

Minutes 14 FEBRUARY 2012



Minutes of Extra-Ordinary meeting of the Port Stephens Council held in the Council Chambers, Raymond Terrace on 14 February 2012, commencing at 7.20pm.

PRESENT: Councillors R. Westbury (Mayor); G. Dingle; C. De Lyall; S. Dover; G. Francis; K. Jordan (Deputy Mayor); J. Nell; S. O'Brien; S. Tucker; General Manager; Corporate Services Group Manager; Facilities and Services Group Manager; Sustainable Planning Group Manager and Executive Officer.

001	Councillor Ken Jordan Councillor John Nell
	It was resolved that the apologies from Councillors Frank Ward, Bruce MacKenzie and Peter Kafer be received and noted.

	No declaration of interests were received.
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**COUNCIL
COMMITTEE
RECOMMENDATIONS**

ITEM NO. 1

FILE NO: PSC2011-03487

NSW PLANNING LEGISLATION AND SYSTEM REVIEW

REPORT OF: DAVID BROYD – GROUP MANAGER

GROUP: SUSTAINABLE PLANNING

RECOMMENDATION IS THAT COUNCIL:

- 1) Endorse the draft submission in response to the "Issues Paper" prepared by Mr Tim Moore and Mr Ron Dyer for the NSW Planning Legislation System and Review (**Attachments 1 & 2 – to be provided under separate cover**).
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COUNCIL COMMITTEE MEETING 14 FEBRUARY 2012

	Councillor John Nell Councillor Bob Westbury
	That the recommendation be adopted.

EXTRA-ORDINARY COUNCIL MEETING – 14 FEBRUARY 2012

002	Councillor John Nell Councillor Glenys Francis
	It was resolved that the recommendation be adopted.

In accordance with the Section 375A, Local Government Act 1993, a division is required for this item.

Those for the Motion: Crs Bob Westbury, Glenys Francis, Ken Jordan, John Nell, Caroline De Lyall, Shirley O'Brien, Geoff Dingle, Sally Dover and Steve Tucker.

Those against the Motion: Nil.

BACKGROUND

The purpose of this report is to recommend the submission by Council in response to the "Issues Paper of the NSW Planning System Review: The Way Ahead for Planning in NSW?" incorporating a Port Stephens Council emphasis.

The Environmental Planning & Assessment Act (as amended) 1979) has had over 140 amendments during its almost 33 years of operation.

On 6 December 2011 the Minister for Planning & Infrastructure the Honourable Brad Hazzard formally published the "Issues Paper of the NSW Planning System Review" – "The Way Ahead for Planning in NSW?" prepared by co-chairs for the Planning System Review: Messrs Tim Moore and Ron Dyer. Submissions in response to the Issues Paper are to be received by the Secretariat of the Planning System Review by close of business on 17 February 2012.

During the preparation of the Issues Paper, Messrs Moore and Dyer conducted 91 community forums in 44 locations in NSW and these forums were attended by almost 2000 people. Additionally, 70 stakeholder meetings have been held and 330 written submissions were received from the public and interested parties.

The co chairs of the Review Team, Mr Tim Moore and Mr Ron Dyer will produce a "Policy Options Green Paper" by the end of April 2012. This Green Paper will set out the recommended preferred structure for a new planning system. Subsequently, a "White Paper" and draft legislation will be released for exhibition before a Bill is submitted to the NSW Parliament – details of timing will be published in due course.

On Friday 10 February 2012, the Hunter Council's Board considered a recommended submission to the Issues Paper on the NSW Planning Legislation and System Review. That submission was drafted by Group Manager Sustainable Planning David Broyd at the request of the General Manager of Great Lakes Council, Glenn Handford who was given the task by the General Manager's Advisory Council of Hunter Council's to submit a recommended submission to the Hunter Council's Board.

