GLADSTONE
REGIONAL COUNCIL

2018 / 2019 OPERATIONAL PLAN
END OF YEAR REPORT – JUNE 2019

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Introduction

We are Gladstone Regional Council, working together to balance our Region's lifestyle and opportunity.

The Corporate Plan sets out Gladstone Regional Council's commitment to a dynamic, proud and diverse future for the region through to 2023. It serves as the primary strategic planning document to guide us in learning about the needs of our community and in future-proofing our organisation to deliver on them. The Operational Plan is a 12 month list of Objectives, Actions, Outcomes and Measures that will ensure the progressive implementation of 5 year Corporate Plan, during that Financial year. The current Operational Plan the business is working towards is the 2018/2019 Operational Plan – Year 1 of the 5-year Corporate Plan.

The strategic direction defined in our Corporate Plan 2018-2023 is set against the landscape of our vision –

CONNECT. INNOVATE. DIVERSIFY.

These three intentions are woven throughout our strategic goals and community commitments to create a strong fabric of community connectedness; an organisation whose culture is proudly defined by innovation and a region that celebrates the diversification of opportunities and lifestyle.

To that end, over the next five years we will deliver on our nine strategic goals of:
- **Engaged, involved and proud communities**
- **Healthy environment, healthy community**
- **Our people, our values**
- **Ethical and responsible government**
- **Outstanding customer service**
- **Smart asset management**
- **Operational excellence**
- **Grow the region**
- **Smart investment**

We are required to report on the implementation of the Operational Plan on a quarterly basis, in accordance with *s.174(3) Local Government Regulation 2012.* Performance in the final quarter is reported as
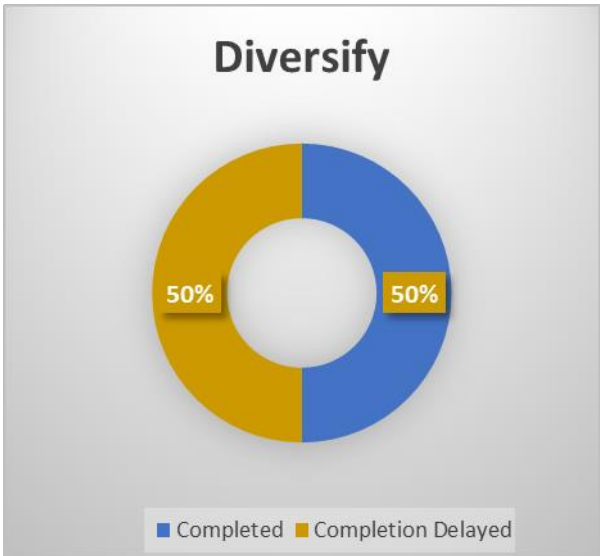- ➢ **Completion Delayed**
- ➢ **Completed**

This report is for the End of Year / fourth quarter ending **30 June 2019** and is presented for consideration by Council. The report provides a summary of all delayed items, in addition to those identified as key strategies.

- ✓ Total of 142 Actions in the 2018/2019 Operational Plan.

- ✓ 65 items of a total of 142 (46%) have been identified as 'Completed' as at the end of Quarter four 2018/2019 (June 2019)

- ✓ 77 items (54%) are were delayed as at 30 June 2019.

