



# Organisational Services

Monthly Review

> April 2016

# Contents

1.	EXECUTIVE SUMMARY .....	3
2.	SAFETY .....	4
2.1	LTIFR & LTIDR .....	4
2.2	Rehabilitation Claims .....	4
2.3	Incidents .....	5
2.4	Hazard Inspections .....	5
3.	CUSTOMER SERVICE .....	6
3.1	External Customer Services .....	6
3.2	Aquatic Facilities .....	8
3.3	IT Support .....	9
3.4	Procurement Services .....	9
3.5	Property Services .....	10
4.	PEOPLE AND CULTURE .....	11
4.1	Key Activities .....	11
4.2	Staff Contingent .....	11
5.	FINANCE .....	12
5.1	Summary Financial Position .....	12
5.2	Financial Ratios .....	12
5.3	Key Activities .....	12
6.	QUALITY .....	13
6.1	System Upgrades & Development .....	13
6.2	Process Improvements .....	13
7.	ASSET MANAGEMENT .....	13
7.1	Internal Projects .....	15
7.2	Building Maintenance .....	14
7.3	Plant Maintenance .....	15
8.	REGULATORY COMPLIANCE .....	18
3.1.	Financial Compliance .....	18
3.2.	Corporate Governance .....	18
3.3.	Performance and Risk Management .....	19
3.4.	Internal Audit .....	19

# 1. EXECUTIVE SUMMARY

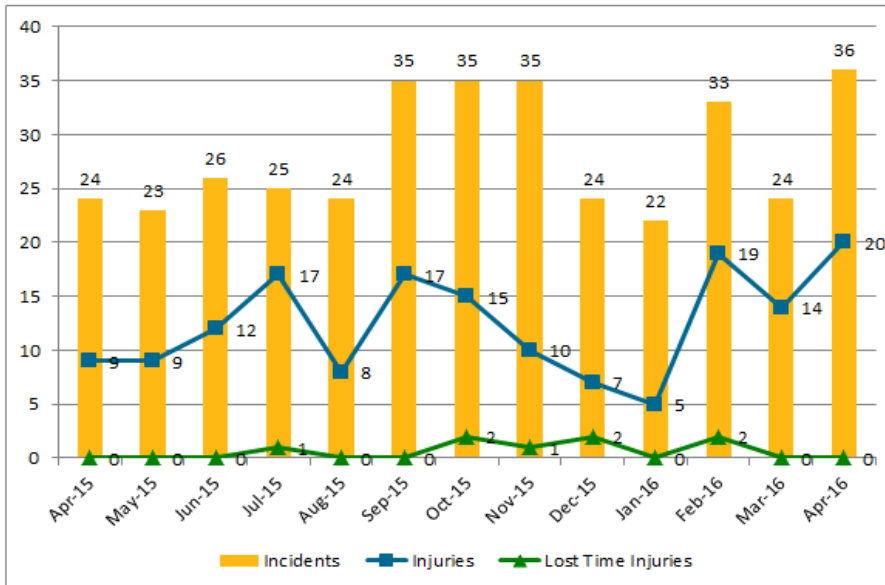
- **Primary focus for Organisational Services has been on getting the budget compiled for consideration by Councillors. Final budget papers are to be completed by end May for distribution to Councillors within regulatory timeframes.**
- **Asset Management has been working on completing the depreciation schedules which is required to close current year financials as well as for the 2016/17 budget. Changes in accounting standards and their interpretation has resulted in a potential significant increase in the depreciation charge. Work is continuing on an acceptable resolution for this issue.**
- **Governance and Safety has been coordinating the compilation of the draft Operational Plan.**
- **New Council was briefed on Organisational Services department as well as on the budget process.**
- **Work is continuing on establishing a revised set of KPIs for NAS operations.**
- **Processes established to ensure speedier communication of safety matters to senior management has progressed well, with good adoption of the process.**



A/Director Organisational Services

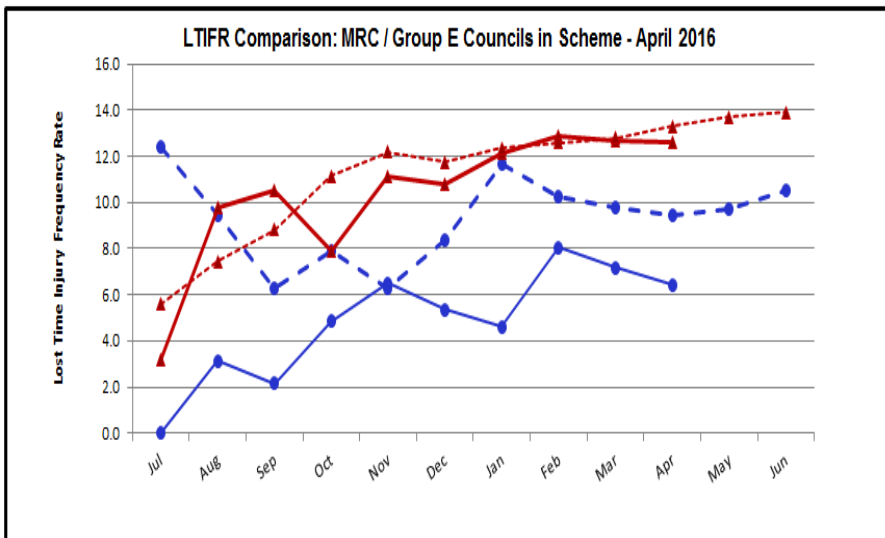
# 2. SAFETY

## 2.1 Incidents and Injuries - Total MRC



Lost time injuries continue to show a downward trend across the organisation with no LTI's for the period.

