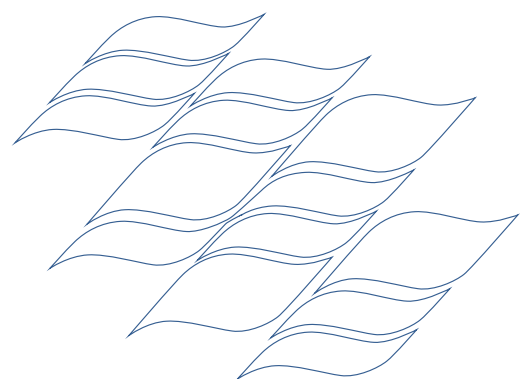


# Appendix 27

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## Review of Organisational Resources (GHD Pty Ltd)





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**Gladstone Area Water Board**  
Review of Organisational Resources  
October 2009



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## 1. Executive Summary

The Gladstone Area Water Board (GAWB) commissioned GHD to review its full time equivalent (FTE) staff numbers and skills in support of its Queensland Competition Authority (QCA) pricing submission.

The FTE staff numbers have increased from 32 in July 2005 to 54.90 in September 2009 respectively. Details for the increase in FTE staff numbers are detailed in *Section 5, Review of Organisation Resource Numbers* but staff numbers have predominantly been driven as a result of GAWB's desire to be better informed about its operations, reduce risks associated with supply failure, replace legacy ICT systems, continuing to meet all compliance and regulatory obligations, and the transfer of operational services historically being delivered by Gladstone Regional Council (GRC) into GAWB operations.

An additional benefit for GAWB is that the organisation has built a critical mass and is now able to consider succession planning and the removal of and/or support for single point dependencies amongst staff that historically have been the only 'in house' skills in a particular area.

Staff numbers are forecast to further increase by 7.50 FTE by June 2015 however this is largely dependant on GAWB's pending decision on whether to have mechanical and electrical operational services brought in house to GAWB or continue to have these services outsourced under contractual arrangements. GAWB has not finalised its position on this matter and in any event, the resourcing decision will have at least a cost neutral impact on GAWB.

GAWB's approach is to use internal staff for the bulk of its activities and seek external support for specialist services, or to deal with temporary peaks in workloads as required from time to time.

A review of qualifications, skills and experience outlined in the position descriptions aligned with the feedback GHD received from staff interviews. GAWB employs staff with the required skills and experience to effectively manage the business.

Staff numbers are approaching what GHD considers to be appropriate for an organisation the size of GAWB and it is expected that staff numbers will plateau after 2015.



## 2. Introduction to GAWB

The Gladstone Area Water Board was established in 1973 as a Project Board under *State and Regional Planning and Development, Public Works Organisation and Environment Control Act 1971-73*.

It was specifically formed to assist Gladstone Town Council and the Calliope Shire Council in coping with the heavy financial demands being imposed on them in the early 1970's because of the continued need to upgrade the water supply system serving the area as a result of the continued industrial growth.

On 1 October 2000, GAWB commenced operations as a Category 1 commercialised Statutory Water Authority under the *Water Act 2000* and is responsible to the Minister for Natural Resources Mines and Energy.

GAWB owns and operates Awoonga Dam, pump stations and associated delivery pipelines and reservoirs, the Lake Awoonga recreational area, water treatment plants in Gladstone and Yarwun and a fish hatchery in Gladstone.

GAWB's main role is to supply raw and treated water in bulk to major consumers in the Gladstone region and it owns and operates the infrastructure to perform this function. These major consumers comprise large industries, power generating operations and local authorities. Around 20% of the bulk water supplied is treated water.

A key activity for GAWB is the monitoring and treatment of water to achieve acceptable water quality outcomes. GAWB undertakes an extensive monitoring program in the river system leading into Lake Awoonga, in the lake itself, at the intake to the pump stations, throughout the delivery and treatment network and downstream of Awoonga Dam. The monitoring program aims to identify early emerging water quality issues in order to implement a range of possible and practical response protocols to deal effectively with issues.

GAWB endeavours to keep the community informed of its activities and plans through public consultation. It also seeks to contribute to the community by providing recreational facilities at Awoonga Dam, a recreational fishery, and by providing sponsorship of programmes generally related to water and sustainability.



### 3. Background

GHD has been requested as an input into GAWB's price review submission to review GAWB's staffing as follows:

- » FTE movement over the last 5 years and the drivers behind this movement,
- » Adequacy of staff skills and experience across the organisational structure to deliver services within acceptable levels of risk, and
- » Potential FTE movement over the next 20 years and the drivers behind this movement.

