



# WORKFORCE PLAN

2013/2014 - 2016/2017

Approved by Cabonne Council June 2013

Part of Cabonne Council's Resourcing Strategy



This is the first Workforce Plan for Cabonne in accordance with Integrated Planning and Reporting Framework requirements.

The Workforce Plan was prepared by Council's Human Resources Manager, following consultation with Council's Senior Management Team and staff. The following resources have been referenced in the development of this Strategy:

- Good Practice Toolkit, LGMA NSW
- Government Skills Australia's Cabonne Council Workforce Development Report 2009
- 2010 Census of Local Government Employees

This plan reflects our intentions at the time of publication. As with any plan or budget, the actual results may vary from that forecast.

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## Foreword

We are pleased to present the Cabonne Council Workforce Plan 2013/14 – 2016/17. This is the first Workforce Plan prepared by Cabonne Council in accordance with the State Government's new Integrated Planning and Reporting Framework requirements.

If there is one thing in our lives of which we can be sure, it is that change is all around us; it is a constant in our lives; it is unavoidable. At any one time, there are many drivers of change in Council's external environment. Some of these drivers, whilst already making themselves felt, are likely to exert so strong an influence on us that they will impede our ability to effectively staff Cabonne Council into the future.

The risks attached to a workforce are as real to an organisation as those associated with more tangible assets. Analysing the workforce, forecasting future gaps, highlighting hotspots and identifying the skills required to execute business strategy goes a long way towards mitigating these risks.

Council's Workforce Plan is part of our Resourcing Strategy, helping to ensure that the community's long term goals and objectives, as expressed in the 2025 Vision, Cabonne Community Strategic Plan 2025 and Delivery Program 2013/14-2016/17 are met. Effective workforce planning enables Council to focus on the medium and long term and also to provide a framework for dealing with immediate challenges in a consistent way.

There are a significant number of initiatives planned for the next four years, as outlined in this document, which will require the ongoing commitment of councillors, senior management and all staff.

It is intended that this plan be a living document that helps to guide the activities and decision making of Council into the future. The initiatives will be reviewed on a regular basis to ensure applicability in the changing environment and to also incorporate feedback from employees.

# 1. Introduction

Under the Integrated Planning and Reporting (IPR) Framework councils are required to draw together their various plans, to understand how they interact and to get the maximum leverage from their efforts by planning holistically for the future.

The 2025 Vision, Cabonne Community Strategic Plan 2025 provides a vehicle for expressing long term community aspirations. However these aspirations can only be achieved if sufficient resources - time, money, assets and people - are allocated.

Through the Cabonne Council Delivery Program 2013/14-2016/17, Council outlines how the objectives of the 2025 Vision will be implemented through projects and services during its term of office. Implementation will be within the resources available under the accompanying long term Resourcing Strategy.

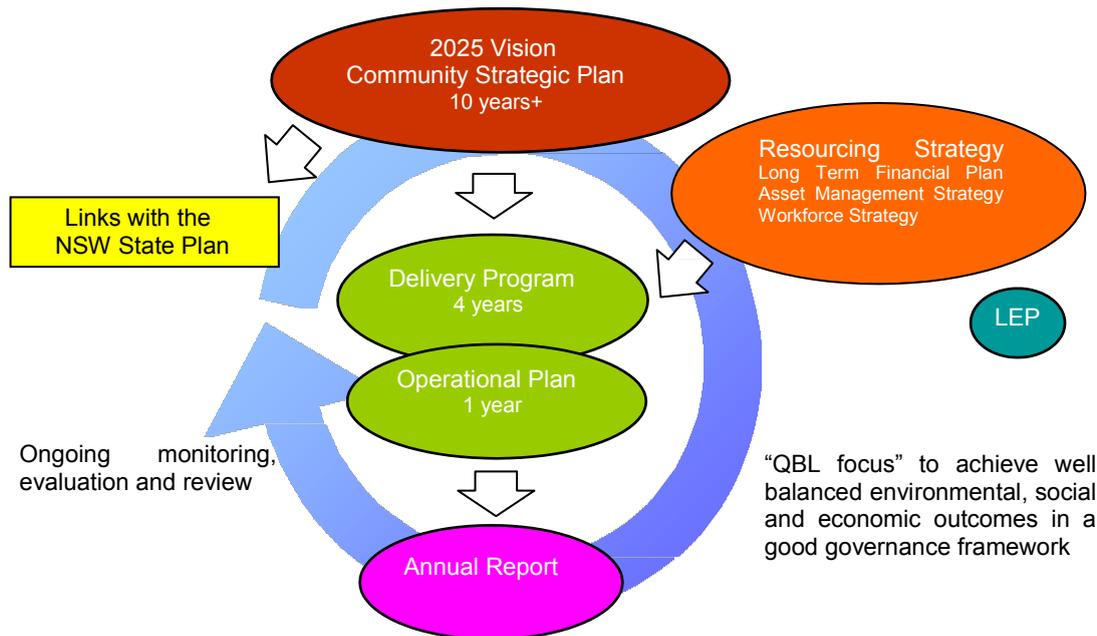


Figure 1.1 Integrated Planning and Reporting Framework

The Resourcing Strategy focuses on long term strategies in three key areas:

- financial planning;
- asset management planning
- workforce planning.

The Resourcing Strategy is the critical link between the 2025 Vision and the Delivery Program, detailing the provision of resources required to implement strategies established by the Community Strategic Plan for which Council is responsible. Council’s Workforce Plan 2013/14-2016/17 is part of our Resourcing Strategy.

An effective workforce management plan provides Council with the best people able to achieve its strategic direction, through the development of innovative approaches to complex human resource issues and delivery of effective and efficient services.

There are five key priority areas to Council’s Workforce Plan. These are workforce structure and requirements, workplace equity and diversity, workplace governance, employee support and development, and employee wellbeing.

The Workforce Plan is intended to be a living document used and updated regularly to guide Council's human resource needs to meet the people-challenges of the future and make Cabonne Council a great place to work.

## **Human Resources Strategic Plan**

Cabonne Council has been committed to workforce planning for some time now. The Senior Management Group:

- Considered other drivers currently impacting on the business of Council which were likely to occur over the coming years
- Contemplated what Council's workplace might look like in the future
- Projected what skills might be required of Council's workforce in the future

The Human Resources Strategic Plan is the foundation of our first Workforce Plan.

The Workforce Plan describes the current Cabonne Council workforce (human resource capacity and capability), details where Council wants to be in the future in terms of achieving the community's long term goals and its position as an employer of choice. It also details the actions that must be undertaken to achieve the organisation's workforce planning and human resource management objectives.

