

[REDACTED]

From: Official Information
Sent: Thursday, 28 April 2016 4:47 p.m.
To: [REDACTED]
Subject: LGOIMA 16/0096 response - [REDACTED] - Fit for Future restructure
Attachments: LGOIMA 16-0096 Fit for the Future.docx

Dear [REDACTED]

Thank you for your email, received on 30 March 2016. You requested the following information, under the Local Government Official Information and Meetings Act 1987 (LGOIMA):

"How many council staff took redundancy as part of the Fit for the Future restructure?"

How much did the council pay out in redundancy to the staff who left?

What was the biggest single payout?

How many positions were disestablished in the end?

How many new roles created?

How much did the council pay consultants for advice on the Fit for Future programme? Please include a list of all the consultants used, what their terms of reference were and the amount each was paid.

How much money has the programme saved the council's annual staffing budget?"

Response

Please find attached a response to your LGOIMA request.

You have the right to request the Ombudsman to review this decision. Complaints can be sent by email to info@ombudsman.parliament.nz, by fax to (04) 471 2254, or by post to The Ombudsman, PO Box 10152, Wellington 6143.

Yours sincerely,

Anna Sinclair
Public Information Adviser
Office of the Chief Executive
Christchurch City Council
53 Hereford Street, Christchurch 8011
PO Box 73016, Christchurch 8154

LGOIMA response 16/0096: Fit for Future restructure

General comment from Chief Executive Karleen Edwards in response to *Fit for the Future* questions from The Press:

"The *Fit for the Future* process was about creating a more community-focused Council, better-placed to meet the needs of the rebuild. It was never intended to be about cost-savings; the financial implications were not a consideration when making final decisions. Creating efficiencies and looking for cost-savings is, of course, a key goal for the Council and a different process, referred to as *Great for Christchurch*, has been very successful in addressing these targets.

"However, it was acknowledged from the outset of *Fit for the Future*, that any process aimed at streamlining the structure of an organisation may well result in some reductions to staff numbers and costs. This was ultimately one of the outcomes, with 20 staff members who could not be redeployed taking redundancy at a total cost to the Council of \$1.03 million. This cost is more than offset by annual savings set out in this year's draft Annual Plan of \$3 million.

"I am confident that the changes implemented early this year have contributed to an improvement in our community focus and our ability to be agile and proactive. We will continue looking at our ways of working as the changes are bedded-in to ensure our new structure is ultimately successful."

Specific answers to *Fit for the Future* questions from The Press:

How many council staff took redundancy as part of the Fit for the Future restructure?

The aim of the *Fit for the Future* process was to make it easier for the community to work with the Council by streamlining the structure, empowering staff to make decisions and making the organisation more agile and proactive. It was never the aim to reduce costs or staff numbers; the Council is working on another project, *Great for Christchurch*, which looks for efficiencies and cost-saving opportunities. However - as acknowledged on the release of the decision - the streamlining of the structure through *Fit for the Future* did result in a number of staff leaving the organisation, with 20 people taking redundancy.

How much did the council pay out in redundancy to the staff who left?

The total cost of redundancies for the 20 people who could not be redeployed to new roles was \$1,034,338.

What was the biggest single payout?

We have decided to withhold this information under section 7(2)(a) of the LGOIMA - to protect the privacy of natural persons.

In the Council's view the reasons for withholding the above details are not outweighed by public interest considerations in section 7(1) favouring their release.

How many positions were disestablished in the end? How many new roles created?

The final reorganisation resulted in the disestablishment of 180 roles (including positions that were vacant at that time) and the creation of 134.

How much did the council pay consultants for advice on the Fit for the Future programme? Please include a list of all the consultants used, what their terms of reference were and the amount each was paid.

The Council is careful in the use of external consultants, only contracting them when specific expertise is required. In the case of the *Fit for the Future* process, PwC was contracted at a cost of

\$219,508.34 to advise on research into how other organisations are structured, what their drivers are and what trends are emerging nationally and internationally; and how applicable these are to Christchurch City Council. This advice was used in the preparation of the proposal and is considered good value for money in the context of a billion-dollar-a-year organisation. There were no terms of reference for this project.

How much money has the programme saved the council's annual staffing budget?

While the aim of the proposal was to streamline the organisation and make it easier for residents to work with the Council, the changes have resulted in fewer positions overall. This has resulted in annual savings of \$3 million, which is expected to be ongoing.