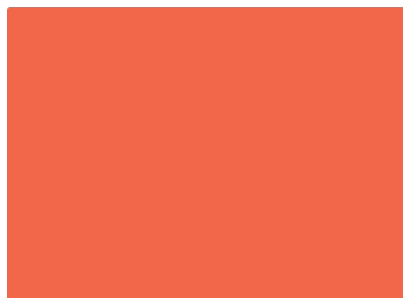
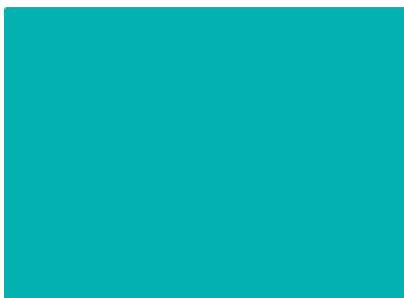




# HR Strategy and Workforce Plan

## 2021- 2025

November 2021



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## 1. Executive Summary

At Hepburn Shire Council, workforce planning is about determining and shaping the capacity and capability of the workforce that is needed to deliver the Council Plan. To achieve this, we aim to engage the right number of people with the right capabilities in the right job at the right time.

The Local Government Act 2020 requires the Chief Executive Officer develop and maintain a 4 Year Workforce Plan that describes the organisational structure of Council, specifies the projected staffing requirements for the next 4 years, sets out measures to ensure gender equality, diversity and inclusiveness, and specifies gender equity targets for the employment of senior staff. Council has combined workforce planning with the HR Strategy to identify key strategies and initiatives to meet the future workforce requirements to deliver the Council Plan.

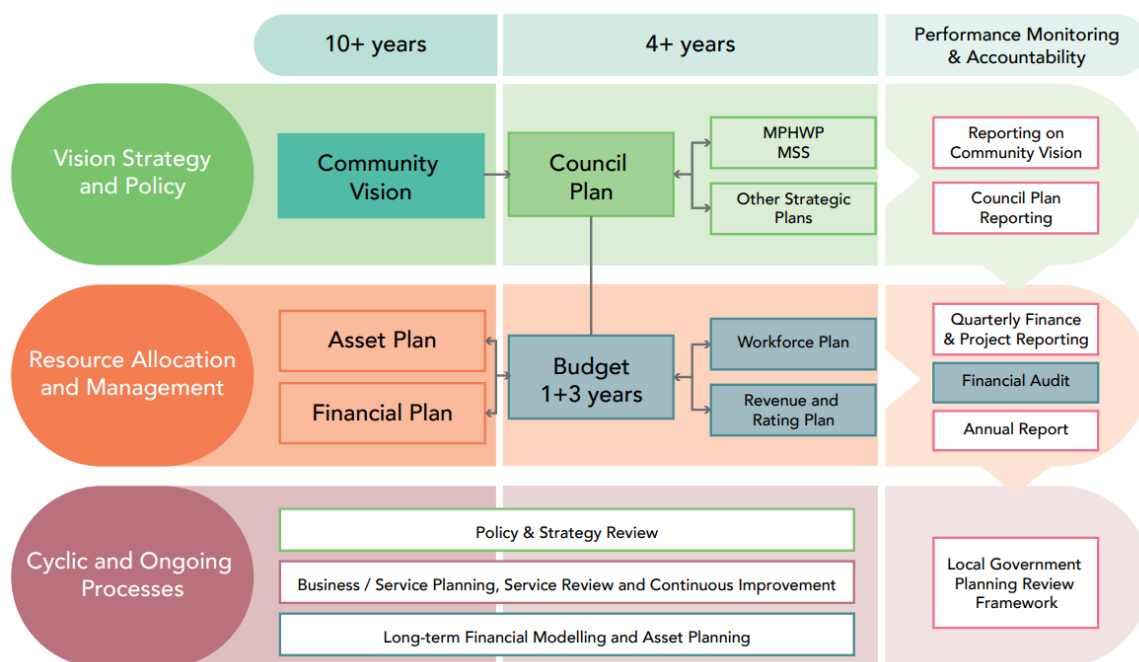
The HR Strategy & Workforce Plan 2021-2025 (Workforce Plan) has been developed in consultation with the leadership team and service areas and identifies significant challenges facing the Council to sustain a skilled workforce into the future. These challenges include:

- ❖ Emerging skill/capability shortages and professionals with local government experience
- ❖ Managing an ageing workforce
- ❖ Attracting and retaining talent and reducing staff turnover
- ❖ Financial sustainability
- ❖ Funding constraints and rate capping
- ❖ Determining a new normal for working with COVID-19
- ❖ Increasing expectations from the community
- ❖ Digital transformation and effective utilisation of business systems
- ❖ Government legislative changes
- ❖ Climate change and natural disasters



The development of the Workforce Plan has been guided by the Integrated Corporate Planning Framework and informed by the Departmental four-year Business & Workforce Plans. The Departmental Business & Workforce Plans will be reviewed annually to inform the 4-year financial budget and progress of the Council Plan strategic objectives, and continuously improve our planning practices to achieve outcomes that provide services to the community and deliver on the Council Plan.

## HR Strategy & Workforce Plan 2021-2025



- Community Vision 2021-2031
- Council Plan 2021-2025 including Municipal Public Health and Wellbeing Plan
- Disability Access and Inclusion Plan 2018-2022
- Reconciliation Action Plan 2018-2019
- Information, Communication and Technology Strategy 2021

Data capture has been limited up to this point with respect to gender and diversity and we recognise there is an opportunity to improve in this area. Hepburn Shire Council has commenced development of a Gender Equality Action Plan in accordance with the Gender Equality Act and is due to be completed by early 2022. Actions from this plan will inform the Workforce Plan in future years.

**Bradley Thomas**  
Chief Executive Officer

## 2. Hepburn Shire Council

### 2.1. Council Vision

Hepburn Shire – a place where all people in our community are valued, partnerships are fostered, the environment is protected, diversity is supported, and innovation embraced.

### 2.2. Our Mission

Hepburn Shire Council will maintain, promote, protect and enhance the district's unique social, cultural, environmental and heritage characteristics. This will be achieved through effective, caring management and responsible governance. We will strive to gain maximum advantage for our community by protecting and enhancing our natural and built environment.

### 2.3. Our Values and Behaviours

- |                |  |
|----------------|--|
| Accountability | <ul style="list-style-type: none"> <li>We will be responsible for our choices</li> <li>We will acknowledge and learn from our mistakes</li> </ul>  |
| Respect        | <ul style="list-style-type: none"> <li>We will accept people's differences</li> <li>We will look for the best in people and value their contribution</li> <li>We will treat people with respect and dignity</li> </ul> |
| Excellence     | <ul style="list-style-type: none"> <li>We will perform to the best of our ability</li> <li>We will commit to learning and growing</li> <li>We will strive to achieve the organisation's long-term vision</li> </ul>    |
| Trust          | <ul style="list-style-type: none"> <li>We will encourage creativity and innovation</li> <li>We will value everyone's contribution</li> <li>We will lead by example</li> <li>We will act honestly</li> </ul>            |
| Fun            | <ul style="list-style-type: none"> <li>We will acknowledge and celebrate our successes</li> <li>We believe in getting involved</li> <li>We will promote a healthy sense of humour</li> </ul>                           |

### 2.4. Shire Snapshot

Total Population	Male	Female	Median Age
16,157 (2021)	48.2%	51.8%	50

#### Diversity Comparisons Table:

Diversity of People	Australia Population (2016 Census)	Hepburn Shire (2021-25 Council Plan)	Our Organisation (2021)
Aboriginal / Torres Strait Islander	2.8%	1%	Not available
Born Overseas	33.3%	24%	Not available
Speak Languages other than English at home	27.3%	14%	Not available
Have a Disability	18% (Australian Institute of Health & Welfare 2020)	6% (*Refer Note below)	Not available

**\*Note:** The 6% 'Have a Disability' stated above relates to 'Has need for assistance with core activities' cohort on Census Night 2016 [2016 Census Community Profiles: Hepburn \(S\) \(abs.gov.au\)](#). This data provides an indication of the characteristics of people who report a need for assistance as opposed to the total population prevalent of people with a profound or severe disability (based on ABS Census Dictionary 2016).