GHD has been requested to undertake the above review based on its understanding of GAWB's scope of operations and its insight into other water utilities of similar size and scale of operations to that of GAWB.

In September 2009, GAWB employed approximately 54.90 full time equivalent (FTE) staff across its three business units; the Office of the CEO Business Unit, the Commercial Business Unit and the Operations Business Unit. This compares with 32.00 FTE in June 2005.

The major difference in the increase in position numbers over this period are attributed to the following:

- » Office of the CEO Business Unit, 3.76 FTE,
- » Commercial Business Unit 5.40 FTE, and
- » Operations Business Unit 13.74 FTE.

The reasons behind this increase over this 5-year period 2005 to 2009 (inclusive) and forecast FTE position over the next 20-year period to 2030 are detailed in *Section 5 Review of Organisation Resource Numbers*.



## 4. Organisational Structure

GAWB has adopted a three branch organisational structure as described below with 4 levels of management from CEO to trainee. The structure provides for:

- » Clear delineation of functions,
- » Clear definition of roles and responsibilities,
- » Clear accountabilities and line of communication at all levels,
- » Appropriately located skills and resources,
- » Minimal levels of management, and
- » A strong compliance and audit focus.

The adopted structure broadly separates GAWB functions into three areas:

- » Board Direction, Administration and Support (Office of the CEO Business Unit),
- » Financial and Commercial (Commercial Business Unit), and
- » Engineering, Capital Works and Operations & Maintenance (Operations Business Unit).

It is considered that this division of functions enables GAWB to adequately provide for the delivery of its bulk water services, and is consistent with other similar organisations. The functions of each of the three GAWB Business Units are further described below.

### 4.1 Office of the CEO Business Unit

The CEO's office is charged with managing GAWB's operations in accordance with Board approved policies and strategies. Accordingly, the CEO acts as a conduit between the Board and GAWB personnel and provides direction, leadership and support to management and GAWB employees. A critical task of this role is the development and growth of the business through the effective implementation of Board policies.

The CEO's Office is also responsible for overseeing and implementing the regulatory and compliance framework that GAWB operates within. To achieve this, the CEO's Office administers GAWB's human resource performance management, remuneration framework, compliance regime, legislated reporting framework, risk assessment framework, internal governance processes, and workplace health and safety practices across the organisation.

Another key priority for the Unit is the implementation of GAWB's Contingent Supply Strategy to improve the security of the water supply system within the region by being in a position to quickly and efficiently responding to "*supply failure scenarios*".





## 4.2 Commercial Business Unit

The Commercial Business Unit has responsibility to ensure that all activities are undertaken on a commercial basis, with efficient, cost-effective and environmentally sound delivery of services being fundamental to the business. The Unit is accountable for the effective management of GAWB's financial resources, delivery of GAWB's legal services and supporting GAWB obligations arising from its financial and economic regulations.

The Commercial Unit also provides and manages GAWB's information systems, manages GAWB's landholdings and operates GAWB's fish hatchery.

A key priority for the Unit is the further development of GAWB's commercial framework.

## 4.3 Operations Business Unit

The Operations Business Unit is charged with managing the effective operations of the Awoonga Dam, water treatment plants (operations and maintenance was recently transferred from Gladstone Regional Council), raw and treated water delivery networks and associated infrastructure, and the recreational facilities and activities associated with the Dam.

Activities include management of the catchment, maintenance of key licenses (*Resource Operation Plan and Resource Operations Licenses*) and key plans, infrastructure asset management, meeting environmental obligations, maintaining certified quality and environmental management systems, developing and maintaining engineering standards and procedures, and leadership and mentoring in project management. Furthermore the Unit contributes heavily in the delivery of operational and capital projects (from advice to project management).

These tasks can be divided into three-core functions (which operate in compliance with legislative and regulatory requirements of a Statutory Authority); that is; *operational, maintenance and planning*.



## 5. Review of Organisation Resource Numbers

In 2005 the FTE staff numbers were approximately 32.00 increasing to 54.90 by September 2009. This increase is detailed in Tables 1 to 6 inclusive and the reasons for this increase are further explored.

