



MENDLESON

COMMUNICATION

PLAC Review summary

Mendleson Communication was appointed by Melbourne Water to undertake an independent review of the operation of the Patterson Lakes Advisory Committee (PLAC). The aim of the review is to ensure that PLAC continues to fulfil the purpose for which it was established and that its operation compares with 'best practice'.

The review has included consultation with PLAC members as well as Melbourne Water staff. It has also included a benchmarking analysis with similar committees in Australia. The review also draws upon knowledge and learnings gained from consultation with the Patterson Lakes community and other relevant stakeholders (such as Kingston City Council) in December 2009.

Part 1: Consultation findings

Mendleson Communication conducted interviews with all PLAC members currently on the committee. The review also involved consultation and discussion with Melbourne Water staff.

Key findings

Committee achievements

Over the last 2-5 years, PLAC members believe they have achieved the following:

- the establishment of the PLAC newsletter and the PLAC website
- the development of jetty standards
- the establishment of a number of sub-committees, which have provided the committee with a greater capacity to identify issues and get things done
- the establishment of more rigorous and/or regular processes and systems e.g. budget tabling in the form of a spreadsheet, establishment of uniform maintenance schedules etc.

Committee role

- PLAC members believe that the role of the committee is to act as an advisory body to Melbourne Water. Members believe this should not include consulting directly with the community but should include being available to community members for feedback.
- Tidal Waterways members are contacted more frequently by community members than Quiet Lakes members regarding issues and concerns. The Council representative is contacted regularly by community members regarding issues and concerns.

Committee relationships

- PLAC members believe that the relationship between the committee and individual Melbourne Water staff members is good. However, some members are frustrated by the turnover of Melbourne Water staff (without sufficient handover) and the lack of definitive feedback or answers on issues or queries the committee raises.

- Overall, PLAC members agree that the committee does not have a good name in the community and that the relationship between the committee and the community can at times be strained.

Committee members' experience

- Committee members' collective experience of serving on PLAC could be summarised as more negative than positive.
- On the positive side, committee members agree that they work well together and are all "working towards a common goal".
- On the negative side, committee members are frustrated by their ability to make an impact and adequately represent their community, especially on the bigger issues (such as jetty replacement, water quality and rate rises). Other concerns include:
 - a lack of consistent documentation regarding committee decisions (so new Melbourne Water staff are starting with inadequate knowledge or information)
 - that Melbourne Water's approach to PLAC and the Patterson Lakes community is reactive and not proactive
 - that over the past 30 years, there has been little 'future planning' for the community, resulting in the current committee and Melbourne Water staff having to deal with overwhelming issues (e.g. water quality, rate rises etc)
 - until recently, Melbourne Water's lack of consultation with the Patterson Lakes community on a public level.

Committee structure, membership and representation

- Some of those involved believe that there is value in keeping the committee together on the basis of strength in numbers, that both the Quiet Lakes and Tidal Waterways do still share some common ground (such as maintenance etc), and that by bringing the two sides of the community together through PLAC, each has the opportunity to understand the other's concerns and issues, creating a more cohesive community. Some of those involved believe that there should be two separate committees, as for the most part, the two communities operate separately, with each area now operating under separate budgets, and each has different issues and concerns.
- In terms of Melbourne Water's representation on the committee, most people felt that this should be decided by Melbourne Water but that at least one person in a Melbourne Water senior role should attend each meeting.
- Opinions were divided as to who should Chair committee meetings.
- Committee members thought that a term of office should be 2-3 years maximum. There were differences of opinion as to how many terms a member should be allowed to serve for, but the general consensus was that if a member is continuing to make a valuable contribution, they should be allowed to continue to serve.

- All committee members say that the sub-committees add significant value to the committee process as they allow for additional work to be undertaken in the various areas, which otherwise would not be achieved.

Committee selection and qualifications

- The majority of committee members expressed a strong preference for retaining the current selection process, where nominations are requested and Melbourne Water appoints committee members.
- In terms of the desirability for PLAC members to have certain qualifications and experience, the majority of committee members believe that the current Terms of Reference could be broadened to encourage a greater diversity of nominations. This could include encouraging the nomination of more women, non-professionals, or people from the retirement villages.
- Overall, committee members believe the best committee would be comprised of people from a range of backgrounds, with different skills and experiences, and who represent different parts/demographics of the community. On this point, all members agreed that Melbourne Water had made excellent choices in its committee appointments over the last few years, believing that the current committee achieves a good diversity of people with complementary skills.