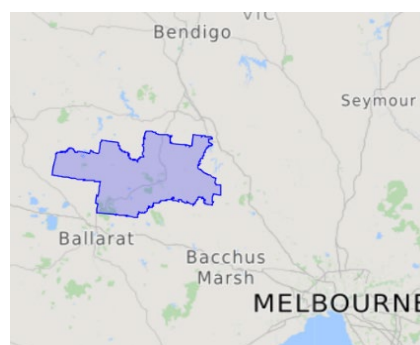
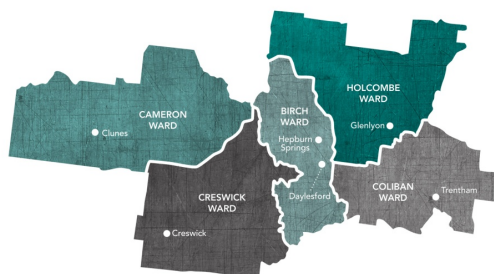
However, in 2018, according to the [Disability, Ageing and Carers, Australia: Summary of Findings, 2018 | Australian Bureau of Statistics \(abs.gov.au\)](#), 17% of Victorians have a disability, defined as 'any limitation, restriction or impairment which restricts everyday activities and has lasted, or is likely to last, for at least six months'. With no data available for small areas, based on the State average and referenced against the Shire's 2018 estimated residential population of 15,810, approximately 2,687 residents potentially fall within this definition.

#### Employment Comparisons Table:

Employment Status	Australia Population (2016 Census)	Hepburn Shire (2021 Annual Report)	Our Organisation (30/9/2021)
Full Time	57.7%	49%	52%
Part Time	30.4%	39%	31%
Volunteer	19.0%	30%	16%

## 2.5. Shire Profile

Hepburn Shire is located in central Victoria, about 110 kilometres north-west of Melbourne. It is bounded by Central Goldfields and Mount Alexander Shires in the north, Macedon Ranges Shire in the east, Moorabool Shire in the south, and the City of Ballarat and Pyrenees Shire in the west. The Shire lies at the southern area of Dja Dja Wurrung country and holds joint responsibility of public lands and for protecting significant Aboriginal and Torres Strait Islander sites.



Hepburn Shire is a predominantly rural area of about 1,470 square kilometres with an economic base in agriculture, forestry, tourism, construction and manufacturing. Tourism is an important industry with the Shire containing 80% of Australia's mineral spring reserves.

Population growth is expected to remain an important driver of economic growth. An average annual population growth rate of 0.6% for Hepburn Shire and 1.7% for Ballarat LGA has been forecast for the region over the next 18 years, with Moorabool Shire to have an expected population growth rate of 2.1%.

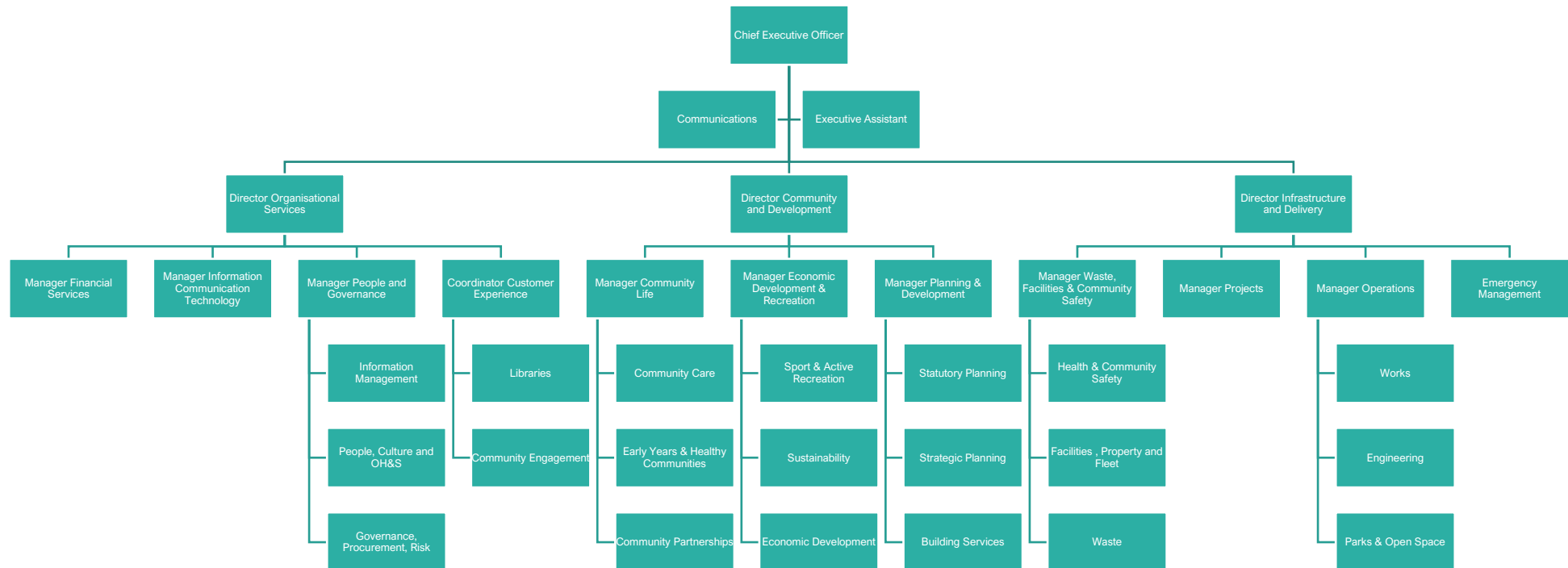
#### Estimated Resident Population by LGA 2018 to 2036

	Population		Change 2018 - 2036	
	2018	2036	Number	Avg Rate
Hepburn	15,810	17,700	1,890	0.6%
Ballarat	107,330	145,930	38,600	1.7%
Moorabool	34,160	49,940	15,780	2.1%

Source: DELWP Victoria in Future 2019 – Population Projections 2016 to 2056

### 3. Organisational Workforce Profile

#### 3.1. Organisational structure and functions





### 3.2. 2021 Organisational Restructure

During May-June 2021, Hepburn Shire Council reviewed the organisation structure to increase the number of Directorates from two to three, improving the composition of management and officer positions, and reconfigured reporting lines to align service areas for greater efficiency, productivity and improve access to leadership. The restructure responded to Councillor and community feedback through the 'Hepburn Together' project and increased the overall organisation FTE by 7.7 including 4.7 FTE permanent positions, and 3.0 FTE fixed term positions to meet Council's objectives and service delivery targets.

The process was guided by the Hepburn Shire Council Enterprise Agreement consultation clause and all staff were invited to provide feedback on the proposed structure. Councillors were informed of the proposed restructure prior to consulting with staff and the final adopted structure was implemented on 12 July 2021. Council will continue to embed the organisational realignment to support a high performing organisation.

### 3.3. Snapshot as at 30/9/2021

	Total # employees	% Female	% Male	% Self-Describe
<b>Total Workforce</b>	210	53%	46%	0%
<b>Effective Full Time:</b>	153.3 FTE	<b>Average Age:</b>		47
<b>Vacant EFT:</b>	22.4 FTE			