In essence staff numbers have increased over the last 5 years as a result of:

- » Safety (including additional Operations and Maintenance (O&M) works arising out of Dam Safety inspections), environment and water quality compliance related activities,
- » Reducing risk associated with failing to supply water, that is, developing preparedness to implement a Contingent Supply Strategy (CSS). This work has led to projects such as the Gladstone Fitzroy Pipeline being planned and ready for construction when supply or demand triggers are reached,
- » Addressing legacy issues associated with ICT systems in order to better run, grow or transform the business. Removing the legacy issues will build a foundation for better decision-making and lead to greater efficiency. GAWB has developed a 3-year ICT strategy that provides focus and a drive to address these legacy issues,
- » The transfer of resource from the Gladstone Regional Council to GAWB, ie; Mechanical & Electrical Operational staff and Water Treatment Operators. GAWB is also in the process of finalising how it intends to deliver the balance of its operations and maintenance services, such as mechanical and electrical services and pipeline and easement management services to its customers, and
- » Development of the capital program which is focussed on:
  - Reducing risk – removing high or extreme consequence outcomes as determined through GAWB’s Risk Management Framework,
  - Renewal of assets at the end of their useful life,
  - Replacing technically redundant assets,
  - Safety and regulation – meeting requirements of the Workplace Health and Safety Act, Water Supply (Safety and Reliability) Act and Water Act. This is non discretionary expenditure,
  - Capacity and supply, inclusive of CSS projects,
  - Satisfying customers needs, and
  - Projects that are in the public interest, being a good Corporate Citizen.

### 5.1 The Approach

GHD’s process to review resource numbers, experience and skills for GAWB included:

- » Interview with GAWB staff as outlined in Appendix A. In total 19 staff were interviewed as part of this assignment (18 face to face including the CEO, and 1 (Phil Surtees – Strategic Planning Manager) by telephone from GAWB’s Brisbane office,
- » A detailed review of the documentation provided by GAWB and listed in Appendix B in assessing resource numbers (FTEs),



- » A detailed review of the position descriptions listed in Appendix C to determine if roles and responsibilities aligned clearly with the structure, and
- » A high-level review of historic capital expenditure from July 2005 to June 2009 and forecast capital expenditure to 2019.

## 5.2 Review Existing Office of CEO Business Unit

The overall staff movement since 1 July 2005 for the CEO's business unit is detailed in Tables 1 and 2 below both from an FTE and role emphasis perspective.

**Table 1 Office of CEO Business Unit - FTE Numbers and Position Titles**

<b>FTE</b>	<b>Position Description July 2005</b>	<b>FTE</b>	<b>Position Description Renamed September 2009</b>
1.00	Chief Executive Officer	1.00	Chief Executive Officer
1.00	Receptionist Administration Officer	1.00	Administration Support Officer
1.00	IT & Records Administrator	0.76	Business Records Administrator
1.00	Compliance Systems and Property Officer	1.00	Business Systems Compliance Supervisor
1.00	Executive Assistant	1.00	Executive Assistant
1.00	Assistant Corporate Secretary	1.00	Assistant Corporate Secretary
1.00	Corporate Secretary and Counsel	1.00	Corporate Secretary
1.00	Strategic Planning Engineer	1.00	Strategic Planning Manager
<b>8.00</b>		<b>7.76</b>	

Table 2 below lists new and additional positions created to support the changing environment in which GAWB finds itself to meet its emerging challenges and opportunities.

**Table 2 Office of CEO Business Unit New and Additional Positions Created up to September 2009**

<b>FTE</b>	<b>Position Description</b>
1.00	Senior Strategic Executive
1.00	Financial Supervisor Special Projects
1.00	Safety / Compliance Supervisor
1.00	Trainee Administration Assistant
<b>4.00</b>	



Whilst there has been an overall small increase in FTE staff numbers from 8.00 in July 2005 to 11.76 in September 2009 respectively, these increases have occurred as a result of GAWB:

- » Further developing the detail behind its *Strategic Water Plan* for the region,
- » Preparing for the review of the *Water Resource Plan* by the regulator and the Department of Environment and Resource Management,
- » Initiating its CSS to quickly and efficiently respond to identified “supply failure scenarios”, which could be triggered by either a failure of storage due to drought or failure to meet new demands of customers (existing or new) due to water allocation limits. This initiative requires long term strategic planning and financial modelling of potential scenarios,
- » Ensuring that its activities are carried out in a manner that promotes a safe workplace and an ongoing and improved understanding of the organisation’s imposed Workplace Health and Safety legislation. Compliance with respect to safety extends to the associated responsibilities set out in the *Workplace Health and Safety Act 1995 (Qld)*, *Electrical Safety Act 2002 (Qld)* and *Environment Protection Act 1994 (Qld)*,
- » Providing further support to the Board, Special Board and Board Sub-Committee meetings throughout the year by undertaking work and following up on actions as directed by the Board. It is anticipated that by December 2009, 34 meetings would have been held for the 2009 calendar year, a reflection of GAWB’s current business environment, and
- » Providing traineeship opportunities to locals as part of GAWB’s corporate goal to be a good corporate citizen.

Based on current staff numbers and review of the future deliverables for the Office of CEO Business Unit it is not considered that any further resources will be required based on the current level of information provided to GHD. GAWB expects however the focus of the jobs to change over the next 20 years to meet its emerging challenges.