The most important issues / questions for Port Stephens Council

Below are what is suggested as the most important issues / questions for this Council based upon previous Council resolutions, issues which Council has dealt with and discussions around the NSW Planning Legislation and System:

- 1) What should be the objectives of the new legislation?;
- 2) What should be the role and composition of Joint Regional Planning Panels based upon a general improvement in clarification in roles for decision making on development applications between the Minister for Planning and Infrastructure, the Planning Assessment Commission, Joint Regional Planning Panels and Councils;
- 3) Achieving a meaningful Regional Strategy – particularly given the issues that Council has had to deal with relating to the Green Corridor and the lack of integration of environmental and infrastructure planning into the Regional Strategy;
- 4) Should strategic planning be given more weight – indeed be given statutory status?
- 5) Development contributions – how should such levies be calculated;
 - How to deal with the confusion between State Infrastructure Levies and Developer Contributions?;
 - How to enable development to occur in the context of significant land and housing affordability issues and how should the allocation of costs for new infrastructure be considered given the limitations on Council's financial capacity to allocate expenditure for capital works, infrastructure

- and asset management and lifecycle costing to support growth and development?;
- 6) What should be the changes to Private Certification and how should Private Certifiers be made more accountable?;
 - 7) Local Environmental Plans:
 - Should they be subject to periodic review and be integrated with the obligations upon Local Government to prepare and review Community Strategic Plans, Delivery Programs and Operational Plans (under amendments from the Local Government Act)?;
 - Should there be a Standardised LEP and if so what should be the format, structure and content;
 - How do the unacceptable delays in the processing of Standard Comprehensive LEP's and Draft LEP Amendments be addressed?;
 - 8) What should be the involvement of Local Government in regional planning?;
 - 9) How should Local and State Government working relationships generally be improved - and particularly in terms of the working relationships within Port Stephens and the NSW State Government?;
 - 10) Should there be a right for a landholder to seek compensation from the consequences of a rezoning of their land?;
 - 11) How do we generally make the legislation and system simpler, clearer, more outcome focused and provide more certainty to all involved?;
 - 12) What should be the role of Councils in implementing a new Planning System?;
 - 13) What checks and balances should be put in place to ensure probity in the Planning System?; and
 - 14) How do we generally de complicate and speed up development assessment?

Mr Tim Moore and Mr Ron Dyer posed 238 questions in the Issues Paper. Attachment 2, which is recommended to be part of Council's submission, seeks to address most of the questions that are of relevance to this Council.

FINANCIAL/RESOURCE IMPLICATIONS

The new legislation and system that will result from this Review could, and should, have major implications for financial and resource commitments of Local Government. There is substantial rework and delays in the current system that the Review outcome should seek to address to inject more efficiency.

Also, greater emphasis on quality of outcomes and the assets accepted by Local Government as a consequence of approvals is another key issue for managing the financial implications for Local Government.

Perhaps most importantly, new legislative provisions and systems / processes to deal with local development contributions in the context of Local Government capacity to fund capital works, infrastructure maintenance and lifecycle costing associated with such public assets and facilities need major changes. This has to be addressed in the context of land and housing affordability issues that are very significant in NSW – particularly in Sydney and parts of the Hunter.

LEGAL, POLICY AND RISK IMPLICATIONS

This is a major overhaul of the NSW Planning Legislation and System. Hence it has fundamental and major implications for legal, policy and risk management by this Council, all Council's in NSW and State agencies / departments.

Risk	<u>Risk Ranking</u>	Proposed Treatments	Within Existing Resources?
Changes to Legislation and System do not deliver improvements needed.	Medium	Political lobbying and further review.	Yes but could benefit from increased resources.

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

The objectives of the Environmental Assessment Planning Act (1979) do not currently refer to sustainable development. Other related legislation including the Local Government Act make specific references to Councils responsibilities for sustainable development / ecologically sustainable development. Hence, it would be appropriate for an additional objective to be incorporated into the new legislation to enable balanced judgement by decision makers in the planning system – giving emphasis to social, economic or environmental depending upon the merits of plans being prepared or development proposals for which decisions are being made.

CONSULTATION

The Minister for Planning and Infrastructure appointed Mr Tim Moore and Mr Ron Dyer as co-chairs for the NSW Planning System Review. Messrs Moore and Dyer conducted 91 Community Forums in 44 locations in NSW (these forums were attended by almost 2,000 people) in the preparation of the Issues Paper. Additionally, 70 stakeholder meetings have been held and 330 written submissions were received from the public and interested parties.

Relating to the preparation of this report and the recommended submission, a 2-Way Conversation was held with Councillors on 7 February 2012. Also, Council's Group Manager Sustainable Planning facilitated a workshop of Director's of Council's in the Hunter, Central Coast and Mid North Coast Regions in the process of drafting a report to the Hunter Council's Board (which was considered by the Board on February 10 2012). Also the Group Manager Sustainable Planning convened and facilitated a workshop of interested staff in the Sustainable Planning Group plus other interested staff in the organisation.

