



BCC News



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The ASU Services Branch Newsletter for Brisbane City Council Members

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AT Kearney Review Recommends Slashing Council Services

AT Kearney, in conjunction with a cross functional Council team, has reviewed major operations and processes of the Brisbane City Council over nine weeks and reportedly identified opportunities for significant cost reduction.

According to the consultant's report, BCC is facing a number of challenges for the future and has a range of options available to change its operating model. The review had three key findings; the current strategic procurement practices are under-developed and cost the organisation millions, a series of activities are peripheral to the core business and do not deliver value for money and the organisation's model and key processes are outdated and drive excess cost.

The review has recommended ten reform initiatives which, if implemented, will constitute a huge transformational change for employees at Council.

These key recommendations include:

- Prepare and launch Wave 1 strategic sourcing.
- Develop category management capability.
- Transition to a centre-led procurement organisation.
- Appoint senior procurement executive.
- Exit non core activities.
- Improve performance of other activities.
- Increase market contestability of some internal activities.
- Restructure the organisational design.
- Strengthen shared service organisation and governance.
- Simplify and accelerate key processes and governance model.

A summary of activities, currently funded through the BCC, which have been identified for "improvement action" include the operation of water and water waste treatment plants and the provision of library services. According to the report, the rationale for this assessment is to optimise maintenance activities, implement flexible work practices and reduce costs by rationalising the number of branches.

A summary of activities identified for "making contestable" include the operation of bus passenger service, the construction and maintenance of road, path and drains, maintenance of water sewerage

pipes and pumping plants, the maintenance of parks and gardens and the delivery of pest and vegetation services.

Current activities which it recommends BCC stop or "exit" include the management and operation of City Fleet, the maintenance of buildings and properties, the management of car parks and the operation of golf courses and other city venues.

It is important to note that, at this stage, this is merely a review of BCC practices and the changes listed above have not been endorsed by Civic Cabinet. The Industry Committee met earlier today and enforced the Union's position to not increasing the activities and services that are contestable and to reject any proposal to stop or exit current activities and services undertaken by Council.

The Industry Committee has also agreed that areas of the report which would be beneficial to members, such as better procurement processes, procedures, the number of contract and contingent staff, governance and decision making and the current purchaser/provider model, should be examined in an agreed consultative process.

Members are also reminded that the current enterprise agreement has strong protective clauses for employees applying to the contracting out of work and provisions which will prevent forced redundancies.

Over the coming weeks the Union will be seeking commitments from BCC in regards to the following;

- The process to be used to determine Council's response to the report and which, if any, recommendations will be adopted.
- How the ASU will be involved.
- The proposed time frames of the decisions.
- The process for implementation of any recommendations which will impact on staff.

Members will be kept up to date with developments as they become available. Members wanting to give feedback should approach delegates or email anna@asuqld.asn.au