### 5.3 Review Existing Office of Commercial Business Unit

The overall staff movement since 1 July 2005 for the Commercial business unit is detailed in Tables 3 and 4 below both from an FTE and role emphasis perspective.

**Table 3 Commercial Business Unit - FTE Numbers and Position Titles**

FTE	Position Description July 2005	FTE	Position Description Renamed September 2009
1.00	Treasury and Pricing Manager	1.00	Manager Business Unit
1.00	Financial Controller & HR Manager	1.00	Financial Controller
1.00	Information Systems Manager	1.00	Information Systems Manager
1.00	Land & Recreational Manager	1.00	Land Manager
1.00	Accountant	1.00	Accountant - Financial
1.00	Assistant to Accountant	1.00	Finance Officer



<b>FTE</b>	<b>Position Description July 2005</b>	<b>FTE</b>	<b>Position Description Renamed September 2009</b>
1.00	Accounts Clerk	0.60	Accounts Clerk
1.00	Land Administrator	0.83	Paralegal
1.00	Fisheries Manager	1.00	Hatchery Manager
1.00	Land Management Officer	1.00	Land Management Officer
1.00	Fisheries Technician	1.00	Corporate Services Assistant
1.00	Executive Assistant	0.83	Administration Officer
<b>12.00</b>		<b>11.26</b>	

Table 4 below lists new and additional positions created to support the changing environment in which GAWB finds itself to meet its emerging challenges and opportunities.

**Table 4 Commercial Business Unit New and Additional Positions Created up to September 2009**

<b>FTE</b>	<b>Position Descriptions</b>
1.00	Pricing Officer
1.00	Systems Administrator
0.50	Accountant - Management
1.00	Commercial / Finance Assistant
0.37	Legal Secretary
0.27	Administration Officer - Commercial
1.00	Hatchery Assistant
1.00	Corporate Counsel
<b>6.14</b>	

Whilst there has been an overall increase in FTE staff numbers from 12.00 in July 2005 to 17.40 in September 2009 respectively, these increases have been as a result of:

- » Investigating and developing regulatory pricing submissions to the Queensland Competition Authority (QCA). Meeting with Government and the regulator as part of this review process as well as monitoring operational and capital expenditure, demand and revenue against QCA forecasts,
- » ICT implementation and support for GAWB's 3 year ICT strategy of projects and initiatives to enhance and integrate the in-house technology and improve critical and non-critical data throughout the organisation to improve the quality of the information relied upon to achieve better decision making outcomes,



- » Land Management across GAWB's 30,000ha requires an ongoing program of land rationalisation (selling and buying including easements and land for CSS project), management of cultural heritage issues and road closures. Furthermore the management of agistment issues, pest, weeds and firebreaks as well as fencing at boundaries is increasing the workload for the land management officer. GAWB maintains strong and healthy relationships with abutting land owners and see this as critical to discharging its corporate goals of being commercially astute and being a good corporate citizen,
- » Developing and planning for supplier and customer contracts,
- » Risk and compliance management in accordance with the *Financial Management Standard 1997 (Qld)*, and
- » Hatchery Management for the ongoing fish stocking program of Lake Awoonga and for commercial sales.

Based on current staff numbers and review of the Commercial Business Unit's future deliverables it is considered appropriate that staff numbers increase by a further 1.0 FTE to support the land management and safety functions and by 0.5FTE for IT systems support by 2015 as detailed in Table 7.

No further resources are anticipated over the following 15 years based on the current level of information provided to GHD. GAWB expects however the focus of the jobs to change over the next 20 years to meet its emerging challenges.

#### 5.4 Review Existing Operations Business Unit

The overall staff movement since 1 July 2005 for the Operations business unit is detailed in Tables 5 and 6 below both from an FTE and role emphasis perspective.

**Table 5 Operations Business Unit - FTE Numbers and Position Titles**

FTE	Position Description July 2005	FTE	Position Description Renamed September 2009
1.00	Works and Operations Manager	1.00	Manager Business Unit
1.00	Planning and Water Quality Manager	1.00	Engineering Specialist
1.00	Environment and Water Quality Officer	1.00	Environmental Scientist
1.00	Engineering Services Support Officer	1.00	Operational Systems Officer
1.00	Contractor Supervisor	1.00	Operation and Maintenance Services Manager
1.00	Asset Management Officer	1.00	Operational Assets & Dam Safety Supervisor
1.00	Works Delivery Support Officer	0.80	Projects Administrator
1.00	Head Ranger	1.00	Recreation Manager
1.00	Ranger	1.00	Ranger
1.00	Ranger	1.00	Ranger's Assistant



<b>FTE</b>	<b>Position Description July 2005</b>	<b>FTE</b>	<b>Position Description Renamed September 2009</b>
1.00	Ranger	1.00	Trainee Ranger
1.00	Casual	1.00	Operations Assistant
<b>12.00</b>		<b>11.80</b>	

Table 6 below lists new and additional positions created to support the changing environment in which GAWB finds itself to meet its emerging challenges and opportunities.

