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1 Introduction

This simple guide has been designed to assist councils in meeting the foundational requirements necessary to produce a workforce plan that meets legislative and fundamental business requirements.

An integral part of human resources management for any organisation is the workforce plan. Workforce planning is defined as:

"The systematic identification, analysis and planning of organisational needs in terms of people". It is an active and continuous process used to generate business intelligence to inform organisations about the current and future impact of the external and internal environment on their business, and in the process, to become resilient to structural and cultural changes and better positioned for the future."

Within the scope of the *Local Government Act 2020*, the Council's Chief Executive Officer is responsible for developing and maintaining a workforce plan. This plan available to the Mayor, councillors and all council employees², outlines the current and future workforce requirements for the organisation. This includes the organisation's intended aims to ensure gender equality, diversity and inclusiveness across the workforce.

Typically, a workforce plan can be influenced by multiple factors, including the size of the organisation, the number of employees, the services provided to the community or customer, the demographic makeup of the community itself, and even geographical aspects of the local government area. As such the needs and requirements for a workforce plan can vary significantly across councils.

Based on this, this guide outlines the differing needs of a workforce plan in a hierarchy (see Graph 1), where the highest form of workforce plan is defined as a strategic workforce plan through to the simplest form defined as a foundational workforce plan.



Graph 1 – Workforce documentation hierarchy



¹ LGPro Future Ready – Workforce Planning Handbook and Guide, page 6

² Section 46(6) of the Local Government Act 2020

The focus on this guide is on what Council could include to prepare a foundational workforce plan.

1.1 Foundational workforce plan

A foundational workforce plan describes the basic or foundational plan required in order to meet the minimum needs of an organisation in mapping their workforce needs. Councils are encouraged to use this foundational workforce plan as their base and build upon it as needed. It serves as the starting point for councils to develop their own operational or strategic workforce plan based on the unique requirements of their organisation or community.

The Foundational workforce plan is examined in more detail in Sections 2 and 3.

1.2 Integrated Strategic Planning and Reporting Framework

The *Local Government Act 2020* introduced strategic planning principles for Victorian councils which include an integrated approach to planning, monitoring and performance reporting.³ This important shift from a more prescriptive form of legislation to a new Act that is principles-based is explored further in the *Integrated Strategic Planning and Reporting Discussion Paper* (see Section 4 – Further reading).

The Council's Workforce Plan is an integral part of the **Local Government Integrated Strategic Planning and Reporting Framework** (ISPRF) (See *Appendix A*). As such, the plan should align and complement other council planning and reporting documentation, including the Council Plan, Council Budget and Annual Report.

1.3 Development of this guide

This guide was developed through consultation with the sector as part of the Local Government Act 2020 Implementation work.

This guide was developed to provide the core elements for inclusion in a foundational workforce plan. Council may choose to incorporate elements and produce their own layout when drafting their plan.

This is <u>not</u> a best practice guide. This guide has been developed to assist in foundational workforce planning only and councils would be encouraged to seek additional advice in determining their needs for a comprehensive operational or strategic workforce plan (see Graph 1). Section 4 – Further reading, provides links to further content to assist in developing operational or strategic workforce plans.

1.4 Initiating a workforce plan

While Section 46(4) of the LG Act 2020 imposes a statutory obligation on the council CEO to develop and maintain a workforce plan, there is no requirement for the workforce plan to be subject to a community engagement process, nor to be formally adopted by the council. A CEO must ensure that the Mayor, Deputy Mayor, councillors and members of council staff have access to the workforce plan once it is finalised.

There is a requirement, however, for the CEO to inform the council before implementing an organisational restructure that will affect the capacity of the council to deliver the Council Plan⁴.

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³ Section 89(2)(a) of the Local Government Act 2020

⁴ Section 46(4)(b) of the Local Government Act 2020

2 Foundational workforce plan checklist

To meet legislative requirements⁵ and minimum business requirements, a foundational workforce plan should include the following:

An Organisational chart which describes the organisational structure of the Council.
A workforce profile which outlines the current organisation such as a breakdown by:
 Full-time equivalent (FTE) Employment type (including permanent, temporary, part-time, casual and contingency staff) Band or salary level Age (broken into age brackets)
 A statement of the projected staffing requirements for the next four years.
A summary of any appropriate workforce analytics, such as: • Monitoring of skill shortages; or • Hours worked
 A statement of the measures in place to seek to ensure gender equality, diversity and inclusiveness, such as the development of a Gender Equality Action Plan.
A summary of any key actions Council intends to implement or address and the associated timelines.