Overall Progress

Total 142 Actions

65 46%

77 54%

■ Completed ■ Completion Delayed
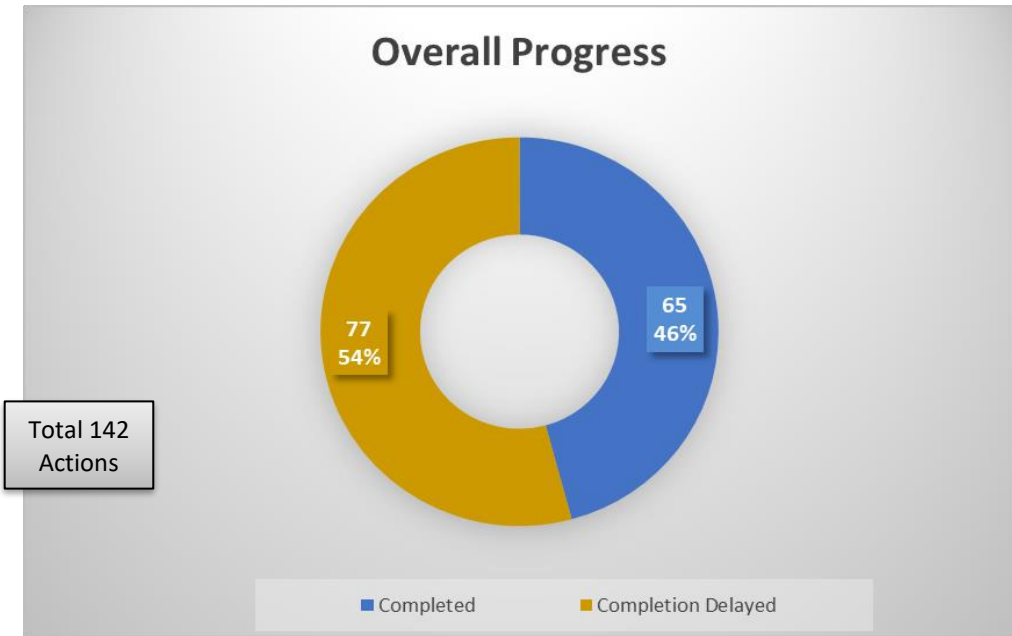
- ✓ 52 of the delayed items (68%) have been included in the 19/20 Operational Plan.

- ✓ The rest (25) of the delayed items were not included in the 19/20 Operational Plan and are now being tracked separately to ensure they are not lost