**Table 6 Operations Business Unit New and Additional Positions Created up to September 2009**

<b>FTE</b>	<b>Position Description</b>
1.00	Senior Water Engineer
0.94	Water Scientist
1.00	Water Scientist (Quality / Sampling)
1.00	Operations Support Officer
1.00	Mechanical & Electrical Maintenance Services Supervisor
1.00	Technical Officer - GIS
1.00	Treatment Plant Lead Operator
4.00	Treatment Plant Operator
1.00	Planner / Scheduler
1.00	Electrical Engineer
1.00	Works Construction Supervisor
<b>13.94</b>	



Whilst there has been an overall increase in FTE staff numbers from 12.00 in July 2005 to 25.74 in September 2009 respectively, these increases have been as a result of:

- » GAWB meeting its compliance obligations with respect to water quality, that is, managing the water quality from “catchment to tap”. GAWB undertakes verification monitoring of drinking water quality under the *Water (Safety and Reliability) Act 2008 Qld* and the *Australian Drinking Water Guideline 2004*. Through its operational monitoring program GAWB identifies changes to water quality early in order to intervene with appropriate response protocols. In 2008/09 GAWB undertook a comprehensive review of its monitoring program to ensure quality extends from the initial preparation of sampling equipment through to the management and reporting of its data which lead to an increase in resource within GAWB. GAWB also intends to implement a water quality risk assessment methodology based on the *Australian Drinking Water Guidelines 2004*. The purpose of the assessment is to determine critical control points, establish control limits for measurable parameters at these points and document corrective actions. This assessment will feed significantly into the development of GAWB's *Drinking Water Quality Management Plan*, which will be developed for approval by 2011 as per regulatory requirements,
- » Increased Operations and Maintenance activities at Awoonga Dam arising out of regulatory Dam Safety Inspections,
- » Water Treatment Plant Operations – This is a GAWB key initiative to address accountability and water quality issues and plan for the future through comprehensive investigations of the treatment plants to optimise treatment practices and develop the capability to effectively respond to emergent water quality issues (eg Fluoridation project). GAWB's desire to further reduce water quality risk lead to the transfer of the water treatment plant operators from the GRC to GAWB, hence increasing staff numbers by 5 FTE. It is important to note that while FTE positions increased as a result of this initiative, where previously this work was undertaken by GRC, GAWB's budget has always included the cost in having the service provided,
- » Mechanical and electrical support, emergency breakdown response, and accountability being improved with the addition of an electrical engineer and mechanical and electrical supervisor to assist with the provision of expert technical advice in the planning, design and delivery of operational and capital projects. GAWB also satisfies its obligations under the *Electrical Safety Act (Qld)* by having qualified and skilled representation with respect to electrical based activities,
- » Project delivery support was enhanced with a capital works scheduler to improve overall programming and internal and external reporting on a growing list of capital projects. Support for projects was extended to a works and construction supervisor to oversee the quality of works being constructed and the standards being adhered to on GAWB's behalf, and
- » Technical support was improved for the capture of as constructed data and upload into GAWB's Graphical Information System (GIS). This allows for the as constructed data to be uploaded into the Navision Asset Register, so that assets are accurately recorded for accounting purposes etc. This position also provides support in GIS and mapping for the Land Management Section within the commercial Business Unit.





Based on current staff numbers and review of the Operations Business Unit's future deliverables it is considered appropriate that staff numbers increase by 6.00 FTE positions by 2015 to bring back "in-house" delivery of the balance of the field based activities and project delivery support, Table 7 provides further detail.

No further resources to that above are anticipated over the following 15 years based on the current level of information provided to GHD. GAWB expects however the focus of the jobs to change over the next 20 years to meet its emerging challenges.

Further to the above suggestion for increased FTE positions Table 7 is a summary of the future additional positions considered to be required by GAWB in order for it to continue to develop both its people and business capability to manage risk in a complex regulated environment.

The additional positions described below are critical for GAWB to continue to deliver upon its commitments, capital program, to better manage operational risk, and meet its obligations in delivering the level of service to the Gladstone region that is consistent with general industry practice.