In summary, some of the key actions and achievements of Council to date include:

### **Employee Productivity and Responsiveness**

- Extension of on-line customer services e.g. self-service functions such as paying rates on-line so as to improve our services whilst containing staffing levels.
- Improved use of technology eg. online customer service request system
- Introduction of an intranet to improve information access for employees.
- New plant/equipment
- Review of Council's employee rewards through the organisational KPI's.

## **Employee Capability**

- Provision of leadership training courses including Supervisory Skills and Frontline Management.
- Review of financial support towards the achievement of tertiary qualifications.
- Provision of a range of training courses to match identified training needs.

## **Employee Wellbeing**

- Introduction of Men's "Pit Stop" - employee health improvement program.
- Review of and training for Council's Code of Conducts, Equal Employment Opportunity (EEO), Bullying and Harassment policies to promote a fair and ethical workplace.
- Flu vaccinations and skin cancer clinic offered to all staff members annually.
- Employee Assistance Program

## **Organisational Sustainability**

- Review of Council's organisation structure and positions as/when opportunities arise.
- Initiating market salary surveys particularly tailored to local government so as to determine relativity with the market.
- Implementation of a new salary system (2009).
- Participation in Try a Trade and skills and career expos to market/promote local government as an employer of choice.
- Offering apprenticeships, traineeships, work experience and cadetships.

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## 2. Our Organisation

This section provides an overview of Cabonne's community and Council including our vision, mission and values; our charter; Council's organisational structure, and a snapshot of the demographic profile of Cabonne.

### Our Vision, Mission and Values

#### Our Vision

Cabonne Council is committed to providing sustainable local government to our rural communities through consultation and sound financial management which will ensure equitable resource allocation.

#### Our Mission

To be a progressive and innovative Council which maintains relevance through local governance to its community and diverse rural area by facilitating the provision of services to satisfy identified current and future needs.

#### Our Values

In all we do, we will:

Respect each other, our community and the environment in which we live

Have the courage and confidence to "have a go"

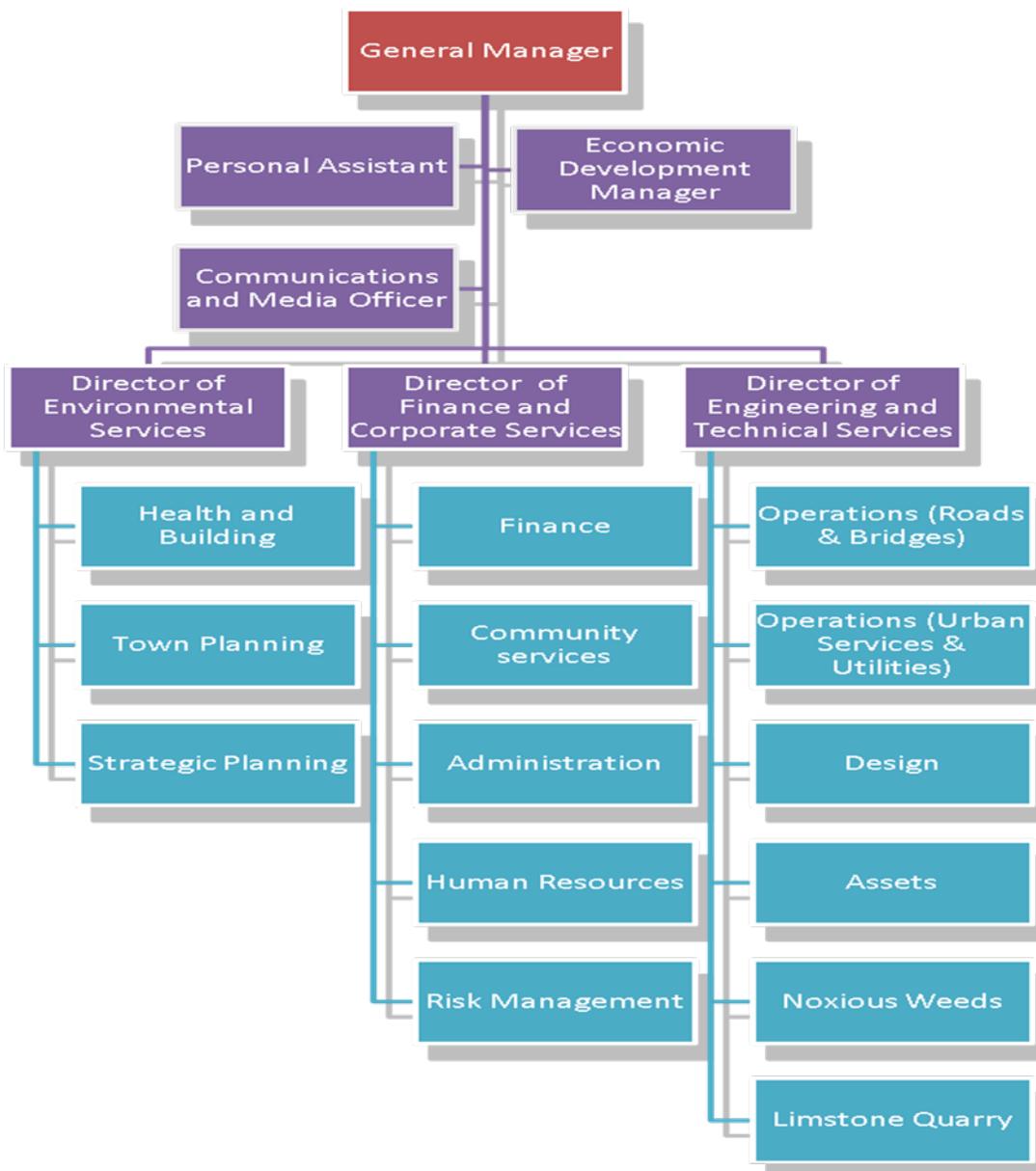
Balance today's decisions with the long term future in mind

Be friendly, approachable and work together

Strive to do our very best and take personal responsibility for our actions

## Our Organisational Structure

Cabonne Council is constituted under the Local Government Act 1993. The organisational structure under which Council operates is set out below:



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## **The role of the General Manager and Senior Management**

### **General Manager, Andrew Hopkins**

The General Manager is responsible for the operation of Council's organisation and for implementing the policies and decisions of the Council. The General Manager is responsible for the day to day management of Council, exercising any functions delegated by the Council; and the appointment, direction and dismissal of staff.