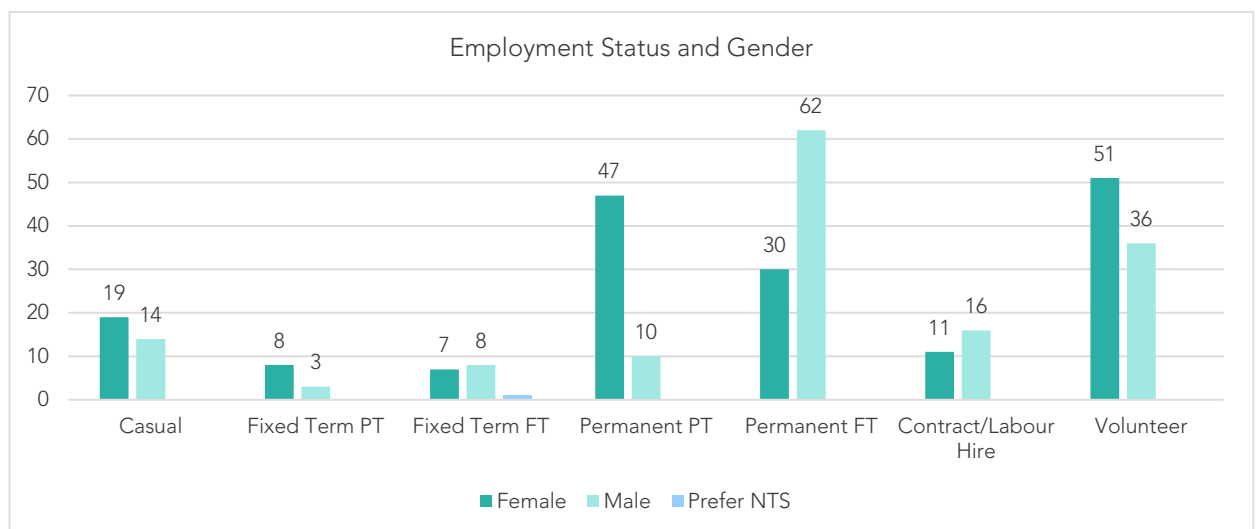


## HR Strategy & Workforce Plan 2021-2025

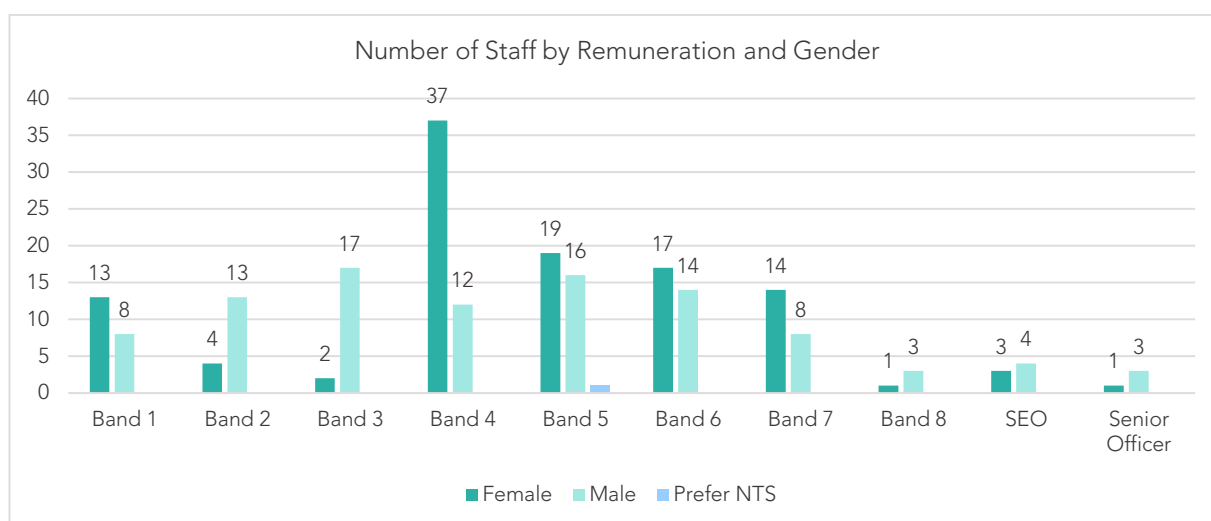
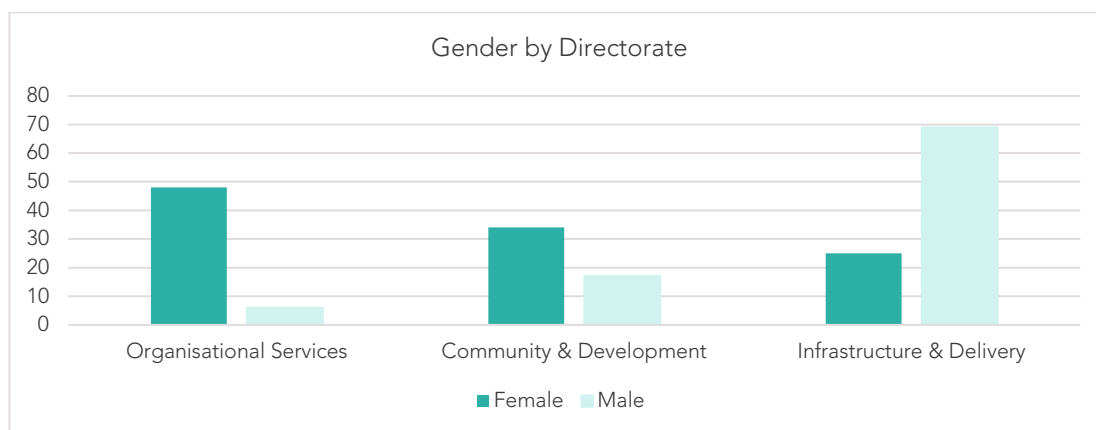
### 3.4. Department Analysis

Executive											
				Female	Male	Vacant					
Perm				1	3	-					
Office of the CEO											
				Female	Male	Vacant					
Perm				3	0	-					
Casual				1	0	-					
Organisational Services				Community & Development				Infrastructure & Delivery			
Information Communication Technology				Economic Development & Recreation				Projects			
	Female	Male	Vacant		Female	Male	Vacant		Female	Male	Vacant
Perm	1	3	-	Perm	5	2	3	Perm	1	4	-
Fixed T	0	0	1	Fixed T	3	2	-	Fixed T	2	2	1
Financial Services				Planning & Development				Emergency Management & Storm Recovery			
Perm	6	0	2	Perm	6	6	4	Perm	0	1	-
Fixed T	0	0	1	Fixed T	-	-	-	Fixed T	5	5	-
Customer Experience				Community Life				Waste, Facilities & Community Safety			
Perm	17	1	-	Perm	16	4	5	Perm	11	5	4
Fixed T	2	0	-	Fixed T	1	1	-	Fixed T	1	1	-
Casual	12	1	-	Casual	3	2	-	Casual	3	11	-
People & Governance				Administrative				Operations			
Perm	9	1	3	Perm	0	0	1	Perm	1	41	3
Grants & Projects				(Aquatics staff engaged seasonally)				Fixed T	0	1	-
Perm	1	-	-	Maternal & Child Health contracted				Apprent	1	0	-
								Administrative			
								Perm	1	0	-

### 3.5. Staff Breakdown



Hepburn Shire has 210 employees with 98 men (46%) and 112 women (53%). Overall, the organisation has a healthy level of gender diversity with slightly more female than male employees however there is a significant variation on a Directorate basis. This is represented below:



The following professions predominantly work within each of the Band categories:

- Band 1: Community Care Support Workers and School Crossing Supervisors
- Band 2: Labourers, Cleaners and Transfer Station Attendants
- Band 3: Outdoor operations staff
- Band 4: Customer Experience Officers, Administration and Outdoor Team Leaders
- Band 5: Technical Officers and Team Leaders
- Band 6: Technical and Project Officers
- Band 7: Team Coordinators and technical experts
- Band 8: Professionals/Specialists

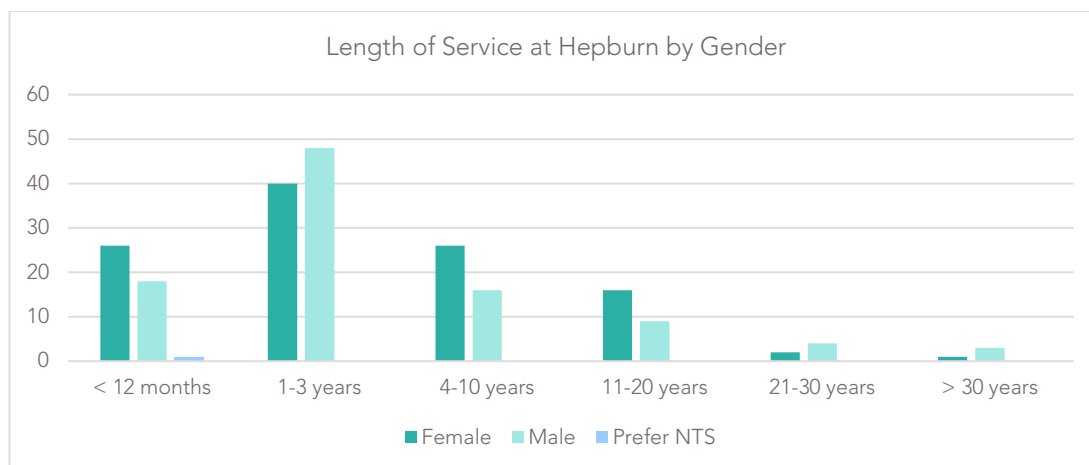
## Council Service Locations

Council operates its services across several locations including Daylesford, Creswick, Clunes and Trentham.