## 2.2 Lost Time Injury Frequency Rate



MRC has recorded a LTIFR below comparable Councils and below our result for the same time last year.

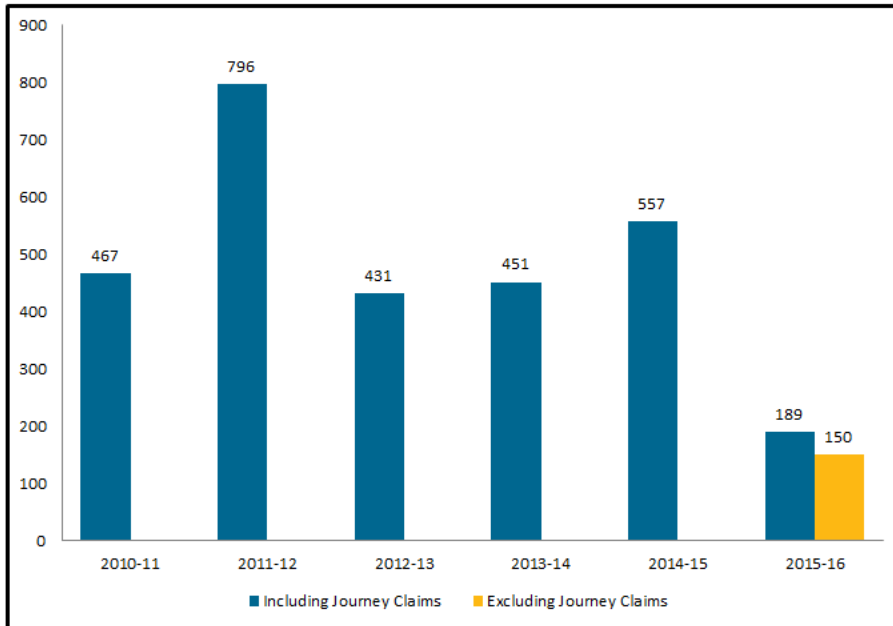
This data includes two journey claims for MRC, as journey claims are included in the data relating to the other councils.

**Legend**

MRC - This year	
MRC - Last year	

All Councils - This year	
All Councils - Last year	

## 2.3 Days lost through injury

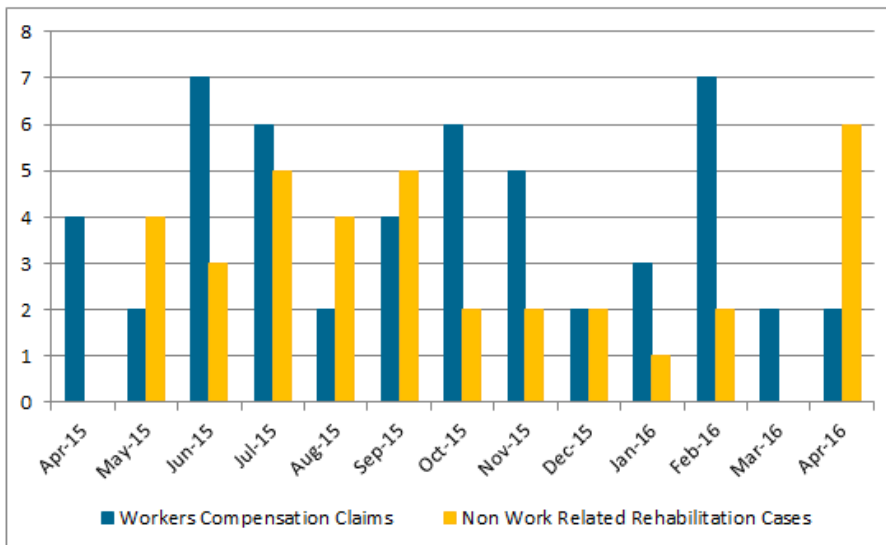


189 days have been lost year-to-date due to lost time injuries.

When the two journey claims are removed the days lost falls to 150.

Journey claims were not separately classified in previous years.