Responsible to the General Manager are three Directors who manage the Divisions of Engineering and Technical Services, Finance and Corporate Services, and Environmental Services. The Economic Development Unit and the Communications and Media Officer also report directly to the General Manager

The General Manager, along with the Directors comprises the Senior Management Team that ensures the organisation is meeting its obligations and provides staff with strategic direction. The role of the General Manager is also to oversee Mayoral and Councillor support and legal services.

### **Director Finance and Corporate Services, Stephen Harding**

The Finance and Corporate Services (FCS) Division coordinates finance, governance, administration, customer services, human resources, risk management, information technology, document management services and community services. The Division is also responsible for management of Manildra, Molong and Canowindra Libraries.

### **Director Engineering and Technical Services, Robert Staples**

The Engineering and Technical Services (ETS) Division is responsible for the delivery of infrastructure and commercial operations. Operational activities include the maintenance of built assets including buildings, roads, footpaths and drainage. Commercial operation activities include the Limestone quarry. Engineering and Technical Services also delivers capital works projects, manages traffic planning and facilities, provides road safety education programs and manages Council's fleet and plant.

### **Director Environmental Services, Heather Nicholls**

The Environmental Services (ES) Division's responsibilities include waste management, environmental services and sustainability, cemetery management, assessing and determining development applications and the regulation of strategic land use planning through planning instruments such as heritage controls. The Division also ensures that building and health regulations are enforced.

## Employee Profile

The current organisational structure (i.e. the budgeted staff establishment) comprises 177 full time equivalent (FTE) staff positions across three Divisions and the General Manager's staff. The FTE comprised of a headcount of 192 people as detailed in the table below; whilst there are 22 casual staff recorded on Council's payroll system, they are only engaged to work on a needs basis, within the budget levels.

Division	Full time (FT)	Part time (PT)	Casual
General Manager's Staff	6	0	0
Finance and Corporate Services	28	6	10
Engineering and Technical Services	115	2	4
Environmental Services	11	2	8
Total FT, PT and Casual Headcount	160	10	22

## **3. Workforce Planning Overview**

### **The Need for Workforce Planning**

Workforce management planning is a process, not an event. It is the ongoing and pro-active process of determining and shaping the capacity and capability of Cabonne Council's workforce to achieve the organisation's goals and objectives.

Workforce management planning is not solely the role of Council's Human Resources Department - it needs to be driven by the senior management team, managers and supervisors/team leaders. Workforce management planning issues should also be used to inform the development of each four year Delivery Program.

Workforce management planning is not an exact science, and it is anticipated that Council's skills in workforce planning will continue to grow as the new Integrated Planning and Reporting Framework is further implemented and embedded into Cabonne's integrated planning processes.

The purpose of workforce management planning is to optimise the use of Council's human resources to meet the goals and objectives of the 2025 Vision and to address the human resource requirements of Council's Delivery Program.

### **Benefits of Workforce Planning**

The benefits of workforce management planning outweigh mere legislative compliance. Workforce planning assists organisations to plan for the future, anticipate change and manage their workforce to meet business goals and objectives. Workforce management planning aims to avoid crisis management (e.g. talent surpluses or shortages) by identifying potential changes and contingencies in advance.

### **Key Steps in Workforce Planning**

The seven key steps in preparing an effective Workforce Strategy include:

1. Analysis of Cabonne Council's Workforce - this includes analysis of the profile/demographics of the existing workforce as well as identification of roles as being non-discretionary, core or discretionary. This analysis helps Council to identify the risks associated with the impact on the business if these roles were to become vacant or the incumbents were to be absent. It is important to establish a clear understanding of Cabonne Council's direction, strengths and weaknesses, and the internal and external factors (e.g. external labour forces) that influence current and future labour demand and supply.
2. Forecast of future needs - this involves forecasting anticipated changes to the delivery of Council services through scenario building and the development of assumptions about future staffing needs, by understanding future work requirements and identifying future skill and competency needs;
3. Gap Analysis - this involves using the findings of the workforce analysis and forecasting steps, to identify the gap between workforce demand and workforce supply, then prioritising work and identification of potential actions.

4. Environmental Scan - this identifies external drivers that could impact on the workforce and the workplace.
5. Developing strategies to address key issues - this involves the planning and design of strategic programs and projects to address gaps in demand and supply of labour/skills, including establishment of success criteria. Contingency plans will also be developed, where necessary, to address absences of incumbents in non-discretionary/core roles.
6. Implementation of Strategies - this involves the implementation of the identified strategic programs and projects (i.e. action plan) that will be implemented over the four-year period aligning with the term of Council; and renewed each four years.
7. Monitoring and evaluation - this involves measuring success and taking any remedial actions, as necessary.

The following diagram illustrates the key steps in workforce planning:

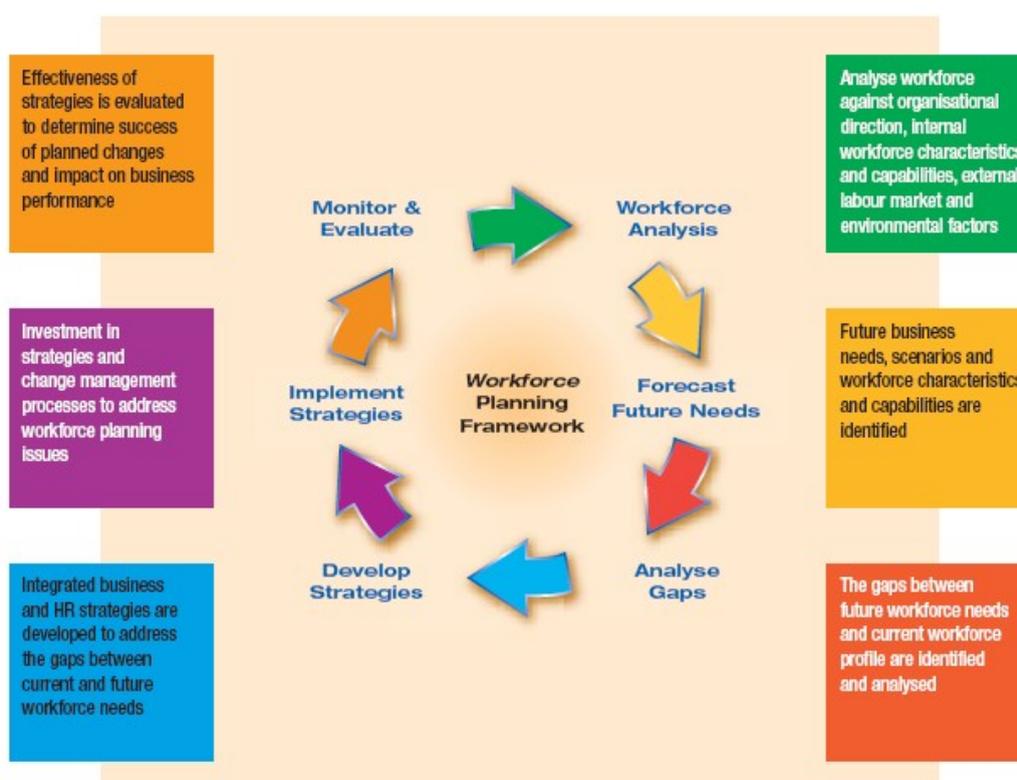


Figure 3.1 Key Steps in Workforce Planning

Source: State Services Authority - [www.ssa.vic.gov.au](http://www.ssa.vic.gov.au)

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## 4. Environmental Scan

The Environmental Scan is a review of the key external factors that may impact on Cabonne Council and, therefore its workforce.

