



Government of Western Australia
Department of Local Government and Communities



Local
Government

Reform Toolkit

Clear. Structured. Informative.

Elected Member Guide

Contact Details for the Reform Toolkit Partners

If you require further information on any general aspects of the Reform Toolkit, please contact the Reform Toolkit Partners on the contact details below. If you require additional information regarding the functions and actions, please refer to the Helpline in the corresponding function.

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Welcome to the Elected Member Guide

This Guide has been tailored to provide a strategic overview of the Metropolitan Local Government Reform Toolkit for Elected Members.

It supplements and extracts material contained in the Summary Booklet that introduces the Toolkit, which is primarily a comprehensive online resource. The Toolkit is principally for the practitioners who will be responsible for implementing the complex transformational change process of Local Government Reform.

This Guide provides tools and information, including a Strategic Deliverables Checklist, to assist Elected Members in their strategic oversight role.

Visit www.reformtoolkit.com.au to download the Summary and view the Toolkit.

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Introduction

Local Government structural reform represents significant transformational change for the organisations involved.

Merging or partly merging two or more highly complex organisations, while under public and political scrutiny, will be a significant challenge for local government leaders and managers.

Success in the Local Government Reform process will only be achieved through the commitment, tenacity, diligence and leadership of participants at all levels in the organisations involved.

Such complex transformational change needs to be led and managed in a way that ensures a smooth transition for employees and the community. The importance of planning for and delivering a successful Local Government Reform process is significant as it will impact every aspect of the organisation's structures, systems, culture and people.

Leadership, commitment and drive is required during the reform process to ensure that the local governments created through the reform process thrive and ultimately deliver better Local Government to their communities.

During the transitional stages of amalgamation, reform principles are developed to govern and underpin all transitional activities for the future local government's structures and systems. Principles can assist with achieving effective and realistic planning and operational outcomes when applied in an environment of change and high expectation.

Reform Principles

Principle 1: Embrace opportunity and strive for best practice

Principle 2: Attract and retain quality staff and develop career opportunities

Principle 3: Engage community and work together

Principle 4: Increase local government capacity and improve community outcomes

Principle 5: Reduce local government bureaucracy and streamline systems

Principle 6: Deliver open and transparent communication

The Role of Elected Members in Local Government Reform

The Council and Elected Members have a significant role in the Local Government Reform process.

The role of the Council and Elected Members includes community leadership and direction, critical oversight, monitoring the progress of the transition and implementation process, continuously communicating with the community and articulating a vision of an improved future.

Elected Members need to understand the scale and scope of the Local Government Reform process and the strategic objectives that Local Government Reform has the potential to deliver for their communities. The strategic objectives will only be delivered if all participants at every level commit to the process and work in unison.

Effectively leading and managing change will be fundamental to the success of the transition process. Elected Members will have a role in modelling leadership, particularly by supporting the CEO and executive team who are responsible for implementing significant transformational change.

To ensure the reform process is implemented successfully, the Council will need to:

- * **Endorse a comprehensive change management strategy**
Consider and endorse a change management strategy that addresses the major organisational and strategic risks.
- * **Establish accountability**
Ensure that the right people are given the authority to undertake the actions required to implement reform and are then held accountable for delivering the outcomes and strategic objectives.
- * **Allocate resources**
Ensure management has access to the resources required to implement the reform process.
- * **Define and monitor strategic deliverables**
Ensure a system is developed to effectively monitor the progress of the implementation. A strategic deliverables template has been developed for this purpose and is contained in this guide.

Elected Members will be included in the membership of Local Implementation Committees (LIC) that are charged with overseeing the implementation of the Local Government Reform process. The LICs will be the most significant governance vehicle that provides the leadership, resources and drive to successfully implement the transition process.

In addition, there will be expectations that Councils will keep the community informed of the progress of the transition process. The community will expect their Council to articulate the change and guide the development of a vision for the future. Elected Members have the opportunity to be the catalyst for positive change.

The Transition Plan

The reform process has four stages with defined milestones. The key milestones and time-critical tasks are outlined in the table below. They are also highlighted in the Transition Project Plan Template (Microsoft Project and Excel) located in the Project Management function in the online Toolkit.

STAGE 1: REVIEW From now to July 2014

The Review Stage refers to *current state* and identifying what takes place within the existing local governments. The overall aims of the activities and tasks undertaken during Stage 1 are to identify, review, audit and document all the current activities and information such as processes, frameworks, policies, databases and plans that exist within each local government and to identify the common and distinct features of those activities and items.

