



*.....Our Valley*

*My Council*

*One Future*

# **Strategic Organisational Action Plan 2015-2020**

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# Introduction

This *Strategic Organisational Action Plan 2015-2020 (SOAP)* has been developed for the purpose of guiding Clarence Valley Council in their long term strategic aim of sustainability.

In early 2012, Clarence Valley Council undertook a review of their overall operations which led to the development and formal adoption of the initial *SOAP*. Over the past 3 years this Plan has been the basis on which Council has implemented its current change program.

Since the development of the initial *SOAP* other influencing factors have arisen. In particular, the state government-imposed "Fit for the Future" program now requires Council to formally demonstrate financial responsibility and operational sustainability. As such, it is now considered to be an opportune time to reconsider the *SOAP* in the context of these additional requirements.

The fundamental aim of this *SOAP* is the achievement of organisational sustainability. Sustainability is all about survival and as an organization Clarence Valley Council must operate in a manner which ensures that it survives.

When Clarence Valley Council was formed in 2004 from the amalgamation of Grafton City Council, Maclean Shire Council, Copmanhurst Shire Council, Pristine Waters Council, North Coast Water and Clarence River County Council a significant amount of time and resources was needed to enable formation and ensure service delivery. With 11 years now passed, the Council must continue to implement a change program that works to collectively unite the organisation into a single sustainable operation.

As an organisation, for Clarence Valley Council to be sustainable it must be:

- **Effective** in that it provides the services and meets the demands of its community within its capacity
- **Efficient** in that it is responsible with its finances and seeks to achieve the best return on investment for its constituents
- **Environmentally focused** so as not to cause harm to the environment when undertaking its activities
- **Governance orientated** to ensure that all processes are undertaken in an accountable and transparent manner and that all legal obligations and responsibilities are observed.

This *SOAP* has been designed to introduce new processes and change the way Council currently operates so as to move the organisation towards its fundamental goal of sustainability. As a plan, it is considered to be high level with much more detailed planning required for implementation. However, the Plan sets the basic direction for Council as an organisation so as to achieve an organisationally sustainable future.

This *SOAP* is broken into eight (8) functions, each relating to specific areas of Council's operation. Whilst each area has separate actions to be implemented, they are all intrinsically linked to form a collective and comprehensive approach to organisation sustainability.

It is acknowledged that the implementation of the proposed changes will take some time and will need to be embraced by both the Council and its employees. However, Council is confident, that in time, the proposed changes will progressively result in an organisation which is not only sustainable but also more responsive and output focused.

The *Strategic Organisational Action Plan 2015-2020* is essentially our operational change blueprint for the future.

Scott Greensill  
**General Manager**

# 1. Strategy and Governance

The leadership and decision making capability of any Council is a fundamental component of good local government. At Clarence Valley Council, the elected members are ultimately responsible for an organisation which employs over 600 people and administers an asset base valued at approximately \$2.0 billion. The stewardship responsibilities of Councillors are therefore significant and as such it is important that the elected members are provided with the necessary assistance, skills and training in order to effectively undertake their roles and responsibilities and to lead the Council into the future.

The *SOAP* recognises the integral role played by the elected members and provides a series of proposals intended to ensure that the elected members receive the necessary information and training on a progressive basis to successfully undertake their stewardship responsibilities for the betterment of the Council and the community that they serve.

Objective	Action 2015	Action 2016	Action 2017	Action 2018	Action 2019
1. Prepare a general induction workshop for Councillors following the September 2016 local government quadrennial election.		October 2016			
2. Review Council's strategic position post 2016 quadrennial election to determine suitability of current Community Plan, and implement any changes that arise from the assessment. This includes the development of a new 4 year Delivery Program to coincide with the term of the new Council as per Integrated Planning & Reporting requirements.			January 2017 - June 2017		
3. Arrange and engage a suitably qualified and experienced consultant to prepare and facilitate an Elected Member Professional Development Program.			January 2017 - December 2017		
4. Arrange and engage a suitably qualified and experienced consultant to prepare and facilitate re-fresher training for elected members on matters relevant to the ongoing governance requirements of Council.	As required	As Required		As required	As required
5. General Manager or other officers to conduct workshops and additional information sessions on issues as required with a view to developing a more comprehensive understanding and appreciation of corporate planning and operational processes.	As required	As required	As required	As required	As required

## 2. Asset Management

Clarence Valley Council currently owns and administers an estimated total of \$2.0 billion of assets. The significant value and variety of assets means that failure to adequately manage the assets can, in itself, create a major and unnecessary cost burden which Council then needs to contend with.

Assets are the fundamental basis that enables Council, in many instances, to provide service delivery and includes core infrastructure such as roads, water and sewerage. Needless to say, the effective management of these assets is critical to the community.