**Table 7 New Positions Forecast for the Period up to 2015**

FTE	Position Description	Business Unit	Comments
1.00	Civil Engineer – Project Delivery	Operations	<p>The GAWB capital and operational projects are forecast to increase over the price reset period and given GAWB is moving to a two-year delivery timetable and a KPI target where 100% of projects are completed on time, it is prudent to support the delivery program with further support particularly for the years 2010 to 2013 where high Capital Expenditure is forecast.</p> <p><i>Note: This would be an additional cost to GAWB (1 FTE).</i></p>
4.0	Mechanical and Electrical Trades	Operations	<p>GAWB is currently going through a process of determining whether to continue to procure services for mechanical and electrical services from external providers or to in-source these services.</p> <p>Should GAWB decide to in source these services it is expected that an additional 4.0 FTE positions will need to be created to provide a sustainable 24 x 7 field based maintenance and operations service.</p> <p>Possibly 2 x FTE in each of the electrical and mechanical trades would be required for WH&amp;S support, and also redundancy back-up for on-call and leave arrangements.</p> <p>Additional qualified electrical trade staff would also support the current Mechanical &amp; Electrical Supervisor in 2 person teams required for HV Electrical Switchboard operations and maintenance.</p> <p><i>Note: This should not be an additional cost to GAWB (ie; 4 FTE) but a re-allocation of costs within their budget to reflect the services will be delivered internally. It may however result in an increase in planned maintenance activity as GAWB becomes better informed of asset condition and performance.</i></p>



FTE	Position Description	Business Unit	Comments
1.0	Asset Maintenance Engineer Scheduler	Operations	<p>GAWB has implemented its ERP (Navision) system however the Asset Management Module is not being fully utilised to capture field based inspection and maintenance data to generate planned maintenance activities. The Asset Management Module will enable costs to be captured against a specific asset identifier, hence providing cost, condition and performance data for every specific asset within GAWB's asset hierarchy. The Operations Business Unit however requires a dedicated resource to undertake the task of uploading and creating maintenance tasks and reviewing maintenance frequencies based on the data being gathered from the field and maintenance plans to optimise the level of service being required (ie; minimise risk, optimise cost).</p> <p>An expected outcome from this appointment is an increase in Planned Maintenance activities to reduce the current dominance of Reactive Maintenance activities, leading to improved maintenance efficiency in the medium to long term.</p> <p><i>Note: This would be an additional cost to GAWB (1 FTE)</i></p>
0.5	IT Systems Support	Commercial	<p>GAWB has implemented a number of IT systems over the previous period and has a number of outstanding "housekeeping" matters it needs to finalise as part of rolling out its IT projects such as the upgrade to the ERP (Navision) system. It is expected this resource would be for a short period of time and could either be delivered through short-term appointment (say 12 months maximum) or outsourced to an external service provider.</p> <p><i>Note: Depending on GAWB's approach a 0.5 FTE position may be created. This would be an additional cost to GAWB.</i></p>
0.75	Land Management Officer	Commercial	<p>GAWBs land holdings of 30, 000 ha and the many arrangements with land owners that need to be policed and managed as well as meeting compliance requirements present difficulties for one field based person to carry out the full duties across GAWBs vast region.</p> <p>There are also WH&amp;S concerns and risks associated with some activities of the present single operator working alone and remotely in the catchment areas.</p> <p>Furthermore, it is expected that this resource could also support the Safety / Compliance Supervisor and create opportunity for succession planning</p> <p><i>Note: This would be an additional cost to GAWB (0.75 FTE).</i></p>



FTE	Position Description	Business Unit	Comments
0.25	Safety / Compliance Support Officer	Commercial	This role is to complement the Safety / Compliance Supervisor's role and provide support and succession planning. The role will ensure GAWB's ongoing compliance requirements are not compromised. <i>Note: This would be an additional cost to GAWB (0.25 FTE).</i>
<b>7.50</b>			

## 5.5 Procurement of External Support

In reviewing the internal vs external procurement of support for GAWB's business activities it was clear in discussion with staff that GAWB has a preference to undertake the bulk of the work it needs to carry out with its own internal resources.

External resources however are brought in when GAWB requires:

- » Specialist skills and where these skills do not exist within the business, ie; specialist tax advice, and
- » Work undertaken that is not commonly carried out within GAWB, ie; specialist engineering advice.

On occasions independent and external support is required from specialist firms to provide support during short-term peaks in workloads, and also to review and validate projects and or proposals before being presented to the Board for approval.

## 5.6 Qualifications and Experience

GHD interviewed key GAWB staff and undertook a further high level review of the role statements provided by GAWB to determine if the responsibilities, accountabilities, qualifications and experience requirements were appropriate for the duties staff are expected to carry out as part of their roles.

