Local Government Administrations 2020

Industry Developments and Workforce Issues

Industry Overview. 1 The most recent national labour market outlook estimates an employment growth of 6.3% for Local Government Administration over the five years to 2024.2 ABS figures³ indicate there are 18,400 people employed in Western Australia's local government of which a total of 86% are fulltime employees. The sector employs 40% of women, 14% of which are part-time roles. At the time of the 2016 Census, more than 51% of the workforce was aged 45 and over, with an even greater concentration of an ageing workforce in rural and remote areas.⁴ A comparison of employment figures at the same time last year show a 45% increase in employment in Local Government Administration. Compared to the previous February 2020 quarter employment in this sector decreased by 8%.5

Local Government Act Review. The Local Government Act 1995 has been under the State's review since 2017. The intent by the McGowan Government has been to modernise the Act and empower local governments to improve service delivery for the community and meet priorities now and into the future. Areas for reform have focused on community and public expectations, capacity building through administrative efficiencies, and a review of ICT systems and digital processes.⁶ Reforms in place include a new gift framework, universal training for council members, candidate induction, changes to Standards Panel, and greater transparency easier access to information (partly in place). Reforms still in progress relate to council member code of conduct, improvements to CEO recruitment and performance review, and further transparency measures.⁷

Procurement Changes. The state government is developing a whole-of-government procurement strategy to create a more efficient, agile, accountable and centralised system for the procurement of goods, services and works by government agencies. The Procurement Act 2020 is being enacted in two stages and is set to commence in full in January 2021. Once the Procurement Bill 2020 is passed, local governments will need to be aware of their obligations under the Procurement Act 2020 and the Western Australian Jobs Act 2017 (in particular the Western Australian Industry Participation Strategy) and transition to subsequent policy and practice amendments.^{8,9} These will complement the recent changes introduced for the local government sector which give local government authorities more flexibility in procurement and contracting during the COVID-19 pandemic, 10 as well as latest changes

¹ These figures do not take into account any impact caused by COVID-19. It reflects data collected prior to the effects of the pandemic which is having a substantial negative impact on the current labour market.

² Australian Government, Department of Jobs and Small Business, Labour Market Information Portal, Employment Projections,

Industry projections - five years to May 2024.

Australian Bureau of Statistics, Labour Force Australia Detailed Quarterly, <u>Data Cube EQ06 Employed persons by industry</u> group of main job (ANZSIC), Sex, State and Territory, May 2019.

4 WA Local Government Association, Local Government Workforce and Future Skills Report Western Australia, September 2018.

⁵ Australian Bureau of Statistics, Labour Force Australia Detailed Quarterly, <u>Data Cube EQ06 Employed persons by industry</u> group of main job (ANZSIC), Sex, State and Territory, May 2019.

Government of Western Australia, Department of Local Government, Sport and Cultural Industries, Local Government Act Review, 24 July 2020.

⁷ Government of Western Australia, Department of Local Government, Sport and Cultural Industries, *Priority reforms*, 24 July 2020.

⁸ Government of Western Australia, Procurement Reform – Department of Finance, Procurement Reform, 24 July 2020.

⁹ MinterEllison, What does Western Australia's new Procurement Bill mean for you? 10 June 2020.

¹⁰ MinterEllison, How local government regulation amendments will impact borrowing, contracting and procurement due to COVID-19, 29 April 2020.



which include a report on local government authority procurement and contracting practices and a new short term loan facility to provide liquidity to local governments. As a result of these changes, local governments and associate members are likely to increase their reliance on WA Local Government Association's (WALGA) procurement services and expertise to help navigate the changing landscape and achieve governance over their procurement practices and full regulatory compliance. In line with this, the procurement market remains active across both the public and private sectors, with roles ranging from entry-level contract administrators to heads of procurement, with demand greatest around service procurement. Subject matter experts and change management skills are sought as new procurements platforms and contract management systems are implemented. Those who can manage high-value and complex tenders and contracts within a project delivery setting are also in demand. 12

Technology. The sector continues to transform to meet the challenges of a digitally enabled economy. Technology is shaping how local governments operate, enabling automation of processes, digitisation of data collection, cloud-based processing, data storage and service delivery. Systems are being implemented to streamline workflow and business processes, improve capability and performance, and strengthen direction and outcomes. There is a shift towards use of central data management systems and application of enterprise resource planning software for common business processes. Increasingly, local governments are focused on their customers and improving customer experience.

