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## **Children's Services Review**

### Summary Findings & Recommendations

**Byron Shire Council**  
2019-0036

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Prepared By:

Ian Alchin

## Summary Findings and Recommendations

CCSA has conducted the review as outlined in the methodology and identified several areas that are impeding the effective operations of the children's services and consequently their financial performance. These are summarised below with recommendations identified.

CCSA has undertaken a comprehensive and broad review of the current structure and operations of Byron Children's Services and made comparisons with other organisations operating in the sector. The findings and any recommendations that arise are set out as below. Each finding suggests an inherent risk to Council that is either current, likely or prospective in the shorter term.

### Governance

- The current structure does not support the effective operation of the group. The current challenges outlined in this review require significant resourcing from the perspective of both expertise and time invested to manage and sustain positive change.

*Recommendation:* That Byron Shire Council consider the alternate operating models and operational adjustments proposed by this review and outlined at the conclusion of this report.

- There is no evidence of a clear focus or clear and well-articulated vision of the goals, common philosophy and future directions of the services *in action*.

*Recommendation:* A vision and direction for the services as a unified group informed by common values be developed and underpin decision-making and practices at the centre level.

*Recommendation:* A table of delegations and authority be developed to identify at what level decisions can be made across operational areas of each service including limits such as expenditure including outside of budget parameters.

### Culture

- Staff report their experience of the pay process and associated support is positive.
- Staff report the main benefits from being a Council operated service are pay and conditions and job security.
- Services are not integrated nor viewed as a group by staff working in them. Individual philosophies do not unify the group nor properly reflect Council values.

*Recommendation:*

A single philosophy be developed that encapsulates Council's values and provides the foundation for professional practice across the services

*Recommendation:* A Business Planning process that involves staff as stakeholders would provide direction and contribute to developing a joint culture and common understanding across the services.

*Recommendation:* A greater level of attention and intentionality is needed about being accountable and responsible for the collective performance of the services.

- There is no general awareness by staff of the financial position of the individual services. There is seemingly no connection between the feeling of job security evident by being Council employees and the actual financial performance of the services.

*Recommendation:* Staff are connected with the budget, its progress and the financial implications of expenditure proposals and decisions made as part of the general regular review, self-assessment and improvement focused processes. The horizon for the decision-making process be lifted to include considerations of cost as well as quality.

## Structure & Management

- The current structure does not support the effective operation of the group. The current challenges outlined in this review require significant resourcing from the perspective of both expertise and time spent to manage and sustain positive change.

*Recommendation:* An Assistant Children's Services Co-ordinator role be created for Sandhills ELC. This will release the Children's Service's Coordinator role to attend to the cultural and practical requirements of managing change to a more unified and performance aware group of services. The role be funded by savings gained from rationalising staffing arrangements.

- The on-site part-time administrative positions for OSHC and LDC located at Sandhills ELC are mainly specific to supporting the particular service types. Their part-time nature means they are not always available for enquiries or their support activities.

*Recommendation:* The two role specific positions become general across both OSHC and LDC and available across all days of the week and support and information be available at all times.

- The current delay in delivering Council WHS training is an impediment to employing casual staff.

*Recommendation:* Orientation and induction of staff occur at service level using an agreed process and in a manner that satisfies Council and early childhood requirements.

## Financial

- The financial performance of year on year losses and fluctuating results experienced in the previous three financial years is unsustainable.
- The lack of individual budgets to inform service co-ordinators of the financial position at any given time and influence decisions at the service level are a significant contributor to poor financial performance.
- The loss of 'legacy' funding from the NSW Department of Education has meant a net reduction in revenue of around \$10,000 per annum with alternate funding not able to be allocated to general operational costs such as wages.
- Financial administration required by Council to meet its obligations and manage risk are cumbersome and inefficient at service level and includes double-handling and duplication. It is marked by occasional misallocation of funding income by Council officers likely due to a lack of knowledge of a complex sector.
- There are limited economies of scale generated by the small number of services in the group.

*Recommendation:* Financial administration including income and expenditure processing be devolved to service level and arrangements made for regular reporting to Council to meet its obligations (e.g. quarterly).

*Recommendation:* Balanced budgets are developed for the individual services, managed at the service level by co-ordinators and accompanied by regular monthly reporting that informs decision-making on an ongoing basis. Regular reports are provided to Council through the manager Social and Cultural Planning.

Note: A more comprehensive list of recommendations is contained within this report.

## Operations

- The use of casual staff is higher than commonly found increasing the overall cost of delivery.
- The use of casual staff on a regular and systematic basis increases the risk that those staff are deemed permanent and can access associated entitlements *in addition* to the casual loading already paid.

*Recommendation:* Casual positions such as 'floats' are transitioned into permanent part-time positions and a traineeship position created (Saving \$46,000). This will also provide better continuity in relationships. A traineeship will partly address the recruitment challenges being experienced.

- Staffing levels are higher than average as compared to regulatory requirements

- Quality is either average (OSHC) or lower than average (Sandhills ELC) as measured by the sector's quality rating system.