## 4. Workforce Analysis

### 4.1. Organisational Scan

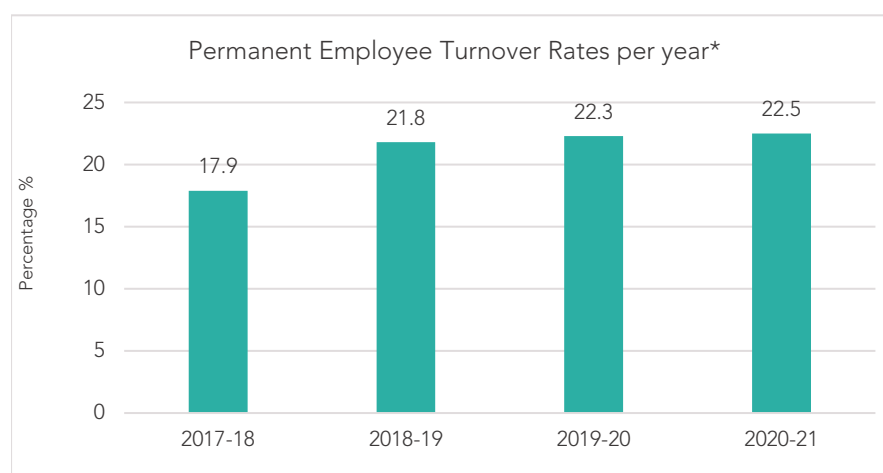
#### Employee Length of Service



The above graph shows the length of service for permanent employees at 30 September 2021 however does not include length of career tenure, and staff new to Hepburn Shire Council may bring many years' experience with them.

Since the start of the COVID pandemic, 45 (40%) of permanent employees commenced with Council during an influx of change, potentially having an impact on networking opportunities, ability to gain corporate knowledge, and tacit knowledge from colleagues.

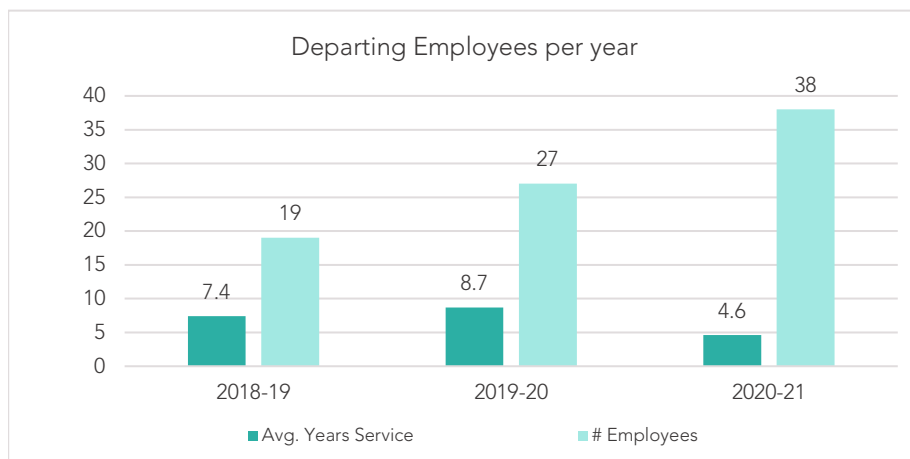
#### Staff Turnover Rates



\*As reported in the Local Government Performance Reporting Framework

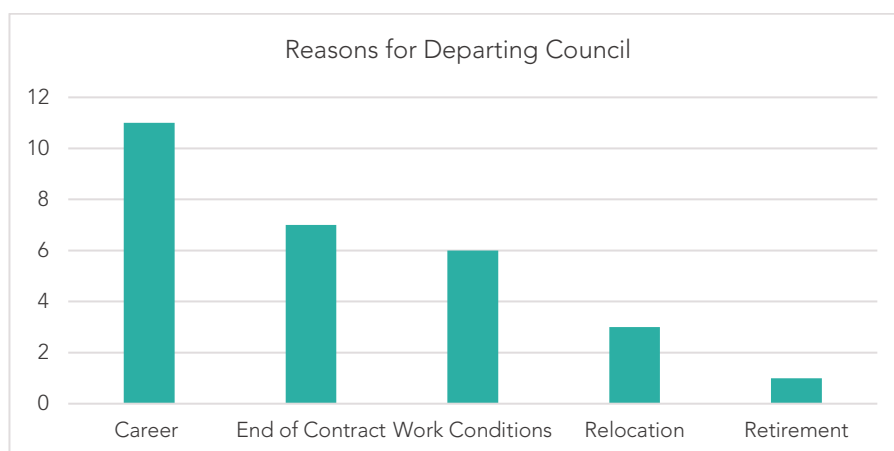
The employee turnover rates include permanent staff resignations and terminations as a percentage of the number of permanent employees for that financial year. In 2021, the Local Government Performance Reporting Framework reported that staff turnover for the comparison group of Small Rural Councils was 17.11%, with the average for all Victorian Councils at 14.03%.

Over the past 3 years, the average length of service for departing employees is shown in the following graph:



## Employee Departure Survey Results

The People & Culture team invite all staff departing the organisation to voluntarily participate in an Exit Interview to gain valuable information and identify any workplace concerns. For the past 12 months, the data shows that the main reasons for employees leaving Council relate to:



*\*Exit Survey Data for last 12 months.*

The results related to working conditions reveal concerns with staffing levels, changes to service delivery and pay rates lower than surrounding Council's. Departing employees were also asked to provide their opinion regarding opportunities for career growth/development at Council with 11 employees responding positively and 17 employees feeling this opportunity wasn't available to them. Staff leaving Council for career advancement came from the following Departments:

Environment & Waste = 3  
Financial Services = 1  
Community & Economic Development = 1  
Major Projects = 1

Development & Community Safety = 2  
Governance, Compliance & Risk = 1  
Community Care = 1  
Operations = 1

Hepburn is geographically situated close to major regional Councils and with a shift to remote working, opportunities with larger organisations are available to employees seeking career advancement.

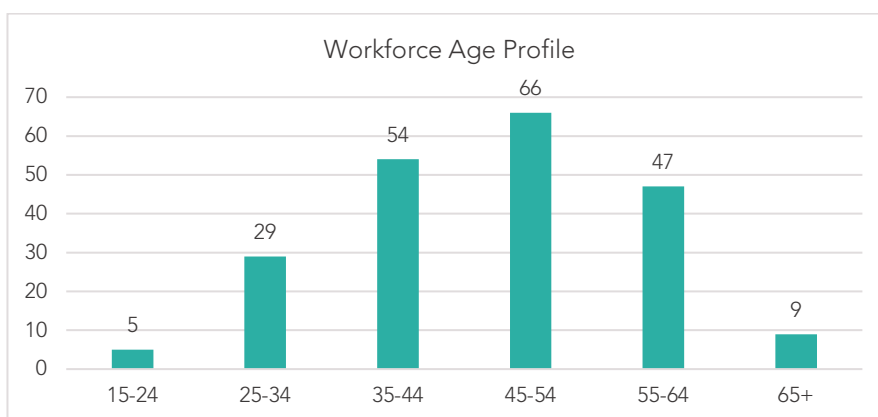
### Flexible Work Policies

Hepburn Shire Council are committed to the health and wellbeing of its employees and support flexible work arrangements, purchase of additional leave, and job share arrangements. These work practices form part of the organisation's Employee Value Proposition to attract and retain staff.

The Enterprise Agreement is under negotiation and further flexible work practices are being proposed such as a transition to retirement program, increased paid parental leave and superannuation paid during unpaid primary carers leave, flexible secondary carers leave, increased leave for compassionate/ bereavement reasons, paid leave for an employee caring/supporting someone experiencing family violence, flexible spread of hours to support home schooling, ceremonial leave, and parity of pay rates with similar sized and neighbouring Councils.



### Ageing Workforce



The ability of Council to deliver quality services is dependent on its people. Our workforce is ageing with 27% of employees aged 55 years or older. Some of these older employees work in physically demanding roles such as outdoor work and in-home care. Other roles where our older cohort work are currently recognised as being hard to fill such as in the planning and building services area, and financial services. Council will be required to mitigate and manage the risks of its ageing workforce associated with physical roles and loss of corporate knowledge and experience, particularly hard to fill specialist roles and if exits through retirement are unplanned.