Assets maintenance, depreciation, renewal and replacement all need to be carefully considered. However, due to the enormity of the collective assets an over-estimate or under-estimate of requirements can have significant long term ramifications for Council and, in particular, with our ability to fund future demands and projects. As such, the importance of having an asset management system which accurately measures and determines future requirements is therefore critical to long term sustainability.

The continual development and enhancement of Council's Asset Management System is considered an essential part of achieving a sustainable and responsible organisation. As Council's Asset Management System develops so will the accuracy and reliability of the data produced therefore enabling improved confidence in associated strategic decision making processes. As such, it is important to appreciate that an effective and beneficial asset management system is a continual "work in progress" that needs to be assessed and developed for the betterment of the organisation and the community

Objective	Action 2015	Action 2016	Action 2017	Action 2018	Action 2019
1. Develop a centralised and unified Asset Management System incorporating consistent and simplified methodologies which will provide meaningful information so as to enable informed decision-making processes to eventuate.	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
2. Continual review and assessment of all physical assets with a view to identifying usage and relevance to Council requirements, and to enable improved usage or potential rationalisation of under-utilised and surplus assets to occur.	Continue evaluation process	Completion of evaluation process and implementation of findings	Implement findings	Implement findings	Implement findings
3. Develop and implement a system of condition auditing and assessment to be applied across all of Council's assets for replacement and renewal to be undertaken on a prioritisation basis.	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
4. Formulation of detailed and realistic preventive maintenance plans for all Council assets so as to extend useful life and reduce long term costs based on adopted levels of service and available funding.	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
5. Identify the funding "gap" required for asset maintenance and replacement and prepare a strategy to address the same.	Mid 2015	Implementation of strategy	Implementation of strategy	Implementation of strategy	Implementation of strategy
6. Ongoing re-evaluation of assets and depreciation methodologies based on adopted service levels and identified risk profiles.	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
7. Through the application of a Major Project Evaluation process ensure that all major assets are acquired having had due consideration of "whole of life costs" and subsequent replacement and renewal.	As required	As required	As required	As required	As required

## 3. Organisation Structure

Council's employees are a major resource which Council administers and manages. Currently having approximately 660 employees which equates to approximately 550 full time positions, the managing, arranging and housing of employees contributes significantly to the delivery and overall effectiveness of Council's operations and services.

In order to achieve the optimum employee arrangement it is imperative that an organisation reviews its structure on a periodical basis to ensure that the structure can deliver the desired strategic outcomes.

In accordance with s333 of the Local Government Act 1993, every council in NSW is required to review its organisation structure within one year following the completion of a quadrennial election. With the NSW local government elections scheduled for September 2016, it will be timely to commence the preliminary assessment and preparation work in mid 2016 so as to have a draft organisation structure ready for review and consideration by the newly elected Council.

How employees are housed and grouped also has a significant impact on the provision of services and as such the location and working environment which employees are engaged also needs to be considered as part of the structure review.

Objective	Action 2015	Action 2016	Action 2017	Action 2018	Action 2019
1. Commence preliminary research and preparation for the development of a new organisation structure for presentation and consideration by the newly elected Council following the quadrennial election in September 2016.		Commence July 2016. Presentation to Council November 2016			
2. Adoption and implementation of new organisation structure.			January - June 2017		
3. Review work location arrangements progressively across the organisation with particular consideration to improved asset utilisation and service delivery.	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
4. Continuous rolling operational reviews of individual business units and implementation of progressive changes where considered necessary in line with identified service delivery standards and associated methods of delivery.	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing

## 4. Financial Management

To be sustainable we must know not only what our current financial position is but what our future financial position is likely to be. This requires the ability to accurately forecast changes in our financial position so as to ensure that the decisions we make today are not going to create an unwanted long term financial burden for future councils to contend with and ultimately the community to fund.

To achieve this position an improved focus on all aspects of our financial management is required so that well-assessed, informed and considered financial decisions can be made by Council.

Fundamental to good financial planning is the ability to model and scenario plan so the impact of a possible decision can be considered before any long term commitment is made.

In order to make improved financial decisions the Council, as primary decision makers, also need to be trained and skilled in financial planning and interpretation.

The need for improved financial reporting and forecasting is also highlighted with the obligation to meet the timeline imposed by the NSW state government in the "Fit for the Future" program. The proposed actions identified in the *SOAP* are being undertaken so as to achieve the long term objective of organisational sustainability which is consistent with the reporting requirements as detailed in the "Fit for the Future" program.