*Recommendation:* Positions in excess of regulatory requirement be accompanied by documented support that includes the rationale for the proposed benefit to be derived and actual benefit should be measured on a regular basis to support it as ongoing strategy.

- The cost of staff is higher than the sector average and as compared to Modern Awards, as well as a proportion of overall operating costs compared with other providers. This poses a challenge regarding achieving both affordability and viability.

*Recommendation:* The number of staff employed and their qualifications need to be carefully monitored and managed to ensure a balanced budget. The quality derived from a higher number & qualification strategy needs to be measured and any positive outcomes promoted in the community.

- The flexibility arrangements evident in the part-time work arrangements at Sandhills ELC are awkward and appear to benefit staff at the expense of manageable deployment and recruitment arrangements. There does not appear to be a balance in these arrangements that properly reflects the operational needs of the service.

*Recommendation:* The part-time arrangements be reviewed as to the impact on service operations and whether adjustments might be made. Further arrangements properly consider the business needs of Sandhills as well as the needs of staff.

- Position description can better support the need for staff to accept higher duty positions as needed. This will also support opportunities for career advancement.

*Recommendation:* Position descriptions be adjusted to be explicit about the requirement to take on positions of higher duties as necessary.

- There is no formal or organised promotion or marketing activities by individual services of the group.

*Recommendation:* A clear and deliberate strategy for promoting the services in the community be developed utilising satisfaction data gathered from families in an organised and regular manner. A dedicated web presence be developed that is attractive, informative and current with access via the Council website.

- Staff are deployed primarily to a single service and not utilised across the group where possible, resulting in a higher usage of casual staff.

*Recommendation:* Recruitment and ongoing employment is organised making clear staff are Council employees, deployed to a primary service but are required to work at different locations as required. Contracts and position descriptions are adjusted to that end.

- The Sandhills opening shift commences thirty (30) minutes prior to the centre opening.

*Recommendation:* The opening shift that currently commences at 7:30am be adjusted to 7:50am. Consider: Rooms set up for following day the previous evening; Older children assisting with set-up in the morning, providing an opportunity to make choices about experiences and the development of agency and positive feelings of contribution and helpfulness. Time saved to be redeployed to assist break periods and planning.

Note: A more comprehensive list of human resource recommendations is contained within this report.

## Out of School Hours Care

- The current licences with the Department of Education to operate on the school sites have lapsed for the Mullumbimby service. Byron Bay expires 19/12/20 and Brunswick Heads 13/5/20.
- There is no formal arrangement in place for any of the services that sets out how and when information will be exchanged and other practical issues other than the general Community Use agreement.
- The school principals indicate appreciation for the service coordinators and a good working relationship. There is no intention or need to look for other operators in their view. They agree that a Memorandum of Understanding (MoU) would be beneficial in setting out the arrangements and relationships between the school and the service.
- There is always a risk that the NSW Dept. will put the licence out to tender as has been experienced previously by other community providers. The Education Minister has indicated concern for this practice at the last state election.
- Where school classrooms are used to operate the service, increases in school enrolments can mean the loss of that location and causing either disruption or risk continuity of the service.
  - NB: *The Mullumbimby school principal has advised that it is 'highly likely' the school will need to re-occupy the room currently used by OSHC at the beginning of the 2021 school year due to 'rapidly increasing enrolment numbers'. No alternate venue has been offered.*

*Recommendation:* Meetings be arranged with school principals to discuss the development of Memorandums of Understanding' (MoU) for each of the OSHC services. The MoU include the mode and regularity of communication/reporting, collaboration and consultation, operational limitations, arrangements for formal notice for dealing with disruptions to operations and compensation arrangements, and arrangements for providing ongoing space/rooms for the service to operate.

*Recommendation:* A business continuity plan be developed for each of the OSHC services. Business continuity is referenced in the Memorandum of Understanding.

*Recommendation:* A business case be developed urgently for Mullumbimby OSHC service to specifically address future viability. The use of a relocatable building be considered as part of operational expenditure.

- There is limited promotion of the OSHC services through the school or local community

*Recommendation:* OSHC coordinators take carriage of responsibility for ensuring promotional plans are developed and implemented that connect regularly with the school and community.

## Information Technology

- Administrative functions are currently inefficient and not utilising the full capabilities of administrative staff.

*Recommendation:* Functional tasks such as payroll and bookkeeping be decentralised and managed at centre level utilising cloud-based software (apps). The Support Services costs be reduced accordingly.

*Recommendation:* A website be developed for the services that is attractive and informative, that allows management and administrative staff to manage the content. Whilst the services remain managed by Council, it should be clear that Council remains the provider and its protocols and guidelines for promotion and media would be applied.

## Sandhills Parent Group

A parent group exists at Sandhills that, for the most part, operates for the purpose of fundraising. The history of the group is unclear and it operates without any formal standing or guidance documents. There is some risk to Council from this loose arrangement with lack of guidelines, transparency and financial protocols.

*Recommendation:* The parent group be clearly constituted and be guided by Terms of Reference for its purpose and operation.