

A grass roots recovery – reigniting the community



**Andrew Roach – General Manager
Port Macquarie-Hastings Council**

TODAY'S PRESENTATION

- Real life factual examples
- Brief overview of some of the challenges we've faced
- Share what has worked in directing our limited resources both financial and physical, to achieve positive change
- Five main themes in this presentation;
 - Overview of the situation I walked into in 2008
 - Addressing the financial issues
 - Building a positive internal culture
 - Reconnecting with the community
 - Lessons learnt

THE GLASSHOUSE – IT'S FEATURES

- Opened in July 2009
- A level of technical, performance and art gallery excellence that is unsurpassed in regional NSW, possibly regional Australia



THE GLASSHOUSE – IT'S FEATURES





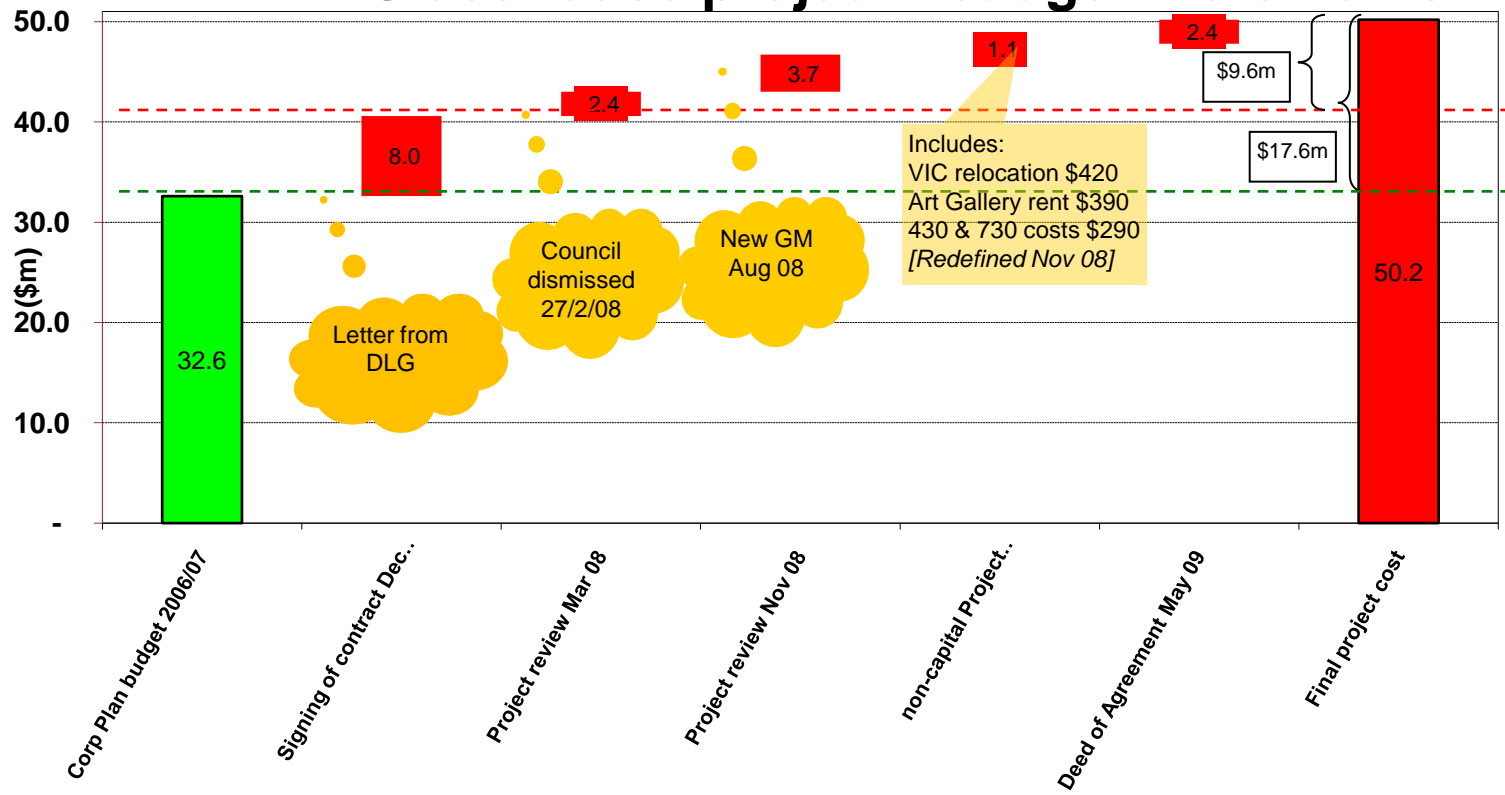
PORT MACQUARIE
HASTINGS

THE GLASSHOUSE



THE GLASSHOUSE – IT'S COST

Glasshouse project - budget increments





WELCOME TO MY WORLD!

- While the images tell a tale of magnificence and grand proportions... unfortunately the headlines were capturing a different reality!

Council shatters Glasshouse cost

Budget blowout by \$3.7m

By LISA TISDELL

A delay in completing the Glasshouse entertainment centre and unbudgeted expenses have pushed the projected cost up to \$46.7 million.