OPTIONS

- 1) Endorse the submission recommended to be forwarded to the NSW Planning Review Team which is contained in **Attachments 1 & 2**; or
- 2) Amend and modify any content of the submission which is recommended to be forwarded to the Planning System Review Team as is currently drafted as **Attachments 1 & 2** to this report.

ATTACHMENTS

- 1) Recommended submission by Council to the Review Team responsible for making recommendations to the Minister of Planning and Infrastructure for the reform of the NSW Planning Legislation and System - under separate cover; and
- 2) Responses to the 238 questions posed by Messrs Moore and Dyer for inclusion into the submission we recommended to be forwarded to the Planning Review Team - under separate cover.

COUNCILLORS ROOM

Nil.

TABLED DOCUMENTS

Nil.

ATTACHMENT 1

**RECOMMENDED SUBMISSION BY COUNCIL TO THE REVIEW TEAM RESPONSIBLE
FOR MAKING RECOMMENDATIONS TO THE MINISTER OF PLANNING AND
INFRASTRUCTURE FOR THE REFORM OF THE NSW PLANNING LEGISLATION AND
SYSTEM**

PROVIDED UNDER SEPARATE COVER

ATTACHMENT 2

**RESPONSES TO THE 238 QUESTIONS POSED BY MESSRS MOORE AND DYER FOR
INCLUSION INTO THE SUBMISSION WE RECOMMENDED TO BE FORWARDED TO
THE PLANNING REVIEW TEAM**

PROVIDED UNDER SEPARATE COVER

ITEM NO. 2

FILE NO: PSC2012-00043

ORGANISATION STRUCTURE

REPORT OF: PETER GESLING – GENERAL MANAGER

GROUP: GENERAL MANAGER'S OFFICE

RECOMMENDATION IS THAT COUNCIL:

- 1) Adopt the proposed three group organisational structure as shown in Attachment 1;
 - 2) Endorse four senior staff positions in the structure consisting of General Manager, Group Manager Corporate Services, Group Manager Facilities and Services and Group Manager Development Services.
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COUNCIL COMMITTEE MEETING 14 FEBRUARY 2012

	Councillor Bob Westbury Councillor Steve Tucker
	That the recommendation be adopted.

EXTRA-ORDINARY COUNCIL MEETING – 14 FEBRUARY 2012

003	Councillor Ken Jordan Councillor Glenys Francis
	It was resolved that the recommendation be adopted.

BACKGROUND

The purpose of this report is to seek endorsement of changes to Port Stephens Council's organisational structure.

By way of background, the current structure was adopted by Council on 22 July 2008, Minute Number 192. That change saw a move to a four group structure with five executive staff positions. These being the General Manager, Group Manager Commercial Services, Group Manager Facilities and Services, Group Manager Corporate Services and Group Manager Sustainable Planning.

With the recent resignation of the Group Manager Commercial Services, the Executive Leadership Team has held a number of discussions regarding the most appropriate structure to support the agreed future strategies of the organisation.

The objectives of these discussions were to:

- a) Focus on council's longer term strategic direction;
- b) Streamline the organisation and maximise efficiencies;
- c) Save costs in line with stated objective of reducing council's underlying deficit;
- d) Improve management of the capital works program;
- e) Consider the outcomes, thus far, of Council's sustainability review.

A two way conversation with held with councillors on the 31st January 2012 to discuss various options to restructure the organisation. These included:

- a) Continuing with the current 4 group structure;
- b) Combining the current Commercial and Corporate Services groups;
- c) Three group structure based on the alignment of service packages;
- d) Two group structure including a support and enabling group and a delivery group.

As a result of this discussion, councillors supported the 3 group structure and discarded the remaining options.

In essence the key aspects of the recommended structure are as follows:

- 1) A reduction in groups from four to three
- 2) A reduction in sections from 13 to 10
- 3) Sections falling under these groups to be aligned according to the following principal activities:
 - a. Group 1 Support: Provision of organisation wide corporate support activities necessary to support service delivery;
 - b. Group 2 Delivery: Planning and delivering services and assets to the community;
 - c. Group 3 Enabling: Planning and implementing the community's priorities to enable balanced growth

In order to deliver on our purpose of "delivering services valued by our community in the best possible way" Council is committed to using the Business Excellence Principles to guide our decision making and ensure our future state of:

- Clear direction and mutually agreed plans;
- Understanding what customers and other stakeholders value, now and in the future;
- Understanding that all parts of Council's systems contribute to the overall purpose of the organisation
- Engaging people's enthusiasm, resourcefulness and participation;
- Innovation and learning;
- Effective use of facts, data and knowledge;
- Understanding the variability of work in planning and problem solving;
- Delivering value for all stakeholders in an ethically, socially and environmentally responsible manner;

- Leaders determining the culture and value system of the organisation through their decisions and behaviours.