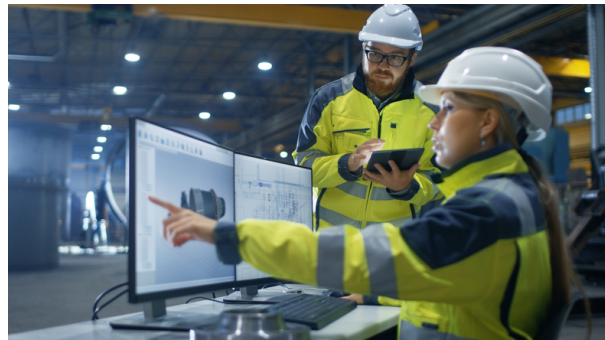


Life expectancy figures released by the Australian Bureau of Statistics confirm that we live in an ageing society and in 2018-2020, life expectancy was estimated at 81.2 years for males and 85.3 years for females. This is a substantial increase from a century ago when Australia life expectancy was 62. An extra 20 years of life changes the perspective of retirement. If knowledge workers in particular can work in a hybrid work/lifestyle arrangement, there may be opportunities to retain older workers in these roles. Further opportunities include encouraging those planning to leave the workforce into part-time, casual and volunteering roles to keep them engaged in Council.

Older employees offer experience, expertise and maturity and with considered management the organisation may leverage the experience and expertise of these employees to futureproof service delivery. Providing flexible working arrangements, introducing transition to retirement programs, as well as actively engaging older employees in succession planning including fostering mentoring and coaching to develop less experienced staff provides an opportunity to value our older workforce, and build internal talent.

### Attracting a Diverse Workforce

Promoting local government as an attractive career path for diverse groups including younger people provides opportunities through graduate programs, apprenticeships and traineeships. Appealing to people's values to be part of changing lives and communities can be an attractive career pathway into community services, customer service, tourism, engineering, building and planning, and corporate professions.



### Absenteeism

Hepburn's unplanned absence rate for 2020-2021 was 3.45%, compared to the average for Small Shire Councils of 4.18% (*sourced from the latest Municipal Association of Victoria HR Benchmarking Report*).

## 4.2. Environmental Scan

An analysis was conducted to assess the external factors that may potentially impact our future workforce requirements to deliver Council services over the next 4 years. Potential factors include:

### Political:

- Community expectations to deliver services and maintain infrastructure on a small rural Council budget
- Aspirational decisions within resource limitations
- Understanding statutory and strategic planning, and financial accounting in a local government context
- Election of councillors and turnover, ie: 6 new councillors
- Advocacy for funding and partnership opportunities
- State and Federal Government changes and cost shifting, increased reporting requirements
- Community advocacy for improved services
- Potential registration of emergency management practitioners
- Councillor Bi-Elections
- Transparency principles vs public interest and community expectation vs organisational reputation
- Royal Commission Aged Care Reforms

### Social:

- Community desire for greater engagement and connection with Council
- 10 Year Community Vision
- Relocation to Hepburn Hub
- Accessibility – customer expectations for 24/7 service
- Support for visitor services, decline in volunteerism
- Transport connectivity
- Council's role in leading coordinated response and recovery for natural disasters
- Pandemic – vaccination mandate
- Working from home and return to office – new COVID work environment
- Social and sustainable procurement
- Ageing workforce
- Affordable housing

### Environmental:

- COVID 19 Pandemic – impact on work environments, service provision, mental and physical health impacts, increased support to events, staff turnover related to mandatory vaccinations, return to office support
- Climate change – weather events – natural disasters - impacts on recovery
- Sustainability education and awareness

### Economic:

- Limited financial resources to deliver optimal service levels at all sites
- Investment in ICT for optimal service provision
- Increasing costs of asset renewal
- Reliance on government funding to deliver services
- Grant stimulus funding due to COVID-19
- Local business response and recovery as a result of the pandemic
- Government funding opportunities for priority projects and resourcing
- Wage disparity with similar sized and neighbouring Councils
- Rate capping
- Increased objections to property valuations
- Financial sustainability
- Cost of staff turnover, competition with other LGA's and organisations
- Increased FOI applications
- Increasing insurance premiums

### Technological:

- Digital literacy of some community members
- Social media platforms to communicate with wide range of audiences
- Website development
- Digital connectivity – access to information, services, and online transactions
- Poor internet access in Shire
- 5G implementation
- Maintaining optimal use of technology systems and programs by staff
- Increased reliance on geospatial technology
- CiAnywhere transition
- ICT Strategy

### Legal:

- COVID 19 Pandemic – legislative obligations
- Implementing the Local Government Act 2020
- Gender Equality Act 2020
- OHS Regulations – psychological risks
- Aquatics (Life Saving Vic)
- Amendments to Emergency Management Act 1986/2013
- Changes to guidance documents, eg: State Emergency Management Plan
- Changes to Accounting Standards
- VAGO Audit recommendations and increasing statutory reporting
- Privacy and Data Security Plan requirements as per the Privacy and Data protection Act 2014
- Victorian Protective Data Security Standards
- State and Federal elections and effects on Industrial Relations
- Road Management Plan
- Planning Scheme review



## 4.3. SWOT Analysis

The SWOT analysis was developed through consultation with each of the Service Areas to assess the current Strengths, Weaknesses, Opportunities and Threats.

### Strengths:

- Long term, experienced staff servicing the community across four locations within the Shire
- Local area knowledge by staff
- Stability of outdoor workforce
- Hub models incorporating customer service, libraries and office staff
- Working with regional boards, community clubs and stakeholders
- Internal governance support
- Flexible working arrangements
- Leadership Program
- Volunteers to deliver visitor services
- Hepburn attractive to 'tree' changers

### Opportunities:

- Attraction and retention of staff through improved recruitment strategies, employee value proposition, and re-negotiation of the Enterprise Agreement
- Resource sharing with other agencies, LGA's and service providers, secondments, career opportunities
- Partnerships with regional LGA's and allied health services
- Business partnering Internal service areas
- Traineeships, apprenticeships, graduate programs
- Employee self-serve and single touch payroll
- Succession planning to ensure critical to business continuity
- Internal efficiencies through reviews and process optimisation
- Measure employee engagement and culture
- Organisational ICT Strategy and utilization of ICT systems and programs
- Access to information and conduct business online
- Customer Service Charter and Strategy
- Investment Attraction Strategy
- Public and private partnerships to fund and delivery major infrastructure
- Build internal capability through Employee Performance Development Program, learning initiatives, multi-skilling, opportunities for career pathways, mentoring, higher duties
- Event attraction
- Cross departmental collaboration on projects

### Weaknesses:

- ICT systems – utilisation, automation and data integrity and management
- Lack of career pathways in some professional areas
- Backfill capability and succession plans
- Resources to deliver large capital works program
- Out of date policies and procedures
- Lack of procedure manuals and system documentation
- Availability to review/improve/develop processes for efficiency optimisation
- Office accommodation - Daylesford
- Corporate Induction Program

### Threats:

- Training & Development Program
- Business continuity planning
- GIS expertise
- Asset renewal programs for Council assets
- Attraction and retention of qualified/ experienced professionals
- Low enterprise agreement pay rates compared to similar sized and neighbouring Councils
- Staff turnover and loss of critical corporate knowledge and experience
- Workforce skills shortages and inability to fill critical roles
- Attraction and retention of professional staff to meet core service delivery and legislative compliance obligations
- Ageing workforce and unplanned staff exits through retirement
- Responding to legislation changes increasing workload
- Pandemic and impacts on business as usual and service delivery
- Decreasing Government funding and continued rate capping
- Ability to offer competitive remuneration rates within a financially constraint small rural Council
- Understanding the importance of risk mitigation and governance controls
- ICT system security and failures
- Climate change and weather events
- Decline in Volunteerism

## 4.4. Impact of COVID-19

Council responded to the COVID-19 pandemic by introducing a Pandemic Leave Policy and greater flexible working arrangements including work from home where staff were able to do so. The Policy also responds to the ongoing Victorian State Government requirements.

The impact of COVID-19 cannot be underestimated with the effect on workloads to change the way we work at Hepburn. However, the pandemic also provided opportunities to fast track working from home arrangements where altered ways of working are required. Technology plays an important role in creating a contemporary workplace shaping the way we interact, work and implement council activities and strategies. The development and implementation of the ICT strategy will provide opportunities for greater efficiencies and effectiveness across the organisation.



## 4.5. Disability Access and Inclusion Plan

Council demonstrates its commitment to inclusive workforce practices through the strategic objective in the Hepburn Shire Council Disability Access and Inclusion Plan 2018 – 2022. Strategic objective 2 seeks to ensure that non-discriminatory practices are followed with existing staff and when employing new staff and that people with a disability are encouraged to apply for positions at Council.

## 4.6. Reconciliation Action Plan

The Reflect Reconciliation Action Plan 2018 – 2019 provides a commitment to raise staff awareness for Aboriginal and Torres Strait Islander culture, histories and protocols through induction programs and ongoing awareness sessions, and the obligations all staff have under this plan.

