improvement
- Well respected. Heard a lot of people say good things about them
- Positive trend in performance, reduction in worker's cop
- Acknowledgement of mental health issues
- Monitoring and reporting
- Training & development
- People oriented
- Sol is god and carrying on the program to a good level
- Knowledge and expertise. Some good team members who know their stuff. Provide good advice and guidance
- Awareness raising at MLG – what's going on and how they are performing
- Wellness and mental health
- Mental health session excellent
- Their presentation of history of performance COP stats and local Govt stats
- Concern for employee safety and well being
- Active exercising of the response team, Body work cameras, GPS, radios and duress facility, protective clothing, in vehicle monitoring system, working in pairs
- Giving guidance.
- Where we are compared to where we were -are really good. Need to make sure they have the resources

- Stats have improved tremendously. An effective team that work in with managers, HR and OHS work really well. Great training, going into mental health. Stretch themselves across the business well for the number of staff that they have. Always visible and available
- Responds very well to issues. Finger on the pulse. People feel they listen and they are the focused
- Sol – familiarity COP, energetic, listens cooperated. John is moving to ER to work of RTW
- Well structured. Good clarity in what they are there to do. Engage with his team in technical and operational services – work environment, manual handling
- Engaging and proactive
- Addressed a lot of gaps that have been left. Wasn't a priority when she came on, but has really changed, positive trajectory. Can see a lot of movement around what they've instilled. Very friendly.

15. Does the function have things that it could do better or differently?

- More resources, feels for John
- The roll out of the Risk, Safety and Compliance software – systems not their strengths need support
- Don't have the context
- More targeted approach
- More on work life balance
- Feels are stretched. Need to keep working on what they are working on now. Get consultants in if needed
- Continue the conversation about the service and role of the team to manage expectations. Heading in the right direction. Continue to build trust and rapport, push training opportunities and demonstrating their expertise
- Make people more aware - could put more on the intranet to make it accessible, so people can refresh when they want to.
- Good robust plans
- Systems, record keeping.
- Training for Sal – difficult conversations, presence. Should be a manager level role
- Clunky safety reporting system. Sol working to get a new one. Need to start focusing on HSE skills matrix and needs for OHS training. – he develops the mandatory training. The skills matrix should be done in conjunction with HR
- All been really good

16. Have you ever had reason to enquire about submitting a Worker's Compensation claim? Tell me about your experience

- For own staff and very well managed
- No
- In the team and was handled well
- Team member has and was more procedural – had no concerns
- Managed well. HSE putting a lot of effort in. Trialing on line doctors
- Feels COP does not work as well as other local Govts. Balance between being empathetic and meeting the needs of the city – balance between nurturing and management to an outcome. Getting an outcome
- Stats need improving. COP neve insisted on managing strongly and getting people to RW. Visibility on cost is going well – in the dash board
- Only team member

17. Have you ever been involved in being rehabilitated for a workplace injury? How would you describe that experience?

- For own staff. Handled well but is under resourced
- No
- Can in to COP at the tail end of a matter – the person left
- Have had some in the unit and have been managed well

- With staff member, could have been more frequent monitoring and more proactive contact with the staff member
- Need to get this role in place
- Fair and unbiased but question their effectiveness. Claimants can abuse the system. More an industry thing. Law falls on the side of the claimant.
- John being seconded in. Can improve by communication better across the business opportunities for people returning to work
- John is doing this now. Previous people were not achieving what the city needed it to do

D. All out

1. Is there anything else that you would like to tell me or raise with me that has not been covered in our discussion so far?

- Get the staffing structure right and the right people
- Issue of employing people on contracts and then keep extending them and not making them permanent. Is an issue of continuity. These staff sometimes do not get engaged. Areas should be managed on their turnover
- Commissioners do not always understand the impact of some of the things that they ask for – a lot of running around and fretting. If are in a rush to act too quickly may also have a negative impact on staff morale
- HR needs to empower staff to grow trust.
- Change champions can help people and give them support
- Be clear about what the project priorities are. So many initiatives floating around, compressed over the last few months – challenging times
- Commissioners are doing a good job- more long term thinking – 5-10 year capital plans compared to elected members short term focused driven by elections
- HR is a funny beast. Your view depends on the experience that you have within your team
- When managers are fighting on a daily basis with their execs, it impacts all the way down – not even being able to run your own area – lack of trust
- The organization is not structured correctly – overlaps, functions not in the right spot, lack of clarity – restructure saw 15 managers go to 32
- Are in uncharted waters. Commissioners see themselves as part of the administration: there is an opportunity to work with them rather than fight them. They keep reminding them of their responsibilities under the local Govt Act. His suggestion is that they just roll with
- Lacking governance amongst the management team and the exec i.e. Projects and key activities and alignment of the whole organization to achieve the plan. Directors are pushing down responsibility for strategic accountabilities to the managers
- HR team are exceptional, passionate, give 120% of themselves, are positive, motivated and reflect on their strategies and activities
- Raised two grievances – requested feedback for a role they applied for in Sept 2001, still no feedback provided – was told unsuccessful so they would look externally but then the internal person acting in the role got appointed. No transparency in the recruitment process. Would like to thank them for doing this review. Really liked working here when first joined 5-years ago, good culture, good people. Then they did a terrible job with the restructure – damaged lots of people – this is when the wheels fell off.
- HR needs to be independent of the divisions. It should report through to the CEO.
- A lot of the cultural issues should be achieved by having a real plan for the city about what is supposed to be achieved – lack of an overarching plan or objectives creates that conflict. All working on their individual plans not the collective. The best way to get what they (the Directors) want is to shout. Most CEOs would put a stop to this but Martin also undermines. If you could sort out this layer – trading and versatility of objectives, then the org would click together fairly quickly. Very frustrated in where they are at. Really believe in the COP. Some staff are really great, incredible people but he does not intend to hang around
- Culture of control. Starts at Directors and goes down. HR is about enforcement, rules for everything. Governance. Mark is involved in everything even things that he shouldn't be – Why? Lack of confidentiality. Has been threatened

- by Directors and the CEO. Now leadership is trying to keep the Commissioners away – Directors are closing in to control everything. Things have gotten worse. No communications
- Part way through a journey. Not all right but need the support to get there. Planning, resourcing, cost, time – and the overarching strategy above this
 - Biggest issue are the poor systems and associated docs and processes, the consistent changes in directions of recruitment. Let HR come up with their plan and give them the opportunity to impellent
 - Fees everybody knows that need to be done it's about money and resources and well trained
 - Workforce planning is a massive issue. Do not have a system all talk a difference language. No consistence of approach. Don't know what the establishment is. Laborious process. No profiles on her tea – multiple systems - empower, BI – there is no single source of truth
 - Because of under resourcing they are not doing what they need to do. Need to make COP a good place to work, need to support managers and people. It's the amount of frustration and problems that make people leave.
 - Done the survey as well.
 - Hope that the review truly reflects the current environment and over recent time which has compromised the ability of HR to perform in a stable environment. They recognize and support positive behavior and actions of managers. E.g. Erica's email about salary freeze and 2 days leave, his response and then Alison's email recognising it.
 - Org is overwhelmed by the amount of reports required. This distracts them from their day to day job, org became hugely reactive, duplicating effort
 - Culture important and key. When he came in the org was wounded and it has gotten worse. Has been good efforts to heal but the way in which the reviews have come about has hurt it more. Should have taken a strategic approach to these
 - Loves what she does, loves the people. HR team dysfunctional can't continue. Consulted with the business to develop a training strategy and now delivering it. Conflicting HR advice is an issue, managers complain. She is looking for another role. HR advisory service ineffective and unsustainable. Person leading this have been here 17 years - Leonie. Was demoted by previous HRM. Alison addressed this but they only do the work they feel like doing, selective reply to email, deflect doing work. Does not have the skills to do the job. Only responds to managers. Staff are not performance management. Some are the by-product of neglect. No coaching and nurturing, inability to develop people in the role. High TO. Had a discussion with Alison. ER team very good. Systems not great but you do the best with what you have got. And hiding behind this can control most of what you do. Alison's leadership – likes her, she is lovely - never caught her breath, caring, personable and is trying, making a hardworking effort. Taking every possible action that she can. Sickness, a malaise that has infected the team.
 - They were worried about their manager would find out that they were coming to the interview. Said there was a fear about being involved in this review. Talked about own division being top heavy – lots of leaders but no one to implement the strategy. Stress levels are high due to the unbearable workload. Doesn't feel any trust in the organisation as they have seen them manipulate data to suit them and to tell a story that makes them look good when things are actually really bad. They all have busy full-time jobs but the Commissioners will often make ad hoc requests that are more for 'personal' use without considering the staff who have to do the work.
 - Her motivation to be involved in this discussion is because would like to see come improvement and sees that this could this process. Not optimistic about staying although pay is competitive. Volume of work impossible.
 - Processes and the required criteria drive this, lead time and start to outcome are extended
 - Some areas more advanced than others, C&M have a large external workforce and have done a lot of hand holding in the past
 - This sort of approach disempowers mangers and people leaders
 - Managers are more directive to HR
 - The ER element has had some challenges and this has influences how the advisers give or are to give ER con
 - Expect to have some degree of influence but is really a glorified administrator. Up until a month ago the partnership model had them going to ER and now they have been instructed to go to the advisors. Now Leonie stepped up between Alison and them and that has been a good move. What gets in the way for her? More influence, using

her knowledge to have the influence without the ER team being critical of them. Impact for her – high volume, expectations and lack of clarity. Onboarding was lacking

- At peace with need to leave. Misaligned to expectations, negative stress
- Expectations of the HR team is high. Can't be delivered without support from the organization, right resources and budget. Got to get the foundations right or still won't deliver on strategy. Great group needed time to bed down
- Org been struggling for a long time. Restructure not necessarily done in the right way. Want to see them get the level of resources and support. Support need to be relevant to needs, understanding of operational needs and consistent. Can't just be a council house view
- Things she would like to do: traineeships for Indigenous and Disability, will try in the new year. Have to complete an EEO report every year and takes for year. Hard for the HRM when there is no proper support from her manager around the Director. Different behaviors at the top. Support has to come from the CEO and the ELG and own Director – does not have the confidence himself
- HR need the time and space to do things properly. Working through legacy issues. It's a political situation and has not been easy. Majority of people want to do a good job but feel they get held back with all the political games. Commissioners need to support and encourage the team
- Reflection of where they sit in their directorate. Not very inclusive in Corporate services
- The coffee machine discussion about Manager and Directors is very poor and disrespectful they should ask for feedback and be prepared to listen. Opportunity for more integration. Some duplication in roles and scope of work. Get activity in the right place and consistency of process.
- Has been given a lot of opportunities over that last 9 years and favorites are played up until recently she was one of them
- As a unit are doing their best but lacking exec support and the resources. Exec priority isn't HR.
- If is a lack of procedures the way things are done will be different so maintaining governance and consistently a challenge
- Each advisor does recruitment as part of their role. This creates inefficiency. Questions the sense in having a dedicated recruitment function. No more resources to do this. Combination of internal and external recruitment. This will depend on what the role is or the time frame. If go outside have to use the preferred provider in order, even if they are not the best to do the job. This is not very efficient. Her understanding that HR were not involved in setting up the agreement even if it's not the best. Similar to other roles if you know what to do and what you are looking for – finding the policies and speaking to Peers about what the practice is. On a number of occasions has been told by people that the policy has been revoked or old. When you are under pressure to deliver you don't always have time to wait for an answer so you make a judgement call. The volume of work is outrageous. She is taken aback by this. Thought local govt. would be that jobs were manageable and reasonable. When people are away there is a lot of pressure on the advisors. So many queries and they are so varied. Would not want to be the only advisor at Christmas time. Initially she provided over flow support to each advisor and assisting in the monthly reporting process. Put a template together and organized with the advisor to run through it to get a consistent report. E.g. manual booking for health assessments. If came out of local Govt you will be more familiar with what to look for and where to go for information
- More thought needs to go into the way HR is set up to meet the City's expectations.
- Resourcing – under resourced. Some surplus should be allowed to allow CI and efficiency. They reassess after this
- To lead you need to demonstrate leadership
- Lack of TM & training opportunities, progressions, no career paths. Expecting to be in roles for rest of life --- "that's local government" – answer been given. Highly competent and respected in what you do. Lack of reward – no retention initiatives. No options for progression, opportunities few and far between. No support to help get through. HR processes not there to support – v permeated through COP. Conflict – like working for COP, value it, cause to get up for, here to make things better for people within Perth. Actively looking for roles at COP. Losing good talent because they're not nurturing. The restructure has made it change a lot, there was inefficiency and ineffectiveness, change to fast paced corporate mentality – sticks without carrots. Setting KPIs but no rewards or support, immature. New values – words but don't feel like you're living them. Lack of change management - should be a core HR function about how you're taking people through the journey. Commissioners currently in but no change management, lack of communication. No one knows what they're there to do. Talent drain from uncertainty

- common feelings amongst people. Staff turnover. Losing the IP they take time to rebuild. Working on projects that have a knock-on effect. Increased inefficiency. 50-60% different people from 2 years ago. Lost respect for the people. Lack of documentation. People coming into the role with no idea what to do. Either retaining the knowledge through retaining the people or documenting the processes. With the restructure, no standard classifications, getting higher pay etc., but doing less. Capability matrix, tree to show roles and hierarchy. Not properly assigning roles to what the description is – i.e. business analyst not a business analyst and feeling devalued, not doing to the same job. Asked for a reclassification of role in August because of this. Not HRs fault, it's a cultural organisation problem. They need to deal with their problems. They need to stabilise, and stop being overambitious. Lost focus. Failing as an organization. Running around like headless chickens. V high staff turnover. Measurable manifestations of what's going on. Care about the organisation, don't want others to be going through this turmoil and stress. Org is in too deep. Not helping not having any stable leadership. Specifically chose not to go through anyone else

- So much change over 5+ years. Over last few years, major redundancies of people in org. Whole pile of people – been made redundant ... need to get their story told. Really hurt by the process. Org going through a whole process of amalgamations. IF we're going to amalgamate with Vincent what will that look like? No continuity. People protecting positions. Looking at other local authorities to see what they did. CEO started structural review, did what he said he'd do. Didn't do a strategic plan. Comradery because people got to make suggestions etc., working better as an org. Then – set up new org. CEO was discarded by councilors –don't know why. As part of this process, employed new directorate. That's where the wheels have fallen off. Advocated for the amalgamation. Went to speak to HR, no feedback. Followed up about 4 times. Wanted to get a group together, hit the ground running, pull resources together, so that new manager can see they got their act together, smooth the way. No support whatsoever from HR. Know HR was busy but they put their hands up for it. An external person got the manager job but that new person looked at the structure of the unit within 2 months. Started to ask questions about what was going on. Before long, a whole pile of people from the unit got made redundant. Started to observe across the organisation the same thing happens. A lot of the new people are in the 35 bracket. V little local Govt experience, but making changes that he wasn't sure why they were making. Redundant people should have been supported far more throughout the process -Taken to a room, groups, individual, support processes if you need ...Whole lot of secrecy around it. In unit sort of knew, some pulled the pin and left, apply for new positions, people who'd been there for 20+ years were leaving who he had a lot of respect for. Real disconnect. So wrong, all this rapport he'd developed with people. Happened to a lot of people. Expression 'they're in the bin'. Not being able to talk to anyone. Talk to manager who tried to raise it, pass up line but she was part of problem. No way would talk to HR now. Bypass completely separately, will get external advice. Seen to be working entirely for management and the CEO. Complete lack of trust. Some people aren't very nice at all. Seeing people in HR coming and going very quickly. Values done with NO CONSULTATION with staff, but they hold them up, which we consider terrible because of managers and execs. Know that they're fighting, goes down to bottom. How can they expect the org to be on point, aren't adhering to their own values. Managers have been at meeting, discussing people who've been made redundant – discussing with external people. Knows resignations going v high. People who've for so long, when is 'my time up', made redundant. Is it their tenure? Making someone redundant who had all this IP from a 6-month project. No understanding of cause and effect. Working on bespoke piece of work completely lost. 1 of the main people who understood a computer system. Massive knock-on effect...What's the role of HR in this process? They should be asking why? Range of new managers, - how can they make sure these new managers are making good decisions around redundancy? Too hasty, they're not considering knock-on effects. In his team, Manager went on maternity, asked if he wanted to do acting manager role which he said no to (family). Acting Manager new nothing about arts culture and heritage. Conflict in unit of director and elected managers. When People on stress leave, he contacted them to see how they're doing and touch base, without trying to resolve any issues, but after a few meetings tried to encourage to come back but they left deciding didn't want to come back, but weren't offered exit interviews. 1 demanded exit interview otherwise wouldn't hand back computer till they did. Hear s of people being bullied. Part-time being made full-time. Undercurrents with new structure. HR had a cheat-sheet of what managers should address, getting people in fulltime and off maternity leave. He was no longer allowed to buy 4 week holidays (which he'd done for 10 years). Given a level 9 and principal he should not be doing this. Taking away privileges which is very hard with children. The organisation prides itself

about w/l balance but doesn't see that at all. Really struggled. Maternity leave of Manager period, she asked him to help out assisting team and Manager. A lot of issues within the team. People on stress leave. Trying to work with Manager, then acting Manager left. People he was told to report to looks at him blankly. Put in leave, was exhausted, took 1 month off. Gets back end of Jan, 2 days back here's the what's happened in last 6 months, issues being blamed on him, even when he didn't develop the policy, even though he looked at stuff on holidays, being raised with all these issues, including his leave. Away over an important period but responded to every single item. In June, these all were raised in performance reviews, Lots of 1s, never had before, usually get a number of awards. What is the Manager basing my performance on? She had 3x a3 sheets of what needed to be addressed going fwd. This is a sackable offence from her. HR people he trusted he went to. HR should have known about this and director, which they did, but he should not be walking into a performance review and get 6x 1s but it was. Before that, got recommended for a line manager, no other option to take a lower job. "are you trying to manage me out of the organisation" Are you offering me a redundancy – he would have accepted. Manager has set him up. Manager wanted to keep in unit, but not in arts cultural strategic bit even though he signed a position description. What advice was she getting through HR? They should have been telling Manager the processes to be going through, i.e. training. Where is the org heading? When came of leave was told there would be another restructure after restructure. Taking out of arts culture back to where came from but no discussions with anyone. All political power games. People still looking at restructuring throughout, morale is low, struggling to get by and yet still trying to restructure. Not been provided any training on arts and culture.

- Doesn't think that the org or execs appreciate that they've gone through a whole pile of rubbish, constant hammering of org. Amalgamations, restructures, then restructures. Going back for a long time. Degree of burnout and fatigue. People really tired. Then 1 thing after the other. Want some acknowledgement, rebreather and recalibrate. People are cynical. Some Managers. Using restructure to just get rid of people they didn't like.
- Every unit is in same boat, HR and customer service is very visible to everyone. In defense of them, there is a massive expectation that they're there to make everything better. But some mgrs. Need to do this themselves. HR getting tied down holding the hands of people not wanting to make decisions. Need stronger decision makers. HR isn't responsible for everyone's units, it's helping everyone. Blame-culture – it does come down to the managers as well. HR has been trying to help manage issues without the support from executives. Need the leaders to be able to make decisions. Lack of leadership and support – they are the overall decision makers. It's just in the middle of a very big change. Org needs to make some change and invest in. Hope recommendations get taken seriously. People are v important. Wants to be heard.
- Role specifically recruited for, w view to restore segregation of duties between payroll and HR and instigation of new payroll system, and upskilling of team. Comprehensive report by Deloitte - referenced at job interview & 1st week - restoring payroll to transactional and administrative. Payroll function was embedded in HR until 09, then put in finance, but didn't flow on ... so, overtime roles bled into each other, payroll officers sat inside HR and reported to HR. HR function became primarily concerned around recruitment, instead of actively engaging with business units. So managers stopped interacting with HR and went straight to payroll. Given the brief to upskill the team and segregate. People in HR have been with COP with so long that they don't know what best practice is or what true HR or payroll systems should look like. Payroll is the police - HR is the law makers — HR own all of the policies around employment relations, Payroll is responsible for administering. Given rise to a payroll team who are great around EBA interpretation, but need to be up skilled around tax and super law. Lack of skills in team really seen during restructure. HR given Payroll the wrong advice — i.e. termination - paying 10 weeks instead of 5 because of wrong termination date recorded. Big discrepancies. Don't have payroll officers, only HR officers who run payment cycle once a fortnight (perception of her payroll people). Managers calling because they've talked to HR and they haven't been given the right advice. Definite gaps in HR - they have embraced being change champions and jargon but they don't have operating efficiency. HR is confusing the transactional work with greater authority than it warrants. HRM doesn't understand HR and payroll functions in a larger organisation. COP needs best practice, HR IS - needing breaks (payroll can process pay, but finance puts it in the bank, HR can do contract). HR lacking function and maturity. HR team lacking an awareness of their place in the organisation - they don't seem to understand that they need to own legislative knowledge and discipline. Departments are feeling like they are propping up the HR function. On the preface of something - had a massive organisational shift with loss of members and leadership members. But don't now that HR leadership group understand it's role in the

organisation. Past behaviour is a predictor of future behaviour. Appointment of new HRM don't think she has the skills, experience or knowledge to take the team to where it needs to be - critical errors around advice and recruitment. She's well liked but not respected

STRUCTURE

- Feels the structure has grown too many units. Need to look at how you want the organization to operate and then what the structure needs to look like. Then look at if there is sufficient capacity to meet the needs of the organization
- The structure of local government is the issue. Worked in a number. Every council is not operating properly and the model is no longer appropriate for 2018. Lead CEOs and the executive to operate the way they are operating in COP. This impacts and flows down to managers and the people. Also, not operating effectively for State Govt, developer of ratepayers. Was pleased when commissioners came on board but don't think they will be able to do anything. Will cause more pain and suffering

RECRUITMENT

- The recruitment process is a big concern as there is no transparency to the process. People can be in acting roles for 1 or 2 years and then just get appointed into the role. It's fine to have someone acting for 2 or 3 months if someone is on leave, but if they have resigned then the role should be advertised and recruited following a fair and transparent process.

Employees who took part in interviews

Directors

- > Paul Crosetta – Director of Maintenance and Construction
- > Rebecca Moore – Director Community and Commercial Services
- > Robert Mianich – Director Corporate Services

Managers

- > Alyce Higgins – CS Manager - RESIGNED
- > Alison Egan – Manager Human Resources
- > Ben Fitzpatrick – Manager business support and Sponsorship acting Director – RESIGNED
- > Cath Hewitt – Manager Health and Activity Approvals
- > Cheryl Parrott – Library Manager
- > Chris Kopec – Acting Manager –Construction & Principal Project Manager
- > Chris Watts – Manager Transport
- > David Di Lollo – Manager Data and Information
- > Daniel High – Manager Economic Development
- > Dan Richards – Finance Manager
- > Emma Landers – Community Services Manager
- > Gordon Robertson – Manager Plant & Equipment
- > Jason Henneveld – Coordination and Design Manager
- > Jason Tan – Asset Management
- > Kirk Linares – Manager Properties
- > Konrad Seidl – Manager Community Amenity and Safety
- > Lloyd Peters – Manager Information Technology
- > Margaret Smith – Manager Development Approvals
- > Mark Ridgewell – Governance
- > Martin Copeman – Manager Parks and Gardens
- > Nathan Ahern – Manager Waste & Cleaning
- > Nichola Brandon – Marketing & Activation Manager
- > Paul Gale – Manager Strategy & Partnership
- > Phillip Adams – Outgoing Manager Street Presentation and Maintenance
- > Phillip Yum – Commercial Parking Manager
- > Robert Farley – Manager City Planning
- > Samantha Ferguson – Acting Manager Sustainability
- > Sandra Arnolds – Manager Parking Services
- > Simone Holmes –Cavanagh – Corporate Communication
- > Tabitha McMullan – Manager Arts Culture and Heritage

HR

- > Anna-Lee Testar – HR Advisor (DPD and Health and Activity Approvals)
- > Barbara Moyser – Senior Employee Relations Advisor
- > Kelly Chew –HR Advisor
- > Leonie Hollow –Lead Advisor
- > Lina Nunes – L&D Administrator
- > Meera Shah – HR Advisor
- > Nicola Paskulich – HR Advisor
- > Sarina Cuttone – Senior L&D Advisor

First Reports to Manager

- > Anonymous x 8
- > Sol Merzer – OH&S Coordinator

Terminated

- > Anonymous x 2
- > Bill Potter
- > Tony McIndoe

Other

- > NIL



City of Perth
Performance Analysis, Assessment and Review – Human
Resources

ATTACHMENT 3

SURVEY REPORT

Tower Human Capital Group

City of Perth Survey Report

December 2018



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Demographics – by Directorate

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Demographics - by Directorate

Community & Commercial Service		116 (33.8%)
Commercial Parking		9
Community Amenity & Safety (including Community Services)		38
Customer Service		12
Health & Activity Approvals		6
Library		17
Parking Services		28
DCC Office		6
Construction & Maintenance		58 (23.9%)
Construction		4
Parks		18
Plant & Equipment		7
Properties		3
Street Presentation & Maintenance		9
Waste & Cleaning		7
CMD Office		10
Corporate Services		55 (16%)
Asset Management		3
Data & Information		13
Finance		13
Human Resources		11
Information Technology		9
DCS Office		4
Economic Development & Activation		33 (9.6%)
Arts Culture & heritage		13
Business Support & Sponsorship		2
Economic Development		4
Marketing & Activation		10
EDA Office		4
Planning & Development		46 (13.4%)
City Planning		8
Coordination & Design		11
Development Approvals		11
Sustainability		5
Transport		3
DPD Office		8
Office of the CEO		30 (8.7%)
Office of the CEO/Directors		14
Corporate Communications		2
Governance		10
Strategy & Partnership		4
Did not identify		5 (1.5%)

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Demographics - general

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Demographics - general

Are you employed as a CEO, Director or Manager with the City?	#	%
Yes	14	4.1
No / no response	329	95.9

Employment Status	#	%
Full time	277	80.1
Part time	45	13.1
Casual	11	3.2
No response	10	2.9

Years Worked at the City	#	%
0-2 years	128	37.3
3-10 years	144	42
11+ years	59	17.2
No response	12	3.5

Gender	#	%
Female	142	41.4
Male	123	35.9
Other	2	0.6
Prefer not to say / no response	76	22.2

Age	#	%
15-34	75	21.9
34-54	189	55.1
55+	61	17.8
No response	18	5.2

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TOP SCORES

Most important	9
Highest performing	15
Lowest performing	21

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Most important

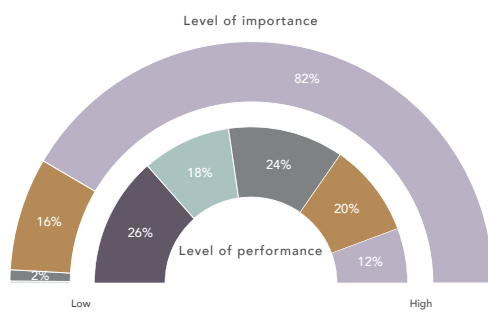
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#1 most important

Grievance & complaint management
40. Everyone being treated the same no matter who they are

Most important

2017 Cultyr survey comparable performance question:
"People are treated fairly and equally across the organisation"
38% of respondents agreed



		Number of responses						
	Average response	1	2	3	4	5	Total	
Importance	Very important (4.81)	0	1	5	51	280	337	
Performance	Average (2.7)	88	60	78	63	37	326	

Variances across the organisation		Total	Directorate						Tenure		
			DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
Importance	4.81		4.83	4.83	4.77	4.73	4.76	4.9	4.84	4.78	4.83
Performance	2.7		2.95	2.33	2.86	2.38	2.38	2.87	3.05	2.43	2.53

Level of importance
 No importance, Somewhat important, Average importance, Important, Very important
 Level of performance
 Poor, Below average, Average, Above average, Very high

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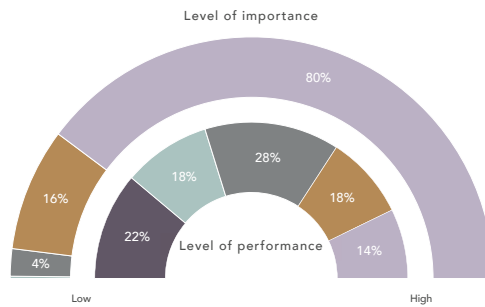


#2 most important

Grievance & complaint management

35. Having the matter properly investigated

Most important



	Average response	Number of responses					
		1	2	3	4	5	Total
Importance	Very important (4.75)	0	1	12	54	261	328
Performance	Average (2.83)	71	58	89	55	46	319

Variances
across the
organisation

	Total	Directorate						Tenure		
		DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
Importance	4.75	4.81	4.67	4.81	4.63	4.62	4.87	4.79	4.72	4.74
Performance	2.83	3.04	2.53	2.96	2.41	2.58	3.07	3.15	2.54	2.78



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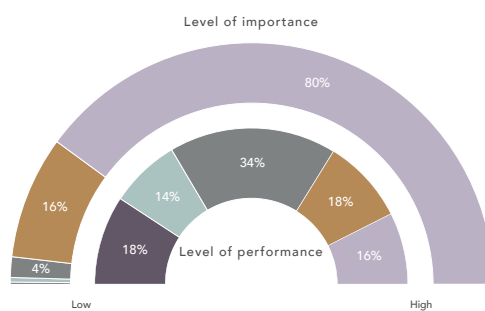
#3 most important

Grievance & complaint management

39. Being treated fairly in the process

Most important

2017 Cultyr survey comparable performance
question:
"People are treated fairly and equally
across the organisation"
38% of respondents agreed



	Average response	Number of responses					
		1	2	3	4	5	Total
Importance	Very important (4.75)	1	2	9	54	262	328
Performance	Average (2.96)	57	45	107	54	46	309

Variances
across the
organisation

	Total	Directorate						Tenure		
		DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
Importance	4.75	4.82	4.69	4.74	4.67	4.6	4.9	4.74	4.74	4.78
Performance	2.96	3.16	2.78	3.13	2.53	2.61	3.14	3.27	2.75	2.78



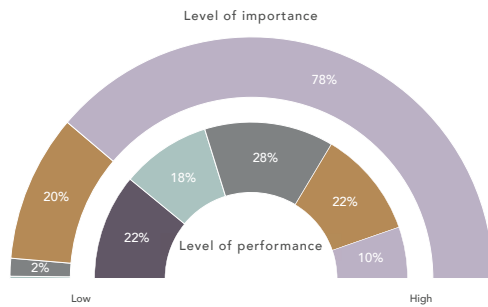
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#4 most important

Occupational health, safety & wellness
72. All employees being treated equally

Most important

2017 Cultyr survey comparable performance question:
"People are treated fairly and equally across the organisation"
38% of respondents agreed



		Number of responses						
	Average response	1	2	3	4	5	Total	
Importance	Very important (4.75)	0	1	8	66	260	335	
Performance	Average (2.81)	72	61	88	73	35	329	

Variances across the organisation		Total	Directorate						Tenure		
			DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
Importance	4.75		4.76	4.74	4.72	4.76	4.64	4.86	4.8	4.71	4.67
Performance	2.81		2.95	2.62	2.83	2.69	2.73	2.86	3.12	2.61	2.69

Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

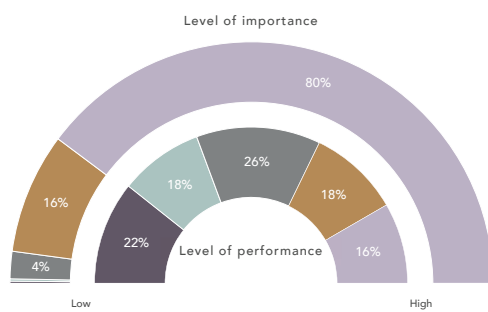
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#5 most important

Grievance & complaint management
34. My complaint being treated confidentially

Most important

2017 Cultyr survey comparable question:
"Do you feel confident that complaints will be handled confidentially and appropriately by City of Perth staff?"
50% of respondents said "yes"



		Number of responses					
	Average response	1	2	3	4	5	Total
Importance	Very important (4.74)	1	1	12	53	261	328
Performance	Average (2.92)	69	56	83	61	54	323

Variances across the organisation		Total	Directorate						Tenure		
			DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
Importance	4.74		4.74	4.71	4.83	4.75	4.58	4.9	4.76	4.7	4.79
Performance	2.92		3.04	2.65	3.04	2.47	2.77	3.3	3.26	2.57	2.97

Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

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Highest performing

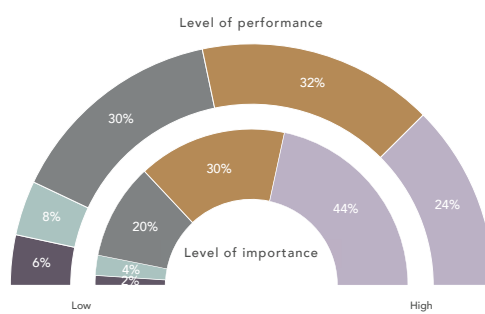
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#1 highest performing

Performance shaping processes

27. Having a copy of my performance shaping document

Highest performing



	Average response	Number of responses				
		1	2	3	4	5
Importance	Important (4.09)	7	14	67	104	146
Performance	Above average (3.61)	23	25	100	108	85

Variances across the organisation

	Total	Directorate						Tenure		
		DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
Importance	4.09	4.12	3.9	4.17	4.3	3.96	4.17	4.25	4.05	3.82
Performance	3.61	3.59	3.4	3.83	3.76	3.54	3.53	3.72	3.55	3.48

Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

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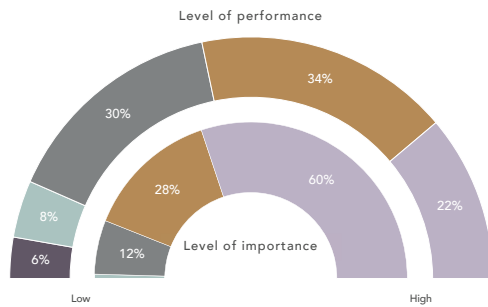
#2 highest performing

Occupational health, safety & wellness

74. Being able to go to OHS to raise an issue or ask for assistance

Highest performing

2017 Culyr survey comparable performance question:
"Support for employees who experience workplace injuries or illness"
79% of respondents agreed



	Average response	Number of responses					
		1	2	3	4	5	Total
Importance	Important (4.47)	0	3	37	92	200	332
Performance	Above average (3.6)	18	25	99	112	73	327

Variances across the organisation		Total	Directorate						Tenure		
			DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
			4.54	4.66	4.43	4.24	4.27	4.47	4.53	4.46	4.39
	Importance	4.47									
	Performance	3.6	3.61	3.81	3.59	3.38	3.57	3.53	3.68	3.51	3.73

Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

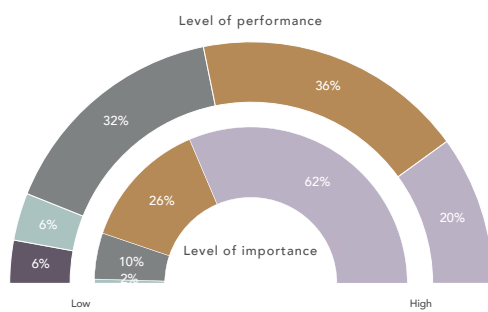
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#3 highest performing

Occupational health, safety & wellness

73. The OHS team doing a good job at City of Perth

Highest performing



	Average response	Number of responses					
		1	2	3	4	5	Total
Importance	Very important (4.51)	0	3	32	90	211	336
Performance	Above average (3.58)	19	21	104	120	66	330

Variances across the organisation		Total	74 Directorate						Tenure		
			DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
			4.56	4.6	4.47	4.24	4.42	4.63	4.52	4.54	4.47
	Importance	4.51									
	Performance	3.58	3.52	3.74	3.53	3.41	3.64	3.73	3.71	3.46	3.68

Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 18



#4 highest performing

Occupational health, safety & wellness

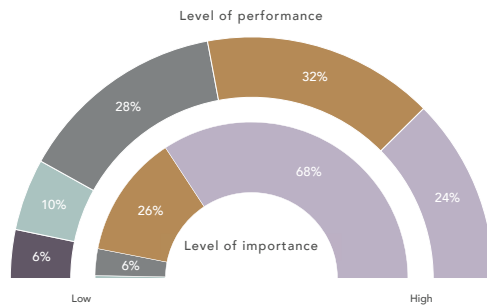
65. If I identify a safety issue, knowing that it will be acted upon

Highest performing

2017 Cultyr survey comparable performance question:

"Support for employees who experience personal or professional issues"

68% of respondents agreed



		Number of responses						
	Average response	1	2	3	4	5	Total	
Importance	Very important (4.62)	0	2	18	83	224	327	
Performance	Above average (3.58)	21	31	90	100	80	322	

Variances across the organisation

	Total	Directorate						Tenure		
		DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
Importance	4.62	4.7	4.69	4.55	4.33	4.53	4.69	4.61	4.6	4.64
Performance	3.58	3.54	3.79	3.47	3.42	3.53	3.71	3.67	3.4	3.76



Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 19



#5 highest performing

Occupational health, safety & wellness

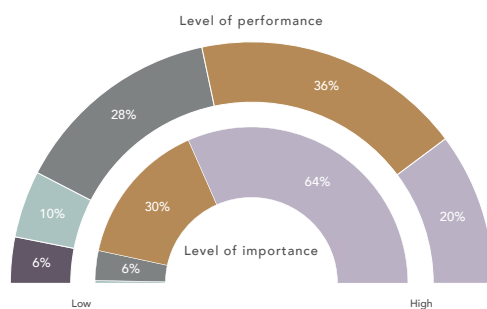
63. Knowing who to go to if I have or identify an issue

Highest performing

2017 Cultyr survey comparable performance question:

"Support for employees who experience personal or professional issues"

68% of respondents agreed



		Number of responses					
	Average response	1	2	3	4	5	Total
Importance	Very important (4.56)	0	2	20	98	206	326
Performance	Above average (3.56)	20	29	91	117	66	323

Variances across the organisation

	Total	Directorate						Tenure		
		DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs
Importance	4.56	4.67	4.69	4.42	4.36	4.4	4.59	4.56	4.56	4.51
Performance	3.56	3.68	3.58	3.54	3.35	3.29	3.68	3.66	3.45	3.57



Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 20

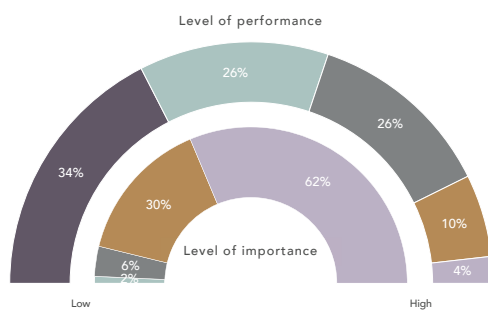
Lowest performing

Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 21

#1 lowest performing

Culture
57. COP managing change well

Lowest performing



	Average response	Number of responses					Total
		1	2	3	4	5	
Importance	Very important (4.54)	0	5	21	101	213	340
Performance	Below average (2.23)	117	85	84	37	12	335

Variances across the organisation		Total	Directorate						Tenure				
			DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs		
			Importance	4.54	4.49	4.48	4.56	4.61	4.56	4.6	4.59	4.49	4.52
			Performance	2.23	2.77	2.02	1.96	1.91	1.91	1.93	2.47	2.06	2.05

Level of importance
 No importance Somewhat important Average importance Important Very important
 Level of performance
 Poor Below average Average Above average Very high

Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 22

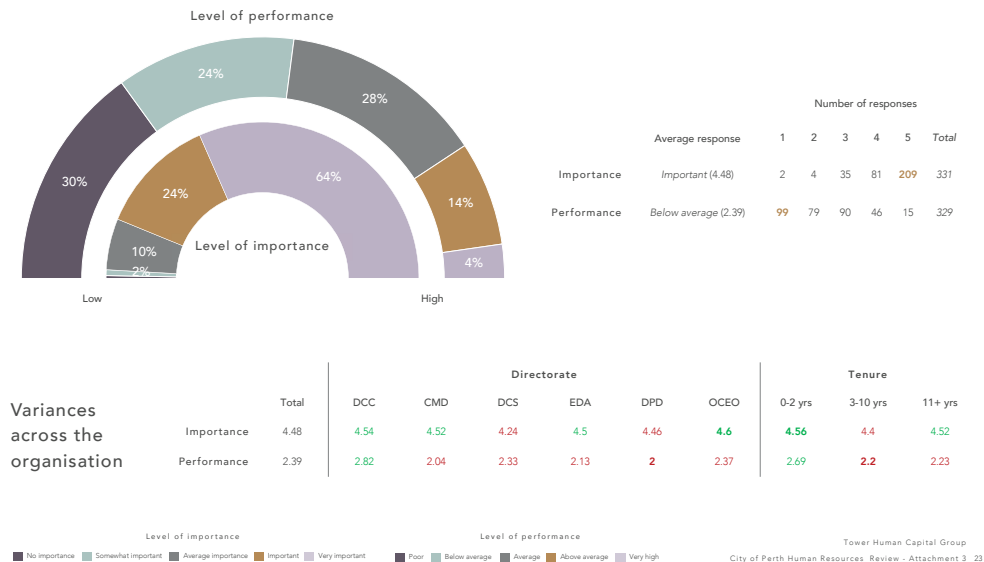


#2 lowest performing

Culture

52. COP managing in accordance with its values – commitment, teamwork, courage, respect.

Lowest performing



#3 lowest performing

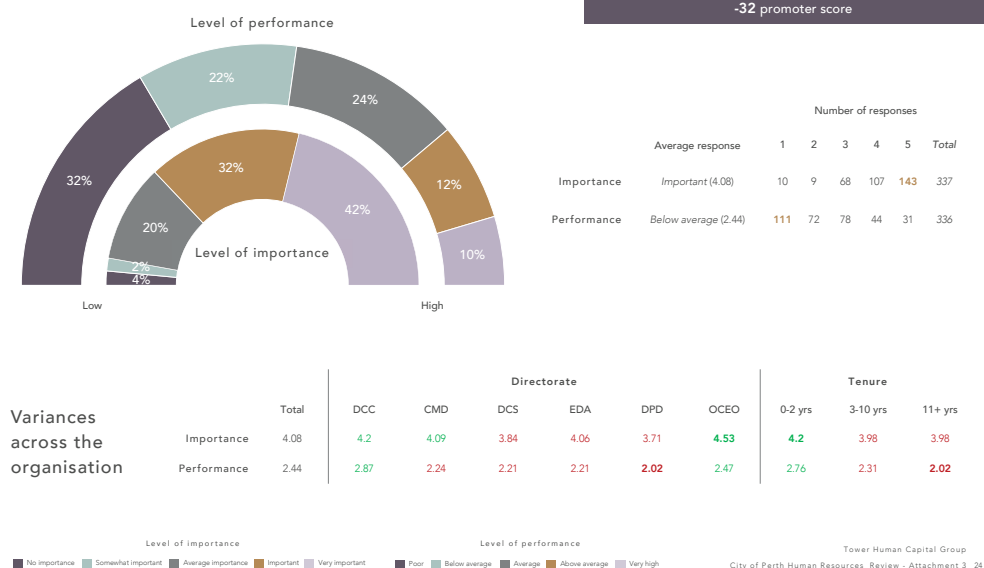
Culture

60. My recommending COP as a good place to work to a friend, colleague or family member



Net promoter score

Lowest performing

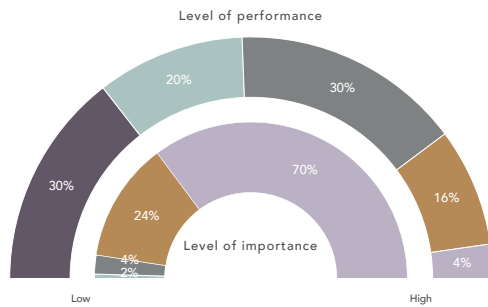


#4 lowest performing

Culture

53. When things go wrong, the emphasis being on putting things right rather than placing blame

Lowest performing



	Average response	Number of responses					
		1	2	3	4	5	Total
Importance	Very important (4.65)	0	3	13	82	233	331
Performance	Below average (2.47)	95	65	101	52	15	328

Variances across the organisation		Total	Directorate						Tenure				
			DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs		
			Importance	4.65	4.66	4.67	4.55	4.58	4.61	4.83	4.72	4.63	4.53
			Performance	2.47	2.81	2.15	2.39	2.22	2.33	2.28	2.69	2.27	2.45

Level of importance

No importance

Somewhat important

Average importance

Important

Very important

Level of performance

Floor

Below average

Average

Above average

Very high

Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3

Level of importance: No importance, Somewhat important, Average importance, Important, Very important. Level of performance: Poor, Below average, Average, Above average, Very high.

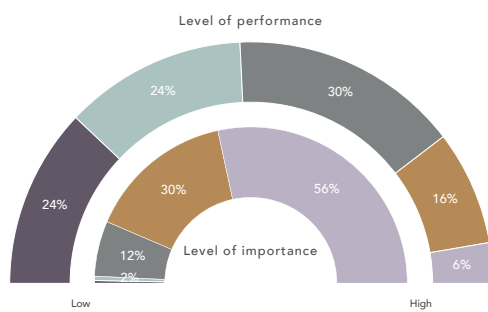
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 25

#5 lowest performing

HR policies and procedures & employment conditions

8. An organisation structure that is clear & understood

Lowest performing



	Average response	Number of responses					
		1	2	3	4	5	Total
Importance	Important (4.42)	2	3	38	101	189	333
Performance	Average (2.54)	80	81	102	51	18	332

Variances across the organisation		Total	Directorate						Tenure				
			DCC	CMD	DCS	EDA	DPD	OCEO	0-2 yrs	3-10 yrs	11+ yrs		
			Importance	4.42	4.3	4.33	4.45	4.48	4.59	4.63	4.43	4.42	4.41
			Performance	2.54	3.04	2.17	2.44	2.18	2.13	2.43	2.73	2.43	2.34

Level of importance

No importance

Somewhat important

Average importance

Important

Very important

Level of performance

Floor

Below average

Average

Above average

Very high

Tower Human Capital Group

City of Perth Human Resources Review - Attachment 3

Level of importance: No importance, Somewhat important, Average importance, Important, Very important. Level of performance: Poor, Below average, Average, Above average, Very high.

Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 26

SURVEY RESULTS

HR policies and procedures & employment conditions	28
Equal employment opportunity (EEO), harassment and bullying	33
Employment processes including internal recruitment	36
Performance shaping process	38
Grievance and complaint management	42
Learning and development	48
Culture	54
Occupational health, safety and wellness	58

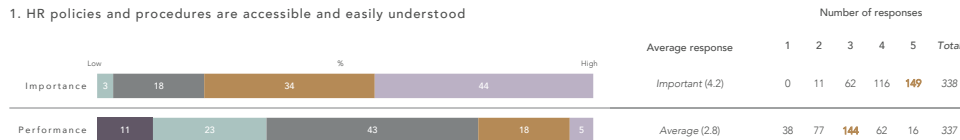
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 27

HR policies and procedures & employment conditions

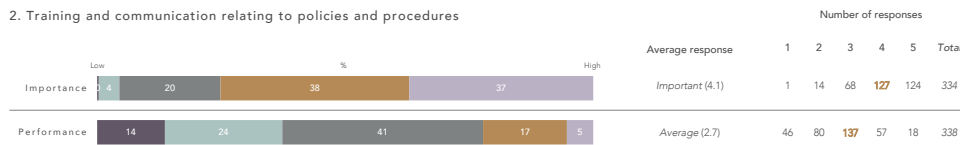
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 28

HR policies and procedures & employment conditions

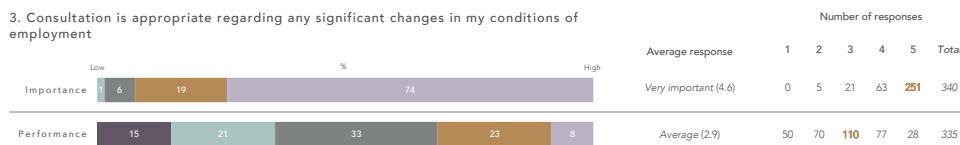
1. HR policies and procedures are accessible and easily understood



2. Training and communication relating to policies and procedures



3. Consultation is appropriate regarding any significant changes in my conditions of employment

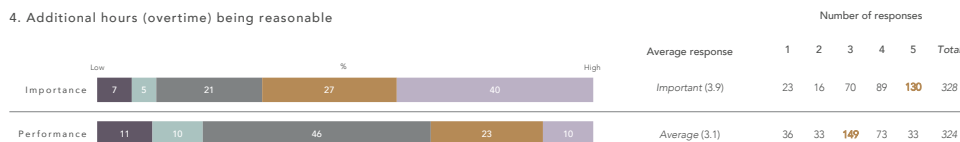


Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

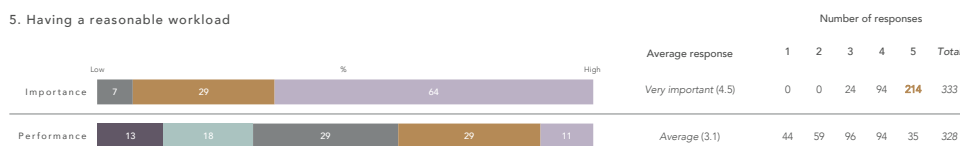
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 29

HR policies and procedures & employment conditions

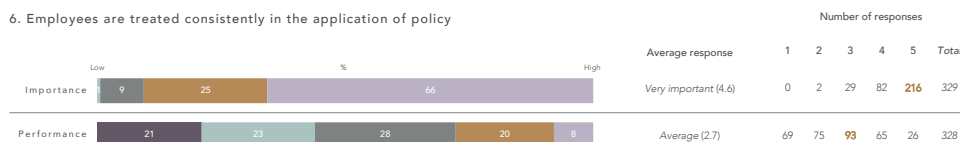
4. Additional hours (overtime) being reasonable



5. Having a reasonable workload



6. Employees are treated consistently in the application of policy



Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

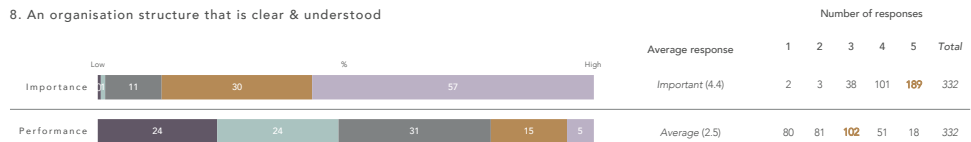
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 30

HR policies and procedures & employment conditions

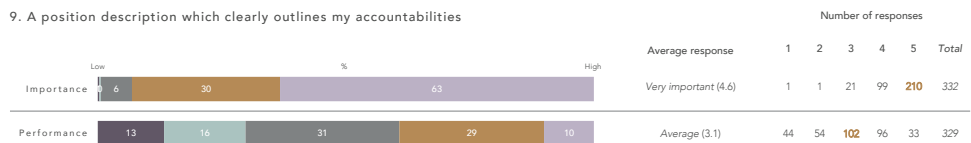
7. COP appropriately recognises and rewards high performing employees



8. An organisation structure that is clear & understood



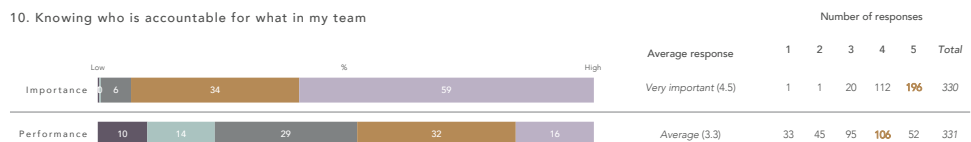
9. A position description which clearly outlines my accountabilities



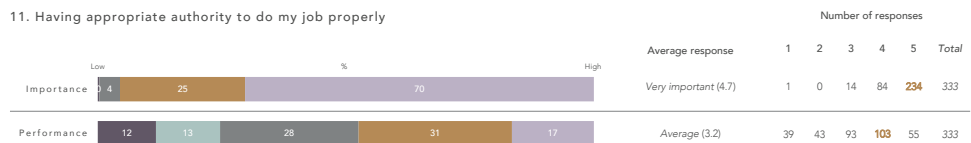
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 31

HR policies and procedures & employment conditions

10. Knowing who is accountable for what in my team



11. Having appropriate authority to do my job properly



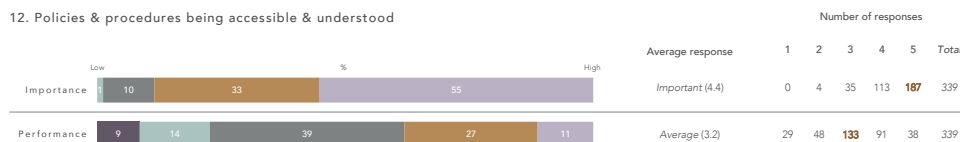
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 32

Equal employment opportunity (EEO), harassment and bullying

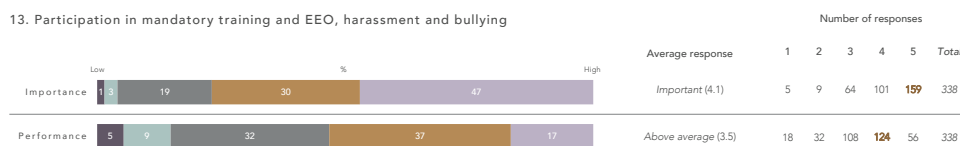
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 33

Equal employment opportunity (EEO), harassment and bullying

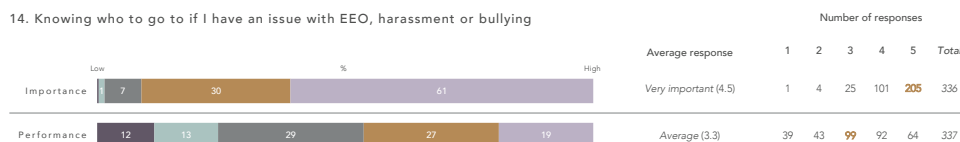
12. Policies & procedures being accessible & understood



13. Participation in mandatory training and EEO, harassment and bullying



14. Knowing who to go to if I have an issue with EEO, harassment or bullying



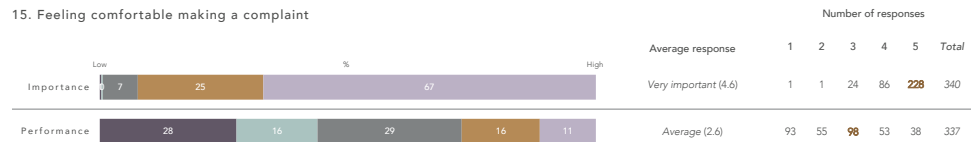
Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 34



Equal employment opportunity (EEO), harassment and bullying

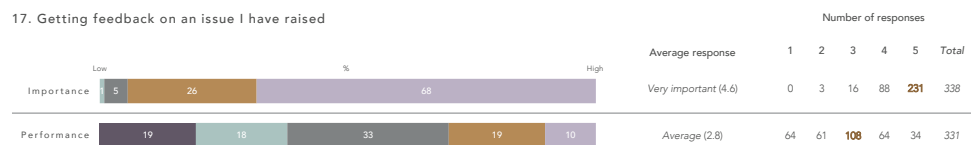
15. Feeling comfortable making a complaint



16. Having the matter properly investigated



17. Getting feedback on an issue I have raised



Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

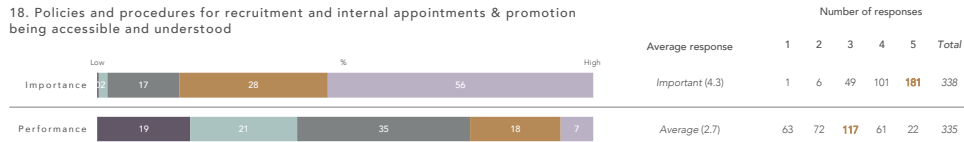
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 35

Employment processes including internal recruitment

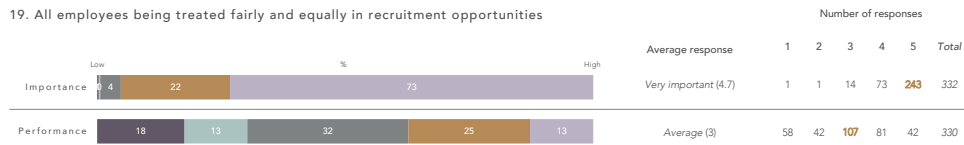
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 36

Employment processes including internal recruitment

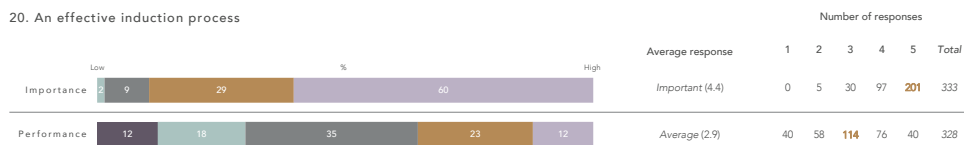
18. Policies and procedures for recruitment and internal appointments & promotion being accessible and understood



19. All employees being treated fairly and equally in recruitment opportunities



20. An effective induction process



Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

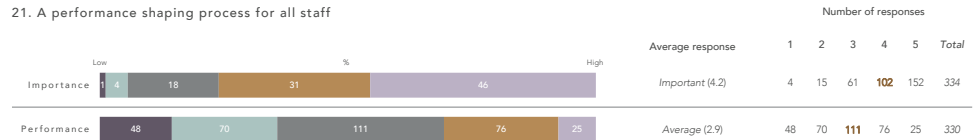
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 37

Performance shaping processes

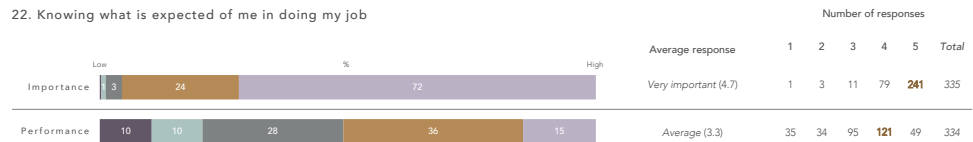
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 38

Performance shaping processes

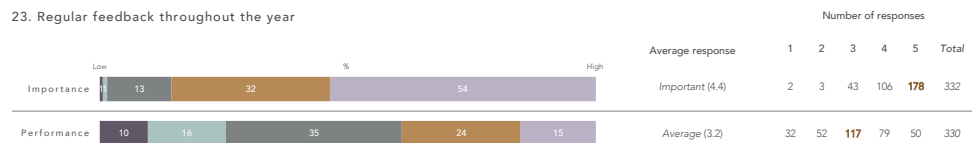
21. A performance shaping process for all staff



22. Knowing what is expected of me in doing my job



23. Regular feedback throughout the year

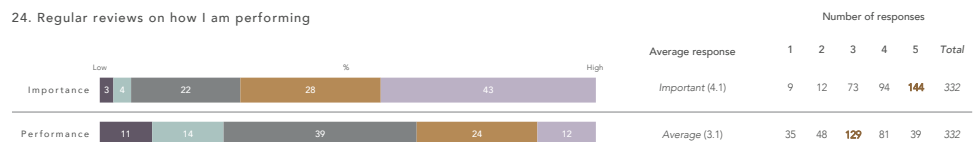


Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

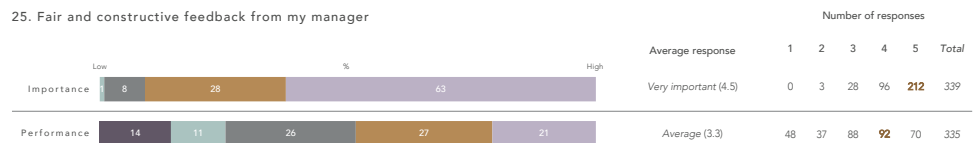
Tower Human Capital Group
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Performance shaping processes

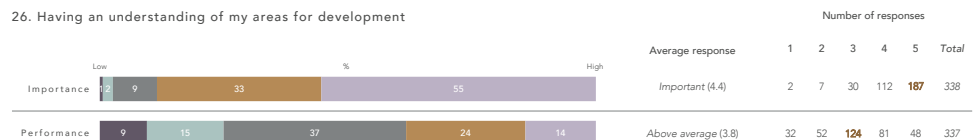
24. Regular reviews on how I am performing



25. Fair and constructive feedback from my manager

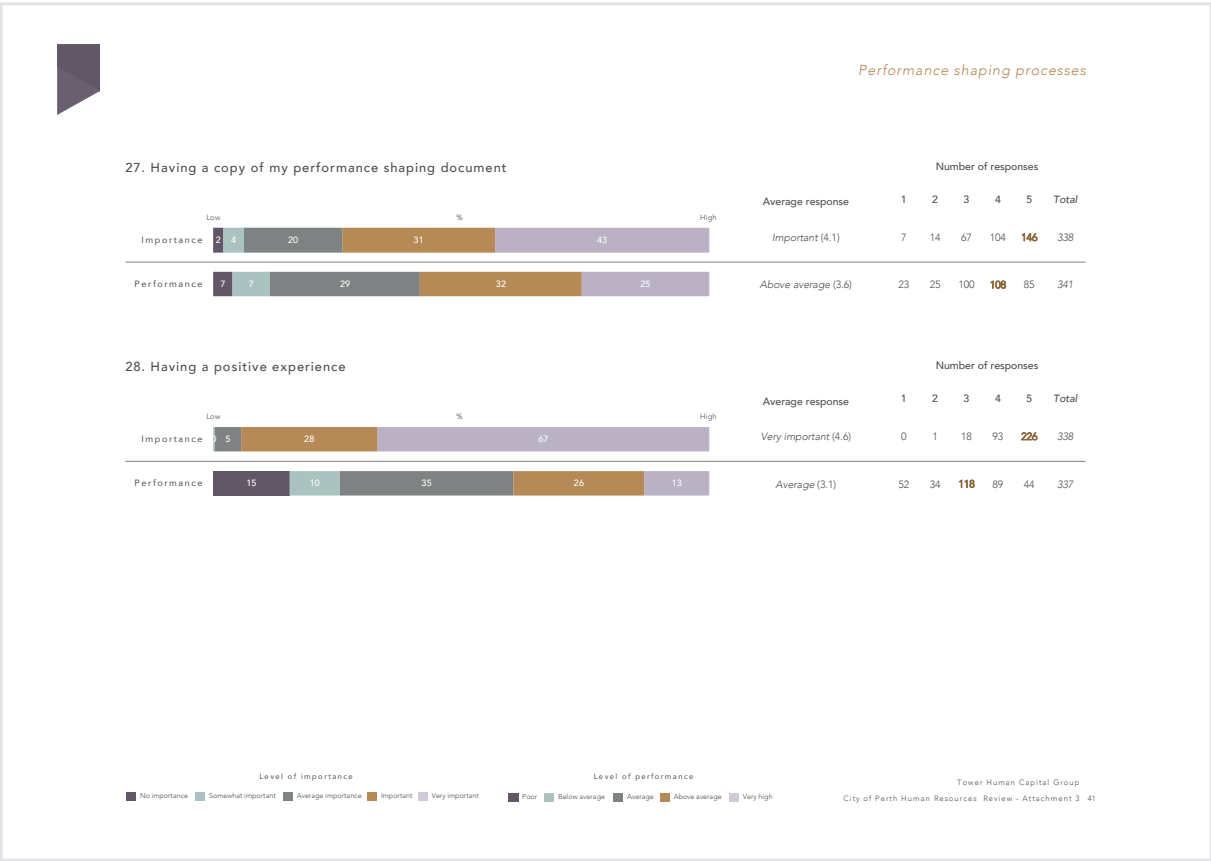


26. Having an understanding of my areas for development



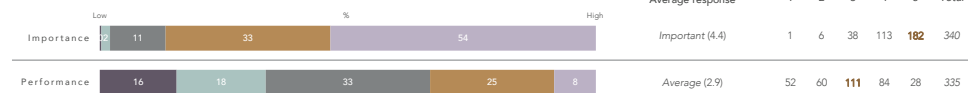
Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 40



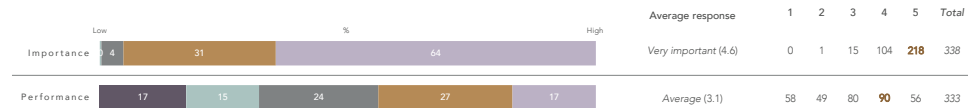
Grievance and complaint management

29. Policies & procedures for raising grievances and complaints being accessible and understood



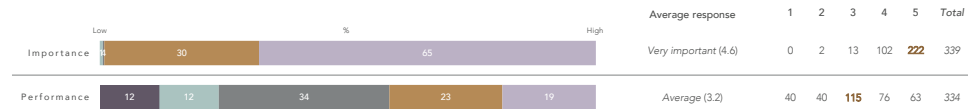
Average response	1	2	3	4	5	Total
Important (4.4)	1	6	38	113	182	340
Average (2.9)	52	60	111	84	28	335

30. Employees being able to resolve issues directly with their manager or supervisor



Average response	1	2	3	4	5	Total
Very important (4.6)	0	1	15	104	218	338
Average (3.1)	58	49	80	90	56	333

31. Knowing who to go to if I have an issue

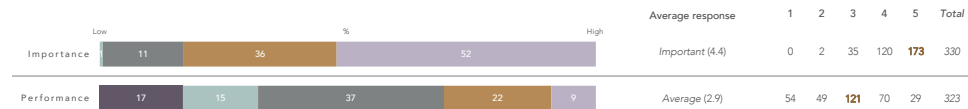


Average response	1	2	3	4	5	Total
Very important (4.6)	0	2	13	102	222	339
Average (3.2)	40	40	115	76	63	334

Level of importance: No importance, Somewhat important, Average importance, Important, Very important. Level of performance: Poor, Below average, Average, Above average, Very high. Tower Human Capital Group. City of Perth Human Resources Review - Attachment 3. 43

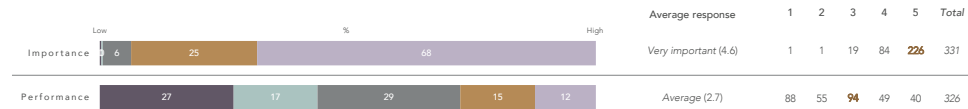
Grievance and complaint management

32. All complaints and matters managed to the policy



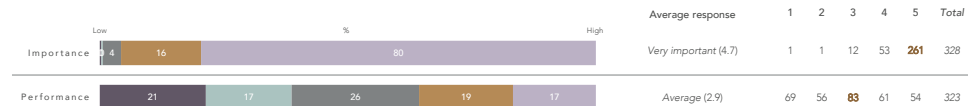
Average response	1	2	3	4	5	Total
Important (4.4)	0	2	35	120	173	330
Average (2.9)	54	49	121	70	29	323

33. Feeling comfortable making a complaint



Average response	1	2	3	4	5	Total
Very important (4.6)	1	1	19	84	226	331
Average (2.7)	88	55	94	49	40	326

34. My complaint being treated confidentially



Average response	1	2	3	4	5	Total
Very important (4.7)	1	1	12	53	261	328
Average (2.9)	69	56	83	61	54	323

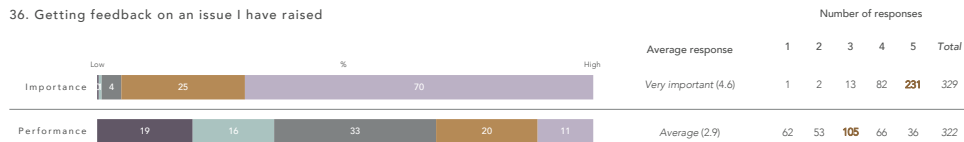
Level of importance: No importance, Somewhat important, Average importance, Important, Very important. Level of performance: Poor, Below average, Average, Above average, Very high. Tower Human Capital Group. City of Perth Human Resources Review - Attachment 3. 44

Grievance and complaint management

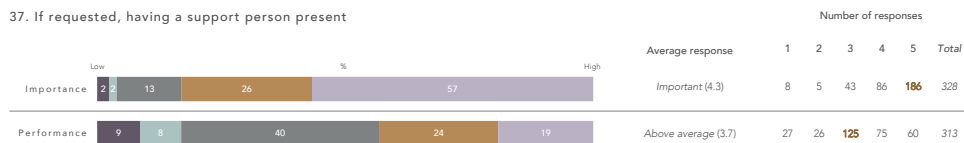
35. Having the matter properly investigated



36. Getting feedback on an issue I have raised



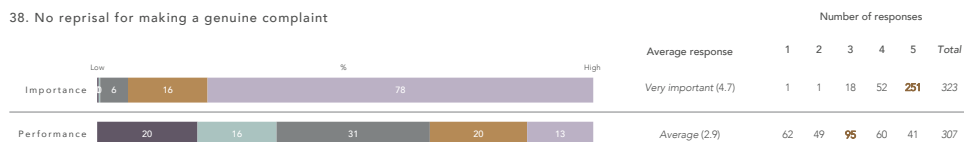
37. If requested, having a support person present



Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 45

Grievance and complaint management

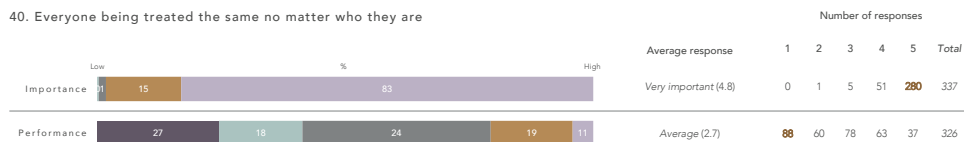
38. No reprisal for making a genuine complaint



39. Being treated fairly in the process



40. Everyone being treated the same no matter who they are

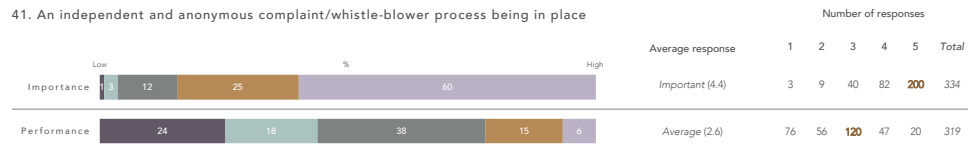


Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 46



Grievance and complaint management

41. An independent and anonymous complaint/whistle-blower process being in place



Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

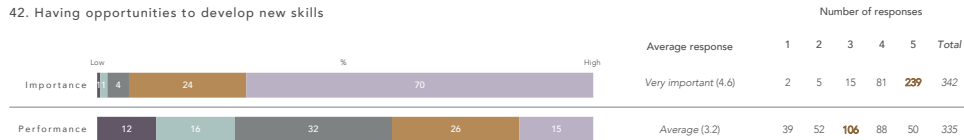
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 47

Learning and development

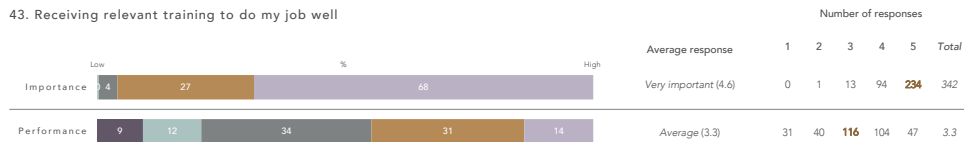
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 48

Learning and development

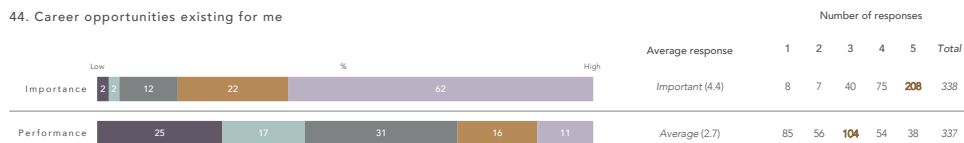
42. Having opportunities to develop new skills



43. Receiving relevant training to do my job well



44. Career opportunities existing for me

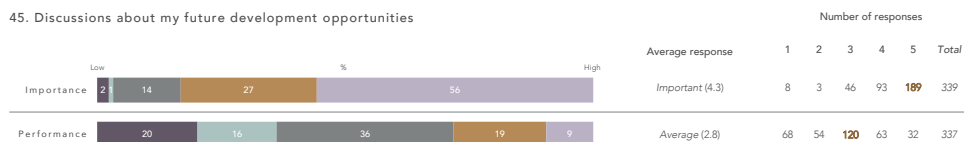


Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

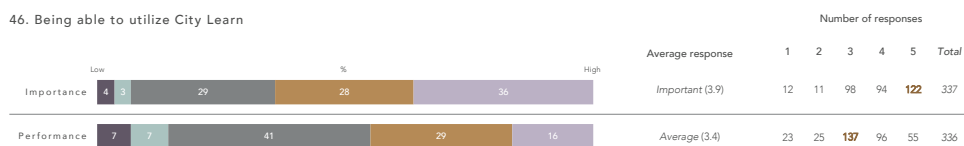
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 49

Learning and development

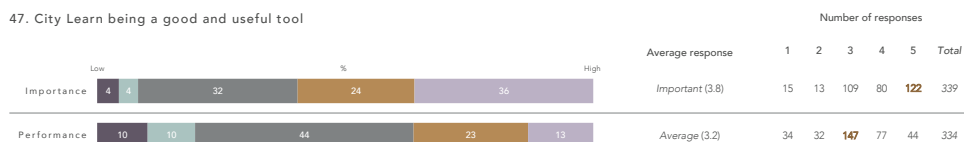
45. Discussions about my future development opportunities



46. Being able to utilize City Learn



47. City Learn being a good and useful tool



Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

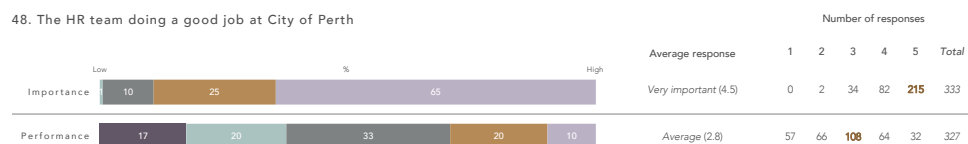
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 50

Human resources – general

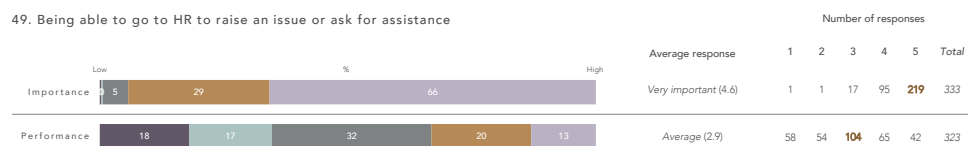
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 51

Human resources – general

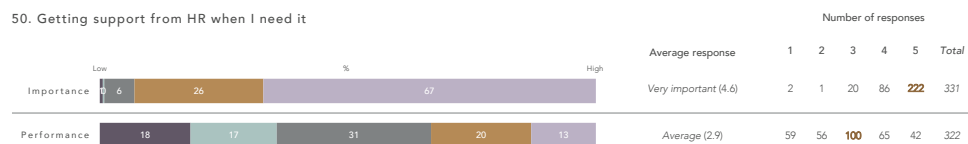
48. The HR team doing a good job at City of Perth



49. Being able to go to HR to raise an issue or ask for assistance

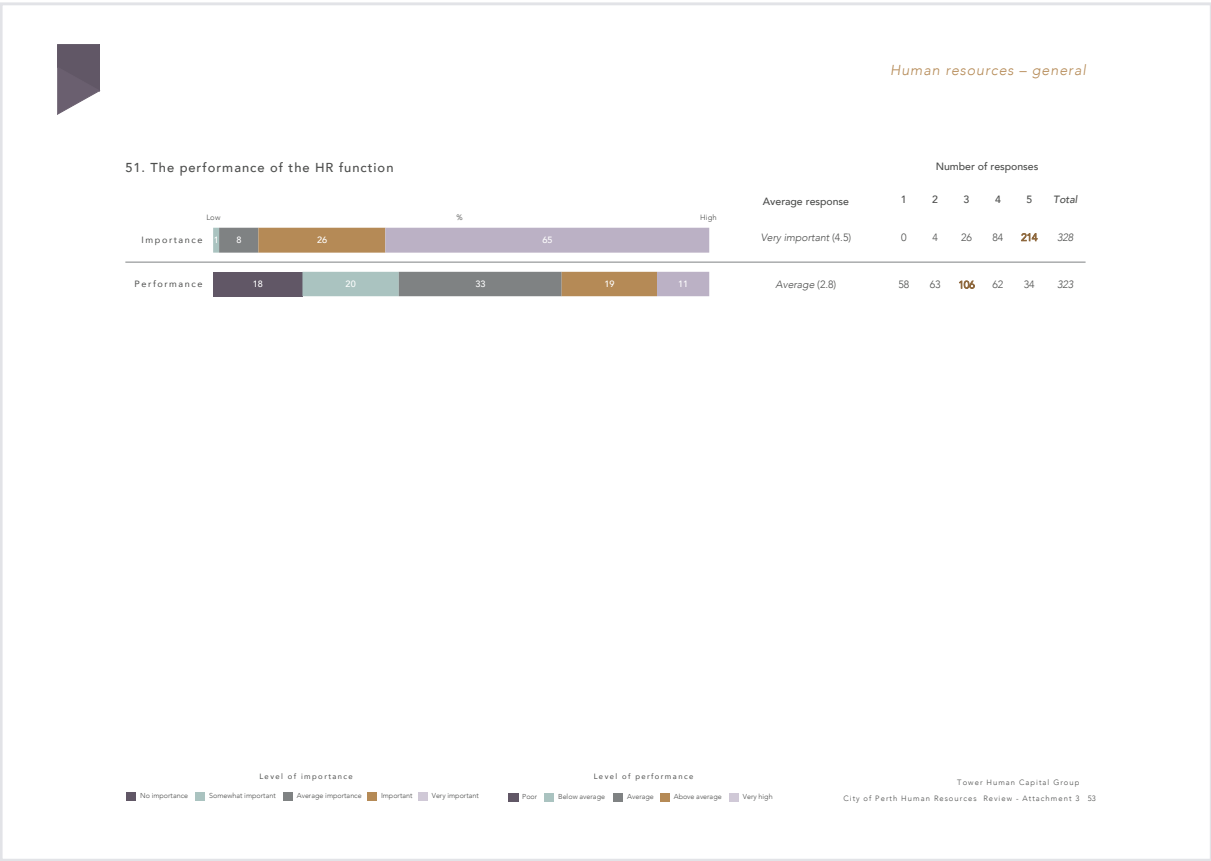


50. Getting support from HR when I need it



Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

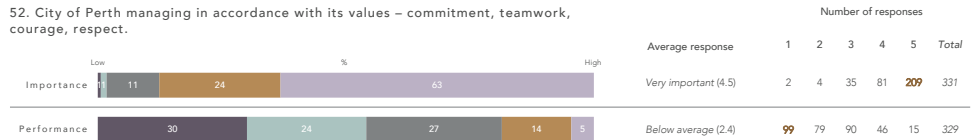
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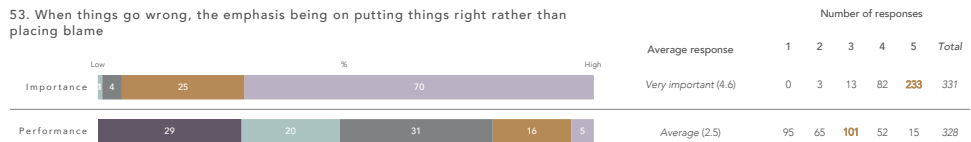


Culture

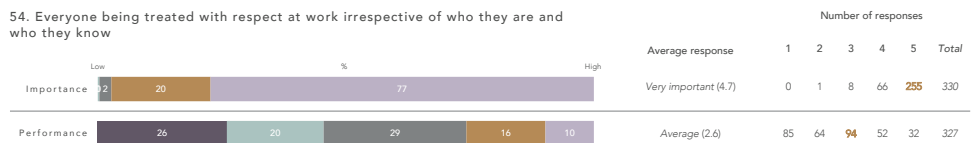
52. City of Perth managing in accordance with its values – commitment, teamwork, courage, respect.



53. When things go wrong, the emphasis being on putting things right rather than placing blame



54. Everyone being treated with respect at work irrespective of who they are and who they know



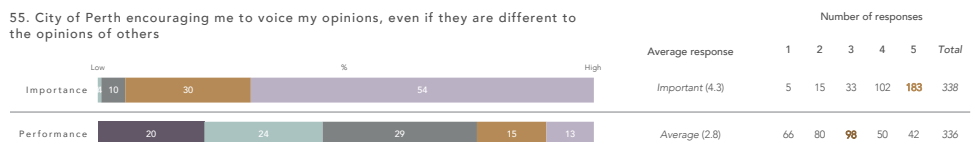
Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

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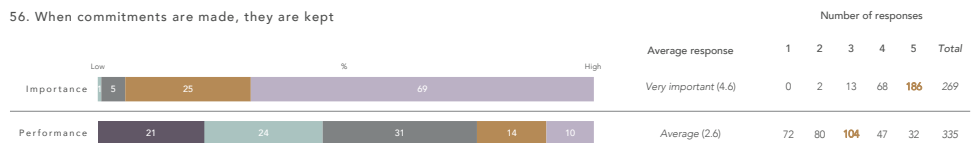


Culture

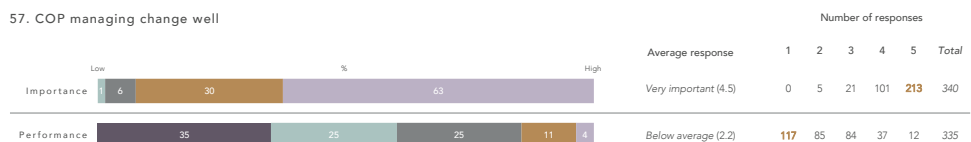
55. City of Perth encouraging me to voice my opinions, even if they are different to the opinions of others



56. When commitments are made, they are kept



57. COP managing change well

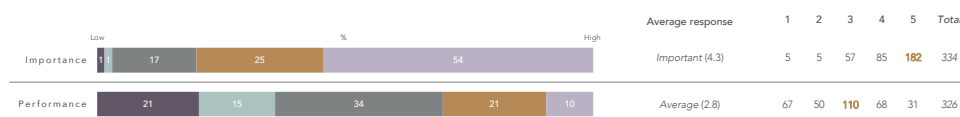


Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

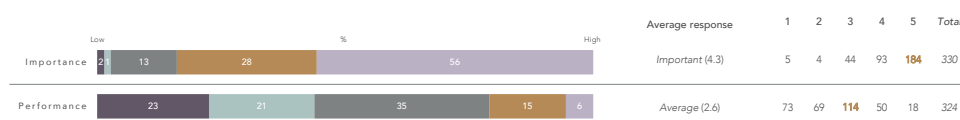
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Culture

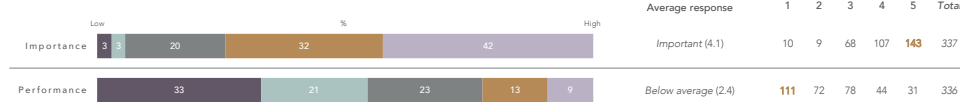
58. Accurately communicating the outcomes of the last "You Say" survey (Catalyse)



59. Implementing priorities that were identified in the last survey



60. My recommending COP as a good place to work to a friend, colleague or family member



Level of importance: No importance, Somewhat important, Average importance, Important, Very important. Level of performance: Poor, Below average, Average, Above average, Very high.

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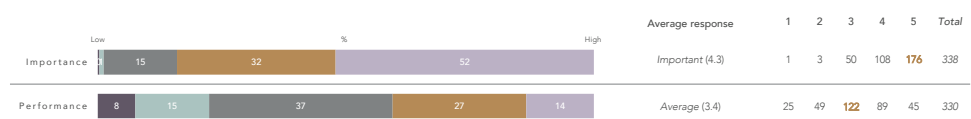
Occupational health, safety and wellness

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City of Perth Human Resources Review - Attachment 3 58

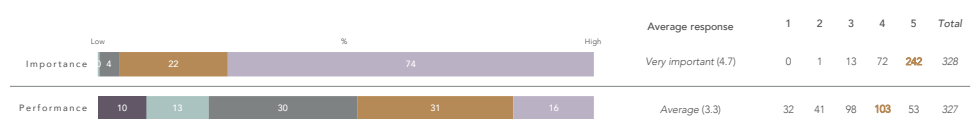


Occupational health, safety and wellness

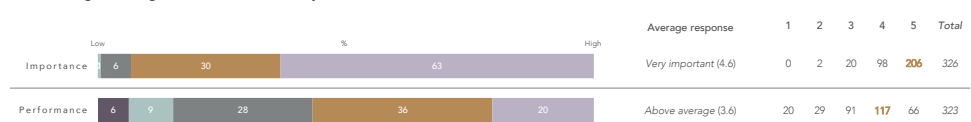
61. Policies and procedures being developed and accessible



62. Working in a safe and healthy environment



63. Knowing who to go to if I have or identify an issue



Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

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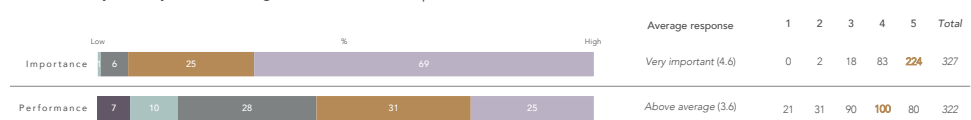


Occupational health, safety and wellness

64. Even under pressure, people are expected to put the health, safety and wellness of staff first



65. If I identify a safety issue, knowing that it will be acted upon



66. Accidents and incidents being properly investigated

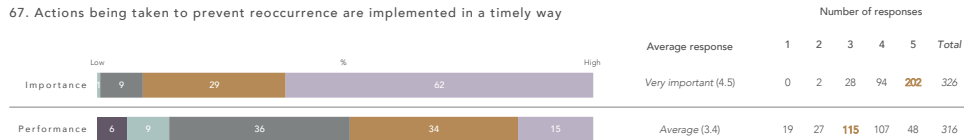


Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high

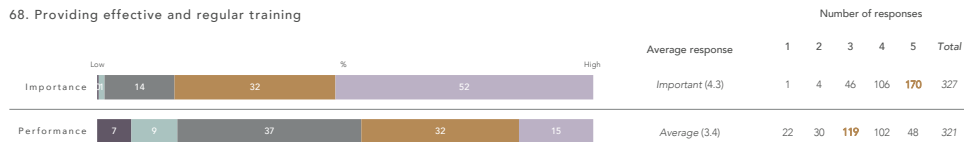
Tower Human Capital Group
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Occupational health, safety and wellness

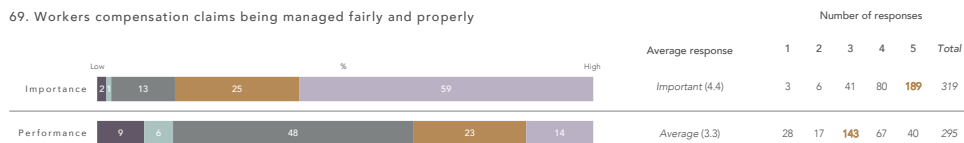
67. Actions being taken to prevent reoccurrence are implemented in a timely way



68. Providing effective and regular training



69. Workers compensation claims being managed fairly and properly

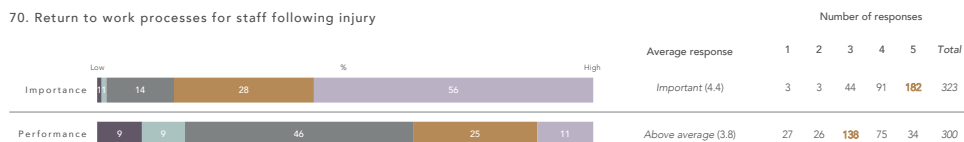


Level of importance: No importance, Somewhat important, Average importance, Important, Very important. Level of performance: Poor, Below average, Average, Above average, Very high.

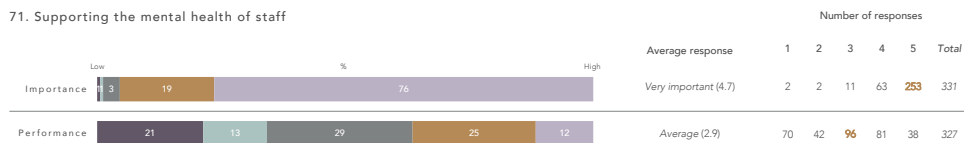
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City of Perth Human Resources Review - Attachment 3 61

Occupational health, safety and wellness

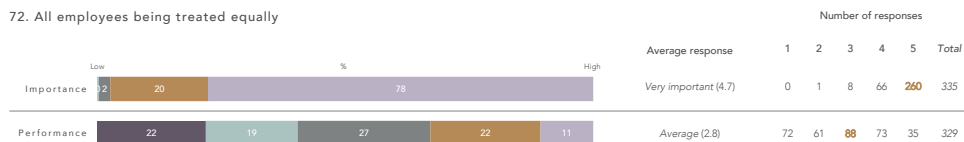
70. Return to work processes for staff following injury



71. Supporting the mental health of staff



72. All employees being treated equally



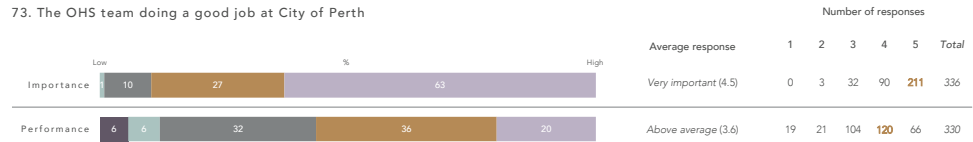
Level of importance: No importance, Somewhat important, Average importance, Important, Very important. Level of performance: Poor, Below average, Average, Above average, Very high.

Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 62

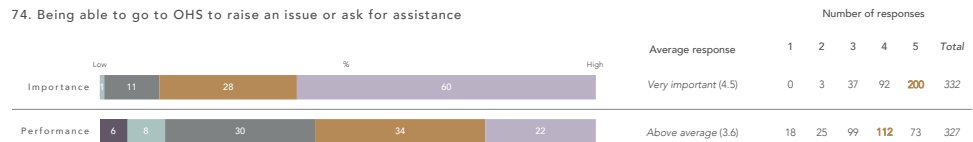


Occupational health, safety and wellness

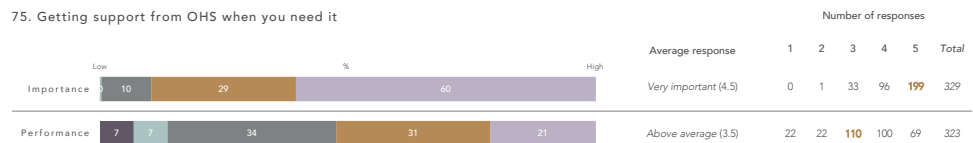
73. The OHS team doing a good job at City of Perth



74. Being able to go to OHS to raise an issue or ask for assistance



75. Getting support from OHS when you need it

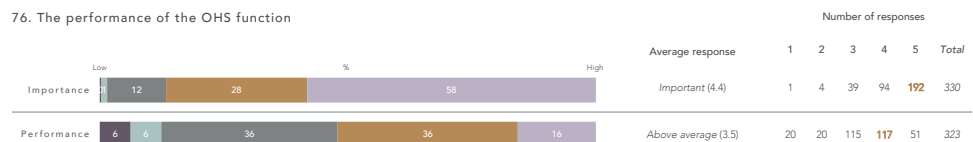


Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high
Tower Human Capital Group
City of Perth Human Resources Review - Attachment 3 63



Occupational health, safety and wellness

76. The performance of the OHS function



Level of importance: No importance, Somewhat important, Average importance, Important, Very important
Level of performance: Poor, Below average, Average, Above average, Very high
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City of Perth
Performance Analysis, Assessment and Review – Human
Resources

ATTACHMENT 4

OPEN RESPONSE QUESTIONS -

FEEDBACK

Tower Human Capital Group

City of Perth Human Resources Review

Open response questions – feedback*

*These responses are verbatim from the online survey – they have not been edited or redacted



Occupational Health, Safety & Wellness (OHS)

77. What do you see as the key priorities of Occupational Health, Safety & Wellness (OHS) at City of Perth?

responses = 259

Theme	#	%
Maintaining a safe workplace	151	58.3
Supporting health & wellness of employees (including mental health)	116	44.8
Supporting mental health (ONLY)	66	25.5
Providing training	24	9.3
Identifying and assessing risks	9	3.5

- Adequate training
- Safe working environment
- Mental Health
- compliance with regulations
- -support physical and mental health of employees
- 1. provide a safe and supportive working environment
- 2. ensure staff are managing self-care
- 3 ensure staff know who to contact if they become aware of a health or safety issue
- a broad framework for improving standards of workplace health and safety to reduce work related injury and illness. Compliance.
- A safe work place
- A safe workplace for all people who enter the City of Perth, both physically and mentally, and making sure any issues identified are immediately addressed,
- A safe workplace.
- A safe, healthy work environment and timely correction of issues when required.
- Ensure that outcome focus performance, safety and wellness are given the highest priority at the City of Perth
- Assist Executive to identify challenges to health and safety and address them before they adversely impact on workers
- Build up our work environment to promote wellbeing through implementation of a Public Sector Workplace Wellbeing Framework
- Provide leadership and drive safety performance to support a high performing workplace. Enable the safe return to work of injured workers.
- Through implementation of a Building Safety Excellence strategy at the City of Perth, employees are assisted to:
 - -Build an organisational culture of continuous improvement in WHS
 - -Increase productivity through an engaged and healthy workforce
 - -Manage safety responsibilities in a transparent and accessible manner
 - -Enhance accountability for safety performance
 - -Effectively use performance information for evaluation of systems and evidence based decision making
- abiding by legislation
- Adequacy of ventilation in meeting rooms
- Adequate training and proper inductions
- Aging workforce; cultural issues leading to stress
- Alot of emphasis on OH and safety, I would like to see an increase in the wellness component.
- Approachable should issues arise

- appropriate capture system, go to team, regular inspections, checklists, provide findings, follow-up, signoffs.
- Assisting officers and managers in contractor management, and staff safety. Ensuring legislative and council requirements are clear and consistent across the City. Providing advice and evaluation in relation to staff hazard reporting or enquiries.
- Assuring the overall health, wellbeing and safety of all staff and visitors
- Being accountable of the wellbeing of all employees
- Being proactive instead of reactive
- Better end of trip facilities, ours are sub-standard.
Consider use of fortnightly RDO system to boost morale and productivity
- Bring OHS into the mindset of all employees.
- Bullying
- Bullying
- Central point of contact for OHS advice & expertise relating to construction & maintenance works
Reviewing & approving contractor's safety management plans / SWMS etc
- Clean eating areas
- Clear and effective policies and processes to ensure OSH is sustainably built into all aspects of the work environment.
- communicate with staff regarding potential problems. Assist with solutions.
- Communicating OHS priorities and being available to assist if an incident occurs
- Continue with wellbeing programs
- Continuous development strategies to assist employees
- Covering the City if issues arise.
- Create a safe work environment. Easy process to report accidents, incidents or safety issues and these are acted on immediately.
- Creating an OSH system that is easy to follow and not onerous, to just tick boxes
- CYA
- dealing with mental health and trying to create a more positive and encouraging environment for all to work in
- Designing and implementing processes and systems that ensure zero harm within the workplace.
- Developing and maintaining a safe work environment for all staff
- Directors modelling the values - not just protecting patches and inflating their importance
- Educating and keeping staff safe and aware of their obligations
- Eliminate bullying and passive aggressiveness by senior management
- Embedding safety in every aspect of the City's operations so that safety of employees is the top priority.
Providing support to any employee who is injured at work and effectively managing their return to work.
Ensuring all policies and procedures remain up to date and are aligned with legislative framework.
Conduct safety awareness training for staff.
- Employee safety
- Employee safety (physical and mental)
- Employee safety, Training
- employees being safe at work
- Employees supported in achieving a sustainable work-life balance
Employee mental health
Employee safety in the workplace
Employee training in emergencies and evacuations
- Ensure all staff return home safely. Feel comfortable that the work environment is a good environment to work in, not just from physical harm but also mental and emotional harm.
- Ensure consistency across units
- Ensure staff can come to a safe workplace
Identified risks are looked into and resolved where necessary
- Ensure that a high level of safety is maintained to all CoP employees, capture all incidents in order to avoid repeat accidents.
- Ensure that employees work in a safe environment and are considered the highest priority of the organization.
- Ensuring a safe and healthy workplace. Programmes supporting mental health, workplace safety are well promoted.

- Ensuring a safe workplace both physically and mentally.
Educating staff on OSH procedures and policies
Providing training where required on OSH practices
Ensuring staff are working with other staff who are fit to work
Ensuring support is available and provided to those needing it
Identifying hazards and risks in the workplace
- ensuring a safe workplace for everyone
encouraging a healthy work-life balance
encouraging more breaks in the day
- Ensuring a safe workplace. Policies and Procedures to reinforce a safe workplace. Regular review and update of those procedures
- Ensuring a safe, health workplace
- Ensuring correct practices, policies and procedures in place and accessible.
- Ensuring employees work in a safe, comfortable environment
- Ensuring our physical and mental safety
- Ensuring safety issues are prevented or dealt with efficiently and effectively. Promoting a safe and healthy workplace.
- Ensuring safety of all employees
- Ensuring staff are working in a safe environment and have the correct tools to ensure they are kept safe
- Ensuring that CoP is a safe place to work.
- ensuring that each staff member has a staff work environment and returns home safely
- ensuring that the correct Processes and procedures are in place and are acted on
- Ensuring that workers feel safe while at work and creating an environment where they feel safe coming into each day
- Ensuring the City is a happy and healthy place to work
- Ensuring the City is a safe place for all employees
- Ensuring the City is not sued.
- Ensuring the safety of employees and contractors as we go about our work in the city.
- Ensuring the safety of the City Employees by delivering safety frameworks and initiatives
- Ensuring the workplace is safe for all who work in the environment. Contractors and Staff alike. Safety for all should be the same.
- ergonomic assessments
mental health - guidance for managers
kitchen facilities
- Fair treatment if injury occurs in the workplace.
- good communication
- haven't been in the organization very long to comment
- Health and safety of staff
- Health and Wellbeing of the staff.
- Helping us all to have a mentally and physically safe workplace.
- I have nothing to do with the OHS team at all. The only thing I know is you get a \$100 healthy living contribution each year
- Identifying, Action
- Improving staff Health
Being proactive in reduce workplace injuries
- In my role and area of work, mental health and work life balance
- In that order, being consistent, proactive and vigilant.
- Incident management, workers compensation, training, employee benefits
- Issues and improvements are dealt with as a priority and within a quick time frame
- Keep a safe working environment for all staff at the City.
- Keep improving employees safety
Provide assistance
Keep up to date training
- Keep workforce safe and happy.
- Keeping a positive, safe and healthy working environment.
- keeping city staff educated to enable to make their own decisions about a safe working environment, as well as providing support when the shit hits the fan

- Keeping everyone Safe
- Keeping everyone safe, helping employees who are injured at work.
- Keeping frontline staff safe
- Keeping it real
- Keeping staff safe and making sure that we have a safe workspace
- Keeping staff safe while carrying out their every day activities. Support with issues arising.
- keeping staff well, including mental health
- Listen
- Looking after the well being of staff.
- Looking after the wellbeing of the city of Perth workers.
- looking after us
- Looking out for the safety of staff and providing adequate training
- MAINTAIN SAFE WORK ENVIRONMENT
- Maintain up to date policies on OSH and Health and Safety
- Encourage staff to attend corporate training sessions
- Source various other staff benefits/wellness programs and benchmark against other organisations
- Maintaining a good safety record but also dealing with low morale and poor mental health across COP
- Maintaining a safe workplace. I believe it is an individuals responsibility to look after their own mental health and that the City go above and beyond with what they are required to do for staff in this area. The main point of concern for me is ensuring staff have a physically safe place to work, which I believe we do. Whenever I have needed help OSH are always very willing. They have proactively sought opportunities to present to my team and I and I believe this helps build a positive culture towards workplace safety. I couldn't fault OSH.
- Maintaining safety through monitoring and best practice (processes and procedures), promoting health and wellness through activities and programs and more education. Many of the programs which used to be led by the dedicated CoP officer used to encourage lunch time activities. These have since ceased
- Make sure all staff whilst at work are well
- making employees safe and comfortable when doing their job
- Making sure staff work safely and that they are given the conditions to work safely
- Making sure the city provides a safe and inclusive environment for all. This include mental health as well as physical health.
- Making sure the workplace is a safe environment, providing staff with the tools to effectively and efficiently do their jobs (ensuring staff are physically and mentally equipped)
- MAKING the City's electrical infrastructure safe
- Manage a work environment that support staff mentally and physically health. Creates opportunities for staff to this too.
- Managers to treat staff fairly
- Managing safety and wellness
- Managing stress and employees mental health during times of change.
- Managing stressful environments
- Managing workers in dangerous jobs eg waste collection, street maintenance, rangers, etc
- Mental health
- Mental health
- Mental health
- mental health
- Mental health
- Mental health
- OSH training
- Mental Health (In today's workplace we see a growth in stress leave even our CEO is not exempt). I would like to see more support and programs to support staff. As we all know there is no workers comp for mental health issues so the City needs to look at over avenues to assist staff. The thought of loosing your job while you deal with mental health issues does not assist in recovery!!!
- Mental health and bullying & harrasment
- Mental Health and Elected Member conduct
- Mental health and stress levels. Management consulting staff with changes that affect their role.
- Mental health and wellbeing, safe and functional work place

- Mental health of employees and ensuring work life balance would be a top priority considering the statistics of stress leave and mental health issues in the workplace
- Mental health of employees and providing a safe and functioning environment to work in
- Mental Health of employees and Workers Compensation Claims being managed correctly
- Mental Health of staff, safe workplace, avoiding injuries at work
- Mental health should be the highest priority. The culture in the organisation at present is toxic, people are fearful of criticism leading to loss of their jobs, this has resulted in defensive attitudes, backstabbing and undermining. On top of this workloads are unrealistic, unrelenting and there is little appreciation or acknowledgement from above. Stress is having a serious harmful impact on mental and physical health.
- Mental health, getting injured at work. Then all of a sudden your friend is gone, without saying goodbye.
- Mental Health, resilience
- Mental Health: I believe the City is suffering from serious mental health issues. I have never worked in any other organisation with this many negativities. I don't feel safe when I come to the office as most of the staff behaviour is not appropriate (arrogant and aggressive).
- Mental well being of the staff should be the number one priority
- mental wellbeing
- Mental wellbeing in very stressful demoralised environment
- Mental wellbeing of the staff
- Investigate and mitigate safety risk
- Minimising risk to employees, members of the public, volunteers. Acting when an issue is reported. There is a lack of communication between Hanson, RMSS, the properties team and OSH.
- Mitigating lost time due to injury
- Mitigating risks to the safety of staff
- More mental health training and looking at getting some younger outside work staff in as 80% is over 50
- My key priority A new fitout of Council House to address health, happiness and productivity standards. Most 'hazards' aren't recognized, e.g. poor working layout, lack of access to natural daylight or views, not enough greenery and biophilic connection and a hundred other things that all contribute to mental health issues, poor productivity, staff turnover, absenteeism and long term health issues.
- my priorities is good safe and healthy environment
- No idea, I have no involvement with OHS
- Not been here long enough to provide comment
- Nothing need to change
- Occupational Health, Safety & Wellness :)
- OSH Team to continue the good work, the City to ensure the OSH Team is adequately and appropriately resourced
- Out side worker safety and training programs, all staff wellness programs such as mindfulness, meditation, stress management, dealing with changing priorities, healthy living programs
- Physical and mental health safety of employees
- Physical safety and mental health of employees to achieve work life balance
- Preventing injuries and training staff in prevention
- preventing injury
- Put I hues sit should encompass mental health, bullying etc
- preventing physical or mental injury
- provide a safe work place
- Provide a safe workplace for all employees in all divisions and roles
- provide safe workplace
- providing a ongoing safe and healthy environment
- Providing a safe work environment and providing ongoing training/workshops.
- Providing a safe work place and work environment physically and emotionally
- Providing a safe workplace
- Providing a safe workplace environment for all to work in.
- Being able to go to an OHS rep for advice.
- Reporting incidents and having these investigated immediately and effectively.
- Providing a safe workplace for all employees including reducing injury risk, supporting mental health, and promoting physical health and activity
- providing a safe workplace, and following upo with any concerns in a timely matter to ensure the workplace remains safe.