In larger local governments, key systems are being updated and enhanced to provide more convenient and integrated solutions to meet customer expectations, client engagement and connectivity. Technology is being implemented to transform business capability, manage day to day business activities across the organisation and enable digital revolution. Single integrated enterprise solutions are being adopted to streamline implementations and reduce time, cost and risk. These include enterprise resource planning software such as TechOne¹³ and those offered by itvision¹⁴ and civica.¹⁵

Skills Demand. According to Hays^{16,17,18} there is an increased demand across local government for project or program delivery professionals to support business, technical and cultural transformations and to implement change. Project managers are sought after to commission initiatives, implement discrete projects and large-scale transformations including new operational requirements. Employers value experience in developing project plans, project reporting, governance, stakeholder management, and budget management, as well as the agility to deliver on key milestones and project deadlines. Project managers with subject or sector specific knowledge are needed, as are those with knowledge of implementing digital forms and the ability to improve website capability to ensure all services are accessible through this channel. Reportedly, project management qualifications are increasing in demand due to the complexities of skills required.

In Western Australia, local government representatives have highlighted an emerging employee skill gap in being able to manage projects. Increasingly, local government employees need to be able to blend their technical knowledge and perform the duties of a project manager. This includes the ability to carefully examine the details of a project, schedule work, effectively manage stakeholders and ensure successful delivery. There is also a need for developing finance skills within local government. While specialist finance functions can and in some instances are outsourced to accounting firms, lower level functions are executed in-house. Rates officers, debtors and creditors are roles which rely on various levels of financial literacy. A rates officer is a good example. The person needs an understanding of WA's rates environment, be proficient with SynergySoft¹⁹ software and need a skill set around general finance. Usually small local governments don't have a full-time requirement for a rates officer and this function becomes part of a more diverse role which requires skill gap training to deliver financial knowhow to perform the role. Local Government Professionals WA are jointly developing modules to develop finance professionals within the sector from people performing finance functions from entry through to

¹¹ MinterEllison, <u>Recent developments in WA local government regulation in response to the impacts of COVID-19</u>, 25 May 2020.

¹² Hays, *Hays Jobs Report – Procurement*, January to June 2020.

¹³ Technology Once, <u>website</u>.

¹⁴ Civica, <u>website</u>.

¹⁵ Itvision, website.

¹⁶ Hays, Hays Jobs Report – Policy and Strategy, January to June 2020.

¹⁷ Hays, *Hays Jobs Report – Procurement*, January to June 2020.

¹⁸ Hays, *Hays Jobs Report – Local Government NSW*, January to June 2020.

¹⁹ Itvision, <u>SyndergySoft</u>.



management levels.

As the nature of work changes due to automation and business improvements, there is an emergence of hybrid roles which pose employers with a challenge of matching skill sets to work requirements. While drivers of change can create skill gaps that are task-specific, these are having a far greater reach and can be felt across the entire local government workforce. Digital skills are now also required of the external workforce due to use of handheld devices, tracking, data and analytics which has required skill support as staff have had to move beyond their traditional ways of working. Other areas of staff development have included inductions into local government, ethics and governance, leadership and management, and specific writing skills. Also identified as emerging skill needs: conflict management, trust and culture, talent management and succession planning.

Hays also point to an increase in recruitment activity for procurement and contract officers with employers looking for candidates with previous local government experience as these roles require a large amount of compliance work and knowledge of local government procurement guidelines. Similarly, governance, compliance and risk professionals are in increasing demand in local government in response to the increasing value placed on appropriate governance frameworks, probity and reporting requirements in the public sector. Demand is likely to increase following the release of the Auditor General's report into the adequacy of contract extensions and variations by local government and whether they meet regulatory compliance. The audit recommendations highlight a need for local government to: implement tighter policies, procedures and guidance related to the recording of essential contract information, key decisions and documentation; appropriately manage contract extensions and variations claims; establish delegated authorisation limits in the approvals process; and timely reviews of contractor performance.²⁰

Occupational Shortages. Discussions with industry and relevant local government bodies point to a continued short supply of earthmoving plant operators (including bulldozer, grader and loader operators), engineers (particularly civil engineers) and engineering technical officers, building surveyors, town planners and environmental health officers.²¹ Significant skills shortages are particularly prevalent in rural/rural remote and urban regional areas. Similarly, business analysts and candidates with business improvement skills are difficult to secure.

Local government stakeholders anticipate shortages will intensify into the future (building surveyors, environmental health officers, engineers and plant operators), exacerbated once demand grows in competing and recovering industry areas such as commercial construction, major civil infrastructure projects and mining. The recently announced \$1.8 million billion boost for road and community projects through local governments across Australia²² will further tighten the pool of suitable candidates to undertake civil work, including infrastructure upgrades and maintenance.

Civil Engineer Shortage Mounting. Civil engineers will remain difficult positions to fill. At the beginning of 2020, Hays highlighted that Australia's civil engineering market was leading employment activity, driving up vacancies for engineering experts across the country, particularly those with experience in the design and delivery of traditional road infrastructure and road safety projects. Even then, they expected civil engineering skills shortages to intensify in WA.²³ According to Engineering Australia's latest vacancy report²⁴, while the number of advertised vacancies for engineers had decreased in 12 months of 2019, civil engineering vacancies continued to dominate the Australian engineering employment landscape. The awarding of major civil infrastructure projects has generated business for associated industries boosting the demand for civil engineers.

It is a matter of time before the engineering profession becomes regulated in Western Australia. The Professional Engineers Registration Bill 2019 has been successfully passed through the Victorian Legislative Council in a move to ensure professional standards in engineering practice, mitigating the risks of engineering work carried out without adequate skills and competencies. Initial coverage of the

²⁰ MinterEllison, <u>Recent developments in WA local government regulation in response to the impacts of COVID-19</u>, 21 May 2020.

²¹ Please refer to FAPSTC's recent State Priority Occupation submissions for detailed occupational profiles, February 2020.

²² Prime Minister of Australia, Media Release, \$1.8 billion boost for local government, 22 May 2020.

²³ Hays Australia, <u>Hays Jobs Report – Engineering: Hotspots of skills in demand</u>, viewed 07-02-2020.

²⁴ Engineers Australia, <u>Australian engineering vacancies report: Trends in 2019</u>, February 2020.



scheme will cover civil engineering services. It is yet to become law in Victoria and supporting regulations will need to be developed. Queensland has already adopted mandatory registration, requiring between 3 to 5 years of work experience in providing professional engineering services.²⁵ This will have significant implications for civil engineering works being carried out by local governments in the future already struggling to fill vacancies with qualified and experienced staff.²⁶

Industry Workforce Priorities

CEO Workplace Stress Report. In 2019, the University of Western Australia conducted a research into WA local government CEO workplace stress. Key findings indicate the level of stress experienced by CEOs is three times the national average which is comparable to traditionally dangerous occupations such as mining, construction, police and emergency services. Much of this stress is attributed to strained inter-personal relationships with elected members and hostile ratepayers/ratepayer associations. The report points to overt and subtle bullying, harassment and intimidation of CEOs and, in some instances, their families. CEOs have more demands placed on them than there are resources available to them to deal with issues. It also highlights there is very little, if any, legislative support to ensure a safe working environment for CEOs.²⁷

WALGA and the Local Government Professionals WA are advocating for change and continue to provide support to those affected. In partnership, they have developed an agreed joint model contract for local government Chief Executive Officers to alleviate some of the issues which can occur during negotiation, and during the life of the contract. This should assist in reducing unnecessary tensions and enable a clear pathway to resolving disputes and consequently strengthening relationships within the sector.28

Recruitment Challenges. Difficulty in recruiting suitably qualified and experienced candidates continues across the sector, particularly in rural, regional and remote areas of WA. Key reasons cited behind the shortage: lack of skilled locals; remoteness/distance from Perth; specialised training requirements; and inability to compete with the private sector on remuneration, all consistent with survey results profiled in a 2018 sector report.²⁹ Part of the problem is the need for suitably experienced professionals to have local government knowledge alongside their technical, occupational capability, such as engineers needing the local government know-how, particularly around procurement, asset management and compliance.30

Another challenge is the need for local government employees to cover a breadth of highly specialised areas. This is compounded in smaller, less resourced local governments which rely on smaller pools of staff to cover a diverse range of activity. The role of environmental health officer exemplifies such complexities and the need to stay abreast of change. In local government, these professionals require specialist knowledge across areas such as: air pollution; noise control; food and water quality; disease and pest control; waste management; environmental protection; and health education. They need to assess risk and develop, regulate, enforce and monitor laws and regulations governing public health for both the built and natural environment, in order to promote good human health and environmental practices.31 In a similar way, town planners rely on their understanding and knowledge of laws and regulations across a wide range of fields: strategic planning, urban design, environmental impact assessment, residential planning, commercial and industrial planning, heritage planning, tourism planning and social planning.³² Building surveyors also need to have a working understanding of

²⁵ Board of Professional Engineers of Queensland, <u>Becoming a RPEQ</u>.

²⁶ Engineers Australia, <u>Engineer registration in Victoria</u>.

²⁷ Local Government Professionals Australia WA, LG Profesisonals WA's Position on UWA research.

²⁸ Local Government Professionals Australia WA, New CEO joint model contract released.

²⁹ Australian Local Government Association, <u>Local Government Workforce and Future Skills Report Australia</u>, September 2018.

³⁰ Engineers Australia, Government as an informed buyer: How the public sector can most effectively procure engineering-<u>intensive products and services</u>, 2012.

31 The Good Universities Guide, <u>How to become an Environmental Health Officer</u>.

³² The Good Universities Guide, <u>How to become a Urban and Regional Planner.</u>



regulatory changes which impact their role. This is critical if they are to apply knowledge of compliance and building surveying requirements.

Impact of Reform. The release of the Building Confidence Report: Implementation Plan, a roadmap for reform for Australia's building and construction industry, 33 is set to drive sweeping improvements in the effectiveness of compliance and enforcement system in the sector. Proposed reforms include areas such as approval process for single residential^{34,35} and commercial buildings (with recommendations to introduce more points of certification and inspections of buildings) and an examination of registration requirements for building surveyors.³⁶ Likewise, bushfire regulatory planning requirements and staged changes to the Map of Bushfire Prone Areas and supporting bushfire policy frameworks³⁷ also highlight the complexity of currency for professionals working in local government. Such reforms have potential training implications to ensure compliance and that obligations are met. According to WALGA, there is a shortage of Bushfire Attack Level (BAL) accredited Level 1 Building Surveyors (particularly in regional and remote WA) able to conduct BAL assessment and inform effective, risk-based land use planning and building decisions in bushfire prone areas.

Use of Contractors. Local governments have had to rely on independent contractors to mitigate occupational shortages and skill gaps. This aligns with WALGA's 2018 Future Skills Report38 which shows a significant number of local governments utilising labour hire arrangements (41.3%) and independent contractors (84.8%). Reportedly, the time to fill vacancies ranged between 1 to 12 months for professional positions and 1 to 6 months for skilled/technical positions. 36% of local governments advertised interstate in attempts to fill positions across the top five occupational shortages. Shortages were anticipated to increase over the following 18 months. Contractors are used to fill gaps, provide specialist expertise and ensure additional layers of oversight and risk management. As an example, it is not uncommon to see higher level accounting functions outsourced to accounting firms.

The current employment and salary freezes in place across local governments (due to the effects of COVID-19) are likely to compound reliance on contractors. Recent discussion with industry points to the likelihood of capital works being contracted out in order to undertake any new local government road and community projects such as those enabled through the recently announced federal grants.³⁹

Mitigating Shortages. Some local councils support processes and regional outcomes as a collective; drive collaboration and sharing of staff and plant to support smaller councils with limited resources: integrated planning, aligning processes, developing tools to satisfy obligations and working together to drive outcomes. However, this is only possible where physical distance between collaborating bodies is not an issue. One regional local government is looking at implementing a buddy system, where teams made up of staff from neighbouring shires work as crews on civil work to try and address the shortage and provide opportunities for knowledge exchange and mitigate loss of critical knowledge with staff turnover.

The Graduate Challenge. The lack of skilled professionals moving to some regions is creating recruitment challenges, particularly for people in middle management. Councils are faced with strategic decisions about whether to train and develop locals or whether to bring people in and provide them with incentives to relocate into the region. While some have the capacity to employ and develop graduates, creating career paths and progression across local government, 40 there are others who, anecdotally, 41 are not willing to train staff due to the time and effort required to provide an adequate level of supervision, support and mentoring while continuing to execute business functions. Lower salaries

³³ Australian Government, Department of Industry, Science, Energy and Resources, <u>Building Confidence Report: Implementation</u>

<u>Plan</u>, March 2019.

34 Government of Western Australia, Department of Mines, Industry Regulation and Safety, <u>Reforms to the building approval</u> process for single residential buildings in WA – CRIS, September 2019.

process for single residential pullulings in war once, september 2015.

35 Government of Western Australia, Department of Mines, Industry Regulation and Safety, <u>Proposed reforms to the approval</u> process for commercial buildings, 27 March 2020.

36 Government of Western Australia, Department of Mines, Industry Regulation and Safety, Proposed reforms to the approval

process for commercial buildings, December 2019.

37 Government of Western Australia, Department of Planning, Lands and Heritage, State Planning Policy 3.7 and Guidelines.

³⁸ Australian Local Government Association, <u>Local Government Workforce and Future Skills Report Australia</u>, September 2018.

Prime Minister of Australia, Media Release, \$1.8 billion boost for local government, 22 May 2020.
 Discussion with Engineers Australia WA and Institute of Public Works Engineering Australasia WA, January 2020.

⁴¹ Discussion with Local Government Professionals Australia WA and industry, December 2019.



make it difficult to attract highly qualified applicants, resulting in workers having lower education coming into roles, and local governments focusing on work history, technical capability to do the job and organisational fit.

Regardless of graduate numbers, students generally do not have local government on their radar as a potential employer. Greater promotion of employability in local government, exposure to a breadth of work and opportunities for accelerated career paths could attract more new entrants into the sector. This may alleviate some of the supply pressure, particularly as demands for certain occupations increase. Although currently on hold, prior to the pandemic some local governments participated in university internship programs for second and third-year students from hard to recruit areas such as engineering, legal and environmental health. There is an attempt by industry to try and change the value proposition to fresh graduates and profiling themselves as an employer of choice.

Training. Access to local, specialised and technical skills training is an issue for some local governments, particularly those in regional areas due to location. For example, industry points to continued issues with access to specialised training required by environmental health officers such as environmental noise and unauthorised discharge regulations. Similarly, there is a lack of access to local equipment operator training in regional areas for employees needing to work on civil construction projects. This aligns to WALGA's 2017 survey findings which cited limited availability of courses and none offered locally. Furthermore, while training may be offered in Perth and some regional areas, not all local governments can access these easily and going away for training is difficult, very expensive and brings logistical limitations. Similarly, while technology to access online training may be available, connection is an issue which prevents its use for skills development and training. Even when available, online training does not have the same benefits (networking opportunities, learning from one another).

The two local government associations in Western Australia offer different forms of training to meet some of the needs of local government. These are not intended to qualify staff, rather to inform their knowledge in particular areas and provide practical assistance to support their work practices and targeted skill development. The training is tailored to meet the specific needs of the local government industry. WALGA provide different levels of short courses for elected members and officers. Areas covered include emergency management, town planning, procurement and contract management. Officer-specific training is also available in employee relations, finance, governance, personal development and professional skills. Delivery includes a suite of eLearning products, offering flexible learning covering a range of industry specific topics.⁴²

The training offered by Local Government Professionals WA targets all levels of local government employees. They run leadership programs, an introductory project management course and offer workshops covering topics such as: induction to local government; CCTV for local government; report writing; finance for non-financial people and a range of webinars to support work-related knowledge and targeted skill development in the sector. Peer support programs forums and professional development events offer additional support. They conduct industry surveys to inform how best to support their members. Recently, they have also developed a Resilience Toolkit Training Module for all local government professionals across the sector to help build individual resistance, particularly those experiencing heightened stress levels.⁴³ The organisation also advocates for employment of people with disability in local government.⁴⁴

Reportedly, members value these programs and networking opportunities. Local Government Professionals are growing in membership uptake by younger local government employees who are attracted to the networking opportunities and involvement in committees and working groups for their career growth and capability support.

⁴² Western Australian Local Government Association, <u>2020 WALGA Training Calendar</u>

⁴³ Local Government Professionals Australia WA, <u>Resilience Toolkit Training Module</u>.

⁴⁴ Local Government Professionals Australia WA, <u>The Lighthouse Project.</u>



COVID-19

Operational Impact. The pressure on local governments and CEOs is insurmountable. While some have been able to retain majority of full time and part time staff, others have had to stand workers down (particularly casual staff) and reduce hours of work. Many contracts are not being extended beyond expiry. To help local governments adapt their workplaces, the Fair Work Commission and the WA Government have made temporary changes to the taking of leave by varying the Local Government Industry Award 2010 during COVID-19. It was up to the individual local governments to determine whether employees covered by an enterprise agreement would be granted similar temporary measures. Recent discussions WA Super provide some insight into the extent of hardship felt across local government employees. By early June, WA Super have paid out \$31 million in early release of super due to the pandemic. Anecdotally, majority of people who have accessed it are those impacted by sport centre closures. An extension of JobKeeper to include casuals working in local government would minimise the impact on this group while services recommence.

When COVID first hit, this was marked by closure of certain services and facilities such as pools, recreation centres, libraries. This has meant that many of the causals were laid off in the metropolitan areas. Regional staffing of local governments tends to be more permanent part time rather than casual. Many of the part-time staff (eg: pool coordinators) who had previously been working in facilities and services affected by temporary closures were re-deployed into community-based programs within local government to support community. This movement of staff has provided cross and upskilling opportunities for staff. The Shire of Corrigin employed people who left jobs locally to assist with local community programs. The Shire of Bruce took the responsibility of running the local grocery store after the actual store burnt down 2-weeks into COVID. Various local governments have initiated and coordinated programs beyond their normal business functions to help vulnerable people in their communities.

At the beginning of June, most local governments have reopened swimming pools and recreation centres. Some, such as the City of Stirling, have taken the opportunity of closures to undertake refurbishments. These continue to be reviewed by each local government as restrictions lift.

Working Remotely. The COVID-19 pandemic raised many difficult issues for local government employers regarding the management of risks to workers and the general public. It has also created significant challenges for local governments regarding the rearrangement of work to adapt to the associated changes to community demand for the services local governments usually deliver. ⁴⁶ At the peak of restrictions people mainly worked from home. Compared to other sectors, the affect has been a positive one. Metro-based organisations have expanded their scope to working from home. Smaller local governments brought forward their IT/infrastructure programs so people could work from home.

Post COVID, the legacy of working from home will vary between smaller regionals and those operating in metro areas. While there is appetite to continue using technology and have flexibility of workplaces, residents of smaller regionals will still have a face to face expectation which will determine the extent of working from home in the future. Management and executive teams are now managing perceptions and the blurring of lines between work and home. Anecdotally, staff who are working from home are more productive and appear to be working longer. Leaders are faced with different challenges of managing employee wellbeing and the safety elements of working remotely. This could be further impacted by the current employment freeze across local governments which is likely to drive reliance on internal productivity. Employers are cautious of potential employee fatigue and resulting issues associated with working too long.

The shift to working from home required local government staff to upskilling on use of technology, record management, cyber security, ergonomics, productivity and wellness while working from home. The Office of the Auditor General is about to release a report on the sector's capability and cyber resilience.

⁴⁵ MinterEllison, <u>Greater flexibility to manage local government workforces through COVID-19</u>, 29 April 2020.

⁴⁶ MinterEllison, Greater flexibility to manage local government workforces through COVID-19, 29 April 2020.



This will be timely when reassessing the new working from home arrangements and the way forward for the sector.

Employee Resilience Scorecard Survey. A recent survey of 2,236 local government employees in Western Australia and their views on how the sector was responding to the pandemic, points to a strong and resilient sector. Results indicate that: leaders have demonstrated clear thinking and decision making, and are helping workers to feel hopeful for their future; workers have confidence and trust in their local leadership group; managers have shown compassion and empathy; and the local government workforce is open to new ideas. ⁴⁷

The way the sector responded to the pandemic has given them confidence in their ability to manage extreme situations, support community through the crisis and reshape business continuity. Despite levels of previously displayed resistance to change, people adapted to alternative working arrangements and embraced technology for virtual meetings. They moved from scepticism to empowerment in being able to do things differently. The survey points to a workforce eager, openminded to embrace technology, innovation and new practices to improve customer service and internal efficiencies. Reportedly, the most successful innovations adopted by the sector over the past few weeks have been: use of technology for meetings, presentations, training and webinars; transition to flexible working-from-home arrangements; moving services and processes online; and introducing alternative distribution models for library services such as Rhyme Time, Click and Collect and home delivery.⁴⁸

Supporting Community. Across the State, local governments continue to put plans in place to support their communities and local economies during the pandemic. Local governments have needed to increase their communication with their communities and respond to their needs and queries, while maintaining critical services and adapting their constantly changing operation. Some have conducted surveys to understand the needs of their communities. These will give local governments a chance to review what will be important for community and prioritise services moving forward. Similarly, feedback will inform strategic planning and the development of business support initiatives to aid recovery.

The State Government has supported local governments through a number of legislative changes to the Local Government Act and regulations. Early interventions allowed local government councils to hold meetings electronically during a public health emergency or a state of emergency. Others focused on amendments to regulations in areas of financial management, local government functions, long service leave and parking for people with disabilities. Some temporary exemptions, such as regulatory changes to local planning requirements, were introduced to safeguard the supply of essential goods and services, help maintain civil order and lessen demand for local councils in favour of direct frontline support in their communities. Other amendments to local government regulation in response to COVID-19 have focused on procurement and contracting practices and a new short-term loan facility to provide liquidity to local governments.

Similarly, Local governments with existing hardship policies have revisited these in the context of COVID-19, while others adopted a hardship policy in response to the Local Government (COVID-19 Response) Order 2020 which encouraged local governments to adopt a financial hardship policy to address the way local government will deal with financial hardship suffered by ratepayers.^{52,53}

To date, measures introduced by different local government in response to CODIV-19 include: online platforms to support the local business community; financial support and relief measures to assist local businesses (payment of rates, rent relief, waiving of charges, COVID-19 small business and community grants); development of online business directories and resources to support business continuity; fast-tracked approvals and procurement processes; accelerating capital works and maintenance projects;

Workforce Profiles: Central and State Government Administrations | 2020 | www.fapstc.org.au

⁴⁷ Local Government Professionals Australia WA, <u>CULTYR Employee Resilience Scorecard Results</u>.

⁴⁸ Local Government Professionals Australia WA, <u>CULTYR Employee Resilience Scorecard Results.</u>

⁴⁹ Department of Local Government, Sport and Cultural Industries, <u>COVID-19 Responses</u>.

⁵⁰ Department of Planning, Lands and Heritage, <u>State of Emergency planning changes</u>.

⁵¹ MinterEllison, <u>Recent developments in WA local government regulation in response to the impacts of COVID-19</u>, 21 May 2020.

⁵² MinterEllison, Recent developments in WA local government regulation in response to the impacts of COVID-19, 21 May 2020.

⁵³ Local Government Act 1995, Local Government (COVID-19 Response) Order 2020.



free advisory sessions for small businesses.⁵⁴ Adoption of such measures will have an impact on revenue going forward.

The next focus for local governments is on rebuilding trust within and beyond the organisations, enhance the offerings to community and how to develop staff to assist them in their roles.

Financial Constraints. Those with financial reserves will likely need to access them to continue to run services and support their local communities and businesses, particularly if rate revenue is impacted. Projects are likely to be postponed and the re-opening of certain services is dependent on each local government. Smaller local governments and those without reserves are likely to be facing financial barriers to maintain pre-COVID-19 operations, particularly if their usual revenue streams are impacted (60% of local governments do not have any reserves; many rely on rates and additional grants to continue operating). Local governments are bracing for financial constraints and planning for different scenarios.

