

WA WORKS AND PARKS CONFERENCE 2009

LOCAL GOVERNMENT AMALGAMATIONS – THE WA EXPERIENCE

SHIRE OF BROOMEHILL-TAMBELLUP

Thank you.

I have been asked to speak to you about the creation of the Shire of Broomehill-Tambellup which happened on 01 July 2008 with the voluntary merging of the Shires of Broomehill and Tambellup.

My address will give a brief background on how the two Councils arrived at the decision to pursue a merger, touch on the process that we followed and I thought it would talk a bit on how the merger affected the works crew.

BACKGROUND

Our story began in April 2004 when the Shires of Broomehill, Tambellup and Woodanilling first met to discuss the possibility of sharing a Chief Executive Officer. The initial approach was driven by the Shire of Broomehill as the Chief Executive Officer at the time had advised the Council that he would not be renewing his contract when it expired at the end of June 2005.

By February 2005 Woodanilling had advised that they were withdrawing from any further discussions.

The two Councils Broomehill and Tambellup, continued to meet. Financial assistance was obtained from the Department of Local Government and Regional Development and the Great Southern Development Commission. These funds were utilised to engage the services of a facilitator who assisted the Councils in the development of a simple Resource Sharing Agreement that covered staff, equipment and included a five year implementation plan.

On 4 November 2005 the agreement was signed by both Councils and commenced on 01 January 2006. The first phase of the agreement was the sharing of the Chief Executive Officer.

By five months into the agreement we were full steam ahead. The Councils had already jointly employed a Manager of Administration and Customer Services and were about to move into sharing the position of Works Supervisor.

The Resource Sharing Agreement continued to move along at a terrific pace. The two Councils identified more and more opportunities that could be gained through working together. By June 2006 both Councils voted unanimously to undertake a feasibility study into the possibility of merging both the Shires.

We received funding through the Connecting Local Governments program and jointly engaged a consultant to do a feasibility study. The study demonstrated that the merging of the two Councils would not be detrimental to either, and recommended that the two Shires be merged. In May 2007

both Councils unanimously endorsed the recommendations which were then forwarded to the Local Government Advisory Board.

It was not until October 2007 that the Local Government Advisory Board formally advised that it would conduct an inquiry into the proposal to merge the two Shires. The delay in the Advisory Board making that decision arose as the Shire of Katanning had submitted a contrary proposal to the Board to amalgamate with the Shires of Broomehill and Woodanilling. The Advisory Board dealt with Katanning's submission and rejected it.

The Minister for Local Government and Regional Development advised both Local Governments on 27 March 2008 that the Board had endorsed the recommendation to merge the two Shires. Notice was given of the recommendations and electors were advised of their rights to call a poll. The opportunity for electors to call a poll closed on 17 April 2008. No petitions were received.

Finally, Council received formal confirmation from the Minister of Local Government that the Board's recommendation to merge the Shires of Broomehill and Tambellup had been accepted and would be effective on 01 July 2008. The Governors Order was gazetted on 27 May 2008. Ms Jan Grimoldby was appointed as Commissioner until the election of the new Council on 18 October 2008.

Both Councils had previously set about doing a joint submission to the Connecting Local Governments program, for funds to assist with the merger. The application was

submitted in July 2007 but sat in limbo until the Minister formally accepted the recommendation to merge in April 2008. We were successful in obtaining \$433,000 to assist with the merger process. The funding covers all costs associated with the merger apart from redundancies and Commissioner expenses.

THE PROCESS

In the lead up to the two Councils decision to merge, there had been much debate and discussion on various reforms that may or may not be needed for local government.

Forced amalgamations were part of those discussions, however it was not the reason that Broomehill and Tambellup took the path that they did. Both Councils were of the view that if there was to be forced amalgamations, the outcome would most likely be vastly different to what was being proposed between them.

The two Councils recognised that things were changing and not going to stay the same, and here was an opportunity that should be explored further.

The effect of the “mining boom” was just beginning to impact in our region. These two small, rural, local governments had at different times experienced the challenges in meeting the service provision expectations of their communities as well as difficulties in attracting staff. Here was an opportunity to make better use of the existing skills of the staff, better utilise equipment and maybe, allow for the provision of additional services. The potential for cost savings was also a

consideration however, it was recognised that it may be sometime before any savings become apparent.

The threat of forced amalgamations by the State was something that both Councils agreed they had little control over.

Resource Sharing

The Resource Sharing Agreement between the Shires of Broomehill and Tambellup laid the ground work for the merger and assisted in making for a smoother process. The collaborative approach by both Councils in developing the agreement was continued throughout the whole process of the merger. Both Councils were equal partners in the agreement and all costs and benefits were to be split 50/50.

Staff members were also included in the development of the Resource Sharing Agreement. A unanimous decision was taken by both Councils that there would be no loss of jobs across either organisation as a result of the Resource Sharing Agreement. The same decision was taken when the merger was endorsed.

To assist in getting the best out of the Agreement we set about where ever possible to make the operations of both Councils similar. This included such things as reports, agendas and minutes, timecards, alignment of pay periods, similar costing structure.

The People

The merging of these two Local Governments was about people and I have put them into three groups – Councillors, the Community and the Staff

The Councillors –

Initially, the proposal to explore resource sharing and later the decision to pursue a merger was driven by the Councillors. Not all the Councillors shared the same enthusiasm in the early days, but by June 2006, eighteen Councillors across two shires, agreed unanimously to recommend to the Minister for Local Government that the two Shires be merged. Here we had a vital ingredient for a successful merger – the political will for it to happen.