Committee proceedings and administration

- The majority of committee members believe that there should continue to be around six scheduled meetings per year, but with the option of having additional meetings as required (or the flexibility to bring meetings forward should the need arise).
- All agreed that committee members should be required to attend a minimum number of meetings per year or be asked to relinquish their place on the committee. Suggestions included a minimum of 50% of meetings or 75% of meetings, or that members should miss no more than 3 consecutive meetings. In terms of a quorum, some thought that the current quorum (a majority) to hold a meeting was sufficient, while others did not believe there should be a quorum at all.
- In general, committee members felt that a maximum time limit of 1.5-2 hours should be applied to meetings. This is also Melbourne Water's preference.
- The issue of a conflict of interest raised a variety of responses from committee members. While some thought that a conflict of interest is 'in the eye of the beholder' and it should be up to an individual to declare a conflict of interest which would then be negotiated between parties, others believe that a conflict of interest should be clearly defined as someone who stands to gain in any personal, commercial or financial capacity.

Part 2: Benchmarking analysis

As part of this review, Mendleson Communication was asked to benchmark the Patterson Lakes Advisory Committee against similar committees or associations. This involved researching residential areas/developments in Australia which were similar to the Patterson Lakes community and which had a similar committee or association to PLAC.

The three residential areas/developments which we have used for our benchmarking study are:

1. Area/development: Noosa Waters, Queensland
Committee: Noosa Water Residents Association
2. Area/development: Sanctuary Lakes, Victoria
Committee: Sanctuary Lakes Residents Association
3. Area/development: Martha Cove, Victoria
Committee: Martha Cove Owners Corporation (body corporate)

Key comparisons

- All three committees/associations are decision-making committees as opposed to PLAC, which is an advisory body. This would appear to give the committees and local residents a strong sense of ownership and empowerment, whereas this is somewhat lacking with PLAC and the Patterson Lakes community in general.
- Each of the committees/associations would appear to have been 'purpose built' for each of the developments, resulting in fairly effective committee processes and outcomes. PLAC has had to adapt to the various changes in Victorian water authority management and re-structuring over the last 30 years.
- Committee members for each of the developments are elected by the community, either at the Annual General Meeting or otherwise. PLAC members are currently selected by Melbourne Water at the organisation's discretion.
- In the case of Noosa Waters, the area is managed by the Sunshine Coast Regional Council, which provides financial support and materials. In this respect, this is the closest in terms of structure to the Patterson Lakes community, where Melbourne Water is the managing authority. The President of the Noosa Water Residents Association has a very strong relationship with Council and maintains regular contact with the Council. The Association holds many social functions, ensuring a tight-knit community. Such activities also raise additional funds for the management of the area.
- In the case of the Sanctuary Lakes Residents Association, the association represents around 4,000-6,000 residents, bringing together 39 owners corporations on the estate under one umbrella. Given the scale of this estate and the large budget (around \$5 million which is collected from residents rates), the Association has recently appointed a General Manager

(in a paid position) to manage the association, its activities and the budget. Strong management and a highly structured association would appear to be an effective way to manage the estate.

- In the case of Martha Cove, a simple body corporate set-up would appear to be meeting the area's and residents' needs at present. As this is a relatively new development, this may change over time.

Part 3: Options and recommendations

COMMITTEE STRUCTURE

It is important to note that, legally, Melbourne Water is not currently subject to any statutory obligation to consult with PLAC. Despite this, Melbourne Water has continued to consult with PLAC on a regular basis.

The following options and recommendations are based on the assumption that PLAC remains as advisory body to Melbourne Water (under its current structure).

COMMITTEE ROLE

Recommendations:

PLAC's primary role is as an advisory body to Melbourne Water. This should include taking on board community concerns, suggestions and feedback, reviewing information provided by Melbourne Water, conducting research where appropriate, and providing feedback and advice to Melbourne Water on issues as required.

Unless PLAC members are given some sort of decision-making ability, it is unreasonable to expect members to undertake active consultation with the community at this stage (especially given that Melbourne Water actively consults with the community on a number of levels, and is aiming to continue to improve in this area).

