CITY OF
GREATER GEELONG

TRANSFORMATION
PROGRAM

DECEMBER 2017 UPDATE

(REPORT IS AN UPDATE BASED ON ERNST & YOUNG REVIEW AS REQUESTED BY ADMINISTRATORS AND PROVIDED TO COUNCIL IN DECEMBER 2017)
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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 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 Chief Executive Officer’s 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 in the future as others are completed.
DECEMBER 2017 QUARTER UPDATE SUMMARY

Key highlights for the last quarter included:

- Return of an elected council
- Improved council policies
- Councillor portal implemented
- Social Infrastructure Plan review commenced
- Diversity and Inclusion audit and action plan completed
- Fees and Charges Framework completed and policy adopted
- Asset Management project working group convened and project lead appointed
- Digital and ICT Governance reference group set up and terms of reference developed
- Risk Management Policy and Procedure, Risk Management Framework, Risk Appetite Statement and Risk Rating System endorsed by Audit and Risk Committee and the Executive Leadership Team
- Issues management process used for a number of recent issues.

Focus areas for next quarter and beyond:

- Councillor ongoing training and support
- Council Plan development (2018-21)
- Establishment of a workforce resource plan
- Long term financial plan software investigation and recommendation
- Civic accommodation financial modelling
- Review of roles and responsibilities across divisions and Asset Management Steering Committee
- ICT Service Management software implementation and rollout to staff in February 2018
- Identify and document causes, controls, risk rating and treatment plans for identified key organisation risks
- Continue to embed the Issues Management process and build capability
- Government relations and strategic partner relationships
- Policy Review Framework and Committee set up
- Diversity and Inclusion Officer required to implement the Diversity and Inclusion Action Plan.

Issues / delays (to be addressed next quarter):

- Councillor induction to be completed
- Building relationships between councillors and Executive Leadership Team
- Integration of Greater Geelong: A Clever and Creative Future into the Council Plan (currently in development phase)
- Working with Council to deliver the community-led vision Greater Geelong: A Clever and Creative Future
- Employee Opinion Survey Action Plan signed off by Executive Leadership Team
- Interim workforce resource plan (cannot wait for service planning project)
- Integration of condition audits across all classes of assets (e.g. parks, open space and recreation assets, buildings, road infrastructure)
- Address the significant underfunding of ICT resources and strategy. Failure will see ICT fall further behind the acceptable standard
- Duplication of effort in audit and risk management
- Council Section 86 councillor appointments integration – integration of councillors into stakeholder relationships.

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 provided updates on all projects and forms the basis of this report.
1. GOVERNANCE

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return to elected council</td>
<td>Nov 2017 – ongoing training &amp; PD</td>
<td></td>
</tr>
<tr>
<td>Decision making framework</td>
<td>Jun 2018</td>
<td></td>
</tr>
<tr>
<td>Policy framework</td>
<td>Oct 2018 - ongoing</td>
<td></td>
</tr>
<tr>
<td>Establish Governance &amp; Legal Unit</td>
<td>Dec 2017</td>
<td></td>
</tr>
<tr>
<td>Protected disclosure</td>
<td>Jun 2018 - training</td>
<td></td>
</tr>
<tr>
<td>Council business processes</td>
<td>Jun 2018</td>
<td></td>
</tr>
</tbody>
</table>

**Highlights**
- Return of an elected council
- Councillor portal operational
- Councillor accommodation changes and councillor support staff in place
- Protected Disclosure review and staff correspondence complete
- Priority council policies and Meeting Procedure Local Law have been reviewed and amended
- Council election awareness campaign
- Governance & Legal unit established with new roles and staff in place.

**Focus areas for next quarter & beyond**
- Policy Review Framework and Committee set up
- Ongoing periodic review of Governance initiatives
- Councillor Portal – ongoing review and training
- Decision making processes given the creation of new Council committees
- Legal Services service framework
- Councillor Code of Conduct.

**Issues / delays (to be addressed next quarter)**
- Councillor induction to be completed
- Building relationships between councillors and Executive Leadership Team.

2. STRATEGY, PLANNING & MONITORING

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 year vision</td>
<td></td>
<td>Ongoing implementation</td>
</tr>
<tr>
<td>Alignment of long term strategies with vision</td>
<td></td>
<td>Jun 2018</td>
</tr>
<tr>
<td>Business Improvement Framework</td>
<td></td>
<td>Ongoing</td>
</tr>
<tr>
<td>Service Planning / Review</td>
<td></td>
<td>Ongoing</td>
</tr>
<tr>
<td>Business analytics / reporting</td>
<td></td>
<td>Jun 2018</td>
</tr>
<tr>
<td>Social Infrastructure Plan review</td>
<td></td>
<td>Dec 2018</td>
</tr>
</tbody>
</table>

**Highlights**
- Development of Greater Geelong: A Clever and Creative Future including the engagement process
- Social Infrastructure Plan review commenced
- Draft business improvement framework developed.
- Introduction to LEAN sessions delivered to 143 staff.