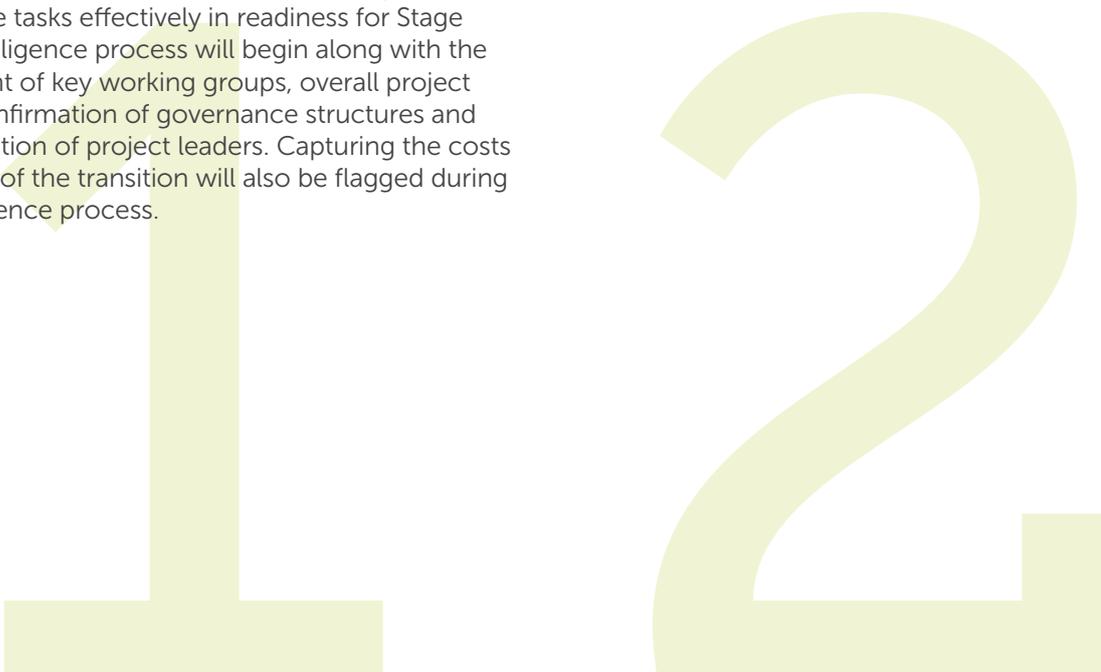
The Governor's Orders have not been released at this point and therefore it is essential that this time is used to review and collate as much information as possible about the current state.

The inventory of information collated will assist staff in understanding and determining the areas that require further analysis and planning, key risks, resources required and time frames necessary to complete the tasks effectively in readiness for Stage 2. The due diligence process will begin along with the establishment of key working groups, overall project planning, confirmation of governance structures and the identification of project leaders. Capturing the costs and benefits of the transition will also be flagged during the due diligence process.

STAGE 2: PLAN August 2014 to March 2015

During this stage, local governments will know how they are affected by the reform changes and with which other local governments they will be merging.

Stage 2 is focused on the exploration, analysis, consolidation and integration of data from the amalgamating partners which will inform decision-making and the development of key plans and strategies. The due diligence process continues as well as the review of services, service delivery, organisational and staffing structures. Consultation with communities, stakeholders and employees continues in addition to regular reporting and risk management. Achievement of milestones and time-critical tasks is paramount.



STAGE 3: MOBILISE April 2015 to June 2015

During this stage, the organisation will need to finalise the interim service delivery model and interim organisational and staffing structures. Consolidation of the Corporate Business Plans for the amalgamating entities will also need to be completed so that the annual budget 2015/16 can be finalised.

Communications will begin to shift from a message of preparation to one of implementation. New systems and processes may also be rolled out to support a smooth transition for customers and employees. Preparation will also continue in readiness for the commencement of an interim CEO and Commissioner(s) if necessary.



STAGE 4: IMPLEMENT July 2015 onwards

July 2015 marks the beginning of a new era and the acknowledgement of the effort and contribution made by all from the merging partners. Implementation is in full swing and will continue for the next six to 12 months.

Managing and supporting the merging of different cultures and norms is a key focus during the implementation stage and will require strong leadership and meaningful engagement with employees. Adjusting local governments will also need to manage the transition as the impact upon employees will be significant with the loss of networks and changes to their workplace environment.

