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Executive summary

The Transformation Program was primarily developed to ensure that the 12 key recommendations and 25 secondary recommendations of the Commission of Inquiry report and actions out of the Halliday Report are carried out.

The organisation undertook an Employee Opinion Survey in 2016, as well as contracting three reviews by external parties for Finance, ICT and civic accommodation.

Each of the reviews completed has recommendations or actions which the organisation has committed to addressing. These have also provided core inputs to the Transformation Program and many of the actions or recommendations are inter-related or linked in some way.

TRANSFORMATION PROGRAM

The Transformation Program was originally organised into four inter-related streams of Leadership, Governance, Management and Relationships.

It is now organised under eight focus areas, with a total of 28 projects and close to 100 sub-projects under these.

The focus areas are:

1. Governance
2. Strategy, Planning and Monitoring (incl. Leadership)
3. Culture and People Management (incl. Leadership)
4. Financial Management
5. Asset Management
6. Information management
7. Risk Management
8. Relationship & Reputational Management.

The objective is to enable transformation to the most efficient and effective organisation possible to fulfil its purpose of working together for a thriving community.

Implementation of the program will occur progressively; with some initiatives able to be implemented relatively quickly, whereas others will take longer and in some instances more than two years.

ERNST & YOUNG REVIEW

Ernst & Young (EY) was engaged by the Chief Executive Officer (CEO) at the request of the Administrators in October 2017 to provide an independent status update on the City of Greater Geelong's progress against recommendations set out in the:

- Commission of Inquiry report
- Supplementary reports commissioned by CoGG (EY review of Financial Position and Strategies and Deloitte ICT review)
- Halliday Stage 2 Culture Review.

Key observations by EY were:

- Transformation Program requires a high level of sustained focus, putting it back into business as usual poses a major risk in that it will become less of a priority
- Inadequate staff resourcing allocated to various transformation initiatives
- Many of the initiatives require a longer period of time, a sustained and continued effort required to see through transformation
- A lot of good work completed but it needs to continue, transformation is ongoing.

The next section provides a summarised update for each focus area.

THE WAY FORWARD

The Transformation Program will continue to be managed and reported by the Coordinator Transformation, Program Integration and Development.

Transformation projects have also been included in the CEO's key performance indicators (KPIs) and cascaded down into each Directors' KPIs to be monitored regularly by the CEO.

As per the EY findings, Transformation is ongoing and it is anticipated that projects may continue to be added in consultation with the Executive Leadership Team (ELT) in the future as others are completed.
SEPTEMBER 2018 QUARTER HIGHLIGHTS

The last quarter saw a number of achievements with the following a selection of the key highlights:

✓ Social Infrastructure Plan community engagement launched 21 September 2018 and strategy position appointed. Recently completed audits conducted on all buildings will be used in developing the updated plan

✓ New online complaints process is now publicly available and staff training and awareness sessions held with frontline Customer Service staff, Governance and Legal Services staff and Swim, Sport and Leisure staff

✓ The Digital Transformation Plan has been endorsed by the Executive Leadership Team and has been presented to Council (six councillors)

✓ Policy and Procedures Management Policy draft submitted to the Policy Review Committee

✓ Organisation delegations have been updated and now awaiting approval

✓ Council Plan adopted and integrated with A Clever and Creative Future vision and strategies to be reviewed in the next 12 months have been identified to ensure alignment

✓ Weekly Lean Basics training has been rolled out with the aim to train 838 staff by the end of December 2018

✓ The 10 year financial plan continues to be updated including three scenarios with detailed commentary and financial risks identified

✓ 2018 Employee Opinion Survey has been completed by staff with results being collated

✓ The Central Administrative Office Project Advisory Committee (Civic Accommodation) has been established and terms of reference adopted. Site selection and budget/funding model has been confirmed

✓ A risk workshop held for the Civic Accommodation project highlighted how the new risk framework will be implemented operationally and in projects throughout the organisation

✓ The final draft of the Asset Management Policy and Framework has been complete and now awaiting approval

✓ An audit of existing Asset Management Plans and their status has been completed

✓ The new Corporate Communications and Marketing Strategy has been completed

✓ The Engagement Champions Program was launched and the recruitment completed with 30 participants representing all levels of the organisation

✓ The implementation of the Customer Focus Strategy continues with a number of actions being undertaken. The recent completion of the Pulse Customer Survey where satisfaction levels received an overall score of 4.2 out of 5 with 78 per cent of respondents indicating they are satisfied with their most recent interaction with the City. This is above the average for Councils in 2018.
PROJECT UPDATES

The following section contains updates on all projects within the Transformation Program.