### Economic Indicators

Evidence indicates that the Australian economy is performing well after the GFC. Capacity issues and fierce competition for labour looks set to return as a feature of the Australian economy as firms report their strongest expectations in many years for inventory and employment growth.

Key economic indicators include:

- CPI: projected CPI in 2012 is 3%.
- Unemployment Rate: as at December 2011<sup>1</sup> = 5.3%.
- ANZ Job Advertisements: The number of job advertisements on the internet and in newspapers fell 0.9% in December compared to the previous month. Total job advertisements were 2.6% lower than in December 2010, the first negative annual growth rate since February 2010

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<sup>1</sup> Australian Bureau Of Statistics <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0>

<sup>2</sup> NAB's Monthly Business Survey and Economic Outlook - December 2011, [http://www.nab.com.au/wps/wcm/connect/nab/nab/home/Business\\_Solutions/10/1/?ncID=ZBA](http://www.nab.com.au/wps/wcm/connect/nab/nab/home/Business_Solutions/10/1/?ncID=ZBA) (April 2010)

<sup>3</sup> ANZ Job Series, <http://www.media.anz.com/phoenix.zhtml?c=248677&p=irol-jobad&nyo=0>. The ANZ Job Series has historically proved to be a good indicator of future labour market conditions and employment growth forecasts (May 2010)

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## External Planning Assumptions

### External Labour Market

Australian Bureau of Statistics (ABS) data reveals the following about Australia's labour market:

#### Patterns of Work - non traditional hours

The proportion of all employed people who work part time almost doubled between August 1979 (16%) and August 2009 (30%). The proportion of all employed people who work casually increased from August 1992 (17%) to August 1996 (20%), but has since remained level.

#### Population Growth/Ageing

Australia is expected to grow faster than most other developed countries, at 1.1% per year, reaching 34 million by 2050.

Australia is expected to experience significant demographic changes over the next few decades. By 2051, over 25% of its population will be aged over 65. Due to falling fertility and increased longevity the median age will increase from 37 to 42 years by 2050. This resents both micro and macro issues surrounding the projected increase in the supply of mature age workers in the coming decades. Organisations need to change their attitudes towards mature workers as they are too valuable to lose.

In turn population changes impact on infrastructure demands and expected service levels. Planning assumptions are further detailed in Council's Long Term Financial Plan.

#### Government Skills Australia (GSA)

The GSA Environmental Scan 20097 identified some common themes affecting, or likely to affect, productivity in the future including:

- The impact of the ageing workforce (employment implications are productivity, safety; caring for family members; health care benefits; and flexible working arrangements);
- The GFC (reduced training budgets);
- Legislative and regulatory change;
- Recruitment and retention issues;
- Achieving productivity improvement with current staffing levels and skill base; and
- Limited access to, and use of, public-funded training.

#### Skills Shortages ("Hotspots")

The GSA Environmental Scan 2009 identified that local government will experience difficulty in attracting and retaining the following staff categories - Engineering, Planning, Building Surveying, Environmental Health and Accounting.

Council's recruitment experience to date has identified that the following roles, as shown in the table below, fall into the "hard to recruit" category. Positions that fall into this category require either specialist Local Government experience, specialist qualifications, supply and demand, and/or are difficult to fill because of the very nature of the work, remuneration level or travel times for distance to/from workplace of likely candidates.

[http://www.health.gov.au/internet/wcms/publishing.nsf/content/ageing-foa-research-accessecon.htm/\\$file/popageing.pdf](http://www.health.gov.au/internet/wcms/publishing.nsf/content/ageing-foa-research-accessecon.htm/$file/popageing.pdf)

<sup>7</sup> Government Skills Australia Environmental Scan 2009, [www.governmentskills.com.au](http://www.governmentskills.com.au)

Hard to Recruit Positions	Reason/Comment
Mechanics	Shortage of supply of candidates with the necessary qualifications and experience, this has increased substantially in recent times given the mining industry's attraction to qualified mechanics.
Accountants	Low turnover, however if vacancy occurs, shortage of applicants with both the specialised qualifications and local government experience required.
Rates Officer & Finance Staff	Low turnover, however, if vacancy occurs, shortage of applicants with both the specialised knowledge and experience required.
Engineers	Historically these positions have been hard to fill due to market competitiveness, although recently through a variety of methods we have filled all vacant qualified engineering positions.
Team Leaders & Supervisors	Currently there is a shortage of internal candidates with the necessary qualifications, experience and the willingness to undertake supervisory roles, particularly in the construction and maintenance sections.
Building Surveyors	Difficulty recruiting those with extensive experience
Town Planners (with experience)	Historically a shortage of supply, but recently in less demand due to general reduction in building work across local government.
Environmental Health	Difficulty recruiting those with extensive experience.

Organisations experiencing both skills shortages and constrained employment budgets may increase their reliance on external contractors. The positives include quick implementation of expertise into delivering a project/service without the long term employment costs. The negatives include lack of skill development of existing staff which has a flow on effect through reduction of ongoing human resources capacity; in addition employment costs are masked as contractors may not be considered employment costs but operating costs.

### **Legislative Changes**

Legislative changes or reforms that will impact on local government in the near future include (but are not limited to):

- Paid Parental Leave Scheme - introduced in January 2011, this Federal initiative provides more support for parents, therefore not compelling them to return to work as quickly. Further, there are additional costs associated with the 'top up' payments for women as well as the secondary carer.
- The Local Government (General) Amendment (Long Service Leave) Regulation 2011 - commenced 18 February 2011. This regulation enables councils to approve an employee's application for Long Service Leave to be taken at double pay or half pay. If Council were to approve applications for half pay, then there are implications for the operations of the business. If it is necessary to continue with the services, rather than suspend it, then Council will bear additional employment costs and may also experience a loss of skills for the duration of the leave.