## 4.7. Diversity and Gender Equality

Hepburn Shire Council has commenced development of a Gender Equality Action Plan in accordance with the Gender Equality Act and is due to be completed by early 2022. This plan will set out measures to ensure gender equity, diversity and inclusiveness including specific gender equity targets for the employment of senior staff.

Council is also reviewing the Recruitment Policy in accordance with the Local Government Act 2020. The review will demonstrate a commitment to diversity and gender equality and consideration of gender balance, representation of people with disabilities and of cultural, racial and ethnic groups at all stages of recruitment and selection. The revised policy will include consideration of reasonable adjustments for people with disabilities who apply for a position and require adjustments to participate in the recruitment process or are offered employment with Council and require adjustments to perform the requirements of their role.

Gender equity principles will be applied when formulating position descriptions, sourcing candidates, advertising, and shortlisting applications. Applications from Aboriginal peoples, people from culturally and/or linguistically diverse backgrounds and people with a disability will be actively encouraged. Gender balanced interview panels that are trained in equal employment opportunity, diversity and anti-discrimination recruitment and selection practices will be used.

#### 4.8. Staff Engagement Survey



Employees participate in an engagement survey twice per year and the graph shows the percentage participation rate per survey as well as the percentage results per category. 'Favourability' is an indication of employee satisfaction. Staff are also invited to provide comments, and these are considered by management to identify improvement opportunities. The main themes from the last survey conducted in May 2021 indicated the following concerns:

- Staff turnover and lack of human resources in some teams
- Workload and high expectations from council and community to deliver objectives while under resourced
- Adequacy and effective utilisation of current ICT systems and software
- Working during COVID-19

#### 4.9. Workplace Gender Equality Survey

During May-June 2021, Hepburn engaged in the People Matter Survey with a staff participation rate of 21%. The workplace gender equality results indicated some areas with lower results when compared to the Local Government benchmarks\* and these areas will provide Hepburn with opportunities to improve through:

- culture awareness programs, leadership, and diversity and inclusion programs
- policy reviews and training on bullying and discrimination, unconscious bias, reporting unacceptable and inappropriate behaviours
- recruitment and internal Expression of Interest processes
- reviewing and communicating the Training and Development Policy
- employee engagement and the Gender Equality Action Plan

*\*LG Benchmark includes results for the 72 local councils that participated in the survey.*



#### 4.10. Financial Analysis

The Hepburn Shire Council 10 Year Financial Plan 2021-2031 has been developed to ensure Council's medium to long term financial sustainability and achievement of Council's strategic objectives as outlined in the Community Vision and Council Plan. The Statement of Human Resources is based on assumptions however will be further informed by the development of the organisational workforce plan and the impact of new Enterprise Agreements.

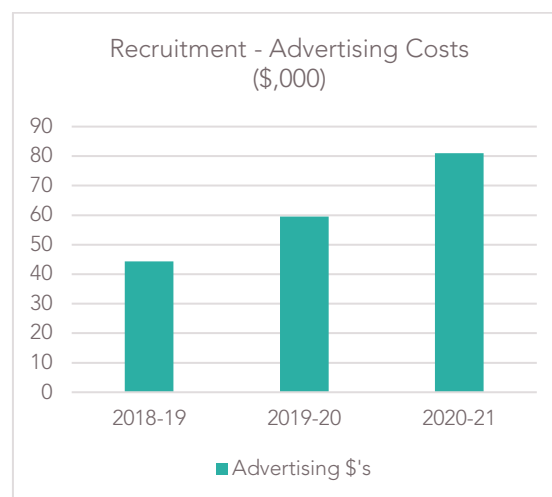
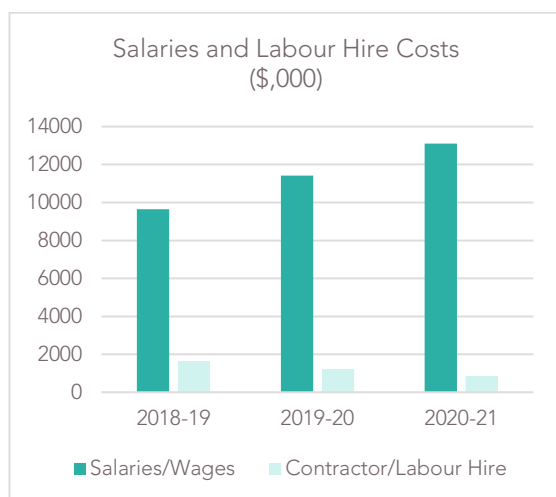
The Hepburn Shire Council Enterprise Agreement (No.8) 2017 is being re-negotiated with management proposing improved conditions and increased pay rates to provide parity with similar sized and neighbouring Councils. It is anticipated that the new Enterprise Agreement (No.9) 2021 will be lodged with the Fair Work Commission early in the new year.

The current Hepburn Shire Council Budget 2021-22 provides the following projected staffing FTE's for the next 4 years:

2021/22 Budget	2022-23 Projection	2023-24 Projection	2024-25 Projection
FTE	FTE	FTE	FTE
175.7	175.7	172.7	172.7

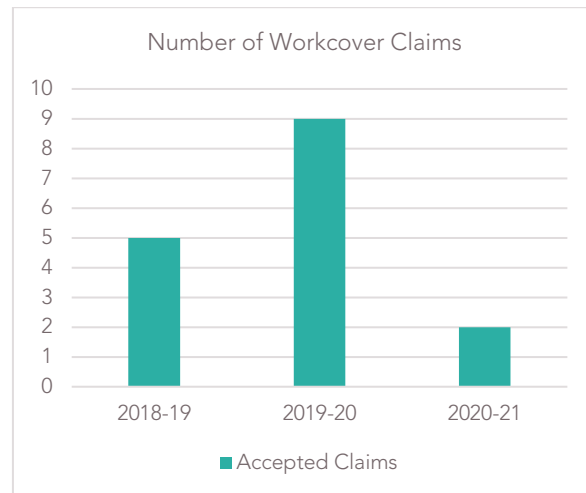
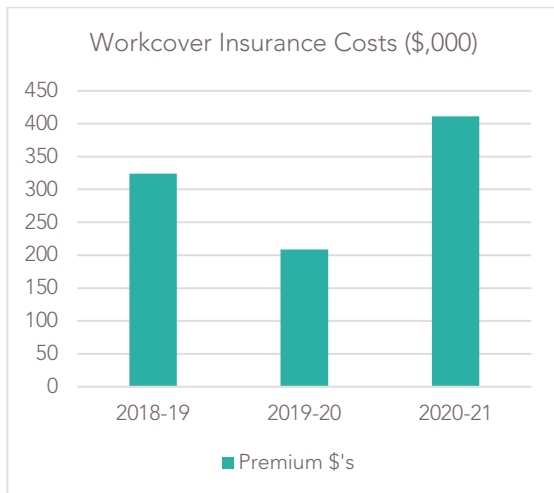
The first two years are reflective of the recent organisational restructure and an increase in fixed term staff resources to provide support to meet Council's objectives and service delivery targets.

#### Salary and Recruitment Costs



It is estimated that the replacement cost of an employee is 150% to 175% of their annual remuneration which includes direct costs. Indirect costs include loss of productivity in the early stages of a new employee commencing, and the final stages of an employee exiting the organisation, as well as induction and on-boarding, and the cost of staff involved in each recruitment campaign. Council currently has 24 vacant positions. There are some direct cost savings while vacancies remain unfilled however there is significant impact on the workloads of other employees, and in some cases additional costs for interim contractor or labour hire placements.

## Workcover Insurance Costs



## 5. Organisational Forecast and Challenges

### 5.1. Workforce Review – Organisational Forecast

#### **Council Plan and Community Expectations**

The Council Plan 2021-2025 is the blueprint for Council's work over the next four years. Priority statements and strategies support the five focus areas outlined in the Community Vision and set out Council's operational priorities. The five focus areas and the priority statements are:

#### ❖ **A resilient and sustainable environment**

- Adapt to and mitigate climate change to reach net-zero community emissions by 2030.
- Prioritise environmental management, protection, and regeneration.
- Transition to ecologically sustainable and accountable tourism.
- Develop meaningful and strategic partnerships that link sustainability and public health.

#### ❖ **A healthy, supported and empowered community**

- Support appropriate land use and accommodate more affordable long-term housing within townships that conform with the character of the area.
- Increase the availability and accessibility of services in the Hepburn Shire area to support liveability, health and wellbeing.
- Maximise the use of public spaces to increase participation and community connection.
- Assist out community to increase access to healthy food to increase nutrition, reduce chronic disease, increase mental wellbeing and strengthen the local agriculture system.
- Improve mental wellbeing within the community.