⁵ Section 46(4) of the *Local Government Act 2020*

3 Foundational workforce plan checklist details

This section expands the requirements of the Foundational workforce plan checklist items and presents them in the broader context of legislative and business practices. For further detailed information on these requirements and the process of developing your workforce plan, refer to **Section 4 – Further reading**.

3.1 Organisational chart

The foundational workforce plan must include an organisational chart setting out the structure of the council.

Chief Executive Officer Director Director Director City Planning **Environment &** Community Development Infrastructure Manager Manager Manager Manager Planning & Business Building **Asset Planning** Development Development Manager Manager Manager Manager Family, Youth Economic Engineering and Finance Development & Leisure Traffic Manager Manager Manager Manager **Environment and** Information Aged & Disability Local Laws Technology Sustainability Manager Manager Manager Manager Statutory Library, Arts People & Culture Infrastructure Planning & Culture Manager Manager Manager Strategic Parks & Gardens Governance **Planning**

Graph 3.1.1. Example of an organisational chart

Detail in the chart may include the employee's name, job title, their areas of responsibility, number of reports or employee photograph. This chart should correspond with the organisational chart in Council's *planning and reporting documents*.

3.2 Workforce profile

The workforce profile should include the planned number of full-time equivalent Council staff categorised by the organisational structure and employment type.

Employment types may include:

- Permanent full-time
- Permanent part-time
- Fixed term or temporary council employee (greater than six months)
- Fixed term or temporary council employee (less than six months)
- Casual
- Senior officer or Executive contract
- Graduate
- Trainee
- Apprentice
- Cadet
- Volunteer
- · Agency staff
- Or flexible arrangement.

In addition, council may wish to categorise by banded or salary level such as apprentices, cadets, trainees, Bands 1 to 8 and Executive contract.

Council may also wish to categorise by employee age bracket. Such as:

- Under 20 years
- 20 29 years
- 30 39 years
- 40 49 years
- 50 59 years
- 60 65 yearsOver 65 years

3.3 Projected staff requirements

In addition to the workforce profile above, the workforce plan must include a statement which shows the number of full-time equivalent Council staff for the current year and three subsequent financial years. This should correspond with the planned human resources expenditure and planned number of full-time equivalent staff in the council's *Annual Budget* document.

This may include commentary on potential changes to the organisational structure and links to Council's strategic priorities.

3.4 Workforce analytics

Council may wish to include any metrics, indicators, results or analysis of data conducted to demonstrate Council's commitment to meeting the current and future workforce needs of the organisation and its community.

Examples may include:

- Data and analytics of skill shortages;
- Analysis of hours worked.



3.5 Gender equality measures

Council must include a statement of measures to seek to ensure gender equality, diversity and inclusiveness. This data may include:

- · gender-disaggregated data; and
- if available, data about Aboriginality, age, disability, ethnicity, gender identity, race, religion and sexual orientation⁶.

This statement should complement any workplace gender audit or workplace gender equity plan developed by Council under the *Gender Equality Act 2020*.

This data can be integrated into Council's workforce profile as required, with gender equality measures being incorporated into workforce analytics as required.

In the absence of available data or the measures, council should outline the steps they are taking to develop measures.

Targeted advice to support local councils to comply with the Gender Equality Act is available here: https://www.genderequalitycommission.vic.gov.au/advice-local-government

3.6 Summary of key actions

Council should include a summary of any key actions that will be implemented either:

- in response to issues, they have identified in their data,
- resulting from structural or technological changes that will require new or different work profiles or capabilities, or
- as a result of delivering on the Council's commitment to residents.

The timeframe for each action should be included.

Overall, Council should also specify the timeline for the Workforce Plan, including dates for review and renewal.