- Providing an environment that safely and effectively maintains all employees health and well being so as their performance reflects a passion to consistently be functioning at their peak providing a premium service to the public.
- Providing an environment where staff safety is paramount and the City remunerates staff well for the work they do.
- providing and promoting a safe and healthy work environment
- Providing the support required to ensure the safety and wellbeing of the staffing body and any visitors.
- Providing training for managers on investigating incidents
- Regular training
- Regular updates and training
- safe work environment
- Safe work environment physically and mentally
- Safe work place
- Safe work place for all
- Safe work spaces
- Safe working area
- Workshops
- Massage
- Sick bay
- Safety
- safety
- Safety and mental health.
- Safety and safe implementation for everyone
- safety and well being of all staff in the city
- Safety and well-being of staff and contractors
- Safety at site work for both workers and community;
- Wellbeing of employees during work hours.
- Safety first
- Safety for all employees, consultants and contractors who work for the City
- Safety in the workplace, guidance, compliance and education
- Safety of staff
- Safety on the job & Managing stress RUOK promotion
- Staff and customer safety. Inductions for contractors, training for staff. Follow up after incidents.
- Staff are safe at work
- Staff Safety
- Staff safety
- Staff wellbeing and safety.
- Staff wellbeing. Not all staff work in Council House so time appropriate and content specific information is essential.
- Stress and overwork mitigation
- Support/guidance with any OHS issue
- Supporting health and wellbeing could be improved. Mental Health first aid training was useful, but need ongoing initiatives such as lunchtime meditation, yoga and group physical activity sessions. A staff gym. Free fruit boxes for each floor. Establish small lunch-time social groups such as book clubs and movie groups. Allow staff to volunteer one or two days a week (paid) - helping the needy. I also think that all levels of staff and Elected Members/ Commissioners should be trained in etiquette, politeness to others, appropriate behaviour, kindness, relationship management/building and political nous. I feel like all of the above would have more impact than the \$100 lifestyle rebate.
- That safety is not just about reducing accidents which affect people physically. The current focus should be on ensuring a safe workplace from a mental health perspective.
- The biggest priority is staff wellness whether it is mental, emotional or physical. This lacks greatly at the City.
- The employees need to be better educated on OHS policies and procedures. more initiative to ensure mental health and morale of employees is uplifted.
- The Health and well being of all employees.
- The main priority is mental health

- The mental wellbeing of its staff. The behavior of ELG, the pressure officers are under and the lack of corporate strategic direction is putting an immense amount of mental stress on the workforce. The OHS team have done a great job to raise awareness of the importance of a mentally healthy workplace, however, behaviours have not changed and the culture is getting worse.
- The mental wellbeing of staff
- The safety and mental health of all employees
- The safety and well being of all staff
- The safety of all workers as priority
- The safety of staff and the support of staff's mental health
- The safety of staff.
- The safety of the general public while using CoP property.
- they do a good job
- Through information and training - to keep everyone safe while at work.
- to address concerns quickly and with positive outcomes
- To assist in the City's employees safety and well being, provide appropriate and relevant training, assist in work related safety issues and claims and to be easily assessable.
- To create a safe & healthy train of thought to self & others.
- To ensure a healthy and safe workplace for employees
- To ensure a safe working environment, both physically and mentally.
- to ensure everyone is safe and well
- To ensure safety and well being of all staff physically and mentally
- To ensure staff are working safely
- To ensure staff members are looking after themselves in the work place
- To ensure the provision of a safe work environment for staff and customers and to provide up to-date information to enable staff to act and work in a safe way
- To help the City meet its legal obligations. It seems like a 'box ticking' exercise rather than genuine concern about the health and wellbeing of employees.
- To improve the culture of safety by helping others understand what a safe workplace is, how to identify risks and hazards and how to improve the workplace to avoid injury and damage.
- To keep everyone working in a safe environment
- To keep the workplace a safe one
- To listen to the people who are out in the field and those that have the prior knowledge and experience and treating them with the respect that they deserve.
- To look after health and safety of staff.
- To make sure our environment is as safe as possible
- To make sure that all employees have a safe environment to work in.
- To make the City as safe a place as possible to work in.
- To protect the City
- To provide a safe and happy workplace
- To provide a safe work environment for all employees.
- To provide information and assistance to the workforce so that each person can take steps for their own health and safety.
- To Provide support in offering a safe and equitable place of work, to manage risk and reduce to likelihood of accidents in the workplace
- To see the well being of all their staff and to hear their concerns and act to improve the health and safety in the workplace.
- Updating Staff on security improvements that have been put in place.
- Very friendly and approachable, little disorganized at times
- With constant change and the lack of clarity direction and certainty at the City of Perth over the past two to five years, mental health should be a key priority.
- Workplace safety
- Safe working environment
- Always wear correct PPE and you should be alright
- Being able to do my job, and safely even if overtime (weekends) are included
- Maintaining a safe happy work environment
- Maintaining a safe work environment
- Making sure all gets done in the safest manners

- Managing the health and wellbeing of the staff while at work, and giving staff relevant training
- People's mental health and the support of managers
- Providing a safe and healthy work place for us
- To keep people safe and healthy physically and mentally
- To keep staff safe and manage compensation claims
- To protect the city and its assets

78. What do the OHS team do well?

responses = 222

Theme	#	%
Training	48	21.6
Safety	31	14
Being available & approachable	30	13.5
Communication	15	6.8
Providing information	12	5.4
Acting quickly & following up	11	5
Being responsive	11	5
Providing programs	10	4.5
Being proactive	5	2.3
Listening	5	2.3
Being visible	5	2.3

- 1. ensure staff are booked into training, however I feel this is just to tick a box rather than assessing if it is relevant and evaluating if staff find it useful/beneficial
- Accessible training
- Act on issues brought to their attention, and show empathy to those people affected by incidents.
- Act quickly on most issues raised, provide opportunities for a wide range of OHS training, take on board suggestions for new programs, have implemented professional documentation that is easily accessible
- Acting on things required changes
- Acting quickly
- Additional employee incentives: flu shots; fitness tests; healthy lifestyle programs.
- All they do well is follow instructions from the director
- Arranging healthy lifestyle seminars.
- attend to staff concern when it comes to safety and wellbeing
- Attending site inductions with contractors;
- Available training courses
- Available, fast response
- Based on my directorate OHS team, they are extremely easy to approach and talk to.
They are always happy to assist with queries or even feedback on a matter that may not entirely involve them but has an element of OHS which I may require assistance with.
They are extremely proactive and have introduced many valuable sessions at the City that I have enjoyed attending and learning from.
- being proactive
- Carrying issues through to the end result and keeping employees informed.
- checks
- Communicate and feedback
- Communicate and provide assistance with queries and OSH Information
- Communicate how to have a safe work place, what to do in the event of an issue occurring and training relating to a safe workplace
- Communicate the resources on offer for supplier inductions and workplace safety.
- communicate their courses
- Communicates works that are underway.
- Communication and updating
- Communication of OHS initiatives; provision of free and diverse OHS-related training
- Communication.
- Communications of issues and processes
- Communicatuions
- CYA
- Deliver training

- Developing and delivering safety policies and procedures and training on those policies and procedures
- Do their job based on their resources
- Doing what they can to insure the safety and well being of all employees, especially at the moment with the OSH team being down in numbers.
- ensure a safe physical environment
- Ensure contractors etc are properly inducted to work sites.
- Ensuring a safe work environment
- ensuring staff's safety
- everything
- Everything
- Everything is investigated thoroughly
- Fire warden training
- Fix a problem once you figure out who to go to in the first place
- Follow their risk assessment framework
- follow up on incidents
- Follow up on queries as soon as possible.
- framework, structure, processes, procedures, engagement
- Friendly however OHS team, with one senior staff member, is too quick to pass workload/responsibility onto others. This creates a 'dodge' OHS responsibility culture.
- Give enough information ahead.
- Give feedback
- Give Presentations
- Have meetingd
- haven't been in the organization very long to comment
- Health and well being info sessions
- Healthy lifestyle programs/incentives
- Highly responsive and provide assistance where required, particularly when dealing with contractors and consultants onsite
- Hold tegular meetings and pass info to staff
- I think they do a good job re safety at work.
- Identifies physical risks and procedures
- Implementing policies
- Improve staff health
- Induction
- Inform staff of issues
- Information & training
- Informing about training
- Injury and risk management
- Interacting with staff
- Investigate OHS issues reported by staff
- It responds in timely fashion to physical risks identified and makes improvements.
- Keep people updated with knowledge about OHS
- Keeping staff safe as well as updated with relevant OHS information.
- keeps me informed
- Let us know of what they do and how to contact them
- Listen
- Listen and act but sometimes not to the people most concerned
- Listen and action all needs
- Listen and implement when required
- Looking after our safty
- MAINTAINING SAFE WORK ENVIRONMENT
- Making policies and giving advice
- Monitor ergonomic hazards and putting mitigating measures in place
- monitor risks
- Monitoring & reporting, training, research & evidence-based decision making
- Monitoring and advising
- Not much that I am aware of.

- Nothing
- Nothing currently
- occupational safety
- OHS do a great job in broadly addressing mental health, eg mental health first aid.
- OHS representatives provide updated information to staff
- OHS team are doing a fantastic job. sol Merza in particular is leading the way
- Ok, recently there has been more awareness and training for employees which has been helpful.
- On a floor to floor basis react well to incidents quickly.
- onboarding
- One off training courses. Investigating reported OSH issues.
- Open and supportive
- Organise and communicate training sessions.
- Organise assessments
- Organise extra benefits (Massaging) & other facilities in the workplace.
- Organise topical training sessions
- Organize Fire Safety Training
- Organize staff programs e.g. healthchecks and training
- organize training
- Other than the normal issues
- Health checks are excellent
- Our rep is a great at his job. Looks after all aspects of OSH very well.
- Our safety equipment is very good
- outdoor workforce issues done well
- Overall I believe that the OHS team are representing the city to a high standard
- overall it's pretty good
- Passion and genuine belief about creating a safety focused culture
- Passionate about what they do
- play
- Policing safety risks, protecting City from criticism
- Present sessions on workplace safety, October annual promotion.
- Provide a number of courses for self development.
- Provide advice and support on physical incidents and proactive approaches to minimize incidents
- Provide clear information if requested
- Provide good training programs on physical and mental health
- Provide information on safety
- Provide opportunities for staff to attend health & wellbeing sessions and ensure staff are aware of safety requirements and our results.
- Provide opportunities for training and development.
- Provide plenty of training opportunities and take safety of staff seriously.
- provide programmes and information for staff to better inform them
- Provide support all employees within the CoP. Provide transparency in the management of accidents and incidents. Implement practical and useful processes and procedures. Develop and implement initiatives for the safe and well being of all employees.
- Provide training when needed and communicate the available services being provided by the City.
- Provide training, health and life style to all employees.
- Provides good training opportunities.
- Providing information
- Providing Wellness programs and training
- Reach out to new starters
- recently I have noticed that they have been offering a range of courses for staff to attend to
- Regular audits and an incident reporting process accessible to everyone
- Regular checks, approachable, considered and thoughtful, really happy with the work they do.
- regular meetings
- Regular reporting on incidents, promoting a safety culture.
- regular updates on relevant issues
- Regularly coming up with new safety ideas
- Relatable

- Relay messages
- Report dangers
- Reporting and investigation.
- Reporting, minimising LTIs, promoting wellness initiatives
- Respond quickly when major incidents occur. Investigate. Working out how incidents occurred and try to put in procedures/policies to avoid them happening again. Always on the end of the phone to answer even the smallest query.
- Respond to safety issue, they are accessible and they care. They understand the different issues of each different department.
- responding to incidents
- availability of ohs staff
- ohs training sessions
- Responding to query/incident
- responsiveness
- Reviewing OHS management plans & contractor documentation
- Routine work
- Safety and comfort
- See above
- Self promotion
- Share information, provide support when inducting contractors on site, health and wellness
- Staff always available and approachable
- Support with any issues that arise
- Support, Processes, Training, Incident Management and investigations, good employee wellness and wellbeing initiatives
- Supporting OHS floor reps
- Some of the training courses on offer
- Talk
- talks, workshops, exercise classes ect are valued by staff...although always the staff who are is the least need of assistance that use these services. Could target/encourage certain staff to utilize these services.
- Team answer concerns and are available. Have had no negative interaction with the team.
- The Healthy Lifestyle reimbursement
- THE OHS TEAM MAKE SUR HEALT AND SAFET EVREY PERSON AT WORK BEEN SAFT
- The OHS team provides adequate training and resources.
- The OHS team uphold a safe and healthy working environment, including mental health training, mental health applications and occupational, health and safety tools and resources.
- The team is open to suggestion for improvement
- Theoretical knowledge
- They are always available, helpful, responsive and supportive
- They are always happy to answer any questions and point me in the right direction. John has a great deal of knowledge that he is happy to share. If he is unsure he will get back to me with confirmation.
- They are always helpful with any questions and happy to assist. The team are very overstretched.
- They are available and friendly
- They are knowledgeable, friendly and approachable. They are always incredibly responsive and often the easiest team to deal with. They have clear and accessible procedures and when I have every had any questions, they have always been able to give me clear direction. All my experiences with OSH have been exception. I have previously worked in the resources sector and I believe the City's OSH activities surpass this industry.
- they are ok
- They are readily available. Are visible at monthly CMD meetings/conducting presentations. Encouraging questions.
- they are seen around the offices and are approachable
- They are very visible and proactively run programs to raise awareness of OHS issues
- They communicate well with our unit - support in ways of training, flyers, info sessions and health checks
- They cover aspects of their PD's / role of OHS personnel efficiently
- They do a good job overall
- They effectively follow up on claims. Support is given to staff to ensure rehabilitation.

- They engage with us to explain changes, provide information about what is available to staff and provide support through incident reports.
- They ensure workplace safety
- They give us updates on OHS Stats, OHS rep on floor doing a great job
- They have assisted in developing useful policies and procedures to protect the health of employees in my unit.
- They have been providing training and are communicating more frequently with employees
- They know what services are required when an incident occurs and the steps to take.
- they make sure everyone is safe and well
- They offer so many fantastic programs
- They provide a good level of service, very knowledgeable
- they put up lots of posters!!
- tick boxes !
- Track issues
- training
- Training
- Training
- OSH Committees
- Training
- Training and resources available to staff.
- Training has improved dramatically in the last 12 months.
- Training programs
- Policies and procedures
- Providing assistance to teams
- training, following up on incidents
- Training.
- trainings
- Trainings, presentations, documents and regulations and day to day support. They are great people with positive attitude.
- Trauning
- Turnaround time is very prompt with review of pre-employment medical assessments
- Very approachable and visible. Knowledgeable. Provide lots of training courses.
- Very approachable for work related support on projects delivered in the city. I am aware of training that is being provided for mental health which is great.
- Very proactive
- Very well organised and professional training
- Visibility of information
- Visible, available, friendly and provide assistance
- We are overly safety and health conscious - good job
- We have OSH reps who liaise with the OSH team.
- wellness
- With limited resources they engage the workforce to minimise harm where possible
- Work life balance opportunities
- Workshops
- Ensuring we have appropriate PPE. Although it seems they have to compromise quality because of budget
- Fast, effective
- Follow up and manage incidents and injuries
- Help to implement safe procedures
- John Svenson manages Compo claims well
- Listen to you and are genuine in their advice
- Look busy in the office
- Talk to victims

79. What could the OHS team do better?

responses = 207

Theme	#	%
Nothing / they are already doing a good job	29	14
Provide more training (including promoting of training)	21	10.1
More mental health work	16	7.7
Better communication	9	4.3
Increase of staff members	8	3.9

- 1. Have a safety rep committee and hold regular meetings
- 2. support safety reps to complete their responsibilities and promote their functions to employees
- 3. promote to staff the reporting process for reporting OSH hazards/issues
- a lot more communication and regular meetings
- Act on findings of investigation.
- address issues more quickly
- Advertise the wellness program available to staff more obviously / clearly. market it better
- all good
- All good.
- Anything would be a good start
- Be accountable and provide the City of Perth's interpretation of legislation rather than just quoting the legislation for officers to interpret themselves. For untrained officers to interpret legislation can pose a risk to the organisation, the OSH team should provide advice to officers, based on their expertise of how they interpret the legislation.
- Be available more
- Be more approachable and available.
- Be more friendly and open
- Be more public, the only notification that seems to go around is access the ERP system.
- Be more visible in the workplace with the work they do.
- Be part of the onboarding process for new staff. I found out about employee benefits like health insurance discounts on corporate membership nearly 12 months after my start date.
- Be proactive and look at safety issues of staff that deal with the public. some of whom have issues of drug and alcohol abuse or just plain abusive to city staff
- Being more grounded in their procedures
- better inductions
- Bigger team
- Bring staff benefits in line to what is offered in external organisations
- Care about people, remember they are people. Say Hi, and mean it.
- Carry out more uninvited site or office visits to ascertain employees work ethics.
- Certain courses should be mandatory for all staff, i.e. the mental health course as it would allow staff to pick up on issues and assist colleagues. By having mandatory courses everyone should be on the same page.
- Champion the big issues more effectively to ELG
- Come to the surveillance center to see how we work
- Communicate internally with staff
- Communicate with each other better.
- Communicate with teams better and be more approachable and address issues independent of managements influence
- distribute more information regarding healthy lifestyle and diet, actively encourage taking breaks in the day
- Do research into the operational equipment, uniforms and operational areas that we work in.
- Doing a fine job now.

- don't see them often enough doing checks, feedback. we recently had floors cleaned chairs were not put back to the correct desks, some people suffer back complaints ..pretty poor!
 - Efforts have been made in the mental health space. In the environment of the last few years, more needs to be done for employees.
 - Encourage more staff to attend mental health and wellbeing sessions.
 - Ensure more privacy re skin checking appointments
 - Expand training to employees that may require education
 - Find ways to streamline OSH processes to reduce red-tape but still ensure good OSH outcomes
 - Fire drills should have a register called out in Muster Area for each floor
 - Focus more on productive safety matters. Get out and get familiar with our day to day jobs
 - Focus of the health of shift working staff.
 - Focus on the mental wellbeing aspect more. Offer more teambuilding activities as well as looking at a better work/life balance. Look at how happiness goes a long way towards productivity, how countries like Denmark incorporate these into their workplaces
 - Focus on the softer issues (mental wellbeing)
 - focus on the wellness side of the OSH
 - Follow through in a timely manner with fixing issues
 - Follow up on issues and ensure the management team take all issues seriously. More training in reporting processes.
 - Follow up quickly
 - FOR THE OHS TEAM DO BETTER IS MORE FREQUENT TRAINING
 - Genuine assistance instead of face saving roadblocks
 - Greater communication around training opportunities on OHS (first aid etc)
 - Have clearer signage, that stands out more - hampered by general office decorative posters
 - Have less online courses, they are of little value, don't really impart knowledge and appear to be just a way to get the required training hours up for government requirements.
 - Have more of them so poor Sol isn't spread so thin
 - Have more resources made available to them
 - haven't been in the organization very long to comment
 - Having the authority to dictate changes in collaboration with the business unit. Also not all OSH consideration are considered in some projects
 - Help the organisation realise the danger associated with mental health
 - I can not comment as I believe they are one of the rare units in this organisation which are utilised and efficient. I love their frequent presentations and always enjoy their trainings.
 - I feel the guys within my directorate and outside it are doing a good job but lack of resources does hinder what I believe could make them an even stronger team.
 - I feel the OHS team are doing a fantastic job especially considering that all staff are under an incredible amount of pressure and a great deal of criticism from both the general public and the Council/Commissioners
 - I have very limited contact with the team so very hard to see where they could do better.
 - I haven't had a situation where I felt that they could improve
 - I think OHS don't necessarily get the support they need from the Properties Unit to implement proper changes to eliminate hazards.
 - I think they do a good job.
 - I think they do a great job
 - I think they do well enough
 - Identify areas around office that are areas of risk. There are a number of blind corners where corner mirrors could decrease incidents of collision.
 - If I have to pick something - perhaps advocating for better health and wellness incentives and facilities (better EOT facilities, gym memberships, yoga or meditation group classes)
 - If mental health and bullying is in remit - this could be done better to support staff
- Also I think it is terrible that when you move desks or departments you cannot just get an OSH assessment of your desk. It has to be ind approved by your manager, and is expensive and comes of their ind budget so sometimes you cant have one
- Implement the outcome

- Include stories on the intranet perhaps
 - Increase in staff
 - Increase the response time to issues raised, even if this only impacts one person
 - Inform of current benefits of working at CoP
 - Inspect onsite hazardous and underside electrical hazardous
 - introducing more training programs
 - investigations
 - Involve and communicate
 - keep their records in order
 - Keep up the good work
 - Keep up the good work
 - KISS keep it stupidly simple, sometimes more rules than you can shake a stick at.
 - Leadership to development and implementation of plan
 - less posters!
 - Listen
 - LISTEN and DO not create things
 - Listen to the workers and support the workers
 - Little more planning and organisation
 - Look at increasing the resourcing to match the workload
 - Look at the weather in regards to heat and storms know when it's time to call us in
 - looking for ways to improve safety
 - Maintain knowledge and experience of staff.
 - Make benefits and help more obvious
 - Make real changes and not just talk about them
 - maybe attend unit toolbox meetings every quarter
 - maybe have a look at creating more team building events where existing teams/ people could have a chance to get to know one another and get to know each other
 - Meet with coal face employees before managers
 - Mental Health area as a focus, look for better ways of doing things not be simply about rules
 - mental health of the staff - we need more support from the executive staff who don't understand the pressure we are put under and extra work they give us and unrealistic deadlines.
 - More authority to enable them to enforce PPE
 - More courses and information sessions for employees
 - more effective safety induction
 - More emphasis on stress management of employees.
 - More information on what benefits are available to COP
 - More information related to the work safety and policy.
 - More inspections and look into safety in the field.
 - More mental health and preventative aspects - like fitness programs, gym programs etc
 - more mental health assistance
 - More proactive
 - More regular follow-up with injured employees returning to work - more proactive approach.
 - MORE TRAINING
 - more training opportunities
 - more training to the staff
 - More visible via safety reps
 - More wellness programs and training
 - More work on mental health issues. We all know what to say regarding physical safety but there isn't a lot on mental health safety, and management of intellectual disabilities. For example if we have a coworker with dyslexia and it feels like there is no management of this, is this an OSH issue if it could be causing stress to the person or their coworkers?
 - Need more people to help them
 - Need more staff
 - Need more training options and diversity.
- Training needs to be promoted more and for longer periods of time (usually only promoted a day or 2 before course - not enough time to schedule in employees schedules).

- More compulsory training.
- More communication about safety in the workplace.
- nil... I think they are top notch
- No concerns
- No dealings with them
- No further comment - pretty happy with level provided by OHS
- nothing
- not been here long enough to provide comment
- not silently observe managers or supervisors who are not acting appropriately during conversations
- Not sure - I never deal with them
- nothing
- Nothing
- Nothing that I am aware of
- Nothing to note
- Nothing, going well
- Nothing, they are doing a great job.
- Ongoing initiatives.
- organize training that caters for people on rosters not just 9 - 5 staff.
- OSH team are good, very approachable and take OSH matters seriously. No changes required.
- Outline managements' responsibility in avoiding negatively impacting on mental health, including understanding what behaviours should be avoided and how to address matters with empathy.
- Performing well
- Perhaps make it easier to access equipment for a more ergonomic work space. Having to pay for a doctors appointment to change chairs or desks is not fair to those on lower salaries. When I was asked to gain a medical certificate to change my chair I suggested I would prefer to visit my doctor and submit a workers comp claim instead so that my visit was paid for and a change in chair was also obtained as a result. Strangely a decision was made to just replace my chair!!! A more commonsense approach was appreciated
- proactive approach
- Proactively promote the training
- Probably visit non-Council House sites occasionally to introduce themselves to staff in a casual way. Not necessarily formal training.
- promote/engage in more summer activities to encourage staff to step outside, exercise and be involved in group activities
- Provide clarity & advice around CoP staff responsibilities/requirements when engaging contractors (rather than just directing to the policies/procedures, which can be quite confusing & contradictory)
- Provide clearer advice around contractor inductions
- Provide mechanisms for staff to give anonymous feedback about unhealthy work environments.
- Provide more in-house courses.
- Provide more opportunities for staff to provide feedback about the culture of the organisation and the impact it is having on mental health. Advocate for more realistic workloads and reasonable expectations.
- Provide more resources/subsidy for physical and mental health.
- Ensure the supplier induction process and workplace safety guidelines are realistically achievable
- Provide practical solutions and assistance to non-standard situations that require OHS input
- Provide sufficient staff to perform their functions. Since Clayton left there has been many occasions of no response or poor organisation to Warden issues - my main reason for contact
- Provide workshops on ergonomic hazards, as these can have lifelong implications
- Provide workshops on stretching for people who spend a lot of time sitting at a desk.
- Providing different times/days for courses so part timers have opportunity to attend - and caution using 'first time first served' offers as this disadvantages some workers
- Better promotion of benefits of City
- Linking into the access of other SOA benefits that could assist people and promoting their use
- Publish all relevant documentation on the Intranet
- Reduce paperwork
- Regular updates on issues that have come to light across the whole organization so that everyone is aware of an issue. It should not be kept to those areas directly affected.
- Responding to workplace health and safety issues through the properties unit.

- See priorities above - also physical activity sessions - release stress and build culture
- Some feedback
- Some feedback
- Some of their procedures in particular for consultants are too onerous - they need to be more realistic.
- Streamline OSh processes, move away from RMSS
- Streamline what policies are necessary and what is excessive. Remove what doesn't need to be there.
- Streamline/make more clear of the processes
- Support executive and management to understand what effects their teams/officers
- survey staff to find out what they want in terms of OHS
- more promotion in mental health and physical activity
- more engaging programs
- The number and types of procedures around dealing with contractors is bewildering.
- The RMSS system. Record incidents of everyone involved in an incident irrelevant of who is involved e.g staff, contractor, volunteer etc. Incidents recorded by a staff member should not be deleted if not deemed 'relevant' for statistical purposes. All incidents should be recorded and if they are not recorded in RMSS they will get missed by the organisation.
- The team needs to make sure that contractors comply with relevant OHS (contractual/legislative) requirements.
- they are doing a fairly good job
- they are doing a great job
- They are doing a great job at the moment I cant seem to fault anything so far.
- They are doing a great job.
- They are doing pretty good with their reduced team and need to have their team filled as soon as possible.
- They are under resourced
- They can do more to ensure employees feel valued in terms of their personal wellbeing.
- They could be better resourced, more OSH staff required to assist the current OSH team.
- They could benefit from a larger team to help others improve their behaviours towards safety through mentoring, training, one on ones etc
- They could continue to build on their profile in the organisation by reinforcing the OSH services available to staff via internal communications.
- they do a good job overall
- They do a great job
- They do very well already.
- They need more people. They are achieving a lot and I'm sure that with more resources they could do even more. I don't think there anything that they are currently responsible for that they are not achieving. They are a genuine pleasure to work with.
- They need more staff to manage such a large organisation
- They're doing a great job.
- Think they currently do a reasonable job
- To be seen visiting work area's
- Too much documentation for people not in high risk. Adds hugely to workload
- train supervisors to do better
- Training
- Unsure, I have never had an issue arise requiring their assistance
- Upskill in their Administration rather than expect an Admin person. This would assist in the push back to end user and more customer service friendly.
- We should be able as OSH reps to give more time to prevention rather than just delivering actions.
- wellness options, induction options/training
- When an employees contacts OHS regarding a workstation issue (eg. back pain from change of desk), not dismissing the issue by simply saying, "i'll organize an ergonomic assessment for you in a months time" when the issue needs addressing now, not in a months time.
- Work with Properties to make Council House more employee friendly with improved amenities which other CBD office buildings have as minimum standards.
- Workers Compensation Claims and better policies. Need to listen to staff more.
- Workstations follow ups
- Messages

Sick bay

Room to relax in - mediation and yoga

- Work more for staff needs not managements agenda
- Talk to vicims
- Put less blame on the employee and maybe look at the strenuous work they are expected to carry out
- Not go through so many staff - its hard to know who does what!
- Look at what's going on out there and not be controlled by managers
- Introduce themselves
- Include outside staff in wellness training
- Have a better injury management person 2 employees gone within 2 months
- Enquire with the workforce more often whether they have all the safety equipment they need. We have very little communication with OSH
-

80. How does the OHS team provide support to you?

responses = 200

Theme	#	%
Training	38	19
Health and wellbeing	24	12
Support	17	
Information & resources	14	
Advice & guidance	13	
Providing safe working environment	11	
Ergonomic assessments	9	
Healthy lifestyle rebate	6	
Policies	4	

- 1. stand up desks
- 2. Ergonomic assessments
- a listening ear
- Act on and fix issues, offer support when needed.
- Actively involved in OSH checks. Review of incident reports. Always available.
- Advice
- Advice and guidance
- advice and support
- Advice for construction works & contractor safety management
- Advice on injury management is key
- Advice when needed.
- Advice, knowledge, training, direction, support
- Advice, training, contractor and staff OHS management/induction, developing policy, identifying priorities for OHS to address issues, advocacy and communication on OHS issues
- Always available, always gets back when you have a question
- Always shown a willingness to support me in all aspects of OHS.
- Always there when needed.
- Answers questions
- Answers questions if I have any.
- answers relevant questions
- Any OHS matters are addressed quickly, so I can inform staff/contractors of appropriate actions
- Are available on request
- arrange ergonomic assessment
- As noted above.
- As above, workshops, healthy lifestyle bonus ect.
- As above. I rarely see them so I don't really get any obvious support from them. Although I am sure they do work in the back ground in keeping me safe,
- As I say very little contact to date.
- As previously stated I have never had any need for their direct support, however I note they attend meetings and provide updates.
- Assists with training of staff and OHS risk of COP facilities.
- At present none
- At the depot, having an ohs member on site, gives greater assurance that issues are being seen to
- At the end of the phone. Support for major incidents involving customers and staff.
- Attendance at meetings to assist
- Before and during my projects. Managing staff and information.
- Briefing on processes related to my team
- by answering any questions and providing information as required. I haven't had the need to receive support from OHS
- By assessing and reporting any identified risks or hazards, and helping with plans to combat them.

- By being available, and informing of upcoming training and changes to procedures.
- By developing safety and health policies for our work environment and having a reporting method available if an issue should arise.
- By ensuring the workplace is safe and help is accessible when needed.
- BY GIVING TRAININIG
- By monitoring my workplace.
- by providing a safe working environment
- By providing advice and the ability to communicate with them when needed.
- By providing fire and safety wardens for each floor
- By way of ergonomic assessments and training opportunities. The latest I attended was around building resilience and I found it useful.
- Can go to them with issues
- Communicating policies
- Communication and updates
- communication through SHREP responsibilities, ongoing discussions regarding OSH improvements. Always willing to listen and adopt feedback!
- Contracts
- Creating a comfortable working environment.
- EAP
- Ensuring a safe & healthy workplace
- Ensuring any injuries are well managed
- ergonomic assessments.
- Ergonomic assessments. Lifestyle rebate. Responding to OSH issues/reports.
- Face to face and various other ways
- Fast response time to inquiries.
- General
- General advice
- Guiding us about what to do in case of an issue regarding our safety
- Happy to answer questions if called
- Have always responded to me in a timely manner, offered help and support even when they didn't need to, gone above and beyond
- Health & Wellbeing Program
- Health and wellbeing benefits
- healthy lifestyle rebate
- Healthy lifestyle rebate.
- Helpful training such as Mental Health First Aid, safe working environment such as ergonomic furniture etc
- I can go to them if I have an issue and they will respond in a timely manner.
- I have had OHS training & First aid training.
- I know they are there if I need them
- I know where to find the various forms and procedures when I need to.
- I require a new chair and they are arranging this
- I see the programs on the intra net and they attend unit meetings
- I suppose they are a point of contact regarding OSH issues and what we can do.
- If and as required.
- If I have an issue or perceived that their could be an issue I bring it to their attention so that they are aware of a possible problem.
- If I have any questions the OHS team is prompt to get back to me.
- If I raise a issue, they are quick to address it.
- In Many ways, too numerous to mention
- Induction
- info and in person
- Information at the job training.
- information sessions
- Information when required. Assistance in application of essential protocols.
- Information, training
- Intranet, posters and emails.

- It doesn't
- Keeping the work place environment safe.
- Keeps us informed of available options available through CoP.
- knowledge and training
- Listen to safety issues
- Listening to our concerns
- Make procedures for a safe work environment, think before you leap
- Massaging & safe practices in the workplace.
- Multiple opportunities for physical activity and mental health support
- Not directly, periodic advice
- Not sure they have, who is the team?
- Nothing at this stage but just knowing they are there
- Occasional support for contractor inductions and health and wellbeing
- Offering advice when needed and responding to requests for assistance
- OHS reps
- Intranet offer of services and courses and training
- One to one basis is appreciated
- OSH training, Risk Assessment, Support, return to work program, Workers Compensation.
- our on floor rep is great. but do not receive/or are aware of any wellness extras. support project delivery in the city.
- Passive - there if needed. Not active.
- Process my healthy lifestyle claim, organize programs
- provide adhoc wellness workshops
- Provide an onsite ohs rep
- Provide training on OHS requirements for Contractor management
- Provides advice when needed, investigates any incidents.
- provides classes ie - dealing with stress etc
- Provides easy access to training and ensures a regular presence so we feel we can reach out to them
- providing documentation
- Providing opportunities to engage in health and wellbeing sessions. The City is not a healthy place to work at the moment so this helps me stay well. As do my Manager and my team.
- providing safety comments in general and to projects
- Providing Training
- Regular check ins for day to day issues.
- Regular close contact with employees and provide pamphlets regarding to the OHS related.
- Regular information bulletins from ohs reps.
- Regular reminders and promotion of other services & training.
- Reported at staff meetings
- Resources, such as training.
- Resources.
- responding query
- Responsive to issues raised
- responsiveness to questions, monthly report
- Review of contractors safety procedures. Health and wellbeing
- Review of pre-employment medical assessments.
- Review tenders/JSA/site inductions/general advice
- Reviewing Contractor SWMs and safety documentation
- Reviewing tender submissions. Providing templates for officers to conduct health and safety related tasks.
- Safe haven
- Safe workplace
- Safety analysis
- see above
- self development, health and wellbeing
- sol is very helpful
- specific guidance to assist with managing team
- Supporting a safe work environment

- Swiftly responding email
- the \$120 rebate for partaking in healthy activities.
- The assist with any safety issues at queries I have in regards to the outside workforce. They are very helpful and always assist where possible.
- The constant workshops and training provided in the mental health space.
- The don't.
- The OHS team has provided me with healthy activities to minimize stress e.g. fitness and nutrition programs as well as other assistance to minimize back pain e.g. standup desk.
- They are always willing to assist with any query or issue arisen and find a solution or answer to it.
- they are available all the time when we need them
- They are good when concerns are raised regarding eqy
- They are there if needed.
- They assist when I have an OHS question.
- They do not support us
- They don't
- They don't
- They ensure the working environment is safe from physical and mental health risks
- They exist
- they have not provided any support to me
- They have supported me in numerous ways. They have assisted with providing me with financial benefits for when I bought glasses and the health repayment scheme is fantastic. I bought a gym membership with this annual fund. They have also performed ergonomic assessments for me team and taken responsibility to action anything required - making it a top priority to address and acting very quickly. I was also lucky enough to undertake mental health awareness training that the team initiated. I work with the team frequently on JSAs and they are always very helpful.
- They help with document reviews, project start ups and inspections, reporting etc
- They just look after the council
- They respond very quickly to any questions I have, documentation is easily accessible and well written
- They were very good in explaining changes to our team's level of tolerance for drugs and alcohol. They also provided clear guidance when we had a near miss incident and had to lodge a report.
- Through access to services and through the OHS reps.
- Through answering my queries on staff wellness programs
- Through providing the wellness programs and the mental health training courses that have recently been conducted.
- Through training and the health and wellbeing program.
- Timely response to all enquiries
- Training
- training
- Training
- Training
- training
- Training
- Training and information
- Training and support to Emergency Management issues. Massage and health checks. Work station assessments.
- Training and wellness programs
- Training courses, programs offered.
- Training staff/ safety inductions/investigation of incidents/implementing improvements based on the learning from our experiences/managing the return to work process/providing detailed reporting on safety stats/really contact to see how we are doing and how the OSH team can support our staff
- Training, access to wellness opportunities
- training, health and well being
- Training, keeping my work environment safe.
- Updates from representatives
- Very slowly
- When I have had an issue they have been very supportive
- When I have made suggestions for improvement, they show due consideration

- With a rep??
- with consistent policies
- With reports for the events team mainly
- Working within frameworks when engaging external consultants contractors etc
- Workshops
- Writing SWP's and assisting with incident actions
- Yes
- Loads of paperwork to look at
- We do not see enough of them to be able to answer that
- Training
- Safety data sheets, manage injury
- Providing an environment that permits me to do my job
- Not aware of any support
- Getting you fit for work and seeing doctors etc ASAP
- Chemical awareness
- By providing a safer work place

81. What other feedback can you give about the function?

responses = 98

Theme	#	%
++ positive responses	43	43.9%
They need more staff	8	8.2%

- A number of new processes and reporting mechanisms were developed in the last year. It was good progress, but it seems like the process wasn't quite finished. The CM filing system for these documents is still a bit confusing--or at least it is not intuitive.
- a small team doing a great job/these guys care
- All good
- all OSH discussions have been facilitated by HR reps, who do not seem to live by the City's values
- as above
- Based on the organisations size here at the City and workforce numbers for the size of team OHS are I feel they do a great job.
- Beside the 'dodge' admin mentality. They are passionate about OHS and very friendly.
- Colleagues who have received support by OSH provide positive feedback and those that provide negative feedback generally whine about anything anyway
- Come down harder on units which continually flaunt safety policies and procedures
- Find fault with the person rather than the actual event
- Functions well
- Generally performing well
- Generally their performance (OH&S) only has been a key to providing an essential service to assist performance of staff. The internal maintaining of their own staff and retrospectively retaining experience and knowledge has had impact on the City functionality.
- Generally well run
- Give back the team sports, the entry to running events. The need to keep our body active. Its us having to pay for everything. The yoga we pay. Its a benefit they offer it... My gym does it too.
- Good
- good overall
- I am very happy with city of Perth policies and procedures.
- I believe the City of Perth provides the best trainings to staff although the staff may take it for granted. Unfortunately there are many staff with the worst possible attitudes working for the City for long time and nobody performance managed them. They were just so lucky to abuse the LG system (off sick, lack of management), they are not respectful, committed, engaged and are not utilised. unfortunately these behaviour are seen in directors/managers levels. most of the staff don't bother to be engaged and they have no hope for future. I don not consider the City as safe place to work (in regards with mental health) with as there are many offences from people who have power to bully staff. New staff have only two options to change themselves to the current City system or leave.
- I can only suggest for the workers to have a balance family life and work arrangement to be put in place
- I don't think a lot of staff are aware of the difference between OHS and HR.....plus used to be the same team.
- I don't understand this question. The function of OSH team is to prevent injuries and I believe they do offer training and a safe working environment for all staff - physically. Some areas are not so safe mentally.
- I feel that OHS team is doing a fabulous job
- I think other employees take up a range of opportunities provided by OHS
- I think the officer is excellent and very thorough and I think the first aid for mental health training is excellent
- I think the OHS team are doing the best they can in the current environment.
- I think the OSH team is under resourced and they need more staff to assist the current team
- I think we get enough feedback.
- I would like to see this team be upgraded by appointing a Manager of OHS as a structural change providing ownership within the organization.

- In the limited crossover I've had the team has been useful in managing and reviewing contractors safety measures onsite.
- improvement
- It is always quoted that documents only take 5 to ten minutes but that adds up. Where does this end and is it saving lives?
- It may need beef up its resources
- It's a difficult task which has improved over the past 24 months. There is a corporate calendar of events which aims to cater to all staff and the staff have been very involved in safety. Now I think they need to focus a little more on the staff health (mental and physical)
- It's a great unit, and would love to work with them, they are a team that should be proud of themselves
- It's good
- Keep promoting the message of mental wellbeing to senior management. You are doing a great job of promoting awareness and hopefully, one day, the message will be translated into actions.
- keep up the amazing work ohs
- Keep up the good work
- Keep up the good work
- Keep us updated at all times
- More funding needed
- more information on wellness program
- more staff in this area is required
- My experiences with OSH have been positive (healthy lifestyle reimbursement, training and ergonomic assessment).
- Needs more people
- Needs more resources. Seems a lot to deal with between each unit not a lot of current hands on deck to support the team at COP. Current team stretched thin.
- Needs to apply to all staff
- Not just attend a meeting every so often for the sake of it. Present us with some background information that assists us.
- not much, had an incident last year where a staff member fell down stairs and broke her ankle, OHS staff wanted to just call a taxi, send her home and told her to see her GP when she could. A staff member had to stand up for her to get her taken to hospital to have it checked out.
- Nothing positive
- OHS function has been elevated since moving into DCM.
I believe it is time to take OHS out of DCM and elevate it higher in the structure or back to HR always responsive. highly knowledgeable.
- OHS team perform well
- OSH are always available to provide advise on safety matters
- OSH show the importance of safety and remind us of it all the time.
- OSH team knowledgeable and approachable.
- provide clarity about employee entitlements
- Provide new ideas for better service acceptable for all.
- Really happy overall, just not sure of the extent we can go to them on mental health risks.
- Safe work spaces including storage spaces
- Smallest OHS team to team members (compared to other companies I have worked for)
- Sol looks to be overworked.
- Staff resourcing should be considered due to workload
- The current team are knowledgeable in their field.
- The importance of OHS in the workplace needs to be better promoted and should have a key spot on the intranet page.
- the need to communicate to colleagues regularly
- The OHS team has started work on improving the City's systems and Safety Culture from a very low base compared to industry. They will continue to improve the City's performance with continued support from all staff.
- The OSH personnel should be allocated time to investigate prevention & elimination time for OSH rather than just auctioning & investigating incidents.
- The staff in this team have always been so great to deal with, approachable and friendly.

- The team are good, friendly and do their best. The focus from top down does not seem to rate the importance of the role of OSH and this probably hampers their effectiveness.
- The team is very proactive and helpful.
- There are so many policies, procedures, checklists and systems. The OSH processes seem unnecessarily complicated. Surely a simple checklist or an updated OSH handbook for the whole organisation would be more user friendly approach.
- There has been noticeable improvements in safety over the last 2 years which can be evidence by the statistics, better management of accidents and incidents and better safety awareness promotion.
- They are doing a great job.
- They are wonderful and should be appreciated. If there are gaps in OSH, it is because managers are not complying to the rules.
- They come across as accessible
- They do a good job, I feel safe at work, and fee the City cares about my wellbeing
- They have advanced OSH at the City of Perth
- They need extra support.
- They need more experience for onsite and electrical hazards
- they need more staff
- They need to introduce the team and have a monthly flyer on the intranet.
- Think the role of the OSH team needs to be more defined and clearly communicated to staff.
- To support workers and concerns
- To support workers and their concerns
- used as a means to stop things happening.
- Usually very helpful and solutions focused
- very important area
- Very visible team, always promoting new training opportunities
- We have a well balanced OSH team with a good knowledge of the industry and environment.
- Well if a house was to made safe according to a fire inspector then it would be unlivable, I think there has to be a compromise between safety, rules and actually getting the work done.
- wellbeing benefits and how to access these are not well communicated
- When I raised an issue, it was months before it was actioned and only then because I re-raised the issue with the team safety officer.
- With my limited exposure, they have been helpful when I have asked questions
- To step out of te office and see what's really going on
- Too much blame to individuals if something goes wrong. Support and understanding gets lost. Fear is not a control
- The person who is a star performer and a excellent assett to the city is John Svensson
- Realise that workers are human and accidents will occur

Human Resources

82. What do you see as the key priorities of Human Resources at City of Perth?

responses = 273

Theme	#	%
Supporting employees	76	27.8
Recruitment & attracting top talent	70	25.6
Dealing with grievances, issues & complaints	40	14.7
Processes, systems & procedures	25	9.2
Providing training	24	8.8
Being fair	22	8.1
Providing advice	21	7.7
Being confidential and trustworthy	19	7
Promoting organisational culture	15	5.5
Supporting performance reviews & management	11	4
Ensuring a safe workplace	11	4
Dealing with bullying issues	10	3.7
Ensuring compliance with legislation	8	2.9
Payroll	6	2.2

- Administration of established positions and their current occupancy details
 - Analysis and reporting
 - Employment contracts, conditions and disputes
 - Industrial relations
 - BU communication
 - Legal compliance
 - Personal support re: individual employees
 - Recruitment
 - Risk management
 - Rules and culture
 - Staff assessment, job design, performance, remuneration
 - Strategic role in the business
 - Termination of employment
 - Training
- -ensure the city complies with all employment legislation
- -support recruitment processes
- -assist with resolving grievances
- 1. Attracting top talent - Attracting the right people for the right job is obviously a top priority for HR, but it's not just about getting talent to join your organisation. You need to know how to engage and retain them, help them to grow as an employee and remove elements that may cause them to leave.
- 2. Nurturing employee engagement & company culture - There are many ways HR can help to improve employee engagement within a business; some of the strategies are low cost (or free) and will also improve productivity and employee happiness.
- 3. Improving employee wellbeing - Employees are now more conscious of their own health and wellbeing than ever before. With increased awareness among employees, employers now need to consider monitoring, identifying and treating such wellness concerns in order to maintain a healthy and efficient brand.
- 4. Increasing productivity - Ensuring that you're getting the most from your employees is paramount to achieving your brand's goals and growing as an organisation. HR departments can have a positive influence on employee productivity in a number of ways; these ideas are all in plain sight " part of everyday office life " and, in some cases, are easily achievable.
- 5. Encouraging teamwork & collaboration - Collaboration is essential for business/organisation success.

If your employees find it difficult to work as a team and communicate, then productivity and efficiency can suffer greatly.