Utilising these principles, the Executive Team has sought to reduce costs and streamline activities without a reduction in services.

The major changes to the proposed structure include:

- 1) Communications & Customer Relations Section and Economic Development & Tourism Section to be combined;
- 2) Commercial Property and Commercial Enterprises Sections to be combined;
- 3) Cleaning services to be reassigned to their functional areas within Council's overall business;
- 4) Project Services to be absorbed into both the Operations and Civil Assets Sections;
- 5) Consideration given to the most efficient manner to manage Council's vehicle fleet;
- 6) Workshop, store and depot activities to move from Financial Services Section to Operations Section;
- 7) Legal Services and the internal audit function to move to the General Managers Office;
- 8) Alignment of spacial (GIS) services into the Information and Communication Technology Section.

FINANCIAL/RESOURCE IMPLICATIONS

The number of Group Manager positions would reduce from four to three while the number of Section Managers would reduce from 13 to 10. Where possible, staff will be redeployed to other positions within the structure to minimise any redundancy impact. Some positions would need to be re-evaluated under Council's job evaluation process due to increases or decreases in responsibilities. This may result in changes to remuneration levels.

LEGAL, POLICY AND RISK IMPLICATIONS

Under Section 332 of the Local Government Act, Council is required to determine an organisation structure and to identify positions within the structure that are deemed to be senior staff. A senior staff position is one where:

- The total remuneration package is to be at least equal to or greater than that of NSW Senior Executive Service (SES) Level 1 (currently \$159,000 - \$186,000);
- Senior Staff are to be employed under performance based fixed-term contracts not less than 12 months and not exceeding 5 years. These are standard contracts determined by the Department of Local Government;
- Minimum conditions of employment are governed by the Annual Holidays Act and the Long Service Leave Act;
- Council is required to publish the total package value of each senior staff's employment contract in the Annual Report.

MINUTES FOR EXTRA-ORDINARY MEETING – 14 FEBRUARY 2012

Section 333 provides that the structure may be re-determined by the Council from time to time. It must be re-determined within 12 months after any ordinary election of the Council.

Risk	<u>Risk Ranking</u>	Proposed Treatments	Within Existing Resources?
A risk that the organisation structure does not support the future strategic direction of Council resulting in failure to achieve Community Strategic Plan outcomes	High	Align the organisation structure to Council's long term strategic direction	Yes
Risk associated with greater span of control for Group Managers and some Section Managers	Medium	Recruit managers with a high level of capability and capacity	Yes
Risk that redundancy costs may be incurred by Council	Medium	New or redesigned positions to be offered internally in the first instance	Yes

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

The proposed structure assists Council to reduce its underlying deficit by streamlining its management structure and focusing on more effective service delivery.

CONSULTATION

- 1) Councillors;
- 2) Executive Leadership Team;
- 3) Section Managers;
- 4) Staff directly affected;
- 5) Consultative Committee;
- 6) Unions.

OPTIONS

- 1) Adopt the proposed structure;
- 2) Adopt an alternative structure;
- 3) Retain the current structure.

ATTACHMENTS

- 1) Proposed Organisation Structure.

COUNCILLORS ROOM

Nil.