**Focus areas for next quarter & beyond**
- Clever and Creative Future roll out to the community
- Council Plan development (2018-21)
- Social Infrastructure Plan review (Part A) progress report
- Alignment of long term strategies and aspirations
- Business planning / alignment with strategies
- Business improvement resourcing
- Service Planning commencement – current state and framework/process moving forward
- Quarterly CEO Headline Report improvements.

**Issues / delays (to be addressed next quarter)**
- Integration of Greater Geelong: A Clever and Creative Future into the Council Plan (currently in development phase)
- Working with Council to deliver the community-led vision Greater Geelong: A Clever and Creative Future.
### 3. Culture & People Management

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal leadership development</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>Positive Duty / Culture program</td>
<td>Ongoing (requires key milestones)</td>
<td></td>
</tr>
<tr>
<td>Workforce resource plan</td>
<td>TBD – (1) Council Plan</td>
<td>(2) Long term plan</td>
</tr>
<tr>
<td>Mentoring, coaching and leadership (L&amp;D)</td>
<td>Ongoing</td>
<td></td>
</tr>
<tr>
<td>Civic accommodation</td>
<td>TBD - Council</td>
<td></td>
</tr>
<tr>
<td>Complaints Review Framework</td>
<td>Jun 2018</td>
<td></td>
</tr>
</tbody>
</table>

**Highlights**
- New Complaints Review Framework developed
- Diversity and Inclusion audit and action plan completed
- Positive Duty sessions provided in Learning & Development calendar
- Compliance training integrated through E3 Learning Portal
- Leadership and Mentoring programs progressing
- Gender Equity report completed
- ELT/SLT meetings with leadership development
- Preferred site for civic accommodation selected.

**Focus areas for next quarter & beyond**
- Establishment of a workforce resource plan
- Customer experience framework / program dependant on 2018/18 funding
- Diversity and Inclusion Officer required to implement the Diversity and Inclusion Action Plan
- Implementation of the new Complaints Review Framework and training

**Issues / delays (to be addressed next quarter)**
- Employee Opinion Survey Action Plan signed off by Executive Leadership Team
- Interim workforce resource plan (cannot wait for service planning project).

### 4. Financial Management

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic financial review</td>
<td></td>
<td>Jun 2019</td>
</tr>
<tr>
<td>Financial Management Framework &amp; Policy</td>
<td></td>
<td>Jun 2018</td>
</tr>
<tr>
<td>Fees &amp; Charges Framework</td>
<td></td>
<td>Jun 2019</td>
</tr>
<tr>
<td>Borrowing Policy</td>
<td></td>
<td>Completed</td>
</tr>
<tr>
<td>Long term financial plan</td>
<td></td>
<td>TBD</td>
</tr>
</tbody>
</table>

**Highlights**
- Ernst & Young strategic financial review completed
- Fees and Charges Framework completed and policy adopted
- New Borrowing Policy adopted
- Budget process changes implemented.

**Focus areas for next quarter & beyond**
- Financial Management Report improvements and fast tracking of report though to Council
- New Fees and Charges framework to be implemented
- Continued implementation of new budget process
- Long term financial plan software investigation and recommendation.

**Issues / delays (to be addressed next quarter)**
- Long Term Financial Plan to be reviewed urgently (can't wait for software).
5. ASSET MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Management Review</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review</td>
<td></td>
<td>Jun 2018 - ongoing</td>
</tr>
<tr>
<td>Review property and asset management</td>
<td></td>
<td>Jun 2018</td>
</tr>
<tr>
<td>Asset Management Working Group</td>
<td></td>
<td>Set up, meeting regularly</td>
</tr>
<tr>
<td>Established Steering Committee</td>
<td></td>
<td>Dec 2017</td>
</tr>
<tr>
<td>Set project plan / recommendations</td>
<td></td>
<td>Mar 2018</td>
</tr>
<tr>
<td>Implement plan / recommendations</td>
<td></td>
<td>To commence - ongoing</td>
</tr>
</tbody>
</table>

Highlights
- Review on property assets completed
- Project working group convened
- Project lead appointed.