The format is based on the Ernst & Young report.

Project leads have provided updates on all projects and this forms the basis of this report.

The Coordinator Transformation, Program Integration and Development and the Primary Municipal Monitor also interviewed relevant directors with the information collected also used to prepare this quarterly update.

The Transformation Program is reported to the Executive Leadership Team, Council and the Minister for Local Government on a quarterly basis.
1. GOVERNANCE

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Planned end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return to elected council</td>
<td>Completed – ongoing</td>
<td>training &amp; PD</td>
</tr>
<tr>
<td>Decision making framework</td>
<td></td>
<td>Jun 2020</td>
</tr>
<tr>
<td>Policy framework</td>
<td></td>
<td>Dec 2018 - ongoing</td>
</tr>
<tr>
<td>Establish Governance &amp; Legal Unit</td>
<td></td>
<td>Completed</td>
</tr>
<tr>
<td>Protected disclosure</td>
<td>Completed – training to be integrated into induction program</td>
<td></td>
</tr>
<tr>
<td>Council business processes</td>
<td></td>
<td>Dec 2018</td>
</tr>
</tbody>
</table>

Protected Disclosure to be integrated into induction program
Training on forward agenda planning and report writing to be rolled out.

Primary Municipal Monitor's comments / issues
- The Governance section of the Transformation Program is 90 per cent achieved with the Policy Review Framework development completed. The next steps will be to review the Mayor and Councillor Support Unit to further streamline processes to ensure maximum efficiency.

Chief Executive's comments
- Significant work has been undertaken to improve governance across the organisation. The Policy Framework is now complete, with the next steps to set a timeframe of policy reviews and then to commence the reviews.
- We continue to review the effectiveness of the councillors and the Mayor and Councillor Support unit to drive ongoing improvement.

Highlights
- Policy and Procedures Management Policy draft submitted to the Policy Review Committee
- Document definitions established
- Policy and Procedure template drafts submitted to the Policy Review Committee
- Review of organisation delegations updated awaiting approval
- Council business forward agenda planning fully implemented
- New report cover sheet implemented to capture key information relevant to the report.

Focus areas
- Policy Review Framework development
- Policy and Procedures Management Policy approved
- Document register database definitions updated
- Policy and Procedure templates approved and implemented
- Policy and Procedure review schedule and process communicated and implemented
- Approval of updated organisation delegations
## 2. STRATEGY, PLANNING & MONITORING

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Planned end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 year vision</td>
<td>Jun 2019</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(implementation) - ongoing</td>
<td></td>
</tr>
<tr>
<td>Alignment of long term strategies with vision</td>
<td>Dec 2018</td>
<td></td>
</tr>
<tr>
<td>Business Improvement Framework</td>
<td>Jun 2019 (capability deployment) - Ongoing</td>
<td></td>
</tr>
<tr>
<td>Service Planning / Review</td>
<td>Dec 2018 (framework and implementation plan)</td>
<td></td>
</tr>
<tr>
<td>Business analytics / reporting</td>
<td>Jun 2019</td>
<td></td>
</tr>
<tr>
<td>Social Infrastructure Plan review</td>
<td>Apr 2019</td>
<td></td>
</tr>
</tbody>
</table>

### Focus areas
- Vision Partners Forum second meeting to be held and Vision Annual Report to be completed by February 2019
- Social Infrastructure Plan public engagement, peak body round table discussions and strategy development to commence
- Present completed service plan for Property and Procurement to ELT and finalise plans for Economic Development and Events. Schedule for all other services to be confirmed with ELT
- Development of Lean Leader five-day course and second and third level lean basic sessions. Continue weekly Lean Basics training with target reach of 836 staff
- Refine CEO Headline Report measures and commence work on divisional dashboards.

### Principal Municipal Monitor's comments / issues
- Good progress is being made on the Social Infrastructure Plan but it is important that it is delivered on time so that a long-term project plan can be set soon after. The Social Infrastructure Plan should focus on future socialisation of concepts (local, district and regional) within community and council such as multiple service hubs, asset utilisation by multiple clubs, groups, licenses/leases.
- Business analytics requires focused attention as knowledge base is spread out, not centralised. Data to be made available for organisation use.

### Chief Executive’s comments
- Round table workshops will be held with councilors and staff representing several departments during November to further examine insights and data collected from community engagement for the Social Infrastructure Plan review. The plan is on target to be completed in the first half of 2019.
- Key decision making backed by data is very important. We will be focusing our attention on business analytics throughout the organisation with the recent implementation of Birst software.
- A framework and program for service planning / review will be finalised in the next quarter.