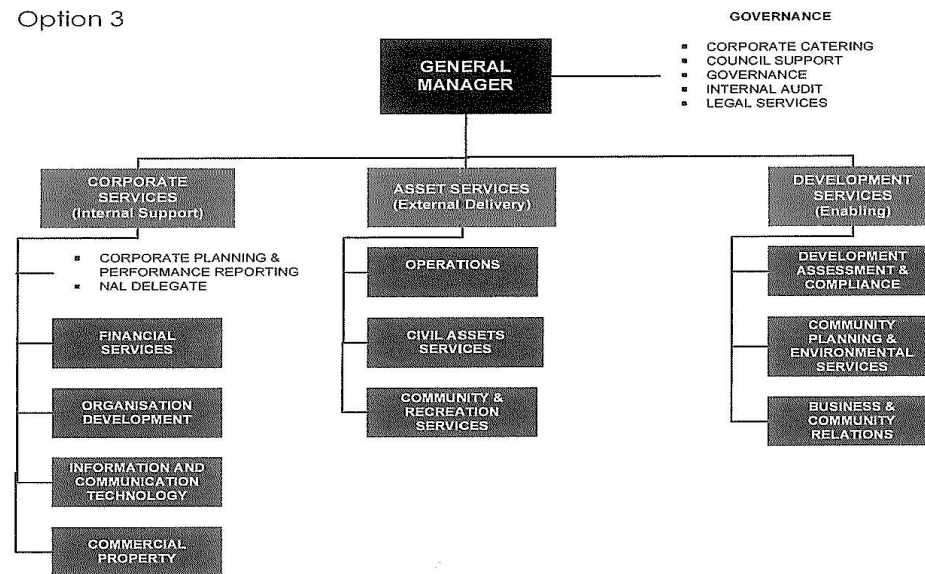
TABLED DOCUMENTS

Nil.

ATTACHMENT 1

DRAFT STRUCTURE

Option 3



January 2012

Mini Version Option 3 Group Structure 31 January 2012.vsd

GENERAL MANAGER'S REPORT

PETER GESLING
GENERAL MANAGER

ITEM NO. 1

FILE NO: A2004-0028

NEWCASTLE AIRPORT TAXIWAY HOTEL RECONSTRUCTION – TENDER

REPORT OF: WAYNE WALLIS – ACTING COMMERCIAL SERVICES GROUP MANAGER
GROUP: COMMERCIAL SERVICES

RECOMMENDATION IS THAT COUNCIL:

- 1) That pursuant to section 10A(2)(d) of the Local Government Act, 1993, the Council resolve to close to the public the meeting for only as much time as is required to table and consider the confidential attachment.
- 2) That the reasons for closing the meeting to the public to consider this item be that:
 - i) The attachment will include details of commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the tenderers; and
 - ii) In particular, the attachment includes confidential pricing information in respect of the Newcastle Airport Taxiway Hotel reconstruction.
- 3) That on balance, it is considered that receipt and discussion of the confidential attachment in open Council would be contrary to the public interest, as disclosure of the confidential commercial information could compromise the commercial position of the tenderers and adversely affect Council's ability to attract competitive tenders for other contracts.
- 4) That the report of the closed part of the meeting is to remain confidential and that Council makes public its decision including the name and amount of the successful tenderer in accordance with Clause 179) of the Local Government (General) Regulation 2005.
- 5) Accepts the tender offered by Ward Civil Engineering Pty Ltd for the reconstruction of Newcastle Airport Taxiway Hotel, subject to adoption by Newcastle City Council.

EXTRA-ORDINARY COUNCIL MEETING – 14 FEBRUARY 2012

004	Councillor John Nell Councillor Ken Jordan
	It was resolved that Council accepts the tender offered by Ward Civil Engineering Pty Ltd for the reconstruction of Newcastle Airport Taxiway Hotel, subject to adoption by Newcastle City Council.

BACKGROUND

The purpose of this report is to seek approval for the tender and to award it to Ward Civil Engineering Pty Ltd for the reconstruction of Newcastle Airport Taxiway Hotel.

In October 2011, Newcastle Airport Limited (NAL) established a short list of suitably qualified Civil Contractors by means of an open EOI process to tender for the Reconstruction of the Taxiway Hotel. This report summarises this tender process and provides a recommendation to appoint Ward Civil Engineering Pty Ltd to undertake the works, in accordance with NAL Tender Evaluation Plan.

Newcastle Airport Taxiway Hotel has required ongoing short-term repair over a number of years due to recurring localised failures in the pavement. NAL's engineering design consultant has advised that the existing taxiway pavement requires removal and replacement. The consultants completed geotechnical investigations and the design of the new taxiway pavement. The successful completion of these works by mid-2012 will mean the end of the ongoing repairs of the existing pavement with the associated maintenance expenditure.

The Tender period closed on the 23rd December 2011. Four invited tenderers provided detailed submissions.

The tenders submitted have been assessed in terms of compliance with tender specifications and capability to carry out the work detailed in the tender documents.