The following activities could be considered as additional duties to PLAC's role. These activities may also serve to enhance PLAC's connection within the Patterson Lakes community:

- It is recommended that PLAC members take an active part in at least two public community forums a year, held by Melbourne Water.
- It is recommended that the committee hold an informal 'meet your PLAC members' function, such as a BBQ, once a year.
- PLAC member contact details should continue to be publicised in the PLAC newsletter and on the website.

There is also an opportunity for PLAC to elevate its standing in the community by creating a stronger social aspect to the committee. This could include holding one or two community functions or events per year, or holding functions/events in partnership with other local community associations.

Strengthening PLAC

There are a number of ways in which the current committee could be strengthened. This would not only assist PLAC to provide better advice to Melbourne Water but would help strengthen the working relationships between those involved, and create a more harmonious and effective committee process.

- It would assist committee members to be more effective and well informed if Melbourne Water created a list of potential issues or topics that PLAC members may be asked to advise

on. Providing committee members with more detailed information on issues at least two weeks in advance of meetings would also help committee members advise on community issues fairly and adequately.

- Melbourne Water could provide PLAC with increased feedback about decisions being made or courses of action in progress. This would help to 'close the loop' on issues and concerns that PLAC has raised.
- Where PLAC is providing advice on complex issues, a range of experts could present to both PLAC and Melbourne Water to give those involved a better understanding of the issues at hand, promoting more informed advice and decision-making.
- Senior Melbourne Water personnel could attend one or two of the 'most important' PLAC meetings of the year. This would ensure that senior staff are aware of critical issues.
- A more streamlined, structured and comprehensive handover process between Melbourne Water staff would assist ongoing relationships between the committee and Melbourne Water, and help to retain committee knowledge and history.
- The development of a closer relationship between PLAC and Kingston City Council may help 'smooth the edges' in terms of the interface between Melbourne Water, Council and the Patterson Lakes community. This may include having a council officer attend key PLAC meetings to update the committee on Council's plans for the area.
- The Committee could develop a strategic plan which would help set the direction of the committee and provide a framework for current issues, topics and actions. This would help focus the committee on the present and the future, as opposed to the past. It would also provide strong documentation for future committees.

COMMITTEE MEMBERSHIP

Options:

1. Continue as one committee with the current membership provisions in place, which is 4 Quiet Lakes members, 6 Tidal Waterways members, one representative from the Council and the option for one representative from a local residents association. The current subcommittees would be retained.
2. Continue as one committee with current membership provisions but expand the committee to include 4-6 observers (who would be allowed to have input but would not be given voting rights or decision-making powers).
3. Create two separate committees, one committee to represent the Quiet Lakes and one committee to represent the Tidal Waterways. Each committee would be made up of six members each, with the option to include two observers on each committee. Subcommittees would be devolved into the two separate committees.

4. Create a 'dual purpose' committee where for the most part, two separate committees operate and meet separately, but come together twice a year as one committee and, if needed, to deal with a particular issue/topic at hand.

Note: Should a council representative be appointed to the committee as a full member, It is recommended that a membership provision be made for a council officer rather than a council representative. This would help to ensure that council input is driven from an operational point of view rather than a political point of view.

Should a council representative be appointed to the committee as an advisor, it is recommended that either a council officer or elected member of council may be invited, as this person would simply be providing information as required and would not have voting rights.

Recommendation: Option 2 (with the possibility of further exploration of Option 3 or 4 in future).

Option 2 allows for the committee to retain its integrity while introducing the new element of observers. However, we also recognise that the community and its needs are changing hence the further exploration of options 3 and 4.

COMMITTEE SELECTION

Options:

1. Retain current selection process, whereby Melbourne Water calls for nominations which are submitted in writing, and key Melbourne Water personnel select committee members who best match the desired criteria (as outlined in current Terms of Reference).
2. Appoint a selection panel, which may incorporate 3 Melbourne Water representatives and 3 other representatives, which could include a long-serving PLAC committee member, a council officer, and an independent entity (e.g. an external consultant or a person from a specialist business/committee/organisation). The panel would then need to make a unanimous or majority decision on the appointment of each PLAC member, either by written application or interview (or both).
3. Conduct a general election process, where the community has the opportunity to vote for candidates. Committee members would be elected on a 'majority of votes' basis.

Recommendation: Option 2

It is important to recognise that the Melbourne Water Board has responsibility to manage the lakes under the Water Act. It is also important to recognise that Melbourne Water is committed to a more open and transparent process.