The two Shire Presidents were unanimous in their support and worked very well together, and at the same time the Councillors debated the issues and dedicated the time necessary to ensure that they were making the best decision for the two communities.

The Resource Sharing agreement was a great tool in assisting the Councillors and staff to begin to think about the two districts as a whole – from planning works, buying machinery and running combined events.

I was never aware that there was any fear in the fact that the Councillors were effectively voting themselves out of a job. They are to be congratulated on making the hard decision.

The Community –

In both districts the community were very supportive of the proposal to merge. Every attempt was made to keep the community informed and provide them with the opportunity to comment if they wished.

The community forums, conducted as part of the feasibility study and later the Local Government Advisory Boards inquiry, were positive meetings. Through all the consultation process less than five responses were received that were not in favour of the merger proposal. Also there was no petitions received calling for a poll.

Anecdotal evidence suggests that many members of both communities thought that the merger had occurred at the implementation of the Resource Sharing Agreement.

The Staff –

The staff are the most important ingredient in the merger of any Shire. Without their support, willingness to contribute and acceptance of the change, our merger process would have been extremely difficult.

The rate of change that they were experiencing had gathered momentum in late 2005 and with the addition of a merger our staff were in danger of suffering from change fatigue.

It was clearly understood by the Council from the onset that the staff were the key to the success of the merger and looking after them was a priority. Recognition of the staff

efforts must not go unnoticed and communication with them cannot be under estimated.

The success of our merger so far is due to the people, their willingness to accept the challenges and a lot of hard work.

Works Crew

Prior to the merging of the two Councils on 01 July 2008 a number of changes had been made relating to the work crews of both Shires.

The first change came in May 2006 when we commenced sharing the Works Supervisor position which ultimately lead to the combining of the two work crews. Due to the size of both Councils the Works Supervisor position was one that was required to manage the outside crew, oversee the works programs and budgets, build anything, fix anything, drive anything and generally be all things to all people.

At this time the Tambellup work crew had more employees than Broomehill however both crews were still reasonably small. Combining the two together allowed us to establish a dedicated construction crew, a road maintenance crew and a drainage and signage crew. Something each Council could never achieve on their own. Another important outcome was the opportunity for new skills to be learned as well as better utilisation of the existing skills of the employees.

The employees from both Shires were directly involved in the proposed structure of the work crew and each of them had the opportunity to comment on it, and indicate which crew they preferred to work in.

Once the two crews started working together across both Shires, issues arose concerning differing rates of pay. Council accepted that for the Resource Sharing Agreement to continue and later for the merger to be successful, wage scales would need to be brought into line. The services of Anne Lake were obtained and a Collective Workplace Agreement was negotiated and registered in the name of both Shires. The agreement included a provision for it to continue even in the event of an amalgamation. This brought the wage scales into line, for both outside and inside staff and included an annual 5% increase for the three year term of the agreement. The agreement commenced in February 2007 and is due for renegotiation in early 2010.

It was important to look after the wellbeing of the staff during the process and ensure that they were kept informed of everything that happened along the way.

Through Local Government Insurance Services we did a whole of organisation survey to measure the stress levels of the staff prior to the merger. Another one is scheduled to be done shortly to see what impact the merger has had on the members of the staff. Through LGIS we also provided sessions for all staff on Time and Personal Stress Management, Effective Communication and Change Management. While it was easy to put these sessions into the “warm and fuzzy” category it was received positively and provided value to the people that you might least have expected it to.

The sudden increase in the work crew number was not without its challenges for the Works Supervisor. Apart from

dealing with additional employees there were challenges arising from the increase in the geographic area of the Shire, having crews start at two depots, mobilisation (some days we seemed to need double the number of utilities just to get the men to the job) and generally managing and dealing with change.

The positive aspects of the amalgamation are numerous however a few of the staff did struggle with the change and it did take some longer than others to embrace it. The issues that arose in the overall scheme of things, appeared to be minor however as they say - it is the straw that breaks the camel's back, so these issues cannot be discounted.

One of the more contentious ones was the decision to make the main depot in Tambellup. This impacted on those employees who live in Broomehill as they now have to start out for work earlier and get home later. To help smooth the process Council provides a vehicle to travel between the two depots.

Through all of this the Works Supervisor and the team leaders played significant roles in ensuring the success of both the Resource Sharing Agreement and the merger. Without a doubt their positive approach and openness to effecting the change was instrumental in our success.

AFTER THE MERGER

The Shire of Broomehill-Tambellup is just over 12 months old. The structure of the works crew is similar to when they were first combined with a couple of changes.

- The Works Supervisor succumbed to the call of the mining industry and resigned from the position. Council reviewed the role and created a Manager of Works position and elevated a leading hand to the role of supervisor.
- Employed a mechanic

Council is currently going through a review of its plant and equipment and is rationalising and upgrading the fleet. We have disposed of a backhoe and roller and this financial year plan to further reduce the fleet and dispose of a grader, loader and maybe a truck. The sale of these items will allow Council to purchase other items of plant that will better assist in getting the job done.

CONCLUSION

The combining of the two work forces prior to the merger allowed sufficient time to be given to deal with any issues that arose as part of the process. While there have been some changes in the staff we continue have a loyal, enthusiastic and committed crew and I thank them for that.

The story of the two Shires and their journey to amalgamation is one about people and their vision, their willingness to accept challenges and embrace change. The two Shires were at a point in time where an opportunity

arose and the personalities of the day complimented each other to be able to realise that vision.

In closing, it is interesting to note that in June 2006 when both Councils determined to investigate the feasibility of merging, 100 years had passed since Tambellup had seceded from Broomehill and created the Shire of Tambellup. It seems that what goes around comes around. Thank you