Connect

48%

52%

■ Completed ■ Completion Delayed

Innovate

40%

60%

■ Completed ■ Completion Delayed

Diversify

50% 50%

■ Completed ■ Completion Delayed
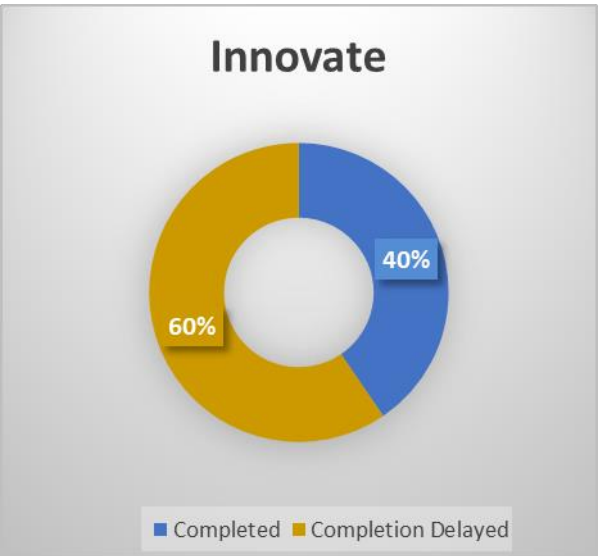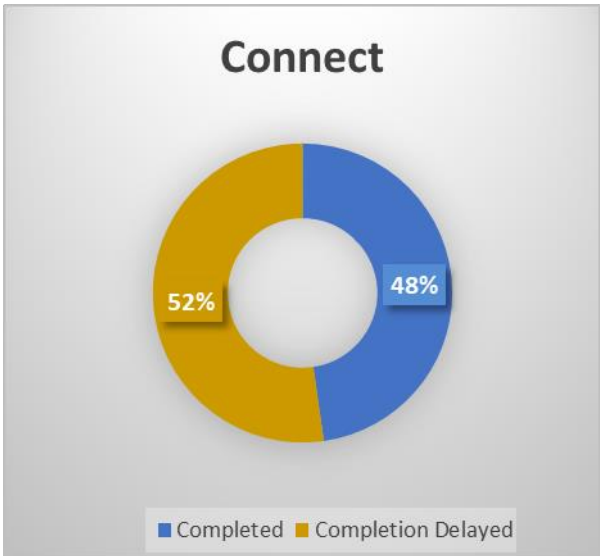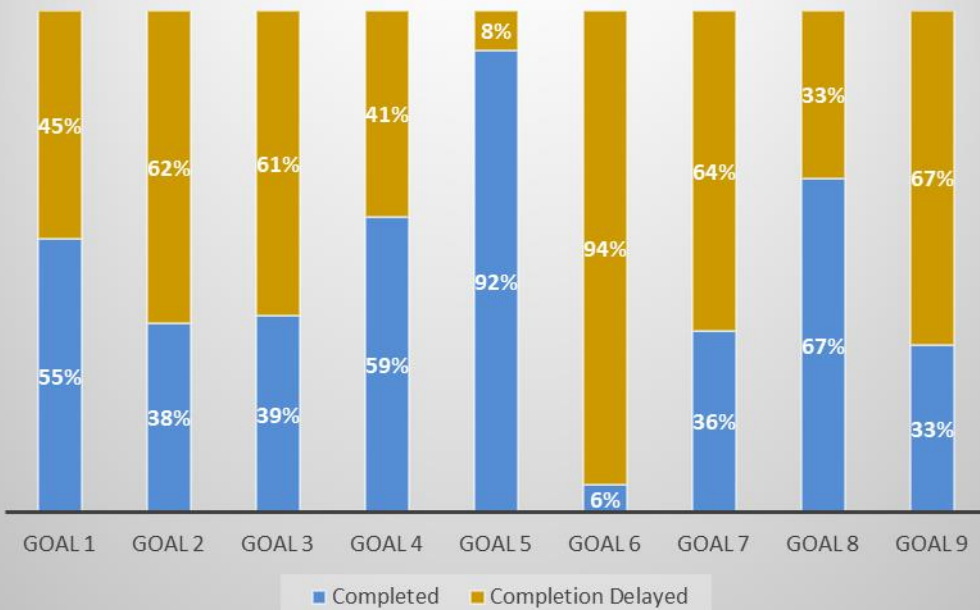
OUR BUSINESS IMPROVEMENT SUCCESSES:

Notable successes from within the 2018/2019 Operational Plan include:

o **Received a Net Promoter Score of 57. This measures how many people are likely to recommend Gladstone Regional Council to a friend or family member. Any response over zero (0) indicates we have more advocates than detractors. Initial target was set at zero (0) and therefore a score of 57 is a very high achievement that our teams can be proud of. Nearly 50% of respondents chose the highest possible score, identifying themselves as strong advocates for our Council.**

o An increase in the rate of recycling compared to 2017/18 baseline, including utilising opportunities to value-add to our recycling waste.
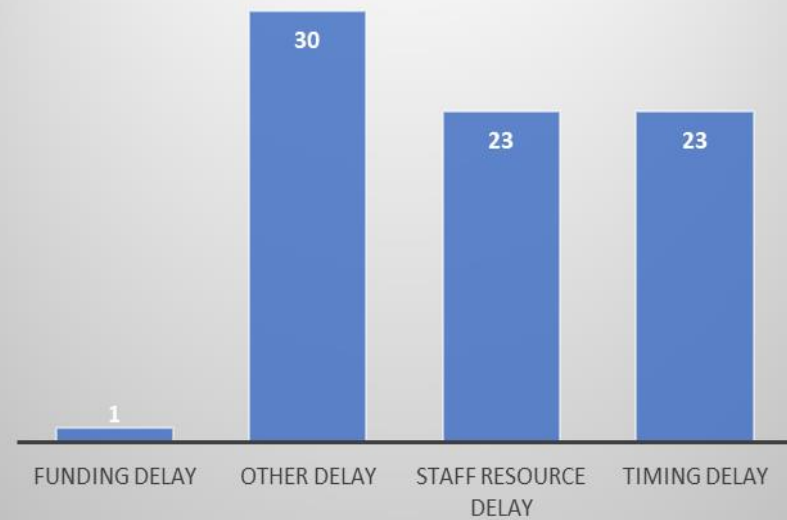
o A completed review of our approach to the engagement of apprentices and trainees which identified improvement areas to be included in future programs of work and resulted in the employment of 19 new Trainees and Apprentices.