### Highlights
- Council Plan adopted and integrated with A Clever and Creative Future vision and strategies to be reviewed in next 12 months have been identified to ensure alignment
- A Clever and Creative Future vision implementation officer (ongoing position) was confirmed and appointment made. A second Vision Partners Forum now being organised
- Social Infrastructure Plan community engagement launched 21 September 2018 and strategy position appointed. Recently completed condition audits conducted on all buildings will be used in developing the updated plan
- Draft tolerances for the monthly CEO Headline Report have been developed for 2018-19
- Weekly Lean Basics training has been rolled out with the aim to train 836 staff by end of December 2018
- There are 19 business improvement projects currently being supported throughout the organisation including the “Road to Success” project with the video receiving over 5,000 views on LinkedIn
- Property and Procurement service plan completed with a further two commenced.
3. CULTURE & PEOPLE MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Planned end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal leadership development</td>
<td>Dec 2018</td>
<td></td>
</tr>
<tr>
<td>Positive Duty / Culture program</td>
<td>Completed – Leadership Capability Framework, MyPLAN, Policy Review being implemented</td>
<td></td>
</tr>
<tr>
<td>Workforce resource plan</td>
<td>Jun 2019</td>
<td></td>
</tr>
<tr>
<td>Mentoring, coaching and leadership (L&amp;D)</td>
<td>Jun 2019 - ongoing</td>
<td></td>
</tr>
<tr>
<td>Civic accommodation</td>
<td>Dec 2018</td>
<td></td>
</tr>
<tr>
<td>Complaints Review Framework</td>
<td>Jul 2018</td>
<td></td>
</tr>
</tbody>
</table>

Highlights

- New online complaints process is now publicly available and staff training and awareness sessions held with frontline Customer Service staff, Governance and Legal Services staff and Swim, Sport and Leisure staff
- Staffing Needs Analysis, Skills and Capability Analysis, Workforce Flexibility Analysis and Five-year workforce plan all currently going through procurement phase
- 2018 Employee Opinion Survey completed by staff
- Central Administrative Office Project Advisory Committee (Civic Accommodation) established and terms of reference adopted. Site selection and budget confirmed by Council and owner / build preferred procurement method
- Learning Management System has been developed and launched
- Leadership and Capability Framework currently going through tender process.

> Collate the three-year staffing forecasts to an organisational view. Finalise procurement for Staffing Needs Analysis, Skills and Capability Analysis, Workforce Flexibility Analysis and Five-year workforce plan
> 360 degree Emotional Leadership Program to commence with Executive and Senior Leadership Teams
> Deliver MyPLAN and Learning Management System and appoint provider for Leadership Capability Framework.

Principal Municipal Monitor's comments / issues

- Culture and People Management section of the Transformation Program has been assessed as 75% complete.
- The complaints system is working well with the level of complaints having diminished in number and level of severity. It is important however that all complaints are registered.
- The 2018 Employee Opinion Survey organisation action plan needs to be signed off by the Executive Leadership Team before the end of the calendar year and communicated to the organisation.
- The delivery of MyPLAN and the workforce resource plan development are priorities.
- Further work to be done over the next 12 months on embedding the new culture more deeply within the organisation. Some silos remain deeply entrenched which inhibits effective coordination across council. It is anticipated that the Chief Executive Officer will lead change with the Executive Leadership Team.

Chief Executive's comments

- It is pleasing to see the improvements we have made with complaints management, not only through the new system but also through our training programs for staff in regard values and behaviours. The delivery of MyPLAN will be closely monitored as this was a key outcome of the culture program and 2017 Employee Opinion Survey.
- Embedding the culture improvements will continue to be a focus throughout the organisation along with implementing the actions from the 2018 Employee Opinion Survey.

Focus areas

- Expression of interest for design and development of the Central Administrative Office (Civic Accommodation)
- Continued focus on complaint management training internally and promotion within the community. New process to be reported in CEO Headline Report during next quarter
- 2018 Employee Opinion Survey results and action plan

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4. FINANCIAL MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Planned end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic financial review</td>
<td></td>
<td>Jun 2019</td>
</tr>
<tr>
<td>Financial Management</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>Framework &amp; Policy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees &amp; Charges Framework</td>
<td></td>
<td>Jun 2019</td>
</tr>
<tr>
<td>Borrowing Policy</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>Long term financial plan</td>
<td></td>
<td>Jun 2019</td>
</tr>
</tbody>
</table>

**Highlights**

- The 10-year financial plan continues to be updated, including three scenarios with detailed commentary and financial risks identified.
- Monthly Financial update continues to be provided to councillors via CEO headline report.
- Civic accommodation funding model provided.
- Briefing held with Managers / Co-ordinators in regard to financial year end processes.
- July Financial management report format presented to council and Audit & Risk committee with no further changes required. Report is adapted each quarter to provide required insights.