## 2.4 Workers Compensation and Non-Work Related Rehabilitation Cases



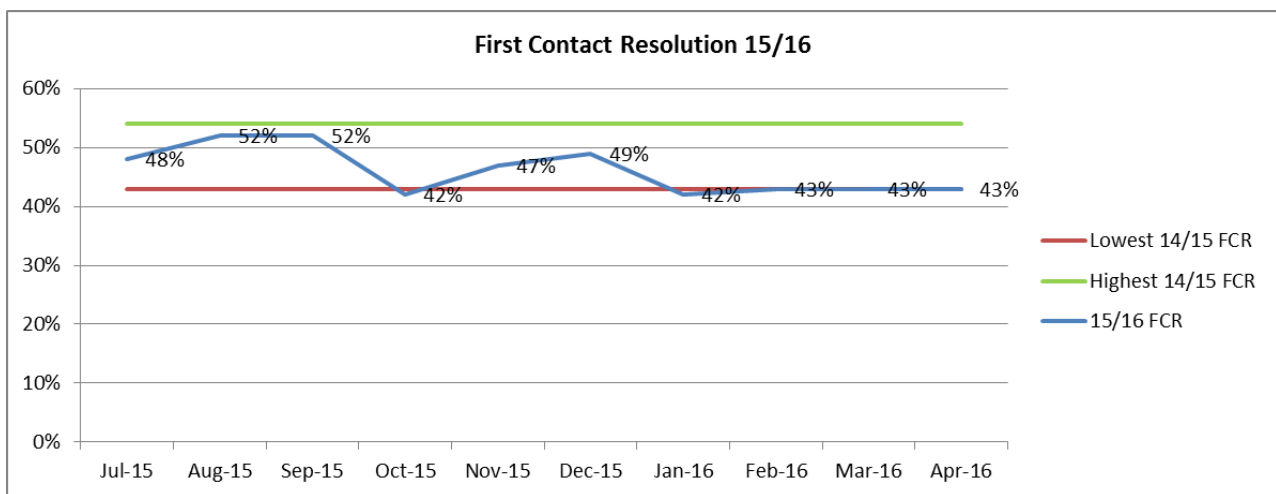
Non-work related rehabilitation cases continue to be a significant number.

# 3. CUSTOMER SERVICE

## 3.1 External Customer Services

### First Contact Resolution (FCR)

KPI	KPI Description	Target	Result
<b>First Contact Resolution (FCR)</b>	The percentage of external customer enquiries that are resolved at the first point of contact (call transfers, service requests etc. are not considered resolved from a customer perspective)	Target >=54% Satisfactory >=43%	<b>43%</b>

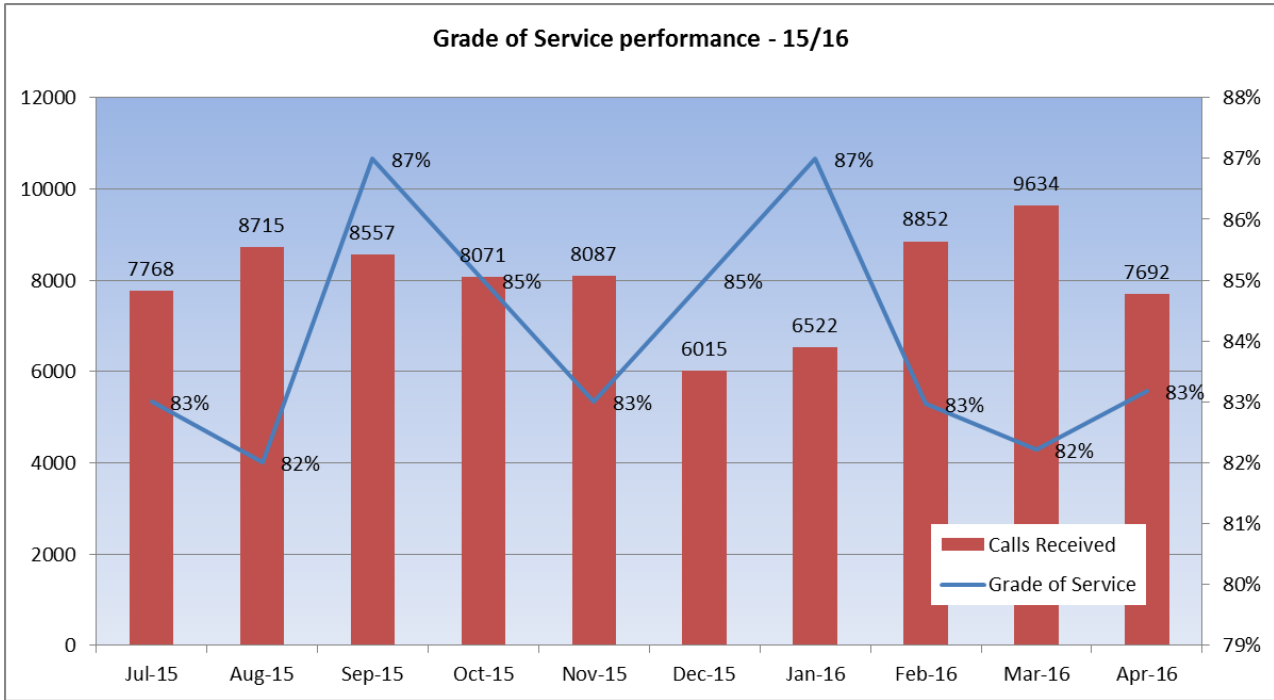


Improving this result will take time as it is directly linked to changes in business processes both within NAS and across NAS/MRC as opposed to just officer driven performance.

### Grade of Service (GOS)

KPI	KPI Description	Target	Result
<b>Grade of Service (GOS)</b>	The percentage of customer calls that are answered within 20 seconds across the NAS team. This includes all queues currently managed within NAS; Mackay Regional Council's main number, ICT Operations, plumbing and Finance.	Target >=80% Satisfactory >=34%	<b>83%</b>

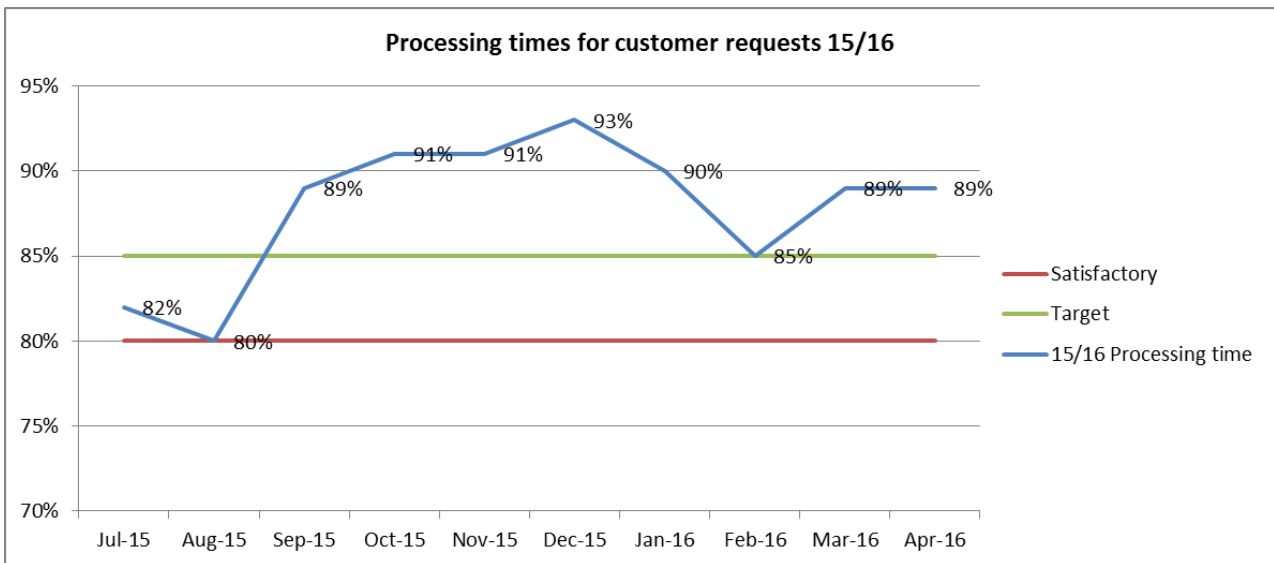
Following the March peak in call volumes as a result of the rates cycle, April 2016 demonstrated a reduction of 1,942 calls, receiving a total of 7,692 for the month (385 calls per day).



**Customer Requests**

KPI	KPI Description	Target	Result
Processing time for customer requests	Service requests resolved within corporate standard timeframes (Pathway, IS Manage Engine requests and Incidents)	Target >= 85% Satisfactory >= 80%	<b>89%</b>

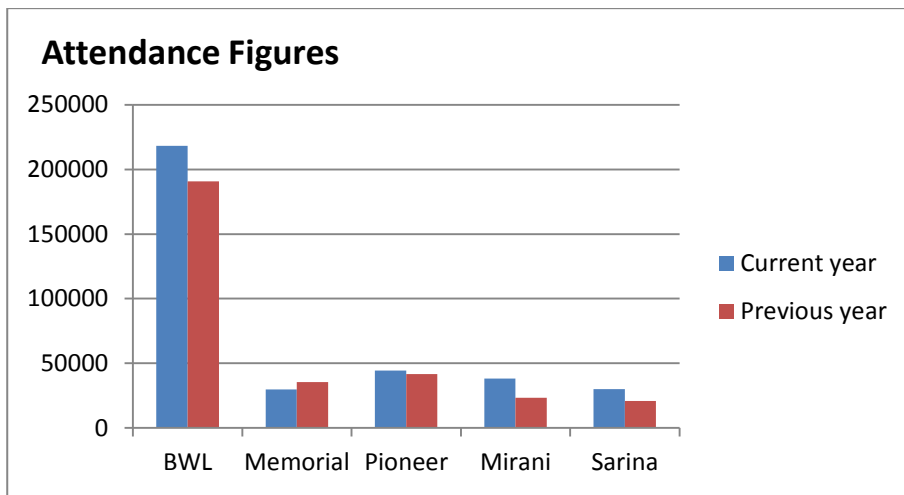
This KPI includes high volume internal / external customer requests; all Pathway customer service requests where the actioning officer is within the NAS structure (approx. 8,000pa) and IS service requests / incidents from Manage Engine (approx. 10K pa).



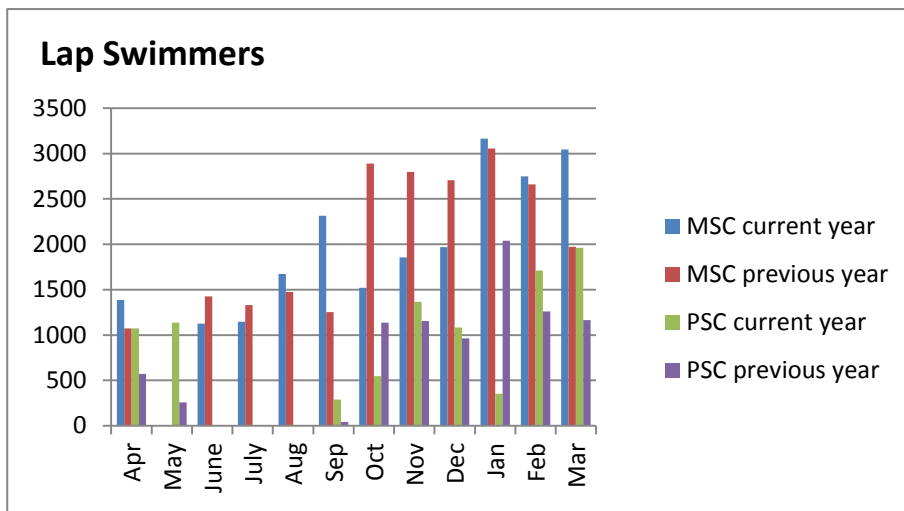
**Key Activities**

Description	Program	Status
Water Meter Reading & Billing 15/2/16 to 27/4/16. Billsto be issued 17/05/16	NAS	Timeframe <span style="color: green;">■</span> Budget n/a
Health Licence Renewals Issued 29/4/16 for 16/17	NAS	Timeframe <span style="color: green;">■</span> Budget n/a

### 3.2 Aquatic Facilities



Mirani and Sarina Swim Centres are achieving record attendances for the 12 months to date through the provision of excellent aquatic programs, swim coaching and community support.



Lap swimming numbers over the last two month period at both of the city pools shows an increase in participant numbers compared to last year.

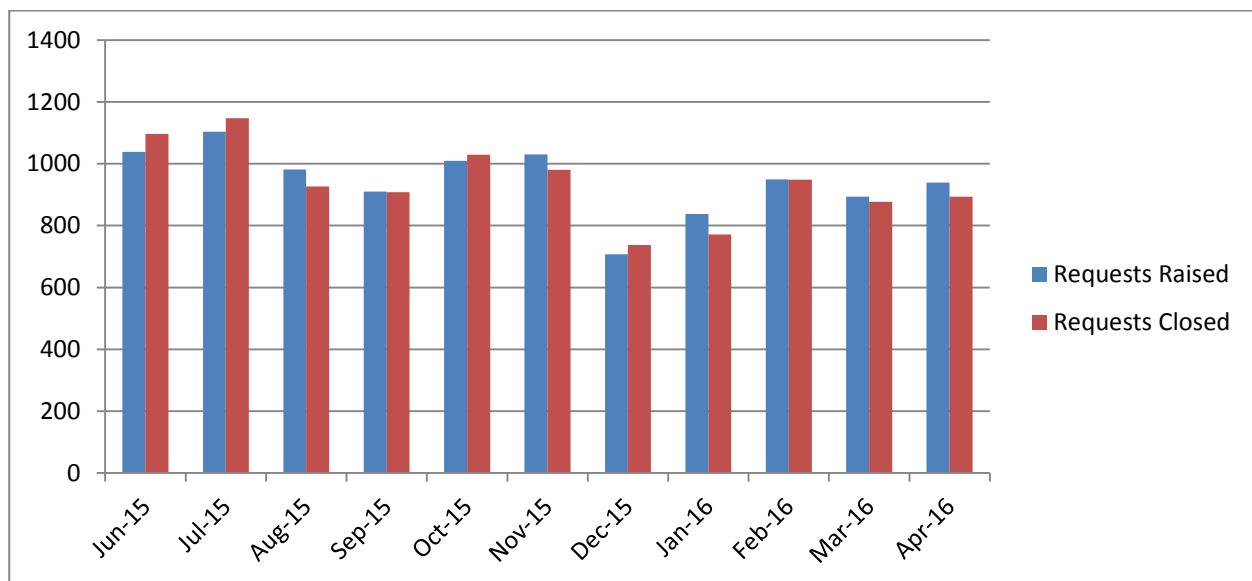


### 3.3 IT Support

#### Application and Infrastructure Availability Time

KPI	KPI Description	Target	Result
Corporate application and infrastructure availability time	Corporate applications have been defined as the Information Services managed applications used across MRC to deliver services.	Target >=98% Applications >=99% Infrastructure Satisfactory >=95%	<b>Applications = 99.9%</b> <b>Infrastructure = 99.4%</b>

#### Service Request Volumes – Raised and Closed by Month



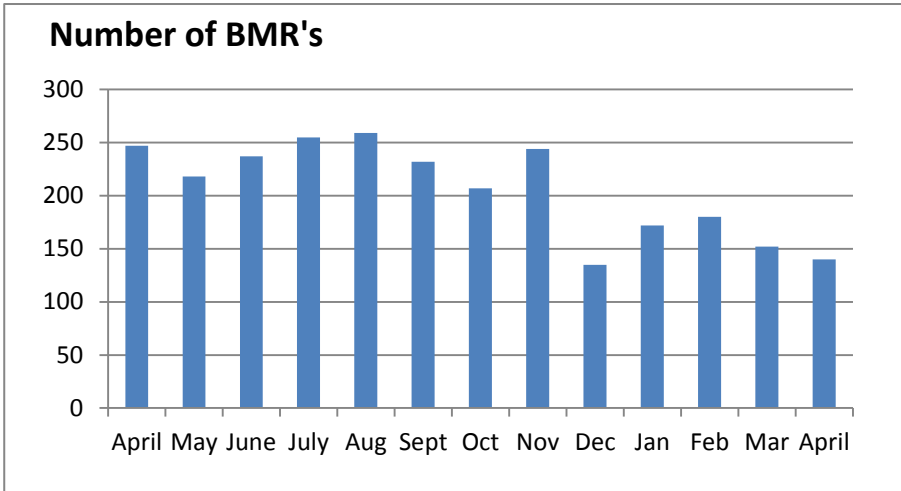
### 3.4 Procurement Services

Activity	Last Year	This Period
Purchase Orders (PO) Raised	975	760
Line Items in POs	2611	1856
POs Received	1180	925
Line Items in POs Received	4429	3261
Invoices Processed	3635	2908
Request for Quotes Issued	5	13
Tenders Issued	0	2
Tenders Awarded	3	4
Local Spend %		82%
Regional Spend % (WROC area)		87%

Implementing streamlined process for labour hire requirements. This includes process for engagement, alignment of position descriptions, compliance requirements and timesheet collation.

Contractor engagement process are also being reviewed and streamlined.





### 3.5 Property Services



Building Maintenance Requests (BMRS) April 2015- April 2016

# 4. PEOPLE AND CULTURE

## 4.1 Key Activities

Description	Program	Status
<b>EBA Negotiations</b> The amended Award has been referred back to the Queensland Industrial Relations Commission to be re-determined, and this decision means we are unable to resume talks to negotiate a new agreement until this matter is resolved.	P&C	Timeframe  Budget n/a
<b>Workforce Data Reports</b> In conjunction with Information Services a new suite of workforce data reports have been compiled for Management. These reports will be rolled out as they are finalised.	P&C	Timeframe  Budget n/a
<b>Performance Management Training</b> Miles Dolphin was awarded the contract to roll out Performance Management Training to the extended leadership in 2016.	P&C	Timeframe  Budget 

## 4.2 Staff Contingent

Status	OMC	ECI	DS	CCS	OS	Total
Full Time	8	374	164	108	173	827
Part Time		8	7	27	29	71
Apprentice/Trainees		8	10	6	14	38
Temp	1	5	4	4	16	30
Casual		9	10	81	1	101
<b>TOTAL EMPLOYED</b>	<b>9</b>	<b>404</b>	<b>195</b>	<b>226</b>	<b>233</b>	<b>1,067</b>
Vacant		27	10	8	24	69
<b>TOTAL</b>	<b>9</b>	<b>431</b>	<b>205</b>	<b>234</b>	<b>257</b>	<b>1,136</b>

Staff Contingent and number employed continue to hold steady.

# 5. FINANCE

## 5.1 Summary Financial Position

(in \$ '000)	YTD Budget	YTD Actual	Variance
<b>Total Revenue</b>	245,492,429	244,356,130	(1,136,299)
<b>Total Expenses</b>	143,524,048	127,305,537	(16,218,510)
<b>Operating Surplus (BID)</b>	101,968,381	117,050,593	(15,082,212)
<b>Depreciation</b>	56,881,849	56,881,849	0
<b>Interest</b>	8,388,879	9,146,554	757,675
<b>Net Operating Surplus</b>	36,697,653	51,022,190	14,324,537




Operating revenue behind YTD budget mainly due to lower fees and charges and sales and recoverable works. This decreased revenue is offset by a corresponding decrease in expenses. Goods and services included in Total Expenses is behind YTD budget however with committals it is expected to be close to budget.

## 5.2 Financial Ratios

	YTD	Target
<b>Operating Surplus %</b>	20.9%	0% - 10%
<b>Interest coverage %</b>	1.9%	0% - 5%
<b>Net financial liabilities %</b>	9.8%	< 60%
<b>Current ratio</b>	4.5	Between 1 and 4
<b>Asset sustainability %</b>	53.0%	> 90%
<b>Capital expenditure ratio</b>	1.25	> 1.1 times






Operating surplus % and current ratio are high due to the recognition of the second period rates revenue, leading to higher cash balances and expenses being lower than anticipated at this stage. These ratios are expected to be within target by year end. Asset sustainability is lower than target due to the large proportion of new assets not requiring renewal at this stage.

## 5.3 Key Activities





Description	Program	Status
<b>Budgets &amp; LTFF</b> Preparation of the 2016/2017 budget and Long Term Financial Forecast is well underway and on track for adoption on 22 June 2016.	Finance	Timeframe  Budget n/a
<b>Quarterly Reviews</b> The budget reviews for the 2015/2016 financial year are complete.	Finance	Timeframe  Budget n/a
<b>Statutory Reporting</b> The monthly strategic financial report for April will be adopted by council in May.	Finance	Timeframe  Budget n/a






# 6. QUALITY

## 6.1 System Upgrades & Development

Description	Program	Status
<b>Libris Awards – ePathway Solution</b> An ePathway solution has been implemented which accommodates award submissions and payments in one transaction.	NAS	Timeframe  Budget n/a
<b>Chris 21</b> Upgrade successfully completed as planned. Further update patches to be deployed in May 2016.	NAS	Timeframe  Budget 
<b>Server Infrastructure</b> Hardware installed and deployed. The new infrastructure is now in production delivering application services. Removal of previous infrastructure being completed in May 2016.	NAS	Timeframe  Budget 