Focus areas for next quarter & beyond
- Move to a fully inclusive asset management operating model
- Review of roles and responsibilities across divisions and Asset Management Steering Committee
- Re-categorisation of property and assets into category / sub-category / type
- Improved leasing processes that clearly outline maintenance obligations for the tenant/licensee and council
- Introduction of the use of property management plans
- Asset sale opportunities.

Issues / delays (to be addressed next quarter)
- Integration of condition audits across all classes of assets (e.g. parks, open space and recreation assets, buildings, road infrastructure).

6. INFORMATION MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICT strategic review / implementation</td>
<td></td>
<td>Jun 2022 (ICT Strategy timeline)</td>
</tr>
<tr>
<td>ICT review of systems and processes</td>
<td></td>
<td>Complete</td>
</tr>
<tr>
<td>ICT Strategy development</td>
<td></td>
<td>Complete</td>
</tr>
<tr>
<td>Implementation of recommendations from ICT Strategy &amp; review</td>
<td></td>
<td>June 2022</td>
</tr>
</tbody>
</table>

Highlights
- ICT review completed by Deloitte
- Human resource headcount increase completed
- ICT Strategy completed
- Mapping of current state enterprise architecture completed
- Digital and ICT Governance reference group set up and terms of reference developed.

Focus areas for next quarter & beyond
- ICT Service Management software implementation and rollout to staff in February 2018
- Continued implementation of 12 recommendations (and 58 related activities) at an estimated cost of $11.75M over next five years
- Adequate resourcing - budget and human resources.

Issues / delays (to be addressed next quarter)
- Address the significant underfunding of ICT resources and strategy. Failure will see ICT fall further behind the acceptable standard.
### 7. RISK MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Timing</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></td>
<td></td>
</tr>
<tr>
<td>Risk Audit, establish strategic risks</td>
<td></td>
<td>Mar 2018</td>
</tr>
<tr>
<td>Develop Enterprise Risk Framework</td>
<td></td>
<td>TBD following appointment of Snr Enterprise Risk Advisor</td>
</tr>
<tr>
<td>Update Enterprise Risk Matrix</td>
<td></td>
<td>TBD following appointment of Snr Enterprise Risk Advisor</td>
</tr>
</tbody>
</table>

**Highlights**
- Risk audit completed
- Audit and Risk Committee established
- Senior Enterprise Risk Advisor appointed
- Risk Management Policy and Procedure, Risk Management Framework, Risk Appetite Statement and Risk Rating System endorsed by Audit and Risk Committee and the Executive Leadership Team
- OH&S resourcing increase.

**Focus areas for next quarter & beyond**
- Identify and document causes, controls, risk rating and treatment plans for identified key organisation risks
- Budget resourcing for Enterprise Risk unit.

**Issues / delays (to be addressed next quarter)**
- Duplication of effort in audit and risk management.

### 8. RELATIONSHIP & REPUTATIONAL MANAGEMENT

<table>
<thead>
<tr>
<th>Project</th>
<th>Status</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media and Communications</td>
<td></td>
<td>Ongoing</td>
</tr>
<tr>
<td>Corporate Affairs review</td>
<td></td>
<td>Jun 2018</td>
</tr>
<tr>
<td>Stakeholder matrix</td>
<td></td>
<td>Mar 2018</td>
</tr>
<tr>
<td>Community Engagement Strategy</td>
<td></td>
<td>Ongoing</td>
</tr>
<tr>
<td>Customer Service Strategy</td>
<td></td>
<td>Oct 2020</td>
</tr>
<tr>
<td>Issues Management</td>
<td></td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

**Highlights**
- Issues management process used for a number of recent issues
- Mayor and Councillor Media Engagement Policy
- Social Media and Publications Policies
- Internal Communications Plan
- New Branding Guidelines
- Customer Focus Strategy including customer service charter (17 actions to be completed over three years)
- Community Engagement Policy and Framework
- Issues Management policy pilot projects & training.

**Focus areas for next quarter & beyond**
- Require staff to implement corporate affairs review
- Resourcing required to implement the internal communications plan
- Continue to embed the Issues Management process and build capability
- Identification and implementation of recommendations from Request for Service review
- Development of community engagement tools
- Government relations and strategic partner relationships.

**Issues / delays (to be addressed next quarter)**
- Council Section 86 councillor appointments integration – integration of councillors into stakeholder relationships.
Mr Kelvin Spiller
Chief Executive Officer
City of Greater Geelong

Date:

Ms Jude Munro AO
Primary Municipal Monitor
City of Greater Geelong

Date: