



Organisational Services

Monthly Review

> February 2017

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1. EXECUTIVE SUMMARY

During this month the implementation of a new operating model for the Northern Australia Services (NAS) program was commenced. As part of this the program name was also changed to Shared Services Centre (SSC) as this better reflects and communicates what the team does day to day. The number of aspects of the new model were conceptualised by front line staff and the model is stronger with valuable input. The SSC had a busy month, with rate notices issued and the usual call traffic spikes, but despite this our KPIs were mostly exceeded.

Safety continues to be our priority, and despite our continued strong performance in this area, our goal is to improve further. We will also apply equal focus to the nominally “safer” workplaces in our Directorate as we cannot relax and believe we are immune from injury. Across Council this financial year our incidents have sometimes been in seemingly innocuous “safe” environments and we need to be more vigilant.

Even though it is still relatively early in the year, we are already turning our focus to reviewing the 2018 Apprentice and Trainee Program with a view to increasing the opportunities for people with barriers to employment. The review outcomes are planned to change the process for the 2018 intake which commences with advertising in July 2017.

Negotiations for a new EBA have continued in February, however bargaining has been temporarily suspended until the new Award is available for review as the detail contained in the framework may impact key bargaining points. At this stage, we hope to have access to the Award shortly and we are still confident of our original target of a new agreement in place by 1 July 2017.

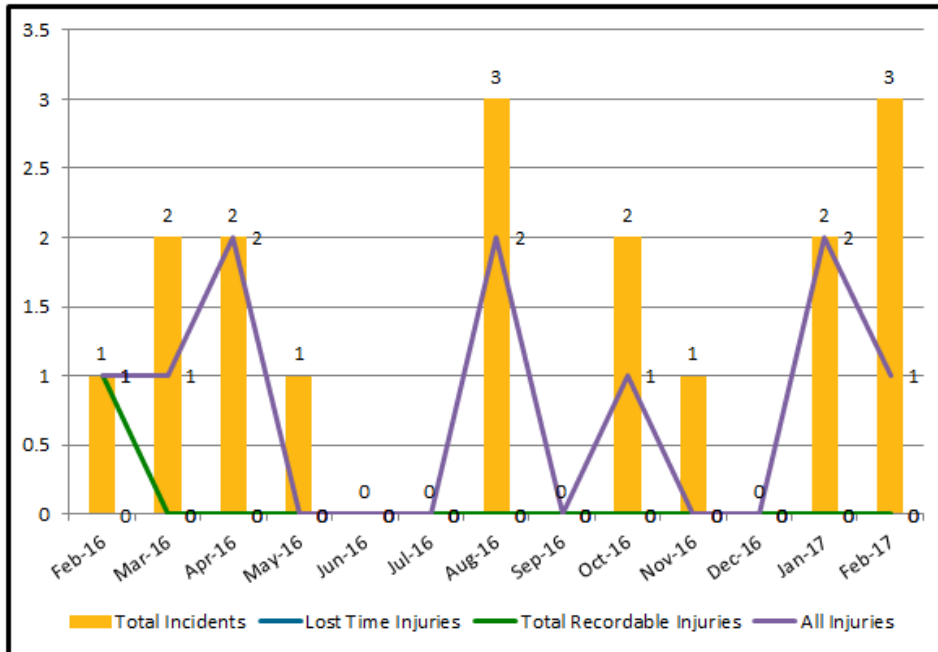
Council's financial results at year end also remain a focus, with the previous months trend of significant pressure on our bottom line due to revenue reductions continuing. Significant work has been undertaken as evidenced by the outcomes in the December quarter budget review and there is still a lot of work to do in the lead up to the end of the financial year. My finance team and all our colleagues Council wide will continue to focus on our financial performance and enact strategies to reduce expenditure.



Andrew Knight
Director Organisational Services

2. SAFETY

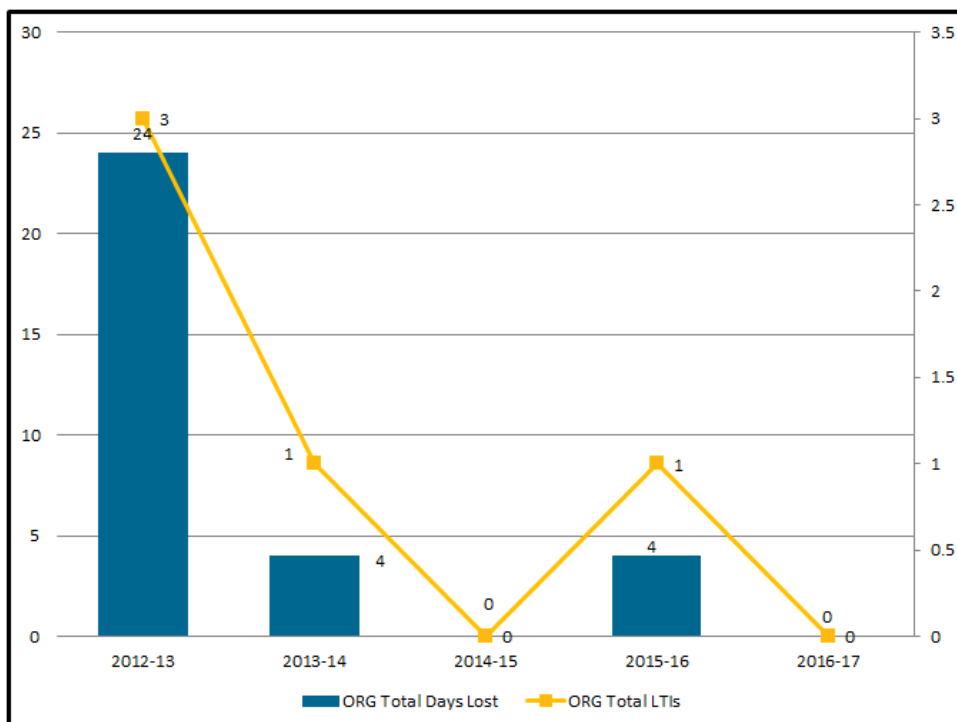
2.1 Incidents and Injuries



One injury to an Organisational Services employee was reported in February. This involved minor scalding from using hot water to make a cup of coffee.

Each incident is investigated and appropriate corrective measures implemented, to reduce future risks.

2.2 Lost Time Injuries & Days Lost



There have been no LTI's recorded in the 2016-17 financial year for Organisational Services.

| Department | 2012-13 | | 2013-14 | | 2014-15 | | 2015-16 | | 2016-17 | |
|--------------------------------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|----------|-----------|
| | LTI | Days Lost | LTI | Days Lost | LTI | Days Lost | LTI | Days Lost | LTI | Days Lost |
| Assets | | | | | | | | | | |
| Finance | 1 | 19 | 1 | 4 | | | | | | |
| NAS | | | | | | | 1 | 4 | | |
| Procurement & Plant | 2 | 5 | | | | | | | | |
| Property Services | | | | | | | | | | |
| Governance & Safety | | | | | | | | | | |
| Office of the Mayor & CEO | | | | | | | | | | |
| Organisational Services | 3 | 24 | 1 | 4 | 0 | 0 | 1 | 4 | 0 | 0 |

Glossary

| | |
|---------------------------------|---|
| Incident | Any unplanned event resulting in, or having a potential for injury or ill health. |
| Lost Time Injury (LTI) | Incidents that resulted in a fatality, permanent disability or time lost from work of one day / part of a day or more |
| Total Recordable Injuries (TRI) | Incidents that result in a Lost Time Injury (LTI), Suitable Duties Injury (SDI) and Medical Treatment Injury (MTI) |

3. CUSTOMER SERVICE

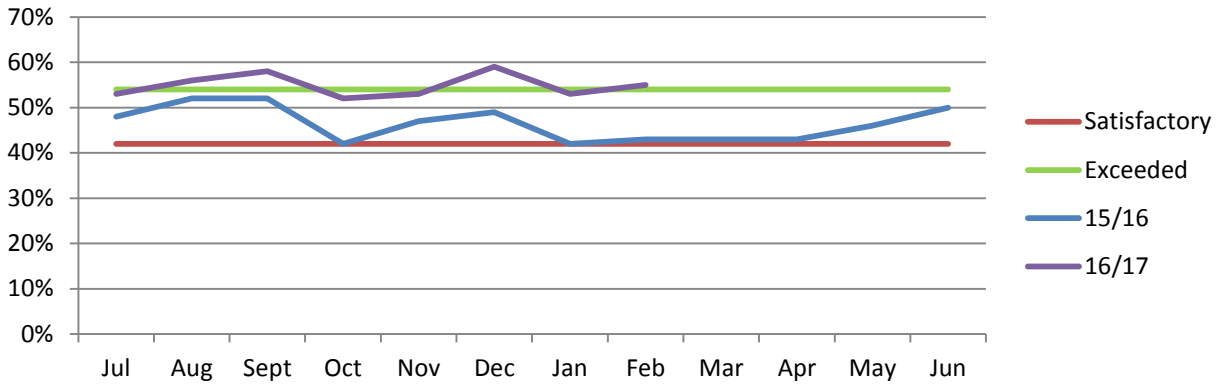
3.1 External Customer Services

| KPI | KPI Description | Target | | | Result |
|---------------------------------------|--|--------------------|--------------------|----------------------|--------------|
| | | Red (Under KPI) | Green (Met KPI) | Blue (Exceed KPI) | |
| First Contact Resolution (FCR) | The percentage of external customer enquiries that are resolved at the first point of contact. | < 42% | 42-54% | < 54% | 55% |
| Grade of Service (GOS) | The percentage of customer calls that are answered within 60 seconds across the NAS team. | < 80% | 80-85% | > 85% | 82% |
| Abandoned Calls | The percentage of customers that abandon their call before being served. | > 6% | 4.5-6% | < 4.5% | 3.52% |
| External Customer Satisfaction | A measure of customer satisfaction as reported by the end of call survey | < 80% | 80-85% | > 85% | 96% |
| Customer Request Completion | Service requests resolved within corporate standard timeframes | < 80% | 80-85% | > 85% | 94% |

KPI Graphs and Commentary

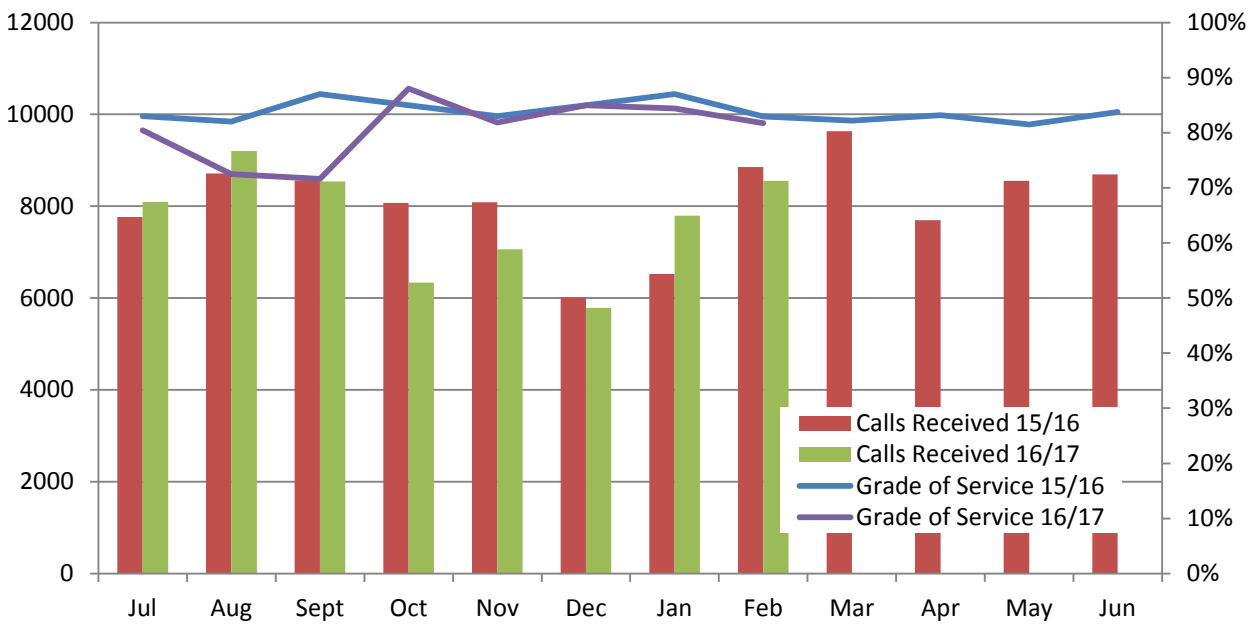
First Contact Resolution: FCR results remain high, with 55% of customer queries resolved at first contact in February.

First Contact Resolution



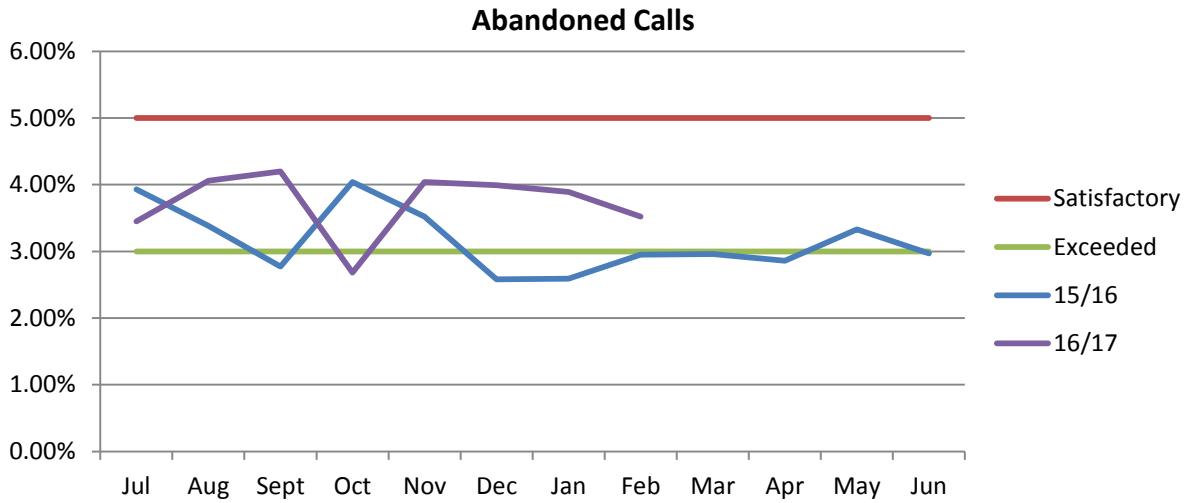
Grade of Service: A total of 8852 calls were received in February, averaging 428 per day (compared to 390 per day in January), a total increase of 760 calls. The issuing of rates notices influenced call volumes to MRC during this period.

Grade of Service

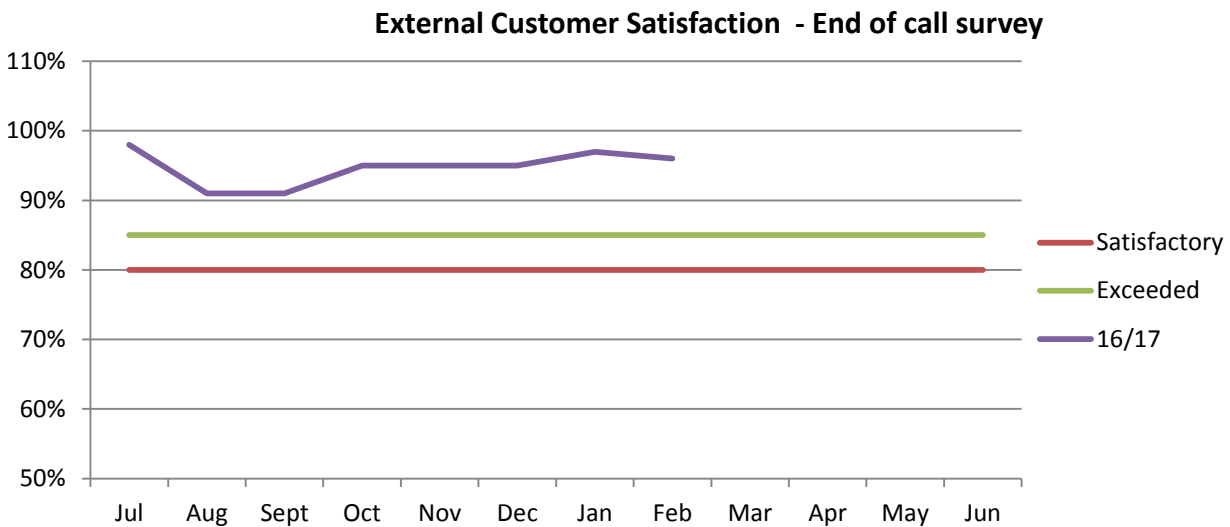


** Note: The measure changed in October 2016 to % of calls answered within 60 seconds. The months prior represent the past measure of % of calls answered within 20 seconds.*

Abandoned Calls: The volume of overall abandoned calls remained consistent with 301 calls abandoned, representing 3.52% of calls. This was a reduction from 3.89% of calls in January. There was a slight increase in average wait times from 47 seconds to 67 seconds. The callback take up rate remains consistently low each month at just 1.2% of callers availing of this service in February.



External Customer Satisfaction: An average of 15 surveys were completed per day, totalling 290 for the month. This is a good increase from last month, where a total of 184 were completed.



Customer Request Completion: Shared Service Centre (SSC) requests increased by 9 per day (a total increase of 174), with resolve times remaining consistent at 94% for February (93% in January). MRC requests increased by 8 per day (a total increase of 150), with resolve times remaining consistent at 82%.

| | Lodged | Resolved within SLA |
|------------------|--------|---------------------|
| MRC Total | 3598 | 82% |
| SSC | 582 | 94% |

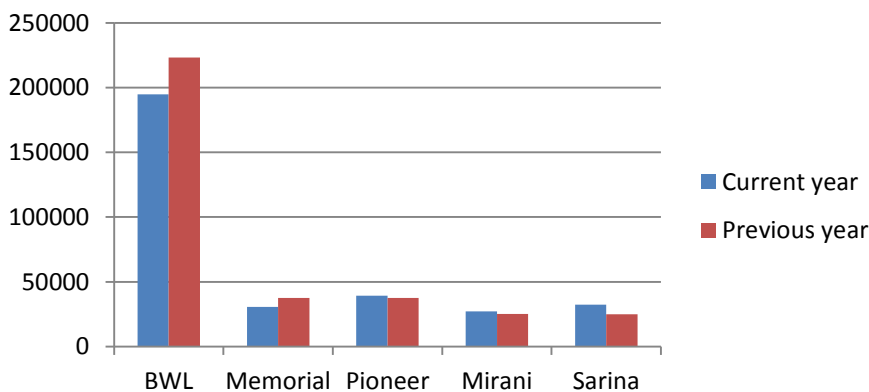
Requests where a SCC officer is responsible for actioning the request made up 16% of all requests in February.

| MRC Top 5 Pathway requests Lodged February 2017 | Volume | % of total requests |
|---|--------|---------------------|
| Replace wheelie bin | 252 | 7.00% |
| Repair wheelie bin | 212 | 5.89% |
| Roads - General | 171 | 4.75% |
| Change of mailing address | 169 | 4.70% |
| Tree Maintenance | 154 | 4.28% |

The top 5 request types lodged in February are consistent with past months.

3.2 Aquatic Facilities

Attendance Figures



Sarina Pool has produced another record 12 month attendance period for the facility

For the first year on record all tank pools (Memorial, Mirani, Pioneer, and Sarina) each recorded patronage for the month of January in excess of 3,000 per facility.

3.3 IT Support

Internal Service Metrics

| KPI | KPI Description | Target | | | Result |
|---------------------------------------|--|--------------------|--------------------|----------------------|--------|
| | | Red (Under KPI) | Green (Met KPI) | Blue (Exceed KPI) | |
| Incident Resolution | Percentage of incidents resolved within corporate standard timeframes | 80% | 80-85% | 85% | 81.7% |
| Service Request Resolution | Percentage of service requests resolved within corporate standard timeframes | 80% | 80-85% | 85% | 81.1% |
| Internal Customer Satisfaction Survey | IT email survey - % of customers whose experience met or exceeded expectations | 75% | 75-84% | 85% | 82.8% |

Applications Availability

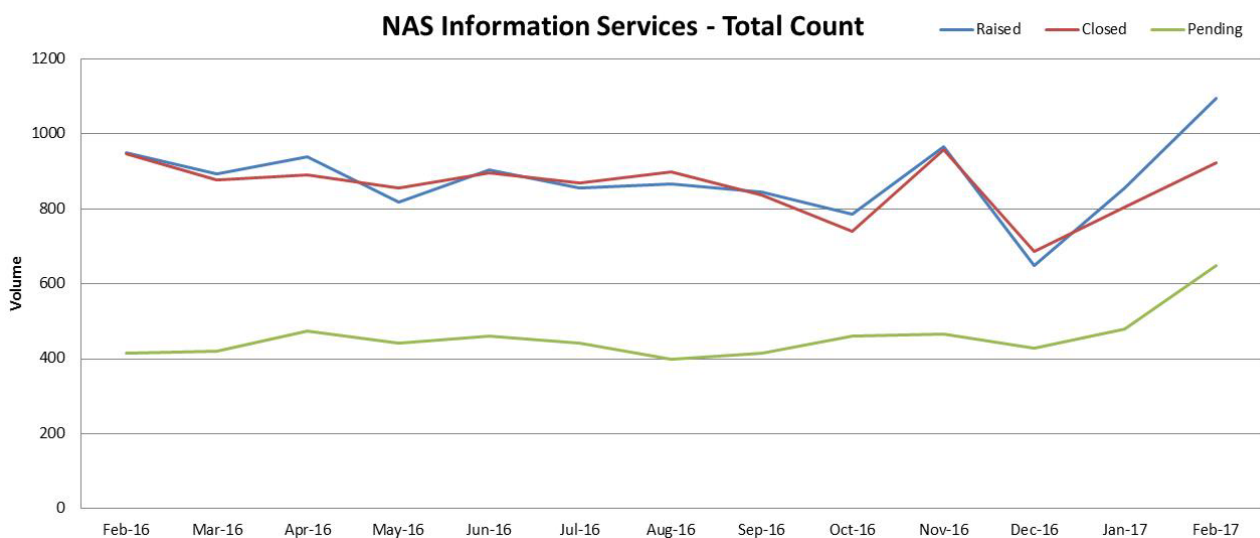
| KPI | KPI Description | Target | | | Result |
|---|--|--------------------|--------------------|----------------------|---------------|
| | | Red (Under KPI) | Green (Met KPI) | Blue (Exceed KPI) | |
| Tier 1 Systems – Applications Availability | Refer to the table under 'KPI Commentary' section below for detail on which systems are included in each tier. | < 95% | 95-98% | ≥ 98% | 99.99% |
| Tier 2 Systems – Applications Availability | | < 95% | 95-98% | ≥ 98% | 99.99% |
| Tier 3 Systems – Applications Availability | | < 95% | 95-98% | ≥ 98% | 100% |

KPI Commentary

Incident and Service Request Metrics: Incidents and Services have slightly improved in the resolution KPI % being met for incidents, however Services have reduced. This is due to the following: -

- A continued focus applied to backlog of incidents and services resulted in older requests where a resolve breach had already been recorded being closed, this impacting the % met resolve.
- Focus to aligning with revised Capital Program of Works for current FY and achieving delivery. This is a priority assignment of resource as these projects are key enablers to delivering a higher quality product/service, which will result in a reduction in incidents (main contributor to the % met resolve reduction).
- The restructure work within the Shared Services Centre has created an increased number of automated requests as changes are applied and made within Chris21 environment.
- The focus on the Capital Program of works delivery has created an increased number of service requests for infrastructure involvement.

The below chart identifies the Raised Vs Closed and Pending requests.



Internal Customer Satisfaction: During the month of February, 451 survey responses were received, which represents 45% of the requests and incidents lodged.

Applications Availability: The below table shows which corporate applications are considered tier 1 and 2. All other systems not specifically noted are considered tier 3.

| <i>Tier 1</i> | <i>Tier 2</i> | <i>Tier 3</i> |
|--|-----------------------------|---------------|
| ECM Email Finance One GIS Internet Kiosk_Chris21 Pathway | Aurora Bruce Mandalay | Manage Engine |

3.4 Key Activities

| Activity | Program | Timeframe | Comments |
|---|---------|-----------|---|
| NAS Future Operating Model and rebrand to Shared Services Centre (SSC) | SSC | ★ | Along with the implementation of a new operating model on 27 February, the internal program name of Northern Australia Services (NAS) was also changed to Shared Services Centre (SSC). Teams that are now operating under this new model include: Customer Service, Business Support, Billing Services and Payment Services, with Development Support and Information Services to follow in March and April respectively. |
| Rates Notices Issued | SSC | ★ | 52,830 rates notices were issued on 13/02/17, due for payment on 15/03/17. |
| Water Meter Reading | SSC | ★ | Water meter reading commenced on schedule on 27/02/17. Notices are due to issue 08/05/17. |

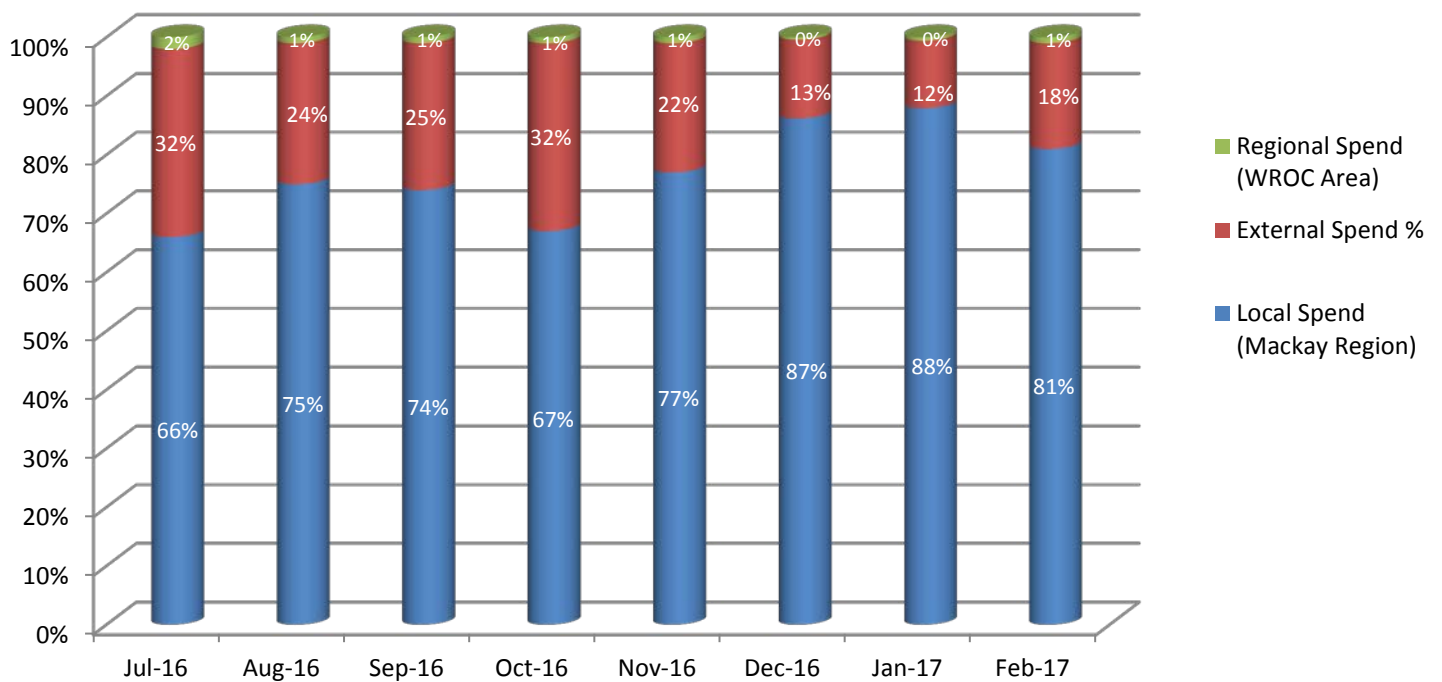
3.5 Procurement Services

| Activity | February 2016 | February 2017 |
|-----------------------------|---------------|---------------|
| Purchase Orders (PO) Raised | 887 | 707 |
| Line Items in POs | 2327 | 1876 |
| POs Received | 982 | 966 |
| Line Items in POs Received | 3613 | 3991 |
| Invoices Processed | 3070 | 3495 |

| | | |
|---------------------------|---|----|
| Request for Quotes Issued | - | 20 |
| Tenders Issued | - | 6 |
| Tenders Awarded | - | 8 |
| Quotes Awarded | - | 10 |

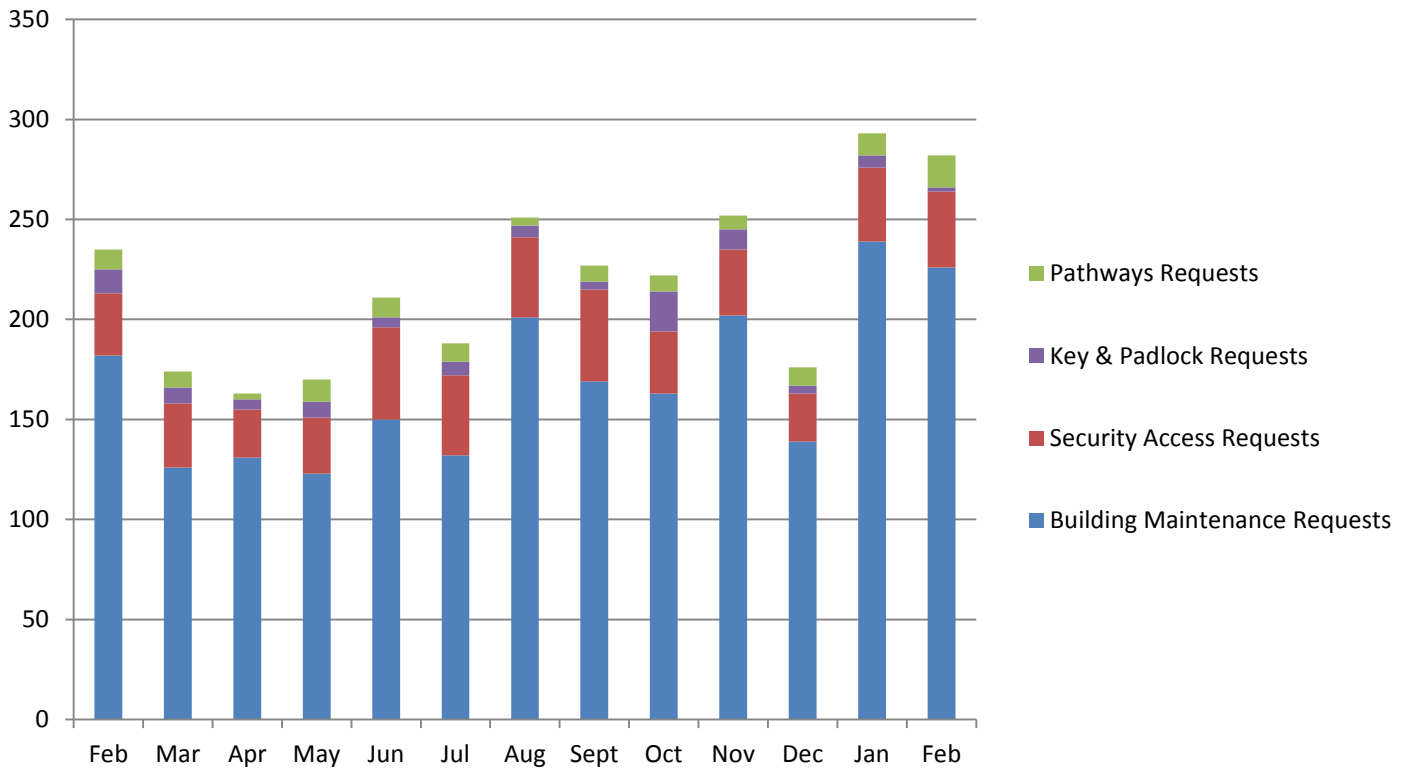
| Area | Monthly Amount February 2017 | Monthly % | FYTD Amount | FYTD % |
|-----------------------------|------------------------------|-----------|---------------|--------|
| Local Spend (Mackay region) | \$4,172,654 | 81% | \$218,949,727 | 78.93% |
| Regional Spend (WROC area) | \$ 41,782 | 1% | \$ 1,182,477 | .43% |
| External Spend | \$ 947,876 | 18% | \$ 57,266,474 | 20.64% |

Area Monthly Spend %



3.6 Property Services

Actioned Property Services Requests









| Breakdown of Building Maintenance Requests Actioned - February 2017 | Volume | % of total requests |
|---|--------|---------------------|
| Miscellaneous | 70 | 30.97% |
| Plumbing | 49 | 21.68% |
| Electrical | 47 | 20.80% |
| Repairs | 44 | 19.47% |
| Air conditioning | 13 | 5.75% |
| Safety & Legislation | 3 | 1.33% |

Of the total number of Building Maintenance Requests received for the month of February (226), the top 3 requests related to Miscellaneous (including furniture, signage, cleaning, security, consumables), Plumbing and Electrical.

4. PEOPLE AND CULTURE

4.1 Key Activities

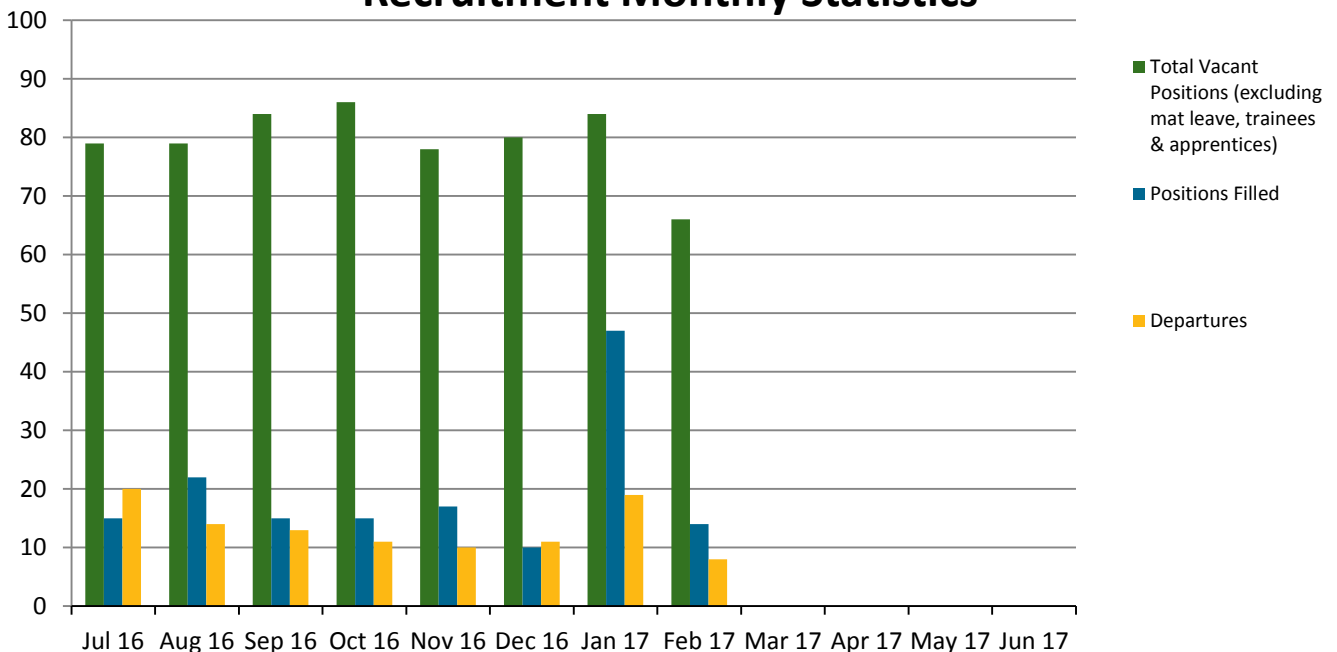
| Activity | Program | Timeframe | Comments |
|--|---------|---|--|
| EBA Negotiations | P&C |  | <p>The most recent Single Bargaining Unit (SBU) meeting was conducted on Wednesday-Thursday 14-15 February 2017.</p> <p>The underpinning Award has not yet been approved. This is expected in March 2017.</p> <p>Bargaining has been temporarily held over until the Award is approved and released as it may impact key bargaining points.</p> <p>There is no expected delay in completing the new agreement for an effective date of 1 July 2017.</p> |
| Training | P&C |  | <p>A review has commenced into the Apprentice and Trainee Program with a view to increasing the opportunities for people with barriers to employment. The review outcomes are planned to change the process for the 2018 intake which commences with advertising in July 2017.</p> |
| People & Culture Team Structure | P&C |  | <p>All roles in the P&C team are now filled:</p> <ul style="list-style-type: none"> • Senior People and Culture Advisor role is filled by Lauren Rovelli. • Organisational Development Coordinator role is filled by Avril Curtis. • Industrial Relations Advisor remains filled by Heath Thiele. <p>The team is now realigning responsibilities and accountabilities and engaging with the Shared Services team.</p> |
| Cultural Development Plan | P&C |  | <p>The current plan has been revised and a DRAFT outline strategy for 2017-2020 is planned for SLPT review in early March with a FINAL DRAFT strategy planned for mid-April.</p> <p>This strategy will also link with several other P&C strategies such as leadership development, learning and development, diversity and inclusion, and health and wellbeing.</p> |
| HR Strategy | P&C |  | <p>An outline of elements of the strategy will be presented to SLPT in mid-March and a DRAFT strategy is expected by mid-April 2017.</p> |
| Health and Wellbeing Strategy | P&C |  | <p>The Safety and Wellbeing Strategy and Action Plan was released with Part 3 being the Health and Wellbeing elements, predominantly accountabilities for P&C.</p> <p>An outline of elements of the strategy will be presented to SLPT in mid-March and a DRAFT strategy is expected by mid-April 2017.</p> |

4.2 Staff Contingent

| Status | OMC | ECI | DS | CCS | OS | Total | Prev. Mth. |
|-----------------------|----------|------------|------------|------------|------------|-------------|-------------|
| Full Time | 7 | 369 | 167 | 107 | 179 | 829 | 826 |
| Part Time | 1 | 9 | 6 | 26 | 29 | 71 | 67 |
| Apprentice/Trainees | 0 | 6 | 13 | 8 | 11 | 38 | 40 |
| Temp | 0 | 2 | 6 | 8 | 11 | 27 | 31 |
| Casual | 0 | 8 | 14 | 82 | 4 | 108 | 110 |
| TOTAL EMPLOYED | 8 | 394 | 206 | 231 | 234 | 1073 | 1074 |
| Vacant | 0 | 26 | 7 | 21 | 10 | 64 | 81 |
| TOTAL | 8 | 420 | 213 | 252 | 244 | 1137 | 1155 |

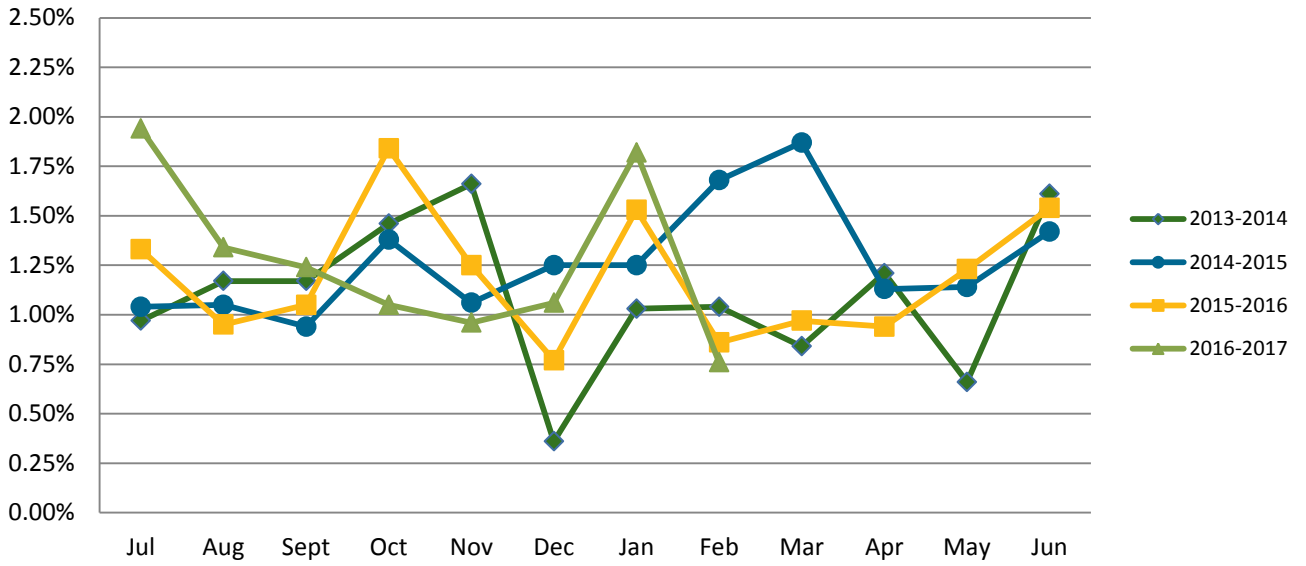
The decrease in the staff contingent figure reflects the change in the number of vacancies due to the review and deletion of dormant roles not being recruited to (see recruitment report). Other than that the numbers remain steady for this month.

Recruitment Monthly Statistics



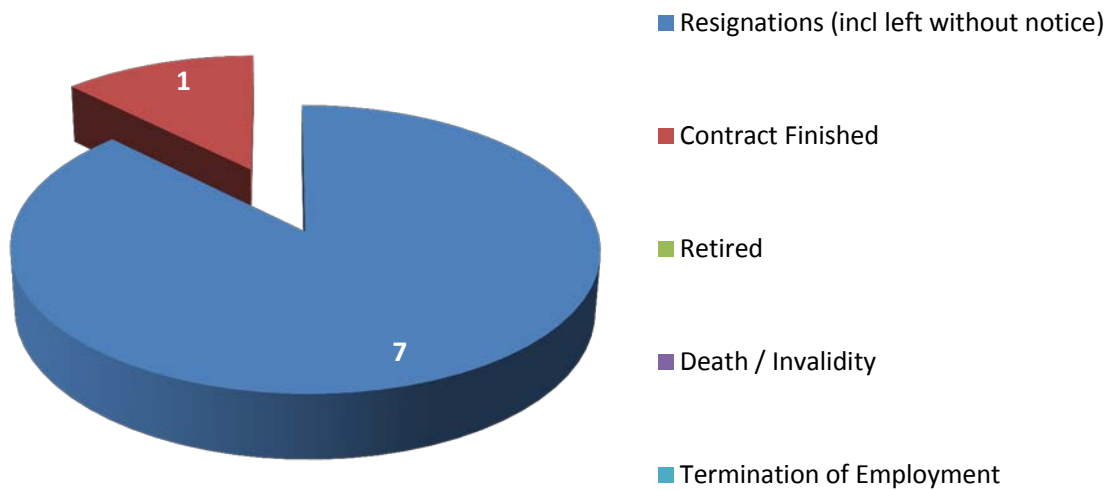
Significant decrease in vacant roles largely due to the review to assess dormant roles that are not being actively recruited to. This review will continue to occur to assess whether current demand warrants immediate replacement.

MRC Turnover



No abnormalities to report.

February 2017



No abnormalities to report.

5. FINANCIAL PERFORMANCE

5.1 Summary Financial Position

| (in \$ '000) | YTD Budget | YTD Actual | Variance |
|--------------------------------|----------------|----------------|--------------|
| Total Revenue | 226,782 | 226,217 | (565) |
| Total Expenses | 106,750 | 101,082 | (5,668) |
| Operating Surplus (BID) | 120,032 | 125,135 | 5,103 |
| Depreciation | 48,857 | 48,857 | 0 |
| Interest | 5,956 | 5,970 | 14 |
| Net Operating Surplus | 65,219 | 70,308 | 5,089 |

Operating revenue is currently behind YTD budget mainly in relation to timing in relation to rates and water consumption and waste disposal fees being lower than anticipated. This is being offset by lower than anticipated operating expenses which will continue to be monitored.

5.2 Financial Ratios

| | YTD | Target |
|------------------------------------|-------|-----------------|
| Operating Surplus % | 31.1% | 0% - 10% |
| Interest coverage % | 1.5% | 0% - 5% |
| Net financial liabilities % | -7.2% | < 60% |
| Current ratio | 4.9 | Between 1 and 4 |
| Asset sustainability % | 38.5% | > 90% |
| Capital expenditure ratio | 0.81 | > 1.1 times |

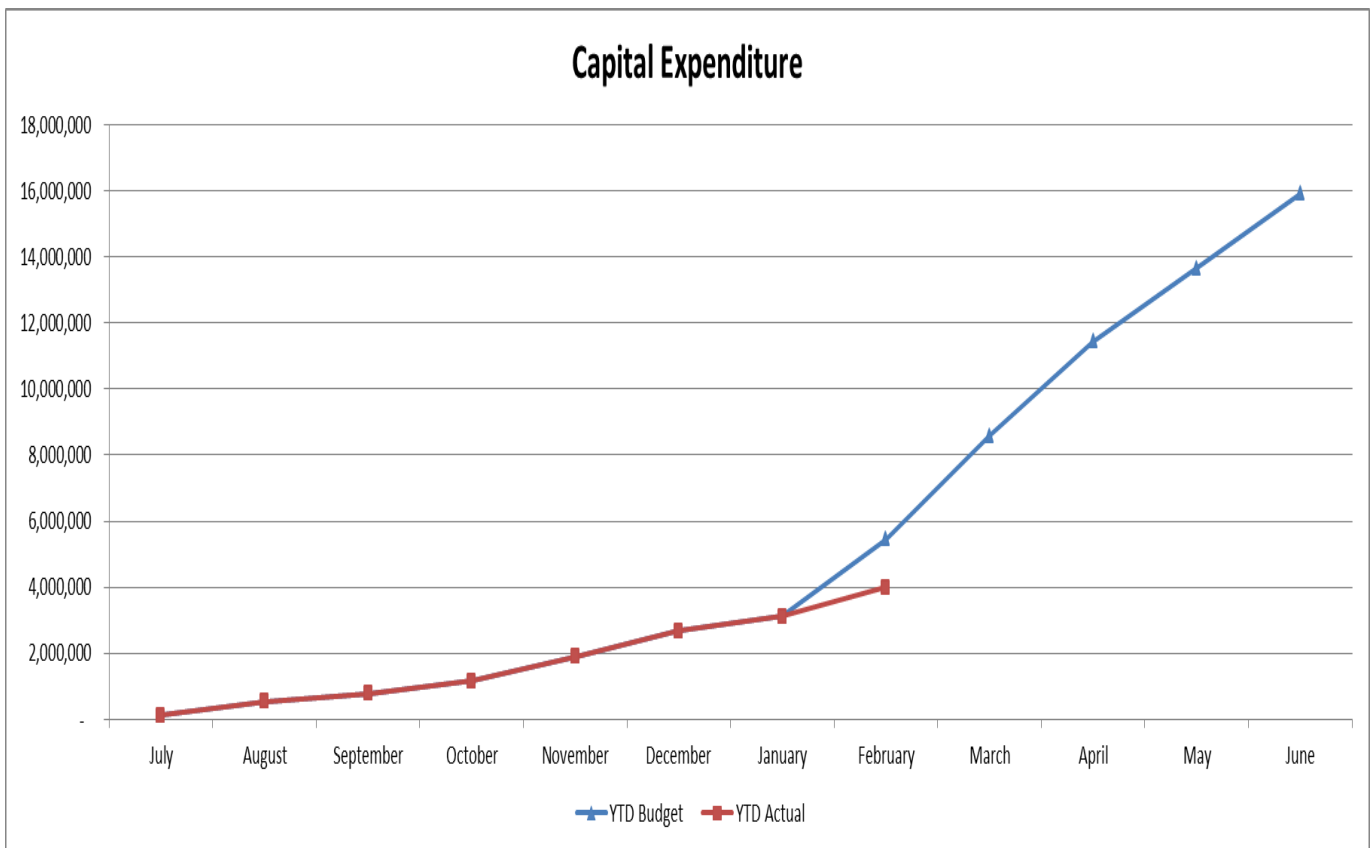
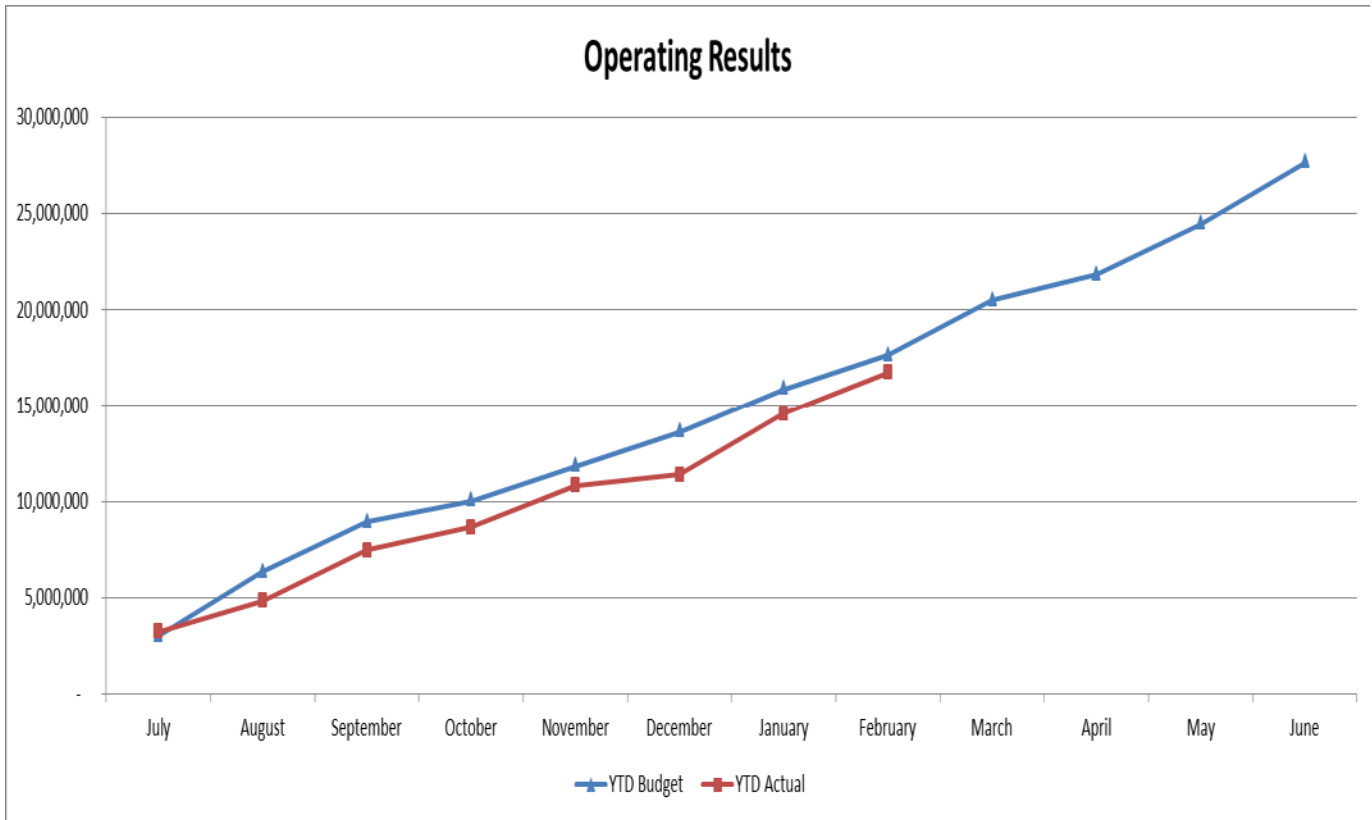
During the financial year the ratios are distorted due to the timing of payments and the recognition of revenue. These ratios will adjust during the year to better reflect targets.

The asset sustainability ratio is not forecast to reach target due to council's relatively new asset base, resulting in a low risk of requiring significant spends on renewals.

5.3 Program Financial Position

- Actuals more than 10% over Budget
- Actuals between 5% and 10% over Budget
- Actuals between 5% over and 10% under Budget
- ▲ Actuals between 10% and 50% under Budget
- ▲ Actuals more than 50% under Budget

| <u>Operating Result</u> | <u>YTD Budget</u> | <u>YTD Actual</u> | <u>Variance</u> | <u>%</u> | <u>Comments</u> |
|--|-------------------|-------------------|--------------------|------------|---|
| 3.01 - Organisational Services Management | 247,294 | 235,442 | (11,852) | 95% | On Track |
| 3.02 - People & Culture | 540,878 | 450,161 | (90,717) | 83% | Some CDP related activities are on hold until SLPT reviews the CD Strategy on 7 March. |
| 3.03 - Financial Services | 1,372,081 | 1,291,105 | (80,976) | 94% | On Track |
| 3.04 - Procurement & Plant | (3,394,741) | (2,614,048) | 780,693 | 77% | On track with fleet due for arrival in March. |
| 3.06 - Governance & Safety | 2,523,422 | 2,484,746 | (38,676) | 98% | On Track |
| 3.07 - Asset Management | 511,186 | 552,490 | 41,304 | 108% | Variance is due to December budget review and off setting the forecasted expenses budget. |
| 3.11 - Property Services | 5,070,689 | 5,022,328 | (48,361) | 99% | On Track |
| 7.01 - Shared Services Centre Management | 1,955,847 | 1,795,023 | (160,824) | 92% | On Track |
| 7.02 - Shared Services Centre Employees | 5,985,169 | 5,119,576 | (865,594) | 86% | Savings per partnership model |
| 7.03 - Shared Services Centre Information Services | 2,830,853 | 2,396,369 | (434,484) | 85% | Spreading issue - expect this gap to close over the coming months |
| TOTAL OPERATIONAL | 17,642,678 | 16,733,190 | (909,488) | 95% | On Track |
| 3.04 - Procurement & Plant | 4,363,224 | 2,641,343 | (1,721,880) | 61% | On Track with fleet due for arrival in March |
| 3.07 - Asset Management | 2,438 | 2,438 | - | 100% | On Track |
| 3.11 - Property Services | 260,767 | 482,517 | 221,750 | 185% | Projects are On Track to return to budget at year end. |
| 7.03 - Shared Services Centre Information Services | 823,406 | 859,787 | 36,380 | 104% | On Track due to reforecasting activity recently completed. |
| TOTAL CAPITAL | 5,449,836 | 3,986,086 | (1,463,750) | 73% | On Track |



5.4 Key Activities

| Activity | Program | Timeframe | Comments |
|----------------------------|---------|-----------|---|
| Budgets & LTFF | Finance | ★ | The 2017/2018 budget is well underway. Program Managers have submitted budget requests. These will be collated and presented to SLPT in March. |
| Statutory Reporting | Finance | ★ | The monthly strategic financial report for January was presented to council in February. |
| Rates | Finance | ★ | Rates notices for 2 nd half year were issued in February. Discount applies until 15 March 2017. Approved pensioners have until 14 June 2017. |

6. BUSINESS IMPROVEMENT

6.1 Business Improvements

| Description | Program | Timeframe | Comments |
|--|---------|-----------|---|
| Enterprise Risk Management (ERM) Review | G&S | ★ | New suite of strategic risks approved and available to inform relevant components of the 17/18 budget process. Procedures for ERM now support the annual review of strategic risks taking place at the commencement of each annual budget processes. Documentation of procedures and policy for all ERM activities is underway. |
| Policy Review Project | G&S | ★ | The Policy Review Project process is continuing with all policies identified for review being sent to management team for actioning. |
| New Complaints Management Process | G&S | ★ | The development and implementation of this project has been finalised and it is now operational. |
| Emergency Control Organisation | G&S | ★ | This project to established emergency preparedness and response arrangements across council has been finalised and is now operational. |
| Safety and Wellbeing Strategy | G&S | ★ | This project was completed with implementation of the related Safety and Wellbeing Action Plan now being progressed. |
| Fraud Prevention eLearning Module | SSC | ★ | A Fraud Prevention eLearning module has been developed in partnership with the SSC Learning and Development team and Governance & Safety. This replaces previous face-to-face delivery and will form part of the MRC Compliance Training library as well as the on-boarding library for new starters. |





7. PROJECTS

7.1 Internal Projects




OPEX Projects

| Project | Program | Budget | Timeframe | Comments |
|---|---------|--------|-----------|---|
| Bridge and Culvert Audit | AM | ★ | ★ | Asset Management system has been configured to accept mobile data capture of major culverts. |
| Asset Valuation Planning | AM | ★ | ★ | The Buildings asset class is being revalued for the FY2017 financial statement. The request for quotes have gone out, and expect to begin the process in March. |
| Flood Mitigation and Stormwater Strategy | AM | ★ | ★ | Validation of current asset data and line work for the Northern Stormwater areas will be completed in March. |
| Road Signage | AM | ★ | ★ | Roads Asset owners have requested addition detail of roads signs to assist in their maintenance. 26,000 road sign technical detail has been documented by a university student over his Christmas break and will be available in Assetic Cloud with potential of integration. |
| Asset Ownership Fundamentals | AM | ★ | ★ | As part of an audit of our corporate assets, we have met with all asset owners to determine if we have a complete and accurate register and to review the financial asset hierarchy. A report summarising these meetings is being prepared. |
| Air Conditioning and Cleaning Tenders review | PS | ★ | ★ | Air Conditioning due for finalisation Sept 17 (release Jul 17), Cleaning Jul 17. Cleaning tender has been updated and being reviewed for release April 17. |
| Entertainment Centre Capital Projects review | PS | ★ | ★ | Reviews underway via Fire & Hydraulic Engineer. Business case 17/18 compiled. (approx. \$1.5M) 16/17 Capital budget of \$400,000 - scope of 16/17 works finalised by end March 17. |
| Ergon Access keys | PS | - | ★ | Allocations of types of keys to be completed (for Budget purposes). Possible variation to some of these via Ergon processes to install Digital and remote read meters. |

7.2 Capital Projects




| Project | Phase | Project % Completion | Budgeted Project Cost \$ | Actual Spent \$ | Time | Comments |
|--|--|----------------------|---|-----------------|---|--|
| Office refurbishments for 42 Wellington Street and Gordon Street and City Library re-development. | 42 Wellington Street and Gordon Street complete. Old City Library design. | 50% | Budgeted \$339,428 Budgeted \$667,350 For CLB | \$283,348 |  | 42 Wellington Street and Gordon Street refurb complete. Old City Library - GHD is compiling scope of works for Tender. Mostly finished, waiting on scope of works for the foyer which has now been funded by "Works for Qld". |
| Council car parking | Design and consultation | 80% | -- | - |  | Waiting on vehicle commuter use policy finalisation. Have vehicle stickers and signage templates ready. |
| Gordon White Library office refurbishment | Construction | 95% | \$102,000.00 | \$7,028 |  | Final data cabling installation to be completed on 3 March and restoration of the wall penetration where the book return was removed at the old City Library is expected to be completed by 10 March. This will finalise the construction phase and Property Services involvement. |
| Artspace shop and gallery upgrade | Construction | 60% | \$110,000 | \$19,276 |  | Works commenced on site on 27 February. The ceiling has been removed; Unistrut anchor points are being installed. AV equipment starts arriving on 1 March. Construction of the reading hub and retail shop have commenced at Black Duck. Carpets in the office areas will be replaced on 4 March. Foyer carpets to be replaced late May. |

| Project | Phase | Project % Completion | Budgeted Project Cost \$ | Actual Spent \$ | Time | Comments |
|---|------------------|----------------------|--|-----------------|------|---|
| SES Facility at Ness Street | Design / Tender | 15% | \$586,010.00 | \$24,250 | 🌟 | Build design anticipated March for tendering of works March/April. Underground fuel tank project allocated to successful contractor. Project due to commence 1 April (post wet season). |
| Heritage Asset Management Plan for the Greenmount Homestead | Construction | 85% | \$27,000 | \$17,010 | 🌟 | Heritage Asset Management Plan complete, rectification works underway. |
| Mirani and Sarina depot wash bays | Design | 15% | \$909,536 | \$24,934 | 🌟 | Design to be completed 10 March, tender March – April. |
| Removal of number 5 and 7 Goldsmith Street houses | Council approval | 30% | Some return to council will be generated | \$109 | 🌟 | Property Services have completed the Tender evaluation and a letter of recommendation has been sent by Procurement to Council for a decision. |
| Ness Street Depot dilapidation report | Complete | 100% | \$16,000 | - | 🌟 | Works complete. |
| MECC electrical boards | Construction | 80% | \$50,500 | \$32,736 | 🌟 | Majority of works complete, awaiting product supply following total recall of initial equipment supply. |
| Plant Replacement Program | Ongoing | 56% | \$9,728,598 | \$5,427,275 | 🌟 | Ongoing work required in relation to consultation, issuing quotes and purchasing fit for purpose plant and equipment. |
| ECM / Finance 1 Ci Anywhere Enterprise content management system and financial system upgrades to enable functional improvements in integration and mobility. | Implementation | 40% | \$901,080 | \$242,261 | 🌟 | Formalised testing scripts/scenarios have been completed allowing reuse for training content and future operating procedures. eLearning development has commenced, and consultation sessions with ECM super user community underway in readiness for User Acceptance Testing. |

| Project | Phase | Project % Completion | Budgeted Project Cost \$ | Actual Spent \$ | Time | Comments |
|--|----------------|---|--------------------------|-----------------|---|--|
| Firewall Phase 2 | Implementation | 85% | \$215,452 | \$48,505 |  | Implementation of industry leading firewall providing additional security and improved management control. |
| Exchange Online Movement of email to industry standard provision, offering improved, secure mobile access. | Implementation | 33% | \$333,633 | \$177,284 |  | Final detailed planning for migration is underway. Completion of Firewall phase 2 allows enhancement to external network provision for large data content migration. Implementation effort with vendor underway. |
| Windows 10 Standard Operating Environment / Internet Explorer 11 / Office 2016 Movement to industry standard provision and improvements in security and corporate application integration. | Implementation | Windows 10 20% IE11 75% Office 2016 30% | \$127,750 | \$6,820 |  | Pilot test groups have been identified and are underway with structured testing. ECM / Finance1 Ci Anywhere testing to be conducted with these product sets in a model office environment. |

8. REGULATORY COMPLIANCE

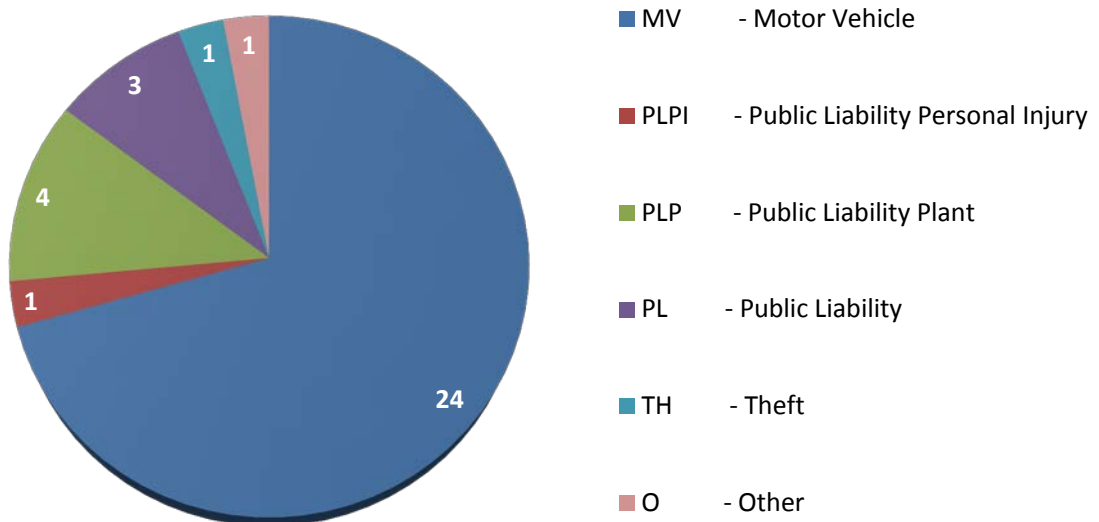
8.1 Financial Compliance

| Description | Program | Timeframe |
|---|---------|---|
| 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 |  |
| Provide relevant and useful information to Council, stakeholders and clients. Measure: Production of monthly strategic financial reports | Finance |  |
| Provide relevant and useful information to Council, stakeholders and clients. Measure: Number of high risk audit issues | Finance |  |

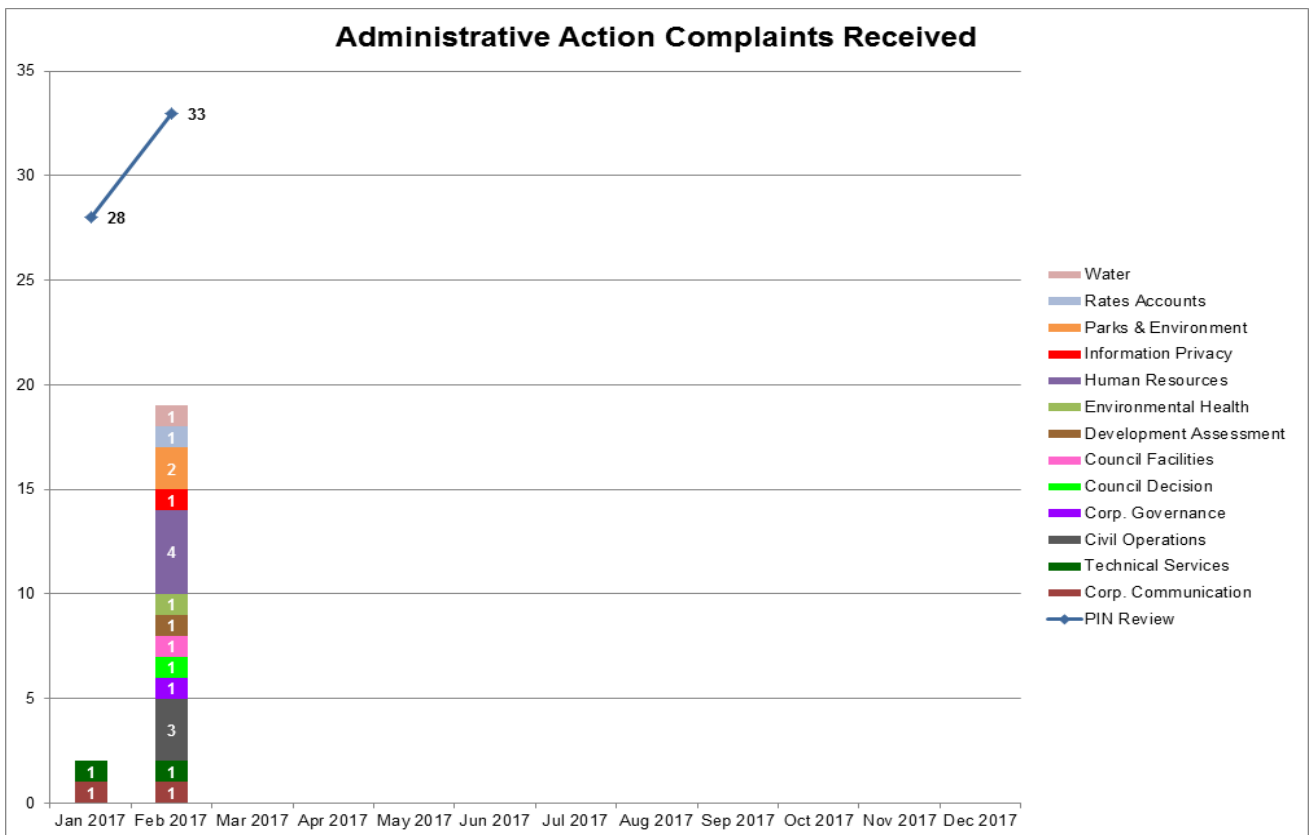
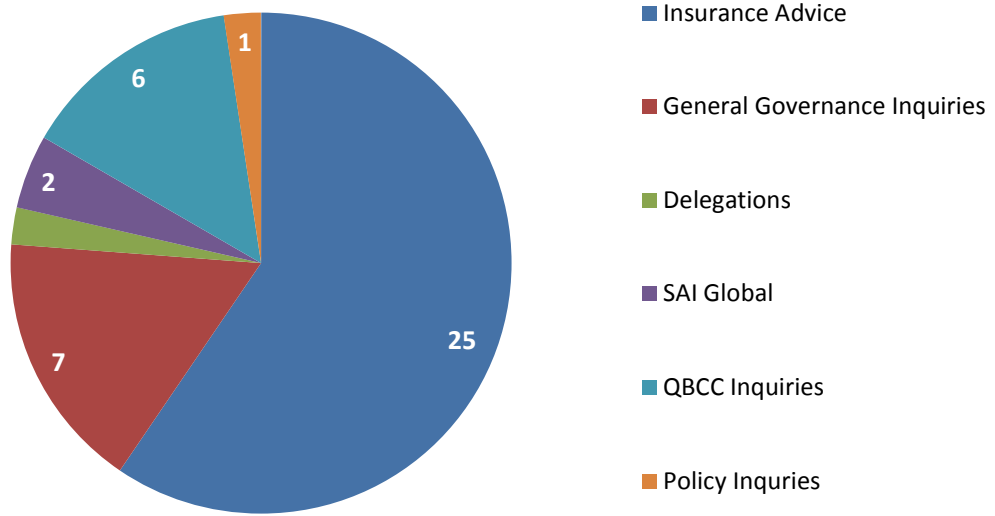
8.2 Corporate Governance

| Activity | Program | Comments |
|-------------------------------------|---------|--|
| Right to Information | G&S | <ul style="list-style-type: none"> 1 RTI Application carried over from January 2017. <ul style="list-style-type: none"> - Application was in relation to a motor vehicle accident at corner of Boundary and Cowleys Road. No RTI Applications were received during February. 1 Application completed during February. |
| Policy reviews | G&S | <ul style="list-style-type: none"> 9 policy reviews finalised during February. |
| Corporate Governance Investigations | G&S | <ul style="list-style-type: none"> 2 internal reviews completed consisting of <ul style="list-style-type: none"> - 1 PIN review regarding animal management; - 1 Insurance review |
| Fraud and Corruption Control | G&S | <ul style="list-style-type: none"> A new learning and development training program was developed to be rolled out to all staff. |

Insurance Claims Received - February 2017







General Governance Inquiries - February 2017



* The above graph indicates the number of administrative action complaints received and the complaint types as recorded in the Complaint Management System (CMS).

8.3 Internal Audit

| Internal Audit Reviews Underway | Status | Time | Comments |
|--|-------------|---|---|
| Lease Management <ul style="list-style-type: none"> Review the management of leases to ensure compliance and identify potential inefficiencies | In Progress |  | Scoping stage complete. Fieldwork in progress. |
| Cyber Security <ul style="list-style-type: none"> Review adequacy of controls in place to identify, respond and recover from cyber security events. | In Progress |  | Selection of an external provider to undertake this review is complete. In light of number of projects currently in progress in IT, the commencement of review has been postponed to May. |
| Community Grants and Sponsorships <ul style="list-style-type: none"> Review the adequacy of systems and procedures in place for the advertising, awarding of and validation of Community Grants & Sponsorship. | Final Stage |  | <p>The fieldwork has been completed, with the draft report being prepared for management review in March.</p> <p>The diversity and complexity of grants and sponsorships across Council has resulted in the timeframe being extended.</p> |
| Conflict of Interests –Councillors <ul style="list-style-type: none"> Review the systems and processes in place for the management of councillor conflict of interest. | Final Stage |  | The fieldwork has been completed, with the draft report being prepared for management review in March. |

| Other Internal Audit Activity | Comments |
|------------------------------------|---|
| 2016-17 Internal Audit Plan | Other audits to be conducted in 2016/17 include: <ul style="list-style-type: none"> Legislative Compliance Major venues |

9. LAND & BUILDINGS

9.1 Building Maintenance

| Description | Program | Budget | Timeframe |
|--|---------|--------|-----------|
| Upgrade to Lighting at Ness Street Depot above sand bag machines, 8 new weather resistant fluro fittings have been installed with new wiring to provide sufficient lighting for night time work. | PS | ★ | ★ |
| Sarina Depot Administration building switchboard. The switch board at Sarina depot attached to the administration building has been re-wired to prevent circuit breakers from tripping all the time. | PS | ★ | ★ |
| Works completed at the old Retravision building for new tenants. This involved constructing 3 new walls, demolishing a ramp internally and building a new set of stairs inside the building. | PS | ★ | ★ |
| Major water leak at Paget has been successfully isolated and repaired. | PS | ★ | ★ |

9.2 Land & Tenure

| Description | Program |
|---|---------|
| Middle Creek Dam Usage - Consultation and outcome. A trial calendar is to be implemented for community and ski club usage for 2017. | PS |
| Sugarshed Road property encroachments and informal land usage investigated with positive outcomes moving forward. | PS |
| Trustee lease awarded to ATSICHS for the 9 River Street, Mackay premises. | PS |
| Mt Vince Rifle range site investigations commenced. | PS |
| Lease inspections commenced for Lessees in Snow Wright Court, Mackay Rowing Club and Mackay Canoe Club | PS |
| Preparation has begun into holding a Property Management/Land Tenure Workshop here in Mackay for other Councils in our region. Workshop to be held in April | PS |