The evaluation criteria are as follows:

EVALUATION CRITERIA	WEIGHTING %
COST	40
Non Price Attributes	
Program	15
Subcontractors	5
Previous Experience/Referees	15
Current Commitments	5
Additional Information	5
Management & Technical Resources	10
QA, OHS&R and ESD	5
TOTALS	100

FINANCIAL/RESOURCE IMPLICATIONS

In October 2011 the NAL Board approved the business case to fund the reconstruction of TWYH to a Code C and confirmed a budget allocation in the 2011/12 capex budget.

LEGAL, POLICY AND RISK IMPLICATIONS

The tendering process complied with Council's procurement guidelines and the Local Government (General) Regulations 2005 for procurement and the Local Government Act 1993. Contracts for the amount of \$150,000 (inc GST) or more or for a period of two years or more require Council Approval.

All factors of construction have been considered and the risk of variations is low.

Risk	<u>Risk Ranking</u>	Proposed Treatments	Within Existing Resources?
Impact on the future operation of the taxiway.	Extreme	Adoption of the tender to allow upgrade.	Yes

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

There are no significant implications from this recommendation.

An environmental review has been conducted and no significant impacts to the environment have been identified.

CONSULTATION

The reconstruction of Taxiway Hotel has been discussed at length with numerous internal and external stakeholders including:

- > Defence Support Group – Northern Region;
- > RAAF Base – Command and Engineers;
- > BAE;
- > Jetstar;
- > NAL Operations; and
- > NAL Security and Compliance.

The reconstruction of Taxiway Hotel has been designed under consideration of the Civil Aviation Safety Authority (CASA) Manual of Standards (MOS) Part 139 - Aerodromes for Preparation of the construction plan and Review of Environmental Factors included consultation with all stakeholders.

OPTIONS

- 1) Accept the recommendations;
- 2) Reject the recommendations and not proceed with the project;
- 3) Adopt alternative recommendations.

ATTACHMENTS

- 1) Reconstruction of Newcastle Airport Taxiway Hotel – Value Selection Methodology.

COUNCILLORS ROOM

Nil.

TABLED DOCUMENTS

Nil.

CONFIDENTIAL ATTACHMENT 1

**RECONSTRUCTION OF NEWCASTLE AIRPORT TAXIWAY HOTEL
– VALUE SELECTION METHODOLOGY**

PROVIDED UNDER SEPARATE COVER

ITEM NO. 2

FILE NO: T17-2011

TENDER T17-2011 SUPPLY OF LABOUR HIRE SERVICES

REPORT OF: ANNE SCHMARR - ORGANISATION DEVELOPMENT MANAGER
GROUP: CORPORATE SERVICES GROUP

RECOMMENDATION IS THAT COUNCIL:

- 1) That pursuant to section 10A(2)(d) of the Local Government Act, 1993, the Council resolve to close to the public the meeting for only as much time as is required to table and consider the confidential attachment.
 - 2) That the reasons for closing the meeting to the public to consider this item be that:
 - i) The attachment will include details of commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the tenderers; and
 - ii) In particular, the attachment includes confidential pricing information in respect of the Tender T17-2011 Supply of Labour Hire Services.
 - 3) That on balance, it is considered that receipt and discussion of the confidential attachment in open Council would be contrary to the public interest, as disclosure of the confidential commercial information could compromise the commercial position of the tenderers and adversely affect Council's ability to attract competitive tenders for other contracts.
 - 4) That the report of the closed part of the meeting is to remain confidential and that Council makes public its decision including the name and amount of the successful tenderer in accordance with Clause 179) of the Local Government (General) Regulation 2005.
 - 5) Accept the tenders from Complete Staff Solutions Pty Ltd, Skilled Group Limited and LabourPower Recruitment Services Joint Venture for Appointment for the supply of temporary Manual Based Labour.
 - 6) That the accepted Agencies are to be used for a period of 15 months to 30 June 2013 to bring in line with our temporary labour supply contractors under contract T04-2011 with an option to extend the contract for a further two (2) years based upon performance of contract.
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EXTRA-ORDINARY COUNCIL MEETING – 14 FEBRUARY 2012

005	Councillor Glenys Francis Councillor Caroline De Lyall
	<p>It was resolved that Council:</p> <ol style="list-style-type: none">1) Accept the tenders from Complete Staff Solutions Pty Ltd, Skilled Group Limited and LabourPower Recruitment Services Joint Venture for Appointment for the supply of temporary Manual Based Labour;2) That the accepted Agencies are to be used for a period of 15 months to 30 June 2013 to bring in line with our temporary labour supply contractors under contract T04-2011 with an option to extend the contract for a further two (2) years based upon performance of contract.