### **Political Environment**

Functions from State and Federal Governments are from time to time devolved (i.e. cost shifting) to Local Government, often with little funding to undertake such functions. The Government of the day also drives initiatives that will have longer term impacts on the labour market. Examples of current areas of reform include the education sector and changes to the skilled migration program and population policy.

### **Technological Changes**

Organisations can pay a price for the lack of information technology literacy among workers, including reduced productivity. Changes in technology present unique challenges to both employees and employers. According to the National School Boards America's Change and Technology Education Leadership Toolkit<sup>8</sup> more than half of new jobs require some form of technology literacy.

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<sup>8</sup> National School Boards America's Change and Technology Education Leadership Toolkit, <http://www.nsba.org/sbot/toolkit/tnwp.html> (April 2010)

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A report by the Information Technology Association of America warned that one out of every ten jobs requiring information technology skills is going unfilled due to a shortage of qualified workers. The report cited a decline in graduates with appropriate tertiary qualifications and or job related experience. In Australia, with both an ageing workforce and a workforce still challenged with low level foundation skills in language, literacy and numeracy, this issue will continue to be challenging for employers.

Skills Australia recommends that to ensure potential productivity growth and more fully realise change, new tools to equip organisations to more effectively use the skills, expertise and talent of their existing employees<sup>9</sup> are required. Training and skills development costs will remain a constant expense for organisations.

### **Environmental Changes**

Employee expectations reflect those of the wider local and global community. Employees want to work for organisations that value the environment and incorporate sustainability into all aspects of their operations.

Issues such as global warming, climate change, carbon emission trading schemes, and water conservation will continue to be major issues to be addressed in the coming years.

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<sup>9</sup> Skills Australia Publication: Australia Workforce Futures: 2010 A National Workforce Development Strategy, <http://www.skillsaustralia.com.au>, April 2010

## 5. Current Workforce Analysis

The primary sources of data on Cabonne Council's current workforce are:

- Fujitsu's Human Resources Information System (HRIS) and Payroll databases
- Consultation with Senior Management
- Consultation with Extended Senior Management

### Staff Establishment

Council's budgeted staff establishment is 177 full time equivalent (FTE) positions as at 2011/12. This comprised of full time, part time and casual workers.

Casuals are employed in the following Divisions of Council:

- Community Services - mainly After School Hours Care
- Environmental Services - mainly as casual on call Transfer Station Attendants

### Workforce Diversity

The following gender data demonstrating Council's workforce diversity is as at April 2010:

Division	Male FT & PT	Female FT & PT
General Manager's Staff	3	3
Finance & Corporate Services	9	25
Engineering and Technical Services	110	7
Environmental Services	6	7
Total FT and PT Headcount (172)	128	42

Overall, the gender balance of full time and part time staff is relatively unbalanced, with approx 75% male and approximately 25% female. There are almost triple the numbers of males employed full time compared to females; and all part time employees are female.

Anecdotally, this is largely thought to be due to more females taking on the role of primary carer and wishing to participate in the workforce on a part time basis. This reflects positively on our attraction and retention strategies - Cabonne Council is a family friendly workplace with the ability to negotiate flexible working hours and arrangements.

Council's workforce is generally reflective of the local community and Council remains committed to ensuring the diversity of its workforce is in line with its EEO Management Plan. A key strategy of our Workforce Strategy will be to improve the collection of data through HRIS and payroll systems.

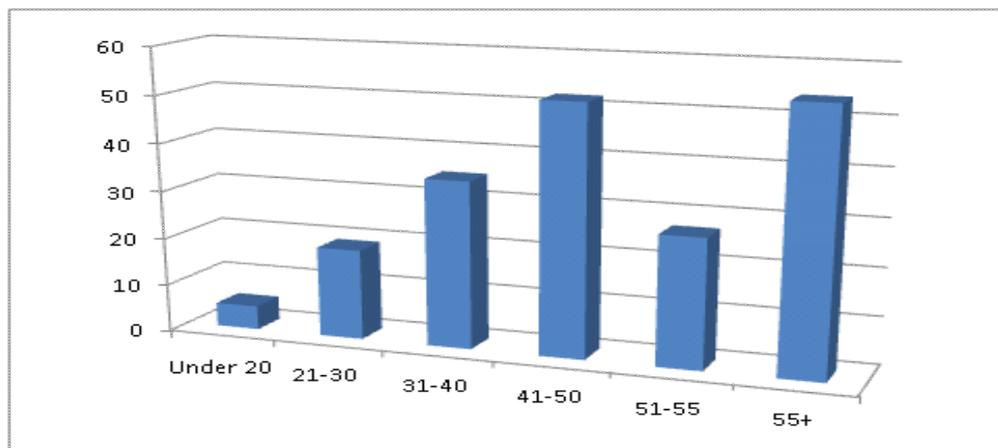
## Workforce Demographics

Council has 54 (31%) permanent staff members over 55 years of age, of whom 25 (14%) are over 60 years of age. Despite the recent financial downturn, these staff

may be planning to retire in the short to medium term and so it will be critical to ensure contingency plans are in place and that transfer of corporate knowledge occurs before they retire.

This demographic profile highlights future internal labour supply issues for Council. Most employment markets will experience pressure to boost workforce participation and increased competition for talent.

Figure Age demographic of Cabonne Council staff



## Length of Service

Figure 5.3 shows the percentages of staff engaged for ten year plus range to be higher than those employed for less than five years.

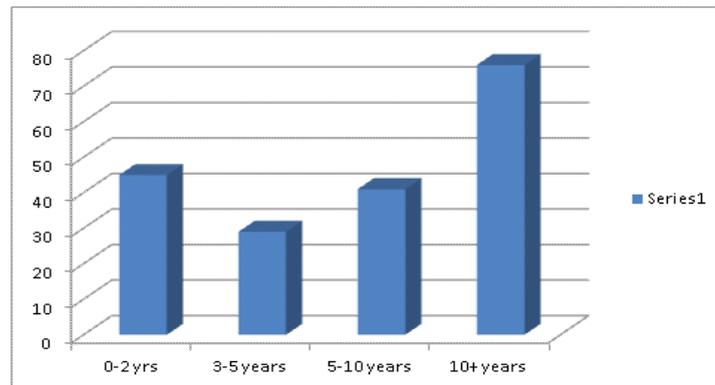


Figure Length of Service, as at 1 November 2011

A desirable turnover rate may be considered to be approximately 10% - 12% per annum. Council's turnover rate has been below the 12% mark for the last 2 financial years.

Turnover Rate	08/09	09/10	10/11
Calculated as a % of FTE)	(12.4%)	(11.9%)	(11%)

- During 2008/09 Council finished a review of its salary system.
- In 2009/10 and 2010/11, the decrease in turnover may be as a result of the ongoing effects of the GFC.

These statistics highlight that maintaining market competitiveness is essential to achieving the balance of attracting the right people with the right skills. Maintaining market competitiveness will have an impact on employment costs, through salary packages that reflect market rates and include market recognised incentives such as motor vehicles, retention bonuses, flexible work practices and learning and development opportunities.

## Leave Entitlements

One of the most significant indicators of an organisation's strength and vitality can be measured through the level of unscheduled absences. The following table compares recent leave data:]

Unscheduled Absences	06/07	07/08	08/09	09/10	10/11
Total Unplanned Leave Hours (ie Sick Leave + Carer's Leave	10,249	10,344	9,424	8,818	13,088

<sup>11</sup> Data drawn from Council's payroll system.

## Employee Costs

As outlined in Council's LTFP, in order to meet its obligations to the community in the future, it is important for Council to manage its operational expenditure, of which a substantial proportion is its employment costs.

The LTFP indicates that, whilst maintaining the current staffing levels, total employment costs have been forecast to increase by 4.25% per annum (taking into account such factors as Award increases, salary step increases as a result of performance appraisals, and employer superannuation liabilities). With inflation being forecast at approximately 3%, this is 1.25% above inflation.

As shown in the table employment costs as a percentage of revenue from rates from 2007/08 to 2010/11:

- Increased 32% over four years
- Rates, revenue and other charges increased by 9%
- As a percentage of rates revenue and other annual charges increased from 85% to 103%

Expenditure (\$'000)	07/08	08/09	09/10	10/11
Employment costs	8,099	10,651	10,652	10,696
Total rates and Annual Charges	9,451	9,721	10,302	10,302
Employment costs (as a %)	85%	109%	103%	103%

Changes in employee costs impact both on revenue and expenditure. Terminations will impact on the employee entitlements' reserve, employee entitlements' liability as well as recruitment and training costs.

The following analysis details what drives Cabonne Council's employee costs:

### Award Increases

The known Local Government (State) Award increases commencing on or after 1 July 2012 include:

- 3.25% increase effective from 1 July 2012
- 3.25% increase effective from 1 July 2013

### Market Competitiveness

Council aims to provide a fair reward system for employees which allows for internal equity and external competitiveness.

Council typically compares itself against the neighbouring councils. The comparison takes into account top and bottom of salary ranges and some market loadings and retention bonuses required in specific, hard to recruit positions.

### Salary System

The Local Government (State) Award requires that each Council establishes a salary system and provides for a system of progression through a salary range. Council's salary system has established a series of grades for each position, based on a job evaluation system and market comparisons. Staff are able to progress through their salary grade range in compliance with Award requirements, and in many cases progress through a range of grades. It should be noted that skills step increases are paid on top of Award increases.

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In 2009 Council, in consultation with employees and Unions, reviewed its salary system in order to make it a more sustainable and fairer system. All positions were re-evaluated, and positions identified that possess a range of grades.

In summary, analysis of Council's current workforce helps us to identify potential risks to the delivery of services. This information helps us better understand the structure of our current workforce, its strengths and weaknesses and the external factors that can influence current and future labour demand. The next workforce planning step involves analysis of our labour demands and gaps in relation to our ability to deliver projects and services that help achieve the community's long term goals.

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## 6. Forecasting Future Needs

After analysing the current workforce data, comparisons can be made between current supply levels and forecast labour demand based on the priorities outlined in the Community Strategic Plan and Delivery Program.

This workforce planning step requires identification of internal and external changes and developments that Council is likely to face in the future in order to meet the community's long term goals. This includes developing an appropriate workforce operational structure, identifying the skills required to meet the objectives outlined in the Delivery Program and consideration of emerging technologies.

Forecasting Council's future needs includes identifying what capabilities, competencies and service levels are needed in our workforce. It is vital to recognise that some positions are strategically more critical than others<sup>12</sup>.

Cabonne Council will forecast future needs by the Development of strategies to enable Council to achieve its future workforce needs, including preparation of contingency plans for all key positions (in progress).

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<sup>12</sup> The responsibilities of some positions are critical to Cabonne Council. The focus is on the scope of the position not the incumbent. If such positions were to be vacated Council may not be able to provide services/programs to expected levels of service.

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Each Division/Department will need to prepare contingency plans for every position identified as “difficult to recruit” i.e. identified as critical positions.

Contingency planning aims to ensure business continuity if any of the employee(s) in these positions were to leave the organisation or be absent for a period of time. Contingency planning may include identifying other employees who could undertake the role, if needed. Council is conscious of the need to “grow our own” through the provision of appropriate learning and development and career progression opportunities, so that employees are well equipped to compete as internal applicants.

The development of contingency plans will be prioritised using a risk management approach, i.e. taking into consideration a number of risks including:

- Knowledge Risk - a person has a high level of experience or specialist knowledge not available to others;
- Skill Risk - operating a specialist technology or process that no-one else can operate;
- Financial Risk - substantial loss of revenue/income
- The number of employees who undertake the role; and
- Service Level expectations.

This aspect of workforce planning involves identifying gaps in the level of supply versus the level of demand, against projects and services in the Community Strategic Plan and Delivery Program. Once gaps are identified, strategies can be developed to address these gaps. Gaps may be where:

- Demand exceeds supply, including Council's current workforce; and/or
- Supply (including Council's current workforce) exceeds demand.

## 7. Workforce Management Improvement Plan

### Key Focus Areas

The focus of Council's Workforce Strategy 2013-2017 is to retain "its best" and maintain a qualified and capable workforce able to meet service expectations.

The reality is that Council will be operating in a "restrained, non-growth" period where budgets and resources are limited and where there are ongoing pressures to "do more with less".

The outlook is that the competition for talented staff will once again increase as a result of the increasing number of signs of strength of the Australian economy. Employees who have 'held onto their jobs' valuing the job security offered by Local Government may soon begin to look elsewhere, or may begin to show signs of burn-out or lowered morale. Talent retention, once again, will need to become an organisational priority:

- Council's leaders need to be prepared for managing staff in this period of change, to ensure our employees are productive and engaged.
- Council's attraction and retention policies need to be considered and resourced over the long term, to embed Cabonne Council as an 'Employer of Choice' and ensure the long term sustainable success of the Council.

Given that a number of Council's key, experienced staff members (including members of the Senior Management Team) may consider retirement during this time, there also needs to be a strategy on "slowing down the flow" to retirement and the development of contingency plans to cover any short or longer term absences.

Further, Council needs to constantly be on the lookout for "new ways of working", focusing on opportunities for low-cost workplace innovation, opportunities to be "resource smart" or to tap into resources, e.g. funding that may become available via the Australian Centre of Excellence for Local Government (ACELG) initiatives.

The Draft "Local Government Workforce Development Blueprint 2009" from Local Government Workforce Development Steering Committee 2009, part of ACELG, states that:

*"...the sector will need to look at how it structures jobs and the workplace. Through smart redesign of job functions and the adoption of progressive employment practices, local government can develop more "demand" side solutions to skills shortages to overcome predicted ongoing limitations in supply."*

The strategies that follow have been categorised under five headings or Key Focus Areas. The following summarises the key issues and priorities for each of the five focus areas:

### **Workforce Structure and Requirements**

To deliver services as stated in our 2025 Vision and Delivery Program and meet statutory obligations, Council needs to have an effective, efficient and flexible organisational structure with appropriate staffing levels.

As an organisation we also need to be able to respond to emerging priorities, objectives and changes expected to our workforce demographics in the short and medium term.

An analysis of workforce requirements also requires good data collection and information management systems. This focus area also takes into consideration some of the major issues facing council including future skills shortages and business continuity planning.

### **Workplace Equity and Diversity**

Section 345 of the Local Government Act details the requirements for Council's EEO Management Plan and the Local Government (General) Regulation 2005 details the requirements for reporting on activities to implement Council's EEO Management Plan.

Council recognises that the benefits of applying EEO principles include:

- Maximising the potential recruitment pool available to Council
- Council's workforce better reflects the community it serves and in turn better understands the issues affecting its local community
- Making Council's programs accessible to its diverse community; and
- Better achievement of the community's aims as expressed in the 2025 Vision.

This focus area also encompasses a number of initiatives addressing women's participation in local government, particularly in leadership roles as well as attracting and retaining both young workers and mature employees. Council will continue to provide opportunities for young people via formal opportunities for the employment of trainees and apprentices and informal opportunities such as work placements.

To increase productivity and employee engagement we will continue to assist our employees with low levels of English literacy, numeracy and technological skills to better use their skills and improve their social participation in work as well as in their communities. Council recognises the importance of valuing differences and maximising the benefits of diversity in a planned way.

### **Workplace Governance**

It is important to have clear, documented and transparent policies and procedures which are easily accessible by all staff, regularly reviewed and consistently followed. Council's Code of Conduct, policies and the Local Government (State) Award are available to all staff via Council's intranet, website and document management system. Council has a range of policies relating to matters including the following:

- Recruitment
- Equal Employment Opportunity
- Bullying and Harassment
- Workplace Health and Safety
- Training and Development
- Education Assistance
- Councillor Access to Information and Staff

This focus area requires a progressive review of all Staff Policies to ensure that they maintain currency and provide a best practice approach to governance and employee relations.

### **Employee Support and Development**

Research shows that organisations that invest in the learning and development of their people realise higher productivity levels, increased employee satisfaction, improved morale and reduced absenteeism. Investing in learning and development assists our employees in realising their potential, whilst at the same time providing Council with a skilled, capable and flexible workforce that can effectively respond to changing business needs and that can maximise the benefits of technological developments.

The achievement of both the community and Council's strategic goals and objectives can only be achieved by supporting, training and developing current staff and attracting new, competent and qualified employees. In order to compete effectively with other employers in both the public and private sectors, employment branding, competitive salaries and other benefits need to be reviewed in line with Council's policies and budget.

By fostering a work environment in which excellence is encouraged, recognised and celebrated and continuous learning is "the norm", Council will be better equipped to satisfy community expectations into the future.

### **Employee Wellbeing**

Organisations, in which employees are fit and healthy and have a good work/life balance, experience reduced turnover, reduced incidents/injuries and increased employee satisfaction. It is vital that Council assists employees to maintain their health and wellbeing so that they are able to continue working productively for as long as they desire as well as enjoying their leisure pursuits and/or retirement. As outlined previously Cabonne Council has an ageing workforce and it is quite likely that more employees will continue to work later than their predecessors.

This focus area encompasses a range of programs including:

- Safe Work Practices - promoting a culture of zero harm
- Health and Wellbeing
- Work/Life Balance - job design and flexible work arrangements
- Financial Wellbeing
- Social Wellbeing
- Fair and Ethical Workplace

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## 8. Resourcing Our Workforce Strategy

Implementation of the Workforce Strategy is directly aligned with the objectives of the Community Strategic Plan and Delivery Program. Responsibilities have been allocated within the 4 year Action Plan.

The cost of implementing the Workforce Strategy has been incorporated within Council's 2013/14-2016/17 financial estimates and accompanying LTFP. However, it should be noted that this Strategy reflects Council's intentions at the time of publication. As with any plan or budget, the actual results may vary from that forecast.

The responsibility for implementing Council's Integrated Planning and Reporting Framework including the Workforce Strategy rests on all stakeholders at Cabonne Council. However, the level of responsibility differs amongst the various stakeholders. The following outlines the key stakeholders' roles and responsibilities:

- The Mayor and Councillors delegate responsibilities to the General Manager and senior staff to develop and oversee the implementation of the 2025 Vision, Delivery Program and Resourcing Strategy in accordance with the legislation and Guidelines as well as leading community engagement;
- The General Manager is responsible for overseeing the preparation of Council's Integrated Planning and Reporting Framework and reporting progress and performance regularly;
- The Senior Management Team is responsible for ensuring the key focus areas and related strategies for 2013-2017 are agreed and resourced;
- Council's Human Resources Manager provides support to the Senior Management Team and is responsible for monitoring implementation and performance reporting;
- Managers and staff are responsible for supporting the Senior Management Team in implementing the 2025 Vision, Delivery Program, annual Operational Plans and the individual components of the Resourcing Strategy.

Consulting staff when developing an appropriate workforce structure is beneficial to the change management process required to drive any significant changes and improve ownership of the Workforce Strategy.

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## 9. Monitoring and Evaluation

Council will periodically monitor and evaluate implementation of the four-year Improvement Plan to ensure it is appropriate to workforce needs.

Performance will be monitored by Council's Senior Management Team via annual progress reports tracking implementation of the Implementation Plan and the key performance indicators outlined below. These reports will be prepared as part of annual budget preparations. Monitoring will be complemented by quarterly performance reporting against related projects and services as outlined in Council's annual Operational Plans, Council's Annual Report and via feedback provided by key stakeholders as part of the implementation process.