- 1. Putting in effective and efficient processes, systems and software solutions;
- 2. Effective, centralised workforce/recruitment planning, tracking and budgeting;
- 3. Establishing a consistent level of service and application of policy and procedure
- 1. Support employees
- 2. Be an advocate for employees
- 3. Keep up to date records of leave entitlements, staff details, etc
- 4. Recruit new staff
- 5. Manage policy and procedures and ensure they are user friendly
- A fair and confidential service, where you feel safe to talk without prejudice.
- A stable HR Team which is adequately resourced and motivated.
- Accurate recruitment, wellbeing of all staff, support when needed
- Acting as a mediator between council & employees
- All aspects of HR services and issues.
- All aspects of the employee lifecycle.
- An employee's well being
- Appropriate staffing, adequate resources to teams/consultation with correct staff
- Appropriate training of staff.
- Dealing with staffing issues/grievances.
- Providing employment opportunities for a diverse range of people.
- Being proactive/implementing initiatives to enhance health and wellbeing of employees in the workplace.
- Retention of staff.
- Ensuring same rules apply across the organization.
- Answering staff questions and assisting as required.
- Assisting all staff
- Assisting to appoint appropriate personnel who not only have the technical ability but have good communication skills, team players, fair and respectful.
- Facilitating training opportunities for staff.
- Assisting employees to deal with unpleasant work situations or management issues.
- attract top talent, development, wellbeing, encourage teamwork, motivation.
- Balancing the needs of the organisation (financial) with the demands of our stakeholders whilst ensuring staff have a safe workplace.
- Be a conduit between employee and management
- BE FAIR and LISTEN
- Be more efficient and performance manage the staff who they are not performing or dealing with mental health issues.
- Being accountable, consistent, trustworthy and open.
- Being there for staff and assisting them independent of managements influence
- Being there for people, not just managers
- better communication level
- Better Communication of City Ethics, Values, facilities, policies and procedures.
- Better culture
- better relationships with employees
- BY HELPING THE ALL EMPLOYEES
- Changing the perception that they are only here for the Management. They should be here for the staff
- Clear and effective policies and processes to inform and upskill all employees in all matters regarding Human Resources.
- Communication to all staff not just managers and directors
- Having control of city workforce plan
- Advising managers to better recruit staff
- Competing for and securing good talent
- Confidential support to all staff. Ensuring all staff are treated equally no matter their role
- Confidentiality within the workplace of anything pertaining to an employee.
- Delivering an HR service to the City and supporting both managers and employees in employee matters
- Delivering HR services

- Effective and efficient human resource management.
- Effective employees
- Effective management who listen/communicate well with staff.
Being able to communicate an issue with confidence and hopefully confidentially.
- Effective onboarding, increase staff retention, provide a safe place and person to deal with if things go haywire
- efficient recruitment
- Embedding the values into the organisation and ensuring they communicate with staff honestly.
- employ more staff
- Employee recruitment and support. Payroll. Equal opportunity. City Learn
- employees
- Employees relations, wellbeing and sorting out any employment issues.
- Employees, payroll & relations
- Enabling a comfortable and fair work environment
- Enforcing behaviors at Executive level ensuring all Exec members model productive behaviors and model values
- Ensure a fair and compliant framework exists for staff recruitment, onboarding, performance and outgoings.
- Ensure that the appropriate induction and HR management of all employees with suitable processes and procedures
- Ensuring a safe workplace
Providing unbiased HR advice to employees no matter what level they are on
Provide clear recruitment policies and guidelines and ensuring that they are adhered to across the board
Providing support to employees and following up on concerns, complaints etc
Ensure employee relations are maintained and accurate
Provide confidential advice and support as required
- Ensuring all staff are treated equally & with respect. Providing adequate training and direction for new staff. Handling all complaints respectfully and efficiently
- Ensuring employees are taken care of, know their rights and responsibilities
- Ensuring employees are treated fairly
- Ensuring staff happiness
- Ensuring staff issues are managed in accordance with policy
- Ensuring that all legislative HR requirements are adhered to.
City HR policies and procedures are adhered to.
Recruiting and retaining skilled professionals.
- Ensuring that the corporate policies and procedures are being administered in a fair and consistent manner across the organisation. Being an intermediary between staff and management. Promoting positive organisational change and culture. Taking action where required to ensure a safe and healthy workplace.
- Ensuring that the human resources in the organization are properly recruited, properly trained and help maintain people's commitment to the organization through career progression and development.
- Ensuring the quality of the work environment is maintained
- Fair and equitable practices. No more nepotism
- fair and transparent recruitment and complaints/whistleblower processes
- Fair work practices and policies across whole organisation - too much down to ind managers discretion
Career progression paths, secondment opportunities and training nd development -grow people as assets to organisation and reward those who work hard
Clear practices to get rid of bullying esp between supervisors/managers and individuals
- Fairness and guidance
- Follow the regulation
Communication
Provide support to employees
- for staff to feel welcomed to come and raise any issues with them and have trust in HR that they will be investigated correctly and rectified
- Get good people
- Giving all employees a fair go and as a support structure to employees
- Grievances, keeping record of confidential material, recruitment

- Have an HR policy that's included in the City Policy Manual and have a transparent recruitment policy that's free of bias especial for positions filled by internal candidates. Current internal position recruitment system is full of favoritism, bias and nepotism. It's to say the least disgraceful and corrupt.
- haven't been in the organization very long to comment
- Helping Employees
- Hiring new staff, keeping the old staff happy.
- Hiring Staff, leading and maintaining equal workplace opportunities, building HR structure and framework to support consistent working environments and treatment of staff, continuous improvement through learning and development opportunities, staff evaluations following termination or departure of employment and action upon that advice and feedback
- HR should be the hub of HR support for the organisation but I have found dealing with this particular unit challenging in so much as issues are pushed back on (already frazzled) managers to deal with and there is no consistency in service: i.e. having to call 5 different extensions and no response!
- Human Resource Management
- Human Resources need to be empowered to act accordingly when presented with issues.
- I see them prioritise mitigation strategies, I would like to see them prioritise more regular contact with staff before crisis or issues arise.
- I would like to see a major improvement for staff onboarding - I know work is already in place for this area. Easy access to ALL CoP Policies and Procedures in one place. Trying to find a Policy is like looking for a needle in a hay stack - very illusive and often can't be found. Even by the HR Team!!! or so out of date its a joke
- I would like to see that they be there for staff, assisting them in times of need, to be confidential in matters - have staff members backs.
- **REDACTED – Respondent identifies himself by name.**
- Improve on current fractured relationship with staff noting the never ending 'restructure'
- Improve the morale for employees.
- Improving organisational culture, holding executives accountable for improving organisational culture, compulsory emotional intelligence training for ELG. Recruitment of executives who are focused on the value of human resources as opposed to being fixated on the financial element of the business. Local government serves the community, too many management and executive positions have been filled by people from private enterprise where the mighty dollar rules. Of course we need to consider how we best serve our community with a diminishing income base, but we want to inspire and encourage creativity, finding new and exciting ways to generate income. We can't inspire creativity and innovation with inflexible working arrangements, a blame mentality and a rigid approach to outcome delivery. We need to employ leaders who are people focused, who value their diverse employees, only then will we start to see high levels of authentic enthusiasm and passion, followed by creativity and innovation! A key part of improving organisational culture is ensuring the treatment of employees is consistent where appropriate across the organization, for example access to flexi time and flexible work arrangements.
- Inducting new employees, providing relevant training, ensuring policies and procedures are clear and followed, supporting staff, clear grievance and complaint processes, accessible information.
- Information
- Interaction from staff and knowledge base.
- Interpretation of employment legislation; development and maintenance of company policies around remuneration, benefits and entitlements; advisory and training function for employees and management. Communication and training around policy and process relating to employee relations. Maintenance and accuracy of employee data (names, contact details; employee salary details) and organisational management.
- IR, new city employee initiatives ect, the City recruit some great talent but we are unable to retain it.
- It deals with the hiring, administration, and training of staff as well as assists with the organizational development.
- Keeping all duties within the organization fair and adequate with all city of Perth employees.
- Key priority is giving information to all employees for any job opportunities for those who want to new career in city of Perth.
- Look after staff at the City. Provide a link between management and staff, if required.
- Look after staff conditions

- Look after the employees
- look after the staff and not just the city of Perth corporate
- Looking at individual salary for different positions
- Lots of recruitment
 - Ensuring they are providing a quality service as they are being reviewed
- Maintain the employee lifecycle functions of the organisation
- Make sure employee know their benefits.
- make sure enough workforce is available to serve the needs of the city
- Making a fair and equitable workplace free of nepotism and making opportunities available for all staff especially those qualified for certain positions but are taken by persons who don't have same qualifications and have criminal records
- Making recruitment a streamlined positive process and being available for advice to staff and Management
- making sure that we are looked after
- Manage employee contracts/remuneration/etc and point of contact for workplace issues (eg. bullying, etc).
- Manage employees best interests
- Manage the hiring of employees at the CoP. Keeping the employee records up to date. Arranging any training and development that is mandatory within the CoP.
- managing staff
- Managing the recruitment and on-boarding processes seamlessly
- Managing resources, and providing advice & support to staff
- Mental health of employees and ensuring work life balance would be a top priority considering the statistics of stress leave and mental health issues in the workplace. Ensuring staff feel safe to approach HR and are confident of the anonymity and confidentiality of concerns raised
- Mentors employee teams that address philanthropic giving and employee engagement activities
 - Retaining good employees
 - Dealing with less effective supervisors
- Most HR communication appears to be at Manager level
- not been here long enough to provide comment
- Not very clear on that one ?
- OCM
 - strategic planning
 - talent management for career progression
 - policies and procedure review
- On boarding, employee relations, assist in settling disputes, return to work programs, agreement negotiations
- On-board staff in a consistent and INFORMATIVE approach
 - On-going support to staff
 - Make process, procedures, policies and forms well communicated and accessible to staff
- On/Off boarding processes in particular. But also streamline key processes to make them simpler, faster, accessible and automated where possible. This will provide benefits throughout the City.
- organisation management
- Pleasing directors and managerial staff
- Private and confidential
- Processes in place aligned to policies and procedures to ensure consistency of service delivery across the business.
- Professional advice on recruitment. Dealing with employee issues such as bullying.
- Protecting the interests of the CoP.
- Provide a unit that supports all employees equally
- Provide assistance to understand work policies
- Provide expert, consistent and accurate advice to all staff across the organisation. Facilitate a safe and protected environment for staff to enable them to carry out their jobs.
- Provide Human Resources function - unhelpful question?
- provide more information about intended changes to work conditions and implications

- Provide support & advice to staff around HR issues (pay & role responsibilities, EBA entitlements, leave entitlements, behavior/bullying/grievances).
- Provide support & advice to managers around recruitment.
- Provide support and advice to do with employee well-being
- Provide support to all staff, assist in the maintenance of retaining experience and knowledge in recruitment. Ensure that protocol / process and procedures are delivered with clarity throughout the organisation to staff and management. To be a confidential unbiased based tool for staff to liase their concerns. Ensure that nepotism, bullying, silos within the organisation, staff morale, recruitment and retention are properly addressed and that changes being implemented within the organisation are effective and not impacting negatively on staff and the services that are provided for the public.
- Provide support to managers and employees in relation to the HR function
- To be available and approachable to the workforce
- Provide support to staff and help their growth and commitment to the City
- Provide support when employing new staff.
- Provide support when needed
- Providing consistent, prompt and clear guidance in relation to HR matters.
- Providing open and efficient recruitment services, ensuring a safe and comfortable workplace, providing clear unbiased internal grievance and complaint services and offering a range of services/benefits to retain staff
- Providing professional advice and guidance to staff and ELG
- Providing staff with an appropriate level of support. Trust in HR has been diminished in recent years and it is clear that HR is here to protect the organisation, not its employees. Many staff have been bullied out of their jobs, the correct HR processes have not been adhered to and many staff who have left in this manner have been refused exit interviews. On occasions where exit interviews were conducted, it appears that the information provided was not passed on/acted on.
- Providing support and advice to the organization
- Providing support and training for front line managers
- Quality control in getting the right candidate for the right position;
- Review and Implement a effective org structure
- Recruiting and managing staff
- Recruiting and rewarding employees and helping for a good relationship between employer and employees.
- Recruiting employees(staff/Managers/Directors)and ensuring panel members sign a form of pecuniary interest prior to conducting the interview. This in turn will avoid the cracks in the system, if any.
- Recruiting new staff and assisting existing as required
- Recruiting staff and assisting with resolving any conflict in the workplace
- recruitment
- employee relations/union
- injury/workers compensation
- Recruitment
- HR Policies
- Advisory
- Workforce Plan
- Recruitment and keeping people in jobs
- Recruitment and retaining of staff, learning & development, providing support for grievances and complaints
- recruitment and retention of staff
- Recruitment of competent staff who will assist in building positive culture - especially important at leadership level
- Creating positive culture
- Recruitment of suitable staff. adopting polices of equal opportunity. Dealing with complaints or issues among staff and or management. developing staff performance review policy.
- Recruitment supoort
- Recruitment support and providing day to day human resources support and advice if there are issues with staff. Dealing with bullying and behavior complaints.
- Recruitment, administration, support
- recruitment, employee welfare

- Recruitment, grievance issues and managing staff
- Recruitment, induction, advice ,ER, OD and L&D
- Recruitment, on boarding, performance management, EBAs, employment benefits, workplace culture and employee engagement.
- Recruitment, support, Guidance, Policy, Compliance, Training.
- Recruitment, Training of Staff, Supporting Existing Staff
- recruitment, training, inductions, followups
- Regaining the trust of staff in dealing with employee relations matters.
- Assisting in recruitment of staff.
- Developing training for staff.
- regular meeting with staff for their performance shaping
- Representing staff, advocating and supporting
- Resolving complaints without the lip service.
- Recruitment.
- Resolving contract issues.
- Retaining competent staff and developing staff abilities
- Retaining long term staff. Once they are gone their knowledge goes with them.
- safe, fair and equal employment for the City. Workers compensation investigations. support for employees.
- servicing managers only
- Silencing people who complaints
- Simple processes to follow for all staff members across the City of Perth.
- Software systems are poor and outdated- badly needs upgrading.
- stabilizing the work force
- Staff are enabled to provide the optimum level of service to the City's rate base and visitors to the city.
- Staff attraction, retention and recruitment. Building a positive culture. Organisational training and development. Performance shaping and management.
- Staff planning and support, overall strategic direction
- Staff Retention, Consistency, Maintaining Confidentiality
- Staff support and welfare some staff have been treated very poorly in the last 2 years example mark glenny shame
- Staff welfare
- staffing levels, return to work and dealing with staffing problems
- Streamline HR processes
- support for all staff
- Support performance management
- Support staff for all position related issues.
- Support staff. Be aware of bullying and do something about it. But I suppose until someone reports the actual bullying, they can't do much about it.
- Support the employees of the City as well as assist in recruitment process
- Support with employing the right person for the job.
- Supporting and providing advice to employees.
- Holding people to account who are repeat offenders making the working environment difficult.
- Supporting employees and employers achieve and maintain a sustainable and effective working environment
- Proactive addressing of issues affecting the above
- Develop and maintain trust in employees to represent and support them when needed
- Supporting staff through change. Gathering accurate data on workforce numbers and skillsets
- Supporting the staff in all HR issues.
- Systems update, more staff support
- Take care if wages and listen to staff
- Taking care of staff and management in a timely manner. Identify areas of concern in business teams and lack of performance and staff engagement. There is a lack of accountability by some staff.
- Telling the truth, not siding with management constantly
- That best people are recruited for the positions advertised, address bullying and intimidation immediately with very little or no tolerance for those that are the perpetrators, ensure a safe work

environment, tackle issues directly with the executive where their possible behaviour is a contributing factor to a bad workplace.

- The key priority would have to be retaining key talent which is a huge challenge especially without inspirational leadership from the top ie CEO and Commissioners.
- They are the backbone of keeping the City running from pay, to training to general well being of staff
- they are very busy with employment commencements and departures to be doing any thing else of any importance. the staff turn over is ridiculous and im sure they dont have time to address other issues that come up.
- They see to want to cut conditions rather than work within the system
- Timely responses
- Timely responses to employee requests for assistance
- Briefing employees on HR processes and policies
- Supporting staff wellbeing
- To assist all staff equally.
- To assist in recruitment of appropriately skilled staff, provide advice on position descriptions, performance and related staff issues.
- To assist staff on all matters
- To assist staff with issues
- To assist with HR governance. In regards to hiring new employees, conflict resolution. TO be able to expertly give advise on legal HR matters.
- To attract the best possible employees to the City.
- to be confidential, to be a neutral party, to provide support, and information regarding your employment. To action and feedback on requests.
- To bring back a better culture
- to carry out performance reviews and follow up
- To drive ELG to create meaningful and achievable corporate goals, provide clear direction to units and prioritise initiatives so that workloads are achievable.
- To ensure that a cross section of the community has the opportunity to work for the City and that these people are the right people that will uphold the City's values.
- To fill vacancies
- To get onboarding and offboarding correct.
- To have available the resources staff seek about their employment (position and conditions). Assisting staff when in need.
- To help employees with any problems.
- to help staff
- To look after and engage all staff no matter the level. It is imperative all staff are treated the same and given equal opportunity whether level 1 or level. Staff should be made to feel comfortable and at ease with any queries related to employment, wages or workplace environment.
- To look after pays leave and major discipline procedures
- to look after the welfare of staff and mediate "fairly" in issues regarding management are raised
- To maintain a healthy workplace and look after their staff and not allow nepotism to take over the City Of Perth
- To make sure staff are paid correctly and entitlements are received as well as supporting staff with HR matters, approaching the service from a customer service angle and not just an internal function angle.
- To manage personnel at City of Perth
- To manage staff recruitment, leave, pay etc.
- To manage the workforce and spot and rectify issues that arise.
- To protect the City as an organisation
- To protect the City of Perth from legal action.
- To provide a safe and fair workplace.
- to provide and monitor fair employment and hiring conditions
- To provide assistance in staff issues and recruitment, have clear policies and procedures, provide equity throughout the organization.
- To provide general Human Resources function, to assist with the employment of new staff ,to be able to provide prompt feedback and responses to HR queries.
- To provide support and guidance in the management of resource ensuring that all policies and procedures are maintained, and that all employees are treated equally

- to provide support for all HR functions (recruitment, restructure, training etc)
- to provide support to staff
- To provide support, trust and confidentiality to staff
- To recruit and provide programs to retain staff. To support manager and staff with employment advice and to provide training to further develop the skills of the workforce
- To reestablish themselves as the experts of HR instead of being dictated to by others who make bad decisions that impact HR
- To requite employees on merit not on who they know or recommended by
- To support staff at all levels and ensure fair and consistent work practices are in place and followed.
- To support the workforce and to be a resource that employees can go to if they are having issues with line management or bullying that can't be resolved through direct discussions
- to train and therefore avoid situations where injury could to colleagues and public
- To uphold the City's values and to encourage a positive culture throughout Council House. To empower our people.
- Tracking everybody working at COP (including agency and contract staff). Supporting staff and managers in HR issues. Being readily accessible.
- Training, support, advice and recruitment.
- Trying to keep morale up and ensuring the Organisational Values are lived.
- Update the PD correctly to reflect the goals and vision for the team (my PD does not and reflects the structure from about 18months ago); properly investigate and take action when the supervising manager displays appalling manner of interacting with his team members and speaking poorly to them repeatedly, and manager not having a vision or communicating effectively with the team; properly budgeting for essential training for team members (I identified what I highlighted as essential training but was advised that the manager had not put sufficient funds in the budget so was unable to do the training)
- When personal issues come up, they should show Respect and confidentiality
- Fair work conditions
- Treating all employees equally
- To provide assistance to employees
- To look after the workers and have the workers best interests in mind. I think HR side more with the best interests of management
- To keep people happy and healthy
- To implement upper management agenda. To discipline staff
- To employ people. To help with grievance
- To act as an approachable interface between the workforce and management
- Sort problem workers out fairly
- Recruitment, training, retention
- Recruiting
- Providing an up to date service that takes into consideration the city and the employee
- Provide a fair and equitable workplace. A workplace where people can succeed in acquiring their goals
- Picking the right person for the job
- Mental health issues. Understanding!!
- Looking after the city of Perth
- I hardly go to them
- Discipline

83. What do the HR team do well?

responses = 202

Theme	#	%
Recruitment	25	12.4
Training	20	9.9
Learning and development	17	8.4
Being friendly and showing compassion	13	6.4
Providing advice	12	5.9
Being approachable & available	10	5
On boarding & inductions	7	3.5

- Accessing training programs for staff.
- Assisting in recruitment processes.
- Provide advice and guidance in the handling of ER matters.
- Act upon issues speedily
- activities involving recruitment, hiring and training of employees and employment benefits.
- Address concerns, provide good advise and help
- All of the above
- All ways friendly
- answer queries
- Appear to be more willing to support employees if they have grievances
- Approachable
- Approachable and helpful
- Tailored service to business areas
- Personal service/advice to managers/supervisors re HR processes and matters
- As mentioned above.
- Assist in the recruitment process.
- Assist with recruitment
- Assisting with interviews. Don't have much to do with HR any more as my role has changed. But they are always willing to answer questions.
- At the moment, nothing.
- At times recruitment, give help when requested and an ability to listen.
- attract top talent, development, wellbeing
- availability to assist
- be available for any questions in the HR space.
- Being accessible for advice.
- Change communication and manage what has been a very tumultuous staff period
- Changing things
- checks
- Choosing people that will work well together. My workplace has a good dynamic of people from all different backgrounds and ages and it just works well.
- City learn - EAP support
- City learn.
- Communicate
- Communicate well with their employees.
- Communication is improving
- Communications
- Consistency of approach
- Deals with complaints quickly
- Designate representative to each directorate , this provides focal point of contact but also help HR to understand business
- Develop procedures.
- Directorate approach to HR advising

- easy to approach
- engage with employees well and are friendly and approachable
- ER and L&D
- ER and L&D teams are focused, professional and customer driven. They are the saving grace for the department.
- Everyone is lovely, I believe their hands were often tied in the past, I cannot comment under their existing Manager
- everything
- Everything, I think they do a great job,
- everything! I have never worked in another organization that has such a professional and dedicated HR Team. My HR Advisor has always been helpful and provided excellent advice to me.
- Facilitating/assisting with team building activities
- Feedback efficiently.
- Forms and supporting executive/managers
- friendly
- Friendly
- Friendly & Cooperative
- Go on training days and leave us working
- Good question
- Have delivered some very relevant training.
- Have most information related to the department available on the intranet
- Help managers get rid of staff they don't like.
- Hiring.
- HR are team are very employee oriented and respected.
- HR team helping us with our rights with in the organization
- I believe with the issues facing the City, the HR team is doing the best it can given the hierarchy of people involved in issues and complaints.
- I don't have much interaction with HR, so unable to comment, however, on the odd occasion I've needed to contact them, they have been helpful.
- I don't know what they do well
- I don't know. They are very busy with restructure and web pages.
- I feel the HR team is one of the most over worked and one that is managing a vast amount of issues that is not typical for an organisation such as; employee stress, lack of leadership, constant criticism from the general public etc. What this team do will is demonstrated resilience in the face of uncertainty, professionalism even when it is not demonstrated by the Councilors and they manage a huge workload. They might not be perfect but they are still standing.
- I found my onboarding went quite smoothly
- I have been impressed by their work on embedding the values and I thoroughly enjoyed the recent workshop. The Employee Recognition awards are a great idea to reward and encourage good behaviour, as is the Change Champions initiative. My interactions with HR have always been pleasant and I feel they do their jobs very well in an environment where they are under scrutiny for reasons other than their team's performance.
- I like their business partner approach
- I suppose finding the right person for the right job
- I think they are trying to do their utmost to change the attitude and culture. But with 3 Managers and as many officers in two years very hard to win the battle.
- In my experience the Learning and Development team Lina and Sarina work hard to develop ongoing training opportunities, embed the COP values and develop reward and recognition programs throughout the organisation.
- Induction
- Induction process for new staff
- Inductions
- It has taken time to rebuild the HR team but they are doing a great job in subjectively representing the needs of both the employees and management, I appreciated this can sometimes be challenging.
- Keeping records up to date for each employee.
- Kindness, compassion

- Learning and development
- Learning and Development
- Learning and development program
- Learning and Development team provide some good training opportunities.
- Leave and staff expertise is great
- Listen
- listen
- Making themselves approachable and available to the workforce.
Provide a good first impression of the City.
- Manage staff out of the organization and facilitate employment of new staff
- Manage the relationships between MLG and staff.
- Most of the team are very approachable and willing to help should you require advice even the Manager which is such a great thing to be able to do. There are only a small few who don't seem to want to interact with staff and only interact with managers.
- need to work on a lot
- Not having a lot to do with HR, but when I have they have always been helpful with the information I am after
- not much
- Not much
- Not much at this stage
- not much now, they are fractured
- Not take phone calls. Not respond to emails.
- NOTHING
- Nothing
- Nothing
- nothing
- Nothing
- Nothing - recruitment is not transparent and nepotism is very obvious and some staff are being protected and looked after and given opportunities based on who they know.
- nothing - they take forever to do anything, even then it the decision is always in favour with management
- Nothing except deceive workers
- Nothing that I am aware of.
- Offer training.
- Onboarding, training, performance shaping.
- Our HR contact is approachable and provides answers to employment related questions. Do not have much contact with them personally.
- Pay salaries on time.
- Pay us on time
- Payroll always investigate pay issues in a timely manner and resolve any discrepancies. Well done.
- Payroll; Health and Safety in the workplace
- play
- Provide a service with limited resources (they always seem to be understaffed)
- Provide direct support to directorate managers
- Provide front line management with
- Provide online training via " City Learn "
- Provide relevant information to roles. Up to date information during recruitment process.
- Providing an advisor per Unit
- Providing inductions/training to staff as well as financial assistance for staff development.
- Providing support when needed
- ran a team building workshop
- recruit good people
- Recruitment
- Recruitment
- Recruitment and day to day advice.
- Recruitment and induction process
- recruitment and retention
- Recruitment as far as I'm aware

- Recruitment process
- Recruitment services, delivering on learning and development initiatives, employment relations, customer service
- Recruitment,
Following HR processes set out,
Managing issues, supporting managers through this process,
Training provided by L&D,
- Recruitment, advice on process and procedures
- Recruitment, Learning & Development
- Recruitment, support, administration
- Recruitment. Building a positive culture. The City of Perth administration (despite the challenges experienced recently) have a positive, friendly, supportive culture - supported well by the HR staff. All of the City's staff are exceptionally professional, the administration processes are all of a high standard, the work environment is high quality. In my opinion it has been a general lack of cohesive leadership, drive and (efficient) decision-making that has caused problems in the past.
- Recruitment
- Respond with good advice in ER Matters
- Responding to queries
- Say yes to everyone in a senior position!
- Socialize with each other
- Sometimes their job
- Staff changes have compromised the service of the team. A lot of knowledge is lost and the extreme amount of recruitment is making it difficult for HR to provide the support they would want to provide.
- Staff support
- Staff training
- standard processes
- Support management
- support staff
- Support the organization rather than the people
- supporting hr related issue to each unit
- Supporting learning and development.
- Supporting Managers and above
- The current staff provide good feedback and good information.
- The employment process has improved.
- The HR team are always exceptionally helpful and responsive. Whenever I raise a question I will get an answer immediately. They have an email mailbox where you can send any enquiries which makes it easy as sometimes I don't know who my question should be directed to. I like that we have a dedicated HR Rep for our team as it makes it easy to have that one point of call when HR related matters. I lead a team of people and HR has always provided me with excellent advice on dealing with performance management issues. They are very enthusiastic about employee engagement and genuinely care about the people that work at the City. I also like the many learning and development opportunities the team provides and I think the performance management templates are very helpful. They make my job of managing 6 people much easier.
- The HR team work very well in upholding the City's values and encouraging the rest of the City's staff to do the same. They empower our people and do all they can to help and support staff when they are in need.
- The people are all lovely. They are very caring individuals.
- The team are friendly and try their best in the difficult circumstances they work in. Some of the team are highly committed and dedicated. They lack leadership, consistency and clarity to be effective and trusted.
- The team is approachable & friendly
- The time management course was good
- Their recent initiatives for improving organizational culture.
- They are helpful and caring.
- They are pleasant and friendly.
- They are polite
- They are proactive in identify issues within teams through the team building groups

- They are very approachable.
- they care and support workforce in a difficult environment
- they carry out the functions well but appear under resourced to meet timeframes
- They have improved in their recruitment process however it is inconsistent.
- They help anyone who requests their help.
- They offer a range of in house training sessions
- They offer wide training range of trainings for the staff
- They take your complaint but they never get back to you
- They try.
- They're all really nice people
- They've always been professional and friendly in any dealings I've had with them.
- Training
- Training & Development to staffs
- Training and IR through Sarina and Barbara moyser done very well
- Training programs are good.
- Training, learning and development
- Training. Listening but no acting.
- Try
- Try hard to get the job done with not enough resource
- Try their best to assist employees across a variety of areas
- unable to answer honestly
- Unsure, have not had direct dealings with them
- Utilize and implement PD resources for staff.
- Very approachable, helpful and friendly
- Very friendly, helpful, well organised and professional.
- Very little
- Very personable.
- Promote good work life balance.
- waste time and resources
- We have excellent staff, so they are doing a great job with hiring.
- Work exceptionally hard and their responses are appropriate to issues
- Work really really really hard to do their job!
- Work well as a team.
- works well as a team. supports one another.
- L&D and CityLearn are a well oiled machine.
- Bow down to manager's every whim
- Very hard to answer. I have not had a lot to do with them. Our EBA negotiations were not handled well
- Tell us what they would like to see
- Team building
- Recruit
- Obfuscate
- Look after the city of Perth image
- Keeping up with legislative requirements

84. What could the HR team do better?

responses = 236

Theme	#	%
Better policies, processes & procedures	37	15.7
Recruitment	26	11
Being fair & consistent	21	8.9
Not favouring management / ELG	19	8.1
Being confidential & trustworthy	14	5.9
Being more visible & establishing their presence	13	5.5
Better communication	12	5.1
On boarding & induction process	10	4.2
Retaining staff & reducing turnover	10	4.2
Manage bullying	7	3
Providing career progression opportunities & professional development	6	2.5
Being more available	6	2.5

- 1. Onboarding process
- 2. Promote policy and procedures
- A lot of things including changing the current perception that they don't care
- Actions have shown their priority is for the business first, the staff second, would be great to see that reversed somewhat
- Address lack of career progression opportunities within the City.
- Administration of established roles and their occupancy including provision of accurate automated reports
- Advice is hit and miss depending on advisor, people with good knowledge are being held against less complicated teams - leaving large operational teams exposed. Not strong enough on pushing back on spirillous claims or complaints. No OD and the strategic HR timelines and actions aren't known outside of the BU.
- all areas, recruitment, handling of grievances, responding in a timely and consistent manner, having correct information.
- As a new staff member I think there needs to be a more efficient and straight forward process in regards to training for Finance software, Content Manager and timelord etc. I have had to initiate most of this training myself and the process is slow & confusing.
- Assessing ways to stem the constant outgoings of staff. This is not their fault, there time is being spent recruiting the replacement staff.
- At this point in time I feel they are doing the best they can under extreme circumstances. In the future I would like to see a better management of employees who are under performing or in breach of the code of conduct.
- attend interviews and introduce themselves to the staff so they know who you are and what you look like. The first day was not a welcoming and comforting experience. Provide a summary from our team building day like they said they would
- Be a service to the whole organization rather than for ELG
- Be approachable and independant
- Be autonomous
- Be available and answer emails and phone calls in a timely manner. They should make recruitment processes streamlined instead of long and painful.
- Be available for me to contact when I need their help. I can't reach them by phone or email or don't get a response. Our current HR rep completely ignores us when she is on our floor as though we are of no interest to her - poor customer service.
- Be available. Introduce themselves and stop glossing over the survey results. yhey wirk for city of perth as well

- Be better resourced
- Be compassionate and listen... Don't be a puppet to the upper management.
- Be confidential! Actually act upon matters of bullying/other complaints when they are made in a confidential matter, with updates as to how your matter is being processed. No one should be untouchable.
- be more accessible
- be more consistent, have stronger voice in hiring staff and speak up, be more involved in representing the interests of officers after they begin their employment as a posed to only focused on getting them hired, be active and involved in the development between Managers/Supervisors and staff
- Be more efficient and help managers to performance manage the non performing staff and replace them with new positive staff.
- Be more of an umpire rather than management.
Point managers, supervisors in the right direction when dealing with staff issues
- Be more one on one and not handball.
- Be more responsive to requests and in providing timely feedback.
- Be more responsive. Know their stuff
- Be more strategic so they can be less operational and reactive. Its exhausting.
- Be more visible and assist in issues rather than hide away. Communicate more
- Be more visible and try to spend more time with staff
- Be more visible in the office.
- Be more visible in the workplace.
- Be more visible. Attend toolbox and actively be seen at the Depot!
- Be quicker with the employment process. Having weeks from the cut off dates to starting interviews is not acceptable. As by the time the interview process begins the best applicate may not be available. Let the requestor see all the applications not just what they think is appropriate as we are the ones that know what is required to fill the position. Also time delays put more pressure on the rest of the staff.
- Be transparent and have an active non tokenlike input on career opportunities and make sure that one rule applies to all. Eg when a ranger job comes up asking for certain criteria and a person has that criteria but a person with substantially less attributes pertaining to the position gets the job somehow. They work with vulnerable parts of the community eg homeless youth elderly and have a violent criminal record but still get the job. And the criteria asked for one time is not bothered with the next time. This is inconsistent and confusing for many other staff. Also the job asked for security license and while one person had a security licence as well as everything else asked for, the job went to a person who does not have a security licence, probably because a criminal can not get a security licence.
- being more independent , giving proper advice to managers not just what they want to hear
- Better guidance on salary sacrifice.
- Better procedures and policies, have a proper organizational establishment and position listing.
- Better processes and better logistical and operational support to recruitment and other aspects. better universal understanding and advice related to award and resolution management
- Better time management and resolution of HR matters
- better trust with the employees
- Build trust and a reputation for conforming to policies and procedures and not being manipulated by departmental managers.
- Build trust with the staff that HR is confidential, that bullying will be dealt with in accordance with the COP policies. That people in high positions are bound by the same codes of conduct that all officers are. That action is taken.
- care about the employees
- Change the medical certificate policy. It's patronising. And costly.
- Clarity and visibility of processes and procedures at all levels, e.g. staff member, supervisor etc.
More face to face training for staff, not just the initial first day training e.g. when staff are promoted to roles with reporting lines. Processes for managers.
- Communication
- Communication regarding change
- Communication to all staff
Not all matters are marked as 'confidential' there should be a little bit more transparency
Centralise recruitment lead by HR

hr team needs to be more approachable so that staff are not worried or scared to come to them for grievances or complaints

- Communication with staff on leave. Giving them the opportunity to participate in surveys and voting.
- Concentrate more on results than obstacles
- CONSISTENCY THROUGHOUT COUNCIL
- COMPLIANT WITH WALGA
- Continue to rebuild trust in employees
 - Support employees when managers are making unrealistic demands on staff - eg taking away flexitime, self funded leave entitlements -
 - Revisit Equity and Diversity plan and perhaps realise that some of the current practices in the Council are potentially discriminatory to certain staff groups
 - Review the dress code policy and actually to consult with staff on it
- Deal with 'slackers' in a more forceful manner.
- Dealing with bullying is not handled well at the City of Perth. In the past, there were numerous complaints about particular staff members including ELG that were not acted upon. We were even told by the then Manager of HR that certain members of ELG were untouchable because of their close relationship with the CEO. Bad behavior of the ELG was never addressed. Confidentiality doesn't seem to exist either - other teams have told us that their manager confronted them after someone in that team put a bullying complaint against him. Now that team has to deal with a manager who continues to bully them and they are too frightened to go to HR due to concerns with confidentiality. That's totally unacceptable - every complaint should be handled through due process.
- Developing integrated systems for staff management, the use of Content Manager workflow process would streamline and make things more transparent
- do their job
- easier access to Intranet portal - can be quite time consuming find stuff!
- Employees undertake a COP induction when they start but they also need a workplace-specific induction. Also when we contact HR with questions or concerns it is very important that we are listened to patiently with care and understanding
- Employing people friendly staff who all are customer orientated
- Ensure appropriate staff are employed for positions and support existing staff which does not seem to be happening now.
- Ensure performance shaping / reviews are completed on time by team leaders
- Ensuring that when an employee benefit is offered that the process to obtain said benefit is easy and efficient to follow and relevant directorates are aware of the procedure offered and their responsibilities to process claims
- Ensuring the treatment of employees is consistent where appropriate across the organization, for example access to flexi time and flexible work arrangements.
 - If an employee is unable to have access to benefits identified in the EBA, it is important that line managers/ managers are able to provide a clear business case demonstrating why the employee is unable to have access to the benefit. HR should have a role in evaluating the business case and ultimately provide guidance on appropriate outcome.
 - As I mentioned earlier, HR could make improvements in regard to the recruitment of executives who are focused on the value of human resources as opposed to being fixated on the financial element of the business.
 - HR could run compulsory ELG emotional intelligence training.
- Establish a culture of fairness and transparency, especially in recruitment and promotion. Some people have their job grades upgraded, others never.
- everything? tell the truth, and stop covering up for managers and their bullying of staff
- Everything. The time HR takes to respond to emails etc is pathetic. Staff in HR are continually turned over and new staff appear very lazy in their roles. I would not feel confident going to HR with any issues, I have a genuine lack of trust and confidence in the HR staff. I wish they would focus on the job at hand rather than spend time on "team building " and other such nonsense.HR are aware with the issue of bullying from our manager to some female staff in our unit and are happy to do nothing about it
- evrything
- Fastrack termination of employment of people who continue to bully and harass employees.
- fine detail induction pack
- follow policies and operate under the City's values

- Follow policies fairly no matter who the person is or who long they have been here
- followups
- general communication and let us know they are there and how they can help
- Get good people
- Get to issues faster
- Give clear and timely responses
- Find the correct job description forms
- Follow the correct procedures for recruitment process
- Provide clear guidance to staff looking to cut corners in recruitment process
- Have an effective helpdesk system for queries, rather than waiting for individual HR Leads to answer phone calls or emails
- Better process to avoid losing Higher Duties and other internal forms provided from Units
- greater guidance around flexi time/leave - open to discretion of managers - being inconsistently applied across organisation
- recruitment of competent staff who assist in building positive culture especially at leadership level - greater use of psychometric assessments may assist
- Handling formal complaints and redundancies.
- Have a consistent approach and ensure that confidentiality is maintained.
- Have a faster more efficient process
- Have a greater presence, openness and accountability
- Have more staff to handle volume of issues they are dealing with
- Have more the authority to deal with HR related matters and decisions
- haven't been in the organization very long to comment
- Help employees progress within the organistaion. Seeking internal opportunities for growth and work on staff retention
- Help us out side staff out more
- Help worker's with concerns raised and support over Safety
- HR Advisory needs improvement
- HR also need more people. They are overloaded with tasks and there isn't enough respect for what they do. I believe our CEO has not supported the HR function at all and has in fact at times made it difficult for them to deliver as he either doesn't make a decision or changes his mind. HR will develop an initiative and launch it to the organisation and the CEO and leadership group won't support it or just not turn up. At the launch of the Values last year, I noticed that while HR was working tirelessly to launch the initiative, the ELG and CEO had to practically be dragged to attend the launch sessions. HR needs the backing of its leadership but I don't think ELG or the CEO put enough emphasise on the importance. They also don't take responsibility for the role they play in it. For example, how can you expect staff to adopt the Values is the ELG behave the way they do.
- HR needs to have their processes reviewed as they appear to be very complicated with many double ups
- I feel they are hamstrung at present, focus is on maintaining FTE numbers
- I think it is good the way it is.
- I think they do a good job.
- If I have a question it feels like they do not have time to respond.
- Implement and improve processes
- Improve efficiency
- Improve existing processes
- Improve the Performance Shaping to be less cumbersome - it needs to be better focused, shorter template and based on SMARTs.
- Improving the recruitment process.
- In light of huge number of staff changes throughout the City and the pace of recruitment/turnover - policies and procedures need reviewing and supporting workflows for onboarding and offboarding to help all staff.
- Induction process. The induction session was consistently cancelled without any notice, IT and training usernames not set up, delayed contract, no copy of the Employee Benefits or Salaried Officers Agreement provided, no acknowledgement of receiving the completed paperwork and contract. Unfortunately the worst induction process / contract I have ever experienced in my career. At a time I

was excited to join the organisation this was a frustrating and disappointing experience and sadly my experience is not unique.

- Introduce efficiencies into their processes to help them manage their workload better. For what it's worth, they are definitely trying to do this
- Invest and use technology, eliminate paperwork, provide more consultancy, streamline the recruitment process
- Investigate further resourcing to align with workloads.
Introducing a process where staff can communicate on occasions " off the record", initially without having to be informed "we follow processes".
- Investigation of employee concerns.
- It doesn't really feel like we should be approaching them at all. I'm not sure when we ask them about an issue and stick to asking my manager. Because they are remote it doesn't feel like they can or should be approached. When I was new and I felt I was being poorly treated by a manager I felt like I had nowhere to go. Thankfully it is resolved now.
- It seems that with the staff turnover knowledge was lost and therefore it is a bit frustrating when trying to get information.
Reply to emails within X working days. Ideally 3.
Clarity with procedures and what units are responsible for tasks.
List policies and procedures on the intranet. For example- where is information on bullying/harassment
- Keep in touch regularly with all employee.
- Keep their own staff, be available, boost capacity
- Keep things confidential
- keep up to date with structure changes required and keep employees up to date with any changes related to positional change (Acting, secondment etc)
- know who is responsible for what in their area. Sometimes you ask question and they are not sure who handles it or knows the answer.
- Knowing who your unit or directorate HR rep is the biggest issue I have found. It makes it hard to report any issues or even just to get advice when you have no clue who your contact person is. Let alone approaching them when you are aware of who they are as your HR rep walks straight past staff during a working day without even an acknowledgement or hello.
Answering phone calls to staff, current rep has phone on divert which is quite frustrating at times.
Previous rep in HR was so easily contactable and happy to assist any time.
Response time with HR is extremely slow and a number of good prospective new starters have then called to turn down positions after they have been offered employment due to the time taken to receive contracts and paperwork.
- Knowledge base increase. EBA knowledge and interaction with important parts of the job i.e pay.
- learning & development process to be less convoluted
recruitment have less hoops to jump through
more clear policies regarding stating conflicts of interest
- letting others know what's under the hood
- Listen to what we are saying rather than apply their own perception of what is being said while using our words out of context in their reports
- Listen to what workers say and work with them to have a happy workplace and lift the moral in the workplace
- Look after the employees
- Look at the turnover of staff in some units, and investigate what looks to be very high turnover.
- Look to continuous processes improvement to evolve existing processes that slow things down and create inconsistencies and high work loads
- Lots
- Maintain employee training/details records
- Make sure their door is always open and do not judge
- Managing Employee Records
- Many things. Everything related to staff positions and issues.
- More involvement in staff development
- more personal direct contact with all employees - perhaps officers could have specific person who is their personal contact
- More staff

- More support.
- More team building activities, to bring a happy vibe in the work environment. The place looks full of dissatisfied and sad people around.
- More transparency
- My complaints are with my manager
- need new software which support our roster so we don't have to check for lots of errors made in the past. Payment is not consistent.
- Never see anyone from HR so cant comment, they seem to be in a world separate from the actual workforce
- New recruitment need to do psychometric testing.
- No suggestions from me as I am happy with the level of service. My only thought is around how HR could better help the organisation understand not only what HR's role is but also where their remit ends. It is unfair to imply cultural and morale issues at the City are the responsibility of one unit alone to address, as meaningful action requires support and genuine buy-in from across the organisation.
- Nothing to my knowledge
- Onboarding and off boarding procedures. All policies and procedures need to be easily accessible and understandable
- Our unit's HR rep has never been introduced to us;
HR are quite unresponsive and need to be followed up multiple times before getting an answer;
Action on important/urgent matters (eg grievance investigations) is slow & often doesn't seem to be a priority.
- Oversee recruitment better. Have a better knowledge of the daily running of units and attend unit meetings. Not be biased toward management, show staff they are genuinely serving their support. When change isn't effective but fine tuning would be more critical intervene to progress the city's delivery of services. Ensure that morale is maintained at a high level.
- performance management
- play
- Practice more discretion regarding who they discuss confidential info with.
- pretty much everything
- Pretty much everything except for training, learning and development, which they already do well.
- proactive not reactive
more effort educating the business
strategy
retention
OCM
Org Development
- Processes and systems.
- Promote themselves in the organisation better with which staff do what.
- Provide a better focus on-going professional development. Needs to be felt as a 'safe space', which I understand it is not viewed as
- Provide appropriate support to staff. Improve the efficiency of recruitment processes.
- Provide better support to the people who work at the City and preserve our work life balance which is consistently being eroded
- provide more guidance on how to make recruitment faster. The delays put too much pressure on existing staff
- Provide more services and less instructions ie managers requiring to be HR specialists and process forms and recruitment. Provide greater support for the induction process; more personal contact with new officers and physical tour of the building - there is no meaningful orientation. Provide an introduction for new staff to all managers and executive team.
- Provide more support to staff as required.
Deal with employee complaints. Have action.
Be innovative in creating COP as a workplace of choice.
Initiatives to retain staff.
More diversity of employees.
Be more present.
- Provide responses in a timely manner, HR advisors are over worked and reactive
- Put employees first.

- Recruit better within their own unit where turnover can be a problem, know the industry better and take on issues without due influence or favour.
- Recruit staff faster and support teams when they ask for additional resources to cope with unrealistic workloads.
Run a proper induction program that doesn't happen weeks after staff start.
- Recruitment and transparency. EBA negotiations are very poor also and need improvement.
- Recruitment, inductions, awareness for staff, position descriptions, reviews
- Recruitment, staff issues addressed in a timely manner, follow up complaints that have been made about upper management as they seem to be lopsided toward management with no outcomes.
- Reduce paperwork and more digital processes
- Reduce the amount of Performance shaping to once a year vs twice. It is a lot of paperwork for the officer to do as well as the manager when most staff are having regular catch ups with their manager during the year anyway to see how the end of year Performance shaping initiatives are progressing
- reduce the time taken to finalise procurement
- regular training of colleagues
- Relate on even keel to all personnel. Not just those that are considered important!!
- Represent all staff. Processes should be handled in a way that is fair and equitable and does not show favour to higher ranking staff.
Consistency and accuracy of responses.
- Respond to enquiries in a timely manner
Provide better briefings on processes and policies to ensure staff and well informed
- Respond to queries within 48 hours.
- retain staff
- Retain their staff
- Say no to senior positions requests that are not following the same process for all! They are going to complain about HR anyway!
- Should give some personalize attention to staff including rewards etc.
- Show staff that they are "Human" Resources - there as been many occasion where the reference is they are no longer HR but just resources. I think the need to restore faith in staff that they are there to help, that issues are dealt with and any matters will be considered and addressed.
- Some team members provide solid advice and guidance on policies and procedures. This is not consistent however.
- Staff performance reviews should be yearly instead of 6 months. For some positions the KPI's are on-going and don't necessarily change within the 6months.
- Stop allowing certain managers to "handpick" new employees based on friendship or previous working relationship
- Stop taking side of management
- Strategic Human Resource Management rather than process based HR function
- Strengthen processes and bring in positive initiatives (ie paid membership to industry networks).
Currently we pay out of our own expenses but the City gets the discount when we attend training (ie LG Professionals)
- Support all staff
- Support employees and not just the executive/manager team.
- Support employees below Manager level better; realise that they are not there to purely support and back up Management. Provide confidentiality and clear transparent advice when needed.
Provide a consistent approach to recruitment and enforce polices and procedures; do not allow Managers to make up their own rules
Be more timely in their responses
- Support existing staff to develop their careers and skills
- Support individual staff in professional development, proactively identifying training opportunities.
Developing people for future roles, based on trends, best practice, bench marking.
- Support recruitment of staff. Improve the automation of payroll and timesheets
- Support staff better through illness and mental health issues
- Support the Administration and Officers in the discharge of their duties (internal service unit)
- Support workers about safety concerns

- Supporting staff with genuine workplace grievances. Ensuring bullying is prevented or is dealt with effectively. Ensuring management administers its corporate policies and procedures in a fair and consistent way across the organisation.
- System updates
- Take ownership of the HR functions such as Policies / Procedures. Stop the manual forms - have them in a content manager workflow so that forms don't get lost between floors. Improved onboarding process. Offer a paperbased training system as an alternative to the e-learning which makes me personally feel ill.... those videos. I'm a grown up I can read and answer questions I don't need pretty pictures and script that is so slow to roll up it gives me a headache just thinking about having to take part in
- Take ownership of the workforce plan for the COP
- Talk to the different units more about what they do.
- Team building
- Motivation
- Better record keeping
- The Advisors lack knowledge and experience; they do not know where to find information and are reluctant to expand their skill sets, preferring to stay in their comfort zone. They will often fall back to "this is how it's always been". They operate in a vacuum and are out of touch with the workforce; legislation policy and best practice. The HR Advisor role requires a degree of stewardship and innovation that the department has never fully embraced.
- The HR team are severely under resourced. This has been raised on several occasions and the team are still not resourced adequately to respond to queries/issues. The responses are good, the timing of responses is terrible.
- The process for hiring internally does not seem transparent at all. Staff are promoted, or change roles, regardless of their qualifications. Equal opportunities are not made available to all staff - never mind experience or education.
- There has been so much turnover in the unit that few people seem to know the answers to questions when I ring. (They do get back to me though.)
- There is a perception that the HR team don't support the individual complaints of employees and favour management, breaching confidentiality and trust of officers.
- they could communicate better with staff, no interaction/feedback with staff
- They could easily accessible to the ground staff. which help them to raise their point within the organization
- They don't have any understanding or control of the organisational structure - position titles are constantly inexplicably changing, and there's little communication about staffing changes. I'm aware of a manager that is highly discriminatory in their recruitment practices, and HR simply go along with it rather than enforcing EEO. That managers team is a horrible work environment with a high staff turnover, but no meaningful action has been taken to identify the root causes. HR have not stepped up to be a meaningful presence in that team, they're seen as just helping the Manager to dodge their responsibilities.
- They gossip! everyone knows everyone's business. Slow with the forms and paperwork. No idea who you contact. Change paperwork and not notify people.
- They should be more open and easy to access for any query
- They're doing a great job as is.
- Touch base more regularly.
- Training on process and procedures, be more positive and most importantly be accessible to staff
- Treat all grievances seriously and not as vexatious complaints against management, until fully investigated.
- Performance shaping/reviews.
- treat everyone equally
- Treat staff with respect and try to get a culture back that is family friendly
- Try to reduce ongoing changes for employee's roles and responsibilities.
- understand contracts of employment, and EBA's. give the correct advice to employees
- Understand the policies and apply them consistently. Have a knowledge of the work force plan.
- Update the procedures
- Communication
- Weed out pecuniary interest and ensure employees don't have any influence in any way whilst appointing friends/relatives/husband /wives/partners etc

- When an employee submits a job application either internal or external the applicant should be informed of the decision regardless.
- Not listen to the managers
- Understand mental health issues
- Treat all employees equally
- To be seen more down here at the depot. Not just for negative reason ALL the time
- Some decent work relevant training. Instead of been seen to do the politically correct thing
- Show that they are there for the workforce as well as the City of Perth
- Provide training that is relevant to my job. Provide training appropriate for my skill level - ie. don't make qualified horticulturalists do the same training as parks operators
- Process of new staff to actual getting the job must be quicker and at work
- More power to stand up for staff and support them. Not be controlled by management. Have more contact with outside work force and listen
- More interaction with the workforce to enable greater understanding of the issues we face
- Maybe try to ring individually every employee to say hello and do you have any issues etc
- Make themselves known to workers and what they offer for the workers
- Introduce themselves
- Everything
- Communicate more
- Communicate
- Answer the phone

85. How does the HR team provide support to you?

responses = 201

Theme	#	%
They don't provide support	33	16.4
Advice	28	13.9
Recruitment	28	13.9
Training	18	9
Answering queries & questions	17	8.5
Payroll	16	8
Grievances & dispute resolutions	10	5

- Advice
- Advice and direction on team matters, performance management issues and recruitment processes
- Advice on staff issues.
- advice re recruitment, working from home
- Advice, kindness
- All the HR team did for me was select me to work at City of Perth
- Although HR do provide support, Unfortunately the processes are very protracted and we are constantly waiting for outcomes.
- Always very helpful with questions, have helped me with a problem with a workmate and gave good ideas
- Answer queries as arises
- answer questions on contractors, training and recruitment.
- Answering queries
- Answering queries and recruitment
- Answering queries when they arise
- Answers questions when I ask them
- Any support they provide is done through my manager at this stage.
- Are always there if needed
- Assigned HR partner.
- assist me manage poor performance
- Assists interruption of policy.
- Assists with recruitment processes and resolutions of grievances.
- Attend interviews when recruiting new staff.
- Available. Have an HR rep.
- Beautiful beautiful people, however can be frustrating when you go to HR and are then sent from pillar to post just to get your enquiry answered - HR to Payroll, or HR to IT or HR to Finance. Would be nice if HR could take control of all employee enquiries, take ownership and provide the answer instead of sending staff from unit to unit and quite often ending back up with HR still no better off as no one wants to take ownership of the enquiry.
- Being available to provide support and assistance when required.
- Being there
- By being there.
- by having policies in place regarding employees rights, benefits and responsibilities.
- By providing the tools and training to manage staff.
- Certain members of the HR section are helpful
- Change my name when I got married. No one replied for two days to the generic inbox. I had to contact someone and say please reply x 2 people.
- citylearn
- Complaint process
- correcting my pay and answering my questions
- Dispute resolutions
- eba

- Employee Issues
- Employment contracts mainly. And some team building sessions.
- Facilitated working at home agreements.
- From a personal viewpoint I have had little contact with HR. Honestly feel that it would not be worth my while.
- General advice and training opportunities.
- General advice. Training development.
- good support with recruitment
- Grievance, Workforce planning
- Have assisted with many tasks from pay related items to training.
- Helps me recruit
- HR Adviser, recruitment, incremental work, performance issues. Contracts and higher level grievance.
- HR governance matters
- HR Partnership model
- HR provide little or no meaningful support.
- HR provides support and advice when I need it. They are all very helpful. And kind.
- HR Services
- I don't trust them so no support
- I get good advice from ER but the others don't know
- I have always found my dealings with HR to be helpful
- I have not really had to use HR in my time at the City.
- I haven't relied on them, as I don't trust they will support my manager first before supporting me
- I know exactly who to turn to if I have any problems relating to my work. I know I will feel very supported and my comments will be kept in confidence. The HR team also empower me to uphold the City's values and I notice a constant reward for those that do so.
- I know how to contact if needed
- I know if I needed any help with any issue, the hr team would be there for me.
- I never really see them at all.
- I require support for recruitment and all aspects of the employee life-cycle, Employee relations, performance shaping, complaints and dispute resolution, training and development, EAP, workforce planning and tracking, most of which needs improvement. I expect a high level of service, professional advice and administrative support, while allowing me the freedom to make decisions and manage the overall process.
- I've use them once, but was treated with attitude
- In many ways, they are always willing to help and offer advice.
- Induction and training.
- Information of coming and going of staff
- Email respond has become better with 2 administrators on board
- Investigating pay discrepancies
- It doesn't
- It doesn't to me personally (personal feeling/observation) however they "service" the area I work in via the processes/policies.
- L&D and ER are leading the way; however the advisors do not understand the degree of stewardship
- Learning and Development are ready to help
- Learning and Development team provide advice other than that not much support given.
- Leave detail support
- limited
- limited support at the moment
- Lina and Serena are fantastic with training. The rest are pretty much a bunch of people running around with no idea of what they are doing and why they are doing it. There is no consistency of message coming from HR and they can't answer simple questions without taking several days to get back to you. They don't provide personal service and don't answer phones. I hate getting emails from "Human Resources" - I want to know who I am dealing with. I want to know I matter and I'm important. I feel that using a generic email header takes the personality out of the team and makes me feel like I'm dealing with a robot instead of a person - even if they are incompetent...
- Listening and advice

- Little at present
- Meetings, reports etc
- Minimal, I don't think I would feel comfortable contacting HR with any of my concerns.
- Minor. Only dealt with HR whilst getting hired, and through one team building exercise.
- My experience as an EBA employee representative did not give me much confidence in HR, although may have been restricted/directed by the executive.
- My pay & my contract of employment
- no support
- No SUPPORT
- No support.
- None
- None really - i can email and leave phone messages and get no response
- Not a lot
- Not much
- not much. day to day operations.
- not really
- Not really. Ince they are involved it gets messy and ppl loose jobs
- Not that confident to ask for help.
- not visible
- Nothing much
- OHS in the work place, support when needed; payroll
- Other than during the interview process and a couple of attempts at clarifying information, I haven't had to contact HR. Issues tend to get resolved by my team leader and managers.
- Our current HR Rep provides zero support to me or our unit. Previous reps have always been so proactive and even just popped down to say hi and check in to see we are all travelling ok.
- Pay, letting me know my rights and responsibilities
- Payroll and employee benefits
- Payroll, super, leave applications
- payroll?
- Poorly
- professional guidance and advice. ER Training
- Provide guidance with dealing with staff issues/grievances
- Provide HR advice when required, assist with recruitment.
- Provide information as needed, which is infrequently.
- Provide with all payroll inquiries
- Provides a Business Partner and we meet regularly
- Provides information about the technical aspects of my job allowances.
- Provides processes and avenues to pursue unresolved grievance and complaint matters.
- Providing advice when needed
- Providing HR advice where required.
- provision of advice, assistance and support to recruit and retain staff and provision of training
- Provision of unbiased advice on the best approach to various HR matters.
- Rarely have involvement with HR staff but they set up in house training sessions which are good
- readily answer questions
- Really only for recruitment and performance management and neither are fully effective or consistent across all advisers.
- Recruiting staff. Relocating to new role.
- Recruiting support
- Recruitment
- Recruitment
- Advice on staff matters
- Payroll
- Recruitment and advise on industrial employee matter
- recruitment and other support like payroll etc
- Recruitment of permanent and contract staff.
- Recruitment, advice on processes.
- Recruitment, and interpretation of awards etc.