**Focus areas**

- Long term financial plan software investigation (part of Digital Transformation project)
- Long term financial update to inform 2019-20 budget process
- Proactive review of Non capital projects with project managers prior to year end
- Review of business support accounting model for provision of strategic support (i.e. Development contributions plan)
- Civic accommodation funding.

**Principal Municipal Monitor's comments / issues**

Focus required on the importance of the systems / inputs that populate the 10 Year Financial Plan in achieving an accurate financial forecast.

**Chief Executive's comments**

- The 10-year plan is in place and updated as per latest budget. The linking of major long-term strategies to the 10 Year Financial Plan remains a priority, further informing funding models for future capital renewal and upgrades and debt management.
5. ASSET MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Planned end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Management Review</td>
<td></td>
<td>Dec 2019</td>
</tr>
<tr>
<td>Review property and asset management</td>
<td></td>
<td>Dec 2018</td>
</tr>
<tr>
<td>Asset Management Working Group</td>
<td>Completed - meeting schedule set</td>
<td></td>
</tr>
<tr>
<td>Establish Steering Committee</td>
<td>Completed - Mar 2018</td>
<td></td>
</tr>
<tr>
<td>Set project plan / recommendations</td>
<td></td>
<td>Dec 2018</td>
</tr>
<tr>
<td>Implement plan / recommendations</td>
<td></td>
<td>Dec 2019</td>
</tr>
</tbody>
</table>

Focus areas

- Project lead replacement
- Approval of draft policy and framework
- Draft strategy completion including handovers
- Asset Management Plan template final draft
- Continue data cleansing task
- Define roles and responsibilities (asset owner, maintainer, service manager and asset data manager)
- Move to a fully inclusive asset management operating model
- Renewal gap for key asset categories to be identified
- Maintenance management system improvements (tablet technology)
- Improved leasing processes that clearly outline maintenance obligations for the tenant/licensee and council
- Review levels of service for assets
- Asset sale opportunities

Highlights

✔ Final draft of Asset Management Policy and Framework completed, now awaiting approval
✔ Project plan has been set with 29 tasks allocated to project leads with five completed. Current tasks underway include:
  ✔ Asset Management Policy prepared and ready for approval
  ✔ Asset reconciliation between IPS (Hansen) and SPM
  ✔ Handover procedure review
  ✔ Asset Management Plans review
  ✔ Role definition review
✔ An audit of existing Asset Management Plans and their status has been completed
✔ Pre-work for Asset Management Strategy completed.

Principal Municipal Monitor’s comments / issues

Council has an asset base of $2.3 billion which includes land, buildings, plant and equipment and infrastructure. Asset management as a long term strategy is in its infancy and the organisation awaits the appointment of a coordinator to oversee its implementation. This key appointment is anticipated to be filled early in 2019.

Chief Executive’s comments

The focus on asset management and better utilisation of assets across the municipality is a major priority. It is anticipated that a project coordinator will be in place early in the new year and will commence working through an extensive program of actions.
6. INFORMATION MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Planned end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICT strategic review / implementation</td>
<td>Jun 2022</td>
<td>(ICT Strategy timeline)</td>
</tr>
<tr>
<td>ICT review of systems and processes</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>ICT Strategy development</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>implementation of recommendations</td>
<td>Jun 2022</td>
<td></td>
</tr>
<tr>
<td>from ICT Strategy &amp; review</td>
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</tbody>
</table>

Principal Municipal Monitor’s comments / issues
- Work is underway and the scoping of the digital transformation plan will need to be focused and staged to avoid the potential scope and cost creep.

Chief Executive’s comments
- Digital transformation will affect all parts of our business and the community so it is extremely important we manage this closely through all stages from the development of the scope to implementation.

Highlights
✓ Presented plan and received endorsement from Executive Leadership Team, Senior Leadership Team, Chief Executive Officer, Mayor and ICT Steering Committee
✓ Presented Digital Transformation Plan to Council (six councillors)
✓ Retained Senior Program Manager to deliver project
✓ Presented restructure of Digital Information and Technology and entered consultation period.