Key Focus Area	Key Performance Indicators
1. Workforce Structure and Requirements	<ul style="list-style-type: none"> <li>• Number of equivalent full time staff</li> <li>• Contingency plans in place</li> <li>• Number of new apprenticeships and traineeships</li> </ul>
2. Workplace Equity and Diversity	<ul style="list-style-type: none"> <li>• Proportion of employees working across age groups, gender and cultural background</li> <li>• EEO statistics</li> </ul>
3. Workplace Governance	<ul style="list-style-type: none"> <li>• Currency of HR policies</li> <li>• Number of staff who have completed Code of Conduct training.</li> </ul>
4. Employee Support and Development	<ul style="list-style-type: none"> <li>• Performance Planning and Assessment (PPA) System in place</li> <li>• Staff perceptions of training and development (identified through Employee Survey)</li> <li>• Employee engagement level (identified through Employee Survey)</li> </ul>
5. Employee Wellbeing	<ul style="list-style-type: none"> <li>• Proportion of employees working in part time and flexible arrangements</li> <li>• Staff perceptions of flexible working arrangements (identified through Employee Survey)</li> <li>• Staff turnover</li> <li>• Number of Incidents/injuries</li> <li>• Unplanned absences</li> </ul>

Evaluation will include reviewing and amending strategies, as required, where goals are not being achieved or where changes affect set goals and strategies. Recommendations will be incorporated into Council's workforce planning cycle that will align to the term of Council.

## Appendix 1: Terms Used in this Plan

Baby Boomers	The ABS defines the baby boomers as individuals born between 1946 and 1965. Individuals in this category are currently aged between 46 and 65 and make up the majority of the labour force. A notable feature of this group is that many of them are now approaching retirement.
Budget	The annual financial activities and financial statements Council has adopted to monitor its performance. The budget is subject to an annual audit at the end of the financial year.
Council	Describes Cabonne Council.
Contingency Planning	Aims to ensure business continuity if any of the employee(s) in these positions were to leave the organisation or be absent for a period of time.
Core	Describes those roles which provide services for which there is a high community need and high community/customer need that the service will be provided.
Diversity	Variety in people and community members, of different ages, origins, backgrounds, sexes, religions and culture.
Discretionary	Describes those roles/services, that are not classified as either non-discretionary or core roles. Council chooses to recruit such positions because they assist Council to deliver community expected services in line with priorities identified in the 2025 Vision and Delivery Program.
Employment	This includes people aged 15 and over who are on Council's payroll.
Employment Costs	Are inclusive of Salaries and wages, and on costs such as leave entitlements, superannuation, worker's compensation, training advertising and recruitment (as per tables on page 30).

Engaged	Business management concept that measures an employee's emotional commitment to and satisfaction with the workplace.
Family/Carer's Leave	An Award condition whereby an employee may take leave for the purposes of caring for persons, as defined in the Award, when they are ill.
Generation X	Generation X is a term given to individuals born between 1966 and 1979. Individuals in this category are currently aged between 32 and 45. Many of these individuals are parents of young families and have significant debt. Unlike the Baby Boomers, this generation represents a time of decline in the birth rates.
Generation Y	Generation Y is a term given to individuals born between 1980 and 2000. Individuals in this category are currently aged between 11 and 31. Hence these individuals are new to, or soon to be new to, the workforce. Many of these individuals are singles or young couples. This generation is known to be technologically savvy and adaptable, having grown up with the internet and widespread use of other technologies such as mobile phones.
Hotspots	Term to describe jobs that are difficult to fill due to supply shortages.
Labour Force	This includes the total number of people employed and unemployed. The labour force represents labour supply.
Leave without Pay	Unpaid leave of absence.
Median	The middle number in a group of numbers, that is half the numbers are greater than the median, and half the numbers are less than the median.
Mode	The most frequently occurring number in group of numbers.
Non-discretionary	Describes those roles which provide services that Council has a statutory obligation to provide.
Ordinary Hours	Hours not including overtime, not workers compensation, not additional hours.

Participation Rate	The percentage of the population aged 15 and over that is in the labour force.
Quadruple Bottom Line (QBL)	A reporting device and an approach to decision making (eg the use of reporting and decision making tools) to understand the social, environmental, economic and governance
Road Distance	Assumed to be 1.25 x "Direct Distance".
Strategies	A way of achieving the objectives, goals or target. Each objective or goal will be supported by one or more strategies. Some strategies may support more than one objective or goal. A strategy should be achievable within a timeframe, measurable and resourced.
Supply analysis	An analysis of the availability of staff to fill vacancies.
Sustainability	Maintaining and enhancing quality of life, while ensuring the viability of the community, now and in the future, through an integrated consideration of social, environmental, economic and governance factors.
Total Hours Employed	Includes all hours, actual, additional, overtime, workers compensation, leave hours etc.
Unscheduled absences	Refers to sick leave and carers' leave.

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## List of Acronyms

<b>ABS</b>	<b>Australian Bureau of Statistics</b>
<b>AGELG</b>	<b>Australian Centre of Excellence for Local Government</b>
<b>CSP</b>	<b>Community Strategic Plan</b>
<b>CTD</b>	<b>Corporate Training and Development</b>
<b>CPI</b>	<b>Consumer Price Index</b>
<b>CRM</b>	<b>Customer Request Maintenance</b>
<b>DCP</b>	<b>Development Control Plan</b>
<b>DP</b>	<b>Delivery Program</b>
<b>EEO</b>	<b>Equal Employment Opportunity</b>
<b>FT</b>	<b>Full Time</b>
<b>FTE</b>	<b>Full Time Equivalent</b>
<b>GFC</b>	<b>Global Financial Crisis</b>
<b>KPI</b>	<b>Key Performance Indicator</b>
<b>HR</b>	<b>Human Resources</b>
<b>HRIS</b>	<b>Human Resources Information System</b>
<b>LEP</b>	<b>Local Environmental Plan</b>
<b>LG</b>	<b>Local Government</b>
<b>LGA</b>	<b>Local Government Area</b>
<b>LGMA</b>	<b>Local Government Managers Australia</b>
<b>LTFP</b>	<b>Long Term Financial Plan</b>
<b>NSW</b>	<b>New South Wales</b>
<b>OHS</b>	<b>Occupational Health and Safety</b>
<b>OP</b>	<b>Operational Plan</b>
<b>PT</b>	<b>Part Time</b>
<b>QBL</b>	<b>Quadruple Bottom Line</b>

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