o Robust onboarding and training programs which have contributed to the enhancement of first point resolution with our customers.

o Development of a Methodology for the review of all fees and charges to provide true costs to the business. This methodology has been applied to the Health, Waste and Operational Development Works areas in the formulation of 2019/20 fees and charges with rollout to other areas in the following budget year.

o Focus on events to increase visitor numbers saw the Region experience a revived *Easter in Gladstone* experience with the introduction of the *B2G Village*, and the continued evolution of our signature event, *Luminous*.

o Two significant reviews have been undertaken in the ICT space: service delivery and current infrastructure. This work has resulted in the development of a Strategic ICT road map of improvements that support items within the 19-20 Operational plan.

Exception Reporting – Delayed Items

These items are those that are identified as being not achievable by 30 June 2019 as originally planned.

CONNECT - Strategic Goal 1. Engaged, involved and proud communities.

Key Activity	Business Unit	#	Comment
Innovative, multi-channel engagement approaches	CD&E	1.1	Community perception survey deferred and included in 2019/20 Operational Plan for delivery at end Q1.
Strong partnerships and resilient communities	CD&E	1.2	Challenges were encountered securing resources to undertake strategy development in relation to both the "Communities and Families Precinct" in Philip Street and "GRC Volunteers" with work to continue as part of the 2019/20 Operational Plan.
Activate our public spaces	CD&E	1.3	Engagement plan with associated timeline for Tondoon Botanic Gardens has been completed. Further actions yet to be completed.
Activate our public spaces	S&T	1.3	Harbour Arbour and CBD Footpath projects are anticipated to have progressed to their relevant design stages by September 2019. Work toward completion of the City Plaza Forecourt Upgrade will continue through the 2019/20 financial year. Development of a Funding strategy for Harbour Arbour will commence following a decision on the future direction of the Project in future years.
Build community capacity for events	CD&E	1.4	Although not completed by 30 June, the Regional Events Strategy at the time of writing, has now been completed and endorsed by Council. Development of proposed GAPDL KPI's was delayed due to the requirement to align with the GAPDL Destination Tourism Plan and GRC's Visitor Economy Strategy which are both still in development.
Library futures	CD&E	1.6	Community consultation has yet to begin for the GRC Libraries Strategic Plan 2019-2024. Scope will incorporate all library localities in order to cope with future population demand and State Library requirements.

Exception Reporting – Delayed Items

These items are those that are identified as being not achievable by 30 June 2019 as originally planned.

CONNECT - Strategic Goal 2. Healthy environment, healthy community.

Key Activity	Business Unit	#	Comment
Focus on becoming an energy neutral council	S&T	2.2	LG Sherlock access is being finalised with subsequent consideration of data analysis. Work will continue as part of the 2019/20 Operational Plan. Current available information has been reviewed and utilised in the development of a business case for solar panels at 4 of our Waste Water Treatment Plants
Minimise our environmental impact	SAP	2.3	EMS Framework not yet developed at year end and has now been incorporated into Operational Plan for 19/20.
Promote healthy, active and safe communities	SAP	2.4	The Drinking Water Quality Risk Improvement Action Plan was adopted in November by the regulator as part of GRC's drinking water quality management plan. Actions arising from this plan are currently on track, however review is required to ensure that items are allowed for and incorporated into the Long-Term Financial Plan. Lake Awoonga Water Asset Growth Strategy Scope is being finalised, with some changes to the community engagement component due to Council's increased ability to deliver this component utilising internal staff rather than consultants. Boyne Island and Tannum Sands sewer modelling scope is contingent on finalisation of Lake Awoonga Asset Growth Strategy in order to ensure alignment.
Sustainable water management	SAP	2.5	Work has continued to update the population model to be utilised for water demand modelling with community engagement to occur regarding the water price path ramifications. Project team working on scope for tendering of bulk water meters within Lake Awoonga network. The Lake Awoonga Water Asset Growth Strategy will be the first part of the project to develop water demand models

Exception Reporting – Delayed Items

These items are those that are identified as being not achievable by 30 June 2019 as originally planned.

CONNECT - Strategic Goal 3. Our people, our values.

Key Activity	Business Unit	#	Comment
Improve wellbeing and embed safety	PC&S	3.1	An Internal Audit on safety has been completed and a targeted plan is now being developed to address compliance gaps. The Targeted safety improvement strategy will be developed and implemented and will include measurable objectives both at organisational and business unit level with increased reporting to the Executive on a monthly basis. Lead and Lag safety performance metrics will be developed and aligned to the safety strategy and Safety Management Plan.
Employer and brand promise to attract right talent	PC&S	3.2	Final direction to be determined regarding development of an Employer Value Proposition Strategy. The People Services Business Partner model is being implemented to support the operational future of work activities and identifying initiatives will be an ongoing business practice, with further strategic initiatives a consideration of next years' operational planning cycle. Progression of an overall talent and retention strategy was not included in budget or scope so has been removed from Op Plan. Development of the Diversity and Inclusion Framework has rolled over into the 2019/2020 Operational Plan.
High performing culture	CD&E	3.4	A consultant has been engaged to deliver the Internal Communications Strategy. This initiative will be delivered as part of the 2019/20 Operational Plan.
High performing culture	PC&S	3.4	We have commenced developing a talent identification framework aimed at building internal capability across all areas of the business. This framework is being developed alongside other key initiatives to improve the performance of individual employees and teams. Our SERVICE awards are continuing as a key element of our engagement and performance focus. Code of conduct workshops for Leaders and employees will be held in October/November to coincide with a revitalised approach to Good to Great performance planning across Council. We are conducting an employee engagement survey during September, with recipients of the INCLUSIVE monthly service award forming a focus group to assist the Executive to develop a set of agreed improvement initiatives. In September we will be holding our Service Anniversary Awards to recognise years of service milestones for 194 current employees.

Exception Reporting – Delayed Items

These items are those that are identified as being not achievable by 30 June 2019 as originally planned.

CONNECT - Strategic Goal 4. Ethical and responsible government.

Key Activity	Business Unit	#	Comment
Contemporary governance practices	FG&R	4.1	60% of planned reviews of Policies and Corporate Standards completed during 2018/19, with work ongoing as part of 2019/20 Operational Plan. The Annual delegation review was not completed by end June but remains a Work in progress to be tabled to Council in early August. Completion of the audit plan was delayed due to reallocation of resources to higher risk area of Council. As at 30 June 2019 23% of audit issues were identified as being overdue. Work continues to embed risk into decision making frameworks with a discussion draft and proposed Framework and has been incorporated into the 2019/20 Operational Plan. Establishment of the Compliance Assurance Framework was affected by the temporarily reassignment of allocated staff resources and has been included as an item in the 2019/20 Operational Plan.
Efficient and responsible use of resources	S&T	4.2	The Transformation Review is now completed, and commencement of the next phase is scheduled for January 2020.
Decision making and support	S&T	4.4	Work has commenced on the development and implementation of a fully integrated whole of Council 'fit for purpose' Investment Decision Framework. The framework is expected to be complete and projects running through the framework by October 2019.
Decision making and support	Ops	4.4	An Audit of the Procurement Policy and Corporate Standard, and Tender Corporate Standard was not included in the program for 2018/19.

INNOVATE - Strategic Goal 5. Outstanding customer service.

Key Activity	Business Unit	#	Comment
High satisfaction, low effort customer services	CE	5.1	Development of a consultancy framework to guide customer decision making is being facilitated through utilisation of the 'factsheet' as a first step. The additional capabilities available through the new website will help provide a digital first experience for segmented customer groups.

These items are those that are identified as being not achievable by 30 June 2019 as originally planned.

INNOVATE - Strategic Goal 6. Smart asset management.

Key Activity	Business Unit	#	Comment
Transforming asset management: From aware to excellence	SAP	6.1	Work has continued on the implementation of the Asset Management Maturity Transformation Plan. Access to resourcing has been affected by other priorities and underestimation of the scope of works has also had an effect. This item will continue to be progressed as part of the 2019/20 Operational Plan.
Community Centric Practices	SAP	6.2	Launch of the online engagement platform in early 2019/20 will provide an additional tool to converse with the community on service levels for Council's assets and future designs. Identification of relevant stakeholders and appropriate events for which to forward notifications and information is part of an ongoing body of work.
Integrated, consistent, trustworthy data	SAP	6.3	Key financial information has been migrated into the Mydata Asset system with subsequent rationalisation of the data. Work on the development of Asset Data continues. Significant review has been undertaken of the Strategic Asset Management Plan (SAMP) with the revised document to be presented to the executive for endorsement in early 2019/20. Initial asset management plans by Asset Class have been drafted, however require further data population as this becomes available from other sources and review to ensure alignment with the updated SAMP. The organisation has been tracking with an Asset Sustainability Ratio (ASR) of 90% and appears well placed to achieve the target of > 90% average over 5 years. This metric is influenced by a number of items, with work on the development, and integration, of tools into the asset management and investment prioritisation systems anticipated to assist in ensuring that an acceptable ASR is maintained.
Optimise asset management decisions	SAP	6.4	Decision making tools which align with ISO55001 principles are being developed as part of the Asset Management System. It has been identified that the existing tools are suitable to build upon but additional governance and management of quality of the information provided are key to the delivery of improved outcomes. The review of Council's Road and Footpath Hierarchy will continue and will inform an analysis of the level of service and Capricorn Municipal Development Guidelines (CMDG) for roads; an Operational Plan item for 2019/20. Data relating to the number of customer complaints and cost to serve for each asset class will need to be identified and documented as part of the asset management system. The development of the Asset Investment Review Group is underway with the intent to deliver in conjunction with the Investment Decision Framework and provide additional governance and management of the quality of information provided in the decision-making tools.
Optimise asset management performance	SAP	6.5	Monitoring programs have begun informing maintenance strategies with development to continue over the life of the Corporate Plan. Six programs remain under development. The scope for modelling Lake Awoonga water supply scheme assets is being finalised, with some changes to the community engagement component due to Council's increased ability to deliver this component using internal staff.
Build asset management capability	SAP	6.6	in addition to key internal asset management stakeholders at level 4 of the organisation, 54% of Councillors, Tier 1, 2 & 3 officers, and Operations Team Leaders, have completed Asset Management Awareness Training. Key information required internally for reporting purposes has been identified however further work, including stakeholder engagement, is required to determine what data is desired to be shared externally.

Exception Reporting – Delayed Items

These items are those that are identified as being not achievable by 30 June 2019 as originally planned.

INNOVATE - Strategic Goal 7. Operational excellence.

Key Activity	Business Unit	#	Comment
Leaders in works delivery	Ops	7.1	The engagement of consultants will allow the Planning & Scheduling framework development and review to be completed in line with the 2019/20 Operational Plan. Limitations on analytical resourcing and available and accurate data have impacted on the development of an insourcing plan.
Competitive indirect costs	Ops	7.3	The development of improvement plans following the review of Support Services requires further work to evaluate the content and has also been affected by changes in critical staff. Work to reduce risk associated with the operation of Quarries has been delayed due to budget approvals, with implementation requiring commitment to environmental spend.
Tightly controlled overheads	Ops	7.4	Identification of appropriate cost methodologies has been awaiting approval for resourcing and will be an ongoing item within the 2019/20 Operational Plan.
Leaders in safety and disaster management and recovery	Ops	7.5	Development of calibrated flood models continues with the Auckland Creek Flood Study due for delivery early in 2019/20. The review and update of the Disaster Management Plan is an ongoing matter which will continue into the next financial year as part of the 2019/20 Operational Pan.

Exception Reporting – Delayed Items

These items are those that are identified as being not achievable by 30 June 2019 as originally planned.

DIVERSIFY - Strategic Goal 8. Grow the region.

Key Activity	Business Unit	#	Comment
Advocate for future job creating industries	S&T	8.1	The Waste Strategy is a precursor project to the development of a Biofutures Strategy, deferring delivery for this item which is now contained within the 2019/20 Operational Plan.
Incentivise investment in the region	S&T	8.3	The Investment Decision Framework was identified as a precursor to the Priority Projects Pipeline project which has now been scheduled for completion as part of the 2019/20 Operational Plan.

DIVERSIFY- Strategic Goal 9. Smart investment.

Key Activity	Business Unit	#	Comment
Innovate through technology	S&T	9.1	The ICT Strategic Plan has been reviewed with a revised delivery period covering the 2019/20 year. Work has been undertaken on the Enterprise Resource Planning Project scope and phasing for consideration early in 2019/20. As this is a long-term project, phases of work will continue as part of the 2019/20 Operational Plan.
Pursue commercial opportunities to convert cost-centres into profit-centres and gain return on capital	S&T	9.2	Consultants have commenced work on the Waste to Energy Strategy which will now be delivered in accordance with the 2019/20 Operational Plan.

Update on Key Strategies

These items are all within the Operational Plan 2018/2019 and have been identified as Key Strategies, and therefore are highlighted at reporting times to ensure their priority is maintained.

Key Strategies 2018/19	Business Unit	Op Plan #	Progress	Comments
Community Asset Activation Strategy	CD & E	1.3.1		Following Executive Team discussion, the Activation Strategy and associated action plan will be developed internally by key subject matter experts.
Review Strategic Plan for Tondoon Botanic Gardens	CD & E	1.3.2		Engagement plan has been completed by Community Engagement Specialist for the review with associated timeline. Further actions yet to be completed.
Regional Events Strategy	CD & E	1.4.1		Although not completed as at 30 June, at time of writing, this Strategy is now completed and endorsed. The associated Action Plan is now providing a roadmap for the Community Events team.
GRC Libraries Strategic Plan	CD & E	1.6.1		Community consultation has yet to begin. Scope of the Library Strategy changed to incorporate additional library localities in order to cope with future population demand and State Library requirements.
Internal Communications Strategy	CD & E	3.4.1		Consultant engaged to deliver Internal Communications Strategy. Expect delivery in December 2019
Return to Insourcing Strategy	Op	7.1.3		- Accurate and appropriate data availability has been limited - Analytical resourcing limited - Further work occurring in conjunction with Manager Procurement and Contracts
Apprenticeship, Graduate & Trainee Framework	PC & S	3.2.1		Completion rate of current cohort will be determined at the end of the traineeship or apprenticeship, which ranges between 1 to 4 years. A post implementation review of the 2018-2019 program was completed and has identified improvements areas. Currently developing the 2019-2020 apprenticeship and traineeship program of work, which includes identified improvement areas.
Employer Value Proposition Strategy	PC & S	3.2.2		Final direction to be determined.