- Recruitment, guidance on having 'difficult conversations', training,
- Recruitment, Performance Shaping and day to day advice.
- recruitment, restructure etc
- Regular catch ups
- Guidance with internal processes
- Training
- regular contacts/recruitment/Industrial relations/provide a supportive environment for my staff/EBA negotiations and management/payroll/
- Regular meetings and monthly updates
- Respond to simple queries about leave, etc. in a timely manner.
- salary advice
- Someone to raise issues with.
- Staff liaison, HR processes
- Support is not really what I would call it, more making sure that all the formalities are met
- Support provided is limited. The only support received is via Learning and Development.
- The ER team has provided support during bullying/grievance complaints; I haven't had any other interaction with HR since my interview before starting work with the City.
- The HR team has assisted me financially with work-related courses.
- The support is well appreciated by way of advice and in person.
- the very few times I have had contact findings seem to be weighted a managements favour
- There is little support as they are very hard to contact.
- These days mostly questions to do with salary and leave.
- They answer any questions I might have in a timely manner.
- they are always good listeners although most of the time they are overloaded with tasks which may not be the City Priorities.
- They are impenetrable to addressing the matters that are of real concern in handling people and stressful situations.
- They are there when needed.
- They do not, and I would be extremely reluctant to ask for it as I believe it to be pointless
- They don't
- They don't
- they don't - its all too hard and send you to EAP
- They don't - they just pretend
- they don't provide any support
- They don't really. I've gone through so much change outside of my control whilst with the City, and they completely failed to keep me in the loop. I've experienced so much unnecessary stress that wouldn't have occurred if they had just communicated with me - in the absence of communication, I was lead to believe by rumours that my employment was at risk. HR put off for months filling me in on information that was readily available to other members of my team and would have meant my mental health didn't suffer as much as it did. Sobbing yourself to sleep because you're worried about ending up homeless again is not my idea of a great work environment. HR are under resourced, but also untrusted by many employees. We see our coworkers pushed out of the organisation by cruel managers, and HR appears to focus on supporting and protecting the manager rather than taking on the harder battle of actually addressing that teams problems head on (in a way that isn't just throwing money at a team building day which is painful for everyone involved and exhausting due to having to pretend to get on with one another for a whole day, fearful of repercussions if you present otherwise). My coworkers who have lodged complaints have had them really poorly handled - one who ultimately got bullied into resigning had their direct line manager brought in as the support person for the bully, which is so far from best practice its unbelievable. How could I recommend the City as a place to work for anyone when I see so many of my hard working, talented, and loyal coworkers in tears on a regular basis? My friend was once told that her application was 'lost' for a position she was overqualified for. That manager also put in bad references for that employee's other internal job application. HR must be aware of all of this, and have done nothing. A lack of action and communication to and within that team has created a black hole of discontent and despair which consumes anyone who forms any sort of relationship with its members. Meanwhile, HR can't even advise which employees are permanent or temporary, who reports to who, or how to accurately interpret the poorly written provisions of the EAP. Lord knows why anyone would want to work in HR here (though it should be noted that the HR advisors are all super lovely people to interact

with generally). Even if the versions of events I've presented in these comments aren't 100% accurate and they've been distorted slightly by the individuals involved, it shows the kind of negative views of that so many have regarding HR because they're 100% believable.

- They don't.
- They don't.
- they don't.
- They dont
- They dont, aside from Payroll who are fantastic people, I wouldn't know who actually form our HR dept and their role.
- They gave me the job.
- They have been helpful and friendly in helping me settle in the new position.
- They have not supported me and treated me unfairly with recruitment and given me no feedback.
- They help me on a weekly basis. They have helped me with recruitment, performance management, leave and a variety of other questions I have. They are always very knowledgeable and very able to assist.
- they help me perform my role better by creating greater awareness and help point me to the right direction for non HR related queries
- They helped me to go through the systems and provide comments on the team building group so they encourage us to be proactive in our issues.
- They keep the boat level during the storm!
- They need to be easily available for meeting.
- They never have.
- they provide relevant information as requested
- They respond when called
- Thorough induction and assistance with dealing with my difficult manager
- Training and compliants
- Training and courses.
- Training options.
- Try
- Unfortunately I would not say I have received support from HR team. Only one member of team has been able to support us while other members have come and gone or have been on leave.
- Unknown
- Unknown
- Unknown
- updates every now and again
- Very limited if any.
- Very little at present
- When I have asked question they mostly have tried to help
- When problems occur with payment it is hard to explain with an email. Prefer personal contact
- With advice when contacted
- With all things HR related. I would like to say that the HR Team are NOT responsible for the organizational culture.
- Yes, they do but in general way
- yes, when available
- They don't
- Unaware of any support
- Training. Tam building
- Training and implementation
- None. When asking for advice or bullying nothing is ever heard from again
- None. When asking for advice or bullying nothing is ever heard from again
- I never see them so I don't know
- I have not had any contact with HR other than when they have made presentations regarding EBA
- HR is a tool of the ELG, they don't work for the staff
- Generally when HR approach us its because trouble is brewing
- As stated above I have not dealt with them, nor have I been told how they can support me

86. Have you undertaken non-compliance training on City Learn?

responses = 247

Theme	#	%
Yes	109	44.1
No	101	40.9
Don't know	37	15

- Do not understand this question
- Don't know
- Don't know
- don't know
- Don't understand
- I am not sure
- I am not sure but I am positive I have
- I am not sure.
- I can't find a course of my City Learn with that name
- I cant remember undertaking this training.
- I cant remember.
- I don't know
- I don't know what this is....
- I don't recall this course
- I don't remember.
- I don't think so, the last time I used citylearn was around March 2017, and I can no longer view the page.
- I don't think so.
- I don't understand what this means.
- I don't understand what this training refers to.
- I have completed all of the online training available however I don't recall non-compliance training
- I have completed several City Learn modules
- I think so
- I think so?
- I think so?
- I'm not sure
- I'm not sure I understand the question.
- Never heard of it
- nil
- No
- No
- No
- No
- no
- No
- no
- No
- no
- No
- no
- No
- no
- No
- no
- No
- no
- No
- NO

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- No
- No
- NO
- No
- no
- no
- No
- no
- No
- No
- No
- no
- No - do not know what this is
- No - not sure what this is - not listed in current modules
- no idea?
- No still to do.
- No sure
- No, not that I remember
- No.
- No.
- No.
- No.
- No.
- Non compliance for what????
- Non-compliance for what? I don't know what this is.
- Nope

- not sure
- Not sure
- Not sure
- not sure
- Not sure
- Not sure
- Not sure what 'non-compliance' training is?
- Not sure what that is?
- Not sure what this question means
- Not sure what you mean by non-compliance training so cannot answer this question.
- Not sure what you mean???
- Not that I'm aware of - City Learn training is not particularly memorable though.
- not yet
- Not yet
- on line
- probably
- unsure but have undertaken all training that was requested of me on City Learn
- Unsure this was available on CityLearn
- What is non-compliance training, is that the name of a specific course? Why did you make this field free text?
- What is non-compliance training?
- What is non-compliance.
- Yed
- Yes
- Yes
- Yes
- yes
- Yes
- yes
- Yes
- Yes
- Yes
- Yes
- Yes
- Yes
- yes
- Yes
- Yes
- Yes
- yes
- yes
- Yes
- yes
- Yes
- Yes
- Yes
- Yes
- Yes
- Yes
- yes
- Yes
- Yes
- Yes
- yes

- [illegible]

- Yes
- yes
- yes
- Yes
- Yes
- Yes
- Yes
- yes
- Yes - there's time in my life I will never get back!!! Please just offer a paper base pack to read and then questions to answer at the end. Hell even send it as a simple reading PDF and question sheet I'll do that instead!!!! Stop with the e learning portals they are truly hideous
- Yes (unsure about terminology used in this question)
- Yes e.g. Code of Conduct.
- yes I think so.
- Yse
- Never heard of it
- Yes
- Yes
- Yes
- Unswer
- Think so, not sure
- Not sure
- No
- No
- No
- No
- No
- No
- I don't think so?
- I don't now what it is
- Do not get City Learn as we don't have computers
- Cannot remember

87. What other feedback can you give about the function?

responses = 116

Theme	#	%
++ positive	30	25.9
They favour management & the ELG	6	5.2
Bullying is a current issue	5	4.3
HR need to make themselves more visible & known to employees	3	2.6

- Very necessary & helpful
- 1. multiple complaints & grievances raised against managers and no visible action has been taken to show that these complaints & grievances have been investigated and taken further.
- 2. pushing "team building" exercises which only masquerade as days out of office for people to air their issues & grievances and do not serve to unify the team.
- 3. at least 2 instances where the deciding member on a recruitment panel had a personal friendship with one of the parties being interviewed
- a shift in focus to the needs and requirements of the City.
- HR needs to be empowered to make decisions.
- Afraid to raise a issue
- Already specified.
- Appears to be a butt covering exercise
- Appreciate it is a very difficult job and HR has to handle quite an aggressive Management/directors team, CEO, Commissioners and former elected members. The priority should be looking after the employees levels 8 and under.
- Approachable, but come from a management support persepective
- Ask for opinion to all employees before any changed occurs in our organization.
- better input into their function
- Can't until I know what it's about
- citylearn is a pretty handy portal, but now I can't find it on the new site and couldn't log on last time I tried. I emailed about it but can't see a response anywhere.
- CityLearn is easy to use and saves the organization a lot of time and money ensuring all employees are trained and compliant.
- Each HR Rep seems to have their own agendas. Managers or people who are targeting or bullying staff are protected by HR. this is detrimental to the employee and results in high turnover of staff, lack of knowledge retention and a demotivated workforce.
- Fantastic group of folks who possible need more admin support as they don't have many admin skills for the City's systems - Finance 1 for POs, Journals, ability to add new comers to the empower system until they have reached their first pay cycle etc etc
- frequent payment problems
- Generally I feel the team has a lot of constraints which I believe should be reviewed and changed. You can only perform the function to the ability given. In most companies HR is the core of everything decided and so many ways, the City needs to reevaluate this department and give them the ability to do what is required at the City to not only employ but retain great employees.
- Given the City's recent history and relationships between Elected Members, the CEO, Executive and some Managers breaking down and breeding a toxic workplace, HR is no doubt at the coal face of dealing with a series of complaints - which must be difficult - albeit there's certainly a feeling that HR's priority is to protect the hierarchy at the expense of employees. This leads to employees feeling pressured or stressed, and feeling that their issue has not been considered fairly. (If they do raise an issue at all).
- good function easy to unstand
- Good idea. Does not stop staff skimming/not responding/not completing inductions, though.
- good resources
- goood
- Great team, hard workers

- HR advisor needs to be more approachable
Hr advisor need to be present in the unit meeting for their responsible units
Regular meeting or updates with the managers and the DA in regards to their recruitment status or discuss staffing issues in their unit to find solution
Coach managers to better plan their staffing issues and recruitment
- HR are a stand out team at the City. The previous HR Manager was an awful bully and in less than a year the new HR Manager has reengaged her team, developed a full culture change program, launched City Values and reinstated a full reward and recognition program. I don't think it would be fair to blame HR for employee grievances as the true issue lies with managers that treat staff poorly and bully them to a point where they are too frightened to speak up. I have had a number of managers during my time at the City and HR has always been consistently pleasant to deal with. My experience of bullying and dealing with a grievance has changed only with the manager I have had. Everytime have raised an issue with HR my complaint has been dealt with very respectfully and professionally. I would also like to mention that the cancellation of the annual employee culture survey to accommodate a Commissioner lead survey is a disgrace. I understand and respect Commissioner keenness to take the time to learn about the City's culture, however in them dictating that the usual survey couldn't take place, shows their complete disregard for the wellness of the people that work at the City. The annual survey should have gone ahead as planned with Commissioners showing respect for this process.
- HR do a good job within the confines set by ELG
- HR do a great job under the circumstances
- HR need to hit the balance between being available and supporting staff and managers whilst doing their corporate risk mitigation role.
- HR need way better resourcing, but they also need to work on forming positive relationships with officers - not just managers. There's a consensus in parts of the organisation that it's easier to leave and hopefully find other work rather than to a) approach HR and b) wait until you've lined your next job up. That is the product of a toxic culture of fear.
- HR needs a significant short-term investment to deal with its major performance shortcomings, many of which link to outdated processes or lack of effective tools and systems. Once these issues are sorted, the investment should be able to decrease. This will need to be led by a competent and effective manager and director.
- HR needs to be seen to be more trustworthy
- HR needs to exhibit the value of courage in taking action where there are incidences of bullying or non-compliance reported by staff in the workplace, irrespective of the perpetrators position or rank.
- HR needs to help staff not make us feel that we are doing something wrong. we are just trying to find out about information
- HR plays such a valuable role in an organization and I think our HR team have done a great job, demonstrating real improvements over the past 12 to 18 months.
- HR require a temporary staff lift in headcount to review, refine and optimise existing processes. This will benefit the entire City.
- HR seems to be slow to respond (both from personal experience and what I've heard from other staff). While there was eventually an outcome in my case, it took far too long to resolve the issue.
- HR services have been in huge demand with staff turnover in the organisation and in HR unit itself since 2015. This means that procedures and processes need to be developed and applied to assist all staff to experience consistency.
- HR should be having a lot of interaction with every unit, but our unit sees no interaction other than with the Manager directly. People to not perceive any support is being offered by HR.
- HR should have one on one with employees at least once a year, just to keep things fresh for each individual as a person, not a number.
- Hr should makes themselves more known to staff outside council house
- I believe the HR Manager is doing a good job. I would like to see an overall rationale with the job descriptions in place versus duplications versus jobs that are not required in the first place but created due to authority and bad practices.
- I don't consider the City as a functional organisation. I understand the challenges that every City Council can have but there are lots of tasks which are aerated by ELG level which do not help anybody to perform better. Unfortunately ELG do not think and plan strategic.
- I don't think my true feelings about the HR function are appropriate to write here....
- I like it, it's easy to use

- I once spent a lot of time drafting an email to my HR business partner regarding career progression options at the City. I took almost 8 weeks to get any acknowledge of the email, and when it came it was a pass off to my manager, even though I made it clear I didn't want my manager involved.
- I think the HR Team have improved immensely and are doing a great job given the current environment and circumstances the organisation finds itself in. The HR Manager leads by example and have found the team to be helpful, efficient and thorough. 10 / 10 however much is occurring in the organisation that is beyond the control of this team. For the job they do - they do an exceptional one in my view.
- I think the whole HR unit needs to be completely overhauled and like most units I deal with in the City, need to have clear positive leadership.
- I think they are doing as much as they can.
- I wonder if majority of staff take non-compliance seriously, Leadership has to come from the top - and it does not. Lead by example and others will follow that example. Cant expect staff to do what their leaders do not demonstrate.
- I'm not sure. I don't trust HR.
- In the beginning interaction was intensive with a new function but after a while, nothing
- Interactive Course are better
- It feels very disjointed from a personal point of view I completed the course only to be told that I need to do it again. Provide earphones would also help.
- it functions well. Though refreshers should also happen
- It is convenient
- It requires clear direction, transparency, consistency, needs to build trust and not be seen to be a team which delivers whatever the CEO or ELG want. They need to assist with building culture and ensuring this is a safe place to work.
- It was very informative and gave information in a useful and easy to understand manner.
- It's a good induction tool
- It's fine. However no substitute for physical training
- Its a clunky website that's not easy to navigate
- Just seems to be a cover up
- knowing that several employees are subject to bullying by their managers, but do not have faith in the HR unit to deal with it. so they suffer in silence and say nothing.
- Large turn over staff, why ?
- Lots of room to improve
- Love City Learn - great initiative that I would like to see expanded into job specific training
- Maybe be more discerning in hiring?
- my position upon joining (job description) was altered...
- Need to ensure they have understanding of City systems hiring outside of Full Time is an issue as getting a straight answer is difficult. Highlights knowledge gap in how Payroll actually works.
- Not enough awareness about options available
- Not much but to lift the moral with workers
- Nothing helpful as I believe it is ignored anyway
- online learning is much more flexible than group learning.
- Online training needs to be simpler to do in small chunks. Many of the modules force you to wait to read. Very frustrating.
- Organization restructure started unplanned and without much thought about consequences. Need to stop changing just for change.
- Our HR advisors is great
- Positive team who are under enormous pressure.
- probably underresourced in current environment
- provide more information to employees about what they can learn on City Learn. Information provided should be relative to their job/ upskilling
- Raise awareness to staff on the program for increased use and uptake.
- seems hard to address long running behaviors at times
- Staff are approachable and helpful and have done an amazing job considering the amount of organisational change
- The E-learning is not user friendly and clunky. It also goes on and on and on. Very cumbersome.
- The function of HR? They should be a supportive unit helping business units fill vacancies and help to retain good existing staff.

At the moment HR drag out these processes and provide no support to existing staff asking for help. Particularly in areas such as bullying.

- The function still doesn't have an HR system but only a payroll system. This has resulted in weakness in the HR reporting function and has affected BU planning negatively. As the HR function still can't provide accurate automated reports, the workload within the Directorates and individual BUs has increased. This includes manual maintenance of the organisational charts (which should also be within the HR function - in an automated fashion - and not as is currently within the individual BUs).
- The HR team are fantastic
- The HR team has a heavy work load
- The HR team has a tough job, that requires executive backing to deliver well. It will take time to improve.
- The HR team seems to have a lot of duties that I previously haven't seen in other industries.
- The perception is there are so many staff members in HR and I am unsure what they do?
- The system is a bit laggy, and there needs to be some work around the navigating via the web browser. Aside from that, they have made great improvements to course content.
- The team could be more approachable, and offer more opportunity for knowledge sharing to support staff and managers
- Their workload for the past 2 years has been unacceptable
- There appears to be a lot of induction hours required at COP
- There has been a very high turnover of staff in the HR department, with some people staying for only a few weeks.
- They are a nice a friendly group however communication could be clearer and quicker.
- They are overstretched because the organisational culture has become so toxic that turnover is at ridiculous levels. Resulting in them being unable to process recruitment fast enough. Resulting in them becoming more stressed. Resulting in people thinking they aren't doing a good job. This isn't helped by the inefficiencies of their processes and the crazy manual workarounds they're obliged to do because of our inadequate corporate systems. Honestly they're doing their best to improve but they are stymied at every turn.
- They are valued and appreciated
- They don't seem to care
- they need to be more reactive to the needs of other departments
- This survey is targeted not only at HR but the level of services of leaders and supervisors in the wider business. I only wish to comment on the HR function. The team at officer level work hard and are committed but are burdened by poor systems, lack of guidance to new HR staff members and no direction.
- This team represents the city of Pert to its highest capability.
- Time is a key element in people's lives, and doing training on line can be a bit of a chore.
- Trust is not big yet with HR but would be keen to see it develop.
- useful
- Useful
- Very helpful, dedicated and passionate bunch of employees who strive high to meet the demands of the business
- Was good, easy to do and lots of choices
- We need a HR department that supports the employees, not just the organization.
- Whether than need more people in the department or close their doors to persons who have made mistakes in their management and let them get on with managing their section
- Work to restore faith in staff. I think by doing this matters that have not been raised may start to be, and hopefully dealt with, thus improving staff moral and their wellbeing at work.
- works well
- HR work for the managers only not the workers
- Stop thinking we have computers and can get them whenever we wish
- It concerns me that Parks Manager was able to recruit and employ a crony from the City of Subi *his old work place) and give hi a \$20K pay increase - surely there must have been other suitable applicants - it reeks of nepotism
- I saw them when I was employed then never saw them again
- I feel the workforce could also benefit from a greater understanding of HRs role and the issues they too face

General

88. What's the best thing about working for the City of Perth?

responses = 285

Theme	#	%
My team & colleagues	131	46
Working for a capital city	19	6.7
The pay	19	6.7
Making a difference	13	4.6
The flexibility	13	4.6

- - My job is very interesting
- - The flexible working environment (start and end hours) and flexi time accrual provides a fantastic work life balance for me
- -I'm lucky the people I work with have a sense of humour and don't take life too seriously when the times get tough
- - My Manager: he has a variety of skills which makes him a very effective and kind boss
- 1. close to home
- 2. team mates
- 3. social club
- 4. contributing to a capital city
- 5. large organization with lots of departments
- A great and friendly workplace, which is driven to be better.
- a lot opportunities given. It is a big family
- A modern building with modern desk equipment. There are many employee benefits to working for COP
- As the municipality of Perth City, I am able to contribute to the development of the city. As an employee of the City of Perth, I used to be proud to work here, now I am not so sure.
- Being able to improve every day life for those who live & who work in the city
- Being in the City and with the opportunity to be part of projects that can change the Capital of the State.
- Better wages than comparative role in private industry
- Capital City status, being able to impact a global City
- Capital city, challenging tasks, high profile, feel I can make an impact
- Central location and interesting work
- City of Perth is a very good place to work .I enjoy my job and I give 110% to whatever I'm asked to do .
- city of Perth treat every employee same.
- City provides good working environment . Appropriate employee health and wellbeing is in place. Working with many tenanted people from diverse background.
- Co - workers, give the best support and team work.
- Colleagues
- Colleagues
- Colleagues
- Committed and skillful immediate team
- Competitive remuneration package
- Complexity of the work, ability to make a difference and dealing with a variety of professional people.
- Dealing with the public
- DPD. A friendly, committed and great group of people to work with - at all levels (officer, manager and director).
- EBA benefits with a salary that rivals the private sector; lovely colleagues.
- Enjoy working and seeing improvements in perth
- Excellent remuneration
- Experience dealing with different issues. experience with dealing with a continuously changing environment.
- Exposure to projects

- Fabulous views, building, people, central CBD, exciting projects and the vast majority of the people I work with. I think I am well paid (as are other City of Perth officers)
- Feel safe and work for the community
- Fellow staff members
- Flexibility
- flexibility with family life
- Flexible hours
- Flexible working
- Flexible Working Arrangement
- Flexible working arrangement
- People are nice
- Works are relatively interesting
- For me, its been the people in my unit and manager and friends in other units that I can trust. I know others are not so lucky but it really has made my time working at the City enjoyable, particularly when times have been tough.
- going out on the streets and helping people out
- Good environment, colleagues and pay.
- Good pay and nice work office environment. Close proximity to home
- good team
- Good work colleagues
- Good working conditions friendly colleges
- Good working environment and job security.
- Great colleagues
- Great people, very lively environment ,helpful co workers
- Great team, commitment and dedication of my fellow colleagues
- Great teams, and a great city. Love my job and very proud to be working here.
- Guiding the growth of the capital city.
- Hard to say at the moment
- Having some support from some genuine people
- I can make a difference and bring value to my unit, when allowed to do so.
- I enjoy my job and my time at the City of Perth. I have a great and supportive team
- I enjoy my role and what I do generally
- I enjoy my work and the friends I have made at the city.
- I enjoy the team that I work within
- I enjoy working with the council of our capital city
- I enjoy working with the people. There are good people that work at the City who love their jobs and put in 110%.
- I enjoyed my role.
- I feel proud to be working for my capital city. The City is an inclusive workplace and the employees are well looked after.
- I get paid
- I have a good team which I enjoy working with.
- I have a job.
- I like my team
- I love my job and the people I work with
- I love the city. Its a very vibrant place. The people are very respectful.
- I love to work for the City of Perth IF it works and structured properly. In MLG level I see support is provided but no support from ELG. Obvious bureaucracy which results the City performs at least 50 years behind 2018.
- I love working in my current team. My manager and coordinator are excellent leaders and my work peers are great and supportive which makes coming to work and doing my job a pleasure. I have worked in other areas at the City and it was not the same environment.
- I love working in the city, and I love my own role in making the world a better place in a small way.
- I love working in this great building
- I really enjoy my work, I'm happy with my salary, the location is great and my current team are very supportive. I've had access to so many opportunities that just wouldn't have happened at a smaller Local Government.

- I used to enjoy working here but nepotism and protection of some staff have ruined the culture and morale.
- I wanted to give back to the community. Enjoy comradery with like minded people who work smart with strong ethics who have worked in private and public.
- I work in a supportive environment. I find the City of Perth a good employer. It seems there is more emphasis on work life balance than in the past but this may also be due to the fact that this is important in the public arena.
- I work with a great supportive team
- I work with good people
- I've always enjoyed walking through Stirling Gardens to the City. Those I work with are good to work with. Work is generally satisfying and it is possible to have a sense of achievement.
- In my area, being able to deliver great initiatives to help the business improve their work.
- Interesting projects. I enjoy working with my team.
- Interesting role. Good support for training and development. Opportunity to be a leader. Friendly, supportive, professional Director, Manager and staff.
- It is a fun, busy, friendly place.
- It is a good place to work because of it's diversity
- It is a well run organization with future opportunities if wanted.
- It is the capital City and the premiere local government. It is a great place to work in. Most of the people here are good people.
- It is the Capital City Council and I take pride in working here
- It is the Capital City of Western Australia and has many redeeming factors
- It was RDO's but that's looking pretty shakey right about now. Super contributions are good. Struggling to find anything really positive about the place these days.
- It's an instantly recognisable capital city council where I meet many different people and am exposed to new topics, so I'm constantly learning. there are great , hardworking people in the organisation and I enjoy hearing their stories. I have many training opportunities and I enjoy working in the city. I also enjoy the work I do with my fantastic team and I am well remunerated.
- Its a secure job
- Its central
- Its close to good food
- job security
- Knowledgeable and enthusiast people (across all levels). Good working culture that just needs to improve through cross functional teams that are given adequate technological tools to drive efficiency, effectiveness of delivery and therefore productivity.
- like my job and the staff
- Location
- Location
- Location
- Location and my colleagues
- Location and pay.
- Location and serving many people
- location is convenient and close to home
- Location is convenient, potential of the organisation is good
- Location, conditions
- Location, conditions, people I work with
- Location, my team, type of work
- location.
- Love the people that I work with, lots of work that's never ending & day goes fast, very interesting.
- Making perth a cleaner and flood free city
- Meaningful projects. Serving the community.
- money
- Money and super
- Most of the staff I work with
- Pleasant workspace
- My area of work is challenging and interesting.
- my close team

- my colleagues
- My colleagues
- My colleagues
- My colleagues
- My colleagues and the atmosphere in our team and on our floor
- My current manager does not micromanage and encourages my out of the box creative ideas to in turn encourage CoP to be the best City Council in WA
- My Director
- My immediate team and management are incredibly supportive. Demonstrated values are recognised and rewarded. The feeling that things are always improving
- My immediate team, and collaborative relationships with certain officers in other teams.
- My job and my colleagues.
- My job and what i get out of it
- My Manager is very supportive and my team is good to work with. I have flexi's available to me but feel sorry for those whose Manager's don't allow them. Flexi hours are very important.
- My peers - their support and encouragement
- My team
- my team
- My team
- My team - they are awesome. Without them I dont know if I would stay. Im glad that i don't work out of Council House and am detached from all the bs
- My team are an amazing bunch of people who work together to provide a good service for the City. I love working with them, and that's what keeps me here.
- My team is awesome, we provide each other support both personal and work related.
- My team is really good to work with
- my team mates & other staff
- My team mates.
- My team members, the diversity of work and the location.
- my team. and working for the city of perth community and ratepayers.
- My teammates within my unit. They make coming to work so much more enjoyable and the job a lot less stressful at times. They're more like family not just colleagues.
- my work and team
- My workmates and the type of work I do.
- My colleagues
- no pain
- Not a lot
- not much at the moment
- nothing
- Office Location
- Opportunities to learn and broaden, improve skills.
- Opportunity to make a difference
- Over all good environment
- Pay/ Conditions
- People at the City of Perth are very approachable and friendly.
- people in my unit are the best
- location is excellent
- sense of satisfaction at being a part of an organisation that acts for and on behalf of WA's capital
- people that I work with
- People. although turnover is high lately so you don't even get a chance to form relationships.
- People. Work life balance, flexible working arrangements.
- People/team
- Perth city is a beautiful place and the council represent this city
- Pleasant environment, good location, good onboard and induction lots of activity
- Previous to the last 2-3 years it was the pride in which we took at the presentation of the City, the teamwork that existed within most units and in particular the Parks unit in which I work. We had a great team in which we all worked together to achieve positive outcomes. Now, well, very little unfortunately. Since our "restructure" and the arrival of our new manager, teamwork, respect and commitment has

been eroded and now it is "just a job"...one in which I am actively looking to leave. This is very disappointing as I enjoyed working at the City of Perth prior to 2016.

- Providing a fabulous service to the public and working with wonderful colleagues
- PROVIDING SERVICE TO RATEPAYERS
- reasonable working time and work flow
- Remuneration compared to other local government
- Study assistance
- City location
- Representing the capital city of WA, being proud to work at CoP
- Rewarding place to work
- Safe workplace; quality staff
- safety and structure
- salary
- Salary package.
- Serving the community within the states capital city and knowing that I provide the best possible service that I can.
- Serving the community, working in the tier of government that is closest to the people, developing and delivering meaningful change.
- Having the flexibility of a work life balance, being a productive, engaged and enthusiastic employee who is also able to have an active, productive and engaged life outside of work.
- Serving the public, delivering and advancing positive heritage outcomes and working in a great building in the city.
- Some good people work here and sometimes it is a good environment. it is sad there are so many silos, there is a massive challenge to remove them - I would like to see it happen.
- Some really good supported team members which make coming to work great.
- Stability. Easy to get to each day. The people I work with. My job can also be interesting and fulfilling at times.
- stable job
- Staff absolutely. There are some incredible people working here; passionate, skilled, motivated individuals who truly want to make a positive contribution to the City. Unfortunately, we lose many to other organisations due to the uncertainty, instability and great pressure to produce work over and above their daily tasks.
- Staff are well paid and looked after
- Staff, flexibility
- Stand up desks, reasonable training budgets and my team of experienced and expert officers.
- Superannuation
- Teamwork. Providing good services to the community. Friendly staff.
- The ability to 'connect the dots' to assist the City of Perth work and communicate more cohesively with both internal and external stakeholders.
- The best thing about working for the City of Perth is not being unemployed
- The brand is recognized across Perth and deliver great events and activations for community members.
- The broad section of activities that I carry out
- The building is attractive.
- The challenge of your job, the people themselves, the little awards that are given outside the main EBA agreements.
- The City has great potential to be a beacon of forward thinking and innovation, this is what I like, the potential is there and can happen.
- The City is a great place to work. There is a pocket of miserable people that are vocal and grab it down. I like my team, the work, the pay is very fair, the benefits are good and the facility where I was is lovely.
- The City is a really interesting place and does some amazing things, and it's great to be a part of that. I love the passion I find at the possibility of helping to make this a place people want to come and work.
- The City itself, it is an amazing place and we SHOULD be proud to work for this organisation. My direct colleagues are very supportive and work in such a manner that the culture is very productive but also rewarding and fulfilling. Most people at officer level, want to do a good job and are more than willing to help out, but are frustrated to be working under an environment with no direction or strategic planning.

- The City provides good working conditions. The organization is involved in many decisions/planning that effect not only ratepayers but the wider community in terms of lifestyle, entertainment and work, this creates a vibrant workplace.
- The commitment of the employees
- The Community Services team! I am fortunate to work with such an amazing group of dedicated and passionate individuals. Everyone in the team wants to make a difference to the local community.
- The employees excluding management
- The external lights
- the flexible hours
- The freedom to make decisions and generate workflow without being micro managed. The support I get from my manager.
- The friendships I have made with people from all departments regardless of rank
- The great general staff and their passion to create a great city.
- The guys that I work with
- The immediate team I work with and that it is an exciting environment to work in.
- The innovative projects I work on. When they can be seen through all the way without the constant barriers and hurdles to implementation that is.
- The interesting work
- The limited time that I have been in my unit, I find it a family feel unit
- The location and flexible hours within my team
- The location in the City means it is accessible, more interesting line of work than suburban councils
- The opportunity and potential to do good and meaningful work, particularly with external stakeholders and the community. When this happens, it is an amazing experience, however, this is for the most part obstructed by micromanagement, a toxic organisational culture, lack of vision and leadership and cumbersome systems, processes and rules.
- The other staff
- The pay
- the people
- the people
- the people
- The people and serving the community
- The people and the environment
- The people and the location/environment.
- The People and the Team I work with and assisting customers.
- The people for sure and the challenges in my role as the City has a lot of work to modernize itself.
- The people I work with
- The people I work with
- The people I work with.
- The people I work with. My teams.
- the people in my team
- The people who soldier on in the face of adversity while the storm smashes around them, are genuinely here for the right reasons.
- The people within my Unit
- The people, the flexi time, the location, the value of the work
- The people.
- The potential to make a difference to the development of Perth as a whole
- The projects we deliver for the community are high quality and something we can all be proud of
- The remnants of work/life balance that still exist (working a 37.5 hour week) if you're not too high in the hierarchy.
- The staff and the impact you can make on the well being of the community and the future of the city as a whole.
- The staff I work with and I enjoy coming to work.
- The staff in my unit. They are like family. We have seen each other thru engagements, weddings, babies, illnesses and funerals. We support each other. The city also supports us when we need to take emergency family leave because our needs change over the years.
- The support and positive aspects of working with my direct team. Seeing the passion and energy the wider team at the City of Perth invokes.

- The support and team work of my entire team to make things work.
- the team
- The team I work for.
- The team I work in
- The team in my unit.
- The team that I am working with.
- The type of work available in the Capital City context.
- The unit I work in has a lovely bunch of people and I enjoy coming to work and enjoy the work I do
- The variety of tasks in my job and being able to make a positive contribution to the community
- the view.
- The work, stakeholders, and colleagues
- The workplace is very conveniently located, the people I work with are very friendly and welcoming.
- They are very concerned about all of the community they serve.
- They look after you
- variety of projects, hours of work
- Vibrant location, keep in touch with most of the major developments in WA.
- Views from windows at Council House
- Friendly colleagues
- Everyone doing their best in time of uncertainty
- Flexibility in work arrangements
- Approachable line management
- CEO Recognition awards
- Seeing project outcomes in the street/city
- Wage, Roster
- We all work as a team, helping each other as the need arises.
- We have so many opportunities for people, venues, open spaces, great causes etc. to support. There is so much to be proud of and to shout about in our city.
- Work conditions
- work conditions and people I work with
- work life balance
- Working closely with other staff
- working for an organisation which is ultimately helping the public and contributing towards how Perth the capital City features
- working for the CITY OF PERTH
- Working for the public.
- Working in a great environment.
- Working in the city, the type of work I do and my work mates in my unit.
- Working in the team, with decent budgets to make a difference in the community doing something I enjoy doing, pays well and benefits are good.
- Workmates generally care for each other.
- Workstation good.
- Working for a capital city can give you a sense of pride
- Working within a fantastic team. I am proud to say I work for the City of Perth
- Working in a team that work well together, and being supported by management
- The team I work with at Citiplace
- The team bond I have with my immediate crew. We work well together and take great pride in our area
- The fun group of people I work with
- The community and the people in it. Making the city look beautiful
- Support from management
- Security
- Our working hours
- Making a difference to the public and giving them a wonderful city to work and live in
- Loving what I do
- Good council
- Getting paid
- Conditions

89. What concerns you most about working at City of Perth?

responses = 291

Theme	#	%
Lack of leadership	48	16.5
Change / uncertainty	39	13.4
Culture / values	32	11
security / instability	26	8.9
Low morale	18	6.2
Commissioners	14	4.8
Bullying	14	4.8
Turnover	14	4.8
Lack of communication	13	4.5
Reputation & public perception	12	4.1
Politics	11	3.8
Silos	8	2.7
Nepotism	7	2.4
Lack of career development opportunities	4	1.4

- --It gives me pause to be working for an organisation whose CEO was summarily dismissed, apparently for doing the right thing,
- --Since you are asking I will also say that I think that several who joined the management team during the restructure period were poorly recruited. They seemed to have been chosen for their ability to promote themselves and cut costs but with no obvious concern for Perth or the City of Perth organisation. In several cases people were promoted to very senior roles quickly after they were recruited. I believe the City has suffered as a result.
- 1. job uncertainty - due to budget cuts
- 2. CCC investigations
- 2. 6 month probation period
- 3. delivery vs outsourcing
- 4. large amount of redundancies at local governments
- A culture of blame and silos that is difficult to change as it is fairly ingrained.
- a huge shift towards a top heavy management culture and workers having less input about what matters to them and their role in the city
- A lack of accountability and consistent bad behavior at the top of the chain.
- A lot of benefits and programs are set at council house, and those of us who are customer-facing are often unable to attend or take advantage. It can feel like there is an assumption that all CoP employees work at council house, which can lead to feeling a bit disconnected from everybody.
- Any career development
- As above at question 89. To reiterate, the single most concerning thing about working at the City of Perth is the toxic culture of selfishness, greed, micromanagement, intimidation and discrimination, particularly at the executive level.
- Bad communication, people keeping information to themselves, no transparency.
- Being in a customer service role, I worry that I do not have opportunities for advancement later
- better environment for working
- Breakdown of leadership, lack of respect, values are just words and not fully adopted
- Bullying and harassment and letting people be employed with a criminal record for sex offence
- Bullying and passive aggressive behavior. I am experiencing this from my leadership team now, and don't feel there is anyone I can trust to help. I am looking for new employment.
- Bureaucracy and micromanaging
- Career progression. Delivering projects - decision making not enabling this to happen. Lack of teamwork. Being told by line manager not to collaborate with/assist other business units.

- Change for change sake, it has been an issue as previous systems worked well may have required some fine tuning however management were not receptive to advice and were not interested in retaining knowledge and experience. Morale has declined as units have essentially become top heavy and divided creating silos where nepotism and empire building has become rife. The lack of employees actually on the ground floor providing the service is overwhelming undermanned. Micro management is impacting on staff performing their roles. Recruitment has been poor and has incorporated a degree of nepotism by inexperienced managers and directors surrounding themselves with allies to protect themselves. A level of middle management has arisen where candidates in those positions only value what is essentially in it for themselves. All this has impacted dramatically on units retaining skilled, experienced and knowledgeable staff, divided units, created silos, delivered poor and inconsistent service to the public, higher LTI's, stress and affected digression rather than a motion forward.
- Change in some areas not as quick in the uptake. Out of date systems and process holding the business back.
- Changes that aren't solving problems but creating unneeded problems
- changes to work conditions
- clear direction
- commissioners, poor behaviours by some managers
- Communication gap
- consistency in ELG
- Consistency with Levels, number of reports and \$\$ not in alignment across directorates
- Consistent disruption to the Executive team and lack of decision making.
Noticeably the resignations are on the increase.
- constant change
- Constant change and uncertainty, no clear direction from the ever changing leadership, the lack of internal development and promotion.
- Constant change of management leads to instability with staff
- Constant Change, lack of leadership, inconsistent processes across the City, lack of communication
- Constant change, unclear executive leadership
- Constant negative media attention
Transparency
- Constant restructures and appearances of job instability.
- continual high level changes and negative media
- contract work
- Corruption, nepotism and unfair hiring practises
- Councillors involvement and inexperienced management.
- Culture change. Less trust of staff in management. Management being 'out to get rid of' staff.
- Culture, access to benefits, challenges of being part time
- Culture, future, work enthusiasm, lack of commitment to projects
- Current direction and leadership.
- Current inquiry, scrutiny by Commissioners, lack of communication and understanding of goals of Commissioners
- Current Leadership issues with the CEO. Language around inclusivity, The City of Perth is not only Council House, the City performs many functions.
- Current level of uncertainty
- Decent pay
- Directors not working together - constant loud voices dominating important organizational decision making, difficult to justify some Exec decisions which seemed based on rivalry and competition for resources not what is good for the City and stakeholders, poor approach and transparency in working with commissioners
- discrimination and harassment
- Dysfunction at Executive (director) level - the director's all seem to be eager for any opportunity to take potshots at each other or throw each other under the bus. It certainly does not seem to be a cohesive, functional relationship between directorates.
- Equality of the EBA across the organisation and the lack of some middle management and most executive level leadership skills. Staff sentiment comes across as having very little trust/faith with the exec levels.

- Everyone works in silos, even at a Directorate level. There are no shared goals and cooperation - it's too competitive. Management aren't trusted or respected and there is no consistency.
- Everything is customer focused, but employees; not so much.
- Excess of FTE across the organisation
- Executive Management - the CEO and ELG team are self-interested and lack direction. You feel like they don't care about you or the organization.
- fair treatment for all
- FAIRNESS and Neptism
- favoritism & general lack of direction.
- General morale, public perception, reputation as an organisation given recent and ongoing events
- Generally very poor executive leadership. In particular the many bullying complaints against 2 specific Directors that are continuously ignored.
- Gossip. Behind close doors. HR Advisors in all areas of HR need a code of ethics. Required in the area of discussing their opinion of employees' mental state. Training on how to be professional and not dramatize would be of great benefit. Awareness of the inappropriateness of sharing personal opinions on individuals is lacking in the HR skill set.
- Governance issues and inability to show leadership or make bold moves to make a difference to Perth
- Hierarchical culture, poor planning, no clear direction, poor valuing of arts and culture, some silo mentality
- Huge staff turn over.
- Huge turnover of staff has created loss of knowledge and experience in some areas. Clear leadership is necessary to bring direction and purpose to the organisation after such a turbulent time.
- I am disappointed with the Commissioners attitude towards staff, there have been some incidents where a commissioner has publically disrespected staff ie: huffing when the employee is speaking, crossing their arms and shaking their head etc. This behaviour is unprofessional and does not inspire confidence for the public or the employee and is certainly not a good example to be setting. It is important to remember that the staff have endured many years of incompetence from the councilors and almost a year with an absent CEO, we really are doing the very best we can under very difficult circumstances. I also feel the Commissioners are involving themselves in functions that are not within their scope, much the same as the suspended councilors.
The strength and leadership from our directors has been extraordinary, the City is incredibly lucky that they are not only resilient but capable.
My biggest concern is that the we will lose the only stability we have, being our remaining directors. It also concerns me that some of the Commissioners may not have the skills or relevant experience to resolve the issues the City is currently facing.
- I don't have any major concerns
- I feel we are going backwards in knowledge and skills
- I have a lot of contributions and ideas that are never listened to.
- I love my job! It is disheartening when you come across individuals who may have been at the City for a long time and are consistently negative about everything. This behavior impacts the organization's culture and morale. I think team leaders could be better recognized by management for the work they do.
- I was told we had a restructure when I commenced work here. Not sure who came up with the restructure but it was obvious to me within a week it is more siloed than ever. Too many managers with self interest, concerned with self preservation rather than getting on a managing. I have yet to see a cohesive plan "roadmap" of where we should be going forward.
- I'm concerned that there is not enough courage to speak up and address the matters or people that really need to be addressed.
 - I'm concerned that there is so much uncertainty on the future of the council, it's direction, when it will change again and who will be leading us that people have lost their way
 - I'm concerned about the City's reputation, amount of vacancies we currently have and the amount of employees who have left within 12 months of being hired here. That is a terrible sign of an organisation who can not get there act together. Frustrations are high and lessons learned are being repeated time and time again
- if my job is safe, and why some people are allowed to get away with blatant bullying
- Inability or poor execution of decision making by the executive. Low levels of delegations to make decisions appropriate to all officer levels.