GHD considers that overall, staff within each of the business units have a combination of formal qualifications, experience and industry knowledge to successfully operate a water business.

Position descriptions are formally reviewed and updated every six months as part of the planning for performance process.

## 5.7 Summary of Capital Plan

GAWBs capital program has been categorised into four areas, *source, delivery, treatment and corporate*. GAWB is moving to a two-year planning and delivery timetable to give itself every opportunity to effectively plan for and efficiently deliver its wide range of capital programs on time and within budget. The complexity and number of projects require appropriate resources to plan, manage and deliver these projects.

Table 8 below illustrates the total number of projects investigated, planned, deferred and delivered since the 2006/07 financial year. From 2009/10 onwards projects identified (excluding modelled renewals) are reflective of those being planned for delivery.

**Table 8 Historical Capital Plan to June 2009 and Approved Capital Plan 2009/10**

	2006/07	2007/08	2008/09	2009/10
<b>Number of Projects</b>	45	43	65	47
<b>Value of Projects</b>	6.90M	25.2M	17.70M	20.18M

**Table 9 Proposed Capital Plan 2010 to 2015 (2010 dollars)**

	2010/11	2011/12	2012/13	2013/14	2014/15
Number of Projects	51	26	15	8	23
Value of Projects	19.39M	33.28M	10.13M	1.96M	2.96M

**Table 10 Proposed Capital Plan 2015 to 2019(2010 dollars)**

	2015/16	2016/17	2017/2018	2018/19
Number of Projects	5	6	6	5
Value of Projects	0.66M	1.25M	1.86M	3.09M



## 6. Resource Efficiency Improvements

As the size of GAWB's workforce approaches a critical mass, this will enable GAWB to review its workflow and the way it packages, project manages and delivers both capital and operational projects, and routine operations and maintenance. Furthermore as it continues to "bed in" its ICT initiatives and QA processes are improved it would be prudent to look at opportunities to harvest further savings through the ongoing review of FTE numbers. The timing for such reviews is dependant on existing initiatives being completed.

In particular:

- » As the SCADA system is rolled out across the network and further automation enhancements are made to the Water Treatment Plant, the opportunity to move from a currently 24x7 manned facility to one that is being manned Monday to Friday during daylight hours will allow the reduction or re-allocation of staff numbers to other parts of the business from this facility,
- » The maintenance scheduler being proposed will allow GAWB to leverage further benefits from its ERP by fully utilising the asset management module to better plan and record costs for all maintenance activities, and assist in moving GAWB Operations more to a Planned Maintenance regime as opposed to the current dominance of Reactive Maintenance, with associated opportunities for efficiency gains. Furthermore the field based activities of the land management officers, such as, fencing, firebreaks etc could then be recorded, optimised and managed through the Asset Management Module,
- » Review how work is delivered in the operations business unit across capital projects, operational projects, planned and responsive maintenance activities with the aim to improve delivery of work and the removal of any competing interests for staff availability eg Reviewing documentation for capital projects currently seems to occur across several sections, and
- » Review all compliance related activities for relevance, currency and how efficiently they're being delivered.



## 7. Conclusion

In conclusion, GHD is of the view that GAWB's:

- » Staff numbers are approaching a critical mass,
- » Identified future positions should be filled,
- » Staff numbers are appropriate for the type of work that GAWB is responsible for carrying out,
- » Qualifications, skills and experience of staff are appropriate to effectively manage the business,
- » Preference is to carry out work with its internal resources wherever possible,
- » Contracting of external support is for specialist tasks such as tax advice or where it requires a skill that GAWB does not readily use, and during short term peaks in workloads,
- » Single point dependencies (ie; specialist staff) are becoming less obvious as staff numbers increase and cross skilling opportunities allow for succession planning and support for redundancy,
- » Comprehensive compliance obligations have increased resource numbers (especially in water quality) over the years,
- » Risk of supply failure due to drought or increase in customer demand has reduced given its long term strategic planning to identify practical strategies to mitigate against supply failure (CSS Project),
- » Program of ICT initiatives will improve the quality of data and information across the business hence improving decision making, and
- » Understanding of its strategic and operational challenges has improved through its business planning processes.



## 8. Recommendation

It is recommended that GAWB:

- » Finalise its position on how mechanical and electrical services are to be delivered as this decision will influence final staff numbers,
- » Implement a program to further reduce single point dependencies with “expert staff” given staff numbers are now approaching a critical mass,
- » Review work flow processes as ICT initiatives are stabilised and consolidated and QA processes are improved,
- » Considers creating and filling positions as outlined in Table 7.



