



Shire of Perenjori Workforce Plan

2019 – 2023

June 2019 Version



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Introduction

The Shire of Perenjori has developed a Workforce Plan that takes into account the requirements of Workforce Planning under the Integrated Planning process for local governments in Western Australia. The Integrated Planning process includes the development of a number of Plans, which is shown in the diagram below. The Workforce Plan is one of the informing strategies for both the Strategic Community Plan and the Corporate Business Plan.

The Workforce Plan is a continuous improvement process and not a one-off activity. It is also about shaping the workforce with a clearly identified purpose and to bring about particular changes to meet organisational objectives. The plan is fundamental for forecasting future labour requirements to deliver operational and project-based works. It is also used for:

- Identifying staffing problems;
- Monitoring and containing workforce costs;
- Developing and highlighting existing and new workforce skills; and
- Ensuring that there is adequate service delivery into the future.

The Shire of Perenjori Workforce Plan sets out a range of strategies and key actions that will be required to be undertaken over the next four years. This is broken down into five key areas:

- Organisational Development – improving Human Resource Management Systems
- Attraction, Recruitment and Retention – creating and maintaining a sustainable workforce
- Training and Development – maintaining a competent workforce
- Culture – ensuring all employees are valued, respected and treated equally
- Occupational Health and Safety – providing a safe and caring workplace

A summary of the financial implications that underpins the support provided to the Shire’s staff through these strategies is included in this plan along with the framework for key performance measures to assess the success of the respective action plans.

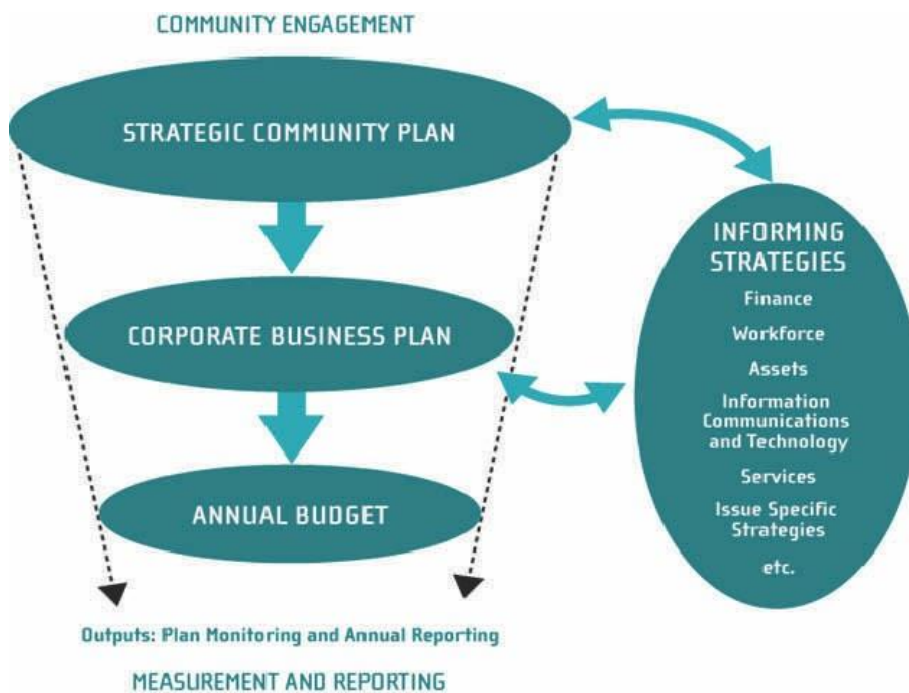


Diagram 1: Integrated Planning Framework

About Our Shire

The Shire of Perenjori has an area of 8,611km² and is located 350km north of Perth and is the second town from Morawa to Geraldton, Western Australia.



Figure 1: Location of Perenjori town and shire, Western Australia

Economy

The Perenjori economy is almost entirely based on primary production, dominated by broadacre farming of grain and livestock. Tourism is a growing economic driver for the Shire, with a number of businesses servicing the Wildflower Season in particular. The mining industry in the Shire is of significant importance as well and constitutes a large proportion of the Midwest Iron Ore Province.

Demographics

According to the Australian Bureau of Statistics 2016 Census the population recorded as living in Perenjori on census night 2016 is 617 people. This is a 31% decrease on the previous census and is a rapid reversal from the population increase experienced between 2006 and 2011 censuses. It is expected that the population will have declined further by the next census unless the Shire can achieve some significant initiatives.

The town has other key demographic statistics:

- 64.4% of the population are male, the census does not give reasons but likely the influence of farming and mining sectors with a higher proportion of males.
- Median age is 42 years old
- There are 111 families with an average of 2 children
- 254 private dwellings
- A median weekly household income of \$1,343
- An average of 2.6 vehicles per dwelling

External Environment

The Shire of Perenjori is aware that regional and wider concerns and other external factors affect the retention and recruitment of employees. Some of the major challenges affecting all Local Governments include:

- Skill shortages with specific classifications
- Ageing population and workforce
- Working in the regions (not everyone wants to work in excess of 150km's from Perth)
- Very low local unemployment (generally throughout regional WA)

Skills shortage is a major issue confronting Australia's workforce, as the Australian workforce is not growing fast enough to keep up with the demand for labour and the particular skills required by many industries. It should be understood that skills shortage does not equate directly to labour shortages, it is simply that the required skill sets may not be available even though there are people available to the workforce.

The labour market in Australia is ageing, whilst at the same time, there is a fall in the number of young people of working age, leading to a drastic decline in the growth of the Australian workforce. The Local Government workforce is substantially made up of workers over 45 years of age and faces a significant challenge in filling the employment gaps as older employees retire and leave the workforce. Perenjori is no different, with 66% of the Shire Workforce over 45 years of age. In contrast, there is only 21% that are under the age of 35 years, with 17% employees under the age of 24 years.

In particular, Local Government will feel the impact of the reduction in Australia's workforce as a substantive proportion of its workforce sits within the five occupations with the highest projected workforce reductions:

- Intermediate clerical/service workers
- Professionals
- Tradespeople
- Elementary clerical/service workers
- Associated professionals

Typical areas of staff shortage in local governments in WA are the professions associated with building surveyors, accountants, environmental health, planners, tradespeople, human resource specialists and engineers. Rural and remote local governments consistently struggle to recruit officers in these areas and struggle to recruit Chief Executive Officers, other Executive positions including Managers of Finance and Finance staff in general.



In planning for the workforce of the Shire of Perenjori, there are a number of external issues. Most are beyond the Local Government's ability to control, however where possible, strategies to address them must be taken into account.

These include but are not limited to:

- The changing rural economy – changes in farm management, a reduction of local suppliers and the use of more technology and less local labour causes a flow on reduction in the local population. The Shire's role is to see that public infrastructure is well maintained and facilitate economic development in the district.
- Competition from other Local Governments and regional industries for current and potential workforce skills and knowledge. The growth in the mining and resources sector is having an impact on the availability and affordability of a workforce for Local Governments, particularly in the works and technical services areas.
- Downward trend in working population for smaller towns making it difficult to employ local people and putting pressure on accommodation and family needs for those employed from other places.
- Legislative changes related to governance and integrated planning requires more focus and specific skills and knowledge to ensure communication and compliance.
- Increasing cost of living in areas such as utilities and fuel prices puts further pressure on wages and benefits.
- Increasing accommodation availability issues and a lack of population driven services (e.g. health, education, retail, administrative services) also inhibits growth in the resident population.
- Availability of suitable staff development opportunities and training in the region and the costs involved in sending staff to regional centres or Perth for training.

Workplace Profile

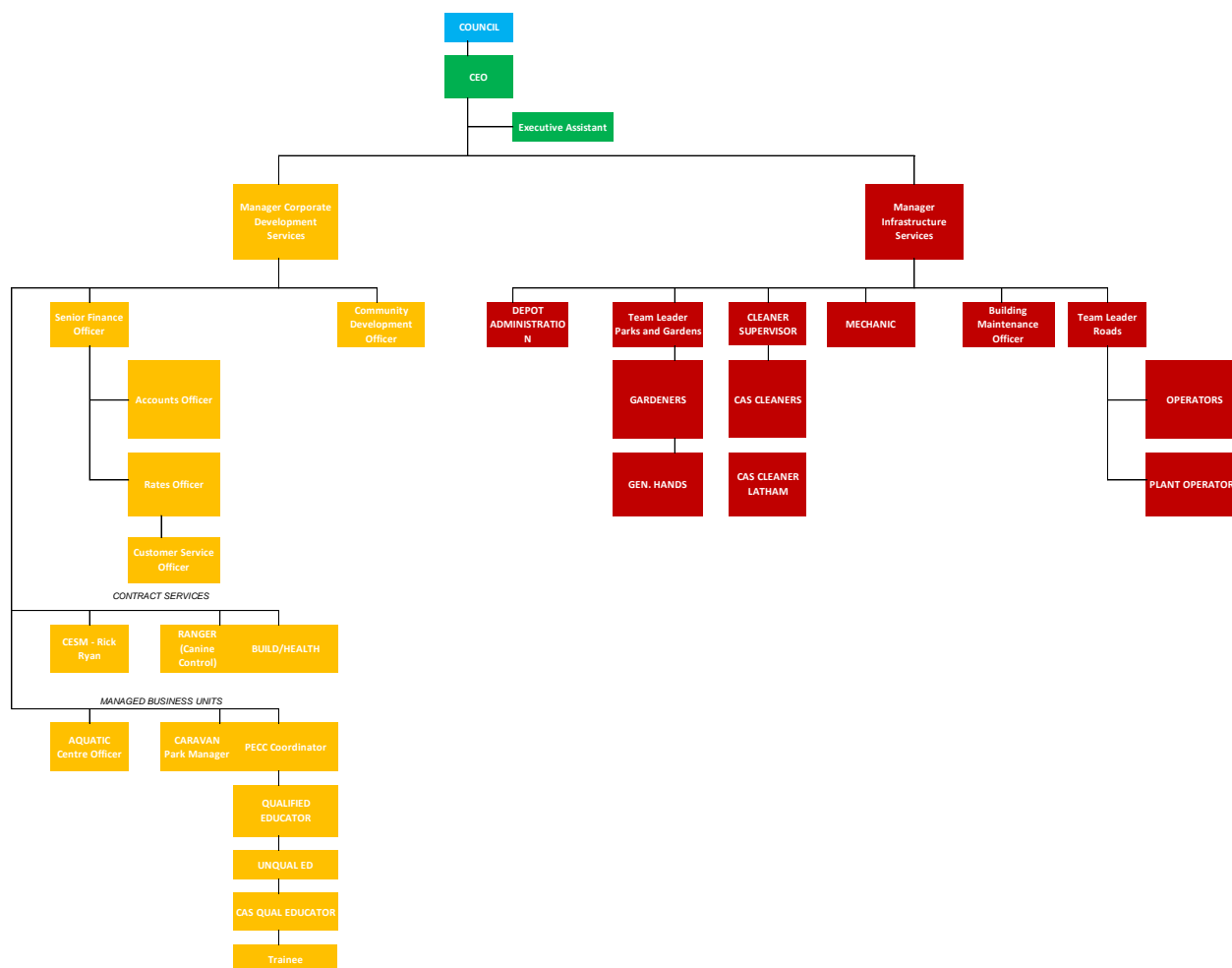
Organisational Structure May 2019

The Shire of Perenjori from May 2019 will consist of 33 employees including, 26 (81%) full-time employees, 1 (3%) part-time employees and 5 (16%) casual employees, equating to 32 FTE (Full-time Equivalents).

The Shire is also supported by a variety of external resources, including consultants, where it is not cost effective, feasible or possible to be employed by the Shire. These roles include rangers and environmental health professionals.

The current workforce structure comprises of a Chief Executive Officer (CEO) who is responsible for employing all staff and other resources required to provide Shire services. The CEO has a management team consisting of a Manager Corporate & Development Services and a Manager Infrastructure Services. The Shire can be split in to four key work areas, these being Administration, Childcare, Construction & Maintenance (Roads, Buildings & Parks), Community Services (Community Development Officer; Pool Manager and Caravan Park Manager).

Structure from May 2019:



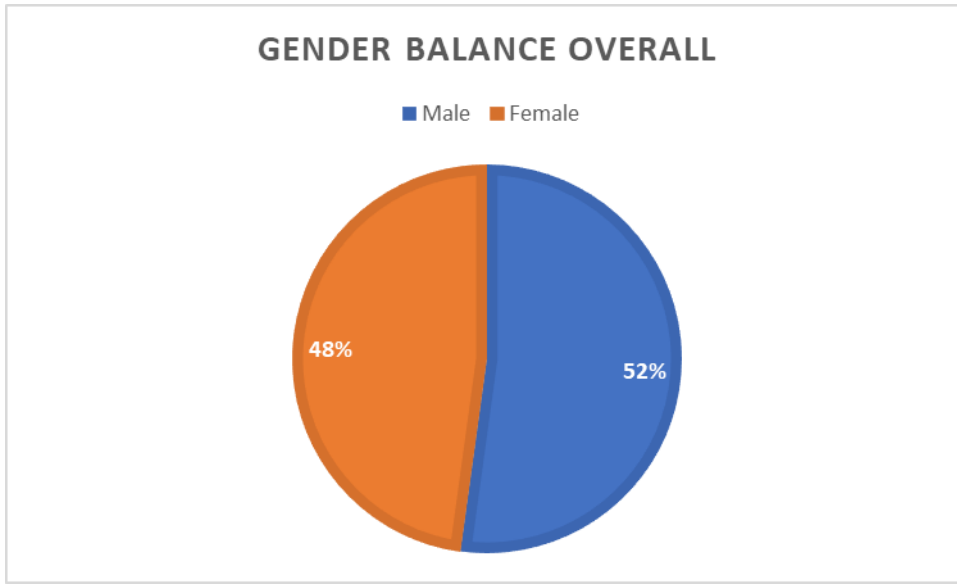
Gender Balance, Employee Background & Current Residence

The gender balance 52% males and 48% females reflects the types of services and functions that the Shire performs, with the community services, childcare and administration predominantly carried out by women and the more traditional roles of construction and maintenance carried out by men. The Shire has one

female worker on the construction and maintenance crew, who fits in seamlessly with the all-male crew. The senior management team is split evenly between women and men.

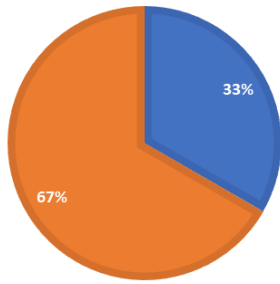
The below graph represents the gender profile, across the departments:

Please note all data analysed in this workforce plan is taken from the surveys completed and whilst all employees were targeted the results are based on only those completed and may have some variation attributable to this. Total number of respondents was 23.



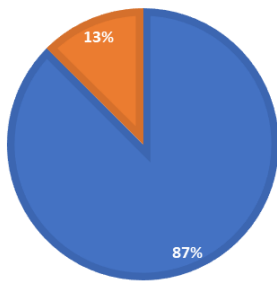
INSIDE WORKFORCE GENDER BALANCE

■ Male ■ Female



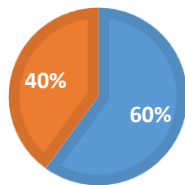
OUTSIDE WORKFORCE GENDER BALANCE

■ Male ■ Female



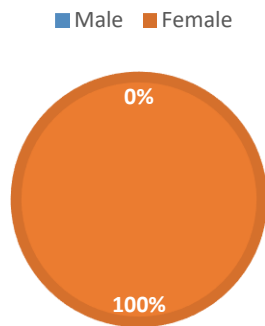
SUPERVISION & MANAGEMENT GENDER BALANCE

■ Male ■ Female



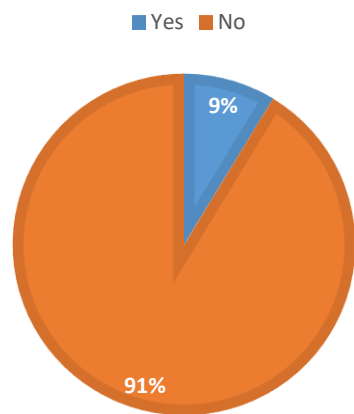
This graph represents those employees who perceive themselves as having supervisory or management responsibilities.

CHILD CARE GENDER BALANCE

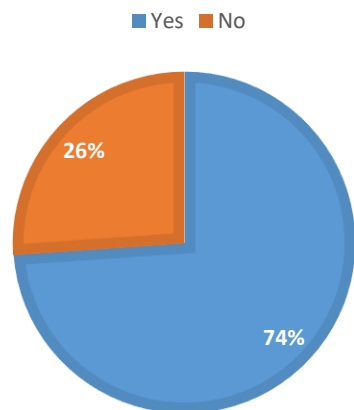


In relation to the background of staff, the demographics showed a high degree of diversity that many other workforces would strive to achieve. Key data here is the proportion of employees that identify as Indigenous Australians and those born overseas:

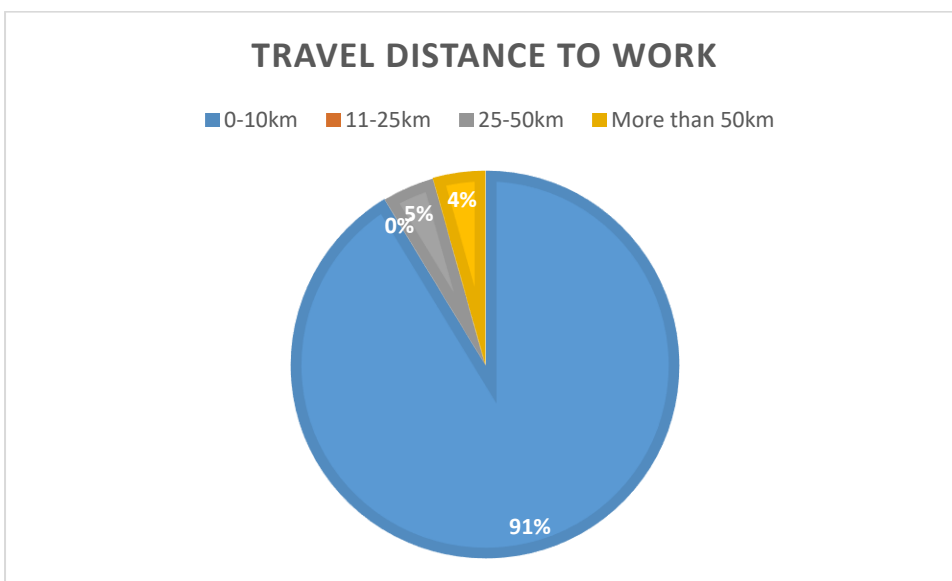
DEMOGRAPHIC THAT IDENTIFY AS INDIGENOUS AUSTRALIAN



AUSTRALIAN BORN EMPLOYEE DEMOGRAPHIC - BORN IN AUSTRALIA



The survey also questioned where employees resided and the results showed over 90% lived within 10km of the workplace.

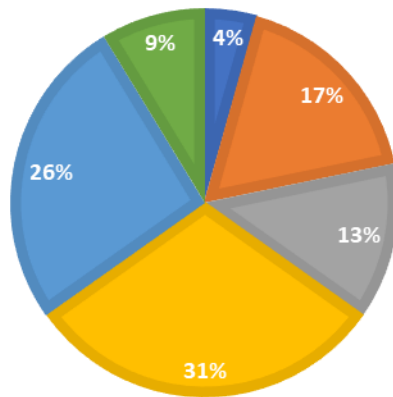


Generation Profile

An Australian Bureau of Statistics (ABS) survey conducted in 2014-2015, reported that 71% of persons intend to retire at the age of 65 years. Employees over the age of 55 years make up 35% of the Shire Workforce. In contrast, there is only 21% that are under the age of 35 years, with 17% of employees under the age of 24 years. Although having an aging workforce does not present immediate problems, the lack of younger people entering the workforce in local government causes future challenges in filling employment gaps as older employees retire.

EMPLOYEE AGE DEMOGRAPHIC

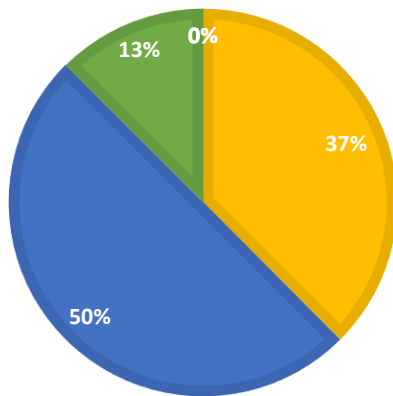
■ 16-24 ■ 24-35 ■ 35-45 ■ 45-55 ■ 56-65 ■ 65 +



All areas of the workforce have a balanced age demographic except the Outside Workforce which shows that all employees are over the age of 45. This obviously generates a risk of knowledge loss.

OUTSIDE WORKFORCE AGE DEMOGRAPHIC

■ 16-24 ■ 24-35 ■ 35-45 ■ 45-55 ■ 56-65 ■ 65 +



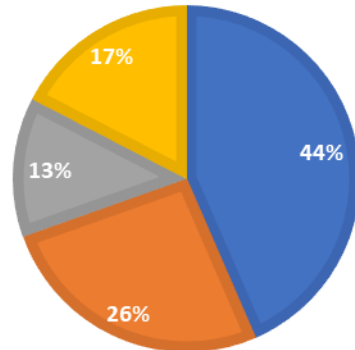
Retention, Recruitment, Employee Sentiment & Remuneration

During the survey stage of the development of this workforce plan key indicators in recruitment and retention were obtained:

Employees were surveyed on their tenure and the results showed that nearly 50% had been employed for less than one (1) year with employees employed for longer than 3 years making up only 30%. This reflects consistent feedback from staff that employee turnover was having significant effects to service delivery.