- Indecisive and non-decisions from a constantly changing executive.
Lack of forward planning in design and budgeting/resourcing for capital works projects.
Elected Members altering plans already approved.
Elected Members lacking a general understanding of how to perform their role and the limitations they have as individuals.
A lack of coordinated approach by business units to achieve Corporate Business Plan KPIs.
Executive having little regard for staff workloads when assigning tasks.
- Inquiry process, and non stop change at executive level, including council and commissioners. Relentless requests and demands (from ELG and Commissioners) to already under-staffed and under pressure staff.
- Instability and negativity.
- Instability at leadership levels - length of acting arrangements puts additional pressure on staff down the chain
Lack of clear and well thought out strategic direction
Lack of open communication and care/respect for staff
- Instability, Lack of communication, Loss of knowledge recently, us and them mentality with management, staff moral
- Instability. Changing goal posts almost weekly, lack of clear direction, management issues affecting day to day duties
- inter-team collaboration. actually getting things done. too many procedures and report mechanisms
- Internal conflict and lack of direction, lacks of up to date processes, policies and procedures.
Competency levels.
- internal politics and 'clicks' among teams. Work place is not a place for pettiness
- Internal processes can be flawed and need to improve to increase greater satisfaction for customers
- it is going to look bad on my resume because of the dysfunction of the organisation and the lack of concern for staff welfare.
- It's culture and commitment to it's most important asset - it's people! Too many inward thinking people in upper management who don't 'respect' their people or, indeed, have 'commitment' to them!
- Job insecurity,
- Job instability
- Job security
- Job security
- Job security - the turnover of staff is high. There is current a fear of voicing opinions or seeking support etc. due to fear of job security.
Inconsistency of policies etc. across Business Units - one rule for one Business Unit i.e. Flextime and none for other Business Units.
Lack of transparency from Managers and Executive - presence of hierarchy.
Increment process - no communication.
Lack of grievance management.
Staff morale.
Opportunities for development.
- Knowing that some colleagues in other units are struggling and they are too afraid to speak up. That the City is becoming money orientated instead of going back to its roots and being there for the community.
- lack of appropriate systems, lack of retention strategy leading to high staff turnover, lower than adequate skill level in important roles
- lack of clear processes, lack of work to improve outdated processes, lack of clear understanding in people's job roles, no willingness/courage to take risks and be accountable, lack of understanding of what other business units do
- Lack of cohesion between departments
- Lack of communication
- Lack of communication and understanding of workers
- Lack of communication, transparency and leadership.
- Lack of direction and shortage of inspirational leadership in senior management. Lack of transparency in ELG decision making.
- lack of direction, decision making and leadership from executives, everything is done bottom up.
- Lack of Direction, so many units and lack of team spirit across those units
- Lack of effective leadership and the ever increasing red tape

- lack of leadership
- Lack of leadership - need CEO that can lead elected members instead of just work with them
- lack of leadership and strategy to deal with all the issues with external parties. Being exposed to a different change of approach of how to move forward with my role, once my manager leaves.
- Lack of leadership from the CEO and ELG. CEO needs to be stronger to be able to run the city and manage his / her ELG team. Our current CEO is a lovely person, unfortunately he just doesn't have the skill base needed for the job and our ELG are all busy working in different directions and we have no leader at the top making sure they are all on the same page.
- Lack of leadership, uncertainty about the City's organizational structure and security around roles and services.
- Lack of professional leadership skills for top management
- Lack of safety Culture, Discrimination against different groups
- Lack of strong leadership.
Poor relationships between managers and subordinates.
Potential of another organizational restructuring.
High number of disgruntled CoP employees.
- Lack of support, extreme inconsistency in how different staff members are treated, erosion of good working conditions. My biggest concern is that I can't see things improving. Good people are leaving all the time.
- Lack of system integration and lack of one data source of truth. This leads to duplication of work and inaccurate reporting that can lead to inadequate decision making.
- Lack of trust support and being micro managed and being told if you don't like it go elsewhere. Bullying by management
- Lack of trust, support, and being micro managed and being told if you don't like it go elsewhere, bullying
- Leadership
- Leadership or lack thereof. It's nice to know someone is captaining the ship but as soon as the going gets tough, the executives all bail to the life rafts leaving their staff to sink.
- Leadership team
- Level of governance, instability of the organisation due to the amount of change, job security.
- Little to No incentives (Rewards or discounts) for working at the City. e.g. discounted staff parking.
Culture of some people - a lot of resistance especially the lack of trust and resistance at top level. Very Manual, convoluted processes. Lack of structure, framework, governance.
Feels like we're working more than a decade behind other organisations in our ways.
- Lots of new managers making changes that ofrrr dont work. Won't chage tactics just keep plowing down the same psth to save money its all about the money. Clean ciyy was once not anymore.
- Made to feel worthless, bullied and victimized.
- Many changes and unfair treatment of employees
- Mental Health of the staff.
- Morale is extremely low, staff turnover is high and the culture is bad!
- Morale, other peoples uncertainty, inquiry repercussions, possible reduction in wellness initiatives
- Most areas across the City are siloed and not willing to move forward into the future and become one City.
- My manager (as I've outlined in earlier answer above) makes interacting with him an extremely stressful and difficult part of the job. Dealing with him is the worst thing about working at Perth
- My reputation being tied to a dysfunctional organization. The impact working here has had on my mental health due to stress and anxiety about the workload and expectations is not appropriate or sustainable.
- negative impacts on future employment opportunities due to working in COP
- Negative people, walking into a meeting with positive energy then having certain employees voice their opinions in an aggressive & disrespectful matter causing embarrassment for everyone & bringing the good energy down. This is not courage or the city's values.
- Negative publicity because of the Lord Mayor and Councillors behaviour
- Nepotism and bullying from management
- Nepotism and lack of transparency
- No carrier growth
- No cohesion at Director and Manager level leading to organizational dysfunction. ELG pretend everything is ok but the staff knows differently

- no concern for employees stress
- No courage to face issues we have to improve in particular Finance function.
- no leadership, no direction, lack of decision making, no professional development pathway
- No matter how many surveys are conducted, Management refuses to accept they are the cause of all the negative issues and nothing is resolved. Also, too many friends and family members are being employed and people who have no idea what a Council is actually supposed to be doing which is in a nutshell SERVICES provided to the area they cover because if they continue to treat it as a business, then the business is going to go broke !!!!!
- not enough direction
- not having clear direction and necessary support
- Not knowing what is going to happen in regards to restructure
- nothing at present
- nothing really
- Nothing.
- Ongoing issues with the executive. Lack of clear, sensible decision making and processes and a whole of organization approach. Lack of communication and transparency.
- Opportunities for staff within
- Other units do not work in unison, if someone is away no one knows anything and are not helpful.
- Over my time at the City, I have worked under 5 Managers, I have always remained committed to my role, and yet I have had 3 times when I have been well respected and worked to the best of my ability and 2 times when I have been treated horrendously. Surely when I have been 'in trouble' HR should be questioning how can this person's performance have changed so radically and not question the management
- Parking and traffic congestion. All employees should have free parking during normal working hours.
- Past governance issues affecting morale - culturally unsafe work places in regards to diversity and racism
- Pay levels.
- People being unhappy.
- people don't know how to do their job
- People that are staying will not be rewarded for their loyalty
- POLITICS
- Politics and impact on doing the job correctly.
- Politics and upper management not working well together
- Politics from was an issue. Probably not more anymore
- Poor culture
- Poor examples set at the top level. Lip service to corporate values while not embodying them at a leadership level.
- Poor executive leadership
- poor public image (not just Councillor bickering but also ELG conduct), ELG decision making process is not sound, ELG do not act on staff advice, some of ELG don't have the ability/expertise to do their jobs
- Poor team management in my business unit. Inconsistency of the way issues are handled.
- Public perception of our elected members and CEO dramas.
- See above. It is disappointing to see the type of people that are being employed in management positions, people who should be leading by example are the worst offenders of bullying and irrational behavior. Our manager was employed by the City when everyone knew the reasons why he "left" his previous position within another local council. Leopards don't change their spots unfortunately.
- Since the Commissioners were put in place, there has been a number of reviews which has an unsettling effect and causing low morale.
- Some areas working in silos, at odds with the rest of the organisation and not held accountable for it
- Some employees are not completing their work in the expected manner. These same employees disrupt meetings with complaints in a way that does not reflect the City Values. From my perspective this is condoned, as the same few people are often very rude and almost abusive during meetings, and there does not seem to be repercussions for their actions.
- Some of the current managers are not what I would call a 'people person' and are not suited to leading people. Some have their favourites even though they are underperforming and keep them in the job. The inquiry and the bad press it may generate and the lack of a stable ELG.
- Staff getting lost amongst the organizational structure
- Staff morale, high turn over, query on leadership.

- Steadily worsening morale with no indication of improvement
- Strategic direction.
- Systems are completely broken
Too many ad hoc spreadsheets
Reporting schedules disrupting project work completion
- That they think of me just as another number
- That we are always taking on more projects and work due to the different directions given each time there are new councillors and now commissioners. Can't get on with your job to make things better as you are always working on new strategies to suit who is in at the top
- That when I come back from maternity leave. when I go. There will be a job to come back to and half the people won't have quit. The staff turn over is crazy. I came from another council to come here, if I had my time again. I would of stayed.
- that you can be made redundant over night or made a scapegoat even if its not your fault
- The accountability of the line coordinators and managers
- The amount of people wanting to leave
- The amount of unhappy people that work here.
- The appearance of the lack of unity at the executive level.
- The backstabbing and nepotism
- The behaviour of staff (the higher up the ladder you go) is embarrassing. The CEO seems to be a reasonable person, however the directors seem to carry on like a bunch of spoilt children.
- The bullying culture
- The City seems to have lost its way. Units seem to be working against each other. People seem to forget that people in other units must give input to projects, small and large. I think with the turnover of staff a lot of the history of working together has been lost. We need to have more cross unit training. Some serious, some not so serious. Some adventure training out doors where you have to work in teams to (for example) design and build a raft then get it across the river.
- The constant upheaval and changing of the Higher Management structure
- The continued breakdown in relationships (perceived or real) between the Executive, and self interests or personal battles that have been started at the expense of the greater work force.
The stop, start nature of direction and the Commissioners reviewing or implementing new actions that affect the administration with very little regard for the impact it has on staff workload and stress.
I'm concerned by the notion from the CEO in January that he went on stress leave stating an unsafe work environment (which has continued all year) - well, he's been in control of the environment - if it's unsafe for the CEO, why is it safe for the other 750 City employees to continue?
- The culture - the result of an immature and divided executive team. Paranoia and power games at the top has a trickle down effect, the level of insecurity and fear within the organisation makes it a very unpleasant place to work. Rather than working towards common goals, people are often driving their own agendas to protect their patch and try to prove their worth - this can make it near impossible to get things done. Simple projects/things that should be BAU become political and drag out to ridiculous timeframes. This effects our reputation and relationships with external stakeholders.
- The culture & nepotism which allows different standards for different people. The consistent fall outs and in fighting between Managers & ELG
- The culture where Management are not accountable for bad behavior - they should be leading by example. Also, concerned about the way bullying is managed.
- The culture. Councillors and directors seem to be dishonest and not doing the right thing by the City of Perth
- The current perception of the Council.
- The de-humanizing that has gone on, the witnessing of the inconsistent application of employee benefits and the very real threat of losing the flexibility of a work life balance.
- The demise of the council and members awaiting outcome of commissioners report
- The direction of the City of Perth in recent years.
- The Elected Members/ Commissioners wanting to get too involved in operational matters. Their support would be more appreciated in demonstrating leadership, putting forward innovative ideas for the administration to consider, in being inspiring and motivational, breaking down barriers and building relationships and representing the needs, desires, perceptions and values of the community.
- the ever changing direction

- The Executive Leadership Group and all the dysfunction that comes out of this group. There is no leadership.
- The Executive. The Commissioners running the show
- The fact that when I look at applying for another job will my future employer think that I am part of the "toxic culture" or in fact trying to get away from it.
- The feeling that those in authority are not making decisions based on what is best for the city and its people - but what is in their best interests. and that also people are too afraid to make any decision - so there is a lot of time wasted waiting for clear direction. That bullying and the behavior of certain people has not be acted upon and there is a feeling that if you talk to HR it will not be confidential. this is a serious concern.
- The hierarchy of the organization. Politics. Inefficient processes. The amount of time taken for anything to be actioned.
- The high rate of staff turnover, especially at executive level, executive positions being filled through acting over long term periods, potentially reducing clear strategic direction of the organisation, staff burnout at officer level due to the above
- The in-fighting between directorates and therefore lack of ability to get anything done. City values need to be ingrained from the top. Very few of the ELG show the City values.
We never actually build any of the projects, how can officers commit to the City if the City isn't committed to its projects.
- The inept leadership being shown, lack of a clear strategy, lack of vision from certain directors i.e. we think like a local government not a capital city
- the instability at the moment
- The instability due to upper management (ELG) and CEO.
- The lack of a voice that I have in here as someone who has skills, expertise, qualifications and experience in creating the change that needs to happen.
- The lack of culture, lack of leadership, poor behaviour of ELG, many instances of bullying, intimidation and unfair treatment of staff top down. Behaviour of elected members and their treatment of staff. The waste of time and resources spent by Managers and Officers due to a need by ELG to micromanage everything. Also the fear that we are working outside of many guidelines because of the interference. The over and unnecessary involvement and controlling by Governance of areas which should not require governance assistance.
- The lack of fairness and targeting of staff that is on-going, breaks confidence and is destructive to staff. this seems to go in-noticed external to my unit, and HR refuse to discuss these issues when approached for advice. Units operate under the same vendor contracts, independently; which results in re-works and unnecessary costs.
- The lack of leadership from the Executive team. The lack of vision from the Executive team to drive the organization forward. The lack of trust from Executive team. The micro-managing by some Executives. The negative perception of the City from the constant media attention recently. The over-stepping of Councillors' into administrative matters. Lack of definite decision making (and decision changing based on whims/lack of knowledge/bowing to political pressures). The restrictions on FTE's that is preventing the delivery of agreed goals. The use of agency temps (at significant cost) because we can't get FTE increase.
- The lack of leadership. no one knows where they are going. the lack of roles and responsibilities.
- The lack of moral and disregard for staff concerns about quality of service that is provided
- The lack of needed structure within our section in regards to positions that need to be in place to help the section perform to their full ability.
- The lack of strategic vision & leadership.
Organisational dysfunction
- The leadership at CEO and Executive level has take quite a battering and unfortunately between extended periods of having an Acting CEO and other acting roles, the morale across the organisation (in some areas more than others) has dipped. This affects all staff.
- The level of staff moral is very low. Amount of directors and managers leaving is very alarming.
- the media and bad publicity, the lack of decision making and the hurdles you have to go through to accomplish simple tasks
- the mental stress that's put on employees
- The morale has dropped severely since the restructure and doesn't seem to be improving.

- The negative publicity and the at times toxic environment that has now lasted the best part of three years, both from the former elected members and the executive. This has a detrimental affect on recruitment, and one feels uncomfortable informing people that you work for the City.
- The overall culture has diminished in recent years. Leadership stability and strength is non-existent. Strategy gets thrown around but without a committed board, and stable executive, strategic efforts feel like smoke and mirrors.
Multiple employee exits have been under rapid and odd circumstances.
- The overall culture, high number of staff turnover and lack of fairness in employment based on job level and pay. This is not in line with a persons skill and experience but a job description.
- The poor hiring practices, the number of people promoted that don't have the necessary human management skills, lack of consideration for the individual, inconsistent application of employee benefits
- the poor treatment of people - used as a disposable resource; the lack of accountability with the executive
- The procurement process and exposure of officers to unneeded stresses, due to a lack of support and consistency across the organisation
- The reputation; poor change management leading to change fatigue; a lack of cohesive focus on future direction. Inexperienced management. Turnover.
- The Silos. The permanency.
- the staff turn over - no consistency, which affects my work
- The staffing issues and redundancies Inter departmental uncertainties.
- The stress many people seem to be under. Due to under resourcing or conflicting priorities.
Processes/forms and procedures are not being updated. Units are encouraged not to follow procedure and forms but verbally accept a different way of doing things.
This needs to be clarified that documentation must be followed until updated on CM.
Units are not being given enough clear instructions when be asked to do work (eg policy review). This results in hours of rework. Rather that waiting to have a clear procedure for the future of the City's policies, clear education and instruction and then updating the policies.
This example is similar across many City projects.
Staff are then frustrated resulting in tension between staff members and units which was totally avoidable.
- The total lack of harmony and direction of CEO and senior management - including the Commissioners - in making tough decisions, implementing them in a timely manner and getting on with the business of local government
- The toxic environment that ELG create and operate within, the instability of the leadership, the manner in which the Commissioners conduct themselves, the rising panic amongst staff regarding the Inquiry, and knowing that so many aspects of the organisation are ticking time bombs in terms of their ability to provide their core services due to staffing and organisational culture issues. I worry that the reputation of the City will be so tarnished this time next year that I will struggle to find employment else where.
- The uncertainty
- The uncertainty around the current reviews being carried out by commissioners and if this will lead to lay offs or reduction in staff.
- The uncertainty of redundancies
- The uncertainty. It doesn't seem as though jobs are very secure. Constant unit reviews have people worried.
- The under lying unhappiness of some of the staff it brings down morale and it becomes draining emotionally
- The unrest, unstable politics and top level bullying
- The way staff are treated and, in turn, the turnover of staff.
- The work-life balance that was promoted when I first started has gradually been eroded. There is no longer flexi-time, we're discouraged from using our lunch breaks to be active/fitness activities, I no longer have approval to work from home to support my young family, flexibility and innovation seems to be discouraged.
- There appears to be an over emphasis of audits carried out at COP without the out dated, complicated, disconnected and dysfunctional work processes ever being addressed. The amount of work required to be achieved is often over burdening. Many people suffer from stress due to these problems and feel overwhelmed by the volume of work. There is a high turnover of staff and the knowledge required seems to walk out the door.

- There are a few Business Units that don't work collaboratively with the rest, specifically Marketing and Activation. On a whole though, I believe everyone comes to do a good job. I am also concerned that our CEO is not competent for the job as he cannot make, or stick to, decisions.
- There are no concerns at the moment.
- There are way too many distractions from politicking, work arounds, illogical business decisions to be in a position to do the best job possible for our city and its ratepayers. We don't attract or retain talent that can elevate our productivity.
- There is still a disconnect between the ELG and staff in so much one minute we are given a direction, then 5 minutes later that direction is changed. There is still too much reaction going on with no time given to bed down change and no time given for results to manifest before change is implemented again. Its confusing for staff and projects are not completed resulting in work having to be revisited at great expense to the public - every penny is public money, but this does not seem to be recognised at CoP.
- There seems to be no pride in working for the City. The issues at the top need to be sorted out ASAP, and bring in some real leadership to inspire staff and bring back a culture of Pride in the job done and in the organization. I think most staff feel let down.
- There seems to be some instability at the top most level so hopefully this can be resolved relatively soon
- There seems to be with some units us and them
- There's a complete lack of strategic direction coming from the top. It's very demoralizing to have no sense of direction or leadership coming from the CEO level. The sands are constantly shifting (e.g. new Strategic Community Plan), and that flows on to all other strategic work. A lot of time seems to be wasted at the Manager level with everyone trying to figure out what their units should be doing, and that uncertainty breeds insecurity and competition. None of this is the fault of HR - they seem to be doing the best they can, in a difficult environment.
- There's a huge component of the job that is filling out forms and reporting - I understand the need for it but it is difficult to learn and to keep on top of.
- They don't care about the employees anymore
- They seem to be 10+ years behind the OSH of the Mining industry.
I have been working in the mining industry most of my life before coming to the City of Perth and the attitude to safety concerns me.
- They seem to want to erode conditions away from people rather than work within the system
- things changing for the sake of changing.
- Thoroughly enjoy it
- Too many chiefs who in my opinion and experience are not doing enough for the employees and the ratepayers.
- Top-heavy, no proper communication from higher up, becoming a very cumbersome place to work at, too strict and robotic with dealing with human problems, initial benefits regarding flexible time and working from home have been revoked for some, but some people are still allowed to do it, losing one of the biggest factors to applying for the City of Perth in the first place. Bad work-life balance with the inability to work around your life events through official means - currently being handled almost always by line manager discretion.
- Toxic culture that is focused on 'seen to be doing' and blame on others
- Toxic executive leadership
- Toxic upper management. They do not want to listen to staff concerns (as in previous surveys), they twist results to suit themselves. They do not treat staff well or equally. EG Flexi hours - I believe if one unit can manage flexi hours, then all Managers should have to offer them. HR should insist on all employees being treated equally and providing the same benefits as the City advertises itself as a family friendly workplace.
Upper management believe they are "fixing" the culture of the organization, but they are the problem, they are the ones creating poor morale and an unhealthy workplace. Nobody has a belief that they understand what they are doing to staff.
- travelling to work..... sometimes
- uncertainty
organisation of fear
unnecessary pressure
Executive dysfunction
review upon review upon review

- no decision making because no one feels like they can make a decision
- unskilled people in positions
- Uncertainty about future employability.
- Uncertainty with all the ongoing saga of council and CEO and how we are perceived by the public. Lack of communication, one example it the new Cop website, emails were sent to managers and not the correct people, so that when the website went live lots of data, links are missing, so not user friendly for public.
- unclear direction regarding changes
- Unclear team structures.
- Will there be another restructure? I.e. Target Business Model. Keep hearing rumors!
- Lack of career progression for longstanding employees
- Job descriptions that are very vague and not having a clear understanding of the expectations of the job role - this can lead to being spread very thin and often results in illness/burn out!
- Uncomfortable political issues from council or commissioners that interfere with admin
- No leadership from the management
- No direction or vision for the future
- No confidentiality for complaints and grievances
- Unequal opportunities provided to staff and unfair treatment to certain staff.
- Unstable Council, CEO and directors
- upper management lack of transparency
- Upper management.
- Walking on eggshells in the current environment
- We have no CEO - no leadership!! We need to know the vision and where Perth wants to be but without a CEO who has leadership and vision, it wont happen
- What the future holds.
- When compared with other councils (discussions held with other council members) we are very behind in new technology. I have found this to be an embarrassment when discussing what we have achieved. The city isn't leading the way as a capital city should do, instead we are following! Poorly!
- Whilst I am buffered from a lot of what is happening at the City I am mindful that some of my other colleagues have to deal with aggressive and unreasonable manager/directors.
- Workload and unequal pay rates.
- Workloads, not enough time to do work. It is difficult to keep up with all the changes that are happening.
- Employing managers who bully and have a reputation for it
- The lack of leadership from the top. The inconsistent actions of those in the ELG compared to the on the ground workforce. ie. Drug & Alcohol policy
- That we can not give the public the best city we can because of cost. Over spending in council house
- Nothing
- My career and job safety
- Major changes to team structures and work requirements
- Lack of support for people with mental health issues
- Lack of empathy, unsure of job security, sad place to work, Manager shifts goals to suit himself
- How long it will last before contractors take over
- Heavy workload that we get at times
- Employees not being treated equally. Violent employees not being reprimanded. Unfair to others
- Being 'managed out' as some of my colleagues have been

90. What could City of Perth do differently to make City of Perth a better place to work?

responses = 272

Theme	#	%
A better or new ELG / leadership	43	15.8
Improve communication	22	8.1
Listen to and value its employees	22	8.1
Better management	21	7.7
Address the culture	15	5.5
Be more transparent & truthful	13	4.8
Start from "the top"	12	4.4
Be fair & equal	8	2.9
Address bullying	7	2.6
Stop short-term employee contracts	6	2.2

- Enhance the leadership skills of top management
- Identify top level priorities and ensure that all units, team and individuals are working towards the same goals. I believe a lot of internal stress is caused between different units and then individuals having competing priorities
- (1) Corporate strategic direction, (2) clear corporate objectives, (3) strategic prioritisation of workloads, instead of the "I want everything and I want it now" approach, (4) People to be accountable and make decisions, instead of the "not my job" syndrome that some staff appear to have, (5) More employee benefits ie other organisations have flexible working options, free parking, corporate discounts, family friendly working arrangements etc etc. It is hard to attract and retain quality staff on wages alone, we are a government body after all, therefore more emphasis should be placed on the fringe benefits and the working environment. This may slow the rapid rate of staff turnover.
- *Commissioners to publically and internally inspire confidence and a sense of pride by acknowledging what we do well in addition to correcting what we do poorly.
*Commissioners to act strategically and not involve themselves in functions of the administration.
*Have a no tolerance policy for employees (and councilors) who breach the code of conduct or who are not performing at the expected level.
*Instate a CEO who is strong, experienced, inspiring and capable. Someone with a great corporate brain as well as a visionary. Take your time and get it right.
*Acknowledge and celebrate what we do well to raise the morale, instill a sense of pride and provide some joy for both the rate payer and the employee. For too many years we have been on the front page of the newspaper for all the wrong reasons. The constant negativity and judgement is demotivating and feeds the negative public perception which is not entirely true.
- 1. offer permanent employment rather than contracts
2.Be transparent
3. avoid last minute decisions
- A fantastic culture is not a forced thing - it has to start with ELG and Managers. If they lead by example we would not have the issues with culture that we currently have.
- A good working executive, that shows leadership, innovation, and a willingness to get to know its people. The Executive needs to get out and about to meet all staff not just those in their own directorates. This will show staff that you care and are interested in them and their wellbeing.
- A lot, too much to list here, start with staff moral/ appreciation
- A more cooperative attitude towards working as a city for the city, instead of protecting your turf attitude
- A new ELG team
- A transparent consultation process from staff who is actually doing the work and take their opinion into account
Instead of decide or invest in a program or time that only have management point of view.
Less unproductive meetings.
Focus on business as usual not continuous improvement and invention. Back to basic is important for strong foundation.

- Access to more staff benefits
- Staff parking provided for positions above Level 8
- Act on good suggestions. Provide an environment where people don't get shut down when they suggest improvements. Stop putting unreasonable expectations on staff to deliver projects in ridiculously short timelines. Understand that quality work can take longer and will be worth it in the long run. Don't expect perfection immediately.
- Address the above concerns
- Address the lack/absence of a CEO! Do something about the recruitment of 2 Director positions (or dissolve a directorate, if that is what is going to happen!). Get on with moving forward.
- Address the toxic work culture where bullies not only thrive, but are rewarded with promotions.
- Adopt a clear strategic direction at organisational level that applies across all directorates and follow it. Work with State Government agencies where necessary to ensure all on the same page.
- Apply flexible working policy consistently, otherwise don't include it at all on the employee benefits brochure.
- Applying best practice where applicable.
- Be decisive in action, apply benefits consistently, promote people who know how to manage or lead teams, make commitments to sustainability and stick to them, demonstrate leadership
- Be guided in language to include everyone, ie Not everyone can attend the Christmas Party. acknowledge that and create other opportunities.
- Be more honest and keep people informed, assist employees with issues and make it clear they can be approached directly
- Be more inclusive, more engaging, more honest.
- Be more open and communicate better from the top down. There are times when tis cannot be achieved but when senior people are missing for weeks on end the staff should be informed of the reasons for their absence unless they are genuinely sick.
- Be more open when it comes to the changes and listen to concerns
A lot of the changes made recently where for productivity not taking into consideration the people and the impact of the officers
- Be much more proactive instead of reactive to both projects and issues.
- Be opened honest and truthful.
- Be the employee of choice once again. Focus on the people element of the business, creativity, innovation and financial sustainability will follow when people feel valued.
- Be upfront with employees
- being a fair, equal and professional employer
- Better communication at all levels
- Better communication from the top (eg. when CEO goes on leave, actually provide a reasoning - whether it be annual leave, sick leave, etc - rather than just saying CEO will be away from the office for 'x' amount of days/weeks.. ie. better transparency.. trust is built on transparency.
- better communication
- Better executive management
- Better inter team collaboration, with managers that lead by example. a less politicized environment.
- Better leadership as the present ELG appear to be arrogant, dysfunctional and incapable of making decisions which are to the benefit of ratepayers and officers.
- Better leadership. When the CEO is on stress leave all the time, and the amount of managers leaving for other similar roles in other LGS's is crazy. Employees see this as everyone is leaving the 'ship', whilst we are 'stuck' with having to deal with all the issues we are left with. Meaning there is a culture of wanting to 'get-out' whilst you can.
- better management
- Better managers (better, not more), more flexible work conditions, proper communication from the top
- Better more honest communication
- Better promotion of wellness programmes
- Better train, support and monitor their managers. Listen to feedback, and look closer at the negative feedback to determine why it is there at all. City of Perth focusses on the positive feedback, presuming that the negative is a small number or unhappy staff. Look at where those staff are and find the patterns. Some business units will be well managed, whilst others are not but get buried under the data from those who are.

- Better unit specific training - there's such a constrictive rigid process for the way things are done but there's virtually no specific role/unit workflow training.
- Care about each other.
- Care about the staff, the admin people do the work and the Manger gets rewarded. I don't know even know if my Manger knows I got married. Never congratulated me. Came to lunch. But never asked one question. There is no personal care anymore.
- Clean sweep through the executive function, with a new CEO and Directors. The current executive have presided over this mess and are incapable and unwilling to fix it
- Clear communication
- Clear direction and leadership - people in senior roles are communicators can engaged with staff and the perth community. That HR is confidential and can act on bullying etc in the workplace.
- Clear prioritization of projects with adequate resourcing amongst the affected units.
- Reduction of rework.
- Clear visions and job security
- Collaborate, Challenge and Communication. Share the plan, question the plan and discuss options. Units that support the whole organisation should work as one team and not have their own agenda's.
- Collaborative leadership at every level - Council with CEO, ELG, MLG, Coordinators or at least starting from the top to build a culture of wanting success for one another would be amazing. Only then can we get out of our own way to start delivering for our city.
- Commissioners could stop acting like CEOs. Executive including CEO could be in a position for an extended period of time, and act as a unit, rather than self-serving, or taking the path of least resistance.
- Communicate better with staff at all levels, Business Units/Directorates liaison
- Complete overhaul of the top layer. We need real leadership not management. Reactive direction is not leadership; its costly to the city and staff wellbeing and does not align with the values we are expected to follow.
- Consistency in the way staff are treated and rewarded for their efforts. Clarity of purpose for the organisation also would be a positive.
- Continue building better relationship between directorates.
- COP needs to address their work processes so that it may serve the community well.
- Create a clear strategic direction, and stick to it. Provide some real leadership.
- Decision makers should be easily accessible. Make understand to all levels who is responsible to make decisions, to what extend and level of expertise required to do so.
- Develop and promote city staff rather than taking a gamble on external candidates.
- Development of staff who would like to further their careers within the City
- Directors and Managers to appreciate the staff in individual departments and the contributions they make, not continually dismiss them as unimportant and just pay them lip service.
- Ditch 5 year contracts for management - focus on longer-term vision and not on making things look good on paper in the short term so contract is extended.
- ELG leading by example in terms of accountable decision making, having each others back and setting reasonable KPIs for staff
- Employ a dynamic CEO who can provide leadership and direction for the Executive group
- Employ leaders - not people with their own agendas, only concerned for self preservation or who might be good in the technical space, but not in leading.
- Employ the right people in leadership roles. Place trust in officers to do perform their jobs well (many of us are experts in our fields but treated like children). Clearly define processes and adhere to them consistently. Be realistic about what is achievable within certain timeframes. Stop being so reactive.
- Employee more people who have a genuine desire to work as if it was a private corporation and not just a place to earn money.
- employee people with LG experience & knowledge
- Encourage a culture of cooperation, sharing, collaboration. Focus on cross-organisational strategies and projects that will deliver benefit for Perth. Hire strong, collaborative and visionary leaders.
- End short-term contracts for staff working on a full-time basis; it isn't healthy for staff to only be able to plan their lives 3 years in advance and it detracts from the ability to build relationships to the betterment of the cross-organisation team environment.
- Ensure a one City approach to everything. We are a local Council and we are all here to work for the community and its people in providing a vibrant Capital City.

- Ensure workloads are manageable
- Exclude favoritism, make an effort to raise the maturity and professionalism of the organization.
- Executive making an effort to work together and providing clear and strong leadership
- Executives who lead - who walk the walk - who embrace change/growth/development/new work practices - who are accountable - who engage with staff in their Directorates more than a 'hello' in the corridor - who value the skills of their Managers and trust in their advice
- Explore opportunities for salary sacrificing.
- Fix the top
- Focus on achieving professional outcomes with respect, recognition and support for each other across units and directorates to achieve national best practice outcomes for the community.
- Follow its own corporate policies and procedures.
- For everyone to work as a team not as completely individual groups. Also I understand that some things have to remain private but the willingness to share information is almost non existent at present.
- free car parking for the staff
- Free gym access/membership. Frequent and meaningful cross unit team building.
- friendliness
- Functions to involve CoP staff.
- Get back to basics and be clear on what each area is to achieve (with a focus on less is more).
- Get on with Business at Executive level - which staff are attempting to do (down the food chain).
- Get on with the job! move forward not stand still! Make decisions quicker. Our leaders are too timid and don't appear to want to make a decision. When they do make a decision don't get political, instead back them.
- Get rid of those negative, disruptive people or have the courage to reprimand them.
- Get some stability and strong leadership
- Get the culture and morale back to how it used to be and treat staff fairly and respectfully
- get the reviews completed so we can move forward. commissioners to support staff rather than bag them in public
- Give me regular work performance feedback.
- Give more importance to skill and experience in relevant field for leadership group rather than Charisma.
- Go back to how some things used to be done and not treated as a number.
- Good communication at all levels, not just the top down.
- Have a clear direction on structure, projects and priorities assigned to our Strategic Community Plan.
- Have a stronger leadership presence, including a more charismatic and capable CEO.
- Have an Eba that doesn't ask us to bargain something away every 3 years
- Have consistent processes i.e. Flextime - either the whole organization is entitled to this or no one is. More communication from management and executive. Have less of a hierarchy approach. More team building - break down silos - cross Business Unit opportunities. Implement a consistent grievance procedure, communicate well with staff and demonstrate that its safe to talk.
- Have less rotation of employees
- Have more rigorous interview processes to make sure the proper candidates are employed within the City's higher ranks. Outstanding qualifications are for naught when you have no people skills.
- Having a canteen and ELG being more friendly and open with people on their floor
- HR RESTRUCTURE
- I already think the City is a great place to work! I enjoy existing benefits e.g flexible hours, super contributions, leave options etc. I think the HR team could better reiterate the existing benefits to staff as I think some employees forget about them. More team building and fitness classes would be an added bonus.
- I don't have any issues
- I think at the moment due to the inquiry, we are going through times of uncertainty and instability. The City of Perth management and ELG need to provide as much communication as they can to staff.
- I think it is trying very hard to make the City a good place to work.
- I think some elements are out of the City's control (such as external factors like Elected Members) and these have had a great impact on the organisation and the working environment. Other than this, I think some units are working hard to improve morale and culture within their teams but these efforts must be taken seriously by all levels of the organisation before they will be genuinely effective.

- I think the City is already working hard to make this a better place to work, any suggestions I could make are unit specific, not corporate
- I think the City needs to go back to square one and start again, everything from the executive level down.
- I would like to see more opportunities for inclusion, secondment and skill development, especially for people who work outside of Council House. I suspect that these people in general too rarely figure in the thinking of management. Evidence for this is the fact that the whole Community Services unit (most of whom work offsite) was left off this survey.
- Identify career progression opportunities for longstanding staff.
Review team structures and reporting lines.
- if it's working don't fix it
- improve on feedback
- Improve relationships between Directors (more collaborative, instead of blame-shifting & combative); improve the standard of policies and procedures; improve consistency between application of policies/procedures between units (everyone seems to have a different way of doing things); promote cross-unit/directorate collaboration on projects.
- Improve the culture and stability of the workforce. Clear direction by the Council/Commissioners on building the City and constructively work with the administration.
- Improve the culture of some units within the City
- Improve vision and leadership to align the entire City to one unifying mission
- Instill confidence in staff, make it an environment where people can feel safe.
- Introduce psychometric testing in the recruitment process to engage people with better communication and leadership qualities.
Engage more technical people as at the moment we have more managers but less technical people to actually do the work.
- It starts at the top.
- Keep doing what they are doing now... growing
- Leadership should be collaborative and collegiate, rather than adversarial. Staff should not feel like they are under continued scrutiny or attack from other areas of the organisation
- less pressure on revenue performance and more about the customer/rate payer experience
- lighten up, reward good behavior, support its people, provide people with the skills they require or otherwise don't hire them if the organisation isn't willing to develop them, don't allow difficult/negative leaders to dictate policy or control the conversation
- listen
- listen to employees
- Listen to employees, budget for and implement reviews and recommendations.
- Listen to experience staff. Having trust in workforce. Stop staff being put into dangerous situations
- Listen to experienced staff without prejudice, reward that. Support and protect staff. Support work life balance and employ the people that are fit for purpose, that have the essential knowledge, experience and skill set to provide and maintain an effective delivery of service.
- listen to staff first then make decisions.
- Listen to the little people. They know what is going on in this organization better than some of the managers.
- Listen to the people who are out there
- Listen to the people who understand what requirements are needed to have required positions created to better protect the future assets that will be handed to the City.
- Listen to the workers and have management stop lying
- Listen to those who are looking not outsider
- Listen, having trust in staff. Welfare of staff concerns
- Look after the employees, rate payers & stake holders
- Look after the people who make the organization great. Restore work-life balance. Manage expectations. Encourage innovation and flexibility, encourage staff to be active and healthy. Preserve these benefits for all staff in policy and apply it consistently across the organisation
- Look at other organisations to see how they have rolled out process and tools EFFECTIVELY, in order for us to not repeat the same mistakes and deliver FASTER. e.g. Landgate for HRIS, CRM.
Improve our culture, space, technology. Use money more wisely. Renovate floors that have not yet had a

renovation rather than floors that have had more than 3 renovations. Make it a welcoming space for ALL employees.

- Look at our outdated systems to be more suitable to the various BU functions.
- Look at the individual salary of different positions. How can someone doing footpath maintenance get the same salary as someone doing civil drainage maintenance. As my work load is increasing 10 fold and there is decreaseing ?
- Maintain clear boundaries between council and staff roles and responsibilities.
- Maintain Integrity at all level. To make everyone fair and equal
- Make it more open - who knows what's happening, going to happen or has even happened in the past regarding the City and its management - seems to an awful lot of comings and goings
- Make opportunities more accessible
- make small incremental changes to improve outdated processes and increase communication/understanding about what various businesses within CoP do
- More all organisation activities and improved communal areas for all floors
- More benefits to staff eg free parking
- More change control/communication/consultation,
- More direct communication to employees, and less PR spin
- More diversity
- More effective transparency with an increased focus on consistency.
- more employee incentives
- More inclusive. Dont assume someone is a lesser person or less intelligent because of what they do.
- More open and honest communication. BE a flexible workplace equally across the organization. Treat employees as people.
- more openness when it comes to changes
- More resources in the Hr team, better systems, better HR leadership - give direction and provide support to Officer level
- more resources, more transparency, CEO that is in office
- More stable leadership that is open and approachable with clear guidance and direction.
- More stakeholder and external advice when making organizational decisions - put simply the current Directors can not be trusted to work together and do what is good for the City - too much bad blood which does not appear to have been addressed - lots of mistrust as to some motivations at the top level - very poor strategic priorities based on insecurity and competition not collaboration - loud voices dominating important organizational decision making and strategy - often that have not delivered in their own areas. Some behaviors have not been addressed for a long time at Exec level
- More team based ie we use to have fitness groups etc
- More team building/social/focus on mental wellbeing
- More transiency, unit manager taking an interest in what out section does. Communication.
- Offer permeant positions to contractors , this will boost loyalty.
- One direction so you can get on and work towards it. At the moment itâ€™s ticking boxes to satisfy the commissioners
- Open and be honest to face the issues and find out solution to resolve and improve.
- Open forum to express the strengths and weaknesses
- permanent staff
- Provide an effective CEO who leads. Address the behaviour of ELG and provide new leadership. Stomp out poor behaviour, bullying and intimidation from the top down. Stop the desire to control everything and allow staff to do the jobs they were hired to do based on their experience.
- Provide better access to training and upskilling, and placing more emphasis on this.
- provide clear direction, provide more guidance for career and personal growth
- provide discounted parking for staff that have to work weekends when public transport is not always available
- Provide good leadership, with clear goals and direction without changing too often. Have leaders that inspire.
- Provide more service to the community and generate more job opportunity.
- Provide more support to staff in my situation who often feel stuck, our team members are often stressed or have resigned because of dealing with our difficult manager. High performing teams deliver much more when led well by a good manager and good management. My manager does not communicate with respect, is disorganised and creates a big palava around virtually every project

- Provide training when they roll out new software and changes are happening.
- Put in management that cares for their staff and their wellbeing over themselves
- Put staff first and employ people with greater experience and understanding of local government as the recent trend of hiring high level employees from private enterprise has resulted in a fractured environment
- Put the health of the employees first, stop putting too much pressure on the workers just to appease the Managers and their KPI'S. Which in real world terms don't achieve the desired outcomes.
- RDO's or consistency in flexi time for staff
- Recognise hard work and treat people fairly
- Redesign the workplace, provide collaboration areas so multiple business units can work in a common area. Provide better access healthy activities ie new end of trip facilities, consider some of the initiatives from the new Woodside workplace.
- Reduce executive level micro-managing and make decisions with equal consideration to the external environment and less on the internal politics.
- Reduce hierarchies, less risk adverse,
- Reduce turnover
 - More collaboration between teams
 - Better HR systems
 - Less laborious processes
- Regular feedback and adequate training
- Remove hierarchical red tape and blame culture.
- Remove incompetent people.
- Remove micromanagement as it still exists in some units, happy staff are more productive.
- Replace all directors and councillors. We need good honest people with the City's best interest at heart working here.
- replace ELG - a good start has been made with DPD resignation
- Replace the CEO a few Exec who want to run the show their way. they are not team players
- Resolve the issues with ELG. Support and empower the managers to look after and empower their teams to make the city a great place to live, work and visit.
- review all positions for consistency of remuneration vs skills vs market value rather than stick with the current levels based system. ensure that the leadership operates and clearly displays the core values. this does not happen across the board at present
- Review quality of managerial staff employed (not my own manage however).
- Revive the Office Accommodation Strategy approved by ELG in 2017. Include HR in the design of the Strategy so that a physical environment is created to support the sorts of policies that HR wants to implement.
- Run a more streamlined effective business
- set a course and stick to it
- Set a realistic corporate business plan, a long term financial plan for capital that is costed and involves all major stakeholders in quarterly update meetings. Make decisions, if budget savings are required then ELG must decide which projects can best be delayed and still be in line with the Corporate Business Plan.
- Set clear direction and support staff in following this direction; cut the red tape and excessive input from ELG members on all topics. Provide better support to their employees and listen to feedback provided in exit interviews and reviews or meetings; follow this up. Take employees seriously and investigate matters without taking the Manager's side.
- Settle and provide a constant framework to work by
- Short, medium and long term planning around the structure of the City (administratively).
- Should be more genuine family orientated
- Slow down, take a breath and work out what we're trying to achieve.
 - Appoint an independent auditor to address issues raised by staff and move swiftly to have those people removed from the organisation.
- Some self awareness. Chirpy mass emails are unhelpful and disingenuous.
- sort out the executive group
 - focus on positives and move forward rather than harping on the negatives
 - be respectful to one another

- no more backstabbing
- job security for staff
- more benefits for staff
- better communication between executive to managers to staff
- Sort out the problems going on between some department managers.
- sort out the top end
- Stability in leadership. Actually demonstrating leadership.
Start to recruit again including for permanent positions
Support staff, listen to staff, less window dressing and more depth.
- Stability in senior management. Some strategy or direction from management so we know have a road map of where we are going and what we are trying achieve.
- Stability of the organisation
- stability, and a balanced work-life balance. good leadership, clarity of the City's strategic direction and good wellbeing and employee health programs
- Stabilize its workforce by removing the constant mindset of restructures, set a clear direction for the City and its workforce.
- Stable leadership at the top, greater awareness of the benefits offered in the workplace
- stamp out the negativity, and bullying
- Start treating staff as adults and empower us to make decisions and trust in our professionalism.
- Stop bullying and micromanagement. Stop recruiting based on nepotism.
- Stop micro managing your staff
- Stop staff turnover
- Stop trying to overhaul all the frills and re-prioritise spending - why was a new internet and intranet so important when the existing ones were functional, but so many core services are non existent or non-functional? We don't have a working HR system, but we're replacing the Council House lights. ELG are completely dysfunctional, but hey lets make it like a soon-to-be-separated family Christmas with awkward barbeques and token phrases about 'commitment'. We're so busy trying to be a capital city that we've forgotten to focus on being a functional local government and workplace. Get back to basics, and build up from there. An indication to staff of where the organisational structure is headed would be a good starting point (if indeed there is any sort of plan).
- Streamline processes. Better communication between different departments.
- Strong CEO whole manages our ELG team so that we have a trickle down effect.
- Strong leadership and break down the silos
- Strong leadership at the very top. The City needs to be seen to be making positive changes to reassure staff that action is being taken to fix the major cultural issues, and that high performance & integrity is valued.
- Strong leadership, ELG who takes responsibility and demonstrates accountability.
- Strong leadership, strategic direction clarity
- Swap the executive for a more qualified set of leaders. Director Moore in particular is a destructive, undermining, and divisive character.
- System integration, cross functional teams looking after prevention of duplication of work and improved processes towards program and project delivery. In addition to this, Management needs to walk the talk about positive culture by never engaging in blaming what was but concentrating on what can be.
- Take a unified and realistic view and strategy
- Take the politics out of the service operations
- Targeted training on existing systems, staff operating consistently
- An internet site/portal that works
- Updating procedures across organisation
- Adequate software systems for organisational needs
- team building. better training
- The City needs to start again with a complete clean slate. Too much old school mentality holds back an organisation that once was "the place to work". You got employed at the City of Perth and it was something to be proud of.
People just have no work life balance what so ever at times and pressure is just so high it makes it hard to achieve that balance.
The organisation needs to try and retain their great and skilled staff. There are people leaving what seems on a weekly basis currently. Unfortunately I am one of these staff members who is soon (3 weeks)

to be leaving her employment from the City which I guess would be different if things here were different.

- The culture amongst those who have been here the longest is toxic, it permeates throughout the council. Simplify the structure have like minded units come under one umbrella, flatten out the management structure. There appears to be a strong culture of "friends" working for friends this could only have been allowed if HR were involved in the employment process...very concerning. The council have some incredibly good people working for it at lower levels but are being stymied by toxic management and old guard employees with axes to grind.
- The ELG following the corporate values.
- The leadership team needs to treat staff like people and not as headcount, value their expertise and corporate knowledge and not be driven entirely by cost but by value for money. ELG needs to demonstrate organization values. Strategic priorities need to be clear.
- The Surveillance Centre staff do long hours so Sit/Standing desks to improve posture and a Treadmill to use in bad weather conditions.
- The work procedures and policies need to be streamlined with the CoP values and ethics. The place needs strong leadership.
- there are lots of opportunities for change but there is no sign of change as the change should start in every level specially from top (ELG).
- Too much to list
- Train upper management so they see the toxic environment they are creating. Insist that they properly support Managers and staff in a healthy workplace.
Offer flexi hours to all staff for their health and wellbeing.
- Train us so we can leave.. treat us so we don't want to
- training and on job training
- Transparency
- Retaining good employees
- treat employees better by valuing corporate knowledge that takes time to acquire
- treat everyone equally
- Treat staff equally, take bullying complaints seriously, try to keep the good people from leaving.
- Try to eliminate a blame culture
- Understand the roles, responsibilities and functions of individuals.
- Value employees a bit better
- Value employees feedback and treat them as part of a team. Often approaches to work is pushed onto staff regardless of their concerns and employees are left to feel they have no option to comply or leave.
- Value staff more, communicate with staff better, work to ensure organization is unified and focuses on key local government functions.
- Value the staff it has, don't treat them the way they have, reflect on what has just happened and start a process of rebuilding a culture it once had.
- We need strong leadership, we want people to embrace accountability (rather than blame), have the courage to take risks (rather than be risk averse) and to be kind to each other. You could set up a mentorship program in the City and promote health and wellbeing more, as previously discussed. Humans by nature want to feel connected and included - break down the barriers between all hierarchies and allow staff to work more autonomously (trust).
- What they are doing is sufficient.
- work as one team
- Would not change a thing.
- Not allow managers to create higher paying jobs for their friends
- Treat everyone the same. No privileges because you work in a suit and tie. We have had to endure budget cuts which resulted in poorer quality uniforms while upstairs carry on the same
- The ability to terminate employment or discipline employees unwilling to work hard
- Study opportunities
- Stopping coming up with more useless training and procedures
- More team building exercises with other teams
- More team building
- Listen to staff. Provide and deliver the best service to the people and realise it cost. Cut backs and change will not do this. Too much upper management, we will fall over
- Involve all employees in decision making process

- Have more respect for people who have been 'managed out'. At least tell colleagues they are leaving
- Get rid of the not employing policy at the moment. When staff are taken on in a casual capacity - get them on as employees not leave them as casual
- Get mental assessment of management before employment

91. What words would you use to describe the culture of City of Perth?

responses = 278

Theme	#	%
++ positive comments	60	21.6
Toxic	36	12.9
Poor	18	6.5
Good / great	12	4.3
Friendly	10	3.6
Improving	8	2.9
*2-sided comments (1 hand positive, 1 hand negative)	8	2.9
Dysfunctional	7	2.5
Siloed	7	2.5
Confused	5	1.8
Unstable	4	1.4
Strained	4	1.4
Depressing	4	1.4
No culture	4	1.4
Terrible	3	1.1
Oppressive	2	0.7
Collaborative	2	0.7

- Selfish, meaning the coordinators, managers using there positions just to further there own careers at the expense of the Rate payers and workers.
- "in transition", "finding its identity"
- (1) Oppressive - I am aware of units that have been given strict instructions to not engage in conversations with colleagues unless on a break. I am aware of units that have been made to work strict hours, even though their business needs do not require. That has caused issues for those with families and for those that require a work-life balance. (2) Directionless - There is no real strategic guidance in the Strategic Community Plan or the Business Plan. Most documents, that are required by the IPRF, do not exist or do not contain clear objectives. The amount of Units that are operating without any form of strategic framework is concerning. (3) Disrespectful - There is a blame culture rather than a supportive culture.
- a good place to work
- a touch of 'we Pretend to CARE'
- Accepting of all
- All the waffle of private companies, with none of the efficiencies
- Appalling
- At the moment I'd say it's a dog eat dog, every man for himself environment, bullying and inconsistent treatment of staff is rampant.
- At times - Unstable!
- average
- Average to poor.
- Average.
- Awful, toxic, untrustworthy
- Awkward
- bad
- Battered and bruised.
- Biased
- Blame-shifting, non-collaborative. There is clearly an effort to improve the culture, but this is being undermined by what appears to be poor relationships between the Directors.