Appendix A  
**Interview Participants**





***Office of CEO and Business Unit***

Darryl Edgerton, Safety Supervisor

Gary Larsen, Specialist Corporate Secretary

Jim Grayson, Chief Executive Officer

Merrilyn White, Executive Assistant

Phil Surtees Strategic Planning Manager (by Telephone from GAWB Brisbane office)

***Office of Commercial Business Unit***

Anthony Ottaway, Pricing Officer

Bernadette Le Grand, Commercial Business Unit Manger

Brett Nicholls, Land Manager

Kevin Frost, Specialist Financial Controller

Leanne Christensen, Accountant Financial

Tony Tully, IS Manager

***Office of Operations Business Unit***

Brian Brown, Mechanical and Electrical Supervisor

Dean Tappin, Operations and Maintenance Service Manager

Geoff Howse, Senior Water Engineer

James Stewart, Operations Business Unit Manager

Lorna Tweedale, Environment Scientist

Peter Tame, Operations Asset & Dam Safety Supervisor

Richard West, Specialist Senior Engineering Specialist

Rosemary Fredriksen, Projects Administrator



Appendix B  
Reference Documents



### ***Benchmarking***

DRAFT GAWB Benchmarking Report MHC 11 08 2009

### ***Capital Plans***

Capital Expenditure Budget as at 30 June 2009

GAWB Capex Program 2009 to 2019

Proposed Capital Plan 2010 to 2019

1-51664-Capital\_Works\_Summary\_2007\_to\_2009\_-\_GHD\_Summary\_Report

### ***Corporate Plans***

Draft Corporate Plan 2009/10 to 2013/14

GAWB Corporate Plan 2009\_2010-2013\_2014 Clean

Performance Plan 2009/2010

### ***Employment Arrangements***

GAWB Rangers Employment Agreement

GAWB Employment Agreement Administration

GAWB Standard Employment Agreement Non-Management Non-Award Staff

GAWB Standard Employment Agreement Senior Managers / Executives

GAWB Standard Management Employment Agreement

### ***IT Plans***

EDOCS\_n43512\_v1\_Information\_Systems\_Strategy

GAWB ICT Expenditure Review - Report V2.0 – Final

ICT Expenditure Review 2005 - 2030 Justification Workings Ver 2.0 – Final

ICT Expenditure Review Report Ver 2.0 – Final

### ***Maintenance Reports***

AO Analysis Preventative Maintenance Schedule 13.8.09

GAWB Maintenance Review Final 030809 - Hunter Water Peer review

GHD preventative Maintenance Schedule

Summary of Operations & Maintenance Expenditure - Awoonga Dam



***Organisational Structure***

Functions of Work Groups - QCA Justification

FTE Comparison

Gladstone Area Water Board Corporate Structure as at 19 August 2009

GAWB Restructure Presentation 19 01 09

GAWB Structure



Appendix C  
Position Descriptions



***Office of CEO Business Unit***

Corporate Secretary  
Assistant Corporate Secretary  
Business Records Administrator  
Business Systems and Compliance Supervisor  
Corporate Services Assistant  
Executive Administration Officer  
Executive Assistant  
Fitzroy Project Director  
HR Finance Officer  
Receptionist Administration Support Officer  
Safety Supervisor  
Strategic Projects Manager

***Office of Commercial Business Unit***

Accounts Payable Officer  
Administration Officer (Commercial)  
Corporate Counsel  
Commercial Unit Manager  
Financial Accountant  
Financial Controller  
Financial Workstream Manager  
Hatchery Assistant  
Hatchery Manager  
Hatchery Technician  
Information Systems Manager  
Legal Secretary/Administration Assistant Commercial Unit  
Land Management Officer  
Land Manager  
Management Accountant Special Projects  
Paralegal.  
Pricing Officer  
System Administrator



***Office of Operations Business Unit***

Capital Works Programmer Scheduler.

Electrical Engineer

Engineering Specialist

Environmental Scientist

Lead WTP Operator and Supervisor.

Mechanical and Electrical Maintenance Services Supervisor

OM Services Manager

Operational Assets and Dam Safety Supervisor

Operational Systems Officer

Operations Support Officer

Operations Unit Assistant

Operations Unit Manager

Project Administrator

Ranger

Rangers Assistant

Recreation Manager

Senior Engineer and Specialist

Senior Water Engineer GH Rev Aug 09

Technical Officer

Water Scientist

Water Treatment Plant Operator

Works and Construction Project Supervisor





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**Document Status**

Rev No.	Author	Reviewer		Approved for Issue		
		Name	Signature	Name	Signature	Date
0	G Theo	Peter Ireland				
1.0	G Theo	Don Vincent		Don Vincent		5/10/09