EMPLOYMENT TENURE

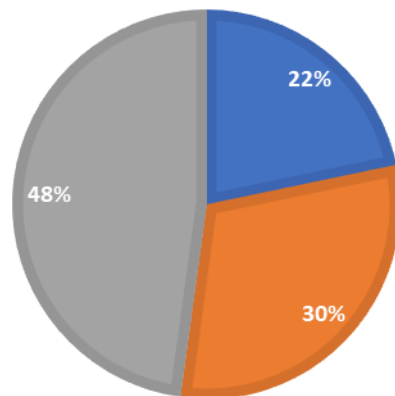
■ Less than 1 year ■ Between 1 and 3 years
■ Between 3 and 5 years ■ More than 5 years



Employees were surveyed on their intentions to remain employed by the shire and almost 80% indicated an intention to remain employed for longer than three (3) years:

EMPLOYMENT TENURE INTENTIONS

■ Less than 1 year ■ Between 3-5 years ■ Longer than 5 years

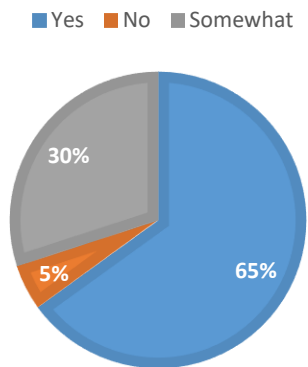


Of those employees surveyed who indicated an intention to leave their employment within three years the main themes were; retirement, contract conclusion, the employment of their partner, the current culture of the workplace including councillor-staff conflict and access to education for their children.

Current turnover levels and the volume of employees with less than one year of tenure generates clear risks to the operational effectiveness and continuity of service along with knowledge loss. These are issues which need to be aggressively addressed to stabilise turnover and target a rate of sub 20% per annum.

When employees were surveyed on remuneration the results showed that all staff considered themselves to be comparatively well remunerated when compared to other local governments:

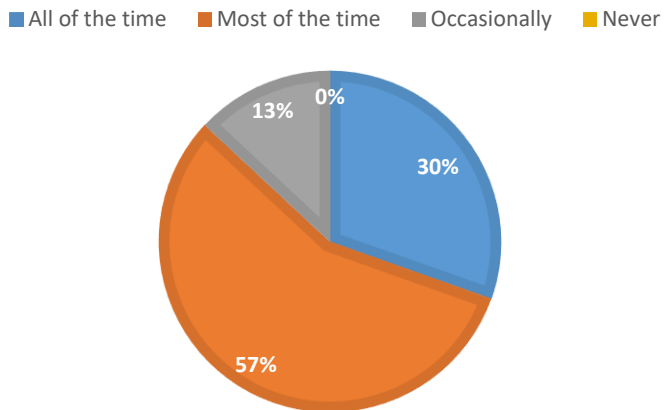
EMPLOYEE DEMOGRAPHIC THAT BELIEVE REMUNERATION IS COMPARABLE TO OTHER LGS



Other areas were surveyed to identify employee sentiment towards their employment. Key survey areas are outlined below:

Employees overall experience a high degree of satisfaction in performing their role:

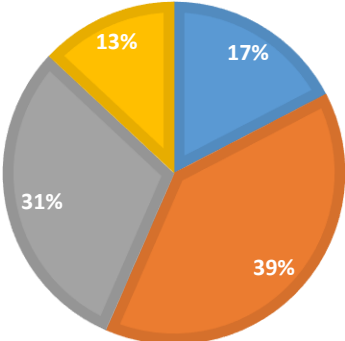
EMPLOYEES THAT FIND THEIR ROLE GIVES JOB SATISFACTION



Most employees feel their role gives them opportunities to grow:

EMPLOYEE SENTIMENT AROUND OPPORTUNITY TO GROW IN THEIR ROLE

■ All of the time ■ Most of the time ■ Occasionally ■ Never



Workforce Costs

Budgeted Costs

The below table shows the financial implications relating to employment costs now and for future workforce requirements.

COSTS BY DEPARTMENT	BUDGET	FORECAST			
	2018/19	2019/20	2020/21	2021/22	2022/23
ADMINISTRATION					
Salaries & Wages Costs	540,498	551,307	562,334	573,580	585,052
Allowances	482,00	53,020	54,080	55162	56265
Superannuation	72,442	79,686	87,654	96420	106,062
COMMUNITY SERVICES					
Salaries & Wages Costs	212675	216928	221267	225692	230206
Allowances	19760	20155	20558	20969	20971
Superannuation	26882	29570	32527	35779	39357
MIS AND OUT SIDE STAFF					
Salaries & Wages Costs	784,531	800,555	816,566	832,897	849,554
Allowances	5000	5500	6000	6500	7000
Superannuation	74530	81983	90181	99200	109,120
CHILDCARE					
Salaries & Wages Costs	160,048	163,248	166,139	169,844	173,241
Allowances	5000	5500	6000	6500	7000
Superannuation	15700	17270	18997	20896	22986
TOTAL SALARY/WAGES COSTS					
TOTAL SALARY COSTS BREAKDOWN					
Salaries & Wages Costs	2,322,562	2,369,013	2,416,393	2,464,721	2,514,015
Allowances	77960	79,519	81,109	82,731	84,386
Superannuation	189554	208509	229360	252296	277526
EXTRA EMPLOYMENT COSTS					
Training/Professional Development	30500				
Uniforms & Protective Clothing	25600	26112	26634	27166	27710
Fringe Benefits Tax	4155	4362	4580	4809	5050
Workers Comp Insurance	47934	50000	55000	60000	65000
Housing Costs	78000	79560	81151	82774	84429
TOTAL EMPLOYMENT COSTS					