## 6.2 Process Improvements

Description	Program	Status
<b>Animal Registrations Online</b> The annual animal registration renewal cycle is about to commence with renewals to be issued in late May, with a due date to take advantage of the early bird discount period of 30th June. Transformational changes have been implemented to expand the online service offerings where customers can now enter new animal registrations online, saving time and trips into Council.	NAS	Timeframe  Budget 
<b>Digitisation of Records</b> During non-peak customer contact demands the client services team registered 3075 documents into ECM and an additional 358 HCP's (House Connection Plans), the digitisation of these HCPs enables faster access to these files without the need for resource intensive hard copy document retrieval.	NAS	Timeframe n/a Budget n/a
<b>Processing of Payment Schedules</b> The client services team processed 64% of payment schedule requests at the first point of contact, offering an improved standard of service by removing the need to transfer the call to the NAS Finance team.	NAS	Timeframe n/a Budget n/a
<b>New Performance &amp; Planning Framework</b> A pilot program for the integrated performance planning and reporting framework was to be implemented June 2016; however this project has been deferred to enable program areas to focus on other priorities, including budget and 2016/17 operational plan development.	G&S	Timeframe  Budget n/a
<b>Enterprise Risk Management Review</b> Project planning is underway; recommendations have been drafted based on benchmarking against other local governments completed. Progression of this project has been suspended pending a review of its direction.	G&S	Timeframe  Budget n/a




<p><b>New Complaints Management Process</b></p> <p>Business analysis has identified that the new process is best managed by the modification of Council's existing <i>Pathways</i> system. Business processes are being mapped to facilitate the system development work.</p>	G&S	Timeframe  Budget n/a
<p><b>Review of LGAQ Legislative Compliance Tool</b></p> <p>A cost benefit analysis of adopting the new tool has indicated that the tool is preclusively resource expensive. Alternative means of improving control over legislative compliance are being explored.</p>	G&S	Timeframe  Budget n/a
<p><b>Fraud Control &amp; Prevention Project</b></p> <p>Initial project nearing completion. Fraud risk assessments of high risk areas are being progressed. The manager of Brisbane City Council's Ethical Standards Unit assisted in the delivery of a series of risk assessment workshops.</p>	G&S	Timeframe  Budget n/a
<p><b>New Business Continuity Arrangements</b></p> <p>The draft Business Continuity Framework and site-based Business Continuity Plans covering high risk areas have been completed with a view to finalisation by June.</p>	G&S	Timeframe  Budget n/a
<p><b>Improved Safety Management Systems</b></p> <p>The implementation plan for two recent external safety audits of Council's WHS systems is in the process of finalisation.</p>	G&S	Timeframe  Budget n/a


# 7. ASSET MANAGEMENT

## 7.1 Internal Projects



Description	Program	Status
<b>Asset Management System Upgrade</b> We are currently updating our current asset management system which has a step change in functionality. This project is scheduled to be delivered 1 July 2016	AM	Timeframe  Budget 
<b>Asset Management Policy</b> A draft Asset Management Policy has been developed after reviewing with key stakeholders.	AM	Timeframe  Budget 
<b>Minor Asset Policy</b> As a result of an internal Audit a minor asset policy has been developed and submitted to SLPT.	AM	Timeframe  Budget 
<b>Asset Data Collection Automation</b> This project sets a standard and automates many data collection procedures. This project is currently in the internal testing phase. Some preliminary data has been delivered from internal surveyors.	AM	Timeframe  Budget 
<b>Valuation of Water and Land Assets</b> Water and Land Assets need to be revalued for this year's audit. Work has continued in this area and will be part of the financials for FY2016.	AM	Timeframe  Budget 
<b>Residual Value</b> The Queensland Audit office has mandated that no residual value be placed on our Assets where there is no market value to realise that value. This is having a very significant impact to our financials and we are working through a solution by partnering with our engineers to align our financial modelling with actual Engineering practices.	AM	Timeframe  Budget 
<b>Asset Management Framework</b> We are currently developing a Corporate Wide Framework for Asset Management to encourage economies of scale and scope and bring standardisation to the business.	AM	Timeframe  Budget 

## 7.2 Property Services Projects

Description	Program	Status
<b>Retravisation Building</b> Review functionality in conjunction with Economic Development in preparation for possible tenancy.	PS	Timeframe  Budget n/a
<b>Civic Precinct</b> Investigating future plans with a focus on generating rent savings by moving staff from rental premises.	PS	Timeframe  Budget 

<b>MECC &amp; MEC</b> Liaise with MECC Manager for building management issues, particularly related to AC review and rectification options	PS	Timeframe  Budget n/a
---	----	---

## 7.3 Building Maintenance

Description	Program	Status
<b>Dome Tenancy and Common Area</b> Investigate and repair Air Conditioning plant and outstanding issues.	Property Services	Timeframe  Budget 

## 7.4 Plant Maintenance





Activity	Last Year	This Period
Work Orders brought forward	Unable to report on	314
Work Orders Completed	Unable to report on	1,426
Work Orders Outstanding	1,772	1,484