#### ❖ **Embracing our past and planning for the future**

- Partner with and empower our Traditional Owners and broader community to acknowledge, understand, celebrate, and preserve our area's cultures, traditions, and environs.
- Embrace and enhance the existing character of our towns and rural settings through strategic planning to facilitate appropriate growth and development.
- Build and maintain infrastructure that supports liveability and activity in our community.

#### ❖ **Diverse economy and opportunity**

- Work towards attracting and retaining young people in our area through the provision of improved digital connectivity, education opportunities, employment pathways, and leadership opportunities.
- Advocate for improved internet infrastructure to support business, residents who work from home, students, and other citizens of the Hepburn Shire area.
- Support and facilitate a diverse and innovative local economy that encourages an increase of local businesses with diverse offerings to achieve positive social and economic impacts.

#### ❖ **A dynamic and responsive Council**

- Harness community expertise.
- Actively communicate, inform and engage with our community about events and decision-making.
- A sustainable and agile organisation with strong corporate governance that supports excellent operations.
- Improve staff resourcing, support and capacity building.
- Strong asset management and renewal.
- Be a leader in gender equality and equity and promote respect and safety in our community.

The Council Plan will have a significant impact on the workforce initiatives and capabilities to deliver the key objectives and meet community expectations over the next 4 years.



## 5.2. Critical Service Delivery

Local Government plays an important role providing services and amenities to local communities. Council is responsible for the function and delivery of a range of services and infrastructure, as well as family, community and environmental health services. Council is also required to work within government regulations and develop local laws for the wellbeing of the Shire.

During the business and workforce planning process, the following services were assessed as critical for Council to deliver now and into the future:

- Environmental health services
- Municipal building surveying
- Strategic and statutory planning, including social planning
- Project management and engineering
- Emergency management
- Community engagement and planning
- Business enterprise improvement
- Information and communication technology
- Aquatic services
- Volunteering support

## 5.3. Critical Capability Needs

Future workforce capabilities have been identified to support the delivery of Council's critical services and to meet Council's legislative obligations. Current vacant positions within the organisation structure have been or are being recruited into the organisation however, the following capability needs which are known skills shortages are also required to continue to deliver critical services into the future:

- Business analysis and improvement for utilisation of internal corporate systems and business practices
- Emergency management and recovery
- Governance – statutory and legislative interpretation
- Environmental health
- Strategic and statutory planning
- Project Management and delivery
- Civil engineering
- Strategy and policy development, and community planning
- Building Surveying
- Human Resources – business partnering and developing people centric programs
- Qualified life guards

Some of the positions are in the organisational structure however may currently be vacant. Other positions have been identified as projected requirements over the next 4 years:

Position	2021-22 FTE	2022-23 FTE	2023-24 FTE	2024-25 FTE
GIS Specialist	-	0.5	0.5	0.5
ICT Helpdesk & Support Officer (Fixed term 2 years)	1.0	-	-	-
ICT Transformation Project Manager (Fixed term 2-3 years)	-	1.0	1.0	1.0
Governance Advisor	-	1.0	1.0	1.0
Statutory Planner	-	1.0	-	-
Strategic Planner	-	-	1.0	-
Building Surveyor	1.0	1.0	1.0	1.0
HR Business Partner	1.0	1.0	1.0	1.0
Financial Business Partner (Fixed term 2 years)	1.0	1.0	-	-

It is recognised that some positions requiring qualified and experienced local government professionals will be difficult to fill due to current workforce skill shortages in these professions. Where appropriate, Hepburn will identify strategies beyond direct recruitment in an effort to address skills/capability gaps, such as partnering with other LGA's/organisations, engaging consultants/contractors, developing internal staff interested in these career pathways, business partnering to enhance knowledge and skills across teams, promotion and advancement and job redesign.

#### 5.4. Retirement Forecast

Number of permanent employees by age and job classification as at 30/9/2021:

Department	55-64	65+	Total
<b>Coordinators and Supervisors</b>			
❖ Community Life	2	-	2
❖ ED and Recreation	1	-	1
❖ Corporate Services	1	-	1
❖ Operations	2	-	2
<b>Staff</b>			
❖ Community Life	6	3	9
❖ ED and Recreation	-	1	1
❖ Customer Experience	1	1	2
❖ Corporate Services	3	-	3
❖ Planning	2	1	3
❖ Community Safety & Facilities	6	1	7
❖ Infrastructure	4	-	4
❖ Operations	12	-	12
<b>Total</b>	<b>40</b>	<b>7</b>	<b>47</b>



According to the Australian Bureau of Statistics, the retirement age is 55.4 years however many keep working into their sixties and beyond. The average age people intend to retire is 65.5 years. The superannuation guarantee, currently set at 10% of wages and salaries, is scheduled to rise incrementally to 12% by 2025.



### 5.5. Business Systems

Council have recently developed an Information and Communication Technology (ICT) Strategy that sets a clear direction for the investment and ongoing management in technology needed to enable Council to leverage existing ICT systems, improve operational efficiencies and significantly improve the ability to interact with customers. The ICT Strategy identifies existing and potential future resource and skill gaps including:

- MS Office 365 administration and support
- Cloud infrastructure management
- Mitigating new ICT related risks
- Project and change management
- GIS administration
- Technology One technical skills

The Strategy provides a sustainable approach to build self-sufficient ICT capability across the organisation to shift reliance on the limited resources in the ICT Support team.

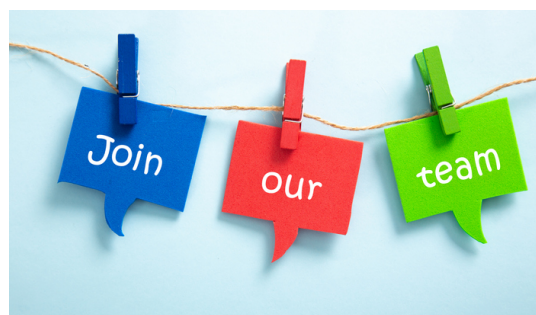
## 6. Strategies and Initiatives

### 6.1. Attraction and Retention

Attracting and recruiting the right people into the right roles is cost effective and has a positive impact on the work environment and culture. The right recruitment decisions will ensure employee productivity, successful employment relationships, and increased employee engagement. Competition for similar roles with neighbouring Councils and regional private enterprise is having an impact on Hepburn's ability to attract and retain qualified and experienced staff. The following key initiatives respond to these challenges:

#### Key Initiatives:

- ❖ Develop a competitive Employee Value Proposition (EVP) to attract and retain qualified and experienced employees. The EVP will promote Hepburn Shire Council as an employer of choice through branding, live-ability, access to regional services, workplace benefits such as family friendly and flexible work arrangements, learning and development programs, career opportunities, workplace culture and Enterprise Agreement conditions that are comparable to other LGAs.
- ❖ Review the Recruitment Policy and ensure contemporary recruitment practices to target high performing candidates, internal expression of interest process, improve job and organisational culture fit through the use of contractual two-way interviews, behaviour and aptitude testing during recruitment events such as psychological, behavioural and competency-based programs. Also respond to the obligations as set out in Council's Disability Access and Inclusion Plan, the Gender Equality Act and the Local Government Act.
- ❖ Establish and facilitate initiatives to strengthen Hepburn's diversity and provide an inclusive work environment where employees can bring their whole self to work.
- ❖ Review recruitment points to attract and encourage a diversity of potential candidates to apply including Indigenous people, people with a disability, younger people, mature aged, long term unemployed, parents, skilled migrants and other under-represented groups. Identify innovative ways to connect with diverse groups and make access to Council jobs easier.
- ❖ Build partnerships and develop programs with education organisations to utilise university graduates in hard to recruit for areas. Identify available government funding for traineeships and apprenticeships.
- ❖ Investigate opportunities for shared resourcing between other Councils and organisations for hard-to-fill, part-time or job-share roles.
- ❖ Develop a register of talented high performing former employees to re-engage as casuals or fixed term contractors, such as retirees, parents, carers.