Annual Leave and Long Service Leave Liability

All employees Annual Leave and Long Service Leave Accruals are recognised as provisions in the Statement of Financial Position in the Annual Budget and Annual Financial Report. The leave provisions held at the 30th June 2018 are as follows:

- Annual Leave	\$ 173,000
- Long Service Leave	<u>\$ 36,000</u>
TOTAL	<u>\$209,000</u>

Workforce Planning Developments since the expiry of the last Workforce Plan in 2017

The Shire revised their Strategic Community Plan and Corporate Business Plan in 2017. The Strategic Community Plan at page 30 and the Corporate Business Plan at page 56 outline that all projects will be completed with existing human resources and no further employees are required. It does acknowledge that some projects will be completed by external contractors.

In the last few years the turnover of staff has been high with Acting CEOs engaged for some time and ongoing industrial relations issues. The Shire has engaged a new CEO as there is a need for this turnover to reduce and not have a greater impact on the Shire in both a staff cultural impact and knowledge loss sense.

The survey of staff was also targeted at determining internal staffing concerns. The survey identified consistently a number of areas that employees have ongoing concerns in. After discussion with management it was confirmed that these are areas where efforts need to be focused to make improvements and are translated into actions in the next stage:

1. Achieving expected outcomes and within expected timeframes as per the various plans with limited human resources
2. Staff turnover having a major negative impact on the workplace
3. Relationship between councillors and employees needs building
4. Working within constrained budgets
5. Increasing expectations on governance and compliance requirements
6. Improving conflict resolution and grievance strategies

Workforce Plan Action – 2017 to 2021

Organisational Development

Improve Human Resource (HR) management by developing and implementing procedures and processes, to ensure good governance and practices.

	Actions	2019/20	2020/21	2021/22	2022/23
HR1	Finalise and adopt all HR policies and procedures that are being reviewed in June 2019.	X			
HR2	Enterprise agreement approved by the Fair Work Commission	X			
HR3	On an ongoing basis develop and review a manual of simple procedures for business critical positions to ensure that if an employee was to leave suddenly or go on leave that it continues to be business as usual.	X			X
HR4	Manage staff resignations, retirements by implementing an exit strategy and exit survey so as to ensure that all necessary corporate knowledge is retained in the workforce.	X			
HR5	Bi-annually align the Workforce Planning with the Corporate Business Planning requirements for the Shire.		X		X
HR6	Ensure all employees participate in the annual performance review and the performance review model is reviewed annually to ensure it remains relevant.	X	X	X	X
HR7	All position descriptions will be reviewed annually during the annual performance review and updated if necessary, or earlier, should an employee leave.	X	X	X	X
HR8	Review and improve business practices for the management of Annual Leave and Long Service Leave liabilities.		X		

Attraction, recruitment and retention

Create a sustainable workforce through the development of strategies that increase the pool of suitably qualified candidates seeking employment and retention of existing staff.

	Actions	2019/20	2020/21	2021/22	2022/23
HR9	Recruitment of younger workers by employing a trainee in the Administration area on a rotational 12-month contract, commencing January 2021.		X		
HR10	Review and further development of the Council's Equal Employment Opportunity Management Plan (EEO) including consideration of whether positions, as they become vacant, are suitable for redesign for part-time employment or other flexible work arrangements – to suit women, mature workforce or people with a disability (noting current diversity is levels are industry leading).			X	
HR11	Review recruitment process reviewing how and where roles are advertised when they become vacant (both online and in hard copy) to make sure good applicants are attracted.				X
HR12	Maintain an internal development outlook so that talented staff in the organisation are aware that they are welcome to apply for Council vacancies in the future.	X	X	X	X
HR13	Benchmark salaries and make necessary adjustments to ensure Council remains competitive and is able to attract candidates in short supply or of high calibre. This needs to take into account the specific circumstances of Perenjori including the available housing. Council's conditions of employment should be maintained to meet market expectations in rural areas.			X	
HR14	Issue new employment contracts and employee handbooks to ensure they meet current legislation and standards.		X		
HR15	Introduce induction program to ensure new staff are progressing, expectations are being met and support is being provided.				X
HR16	Continue to carry out staff surveys to measure employee satisfaction and identify issues relating to the workplace environment.		X		X

Training and Development

Create and maintain a competent workforce through the development of the Shire's workforce by providing relevant training, education and experience.