Focus areas
➢ Presentation of Digital Transformation Plan to remaining councillors
➢ Continue on resourcing phase to support the ICT initiatives including recruitment of a DIT Manager and creating the Smart Cities Office.
## 7. RISK MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Planned end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enterprise Risk Review</td>
<td></td>
<td>Dec 2018</td>
</tr>
<tr>
<td>Appoint Senior Enterprise Risk Advisor</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>Risk audit, establish strategic risks</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>Establish Enterprise Risk Matrix</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>Develop Enterprise Risk Framework and implementation</td>
<td>Dec 2018</td>
<td></td>
</tr>
<tr>
<td>Resourcing and structure</td>
<td></td>
<td>Dec 2018</td>
</tr>
</tbody>
</table>

### Highlights
- Risk workshop held for Civic Accommodation project was a great example of how the new Risk Framework will be implemented operationally and in projects throughout the organisation.
- Audit and Risk Committee meeting held in August.
- Business resilience meetings held to clarify annual organisational workload activity.

### Focus areas
- Implement risk management training and awareness for key staff.
- Operational risk workshops to be facilitated with senior managers.
- Develop inter-agency risk management process.
- Procure and deploy an online risk management system.
- Update the risk strategy and action plan.

### Primary Municipal Monitor's comments / issues
- The work associated with establishing corporate and strategic risks is well advanced and risk management has been assessed as 80 per cent completed as part of the Transformation Program.

### Chief Executive's comments
- The improved risk framework will set the organisation up to respond to operational and project risks in the future. Training and information sessions will be delivered to key staff to further enhance understanding and capability in risk management.
8. RELATIONSHIP & REPUTATIONAL MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Planned end date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media and Communications</td>
<td>Jun 2019 - Ongoing</td>
<td></td>
</tr>
<tr>
<td>Corporate Affairs review</td>
<td>Jun 2019</td>
<td></td>
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<tr>
<td>Stakeholder matrix</td>
<td>Jun 2019</td>
<td></td>
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<tr>
<td>Community Engagement Strategy</td>
<td>Jun 2021 - Ongoing</td>
<td></td>
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<tr>
<td>Customer Focus Strategy</td>
<td>Oct 2020</td>
<td></td>
</tr>
<tr>
<td>Issues Management</td>
<td>Dec 2018 - Ongoing</td>
<td></td>
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</tbody>
</table>

Focus areas

- Appointment of internal communications officer and commence the implementation of the internal communications plan
- Continue the implementation of the Customer Focus Strategy actions with 12 of the 17 actions progressing on track
- Review of telephone-based customer service system in line with Customer Service Charter
- Embedding of the Issues Management procedure and evaluation throughout the organisation
- Launch of Engagement Champions Program and first workshop in November covering off community engagement framework and basic methodology
- Corporate affairs action plan to be set
- Primary stakeholder list and internal mapping sign-off by ELT and identification of secondary stakeholders to commence.

Principal Municipal Monitor’s comments / issues

- Important for the new Executive Leadership Team to meet regularly with key stakeholders individually (not just as a group) to build strong relationships.
- The appointment of an Internal Communications Officer is a priority to continue the messaging of the culture program and other key programs throughout the organisation.
- The Customer Focus Strategy is progressing well with great results being realised already.

Chief Executive’s comments

- The results in the recent Pulse Customer Survey are very pleasing. We continue to work through the actions in the Customer Focus Strategy with the aim to continuing the improvements in customer experience throughout the organisation.
- With the recent recruitments to the Executive Leadership Team, it is important that key stakeholder relationships are established both from an individual and as a group in the next 12 months.
- The appointment of an internal communications officer remains a priority in order to provide major improvements in our ongoing communications to our staff.

Highlights

- New Corporate Communications and Marketing Strategy completed and includes a range of corporate affairs activities
- Recruitment for Corporate Internal Communications Officer has commenced
- Issues management reported at Executive Leadership Team weekly meetings and has seen supportive media coverage for the Public Drinking Fountains and Belcher Corner Building issues
- Scope of Engagement Champions Program finalised including review of engagement policy and development of tools and templates
- Recruitment for Engagement Champions Program completed with 30 participants representing all levels of the organisation
- Primary stakeholders identified and mapping to internal contacts commenced
- Completion of Pulse Customer Survey where satisfaction levels received an overall score of 4.2 out of 5 with 78 per cent of respondents indicating they are satisfied with their most recent interaction with the council. This is above the average for councils in 2018.
- There has been a decline in the average number of calls made to the council with 72 per cent only needing to make one call compared to 61 per cent in 2017, indicating that a greater number of residents are able to get their query resolved with their first call.
Report sign-off

Mr Martin Cutter
Chief Executive Officer
City of Greater Geelong
Date: 27/11/2018

Ms Jude Munro AO
Primary Municipal Monitor
City of Greater Geelong
Date: 1/12/18