- Broken.
- building slowly after being knocked out
- Business minded
- Challenging at times.
- Changing, but stale
- chaotic
- Collaborative
- colourful
- Committed
- People friendly
- Safe workplace
- No harassment and bullying
- Committed staff
- competitive and frustrated
- Conflicted, hierarchical, conservative.
- Confused
- Confused, leading to risk aversion and lack of decision making. Selfish and not focussed on "whole of business".
- Confused.
- Risk averse.
- Immature.
- Confusion by senior management.
- covering your own back
- Culture diversity
- Culture is fine, just need to find stability
- Currently, there is a poor workplace culture.
- Customer focused, best practice.
- Deeply imbedded and toxic
- Definitely improving
- Depends which department you work in. My current culture is one of Commitment, teamwork, courage and respect but other areas when you deal with them do not provide this.
- Depressed, under siege, panicky
- depressing at times
- developing in a difficult environment
- Developing, enjoyable, collaborative
- Different
- Disenchanted, lost, overwhelmed by bureaucracy
- Disfunctional
- Disgusting
- disjointed
- Disjointed and not cooperative. There is no real sense of working for a common good/outcome.
- Dismal
- Distrust, in-fighting, inconsistent, unfocussed
- Diverse
- Dynamic and changeable
- embracing change
- Employees stick together.
- Eroded. Placeholder. Lacking institutional pride. Maybe still better than corporate.
- Everyone is different
- Evolving from 'what has always been' to 'what is best practice'
- exhausted but hopeful
- Exhausted.
- Fantastic
- fear based
- protecting ourselves
- family
- dysfunctional

- Fluid
- Focused on deadlines, reporting and paperwork, rather than securing great outcomes for the community.
- Fractured. I think the staff turnover has been so high in the last 2-3 years that there has not been time to re-build the culture.
- Friendly and supportive
- Friendly, caring, dynamic, busy and sometimes challenging.
- Friendly, professional and enjoyable. There is a real sense of comradery
- friendly, static
- friendly, welcoming, diverse, competent
- Frustrated
- Frustrated, weary, uncertain, resilient
- Getting better
- Good
- good
- Good
- Good friendly knowledgeable
- good in most bad in pockets, mainly led by negative managers and directions. where there are good managers and directors they continually address culture and I think its improved in last 12 months
- Good in some areas poor in others
- Great at a macro level i.e. within small teams, horrible over multi Directorates level
- Great team
- Great, Respectful, hardworking.
- Great.
- Growing
- guarded and protective - due to ongoing change and uncertainty.
- Hard working. In need of greater strategic guidance to ensure achieving desired outcomes.
- Has improved a lot. Pretty good
- haven't been in the organization very long to comment
- Heavily political infighting, reminds me of high school
- Hierarchical
- Hierarchical. Petulant.
- Horrendous, depressing, demoralising, worst I've ever seen in 35 years
- Horrible Stressful Siloed
- I believe we have a very good culture here.
- I can only describe in my area & its fabulous.
- I don't even know if we have a culture at present. The place lacks values, and is a place where you come and do your work and go home. It lacks the culture of putting it a bit extra for the benefit of everyone at the City. The staff themselves are willing to do it but don't see any reward if they go the extra mile, but ask themselves why I should do it when the atmosphere in the place is so bad. Staff are now making their own decisions by leaving at an increased rate.
- I feel that there is a lot going on behind the scenes, staff feeling like they are watching their back and scared to make decisions. There is a lot of quiet chats and an underlying feeling of uncertainty.
- I would say improving but still along way to go.
- Immature, gossipy and many untruths spoken.
- Improving
- Improving
- Improving
- In general culture is good. There is an underlying behaviour in some staff of bullying. and low level threats to do what they can to by pass process and get things done.
- In general very healthy with potential to be great.
- In most of the cases, there is a residual lack of accountability about the things that might happen in the future.
- In my area, great, in other areas poor.
- In my immediate workspace extremely productive, outside it its a text book for a toxic culture. It can and should be a great place to work. Too many people with agendas, too siloed a very strange "re-structure" from my experience. which has impacted on how we deliver to our customers.

- in our team it is ok as we weather it together and discuss how to navigate the process and possible delays to ensure we can deliver what we need to by the deadlines. culture between directorates does not seem functional. continual change in leadership, processes etc. no stability - a sense of being a team or confidence to make decisions.
- In transition
- In transition
- Inclusive, respectful, rebuilding
- Individual units
- Improving for the better with installation of Commissioners but still requiring a cultural shift in midset of many staff
- Insecure
- It has reduced the problem of "siloing," and that was an important gain that should be celebrated.
- It is a little bit like a High School at times.
- It's a great culture we have, not sure whether it is working well or not
- Lack of Culture, unhappiness, units being to cliquey, broken promises, lack of leadership and guidance, lack of processes, low morale, lack of team spirit across entire organization.
- Lack of decision making from Executive
Lack of CEO leadership (who seems to be "with respect") disabled by Commissioners who are involved operationally.
- Lack of motivation
- Lacking
- Local government workers cannot be driven by financial incentives and bonuses; instead they must be inspired by leadership and be given a sense of purpose by senior management. City of Perth doesn't have an effective leader at the top.
- Long suffering, due to prolonged, intense public scrutiny. In my view this is heavily linked with the behavior of elected members over the years.
- Lost - lacking an inspirational leader! Where are we going? What is our business?
- misunderstood
- Mixed
- Morale very poor.
- More actions less talking... Especially on the values.
- Most people are nice
- Mostly positive
- MULTICULTURAL
- NEGATIVE
- negative
- Negative and rutted.
- nice co-workers
- No cohesion. We are made to compete and dislike other units and directorates.
- No sense of pride
- non existent, poor, hostile, dysfunctional, soul destroying, disgusting
- Not Good
- Not pleasant
- Not positive, uncomfortable, aged in its perspective on what a local government should be delivering to the wider community. Top heavy with persons who attend more meetings than meeting and delivering.
- not working together
- One rule for us. Another rule for them.
- Organisation: Egos. Team: Exciting, Fast Paced
- Our culture within my team is great, however between units I notice staff stick to themselves, even social club events they wonder off in their own groups.
- Paralysed. Lack of commitment and follow through. Hierarchical. Slow. Toxic
- Passionate, committed and dedicated to teamwork.
- Patchy
- People are rewarded for showcasing their achievements, which may not be so relevant for the City's improvement. Actual workers who are working silently, remain unnoticed. It also seems that, saying "yes" to everything your boss says is very important.

- People look out for themselves at every opportunity (whatever the word for that is).
Some teams function fantastically but when units rely on the work of other units to get their own work done and the other teams don't function well, it impacts the overall ability to achieve CBP KPIs for the City.
People are more receptive to ideas and want to work on fulfilling projects so planning for something and collaborating with staff in doing that is crucial.
- Political, resistant, old, traditional, backward
- Poor
- Poor
- Stressed and worried
- Poor .
- poor communication. hierachy
- poor culture but staff are resilient and working hard to remain positive
- poor. blame-city
- Positive and improving. Some of the older staff would disagree but being here a good many years I see it coming back from the near abyss it was at.
- Positive, constructive, inclusive.
- Positive, friendly, supportive. I feel valued and happy. However, Community Services has been left off this survey (Q.96) which does not make me feel valued.
- Proud but tainted
- Recordbreakers... for the highest turnover rates
- Relies on the staff
- Reserved
- Resilient, optimistic.
- resistant to change
- Respect and teamwork
- Respect, teamwork.
- Respectful, committed, teamwork
- Right at this point in time there is still a sense of division between the leadership team and the rest of the business. The recent departure of 2 Directors and 5 managers would appear to support this comment. I believe in the values and use them to align my output. Having been driven by the staff each individual should align themselves with those values - but if senior management are not seen to be aligning themselves, how do they expect the rest of the organisation to?
- Room for improvement
- sadly toxic at the moment.
- safe and friendly
- Segregated
- self gratification & not willing to work as a team
- Semi-flexible - busy-ness over value - uninformed decision making
- Should be more transparent
- Siloed. Dysfunctional. Failing leadership.
- Silos, blaming, lack ELG leadership, poor/inconsistent decision making process, fear and bullying environment,
- So So.
- Sorry -but generally it is a toxic environment. Improving slowly but a long way to go. People still seem to be watching their back.
- Staff turnover is very high. Staff confused about their roles.
- stagnant
- stale
- still a bit of fear about loosing job but the work and people make it worth hanging in for it to become better again
- stoneage
- strained
- strained
- Strained, frustrated, unhappy
- Stressful, worry, distrust
- strong-willing and able.

- Teamwork, passion, but also a blame culture and lack of respect.
- Terrible culture between business units and directorates. Also a lack of a customer service mindset - people are always reluctant to help and there is a "that's not my job" attitude throughout the organisation
- Terrible, Turn over, not safe
- Terrible. The worst I have ever worked in,
- The 3 D's - Disorganized, Disappointing and Depressing
- The City is a place that many employees dread coming into. They feel that best efforts and knowledge are not respected and that they are not valued. Tensions are constantly raised and staff feel strained and in need of escape
- The culture at COP is often highly scrutinized and appears to be a fear based culture. Many people feeling afraid of losing their job because of a simple mistake. The Executive appears to be incapable of taking COP forward in a positive and progressive way without adding to the already convoluted administration trail.
- the culture is ok like any workplace with a large work force that is divided into separate Directorates over 7 floors there is a level of conflict but its nothing like its is drummed up to be
- The current culture is transitioning some-what. There is a seance of "working hard, doing the right thing, respecting one-another" but team-work, communication and information are lagging considerably.
- The following words is how I would NOT describe the culture
Commitment, Teamwork, Courage and Respect.
The culture is very poor, I think this is reflected in the amount of staff that come and go.
I think the words "Basket Case " describe the culture more accurately.
- The worst of the worst of any large organization in Australia. A fish rots at the head. That's our problem. We currently have a culture of fear, blame and no accountability.
- There are a lot of amazing people and business units who truly care about employees, customer service and community. Culturally speaking, all people are respected.
- There is a team spirit in there somewhere
- There is no culture, lack of knowledge, with staff leaving the knowledge is going and not being replaced.
- top heavy
- Top heavy and disheartened morale.
- Toxic
- Toxic
- toxic
- toxic
- toxic
- Toxic
- Toxic
- Toxic
- Toxic
- toxic
- toxic
- Toxic
- Toxic
- toxic - too many power hungry people
- Toxic ,bullying
- Toxic across directorates, supportive within our unit.
- Toxic and suppressing
- toxic at council house
- Toxic at the moment - staff are in fear of their positions and doing something wrong or talking to the wrong person. ELG and Managers advise this is incorrect - just saying it's not so doesn't make the issue go away folks. It needs to be addressed in an adult fashion. Accept what it is, communicate a plan to address it and then implement. CEO / ELG / Managers can push the CoP values as much as they like, however until staff see them live the values they will never be imbedded. CEO / ELG / Managers just give the values lip service - they do not live them or demonstrate them unfortunately.
- Toxic, Dysfunctional, fearful, uncooperative
- Toxic, harmful, oppressive, fearful, damaging
- Toxic, hierarchal, empire building, inequitable, politicized, fear, bullying, cruel, despair

- Toxic, low moral, frustrated, outdated, unattractive (from a recruiting perspective), overworked, burnt out.
- TOXIC, suffocating, morale sapping and management too busy creating silos in order to climb the corporate ladder and losing sight of the roles they play.
- Toxic, untrusting, dysfunctional at an organizational level. Within a directorate level there is a stronger sense of us and them. This is not sustainable as we need to operate as one whole to be effective
- Toxic, with undertones of real hope and a burning desire to make the City of Perth the employer of choice once again.
- Toxic. Disfunctional. Adversarial
- Toxic. Fearful.
- Transitioning
- Troubled.
- trying
- Trying hard
- Turmoil; fear; anger; insecurity; naivete; insular.
- Uncertain
- Uncertain.
- Uneven, varied, generally not positive.
- Unfair
- unhappy low moral and a reluctance to raise issues for fear of reprisal
- Unhealthy a lot of good experienced persons have moved on.
- Unit culture is great, but overall culture is poor - superficial changes have been made since last survey (stickers on walls and computer screensavers only)
- Unsettling but slowly improving.
- Unstable
- Unstable
- unstable, low morale, forced,
- Unsure. On one hand its a great team (unit) environment, whilst having to deal with all the stress from managers leaving, and other units not willing to cooperate (working in silos).
- Untrusting, disappointed and demoralising
- Upper management - toxic, egotistical, clueless.
- My Manager and team and other staff at COP - a pleasure to work with.
- us and them. since new broom policy began.
- Us and them. Worker vs management. Also managers who ghink they are better than frontline staff. We all need to realise we work for the people of the city, not lower staff wirking for a manager as such
- very corporate, friendly
- Very poor
- vibrant
- We have a huge organization of highly committed and capable people. We just need to be brought together and understand each others priorities and capabilities.
- welcoming
- well I like the team so generally happy and inviting
- within my unit... Clicky, Purple Cirlce, watch your back, protect yourself, don't trust, miserable.
- Corrupt at the higher levels. intimidators and bullies all about their own self gains
- Underpressure. Fear of not delivery. Divided. A number. No one's safe
- Toxic. Unfair
- Too many people with poor work ethics. Too much politics
- Self serving
- Secretive, dishonest, under handed
- Respecting the noongas
- Non existent compared to previous years where we worked as a team across most areas
- Grumpy, irritated
- Creative, positive
- Biased

92. If you didn't participate in the last Your Say survey, why not? (Catalyse)

responses = 39

Theme	#	%
Lack of change from previous surveys	19	48.7
Were on leave	6	15.4
Didn't trust it would be confidential	3	7.7
Don't trust the results	3	7.7
Fear of retribution	3	7.7

- Annual Leave
- Annual leave over survey period
- Because I did not feel it would go anywhere as it was an internal Survey and nothing changed to lift the Moral of the workers.
- Because its pointless and its not anonymous
- Like this survey
- because nothing ever gets done, if there are problems highlighted they are glossed over.
- Because you can only say something a number of times without any actions being taken to improve/correct
- Boiled down to bulls***
- Did not have the confidence it would address the issues
- Filled out many over the years. All get forgotten after a while due to people leaving and having other priorities. It's like being on a round a bout
- Hire people with qualifications for the long term. Talented people will leave for the money if there is no tenure. The CoP can not compete with wage levels, so offer security. But get rid of low performers who are hiding.
- I did but didn't put my team as I didn't think it would be confidential and it would be used against us
- I did not see the communications regarding the last survey
- I forgot
- I participated in previous surveys, but I didn't see the impact. I disagreed with the Interpretation of the survey results for the previous surveys, conducted past 2/3 years
- I thought I would be in trouble and there would be backlash
- I was worried that there could be reprisals
- I wasn't available
- it felt pointless. We seem to do this so often, and things just don't change.
- it wasn't confidential and the survey results data were manipulated for a positive spin rather than focusing on the area improvements. Ie. That there wasn't a culture issue.
- Little has changed from previous surveys. Promises and no delivery. Who developed the values we now have at the CoP - not the staff.
- Makes no difference
- Minimal change
- missed the deadline
- NO FOLLOW UP
- No, because I didn't believe my concerns would be addressed
- Nothing ever changes from completing the survey's. Also I have seen Managers pouring over survey results looking at the working of responses and coming up with team member names to associate comments too. Personally I don't feel safe expressing my opinion
- On leave
- On long term leave
- Only just got internet on my work phone after 3 years
- Previous surveys have identified the same issues with little or no change. The questions keep getting asked and little of value appears to have come out of the results.
- Time consuming.
- Was not notified
- was not notified of any survey

- was on holiday
- What's the point. It is just a tick the box exercise with the senior management hammering the point of we have done this, done that etc.....
- Whats the point if nothing changes. Plenty of lip service
- workload was too high & also didn't see the point as nothing will change
- Waste of time
- Must've been away?

93. What actions do you think management has either commenced or completed in response to feedback from the Your Say survey?

responses = 202

Theme	#	%
Initiated culture change & new values	47	23.3
None	44	21.8
Don't know	43	21.3
Introduced change champions	15	7.4
Introduced reward and recognition	14	6.9
Improved communication	13	6.4

- A bit of employee recognition, but that's about it
- A deliberate move to meet and physical speak to staff - thank you
- A lot, but I haven't looked into it too much.
- Added the new values to the city
- Adopting the four words to set the City's culture. Running workshops on the City's culture.
- attempted to improve the culture
- Attempting to improving the overall culture of the City from the top down.
- Attempts have definitely been made to improve the morale, including implementing the City's Values. Unfortunately it's all been overshadowed by issues relating to the CEO and Executive, suspension of Council, Lord Mayor State Administrative Tribunal matters, and Commissioners regularly going against Admin recommendations put before Council, repeatedly denting officers morale and confidence.
- Attended recent training with other units and noted that things have not changed for them.
- Became very defensive about the results and focused more on the positive feedback than the negative
- Better communication
- Improving Reward and Recognition
- Trying to remove silos
- Better communication from Directors.
- Bring back overtime so we can get our pride back in our work and see out our jobs that we start and never complete
- CEO awards
- Change champion thingy? Values propaganda?
- Change Champions
- Change champions; a barbeque.
- commenced culture re-build but not believable
- Created "Values"
- Created new values
- Created the change champions, maybe? The council has been suspended, so technically that fixes the issue of Councillors behaving badly.
- Creating a team culture through team building sessions
- Creating casual opportunities for all members of the directorate to share what they are working on - gives a greater appreciation for the breadth of professionals in the organization.
- Cultural change
- Cultural change group, new values, new intranet to aid in communications
- Cultural change.
- Culture Champions
- Culture Champions team which puts the responsibility back on staff to create good culture.
- Culture change
- Culture Change Champs.
- Culture change programme commenced.
- Developed and imbedded the values across the organisation, restructured the organisation, developed better communications, rewards and recognition program, better onboarding, a better (new) intranet capable of cross directorate communications.

- Discussed the issues in a team meeting
- Don't know
- don't know
- don't know
- Don't know.
- Don't know. This year's survey has been mysteriously and indefinitely delayed, so that's not great
- Efforts to instill new values and have a focus on community.
- Employees are more outspoken about their feelings
- Forming the Change champions group, however I don't think I have seen anything that has resulted from this group.
- FOUR VALUES
- From a directorate level, they have implemented changes in response to the previous survey, at unit level culture from our new manager does not follow these changes ethically
- Good question!
- haven't been in the organization very long to comment
- Haven't heard much down here
- Heard about a lot of actions taken by management and feel everyone is clear as to what actions have been taken.
- Hopefully looked and acted with a view to the city returning to the type of employer it used to be, perhaps becoming more efficient at the same time.
- I am not sure
- I am sorry to say I haven't seen any changes other than CoP values going up on windows and drink bottles. Just a pity they are now being exhibited too. Change champions now have lanyards which is lovely - also a pity a Change Champion has never spoken to our team to either pass on information or advise us of what it's all about
- I believe they are going through the motions - gathering the data is one thing, having the courage to act on it is another - I believe they are seen as a 'toothless tiger' - staff need to see action, if not, why will they bother to provide input into something that they know will not go anywhere.
- I believe they have addressed most feedback.
- I can't recall, as it was too long between responding to the survey questions and seeing the outcomes. I lost interest in the survey.
- I can't think of one.
- I don't hold much regard for such surveys particularly when one of the so called 'agents for change' has caused the most havoc in her unit.
- I don't know
- I don't know
- I don't know of anything that has made a positive change.
- I don't know. Nothing is communicated.
- I have no idea. Again a lot of words but no accountable and achieved outcomes.
- I have no idea. I don't know if this has been communicated specifically to staff.
- I have seen little change. Some positive changes are slight improvements in transparency and communication. Also more support for some policies contained in the EBA.
- I have seen no action.
- I have yet to see any actions or response, hence a reluctance to complete further surveys.
- I honestly can't think of anything.
- I mostly find it's more talk than action.
- I was in a meeting where the results were presented and the results indicated the Executive was the issue and they question it. They manipulate the wording and don't take real action on the result, any actions are surface based and band aids.
- I'm not sure
- I'm not sure, but I was really disappointed when I heard there would be no followup to the people who felt that bullying was an issue (this was brought up when results were explained). Although it was a small percentage it could have been a large issue in a small department, and was worth at least getting everyone to run through how to report bullying and even training to prevent it.
- I'm not sure, possibly the OHS Information sessions
- I'm unsure
- I've got no idea. It hasn't been communicated.

- Im
- Not sure
- Implementation
- Implementation of all staff meetings to share information and keep staff informed. No real response to the overwhelmingly negative feedback on staff morale.
- Improved communication about other areas of the organisation
- Improved communications, however there is still room for improvement.
- Improved the culture.
- In the immediate aftermath there was a unit set up within the CEO's office that was looking into the findings. Initially there were a few posts about what they were doing but that has gone very quiet of late, and I have yet to made aware of any initiatives, or positive outcomes, that have come out of the survey. The City rebranded its values and displayed them around Council House.
- It doesn't look like anything has been done.
- Just listen, think and plan properly (strategic).
- Launched the Values, new Intranet, improved performance management processes, undertaken leadership coaching (with ELG and Council), developed Change Champion network and launched new rewards and recognition program.
- leadership keeps changing...
- lots of action has taken place - culture change programs, champions, sausage sizzles, communications, health and well being information sessions,
- Made a few speeches, a few write-ups, but actions not so much.
- Making staff feel like they are doing a great job and being kept up to date with changes/news.
- Management should provide immediately the outcome of the survey.
- managers need to know their teams
- Managers seem to have worked with teams and communicated better - issues seem above manager level with Exec and CEO
- Manipulated
- many
- Meaningless team building days, token efforts to have morning teas - a host of actions that makes it appear that they are golden children to upper management and looks good in Inside City, rather than understanding what their role should actually be in making meaningful change.
- More information on what is happening, what is going to happen.
- Most of them.
- My unit management has progressed very well and we have a positive team culture. ELG have made superficial changes only, so overall organisational culture is poor.
- New values, BBQs, casual dress Fridays (although once a month??), change champions, morning teas, walking tours, CEO walk throughs, DPD catchups.
- New values, more training opportunities, got rid of the toxic councillors, better reward and recognition program.
- nil
- Nil
- Nil
- no idea
- no idea, I think they are constantly having multiple reviews done that they never have a chance to implement anything
- none
- NONE
- None
- none
- None
- none
- None
- none
- None
- NONE

- None except they and gloss over the feedback that they saw as negative rather than be honest about what has been said
- none that i know of
- None that we can see.
- None, ELG seem to want to just talk louder than each other and win any argument. This needs to be outsourced because ELG and the CEO were identified as the problem in the survey. They are now using the same control tactics to try and fix what they have created.
- NONE.
- None.
- None. Why would they even bother trying at this stage - most have only ever worked in local government and so don't know what a full days work is (most of management has left by lunchtime on a Friday - and they have no trouble taking 6 week chunks of annual leave in one go. Guess their roles aren't that important). It would be virtually impossible for them to be fired for laziness.
- not alot
- not apparent
- Not known
- Not many
- Not much
- Not much. The executive took no ownership at all of the issues. Particularly bad, when the key issues were related to Executive behaviour.
- Not yet established
- Nothing
- Nothing
- Nothing
- nothing
- nothing
- nothing
- Nothing clear
- Nothing just introduced a new roster which does not give a work life balance in the workplace
- Nothing manager believes we are all happy
- Nothing or they have done a very bad job of it
- Nothing tangible has achieved
- Nothing that i have seen
- nothing that we can see
- Nothing what so ever
- Nothing. Things have gone backwards since the last survey
- Nothingconstructive
- Nothings Changed
- Our manager just started, there a plans in the pipe line...
- Planned a 'team building' exercise. That is all.
- Promoting the values of the organisation
- Put in some poorly executed reward and recognition events.
- Put up signs but haven't really seen a change
- Re vamp of values and reviving performance shaping
- Reward and recognition policy reviewed and new R&R programs commenced.
- Launched new values and engaged change champions.
- Reward and recognition was brought back
- Reward and recognition, culture values
- Reward and Recognition, Values and Change Champions
- Rolled out the organisational values and other supporting programs
- Rolling out of culture words - Commitment, Teamwork, Courage & Respect.
- These are not the words we can use to describe upper management - ie CEO and Directors.
- Set up Change Champions but am not seeing results from it.
- smoke and mirrors in an attempt to distract people from the systemic and leadership issues in the organization.
- Some areas but with Council Issue some restraints in place

- Some high level "strategic" aspects but in terms of meaningful, day-to-day improvements hard to say really
- Starting to open there ears. More is needed
- Stronger emphasis on values
- Suspect the change to culture and the change champions initiative
- Thanks for listening, appreciate some people are working hard to raise the CoP to where it can be. For the others, GET RID OF THEM
- The City made a huge effort to respond to the survey and I am very proud of my Director who was one of the key drivers:
 - *values tag line competition
 - *reward and recognition program
 - *embedding values BBQ launch
 - *continual improvement in HR practices
 - *improvements in directorate communication
- The Culture Change program, but in my opinion this has failed as we need leadership from ELG and we have had no visible improvement in their behavior.
- the current issue is the fact that staff were looking forward to having their say and were denied that opportunity when the Commissioners pulled the survey. It is actions like that, that impact on moral
- The easiest ones.
- The Management needs to describe what actions they have taken and ask staff if they see that these actions have been taken.
- The new business plan.
- The new City values, values roll out BBQ, mentoring for managers and ELG. Change champions. Reward and recognition.
- The survey result must be transparent and open to everyone in City of Perth
- The values are good but I can't really see how they are being infused into the organization. The CEO awards and performance shaping are a start. Putting them up on the walls is one thing but feeling them is another.
- As an organization we are still fragmented and not reaching our full potential.
- The values are in place (despite the comment above).
- The values of commitment, teamwork, courage and respect were advertised. However there has been no demonstration of those values in the organisation.
- The values were a result of the last 'Your Say' survey, but not all BU Managers have applied or champion these.
- There have been concerted efforts to address culture and morale through a series of barbecues to launch our new corporate values, hosting workshops to embed the values and a new employee reward and recognition program. Our values are also present throughout Council House on the frosted glass on each floor.
- There is a drive to improve culture, which is great but I don't believe there is an acknowledgement by ELG that they are a part of the culture that needs to change.
I think there is a lack of understanding and a real disconnect in driving culture change whilst there is still so much uncertainty with regard to form and functions of the organization.
- There was a lot of chest puffing and interpretation of data but nothing positive came out. Nothing changed and there is still infighting within ELG.
- They are doing the management 101 things but lack an inspiring leader
- They are trying what the can but they may have the wrong people in positions of influence.
- They came up with some values that are aspirational and have little relevance amongst staff.
- They decided upon a set of "corporate values"
- They have not commenced or completed anything. It has gotten worse.
- They have taken steps to resolve many of the complaints.
- Trying to change organizational culture.
- Trying to communicate more often
- Trying to improve culture.
- Unsure if any
- Unsure, addressing issues in the leadership team?
- Updates by DCC on regular basis, making sure we know about grievance etc, good communication by DCC director. change champions reinvigorated

- Values implementation, recognition programs
- very little a few speeches and box ticking
- Very little has really been done.
- We see the corporate announcements that change is going to happen but there is rarely any action.
- Wouldn't have a clue
- Deny and blame, blame previous managers and use it to bully their own way forward
- Wouldn't know
- Training and a lot more positive talk
- They say that the 'silos' have started to be taken down but that is untrue
- They have the wrong idea about what we mean by poor communication in the city. We want clear communication between directorates at ground level, not just more meetings
- Have not seen any improvement, more 'silos' are being created

94. Would you participate in another Your Say survey?

```
# responses = 320
```

Theme	#	%
No	41	12.8
Yes	279	87.2

- [illegible]

- [illegible]

- [illegible]

- [illegible]

- [illegible]

- [illegible]



City of Perth
Performance Analysis, Assessment and Review – Human
Resources

ATTACHMENT 5

HR BUSINESS PLAN

Tower Human Capital Group

DCS DIRECTORATE

Human Resources Unit Business Plan 2018/19



UNIT PURPOSE/ROLE

The Human Resources (HR) unit provides strategic and operational support to the City of Perth by assisting teams in making informed and robust decisions in the management and development of its organisational capabilities.

HR is responsible for providing a range of operational services including:

- Recruitment
- Employee Lifecycle Management
- Performance Management and Development
- Learning and Development
- Employee Relations
- Remuneration and Benefits
- Reward and Recognition
- HR Information Systems (HRIS)
- HR Services
- Injury Management (Return to Work)
- Diversity and Equal Employment Opportunity

Human Resources will continue partnering with the business to develop integrated strategies and effective organisational plans, including:

- Organisational Culture – Development and Cultural Change
- Leadership Model and Leadership Development
- Mentoring Program
- Talent Management and Succession planning
- Reward and Recognition Program
- On boarding procedure
- Workforce Planning (WFP)
- Organisational Design – Capability Assessment and Structural Development

As a result of the Deloitte Report (6 June 2017), the Human Resources team have been provided with a mandate to address the Organisational Culture. The key focus for 2018/2019 will be:

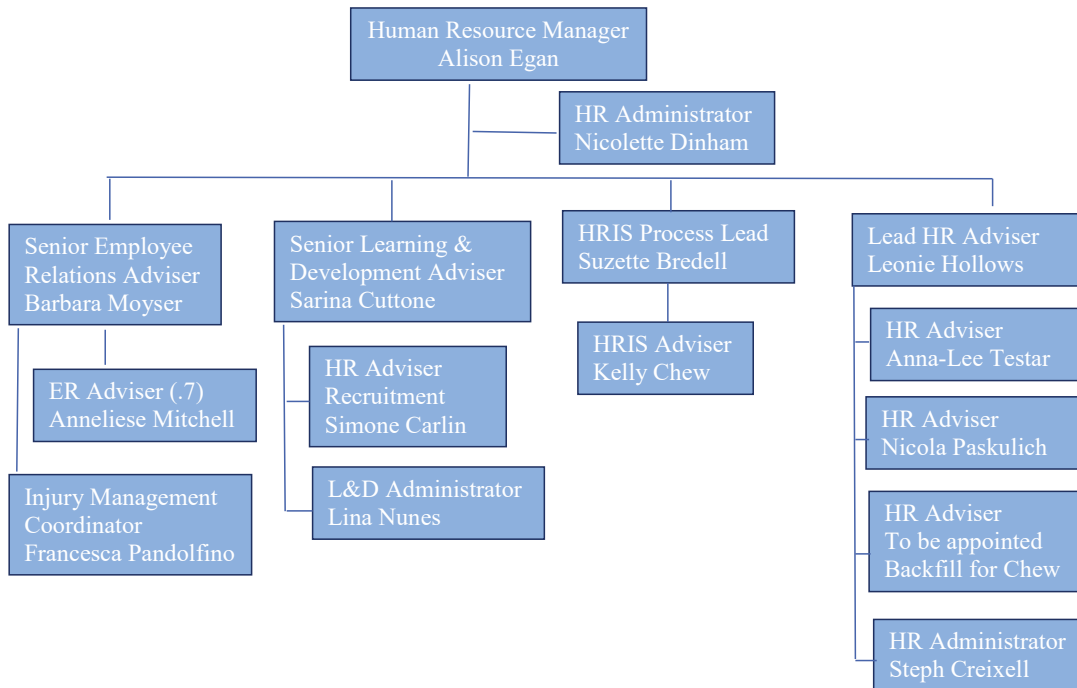
- Delivery of HR Service Model to the whole business
- Training Matrix and delivery of comprehensive training programs
- Implementation and promotion of the Reward and Recognition Program
- Overhaul of the On boarding procedure including candidate profiling, induction processes and management of probationary periods
- Cultural Reboot: Embedding the new company values into all aspects of the Human Resource and wider business function
- Addressing the three key issues raised from the Employee Survey:
 - Elected Members behaviour (being in line with the Code of Conduct)
 - ELG providing inspirational leadership
 - Strong team spirit across the City of Perth

DCS DIRECTORATE Human Resources Unit Business Plan 2018/19



PROFILE

HUMAN RESOURCES ORGANISATIONAL STRUCTURE



DCS DIRECTORATE
Human Resources Unit Business Plan 2018/2019



SERVICE PROVISION

The service levels in which Human Resources Unit provides and the anticipated change over a four year period are:

Key Services	Activity	Benefit	Type of Service	Current Service Level	Expected Service Level	Resource Requirements
				↑ Above Standard → To Standard ↓ Below Standard	↑ Increase → Maintain ↓ Decrease	
Recruitment	Attract, assess, select and appointment suitable candidates for positions within the organisation.	Core requirement of an organisation is to have dedicated and capable employees to deliver against organisational objectives.	Mandatory	→	↑	1
Employee Lifecycle Management	Co-ordinate the stages an employee goes through during their employment including on-boarding and administration processes e.g. salary increases, departures etc.	Co-ordinated and standardised processes ensure equality and consistency across the organisation. Gives employees the necessary skills, information and resources to be successful in their roles. It ensures that the employee's journey through the organisation is managed in a holistic way.	Part Mandatory Part Discretionary	→	↑	2
Performance Assessments	Annual assessment of individual's performance against: • The requirements (tasks) of their role • The delivery against objectives • Their ability to meet the conduct and behavioural standards of the organisation	A structured process for managers and employees to clarify expectations, provide opportunities to develop, and identify areas of improvements for each employee.	Mandatory	→	↑	.7
Learning and Development	Tailored programs in line with gap analysis and organisation wide capability assessments to enable individuals to enhance their required skills and/or competencies, as well as	Improves overall performance of the organisation through tailored training, ongoing learning and the development of capabilities required to support the organisation's needs.	Mandatory	→	↑	2

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DCS DIRECTORATE
Human Resources Unit Business Plan 2018/2019



Key Services	Activity	Benefit	Type of Service	Current Level of Service	Expected Level over next 4 years	Resource Requirements
	improve teams and business unit's delivery of their operations.					
Employee Relations	Management of the employee and employer relationship including workplace decisions, grievances, disciplinary, conflicts, problem resolutions, unions and issues of collective bargaining.	Ensures the correct and fair process is applied when addressing ER issues. Sets standards and consistent practices and processes for the organisation to manage the employee/employer relationships effectively.	Mandatory	→	↑	1.7
Remuneration and Benefits	Policy and standards for the determinations of remuneration levels and employee benefits in line with the organisations EBA and industry standards.	Provides consistency across the organisation in salary bandings and ensures the organisation is competitive within the market place.	Part Mandatory Part Discretionary	→	↓	0.2
Reward and Recognition	Integrated and unified reward and recognition program focused on rewarding strong performance and recognising practices that supports the organisations values.	Motivates and acknowledges employees efforts and encourages positive performance and behaviours in all staff.	Discretionary	→	↑	0.5
HR Information Systems	Technical solutions to streamline the administrative and necessary processes within HR.	Provides a single source of truth for information and data relating to employees and operations. Provides efficiencies in processes by reducing manual tasks and reducing the risk of human error.	Discretionary	→	→	2
Workforce Planning	Enabling the organisation to deliver against their objectives and optimise performance, through identification and analysis of the required capabilities and resources the organisation needs to be able to fulfil the Corporate Business Plan.	Effectively plan for the future requirements of the business to deliver against the City's strategic goals by effective allocation of resources.	Part Mandatory Part Discretionary	↓	↑	0.4

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DCS DIRECTORATE

Human Resources Unit Business Plan 2018/2019



Key Services	Activity	Benefit	Type of Service	Current Level of Service	Expected Level over next 4 years	Resource Requirements
HR Services	Services provided to businesses to enable the effective management of employees processes including: <ul style="list-style-type: none"> Consistency in management of approvals of employees requests e.g. Long term absences, flexible working arrangements, Study assistance Standard HR policies, procedures and process to enable effective management e.g. Reclassifications, managing excess leave, higher duties 	Consistent approaches ensuring all employees receive the same treatment and consideration. Prevents precedents being set that undermine the integrity of the organisation and create unmanageable practices.	Mandatory	↓	↑	4
Diversity and Equal Employment Opportunity	The focus of the DAIP working group is to encourage the employment of a wide range of individuals increasing the City's diversity and skills. This will ensure staff are informed of their responsibilities as an employee to their colleagues and are aware of the processes and procedures available to them should they encounter any issues e.g. bullying, discrimination.	A legislative requirement for the city to increase diversity and provide regular EEO training to all employees. Creating a safe and respectful work place ensure all employees can enjoy their work and achieve their best. Additionally diverse workforces increase organisational effectiveness by the introduction of different skills, approaches and experiencing.	Mandatory	→	→	0.2
Total Human Resource Allocation						14.7

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DCS DIRECTORATE

Human Resources Unit Business Plan 2018/2019



Risk Register – High and Extreme Risks

Risk	Risk Category	Risk Description	Likelihood	Consequence	Existing Controls	Future Treatment* Yes/No
1	People, Service Delivery – employees not able to receive timely HR response to issues and concerns raised	Disengagement with the business, disruptive and destructive behaviours, potential psychological issues or mental stress	High	Major	Code of Conduct Policies and Procedures – Grievance, Disciplinary, Alcohol & Drug EAP Health and Wellbeing program Education/awareness program Company Values Prevention of workplace bullying program	Yes
2	People, Organisational Change Fatigue -Coping with ongoing cultural change, new systems, new structures, new initiatives and projects	Employees fail to engage with cultural change initiatives, damage to the company's reputation, difficulty in making progress in making organisational culture refresh	High	Major	Solid communication planning Change management strategies Holding managers to account for implementation HR Support	Yes
3	Reputational Risk – affecting the recruitment and retention of personnel	Panel Enquiry and media attention/speculation could have adverse effects on attracting and retaining talented employees	Medium	Moderate	Corporate Communications Strategy	Yes

*Note, in addition to the above and ongoing risks, the following also present a risk to the business:
1. The aging workforce.

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DCS DIRECTORATE
HUMAN RESOURCES UNIT BUSINESS PLAN 2018/2019



Reference/Mandate
CBP – Corporate Business Plan
BAU – Business as usual activity
RT – Risk Treatment
OI – Other Initiative

Key Operational Projects

To deliver on the Service, Corporate Business Plan and Organisational Development commitments, the following initiatives, milestones and actions have been identified for the coming year.

2018/2019 Objectives: Human Resources								
Reference / Mandate	Functional Team Leading Delivery	Initiative/action/objective	Major Dependencies (Unit)	Deadline	Responsibility	Status Report	Indicative Project Cost (\$) for budget	Human Capacity to Deliver (New or Existing)
BAU	HR Advisory Team	HR Service Delivery Model – Create a clear and concise model on which to deliver the fundamental of Human Resource Management HR Services Standardisation – ongoing review, updating and implementation of HR policies procedures, processes, forms and templates ensuring consistency across the organisation.	HR	July 2018	HR Manager Senior L&D Adviser Lead HR Adviser		Nil	Existing
OI	L&D	On-Boarding Program – Research, develop and implement a comprehensive, best practice on-boarding program inclusive of candidate profiling, pre-employment psychometric testing, induction and training	L&D	Dec 2018	Senior L&D Adviser HR Adviser – Recruitment		Nil	Existing
OI	L&D	Graduate Program - Development of Graduate program for the attraction and retention of graduates.	L&D	August 2018	Senior L&D Adviser		Nil	Existing

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DCS DIRECTORATE
HUMAN RESOURCES UNIT BUSINESS PLAN 2018/2019



2018/2019 Objectives: Human Resources								
Reference / Mandate	Functional Team Leading Delivery	Initiative/action/objective	Major Dependencies (Unit)	Deadline	Responsibility	Status Report	Indicative Project Cost (\$) for budget	Human Capacity to Deliver (New or Existing)
BAU	HR Management	Employee Engagement – Conducting the survey for 2018. Utilising the Employee culture survey results and partnering with Corp Comms to improve employee engagement and communication across the organisation.	Corporate Comms & HR Service	Ongoing	HR Management, HR team, Corporate Communications	Ongoing	TBC	Existing and Corp Comms
OI	L&D	Mentoring Program – Implementation of a structured mentoring program across the organisation. Through this program, raise awareness and educate the business on the 70/20/10 approach to learning and development. The 70 - <i>Experiential/Experience</i> - learning and developing through day-to-day tasks, challenges and practice. The 20 - <i>Social/Exposure</i> - learning and developing with and through others from coaching, exploiting personal networks and other collaborative and co-operative actions. The 10 - <i>Formal/Education</i> - learning and developing through structured courses and programs.	HR Service L&D	Dec 2018	Senior L&D Advisor	Design Phase	TBC	Existing

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DCS DIRECTORATE
HUMAN RESOURCES UNIT BUSINESS PLAN 2018/2019



2018/2019 Objectives: Human Resources								
Reference / Mandate	Functional Team Leading Delivery	Initiative/action/objective	Major Dependencies (Unit)	Deadline	Responsibility	Status Report	Indicative Project Cost (\$) for budget	Human Capacity to Deliver (New or Existing)
OI	L&D	E-Learning platform – the embedding of this new tool across the organisation.		Sept 2018	L&D			Existing
CBP	HR Management	Workforce Planning – the implementation of a more structured approach and regular reporting/analysis for workforce planning with defined HC increases for subsequent years determined & directly aligned with budget forecasts. HRIS implementation will affect the outcome	FIN & HR Management	Dec 2018	HR Management	In discussions		Existing
OI	HR Management, HR Advisory team, HRIS Project team	HRIS – Implementation of Phase One and Two.	IT HR	Phase One – July 2018 Phase Two – March 2019	HR Management, HR Advisory team, HRIS Project Team	Testing	TBC	Existing
BAU	L&D	LMS – Implementation of LMS system within new HRIS that supports the organisation and employees in requesting, booking, tracking and recording development plans and activities	HR IT	July 2018	L&D Advisor	Ready – Requires Phase One HRIS		Existing
BAU	L&D	Talent Management and Succession Planning – Develop and implement Talent Management and Succession planning.	HR	June 2019	HR Management, L&D Adviser			Existing

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DCS DIRECTORATE
HUMAN RESOURCES UNIT BUSINESS PLAN 2018/2019



2018/2019 Objectives: Human Resources								
Reference / Mandate	Functional Team Leading Delivery	Initiative/action/objective	Major Dependencies (Unit)	Deadline	Responsibility	Status Report	Indicative Project Cost (\$) for budget	Human Capacity to Deliver (New or Existing)
BAU	HR Management	Embedding the Company Values – consistently utilising the values in all aspects of employee assessment including Performance Shaping, Recruitment, Engagement, Performance Management, Reward and Recognition	ELG MLG HR	June 2019	HR Management, ELG MLG	Values Rolled Out	Nil	Existing
OI	HR Management L&D	Mental Health and Wellbeing in the Workplace – research, plan and implement strategies to assist employees experiencing Mental Health issues. Increase employee wellbeing through targeted programs	HR MLG	June 2019	HR Management		Nil	Existing

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DCS DIRECTORATE

HUMAN RESOURCES UNIT BUSINESS PLAN 2018/2019



With the Commissioners in place until at least 2020, it is difficult to pin point what the employees of the City will be facing in the coming years and what those challenges will mean for the HR Service. However, there are a few objectives that could be considered in the Business Plan 19/20 that aligns with the overall **Corporate Business Plan 2017-2021**.

2019/2020 Objectives: Human Resources								
Reference/ Mandate	Functional Team Leading Delivery	Initiative/action/objective	Major Dependencies (Unit)	Deadline	Responsibility	Status Report	Indicative Project Cost (\$) for budget	Human Capacity to Deliver (New or Existing)
OI – Goal 7: An open & engaged City	CEO, HR Management,	Leadership is held to a high ethical standard – Enhance the City's reputation through transparent and authentic leadership, partnership and communications of programs and services	ELG	2020	CEO, Dir, Managers, HR Management and L&D team	Ongoing	TBC	Existing and Contractor
OI- Goal 8: A city that delivers for its community	L&D, HR Management	Great people are attracted, developed and retained to meet and exceed community expectations Develop and implement organisational and cultural program to align the values and strategic priorities	HR	2020	HR Advisory Team HR Management L&D Adviser MLG		Nil	Existing
OI	HR Management L&D	A Strong Team Spirit – Build the organisational cultural around the "One Team" concept through education, training, team building and celebrating successes	ELG HR MLG	2020	HR Management		TBC	Existing

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year:

Project	Project Brief TRIM #	2016/17 Financial Year Cost (\$)	Expected Finalisation Date (Gate 6)
HRIS	281798/14	TBC	June 2019



City of Perth
Performance Analysis, Assessment and Review – Human
Resources

ATTACHMENT 6

HEALTH AND WELLBEING PROCEDURE

Tower Human Capital Group

City of Perth Procedure

HEALTH AND WELLBEING PROCEDURE

SCOPE:

Corporate – This procedure is applicable to all staff.

OBJECTIVES:

The City is committed to addressing employees health and safety concerns and as such will provide health and wellbeing initiatives to periodically monitor the health, safety and welfare of all employees.

PROCEDURE DETAILS:

The City's health and wellbeing program is designed to support the proactive management and promotion of team member's health and wellbeing.

The health and wellbeing program at the City is based upon a holistic approach which focuses upon team member's physical, psychological and social health both at work and beyond.

Employees will be encouraged to participate in City's health and wellbeing activities to improve their health, safety and welfare.

Health and Wellbeing Committee

A Health and Wellbeing steering committee has been established to review health and wellbeing initiatives across the City of Perth. The committee consists of representatives from various business units and meets quarterly. The committee will focus on internal health and wellbeing of employees in addition to the reviewing the public health and wellbeing strategies across the wider City of Perth.

A focus of the Health and Wellbeing committee will be to work towards gaining external Healthy Workplace Accreditation through Healthier Workplaces WA.

Health and Wellbeing Initiatives

Healthy Lifestyle Program

The healthy lifestyle program provides a contribution of up to \$120.00 every twelve months from date of purchase towards an employee's health and fitness activity e.g. sports shoes, gym membership, fit bit, sports club membership, outdoor sports equipment, yoga, massage, pilates, gym equipment (clothing is not covered). The Healthy Lifestyle contribution can also be used to access the City's corporate massage program. Employees will receive one fifteen (15) minute massage every eight (8) weeks. Please note that only one initiative can be used within a twelve-month period and contributions do not roll over one year to the next.

In order for the claims to be accepted the date of purchase must be within three months. Employees who are not permanently employed on a full-time basis and are employed either on a permanent part time or temporary basis for more than 12 months will receive a pro-rata amount of the contribution value.

City of Perth Procedure

In order to access the Health Lifestyle Program, employees are required to successfully complete their probationary period. Employees are required to complete the healthy lifestyle payment voucher, attach their receipt and forward to the OSH Team for processing. The healthy lifestyle payment voucher is located under *OSH Resources* on the City's Intranet home page.

Completed payment vouchers are recorded on a spreadsheet that contains all lodged claims by the OSH team. The spreadsheet records the claim details and the date of payment. Approved vouchers are forwarded to the Accounts team for processing.

Optical Eyewear Policy

The City of Perth will provide limited assistance to employees experiencing eye sight difficulties at work using new or existing equipment.

Assistance is provided only towards the cost of the initial assessment and purchase of glasses and/or contact lens.

The City of Perth will subsidise half the purchase price of glasses and/or contact lens to a maximum of \$110.00 after the payment of any private health insurer rebate.

Employees are required to complete the healthy lifestyle payment voucher (F0367) located in the Form Centre on the Intranet and attach their receipt and forward to the OSH Team for processing.

Completed payment vouchers are recorded on a spreadsheet that contains all lodged claims by the OSH team. The spreadsheet records the claim details and the date of payment. Approved vouchers are forwarded to the Accounts team for processing.

References

- [PR0021 - Optical Eyewear Policy](#)
- [Payment Voucher Template \(F0367\)](#)
- [Healthy Lifestyle / Optical Eyewear Spreadsheet \(111388/17\)](#)

Annual Health Risk Assessments

The City provides annual health risk assessments for employees every April. The health risk assessments are an in-depth assessment by an allied health professional. The assessments are designed to provide a structured way of identifying health issues and conditions that are potentially preventable or amenable to interventions in order to improve health and/or quality of life.

The health assessments includes blood pressure, resting heart rate, waist circumference, height, weight, BMI, family & personal history, stress score, lifestyle habits (exercise, smoking, nutrition, alcohol) and Finger Prick Testing (glucose, cholesterol). Health coaching and goalsetting, strength testing (core, upper body & grip) and aerobic fitness test (step test) are also done with a one on one consultation regarding discussion of results, goal setting & recommendations.

City of Perth Procedure

The health risk assessments are announced on the City's Intranet via Corporate Announcements with information including when the programs will be taking place, how to sign up and other necessary information. A limited number of positions are available.

Annual Skin Cancer Screenings

Annual Skin Cancer Screenings are provided to City employees every November with priority given to the City's high risk outdoor units. High risk units are those that are required to spend the majority of their working hours in direct sun light.

The aim of the screening program is to assist with the early detection of suspect skin lesions that may require a more comprehensive follow up from a skin specialist.

The supervisors and managers of high risk units are notified approximately 2 weeks prior to the assessments in order to secure positions for their employees. The remainder of the City's employees are advised via the Corporate Announcements on the Intranet with information including when the programs will be taking place, how to sign up and other necessary information. A limited number of positions are available.

Screenings are done at both Council House and the Depot. An online booking system is used for booking screening sessions.

Flu Vaccinations

Annual influenza vaccinations are provided to employees during the last months of Autumn (April or May). A nominated company will be appointed to provide the flu vaccinations and an online booking system will be used to manage bookings.

The vaccinations are announced on the City's Intranet via Corporate Announcements with information including when the programs will be taking place, how to sign up and other necessary information. A limited number of positions are available.

Employee Assistance Program (EAP)

The Employee Assistance Program (EAP) is designed to assist employees with personal and work related issues. The City recognises that an employee's wellbeing significantly impacts on the work environment and for this reason, the City of Perth employees and their immediate families may be referred by their Supervisor, the Human Resources Unit or by self-referral to appropriate outside counselling and support facilities.

Counselling services can assist with problems such as interpersonal conflict, work related problems, relationships and family issues, emotional stress, financial difficulties, career issues, grief and alcohol/drug related problems.

Information on the Employee Assistance Program (EAP) can be found on the OSH Resources home page or by contacting the Human Resources Unit.

EAP Provider is Access Wellbeing Services. Contact number is 1300 66 77 00. The EAP program is available 24/7.

City of Perth Procedure

For more information please refer to [PR0020 – Employee Assistance Program](#).

Health and Wellbeing Training

The City of Perth provide proactive health and wellbeing training throughout the year. This training is outlined on the OSH training calendar.

Training programs on offer include but are not limited to;

- Manual Tasks
- Communicable disease training
- Drug and Alcohol training
- Sun Safe Awareness - Working in Heat
- Electrical Awareness Training
- Life Balance and Wellbeing
- Resilience and Mindfulness
- Healthy Eating – Nutrition
- Smoking
- Physical Activity
- Positive Psychology
- Mens and Womens Health
- Ergonomic Assessments
- Fatigue Management Training (Night Shift Employees)

The calendar is available on the OSH Resources page of the Intranet. Employees interested in attending training programs must seek Supervisor approval. Once approval has been granted, supervisors are to email names of employees wishing to attend the training sessions to the OSH Team or OSH Inbox. Once names have been received employees will be send a calendar invites to the training programs.

BACKGROUND:

PROCEDURE REF NO:	PR1173
OWNER UNIT:	CMD
ORIGINATOR (TITLE):	OSH COORDINATOR
PROCEDURE APPROVED BY:	DIRECTOR – CONSTRUCTION AND MAINTENANCE
DATE CREATED:	26 JUNE 2018
REVIEW FREQUENCY:	ANNUALLY
RELATED DOCUMENTS:	OCCUPATIONAL SAFETY AND HEALTH ACT 1984 OCCUPATIONAL SAFETY AND HEALTH REGULATIONS 1996 PR0020 – EMPLOYEE ASSISTANCE PROGRAM PR0021 - OPTICAL EYEWEAR POLICY HEALTHY LIFESTYLE PAYMENT VOUCHER TEMPLATE HEALTHY LIFESTYLE PROGRAM SPREADSHEET (111388/17)

ADDITIONAL COMMENTS:



City of Perth
Performance Analysis, Assessment and Review – Human
Resources

ATTACHMENT 7

LEARNING AND DEVELOPMENT STRATEGY EVALUATION

Tower Human Capital Group



City of Perth

Learning and Development Strategy 2015-2018: Evaluation





City of Perth

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Overview

Introduction

The City of Perth's [Learning and Development Strategy \(2015-2018\)](#) - endorsed by ELG in late 2015 - was developed and implemented by the Human Resources Learning and Development (L&D) team.