New systems and processes are activated as the workforce begins to adjust to the new structure and way of doing business. For some, it will mean little change and business as usual, for others a more significant level of change with a period of adjustment will be required.

If Commissioner(s) and an interim CEO are appointed, they will commence in their roles. The inaugural meeting of the organisation will take place in July/August 2015 with the annual budget 2015/16, the interim organisational structure and key policies adopted.

The interim CEO or CEO will monitor customer satisfaction levels, the effectiveness of the interim service delivery model and the level of staff engagement. In due course the interim CEO/CEO will commence planning for the October 2015 Council election and the induction program for the newly elected Council, who will then begin the recruitment process for the new CEO if required.

Establishing a vision for the new local government will be paramount and the appointment of the new CEO will see this process continue into late 2015 and beyond.

Governance Structure

A high level committee, the Metropolitan Reform Implementation Committee (MetRIC), has been established to provide advice and oversight for the amalgamation of local governments. The first meeting was held on 29 August 2013.

Currently, membership of the MetRIC comprises:

- * Director General, Department of Local Government and Communities (Chair)
- * President, Western Australian Local Government Association and
- * President, Local Government Managers Australia (WA).

The MetRIC's role is to provide guidance, facilitate information sharing and collaboration, monitor milestones, report to the Minister, and communicate with the sector and the community.

Local Implementation Committees (LIC) and sub-committees

Elected Members will oversee the implementation of the Local Government Reform process. The LICs will be a significant governance vehicle that provides the authority, resources and drive to successfully implement the transition process.



Strategic Deliverables

The Strategic Deliverables in the table below provide a guide to assist Elected Members in their critical oversight and monitoring roles.

The Strategic Deliverables below should be completed by the end of Stage 3 (i.e. immediately prior to changeover day). The reform process will be evolutionary in nature and there will be strategic deliverables produced throughout. For example, during Stage 1, it is advised that a due diligence report that outlines the current state of the Local Government in preparation for the Governor's Orders be produced and considered by the Council.

There are also a significant number of Operational Deliverables that need to be produced during the reform process to guide management and staff.

Project and Change Management	
Change Management Plan	Endorse overall change management plan that outlines the key actions in terms of the reform stages.
Risk Management Plan	Endorse an overarching risk management plan that outlines key strategic, operational and project risks for the new entity.
Interim CEO/Project Director	Review options available for the appointment of a Project Director, Interim CEO and CEO.

Integrated Planning and Reporting and Corporate Governance	
Strategic Community Plan	Consider a consolidated summary plan that outlines strategic directions and endorse an Integrated Planning and Reporting process for the new entity.
Interim Corporate Business Plan	Consider a consolidated Interim Corporate Business Plan, setting out priorities, existing services, projects and other activities such as asset management, workforce planning, long term financial planning, major projects and major contractual arrangements (current or proposed). Consider and determine levels of service.
Interim Service Delivery Model	Review an interim service delivery model to support the service delivery plan including variations to delivery modes (i.e. centralised/decentralised/outsourced) and revised systems and processes.
Policy and Delegations Register	Endorse the interim policy and delegations manuals and authorisations.

Asset Management	
Assets and Liabilities	Review a summary of the distribution of assets and liabilities from the previous local governments.
Asset Management Policy	Endorse a consolidated asset management policy for the new entity.
Asset Management Plan	Consider interim consolidated asset management plan and endorse process for asset management planning for the new entity.

Financial Management	
Financial Position Summary	Consideration of consolidated annual budget and revenue statement of the future entity.
Annual Budget 2015-16	Consider a consolidated annual budget for the new entity including revised forward capital works schedule and Long Term Financial Plan.
Long Term Financial Plan	Consider a Long term Financial Plan as a basis for development of the Strategic Community Plan, Corporate Business Plan and future Long Term Financial Plan.

Interim Organisational Structure	
Interim Organisational Structure	Endorse an Interim Organisational Structure, including staffing arrangements.
Workforce Plan	Consider and support a Workforce Plan for the new entity.

Community Engagement	
Community/Stakeholder Engagement Strategy	Endorse Community and Stakeholder Engagement strategy.
Inventory of Community Events	Review community events for the new entity.
Population and Demographic Summary	Review population and demographic summary.
Inventory of Historical Artefacts	Review inventory of historical artefacts for the new entity.
Inventory of Current Complaints	Review inventory of current and outstanding community complaints for the new entity.

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