## 7.5 Capital Projects

Project	Program	Status
<b>Midge Point Community Hall</b> Making the hall compliant for use as a public facility	Property Services	Timeframe  Budget 
<b>Virgin Stadium</b> Stairs rectification	Property Services	Timeframe  Budget 
<b>Economic Development</b> Office upgrade	Property Services	Timeframe  Budget 
<b>Pool cars</b> Identification of designated pool car park spaces	Property Services	Timeframe  Budget 
<b>Andergrove Hall</b> A/C compound	Property Services	Timeframe  Budget 
<b>Greenmount Homestead</b> Front stairs refurb	Property Services	Timeframe  Budget 
<b>Bob Wood Hall Sarina</b> Upgrades (Ladies toilets, Bar Area, Internal repaint)	Property Services	Timeframe  Budget 






<b>Andergrove Hall</b> A/c installation	Property Services	Timeframe  Budget 
<b>Melba House</b> External repaint	Property Services	Timeframe  Budget 

## 7.6 Land & Tenure





Description	Program	Status
<b>Greenknoll Road Pleystowe</b> Trustee Permit issued to T & D Muscat for grazing purposes over Council Trustee Land	Property Services	Timeframe  Budget n/a
<b>Kucom Theatre</b> Sorting out issues with lease area in Snow Wright Court.	Property Services	Timeframe  Budget n/a
<b>Citibeach Volley</b> One year option exercised	Property Services	Timeframe  Budget n/a
<b>Brodies Rd Mt Charlton</b> Lease enquiry received for grazing. Investigations commenced	Property Services	Timeframe  Budget n/a

# 8. REGULATORY COMPLIANCE







## 8.1 Financial Compliance

Description	Program	Status
Manage capital and operational budgets to achieve the benchmark Local Government financial sustainability ratios, including the operating surplus, net financial liabilities, and asset sustainability ratios.  Measure: Completion of Long Term Financial Forecast including applicable ratios	Finance	Timeframe  Budget n/a
Provide relevant and useful information to Council, stakeholders and clients. Measure: Production of monthly strategic financial reports	Finance	Timeframe  Budget n/a
Provide relevant and useful information to Council, stakeholders and clients. Measure: Number of high risk audit issues	Finance	Timeframe  Budget n/a







## 8.2 Corporate Governance








Description	Program	Status
<b>Delegations</b> All delegations updated and approved by Council. Review of authorised persons delegation commenced. New procedure implemented and Notice of Financial Delegation being prepared to be issued to all relevant staff.	G&S	Timeframe  Budget n/a
<b>Right to Information</b> Four Right to Information Applications received during April. These cover a very large number of documents necessitating a negotiated reduction in scope with the applicant and an extension of time.	G&S	Timeframe  Budget n/a
<b>Complaints &amp; Investigations</b> The following complaints have been completed within this reporting period: 1 Queensland Ombudsman Referrals, and 3 Penalty Enforcement Reviews	G&S	Timeframe  Budget n/a
<b>Policy Review</b> Updating of all policies due for review substantially progressed; work is continuing to ensure that all Policies are up to date.	G&S	Timeframe  Budget n/a
<b>Insurance</b> 18 insurance claims have been processed within this reporting period:	G&S	

## 8.3 Performance and Risk Management

Description	Program	Status
<p><b>Operational Plan</b></p> <p>3<sup>rd</sup> Quarter Review of the Operational Plan has been finalised in preparation for Council briefing and adoption in May.</p> <p>The development of the draft 2016/17 Operational Plan will be finalised in preparation for the SLPT and Council briefings in May, and subsequent Council adoption in June.</p>	G&S	Timeframe  Budget n/a
<p><b>Strategic Risk Register</b></p> <p>The most recent bi-monthly review of the Strategic Risk Register has been approved by SLPT in preparation presentation to the Audit and Risk Advisory Committee (ARAC) on 5 May 2016.</p>	G&S	Timeframe  Budget n/a
<p><b>Emergency Response Arrangements</b></p> <p>The project to improve Councils emergency response arrangements has progressed under the guidance of the newly formed Emergency Planning Committee. Project recommendations are near completion and should be finalised during May 2016.</p>	G&S	Timeframe  Budget 
<p><b>Employee Influenza Immunisation</b></p> <p>Immunisation has been scheduled over the first 2 weeks of May. Immunisations are offered at Mirani, Sarina, Paget and Mackay.</p>	G&S	Timeframe  Budget 

## 8.4 Internal Audit

Audit	Status	Schedule
Outsourced Management of Swimming Pools	Completed	Timeframe  Budget n/a
Corporate Travel and Authorisation	Completed	Timeframe  Budget n/a
Managing Social Media Risk	Completed	Timeframe  Budget n/a
Contract Management Framework	Completed	Timeframe  Budget n/a
Infrastructure Charges – Review closed and will be considered for 2016/17 plan	Completed	Timeframe  Budget n/a
Trust Funds	Completed	Timeframe  Budget n/a

Local Government Act and Regulations Compliance	Completed	Timeframe  Budget n/a
Fraud Risk Assessments	In Progress	Timeframe  Budget n/a
Fraud Risk Management	In Progress	Timeframe  Budget n/a
Emergency Management and State Emergency Service Administration	In Progress	Timeframe  Budget n/a
Rates	Not Commenced	Timeframe  Budget n/a
Procurement	Not Commenced	Timeframe  Budget n/a
Long Term Financial Planning Framework	Not Commenced	Timeframe  Budget n/a