KEY ■ Completed ■ Completion Delayed

Initiative	Dept	Ref	Status	Comments
Diversity and Inclusion Framework	PC & S	3.2.6	Completion Delayed	This initiative has rolled over into the 2019-2020 Operational Plan.
Leadership Culture Strategy	PC & S	3.3.1	Completed	People and Culture policy signed-off. Leadership program has commenced roll-out
Performance Framework	PC & S	3.4.2 a,c,d	Completed	All employees have the "Good to Great" performance plan allocated to them on their profile, which includes cascaded business goals. Operations and Customer experience teams are on a grid.
Performance Framework	PC & S	3.4.2.b	Completion Delayed	To be completed once performance ratings have been implemented in Sept 2019
Harbour Arbour Funding Strategy	S & T	1.3.5	Completion Delayed	Harbour Arbour Design (Concept) due for completion in September 2019. Funding strategy will be commenced once concept design is completed and future direction is decided.
Corporate Business Case Framework	S & T	4.4.1	Completion Delayed	Work has commenced on the development and implementation of a fully integrated whole of Council 'fit for purpose' Investment Decision Framework, with the final product due for launch 30 September 2019.
Project Management Framework	S & T	7.1.2	Completed	Training on the procurement process has been completed for all key users of the Procurement Policy, with less than 15% of remaining employees to be trained via scheduled monthly training sessions (primarily new starters and people redeployed to positions with procurement responsibilities). Information has been provided to contractors via GEA and direct engagement with the C&P team. Improvements to contract and procurement performance will continue to be implemented under the 19/20 Operational Plan actions.
Biofutures Strategy	S & T	8.1.2	Completion Delayed	This item has been delayed to 19/20 Operational Plan as it is identified that the Waste Strategy is a precursor project. Waste Strategy is back on track but was delayed originally due to recruitment delay of S&T Specialist.
RV strategy	S & T	8.4.2	Completed	This item has now been consolidated into the Scope that has been issued for the development of a Gladstone Region Tourism Strategy – Visitor Economy Strategy. This strategy is due to be endorsed by Council in Q2 of the 19/20 FY.
ICT Strategic Plan	S & T	9.1.1	Completion Delayed	The strategic ICT work program (strategic plan) is on track as agreed with the Executive Leadership Team. The ICT Service Management Maturity Assessment and ICT Infrastructure Audit have been completed. Review of team structure completed. A functional and technical health check covering Technology One software modules is in progress. Aurion HR Payroll operational issues are also being addressed.
ERP: Technology Plan - Research	S & T	9.1.6	Completion Delayed	The ERP Project initiation phase is in progress. Currently raising awareness amongst staff of the functionality available in Technology One OneCouncil. T1 Functional & Technical Health Check in progress. This is a long-term project which is currently on track with Executive Leadership expectations. The project has not been given formal approval to commence. The scope of project and phasing is currently to be agreed in July 2019.

Waste to Energy Strategy	S & T	9.2.2		Consultants have commenced work on the strategy which is due to be delivered August 2019 and endorsed by Council in September 2019.
Sustainable Water Management Strategy	SAP	2.5.1 a,b,c		Population model has now been updated and completed to reflect latest growth forecast. The water demand model has been incorporated into the Lake Awoonga Water Asset Growth Strategy project that is due to commence in July 2019 and will be the first part of the project. It is proposed that the community engagement regarding how customers value water be incorporated with the community consultation for the Lake Awoonga Water Asset Growth Strategy, which will provide context for customers on the price path of water depending on water usage behaviour. Project Delivery Team progressing scope for tendering.
Sustainable Water Management Strategy	SAP	2.5.1.d		Usage from all Council Meters has been compiled and meters with high water usage identified. This information will be shared within the business and included as part of ongoing work with demand management and network modelling.
Asset Information Sharing and Training Strategy	SAP	6.6.2		The asset data project (6.3.1) has identified key information required internally for reporting purposes. Further work is required to determine what information is desired to be shared externally as part of future stakeholder engagement activities