BACKGROUND

The purpose of this report is to consider the tender options for the supply of Manual Labour Hire Services for Council.

Process of engagement

At the Council meeting on 5 March 2005 a process was adopted for dealing with increases in our establishment, including the appointment of temporary staff.

Temporary staff form an essential and significant part of our workforce, covering both short and long term permanent staff absences, as well as fixed term projects. There are three ways for a temporary employee to be appointed within Council:

- a) if a position within the organisation structure is temporarily vacant or the job holder is on leave, and there is no additional increase to establishment;
- b) if a position is fully funded, project based, for a fixed term period, for existing services, and the position has been identified within the annual report to council on organisation structure; or
- c) where Council has granted approval for a new service within the organisation, or where additional funds are to be allocated to employ staff and an increase in establishment would occur.

Agency employed temporary staff are utilised:

- a) after an initial internal Expression of Interest has been unsuccessful; or
- b) there is no capacity to fill the positions with Council employed staff.

Permanent placement of staff through Agencies may be utilised:

- a) if recruitment directly by Council has been unsuccessful;
- b) for senior staff appointments.

Tender process

A tender process was undertaken in first half of 2011 under tender T04-2011 and appointment for the provision of Manual Based Labour Positions. The successful tenderer was Labourco Council Services Pty Ltd ('Labourco'). On 20 October 2011 Council was advised by Labourco they were unable to continue to supply labour under the contract. As a result, a new tender was put to the market.

Submissions were received from 7 companies, none of these submissions were considered non-conforming. The submissions were evaluated using the standard value selection method.

The core rate used for financial evaluation is the basic hourly rate for a Labourer (Team Assistant) and Traffic Controller and Cleaner as this represents the majority of Councils expenditure for Manual Based Labour Positions.

When taking into consideration the value selection criteria such as price, company infrastructure, extra service charges and agreed service levels etc, Council was also looking to appoint agencies which were able to provide a broad range of staff to meet Councils requirements in the category. The tables below outline the highest ranking suppliers.

Manual Based Labour Positions

Agency	Points
Complete Staff Solutions Pty Ltd	77.69
Skilled Group Limited	73.24
LabourPower Recruitment Services Joint Venture	73.12

Based on Councils previous experience, it is proposed that in order to maximise efficiencies and be open and honest with our suppliers, Council will provide opportunity to all panel members to provide staff in their nominated categories.

FINANCIAL/RESOURCE IMPLICATIONS

Funds are available from the salaries budget to fill temporary appointments where the permanent employee is on leave or a special project is undertaken.

Expenditure

During the calendar year of 2011, Council expenditure was \$860,000 for the supply of temporary manual labour staff from a total temporary labour expenditure of \$1.7m.

LEGAL, POLICY AND RISK IMPLICATIONS

Section 351 of the Local Government Act deals with temporary appointments. The Act limits temporary appointments to 12 months except in the case of a parental leave vacancy which limits temporary appointments to 24 months.

Risk	<u>Risk Ranking</u>	Proposed Treatments	Within Existing Resources?
No access to temporary manual based labour	High	Appoint multiple providers Reduction in risk ranking to low	Yes
Work cannot be completed in accordance with operational plan	High	Appoint multiple providers Reduction in risk ranking to low	Yes

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

Where possible the temporary employment of locally based personnel will be requested from the Personnel companies.

This will assist with the delivery of services and projects in accordance with the Community Strategic Plan.

CONSULTATION

- 1) Procurement & Contracts Co-ordinator ;
- 2) Employment Co-ordinator;
- 3) Organisation Development Manager;
- 4) Section Managers.

OPTIONS

- 1) Accept the recommendation;
- 2) Amend the recommendation;
- 3) Reject the recommendation.

ATTACHMENTS

- 1) Value Selection Criteria Table.

COUNCILLORS ROOM

Nil.

TABLED DOCUMENTS

Nil.

CONFIDENTIAL ATTACHMENT 1

VALUE SELECTION CRITERIA TABLE

PROVIDED UNDER SEPARATE COVER

There being no further business the meeting closed at 7.25pm.

I certify that pages 1 to 27 of the Open Ordinary Minutes of Council 14 February 2012 were confirmed by Council at its meeting held on 28 February 2012.

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Cr Bob Westbury
MAYOR