	Actions	2019/20	2020/21	2021/22	2022/23
HR17	Implement a training program across all work areas so that all employees of the Shire can continually maintain and/or upgrade skills.			X	
HR18	Develop and maintain Skills/Training Register, which shows details of all certificates, licences and expiry of required licences.		X		
HR19	Encourage study opportunities and offer course cost subsidies to those employees that show talent and are keen to advance their career.				X
HR20	Develop an annual training calendar for training needs that's based on training needs identified at the time of annual performance review, the Skills Register and management nominated training.				X
HR21	Implement formal succession plans for all key positions within the organisation, including those where there is a risk of the loss of corporate knowledge through people leaving the organisation.			X	
HR22	Encourage employees to complete their qualifications to meet the industry standard.	X		X	
HR23	Expand opportunities for employees to act in different positions to promote upskilling, whilst creating a greater crossover of employee positions to mitigate against the risk of knowledge being lost when experienced people are on leave or leave the organisation.		X		
HR24	That funds are budgeted on an annual basis to cover professional development for all staff, where required.			X	

Culture

<i>Provide a work environment where all employees know that they are valued, respected and treated equally.</i>					
	Actions	2019/20	2020/21	2021/22	2022/23
HR25	Undertake regular staff meetings to not only discuss occupational health and safety topics, but to inform staff of Council business, as well as providing the opportunity to be involved in meaningful decision-making processes.	X			
HR26	Utilise the staff surveys to measure employee satisfaction and to remedy areas requiring attention.		X		X
HR27	The Shire will continue to support and encourage activities which contribute to moral and team building as approved by the Chief Executive Officer.	X	X	X	X
HR28	The Chief Executive Officer will meet with staff monthly to discuss Council and local government issues generally.	X	X	X	X
HR29	Any change to working arrangements of individual team members or work groups will be done in accordance with the Enterprise Agreement that covers their employment.	X	X	X	X

Occupational Health and Safety

<i>Provide a safe and harmonious workplace that protects and cares for the physical and mental health of all employees.</i>					
	Actions	2019/20	2020/21	2021/22	2022/23
OH1	Review and update induction processes ensuring all workers are aware of safe working practices.		X		
OH2	Hold monthly Occupational Health and Safety Working Group meetings ensuring a member from each work group sits on the group.	X	X	X	X
OH3	Continue to update and implement Occupational Health and Safety processes.	X	X	X	X
OH4	Develop and implement a contractor induction program.			X	
OH5	Ensure ongoing management of health, safety and welfare of staff and contractors through tool box meetings, annual performance reviews and other informal meetings.	X	X	X	X
OH6	Remain part of the Health and Wellbeing program supported by LGIS for annual health checks.	X	X	X	X
OH7	Make certain sufficient funding in budget is provided for occupational health and safety training requirements.		X		

References and Acknowledgements

Much of the information contained in this plan has been derived from documents in the public domain and liaison with key stakeholders. We have also made particular reference to the following documents and websites during the preparation of the plan.

- ❖ Workforce Planning Review Update Report 2014-2015
- ❖ Shire of Perenjori Strategic Community Plan 2017-27
- ❖ Shire of Perenjori Corporate Business Plan 2017-27
- ❖ Shire of Perenjori Integrated Workforce Plan 2013-17
- ❖ Shire of Perenjori website www.perenjori.wa.gov.au
- ❖ Australian Bureau of Statistics www.abs.gov.au
- ❖ Department of Employment, Survey of Employers Recruitment Experiences, All WA regions
- ❖ Department of Local Government and Communities – Integrated Planning Reporting Framework and Guidelines September 16
- ❖ Shire of Coorow – Integrated Workforce Plan 2013-2017
- ❖ Shire of Serpentine Jarrahdale – Workforce Plan 2013-2018
- ❖ City of Subiaco Workforce Plan 2013-16
- ❖ City of Bayswater Workforce Plan 2017-27
- ❖ Shire of Williams Workforce Plan 2017-21
- ❖ Shire of Dalwallinu Workforce Plan 2017-21



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