The full impact of COVID will not be realised until the new rates are disseminated for payment. This will be a telling factor in just how many ratepayers are in financial hardship and unable to pay their rates. This will affect cashflow which means the next 12 months will see certain services being reconsidered by local governments. Some local governments are amending their financial hardship policy to extend beyond residents and to include local businesses where relevant. Local Governments will need to continue to develop, amend and adapt their policies in line with the changes due to the pandemic and its ripple effect. Some adjustments to rates are expected. Community, strategic and business plans will need to reflect the COVID affect and support provided by local governments, so activities and programs will need to be adjusted to align with these. Some local governments are waiving charges for services, have frozen issuance of penalties for those unable to pay rent due to financial hardship and some local governments such as Melville have made available grants to local SMEs to get them through hard times

JobKeeper Program and Childcare. Local governments did not qualify for the JobKeeper program. However, some local governments run childcare centres which attracted free childcare subsidies. Supplementary changes were introduced by government to include childcare centres in their funding scheme through an application process for special conditions to run these centres. Ironically, some local councils employing causal workers in their childcare centres are struggling to secure adequate staffing to operate the centres with existing casual employees taking advantage of JobKeeper payments. The freeze on recruitment is preventing them to meet the current gap.

Training. Local Government Professionals WA moved their training programs such as project management and community development online. Some people have continued to access the training and online workshops but majority are focused on addressing the current operating challenges and responding to the needs of their community and staff, many of whom are working longer hours to support business activity.

Discussions with industry point to heavily reduced training budgets. External courses and conferences are on hold. Only absolute essential training is being approved and is predominantly focused on core competencies to support technical requirements of specific job roles. Development of staff has predominantly shifted to online offerings, mainly through internal capability and purchased learning management systems such as SAP Litmos, which enables access to existing modules or those developed inhouse by local governments which target specific areas of need. There is an increased focus on internal coaching and knowledge sharing to bring people up to speed. Reportedly, training of new staff recruited from beyond the sector is proving to be challenging due to reduced training budgets and resourcing limitations. Human resource professionals (or those performing such functions) are needing to upskill to use new training systems, understand breadth of system capability and application, unearth existing training modules within purchased systems, and support the development of bespoke in-house training modules. The implementation and integration of different systems (such as enterprise resource planning software) means that many are needing to engage experts to configure systems and implement core functions before these can be fully utilised.

⁵⁴ Small Business Development Corporation, <u>Local Government COVID-19 initiatives</u>.



Traineeships. There are some but not many trainees supported in the sector. The review of the dated Local Government Training Package and buy-in from WA's local governments is one step closer to supporting relevant training to meet industry needs. Provision of funding, support and coordination of training via a designated, central body for all of local government could provide some support. However, the main barriers seem to be: internal capability to provide the adequate support and supervision; the issues of limited manpower/resources and impact on productivity when attention is divided to any new starter; fiscal constraints; and talent acquisition needs. Although the skilling and development of local talent is appealing, many local governments don't feel they have the time, the skills or the resources needed to support a trainee. Many don't have HR resources, so support is difficult.

A reform of funding could support traineeships and the employment of young people into local government which support local employment. Pre-COVID -19 challenges associated with the employment of young people has been (and will be) exacerbated by the impact of the pandemic on job opportunities. Many of the job roles affected by COVID-19 have been in retail, hospitality, the arts, sporting facilities and tourism. The haemorrhaging of these industries has led to an even greater unemployment of young people who traditionally have relied on these areas for entry level jobs. Similarly, reductions in employment across majority of sectors will mean there will be a greater supply of displaced, experienced workers looking for work who will be competing for roles against the less qualified or experienced. There are far reaching, long term implications for young people who are unable to find work.

The creation of employment opportunities and alternative pathways to employment across the tiers of government could alleviate this burden. It could also support and broaden vocational education and training opportunities in the State, while injecting diversity into the sector and addressing the challenges posed by an ageing workforce. The Public Sector Commission has been exploring ways in which traineeships could be supported within the sector. Traineeship opportunities could be expanded if funding and access to adequate support was made available to public sector agencies. This could be administered by a central body which could also promote the benefits of workforce diversity and locally trained staff. A unique opportunity exists to drive youth employment outcomes within the sector and address growing youth unemployment. A similar model could be considered for the local government sector. Similarly, a sector fund could be established for training which could include traineeships.

Communication Challenges. It is critical that the 3 tiers of government are consulted for local government to be suitably prepared to respond to government led initiatives and reforms. A well-formed consultation process would increase collaboration and better inform decisions. Local governments are keen to highlight the breadth of functions being undertaken at a local level and have input into broader government discussions (such as National Federation Reform Council) to inform and consider implications of decisions on local government and their ability to meet their obligations.