This report:

- Quantifies and - where possible - evaluates outputs against the Strategy for the period March 2015 to September 2018, and
- Will be used to guide Human Resources (HR) in the ongoing design and delivery of learning and organisational development services to the City.

Due to the volume of supporting data, a [Recordkeeping](#) section is included in this report, containing links to all L&D documents in Content Manager.

Deliverables and Measures of Success

The City has no organisational performance criteria or baseline measurement of organisational effectiveness which can be used to demonstrate the effectiveness of L&D in improving organisational performance.

The table below lists the L&D deliverables for the period March 2015 to September 2018, and achievements and measures of success.

No	Deliverable	Achievements and Measures of Success
1	Performance Shaping	<ul style="list-style-type: none"> Designed in consultation with the business Includes a Competency Framework Five improvements since implementation, in response to feedback and review 95% compliance as at 1 September 2018
2	eLearning compliance training on CityLearn	<ul style="list-style-type: none"> 4564 completions Cost savings of \$483,955 to date (60% saving compared to F2F training) Cost effective outsourcing of eLearning instructional design and support Employees can complete compliance training online prior to commencement City is ready to adopt a blended learning approach Outside workforce is fully engaged
3	Corporate learning events: face to face (F2F)	<ul style="list-style-type: none"> Total of 2217 face to face attendances (excluding team building/planning days and facilitated workshops e.g. lessons learned) Extensive corporate learning calendar, reaching all areas of the organisation Delivered customised solutions Learning events - most of which are charged back to business units - sell quickly, often within days of announcement Excellent feedback for all learning events Employees' preferred method for skill development Provides internal networking opportunities

3a	Corporate learning events: face to face (F2F) - Externally-sourced	<ul style="list-style-type: none"> 1545 (of 2217 face to face corporate learning events) attendances Cost effective outsourcing of F2F corporate learning events \$564,016 savings through bulk purchasing F2F corporate learning events (43% saving on public course rates)
3b	Corporate learning events: (face to face) - Internally designed and facilitated	<ul style="list-style-type: none"> 672 (of 2217 face to face corporate learning events) attendances Cost effective in-house delivery of F2F corporate learning events by utilisation of internal expertise \$136,530 savings (40% saving on externally-sourced bulk purchase rates and 65% on public course rates) No cost to Business Units, except catering
4	Corporate Compliance Training	<ul style="list-style-type: none"> Training delivered to the entire workforce Reporting to 100% accuracy
5	Compliance Training Matrix	<ul style="list-style-type: none"> All training captured to ensure and verify compliance Includes extensive learning options linked to competency framework
6	Training Needs Analysis	<ul style="list-style-type: none"> Identified priorities for corporate learning calendar in 2017-2018 Partnered with Business Units to identify training needs
7	L&D Global Benchmarking	<ul style="list-style-type: none"> Identified opportunities for improvement Joined the LG L&D Network in early 2018
8	Facilitated workshops	<ul style="list-style-type: none"> Delivery of 25 workshops (approximately one-day duration each) to include team building, strategic/business planning, lessons learned, inter-unit/directorate collaboration
9	Leadership Development	<ul style="list-style-type: none"> Delivery of quality leadership development including 360 feedback and executive coaching in 2016-2017 Tender documentation issued to providers to quote for the 2019 program

10	Advisory services	<ul style="list-style-type: none"> ▪ Customised solutions ▪ Performance Shaping ▪ Career coaching ▪ Referral for Executive coaching and 360 Leadership surveys ▪ Mediation support
11	Reward and Recognition Program	<ul style="list-style-type: none"> ▪ Development of program for ELG endorsement ▪ Successful launch in September 2018
12	Organisational Culture and Values	<ul style="list-style-type: none"> ▪ Design, administration of and reporting on three employee opinion surveys to assess perception of the 2015-2016 organisational restructure ▪ Coordination/rollout of and significant contribution to the final report for the Culture Survey 2017 ▪ Coordination of the Culture Survey 2018 ▪ Coordination of 2018 Change Champions ▪ Significant contribution to the rollout of the City's values ▪ Procurement and coordination of organisation-wide training on embedding values in the workplace ▪ Tender specifications and procurement for CEO-Elected Members workshop in November 2017
13	Other Organisational Development	<ul style="list-style-type: none"> ▪ Initial scoping for 2019 Mentoring program ▪ First draft of Talent Identification and Management strategy ▪ Scoping for Indigenous and DAIP traineeships in 2019
14	OCCA: PD Standardisation	<ul style="list-style-type: none"> ▪ Entire management of the Position Description project ▪ Project on schedule for completion in December 2018
15	OCCA: Onboarding	<ul style="list-style-type: none"> ▪ Development and management of the Onboarding Project ▪ Project on schedule for completion in December 2018
16	Manager Salary Benchmarking Project	<ul style="list-style-type: none"> ▪ Significant contribution to the project ▪ Development of extensive manager competency framework

17	Technology and Recordkeeping	<ul style="list-style-type: none"> ▪ Utilisation of Content Manager for storage of records ▪ Capacity for L&D activities to be audited as a result of careful recordkeeping ▪ Adoption of eLearning technology ▪ Adoption of TEAMS to engage in collaborative work on specific projects
18	Policies and Procedures	<ul style="list-style-type: none"> ▪ All L&D Policies and Procedures have been reviewed and updated: <ul style="list-style-type: none"> - Corporate Learning - Study Assistance - Reward and Recognition - Performance Shaping - Probationary Period (pending Director sign-off) - Onboarding (pending completion of Onboarding Strategy in December 2018)
19	Organisational Restructure 2016	<ul style="list-style-type: none"> ▪ Significant contribution to management of redundancies
20	Value of L&D	<ul style="list-style-type: none"> ▪ The business actively engages and works with the L&D team ▪ Investigations and assessments of our value are currently underway and undertaken by other parties and processes within the City
21	OSH / Business Continuity / Critical Incident Control	<ul style="list-style-type: none"> ▪ Senior L&D Advisor appointed as Chief Warden for Council House in early 2018, as well as member of Critical Incident Control team

Looking ahead

L&D has succeeded in building a robust service to the City. Our cost savings alone total \$1,184,501 to date.

However, we have much more to do to achieve a best practice learning culture.

Work has already commenced on a mentoring program, a talent strategy (acquisition, identification, management and succession planning) and traineeships (indigenous and disability).

L&D: March 2015 to September 2018

March 2015

The L&D function was introduced to the City of Perth in March 2015.

Business Units were responsible for managing all staff learning and development. Additionally, the City was engaging an external agency to conduct a biennial culture survey.

The following programs and services were non-existent as at March 2015:

- Performance Development System, including a competency framework
- eLearning function
- Training Needs Analysis
- Corporate Training Calendar
- Global L&D Benchmarking
- Training Matrix
- Leadership Development
- Support for facilitated workshops e.g. team building, strategic planning and lessons learned, and
- Coaching, learning advice and support.

The Learning and Development Strategy 2015-2018 was developed to address these gaps.

Context

The City has undergone unprecedented change during this period i.e.:

- 30%+ of the workforce has been replaced through redundancy or resignation
- Approximately 30% of L&D course participants have left the City
- Escalating turnover
- Major organisation restructure: 2015 to early 2017
- General poor rating of the organisational culture, except for job satisfaction and benefits (which are on par with WA Local Government): late 2017
- Suspension of Council: 2018
- Inquiry Panel: 2018-2019
- Departure of two CEO's, and
- Series of Commissioner-initiated reviews in 2018-2019 to capture effectiveness of service provision and value for money assessment.

Resourcing

Mar-Dec 2015	<ul style="list-style-type: none"> 1 x 1.0 L&D Advisor
2016	<ul style="list-style-type: none"> 1 x 1.0 L&D Advisor 1 x 0.4 L&D Administration
2017	<ul style="list-style-type: none"> 1 x 1.0 L&D Advisor 1 x 0.6 L&D Administration 1 x 0.4 eLearning Consultant
2018	<ul style="list-style-type: none"> 1 x 1.0 Senior L&D Advisor 1 x 0.9 L&D Administration 1 x 1.0 Talent Advisor, commencing 1 July 2018. 1 x 0.3 eLearning Consultant

Administration function

The L&D Administrator provides critical support to the team in the following areas:

CityLearn	<ul style="list-style-type: none"> Management of CityLearn system in partnership with DAI Onboarding (online) Course management and facilitator training Client liaison Training support Engagement of outside workforce
Administration and Reporting	<ul style="list-style-type: none"> Bookings (corporate learning events) Requisitions, Purchase Orders and Invoices Journal chargebacks to recover costs from business for corporate training Provider liaison Monthly reporting statistics Content Manager Study Assistance Empower and Business Objects PSC Annual Diversity Census
Learning Solutions	<ul style="list-style-type: none"> Support coordination of learning events Corporate Induction (2016-2017)
Microsoft Teams	<ul style="list-style-type: none"> Manage the collaborative workspace

Global Benchmarking: Self-assessment

[Towards Maturity](#) analyses learning strategies of organisations, grouping their tactics and behaviours into six work streams.

In early the City of Perth joined over 700 organisations worldwide to participate in this benchmarking activity. The results from this report provided insight in to our strengths as well as opportunities for improvement. An overview of the City's self-assessment is provided in the table below:



The 19 Activity Areas in the Towards Maturity Model

Compare your scores in each activity area with the sample average and top performing learning organisations. Green shading indicates where you exceed the 2017 TM Benchmark score; red shading indicates where your score is below average.

Your score for each Activity Area is out of 9.

Workstream	Activity area	Average	TM Benchmark	Your score
Defining Need	Strategic Alignment	6.36	7.80	7.20
	Business Alignment	5.92	7.14	6.57
Understanding Learners	Individual Choices	5.33	6.64	4.60
	Individual Motivation	4.57	6.00	2.25
Work Context	Talent Management	5.12	6.40	5.60
	Business Environment	5.67	6.80	5.00
	Work Culture	5.70	6.86	3.25
Building Capability	L&D Essentials	5.08	6.40	6.00
	Designing Learning	4.99	6.50	4.38
	Transferring Learning	3.70	5.00	3.00
	Supporting Performance	4.26	5.57	2.71
	Facilitating Collaboration	4.48	5.75	4.75
Ensuring Engagement	Implementing Change	5.26	6.80	3.40
	Empowering Individuals	4.71	6.00	1.60
	Engaging Trainers	4.80	6.80	1.20
	Involving Leaders	4.97	6.69	2.50
Demonstrating Value	Gathering Feedback	4.32	5.75	4.00
	Measuring Effectiveness	3.63	5.00	4.60
	Communicating Success	4.54	6.25	5.50

The benchmarking survey also highlighted an opportunity to adopt a blended learning approach to our service offerings. This gap is being addressed by the introduction of online learning options (through the City's Library subscription to Lynda.com) to complement the face-to-face corporate learning events. The first learning events to be delivered in this format were Project Management and Business Writing.

This benchmarking activity suggests that L&D has much more work to do to embed a learning culture at the City of Perth.

Procurement

L&D applies the Finance procurement processes for all externally sourced training and consulting services i.e.:

- Tender process for:
 - Leadership Program facilitation
 - eLearning support Services and Instructional Design Panel, and
 - Executive Coaching Panel
- Three written quotes for each externally-sourced corporate learning event.

Online survey October 2018: Feedback on L&D service provision

L&D developed three surveys which were available to City employees on the Intranet throughout October 2018. These surveys provide information on:

- Awareness of the L&D team, including services offered and resources provided
- User experience with CityLearn, including accessibility and opportunities for improvement, and
- The perceived effectiveness of corporate learning events and recommendations for future offerings.

Name of Survey	Number of Questions	Submissions Received
City of Perth L&D Service Delivery	5	26
City of Perth CityLearn	6	46
City of Perth Corporate Learning Events	5	42

Findings	Opportunities
<ul style="list-style-type: none"> 16 out of 26 submissions indicated that staff were not aware that Lynda.com was available via a City of Perth Library membership Five recommendations were received to offer additional courses on CityLearn for personal/professional development 	<ul style="list-style-type: none"> Partner with Library and Corporate Communications to promote Lynda.com to expand self-paced learning options via: <ul style="list-style-type: none"> Corporate Announcements Inside City HR Advisor/Manager meetings A4 posters around facilities
<ul style="list-style-type: none"> Staff appreciated the ability to complete online training at their own pace however wanted more consistency with course layout and design 	<ul style="list-style-type: none"> Standardisation of eLearning templates (based on corporate Style Guide) has been completed, with a plan to migrate older products when they are due for upgrade.
<ul style="list-style-type: none"> 43% stated they requested whilst 40% were instructed by their (Line) Manager to attend the corporate learning event There was preference for instructor-led training/group-based learning and the networking opportunities it provided About 50% of respondents didn't know that L&D offered blended learning options 	<ul style="list-style-type: none"> L&D recognises the value of F2F training in behavioural skills development and is committed to continue this method of delivery Offer more F2F learning in conjunction with self-paced online offerings to support a blended learning approach

Recordkeeping

The following documents are stored on Content Manager (CM). They provide the evidence and supporting information for the contents of this report.

CM Reference	TITLE
<i>L&D Strategy 2015-2018</i>	
278510/18	L&D Strategy 2015-2018
<i>Performance Shaping</i>	
PR0048	PROCEDURE: PERFORMANCE SHAPING
226870/17	HR PAYROLL - FREQUENTLY REGISTERED DOCS - S@C QUICK SHEET FOR MANAGERS ADMIN
131182/18	Performance Shaping Guide
F0154	Performance Shaping: Reflection and Forward Planning
F0155	Performance Shaping: Mid-Point Evaluation
F0156	Performance Shaping: Probationary Period Plan
F0157	Performance Shaping: Probationary Period Review
<i>Study Assistance</i>	
PR0028	PROCEDURE: STUDY ASSISTANCE
F0206	Study Assistance Application
F0207	Study Assistance Claim
<i>Corporate Learning Events</i>	
HUMAN RESOURCES – TRAINING & DEVELOPMENT – Courses	
P1036771	Business Case Writing
P1033955	Business Writing
P1033971	Change Management
P1035312	Corporate Induction

P1033970	Customer Service
P1036469	Dealing with Difficult Behaviour
P1030338	(EEO) Prevention & Management of Workplace Bullying
P1036411	Embedding Values in the Workplace
P1035309	Events Risk Management
P1036219	Fraud, Corruption & Misconduct
P1033957	Frontline Management
P1035836	IAP2
P1036977	Institute of Company Directors
P1033958	Introduction to Local Government
P1033959	ITIL Foundation
P1034586	Lean Six Sigma
P1036030	Local Govt Act 1995 The Essentials
P1033960	Microsoft Office
P1036673	Policy Development and Procedure Writing
P1033961	Project Management
P1033962	Public Speaking
P1033963	Resilience
P1036672	Strategic Thinking and Planning
P1033969	Time and Stress Management
P1033878	Verbal Judo
<i>eLearning Courses (on CityLearn)</i>	

HUMAN RESOURCES - TRAINING AND DEVELOPMENT - Courses - eLearning	
P1033956	AIIMS Australasian Inter-service Incident Management System Awareness
P1037023	Content Manager CM Training
P1037024	DAIP Disability Access and Inclusion Plan
P1037022	Emergency Management Fundamentals
P1037081	EEO and Workplace Bullying and Harassment for Employees and Managers
P1037079	Fraud and Corruption Awareness
P1037080	HR Onboarding
P1029641	IT Onboarding
P1033964	Introduction to Local Government
P1035900	Recordkeeping Onboarding
P1037025	Sustainability
Position Description Standardisation Project	
P1035466	HUMAN RESOURCES – REVIEWING – Position Description Standardisation
Training Matrix	
P1000352-2	HUMAN RESOURCES – TRAINING AND DEVELOPMENT - Planning
91009/18	City of Perth Training Matrix 2018
91011/18	Training Matrix March 2018
eLearning	
P1032210	HUMAN RESOURCES - TRAINING AND DEVELOPMENT – eLearning
P1032210#01	PROJECT PLANNING - eLearning
P1032210#02	MONITORING & CONTROL - eLearning
P1032210#03	DECISION MAKING MEETINGS – eLearning
P1032210#04	STAKEHOLDER MANAGEMENT & COMMUNICATION PACKS – eLearning

P1032210#05	REQUIREMENTS – eLearning
P1032210#06	SOLUTIONS ANALYSIS - eLearning
<i>Culture and Employee Opinion Surveys</i>	
P1034630	HUMAN RESOURCES - PLANNING - Culture Change
P1015180-3	CORPORATE MANAGEMENT - PERFORMANCE MANAGEMENT - Employee Opinion / Cultural Survey
186538/18	20171213 - ELG Organisational Culture Change Recommendation Report
<i>Reward and Recognition</i>	
P1017879-2	CORPORATE MANAGEMENT - PROCEDURES - REWARD & RECOGNITION
319026/17	Draft ELG Report - New Reward and Recognition Programme
PR0121	CORP PROCEDURE - REWARD & RECOGNITION
P1013719-5	HUMAN RESOURCES - AWARDS (Prizes) - Employee Recognition Program
<i>Talent Acquisition, Identification, Management and Succession Planning</i>	
P1037008	HUMAN RESOURCES - PLANNING – Talent
P1037008#01	ACQUISITION
P1037008#01#01	ONBOARDING
P1037008#02	IDENTIFICATION
P1037008#02#01	SUCCESSION PLANNING
P1037008#03	MANAGEMENT
<i>L&D Procedure and Registration</i>	
PR1180	PROCEDURE: LEARNING AND DEVELOPMENT
F0205	LEARNING AND DEVELOPMENT REGISTRATION
<i>Training Needs Analysis</i>	
P1037009	HUMAN RESOURCES – TRAINING & DEVELOPMENT – Needs Analysis

<i>Manager Salary Benchmarking</i>	
P1037007	HUMAN RESOURCES – PLANNING – Manager Salary Benchmarking
<i>LGMA Management Challenge</i>	
P1016727-2	HUMAN RESOURCES – TRAINING AND DEVELOPMENT – LOCAL GOVT MGT CHALLENGE - LGMA
329784/14	LGMA Management Challenge 2015 - presentation to OLG
<i>2017 Towards Maturity Global Benchmarking Survey</i>	
278609/18	2017 Towards Maturity Benchmarking Report

Working documents that are not ready to be saved onto Content Manager are stored on the network drive under '7. Learning and Development' under the headings of:

- Administration
- Corporate Learning Events
- eLearning/LMS
- Organisational Development
- Resources
- Study Assistance
- Work in Progress Projects

Performance Shaping

Overview

In mid-2015 (as part of the Strategy development process), L&D called for volunteers from the leadership group to assist in the development and implementation of a performance development system for all City employees. Approximately 12 managers and senior staff participated.

The goals were to develop:

- A best practice performance development system that provides every employee with:
 - (SMART) performance goals
 - Development plans (to support the achievement of performance goals), and
 - Review meetings (to provide a structured approach to reflecting on performance and deliver meaningful and useful feedback)
- A Competency Framework (Core, Frontline and Executive competencies).

Performance Shaping was developed, with three components:

- 1. Development Planning i.e. setting SMART goals and development planning to support employees to achieve these goals**
- 2. Mid-Point Review, and**
- 3. Reflection & Evaluation**

Performance Shaping is:

- Performed in the context of a competency and values framework
- Underpinned by the effectiveness of the relationship and quality of conversations between the line manager and the employee where regular, ongoing meaningful two-way feedback is exchanged, and
- Representative of the highest standard that is utilised in industry.

L&D trained all line managers and HR Advisors in late 2015/early 2016 and continues to be available for one to one coaching or refresher training. Well over 100 line managers attended the two-hour training. The HR Advisors then delivered this training at their clients' Business Unit meetings which were attended by employees.

Empower notifications were set up to remind line managers and employees when each stage of the process was due, although this has since discontinued.

During the 2017 EBA negotiations, the unions expressed their approval of the introduction of Performance Shaping.

Continuous improvement

Improvements have been made since the original version of Performance Shaping was released at the end of 2015 as a result of feedback from the business i.e.:

2016	Competency rating '2' was extended to reflect 'underperforming in the role' (2A) and 'learning in the role' (2B)
2017	The Manager Competency Framework was developed in full by L&D as part of the Manager Salary Benchmarking project
2017	Development Planning and Evaluation meetings now take place as one meeting (instead of two). Although it is not best practice to have both events in the same meeting, the changes were made at the request of many managers. Currently, the line manager reviews the employee's past year's performance and sets the next year's goals and development plan in the one meeting.
2018	City Values incorporated into the Core Competencies for all employees, as an outcome of the OCCA report
2018	QRG Scanning at the Copiers created and updated to ensure correct registration of documents on to Content Manager

Although Performance Shaping documents are registered on to Content Manager, the City's systems do not have capacity to report completions by unit/directorate/year/name.

The proposed HRIS TechOne solution will be able to do this in 2020.

Acceptance and Compliance

Compliance (Performance Shaping completions) is estimated to be in the 45-65% range for the years 2016 and 2017.

The 2018 Compliance report for DCS was produced by manually checking the names on the Organisational Chart against Content Manager. DAI have provided a partial solution that captures around 50% of completions data, thus reducing the time taken to produce the report from 5-7 days to 2-3 days. DAI is working to improve the quality of the compliance report.

A persistent and sustained communications and leadership effort in 2018 has seen the Performance Shaping compliance rate improve to 95%.

Performance Management Systems are difficult for any organisation to adopt. Some managers perceive this aspect of their role to be an impost on their time. Many experience discomfort when having to engage in two-way conversations with their staff. Ongoing leadership training will go a long way to assisting managers to competently and confidently manage these important conversations.

eLearning

Return on Investment (ROI)

Deliverables from Project Plan	Achievements and Measures of Success
Accessibility	<ul style="list-style-type: none"> All compliance induction courses are now online Permanent enrolment allows course content to be used by all employees as refreshers and reference material Extended range of courses offered facilitates staff empowerment/corporate efficiencies in common office application use. Full engagement of outside workforce Effective November 2018: <ul style="list-style-type: none"> New employees (including contractors, casuals and agency staff) can complete online induction courses prior to commencement, and Existing employees can access online courses from home.
Efficiencies and Savings	<ul style="list-style-type: none"> Achieved reduced reliance on classroom time (space), trainer time, administration time, consumables and lost employee time to attend. This is demonstrated when comparing the cost of face to face induction training (IT Orientation, OSH and Code of Conduct) which was replaced by the online method in February 2017, returning a 79% saving.
Reporting	<p>Various reporting mechanisms, including automatic notification scheduling, have been established for both course facilitators and Unit Managers to include:</p> <ul style="list-style-type: none"> Completion reports on-demand Monitoring reports to track completions Notification of enrolments Notification of overdue, mandatory completions to unit managers for their staff, and Monthly reporting of course enrolments and completions by unit.

Course Offerings	<ul style="list-style-type: none"> ▪ In-house courses (developed or licenced) = 19: <ul style="list-style-type: none"> - Induction (10) - Refresher (7) - General (2) ▪ External courses - via corporate Lynda.com = 20: <ul style="list-style-type: none"> - Project Management (14) - Microsoft Office 2016 (4) - Business Writing and Reporting (2) ▪ New courses in development/testing = 4: <ul style="list-style-type: none"> - Disability Access and Inclusion (completed, pending Director approval) - CityLearn Facilitator (in development) - Technology One HR Portal Basics (in development, with first round UAT completed) - Content Manager (finalising UAT and soon to be released)
Blended Learning	<ul style="list-style-type: none"> ▪ Controlled evaluation of new online course requests ensures optimal delivery method for the training (i.e. some courses need to be delivered F2F) ▪ CityLearn hosts courses which complement F2F Learning to allow ongoing study/training in Project Management, Business Writing and Microsoft Office.
Staff capabilities	<ul style="list-style-type: none"> ▪ Pro: Competency-based training which allows to test for knowledge ▪ Con: Does not provide depth of skill development which is gained in F2F or on the job training.
Return on Investment	<ul style="list-style-type: none"> ▪ CityLearn platform was built using free Moodle open source software ▪ CityLearn is internally-hosted ▪ Moodle upgrades are free and are managed in-house ▪ No licences or fees are payable to external parties for software or hosting ▪ City is not dependant on or tied to external parties ▪ CityLearn is wholly owned by and customised exactly to City's requirements (rather than a provider's requirements). ▪ <u>An overall conservatively-calculated ROI of 60%, equating to cost savings of \$483,955.00</u>

CityLearn courses by category

Onboarding	<p>Employees:</p> <ul style="list-style-type: none"> ▪ HR Onboarding: (1) OSH and (2) Code of Conduct ▪ IT Onboarding: (1) IT Orientation (2) IT Policy Acceptance (3) IT Security Awareness ▪ EEO and Workplace Bullying and Harassment for Employees ▪ EEO and Workplace Bullying and Harassment for Managers ▪ Fraud and Corruption Awareness ▪ Introduction to Local Government ▪ Recordkeeping ▪ Content Manager <p>Elected Members:</p> <ul style="list-style-type: none"> ▪ Recordkeeping Awareness Training for Elected Members <p>Agency Staff, Labour Hire, Contractor, Work Experience and Volunteer:</p> <ul style="list-style-type: none"> ▪ Employee Onboarding Lite: (1) OSH (2) Code of Conduct (3) IT Policy Acceptance (4) EEO (5) Workplace Bullying and Harassment Awareness for Employees ▪ Manager Onboarding Lite: (1) OSH (2) Code of Conduct (3) IT Policy Acceptance (4) EEO (5) Workplace Bullying and Harassment Awareness for Managers
Refresher	<ul style="list-style-type: none"> ▪ Occupational Safety and Health ▪ Code of Conduct ▪ IT Policy Acceptance ▪ Recordkeeping Onboarding (Refresher)
Emergency Management	<ul style="list-style-type: none"> ▪ AIIMS (Australasian Inter-Service Incident Management System) Awareness ▪ Emergency Management Fundamentals
Other	<ul style="list-style-type: none"> ▪ Cultural Awareness and Competency 2017

Project Management (Lynda.com)	Become a Project Manager: <ul style="list-style-type: none"> Project Management Fundamentals Microsoft Project 2016 Essentials Training Project Management Foundations: Schedules Project Management Foundations: Teams Project Management Foundations: Change Project Management Foundations: Budget Project Management Foundations: Ethics Project Management Foundations: Communication Project Management Foundations: Quality Project Management Foundations: Procurement Project Management Foundations: Stakeholders Project Management Foundations: Risk Project Management Foundations: Integration Become a Project Coordinator: <ul style="list-style-type: none"> Project Management Simplified
Microsoft Office 2016 (Lynda.com)	<ul style="list-style-type: none"> Master Excel 2016 Master Word 2016 Master PowerPoint 2019 Master Outlook 2016
Business and Report Writing	<ul style="list-style-type: none"> Business Writing Principles Writing Customer Service Emails
New Courses in Development or Testing	<ul style="list-style-type: none"> Disability Access and Inclusion (completed, pending Director approval) CityLearn Facilitator (in development) Technology One HR Portal Basics (in development, with first round UAT completed)

Efficiencies and Savings: Induction Training F2F vs. eLearning

The table below isolates the F2F induction training for HR and IT only, for any given month:

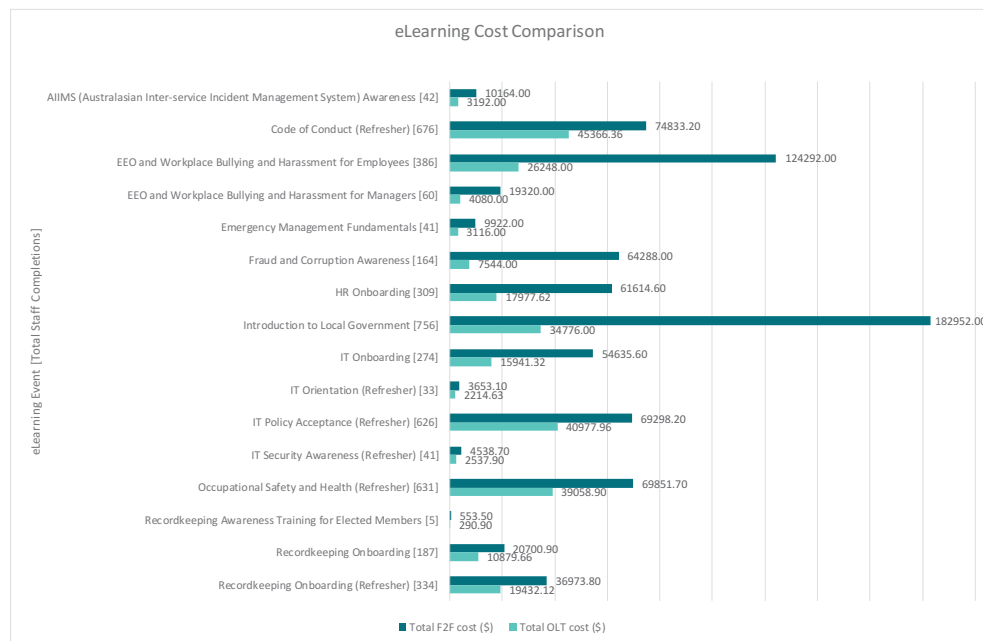
Monthly F2F Induction Training Cost Comparison						
			F2F Delivery		Online delivery	
	Flat rate per session (\$)	Est. rate per hr (\$)	Monthly time spend (hrs)	F2F Cost Estimate (\$)	Monthly time spend (hrs)	Online Cost Estimate (\$)
Classroom		10	4	40.00	0	0.00
Trainer/SME		48.70	4	194.80	0.25	12.18
Admin time	12	0	1	12.00	0.5	6.00
Course material	10	0	1	10.00	0	0.00
Lost time		30	4	120.00	2	60.00
TOTAL		88.70	14	376.80	2.75	78.18

**Saving
79.25%**

Efficiencies and Savings: eLearning ROI

eLearning Return on Investment Jan 17 - Sep 18		F2F = Face to face Training (Historic delivery mode)				OLT = Online Training (Current delivery mode)			
		Total Course completions	F2F duration (hours)	F2F cost per head (\$)	Total F2F cost (\$)	OLT duration (hours)	OLT cost per head (\$)	Total OLT cost (\$)	COST SAVINGS \$
AllIMS (Australasian Inter-service Incident Management System) [676]	42	2	242.00	10164.00	2	76.00	3192.00	6972.00	
Code of Conduct (Refresher) [676]	676	1	110.70	74833.20	1	67.11	45366.36	29466.84	
EEO and Workplace Bullying and Harassment for Employees [3]	386	4	322.00	124292.00	1	68.00	26248.00	98044.00	
EEO and Workplace Bullying and Harassment for Managers [6]	60	4	322.00	19320.00	1	68.00	4080.00	15240.00	
Emergency Management Fundamentals [41]	41	2	242.00	9922.00	2	76.00	3116.00	6806.00	
Fraud and Corruption Awareness [164]	164	4	392.00	64288.00	1	46.00	7544.00	56744.00	
HR Onboarding [309]	309	2	199.40	61614.60	1	58.18	17977.62	43636.98	
Introduction to Local Government [756]	756	2	242.00	182952.00	1	46.00	34776.00	148176.00	
IT Onboarding [274]	274	2	199.40	54635.60	1	58.18	15941.32	38694.28	
IT Orientation (Refresher) [33]	33	1	110.70	3653.10	1	67.11	2214.63	1438.47	
IT Policy Acceptance (Refresher) [626]	626	1	110.70	69298.20	1	65.46	40977.96	28320.24	
IT Security Awareness (Refresher) [41]	41	1	110.70	4538.70	1	61.90	2537.90	2000.80	
Occupational Safety and Health (Refresher) [631]	631	1	110.70	69851.70	1	61.90	39058.90	30792.80	
Recordkeeping Awareness Training for Elected Members [5]	5	1	110.70	553.50	1	58.18	290.90	262.60	
Recordkeeping Onboarding [187]	187	1	110.70	20700.90	1	58.18	10879.66	9821.24	
Recordkeeping Onboarding (Refresher) [334]	334	1	110.70	36973.80	1	58.18	19432.12	17541.68	
TOTAL COST of Online Training	4564			807591.30			273633.37	533957.93	
Cost of CityLearn Moodle platform		System operation and maintenance cost estimate for the period							49962.50
FINAL TOTAL SAVING and % ROI									483995.43 59.93%
		Internally F2F		External Provider F2F		Internally OLT		External Provider OLT	
		F2F cost includes:		F2F cost includes:		OLT cost includes:		OLT cost includes:	
		- Trainer time @ \$48.70 per hr		- Provider cost @ bulk purchase rate		- Inhouse development cost		- Provider cost @ bulk purchase rate	
		- Staff time to attend at \$30 per hr		- Staff time to attend at \$30 per hour		- Staff time to complete at \$30 per hour		- Staff time to complete at \$30 per hour	
		- Est meeting room @ \$10 per hr		- Est admin time flat rate \$12		- SME review estimate \$12.18 flat rate		- Est admin time flat rate \$6	
		- Est admin time flat rate \$12		- Est meeting room @ \$10 per hr		- Est admin time flat rate \$6		- No meeting room time required	
		- Est course material flat rate \$10				- No meeting room time required			

Efficiencies and Savings: Cost comparison F2F vs. eLearning by course



Note: The preceding images can be viewed in detail in the Excel document accompanying this report.

eLearning journey

The eLearning project plan was approved in January 2016.

CityLearn (using Moodle) launched on time and budget to the workforce in February 2017.

A highly structured approach was adopted in the development and delivery of the CityLearn platform i.e.:

- Adoption of a formal project management approach using the City's processes and approvals
- Defined Instructional Design approaches
- CityLearn built from an empty Moodle shell, allowing full customisation to the City's requirements
- Collaboration i.e. IT/DAI/HR worked as a team
- Consultation with stakeholders (internal) and industry (external), including extensive user acceptance testing
- Scheduling regular Moodle upgrades to provide the best user experience
- Removal of the firewall in mid-2018 to allow employees to be on boarded prior to commencement, and
- Adoption of Lynda.com to support F2F corporate learning events and encourage employees to access the thousands of courses free of charge (Note: the subscription is paid by the City of Perth Library).

The learnings along the way have led to improvements in:

Outsourcing Instructional Design Standards	Establishment of an Instructional Design Panel in 2017 to deliver best practice online design for adult learning
Instructional Design Templates and Standards	New online course templates using City of Perth Templates and Style Guide were introduced in mid-2018 to provide this consistency for corporate courses. Professional and consistent layout makes navigation easier for learners.
Outsourcing of eLearning expertise	Engaging industry specialists during the period January 2017 to December 2018 to work with HR/IT and DAI to continue to develop and manage all aspects of CityLearn, ready for handover to the L&D Administrator in December 2018.
Purchasing local government-specific off the shelf products	These pre-existing courses e.g. EEO and Fraud Awareness, are resource and cost effective and ensure content is current, accurate and relevant to local government.

Continuous improvement

eLearning continues to have a strong value proposition. It:

- Delivers the training that the business needs: compliance, regulatory and other competency-based training
- Delivers a strong audit trail for participation and completion of compliance training and refreshers
- Delivers the right method for the training i.e. makes no attempt to replace courses that need to be delivered face to face (a leading cause of failure of eLearning in the workplace)
- Provides unlimited reach to learners regardless of their location
- Is cost and time effective, and
- Provides the capacity to integrate with the Compliance Training Matrix, Onboarding, and HRIS Learning Management System to streamline role-based learning needs.

Looking ahead

The worldwide corporate eLearning market continues to grow at a phenomenal rate and the City is already reaping the benefits of adopting this solution.

The City's eLearning must strive to remain in line with evolving industry trends, new models and methodologies as they continue to emerge.

This maximises our capacity for the City's eLearning solution to be sustained as an engaging, powerful, and valuable solution for meeting training needs.

Corporate Learning

Training Needs Analysis

An organisation wide [Training Needs Analysis](#) was conducted in 2016 which allowed L&D to make recommendations to the Executive Leadership Group (ELG) regarding organisational capability, continuous improvement and a range of efficiencies (including cost and time).

All learning events identified as priorities have been incorporated into the Corporate Learning Events Calendar.

Compliance Training Matrix

The [Compliance Training Matrix](#) was developed in March 2018, as an outcome of the OCCA.

Leadership Development

One of the key components of the City's Human Resources Learning and Development Strategy was to deliver a Frontline Management Development Program (FLM) for Leaders and Managers.

The 60-hour program was delivered over a 26-week period for groups of 12 participants; commencing with a pilot program comprising of 8-10 participants in early 2016, followed by a further four programs in 2016/2017. 65 leaders participated of which 47 completed the program in its entirety.

The program provided the best option for effective transfer of learning because it utilised a blended approach; comprising 360° Leadership Survey, face to face development workshop, leadership coaching, a collaborative workplace project and reflective practice.

The program provided a variety of tools and learning interventions, reinforced over the six-month period. This approach aimed to embed sustainable change in leadership practices.

The program provided opportunities for participants to establish collaborative relationships across the business and to seek opportunities to continuously improve the way they work in the context of a structured professional development program.

This is important for the City as the level of leadership maturity needs to continually evolve to effectively deal with the issues around improving the performance of team and individuals, to deliver on our business objectives.

AIMWA Corporate Membership

The City has had a long association with AIMWA and we have continued to renew our annual corporate membership, currently in Gold category. The main benefit to the City is the member discount for attendance at public courses which is available to all employees.

Corporate Learning Events

The TNA highlighted specific topics and gaps, which resulted in L&D delivering the following learning events in the period March 2015 to 30 September 2018:

1. Business Writing
2. Code of Conduct Induction
3. OSH Induction
4. Corporate Induction
5. Customer Service
6. Dealing with Difficult Behaviour
7. Difficult Conversations
8. Difficult Safety Conversations
9. EEO and Workplace Bullying and Harassment
10. Embedding Values in the Workplace
11. Events Risk Management
12. IAP2 Certification
13. Institute of Company Directors
14. ITIL Foundation
15. Leadership Development
16. Lean Six Sigma
17. Local Government Act 1995 Essentials
18. Managing Fraud, Corruption and Misconduct Risks
19. Microsoft Project
20. Performance Shaping
21. Policy Development and Procedure Writing
22. Project Management
23. Public Speaking
24. Resilience
25. Strategic Thinking and Planning
26. Supporting People through Change
27. Time and Stress Management
28. Verbal Judo

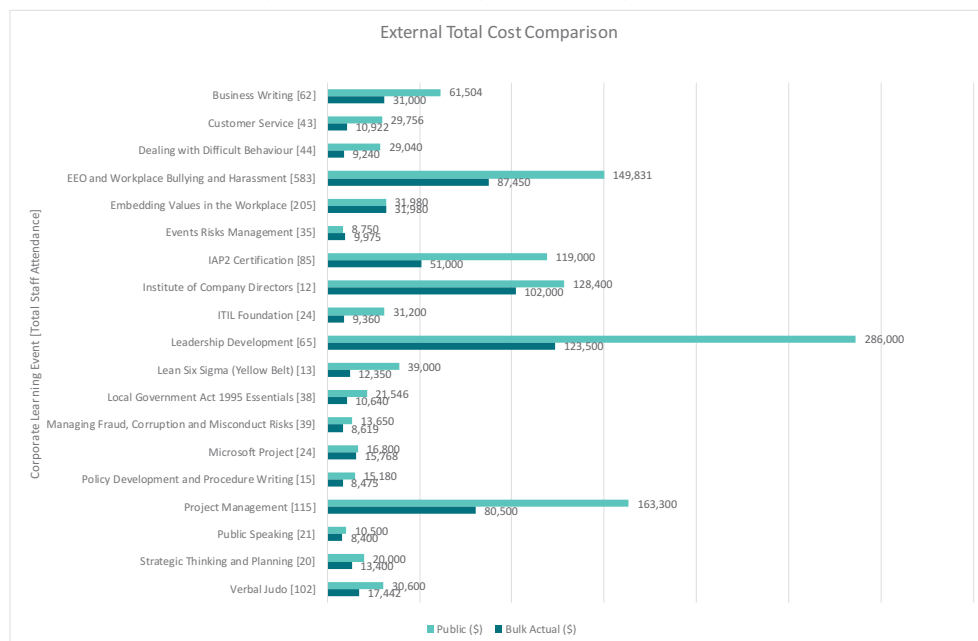
As the number of participants for each learning event was 12 or more, the City purchased most of the learning events in bulk, resulting in significant cost savings when compared to the cost of individuals attending the same course at the 'public' rate. The remaining learning events were delivered utilising in-house expertise at significantly less cost than those that were externally-sourced and bulk purchased.

The tables on the following pages provide a conservative estimate of the cost savings.

Efficiencies and Savings: Corporate learning events sourced externally

Learning events sourced externally	Total Staff Attendance	Cost per person*		Total cost per course		
		Public (\$)	Bulk (\$) Actual	Public (\$)	Bulk Actual (\$)	Saving (%)
Business Writing [62]	62	992	500	61,504	31,000	50%
Customer Service [43]	43	692	254	29,756	10,922	63%
Dealing with Difficult Behaviour [44]	44	660	210	29,040	9,240	68%
EEO and Workplace Bullying and Harassment [583]	583	257	150	149,831	87,450	42%
Embedding Values in the Workplace [205]	205	156	156	31,980	31,980	0%
Events Risks Management [35]	35	250	285	8,750	9,975	-14%
IAP2 Certification [85]	85	1,400	600	119,000	51,000	57%
Institute of Company Directors [12]	12	10,700	8,500	128,400	102,000	21%
ITIL Foundation [24]	24	1,300	390	31,200	9,360	70%
Leadership Development [65]	65	4,400	1,900	286,000	123,500	57%
Lean Six Sigma (Yellow Belt) [13]	13	3,000	950	39,000	12,350	68%
Local Government Act 1995 Essentials [38]	38	567	280	21,546	10,640	51%
Managing Fraud, Corruption and Misconduct Risks [39]	39	350	221	13,650	8,619	37%
Microsoft Project [24]	24	700	657	16,800	15,768	6%
Policy Development and Procedure Writing [15]	15	1,012	565	15,180	8,475	44%
Project Management [115]	115	1,420	700	163,300	80,500	51%
Public Speaking [21]	21	500	400	10,500	8,400	20%
Strategic Thinking and Planning [20]	20	1,000	670	20,000	13,400	33%
Verbal Judo [102]	102	300	171	30,600	17,442	43%
TOTAL	1545	29,656	17,559	1,206,037	642,021	564,016 saving
AVERAGE SAVING PER COURSE						43%
*excludes hourly rate for attendance						

Efficiencies and Savings: Bulk purchasing for learning events sourced externally

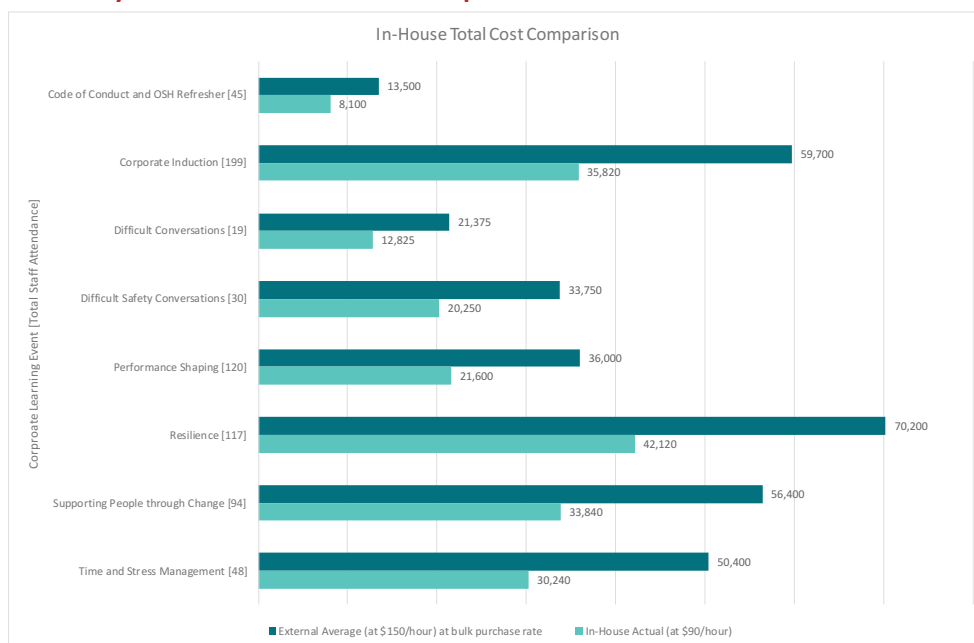


Efficiencies and Savings: Courses delivered in-house compared to externally sourced learning event at the bulk purchased rate.

Learning events designed and facilitated in-house	Total Staff Attendance	Duration (hours)		Total Cost		
		Per event	Total Duration (Hours)	External Average (at \$150/hour) at bulk purchase rate	In-House Actual (at \$90/hour)	Saving (%)
Code of Conduct and OSH Refresher [45]	45	2.0	90.0	13,500	8,100	40%
Corporate Induction [199]	199	2.0	398.0	59,700	35,820	40%
Difficult Conversations [19]	19	7.5	142.5	21,375	12,825	40%
Difficult Safety Conversations [30]	30	7.5	225.0	33,750	20,250	40%
Performance Shaping [120]	120	2.0	240.0	36,000	21,600	40%
Resilience [117]	117	4.0	468.0	70,200	42,120	40%
Supporting People through Change [94]	94	4.0	376.0	56,400	33,840	40%
Time and Stress Management [48]	48	7.0	336.0	50,400	30,240	40%
TOTAL	672		2,275.5	341,325	204,795	40%

136,530 saving

Efficiencies and Savings: Learning events delivered in-house compared to externally sourced courses at the bulk purchased rate.



Notes:

In-house training is always the most cost-effective methods for face to face courses (where the expertise exists in-house).

The preceding images can be viewed in detail in the Excel document accompanying this report.

END OF DOCUMENT



City of Perth
Performance Analysis, Assessment and Review – Human
Resources

ATTACHMENT 8

REQUEST FOR QUOTE

Tower Human Capital Group



City of Perth

City of Perth Performance Analysis and Review Assessment - Human Resources

Request for Quote

City of Perth Performance Analysis, Assessment and Review – Human Resources
Request for Quote



City of Perth

27 St George Terrace, Perth WA 6000
GPO Box C120, Perth WA 3839
(8) 9461 3333 | www.perth.wa.gov.au

City of Perth Performance Analysis, Assessment and Review – Human Resources

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City of Perth Performance Analysis, Assessment and Review – Human Resources

Background:

In May 2018, the City of Perth Council resolved that the City would seek proposals from suitably qualified consultants to undertake a review of the City's corporate performance in the area of human resources and organisational development.

The process is not a tender process and as such is guided by Category B of the City's Purchasing Policy, CP 9.7, in the Council Policy Manual.

Scope of Work:

The Human Resource Management and Organisational Development Review is to include:

- a) a review of the capacity and effectiveness of systems and procedures in dealing with grievances and complaints;
- b) a review of the Executive Leadership Group's response to concerns raised within the recent "Catalyse" survey;
- c) an employee assessment of the human resource and organisational development performance of the City by way of confidential survey, personal meetings and other appropriate means;
- d) a review of the effectiveness of the City's health and safety functions and appurtenant wellness programs and support services;
- e) a review of the effectiveness of performance management, annual performance appraisal and professional development and training across the organisation;
- f) a follow up assessment of the net promoter score analysis undertaken within the Catalyse survey; and
- g) analysis, review and comment that can provide the Commissioners with an accurate, fair and objective understanding of the City's overall human resource and organisational development performance and capability.

Budget:

The budget for this consultancy is \$40,000.

Expected Timeframes:

The review, analysis and reporting of findings are to be completed within three months of contract award.

City of Perth Performance Analysis, Assessment and Review – Human Resources

Methodology:

The findings and recommendations of this consultancy are to be informed by the following actions (as a minimum):

- Interview with the Commissioners (prior to commencement);
- Interviews with the CEO and all members of the Executive Leadership Group;
- Interviews with all Managers;
- Interviews with an appropriate sample size of direct report positions to Managers;
- Interviews with an appropriate sample size of general staff outside of the above including employees that have left the organisation within the last 12 months;
- Interviews with any staff member that requests the opportunity;
- Surveys, assessments and other diagnostic tools as recommended by the consultant;
- A follow up net promoter score survey for comparison with (and duplicating) the original survey undertaken within the Catalyse process;
- Desktop analysis of current human resource workforce plans, policies, practices and procedures; and
- Opportunities must be provided for off-site face to face and private telephone interview.

The following documentation is available, if required, to inform the consultancy, if considered necessary by the consultant.

- Catalyse Cultyr® Employee Scorecard September 2017;
- Organisational Culture Refresh Program 2017;
- Investigation and review from WorkSafe on the City of Perth's systems for prevention and management of unhealthy workplace behavior;
- Service delivery model for the Human Resource Unit; and
- Structure of Human Resource Unit.

Deliverables:

The final report is to be provided in hard copy in a sealed envelope, accompanied by a USB drive containing the report in PDF format. The envelope, marked CONFIDENTIAL is to be delivered by hand to Mr Eric Lumsden, Chair of Commissioners.

The report is to contain:

- Executive summary and key findings
- Survey results, qualitative analysis and findings of interviews and assessment of policies, procedures and practices separated into the five functions as listed
- Other findings as appropriate
- Survey methodologies and response (appendix)
- Summarised and collated responses to interviews (appendix)

City of Perth Performance Analysis, Assessment and Review – Human Resources

Respondent Submissions:

Respondents are to provide a submission that includes the following:

- Company profile (mandatory);
- Resume detailing organisational and individual qualifications and experience working in a Local Government environment;
- Statement demonstrating experience to advise on human resources and organisational development relative to performance and capability;
- Statement demonstrating an understanding of the Local Government Act and the Administration obligations under this Act;
- Statement demonstrating the workplace consulting experience in Human Resource and Organisational Development functions; and
- Three referees who can confirm the consultant's achievements and capabilities.

Please submit responses to:

Ms Jan Hancock
jan.hancock@cityofperth.wa.gov.au

Respondent Assessment:

All submissions will be assessed based on the following criteria:

Company profile (mandatory) and key personnel	20%
Proposed approach, methodology and tools	25%
Demonstrated experience on similar projects	25%
Referees who can confirm the consultancies achievements	10%
Value for money	20%

Enquiries:

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Alternative formats of this Report
are available on request.