Option 2 achieves a compromise between the current selection process, which is viewed by some parts of the community to be 'closed' and not necessarily independent or transparent, and a general election process, where Melbourne Water would have no input. It is also important to consider the 'balance of power' in this option as to how much input Melbourne Water would have and how much input other parties would have. In this instance, we have recommended an equal balance between Melbourne Water representatives and other parties.

QUALIFICATIONS

Recommendation: It is recommended that the current criteria be broadened to encourage a greater diversity of skills, knowledge and experience on the committee. The nominations process should also aim to encourage those community members who may not have considered applying previously to do so. Examples of additional criteria may include:

- residents who have lived in the area for more than 5 years
- residents who are strongly engaged with community issues
- residents who are actively involved in social activities within the broader community
- residents who are currently serving or have served on other local committees.

The advantages of a broader criteria may include:

- a greater number of community members applying for a position
- a more diverse mix of people on the committee, including women, people from the retirement villages, people who are socially engaged
- a more accurate representation of the community.

TERMS OF OFFICE

Options

1. Retain current terms of office which is two years, with the option of members being appointed for subsequent terms.
2. Extend term of office to three years, with the option of members being appointed for subsequent terms.
3. Create a 'rolling' committee, where one half of the committee positions become vacant every two years, and members hold their position for four years.

Recommendation: Option 3

Option 3 provides a good balance of longevity for members, while allowing for the committee to be refreshed at regular intervals. A longer term of office will also give committee members enough time to work through the 'bigger issues' and hopefully gain a greater sense of satisfaction at this level.

It is also recommended that a cap of 8-12 years service be put in place, unless no other suitable candidates are available. This will allow for the committee to reflect and represent a constantly evolving community, as well as give a greater number of community members the opportunity to participate over time.

Once a member has served for a period of ten years, they should be offered the opportunity of becoming a 'lifetime member' or 'distinguished member'. Such members may be afforded special roles, such as being part of the Selection Panel or asked to present to new committees, so that they are passing on important information about the history of the committee and the Patterson Lakes community.

COMMITTEE PROCEEDINGS

Meetings

- PLAC should continue to meet 6 times a year on a regular basis. However, a provision should be put in place to allow for 2 additional 'special' meetings a year to deal with larger issues.
- It is recommended that meetings run for no longer than 2 hours. Meetings should start on time and end on time, and members should be made aware that material already covered will not be re-covered on their account should they be late.
- An agenda for each meeting should be prepared and distributed two weeks in advance of each meeting. Committee members and Melbourne Water staff attending the meeting should have the opportunity to comment on the agenda or submit further ideas for the agenda. The final agenda should be distributed one week before each meeting.
- A Melbourne Water representative should continue to record the proceedings at each meeting. These should be distributed to the committee within two weeks of the meeting.
- Committee members should be expected to attend at least 75% of meetings. If a member has not attended four consecutive meetings, Melbourne Water should make contact with that member to confirm their ongoing commitment to the committee.

Chairperson

- It is recommended that Melbourne Water continue to convene the meeting and that the Chairperson is a Melbourne Water representative.

Quorum

- The current majority quorum or at least 50 percent of member attendance should remain in place (i.e. a majority or at least 50 percent of the number of members appointed to the committee will constitute a quorum).

Voting

- The current voting provisions should remain in place. However, this aspect may need to change should the committee be afforded any decision-making capacity.

Conflict of interest

- A conflict of interest could be more clearly defined in the current Terms of Reference but ultimately the onus should be on the individual to declare a conflict of interest, either generally or on a particular issue. Melbourne Water may also wish to consider asking PLAC nominees to raise potential conflict of interests on the nomination form.

Conclusion

Following consultation with members of the Patterson Lakes Advisory Committee and Melbourne Water, Mendleson Communication recommends making a set of modest changes to PLAC, including how the committee operates, the committee set-up, the selection process, committee membership, and the working relationship between Melbourne Water and PLAC.

The Patterson Lakes community is evolving and changing. As such, it will be important to continue to review PLAC to ensure that it continues to adequately reflect the community and fulfil its role as an advisory body to Melbourne Water.

Given that Melbourne Water is the managing authority of the area, and that PLAC has been formed under the auspice of Melbourne Water, it will be important to ensure that the committee continues to meet the organisation's requirements.