## 6.2. Succession Planning

Succession planning ensures the organisation is able to support service continuity when employees leave and develops career pathways for employees which may facilitate retaining high performing people. It also sends a message to employees that they are valuable. The absence of succession planning can undermine an organisation's effectiveness and its sustainability. By identifying and managing people with critical knowledge and experience, and capturing corporate memory, the organisation can continue to deliver services to the community. Strategy execution, growth and competitiveness are all dependent on the performance of our people, and how we manage talent within the organisation. The following key initiatives respond to these challenges:

### Key Initiatives:

- ❖ Develop a mentoring program where more experienced and/or highly skilled employees share their knowledge and skills with less experienced workers.
- ❖ Identify key and critical roles in the organisation and develop procedure manuals that support employee succession plans.
- ❖ Identify talented employees and career aspirations through the Performance Development Program and promote and provide opportunities for leadership development such as higher duties, secondments and job-rotations.
- ❖ Encourage employees to participate in the LGPro Emerging Leaders Program and other key learning and development programs.
- ❖ Provide opportunities for inter-generational project teams and build these into project planning.



### 6.3. Transition to Retirement

Retaining our older workforce while they transition to retirement provides mentoring opportunities for younger employees to tap into experience and corporate knowledge, and safeguards against the loss of critical knowledge that can affect productivity. Effective staff mentoring can reduce staff turnover and improve staff morale, and workers with both work and life experience are valuable assets to an organisation. The following key initiatives respond to these challenges:

**Key Initiatives:**

- ❖ Develop a phased retirement program to assist experienced staff transition to retirement and remain engaged in the workforce while providing work/life balance.
- ❖ Provide access to relevant information such as superannuation advice, financial planning services, retirement advice and test the employee appetite to remain engaged as a casual or fixed term contractor, or as a volunteer.
- ❖ Identify and provide opportunities for the transition of our ageing workforce into roles that are less physically demanding.
- ❖ Utilise current flexible working arrangements to assist retirees' transition into retirement while remaining valuable to the organisation, i.e. full-time to part-time hours of work, job share, working from home.





## 6.4. Learning & Development

Learning and development benefits the organisation and employees alike by building employee confidence, empowering employees and improving team and organisational morale. By taking a strategic approach to investment in learning and development to build future workforce capabilities increases productivity and has a positive effect on service delivery. Considering a deliberate and structured approach to managing the career growth of employees, Hepburn will ensure the right people are ready for critical roles now and in the future and may impact positively on employee retention. The following key initiatives respond to these challenges:

### Key Initiatives:

- ❖ Continue the Hepburn Leadership Program and provide customised training to all supervisors to improve people management competencies. Provide on-going people management training to ensure supervisors continue to build and maintain their skills.
- ❖ Identify emerging leaders and develop a talent management culture and program to provide employees with professional development opportunities such as higher duties, participation in cross-functional projects, secondments and networking (both internal at HSC and external with other Councils or organisations).
- ❖ Through the employee Performance Development Program, identify career pathways and professional development and skill capability programs.
- ❖ Identify critical skills and qualifications required to enable Hepburn to achieve its strategic and operational priorities and objectives and assess the current workforce against the critical capability needs to determine gaps that require a planned approach to close these gaps.
- ❖ Identify internal skills, capabilities and knowledge and develop a program where employee 'experts' can share their knowledge and experience with others through coaching and mentoring.
- ❖ Implement customer service training across the organization to support the Customer Service Charter.
- ❖ Develop a program to attract entry into the local government sector through school work experience, apprenticeships, traineeships, cadetships, student gap years and university student graduate placement programs.



## 6.5. Employee Engagement

Culture and employee engagement is a source of competitive strength. The world's best organisations gain and keep their competitive advantage by building, tracking and constantly improving their own unique cultures across the entire employee experience. Councils are under pressure to achieve greater operational efficiencies which places greater emphasis on increased productivity, to which key-employee retention is essential. Improving organisational culture and leadership through behaviours and a values-based approach will provide positive team development. Recognising and empowering employees to unleash discretionary effort provides the employee with the feeling that this is the right place to work. The following key initiatives respond to these challenges:

### Key Initiatives:

- ❖ Build a culture of valuing staff through:
  - appropriate formal and informal recognition and acknowledgement;
  - empowering and enabling staff to make level of decisions without needing up-line approval;
  - creating a safe environment where staff can discuss their experiences and personal or professional needs;
  - regular one-to-one conversations, gaining greater understanding and building better relationships.
- ❖ Review and develop comprehensive corporate and site-specific induction programs that include a 'Buddy' support system that recognises and utilises experienced high performing employees.
- ❖ Establish 'Know-how' tandems in key service and customer contact areas to ensure new Customer Service Officers are job ready before operating alone.
- ❖ Continue to measure the employee experience through twice yearly PULSE engagement surveys and identify opportunities for improvement.
- ❖ Review the employee departure process to capture important information by the direct supervisor, and offer flexible exit interview discussions by an employee nominated supervisor, People and Culture, or via surveys.



## 6.6. Business Systems

Systems and processes are the essential building blocks for any organisation and effective business systems are designed to connect all of the organisation's parts and interrelated steps to work together for the achievement of the business strategy. Creating effective business systems supports problem solving and decision making for the organisation and connects people to the operational strategy. There is a global transition underway to a predominantly digital economy and service model. This move is already shaping the expectations of the community and will directly influence what is required of Council to deliver into the future.

Council's recently developed ICT Strategy sets a clear direction to leverage existing ICT systems, improve operational efficiencies and significantly improve the ability to interact with customers. It offers a sustainable approach to build self-sufficient IT capability to shift reliance on the limited resources in the ICT Support team. The following key initiatives respond to our ICT and digital challenges:

### Key Initiatives:

- ❖ Embrace and invest in technology to increase productivity and efficiencies and support employees to achieve their responsibilities.
- ❖ Improve current business processes to drive operational efficiency and superior customer experience through on-line service delivery.
- ❖ Identify accountability and responsibility for business systems to support effective operation and deliver training where required.
- ❖ Provide ongoing training, refreshers and knowledge improvement in the operation and to take advantage of Council's current systems and support future system improvements.
- ❖ Invest in ICT support and system administration capability. Investigate feasibility of entering into a formal support agreement with a third-party support organisation to provide a range of services.
- ❖ Regularly review the ICT resourcing to address identified skill and resource gaps to increase or broaden skillsets within the ICT team capability.
- ❖ Create succession planning and knowledge sharing opportunities required to mitigate the risk of ICT staff departures or unavailability.
- ❖ Investigate shared resources across other Councils.



## 7. Consultation

### 7.1. Stakeholder Engagement

During the development of the Workforce Plan, the Executive and Leadership Team along with Department Coordinators were engaged in the department business planning process. Workforce challenges and future needs were identified, and strategies developed to respond to changes within the internal and external environment.

### 7.2. Organisational Engagement

Critical to the success of this strategy is to ensure the organisation understands the benefits of workforce planning and remains engaged with the ever-changing workplace environment.

The Leadership Team will continue to engage with staff through annual Business & Workforce Planning reviews, the Employee Performance Development Program, the Staff Consultative Committee, new program development, and the ongoing review and development of policies and systems.

Staff will be encouraged to provide regular feedback and discuss their experiences and personal or professional needs to create an engaged workforce.



## 8. Monitoring and Evaluating

The People and Culture Team has overall accountability for implementation of the Workforce Plan, achievement of outcomes and the delivery of key initiatives. In implementing the initiatives, the People and Culture Team will partner with the Executive and Leadership Teams to ensure that priorities are based on identified organisational needs and timeframes.

The Workforce Plan will be used during Service Area Reviews to respond to changes in service levels, policy directions and community expectations. Implementation of the Workforce Plan will be regularly monitored to determine the impact on:

- Attraction & Recruitment
- Succession Planning
- Transition to Retirement
- Learning & Development
- Employee Engagement
- Business Systems

Regular evaluation of qualitative and quantitative human resource performance measures will be used to assess the impacts of the implementation of the Workforce Plan initiatives, and continually inform workforce planning decisions.



Key performance measures include:

- Employee Engagement surveys
- Community Satisfaction with Council
- Employee Performance Development Program
- Staff unplanned turnover
- Recruitment costs
- Internal appointments to vacant positions
- Unplanned absenteeism
- Age profile of the workforce
- Gender equity, diversity and inclusion measures and targets



Outcomes and performance measures will be benchmarked against other similar size Council's to determine the success or otherwise of the implementation of the Workforce Plan. The People and Culture Team in consultation with the Executive and Leadership Teams will determine annual targets for the key measures of the strategy.

## 9. Reporting and Review

The People and Culture Team will review the Workforce Plan annually and align the relevant activities for that year with the People and Culture Business Plan. The People and Culture Team will also formally report on the Workforce Plan's progress in Council's Annual Report.