The council's general manager Andrew Roach said he was dismayed at how some costs, including the

Clarence St and Hay St forecourt works and furniture and fittings, were allocated to the \$1.2 million fund set aside for contingencies.

He said the contingency fund was never going to meet those costs.



KERÇHING!

Glasshouse costs up another \$1m

By LISA TISDELL

THE Glasshouse project has suffered another blow, with new figures predicting the total cost will escalate by up to \$1 million.

The increased costs relate to a revised building completion date of late next month, ongoing consultants' fees and approved "building variations" to the original contract.

Port Macquarie-Hastings Council general manager Andrew Roach said council was negotiating the final costs with the builder, Hansen Yuncken, which would be provided in an "open and frank manner" when agreement was reached.

In November, the projected cost was put at \$46.7 million.

● COUNCIL'S BUDGET BLOW-OUT

reports by LISA TISELL

We will be \$1.9m in the red



□ Big spender: The Glasshouse will use one in six land-tax dollars.

- Five times forecast
- Money-saving plan

PORT Macquarie-Hastings Council's projected budget shortfall next financial year has spiralled from \$400,000 to almost \$2 million.

Last year's corporate plan predicted a \$3.3 million deficit for 2009-10, but the council pegged that back to \$400,000, only to be faced with rising costs building the Glasshouse and an economic downturn.

That resulted in the revised \$1.9 million forecast deficit.

\$50m glass ceiling

\$50.2m Glasshouse opens to a big bravo



It's like this: Bruce Thompson with the first tour group at the Glasshouse.

THE Glasshouse attracted almost 1000 visitors on its first day of business.

Wednesday marked the building's public debut after years of planning, controversy and the sacking of Port Macquarie-Hastings councillors over their handling of the project.

All eyes were focused inside the building – including the 606-seat theatre and three-tier art gallery – on Wednesday.

Some 948 people streamed through the doors, including more than 120 people on guided tours.

The Port Macquarie Visitor Information Centre opened at 9am,

followed by Port Macquarie Hastings Regional Gallery at 10am.

Council's community and cultural development director, Lesley Atkinson, said the Glasshouse team expected a busy first day.

And that is just what they got.

The first performance in the 606-seat theatre, *The Taming of the Shrew* by Bell Shakespeare Company, begins tonight.

Free public tours run until the end of next month.

Work is continuing on the forecourt, cafe and bar areas.

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Early birds: Hundreds of people checked out the Glasshouse on Wednesday.

STATE OF THE COUNCIL 2008 / 09

- Budget review, first quarter of 2008/09 Year showed \$7.1m deficit.
- Entrenched silo mentality
- Poor staff morale
- Glasshouse represents annual net operating loss of \$5.7M

ADDRESSING THE FINANCIAL ISSUES

- Line by line overhaul of budget for 2009/10
- Saved \$4.1 m
- Forced to remove 70 positions across Council
- Sale of some non-strategic property assets

Financial Issues



PORT MACQUARIE
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RECONNECTING WITH THE COMMUNITY



RECONNECTING WITH THE COMMUNITY

- 18 months of relevant and effective community engagement
 - Community phone survey
 - ‘Out and about’ meetings presenting to community groups
 - *Council in the Community*, decentralising Council meetings
 - Live web streaming of Council meetings
 - Listening to the Community, booked appointments in outlying centres
 - *Rural Consultation*, Administrator and senior staff to designated rural areas
 - PMHC Listening, online discussion forum
 - 2030 Community and Staff Forums
 - Community Advisory Panel, over 230 residents have joined

RECONNECTING WITH THE COMMUNITY



Community Consultation



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BUILDING A POSITIVE INTERNAL CULTURE

- Appoint and empower a new Executive Management team
 - Regular structured meetings
 - Engaging / ownership
 - Breaking down the silo's
- Chair senior management team - MMM
- Initially created face to face opportunities with as many staff as possible

BUILDING A POSITIVE INTERNAL CULTURE

- Mechanisms for personal and two way communication with staff
 - Video GM messages on intranet to personalise information dissemination
 - Monthly roster for intranet message from Exec and Senior management
 - Weekly staff E-newsletter and poster version for operational staff
 - Esky tours, GM taking drinks/food to roads and parks gangs
 - Monthly ‘GM Lunches’ to give small groups of high achievers a voice in organisations future
 - BEF dedicated resources and cross organisational buy-in
 - Training needs survey

BUILDING A POSITIVE INTERNAL CULTURE



LESSONS LEARNT

- Gateway project management
- Cut off the old Council and its methodology
- Wasted the opportunity to overhaul non performing staff
- Increasingly positive media coverage based on a partnership of transparency

LESSONS LEARNT

- Financially still significant challenge!
- Currently exhibiting an absolute back-to basics budget focusing on core services
- Community has a far greater understanding of Council's decision making process and their role
- As a result growing acceptance of using a rate increase to meet major service delivery challenge



PORT MACQUARIE
HASTINGS

LESSONS LEARNT