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⁶ Part 4, Division 1, Section 11(c) of the Gender Equality Act 2020

4 Further reading

Government resources:

- LGPro Future Ready Workforce Planning Handbook and Guide
- <u>Local Government Act 2020</u> Part 2 Division 7 Section 46 Functions of the Chief Executive Officer
- Local Government (Planning and Reporting) Regulations 2020
 - Part 2 Financial Plans Section 6 Statements describing other resource requirements
 - Part 3 Budget Section 8 Other information to be included (4(c)(d))
 - o Part 4 Annual Report Section 10 General Information (1(i))
- Gender Equality Act 2020 Part 4 Workplace gender equality
- Integrated Strategic Planning and Reporting Discussion Paper

Non-government specific resources:

- Australian Human Resources Institute (AHRI) Workforce Planning
- Australian Human Resources Institute (AHRI) <u>Diversity and Inclusion</u>
- Australian Human Resources Institute (AHRI) HR Metrics

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This document is also available in an accessible format at dipr.vic.gov.au



5 Appendices

Appendix A – Workforce Plan in the Integrated Strategic and Planning Reporting Framework

Resources (including people) required to deliver on commitments are There is alignment with and progress towards the Community Vision. The community has had an opportunity for deliberative engagement. mprovement opportunities captured and incorporated into planning Improved accountability to Council and community for achievement Improved understanding of Council's capability to achieve its vision. Council is a trusted and responsible steward and community assets There is a consensus view of the desired future (10+ years) for the There is an understanding of community, civil society and broader Council Plan, strategies, programs and projects can be resourced. Intended directions, pathways and investments have legitimacy. Council owns the Council Plan and the community is clear on its There is clarity on how strategic objectives will be achieved and It is clear how Council will collect revenue to support activities. Council's jurisdiction and targets for advocacy are understood. Strategies and initiatives to achieve Council Plan are clearly Clear view of the fiscal capacity and constraints of Council. Financial risk and potential areas of volatility are managed. Transparent monitoring of financial, service and program Programs and initiatives have quality and cost standards. community and potential pathway to achieve this. Outcomes partnerships required to achieve the Vision. consistency with available resources. articulated, mapped and resourced. meet future community needs. strategic direction. of objectives. structure and staffing requirements to 4-year plan to support achievement of year asset management framework o support achievement of Community Revenue and Rating Plan support delivery of Council Plan [s.46 4-year plan reflecting organisational Community Vision and Council Plan Local Government Performance **Norkforce Plan** Vision and Council Plan Reporting Framework Asset Plan **E** Elements 10-year financial framework to support achievement of Community Vision and 4-year plan to support achievement of Strategic objectives, major initiatives, 1 + 3-year budget supporting Council Plan delivery, includes description of mplementation of Council Plan and 10-year aspiration for community inancial performance statement Report on operations including Service performance indicators services, major initiatives and Community Vision strategies and indicators performance measures **Annual Budget** Annual Report Financial Plan Council Plan Community Vision major initiatives Council Plan + sieat-ot Outlook + szeak-t Council Plan outlines the agenda for a new Council and supports the Council will develop and adopt a budget each year that describes in more detail the way in which revenue will be raised and expenditure The budget must include 3-year financial projections as well as description of services, major initiatives and performance measures. community wants and needs, and the high level actions required to A Financial Plan is used by Council, community and the organisation to ensure the long term viability and sustainability of the Council. It Report, Local Government Performance Reporting Framework and mandatory quarterly financial reports that are presented to Council supports the achievement of the Community Vision and establishes achievement of the Community Vision through Strategic objectives The Council is accountable for its performance through the Annual Vision statements reflect shared values and aspirations and create Council will raise revenue to support activities and achievement of ensure public accountability, these include: quarterly reporting on The Asset Plan ensures effective management and stewardship of achievement of capital works and Council Plan initiatives, routine Many Councils develop and maintain additional mechanisms to Revenue and Rating Plan outlines a medium-term view of how The CEO must prepare and maintain a 4-year Workforce Plan. active tension between the current and desired future state. A community vision reflects a consensus view of the future reporting on project, program and policy initiatives. Overview Council Plan strategies and objectives. investment and spending thresholds. achieve desired outcomes. community assets.