Objective	Action 2015	Action 2016	Action 2017	Action 2018	Action 2019
1. Provide appropriate training for elected members to assist with the interpretation and understanding of local government finance and associated report interpretation.	Periodic	Detailed training program - post September 2016	As required	As required	As required
2. Utilise modelling software to develop 10 year financial plan incorporating identified operational changes with a view of achieving organisational sustainability and to satisfying the timeline as required with the "Fit for the Future" program. This will involve detailed scenario planning and modelling so as to adequately assess the long term financial ramifications of Council's proposed actions and decisions.	Current. "Fit for the Future" proposal required by 30 June 2015.	Ongoing	Ongoing	Ongoing	Ongoing. Demonstrated Financial Sustainability in accordance with the "Fit for the Future" program by 30 June 2019.
3. Formulate a new Debt Management Policy to reflect changes to long term borrowing strategies and objectives so as to demonstrate financial responsibility and stewardship.	Strategy and policy developed by 30 June 2015.	Periodic review	Periodic review	Periodic review	Periodic review
4. Where possible seek to align revenue-raising through fees and charges to reflect the service provided and maximise revenue raising opportunities in addition to rating.	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing

## 5. Performance Management

It is important during a change process that we can assess our operation to ensure that performance is improving. As such, the ability to assess ongoing performance forms the basis of a continuous change program which is central to effective organisational performance management. The initial *SOAP* document identified the need for improved performance management which in turn led to the formation of a specific operation unit dedicated to this function. Performance management systems have subsequently been developed and will further be enhanced through the ongoing development of meaningful performance measurement of Council's service delivery and the meeting of community standards and expectations.

Objective	Action 2015	Action 2016	Action 2017	Action 2018	Action 2019
1. Undertake a community satisfaction survey with a view to determining community service standards and expectations and utilising the results obtained from previous surveys for comparative purposes.		Late 2016			
2. From the community satisfaction survey, review all existing service standards and where possible make changes to reflect the community's needs.			Early 2017 followed by implementation	Implementation where possible	Implementation where possible
3. Undertake a detailed service level review of each respective business unit of Council with a view of determining suitable service standards to satisfy community expectation and in consideration of financial limitations.	Mid 2015			Mid 2018	
4. Where possible link identified performance and service standards through the establishment of Key Performance Indicators to individual employee performance so as to create "ownership" for outcomes and the meeting to the desired standard.		Early 2016	Periodic Review		Early 2019

## 6. Culture and Learning

Organisational culture is central to overall organisational effectiveness and efficiency. A legacy of amalgamation is the existence of differing and in some cases conflicting work practices and processes across the various work locations in the local government area. It is important that parity in work practices exists so as to avert conflict and develop a unified and integrated work force.

A fundamental component of developing a strong organisational culture is through the provision of suitably targeted employee training and learning programs. The development of a learning organisation creates the foundation for a culture of workplace improvement and as such both culture and learning are considered to be integral to effective and efficient organisational performance and service delivery.

Objective	Action 2015	Action 2016	Action 2017	Action 2018	Action 2019
1. Undertake a cultural analysis of the organisation with a view to determining actions to overcome and issues identified.		Early 2016			
2. Undertake actions to address identified cultural issues.			Continuous	Continuous	Continuous
3. Undertake a training and learning needs analysis and develop a program to address the identified areas of need.		Early 2016			
4. Implementation of Learning and Training Program.			Continuous	Continuous	Continuous

# 7. Customer Service

Every employee of Council in their own way is a customer service officer of Council. As such it is important that Council works to develop a customer service culture and that all employees are trained and understand the importance of good customer service.

Objective	Action 2015	Action 2016	Action 2017	Action 2018	Action 2019
1. Review existing Customer Service processes with a view to identifying areas of improvement and implement the identified changes as required.		Early 2016		Early 2018	
2. Undertake whole of organisation training on customer services principles and required practices.	Initial whole of organisation training - late 2015	Inductions and refreshers as required			
3. Adopt Customer Service Policy	Adopt by 30 June 2015	Implementation	Implementation	Implementation	Implementation

## 8. Consultation and Communications

Whilst councils are expected to undertake wide ranging consultation and communication, the effectiveness of this process is often questionable. It is important that a targeted approach to each individual process is undertaken to ensure that meaningful information and feedback is given and derived in the most effective and efficient manner. Central to this will be the development of communication and consultation policies and practices which can be tailored to suit the specific actions to be undertaken. Collectively, these need to be developed under an overarching whole of organisation consultation and communications strategic plan.

How we are perceived by the community can be greatly influenced by how we approach our consultation and communications and the way in which we engage with the media. As such, it is considered important that a "whole of organisation approach" to consultation and communications is required and appropriate policies and practices be developed and implemented.

Objective	Action 2015	Action 2016	Action 2017	Action 2018	Action 2019
1. Review Council current practices in regards to consultation and communication and based on the information obtained prepare a whole of organisation strategic plan that aims to improve Council's image through improved consultation and communications practices	Late 2015				
2. Implementation of Consultation and Communications Strategic Plan		Continuous	Continuous	Continuous	Continuous