CEO Strategic Priorities & Scorecard Interim Update

Strategic Alignment - Enabling Priorities

Public

Agenda Item 4.1

Thursday, 16 June 2022 CEO Performance Review Committee

Program Contact:Chief Operating Officer

Approving Officer: Amanda McIlroy - Chief Operating Officer

EXECUTIVE SUMMARY

At its meeting on 30 November 2021, the CEO Performance Review Committee adopted the scorecard and a suite of strategic priorities as performance measures for the Chief Executive Officer (CEO) to achieve within twelve months, from September 2021 to September 2022.

The strategic priorities were subsequently revised slightly at the meeting on 3 March 2022 to improve clarity of outcomes and measures. As of end of May 2022, all strategic priorities are on track to be achieved by September 2022, while the scorecard measures require further focus over the next quarter.

This report provides an interim progress update on both the scorecard and the strategic priorities.

RECOMMENDATION

That the CEO Performance Review Committee:

- 1. Notes the progress against measures in the scorecard as provided in Attachment A to Item 4.1 on the Agenda for the meeting of the CEO Performance Review Committee held on 16 June 2022.
- 2. Notes the progress against measures for the strategic priorities as provided in Attachment B to Item 4.1 on the Agenda for the meeting of the CEO Performance Review Committee held on 16 June 2022.

IMPLICATIONS AND FINANCIALS

CEO Contract	Achievement of agreed performance measures is required as part of the CEO contract.
Consultation	Key staff with responsibility for organisation scorecard and strategic priorities measures, including Executive and the CEO, have been consulted in the preparation of this report.
21/22 Budget Allocation	Not as a result of this report

DISCUSSION

- The scorecard provides measures to determine performance against key organisational priorities and commitments relating to organisational, service and employee performance. The scorecard is structured around the four pillars of Effective Organisation, Customer Centricity, Engaged Workforce and Financial Sustainability.
- 2. Progress against the scorecard and strategic priorities is measured from September 2021 to September 2022. Where progress is measured over a different timeframe, this will be made clear.
- 3. As of May 2022, there are four measures that are off track or requiring action/attention, and nine that are on track to be achieved by September 2022.
- 4. The measures that require additional action/attention are summarised below.
 - 4.1. **Effective Organisation**: >90% of internal audit recommendations are closed on time. 74% of internal audit actions closed on time. This measure has improved from a baseline of 50%. There has been focused effort on closing out agreed actions arising from internal audits undertaken. Any extension to the timeline for completion of an action item requires CEO approval. All action items, and their completion, are monitored by the Strategic Risk and Internal Audit committee and Audit and Risk Committee.
 - 4.2. **Customer Centric**: 90% of TRIM correspondence actioned on time. Currently at 59%. Further investigation has found that current reporting on this measure includes reporting on all TRIM workflows, including internal approvals and acknowledgements. Given that the intent of this measure is to assess customer centricity, separate reporting is in development that focuses specifically on external, customer correspondence, which will improve the measure.
 - 4.3. Engaged Workforce: Participation in and completion of Mandatory Training 100%. Data to the end of May shows this at 76%. Completion of mandatory training is being regularly reported to and monitored by Executive to ensure each portfolio remains on track. It is anticipated that this escalation, combined with regular reminders and encouragement for staff to complete modules will support the achievement of this measure.
 - 4.4. **Financially Sustainable**: Committed Capital Works Projects & Asset Renewal programs delivered on time and on budget. Current baseline data for this measure may not be the most appropriate given the intended focus on financial sustainability. Further investigations are underway to develop a more relevant baseline and current trend for this measure that specifically addresses the issue of on time delivery, rather than capitalisation.
- 5. The strategic priorities were established to support the Chief Executive Officer (CEO) in driving the vision of the organisation, complementary to Council's Strategic Plan and Annual Business Plan objectives.
- 6. As of end of May 2022, all strategic priorities are on track to be achieved by September 2022.
- 7. The 360-degree review of the CEO commenced in June 2022. Results from the 360-degree process will be shared at the next meeting of the CEO Performance Review Committee to be scheduled for September

- 2022. The 360-degree process is intended to inform the review of CEO's development and is not tied to any performance indicators.
- 8. As per the terms of her contract, in September the CEO will prepare and submit to the Performance Review Panel an assessment of her performance for the year.

ATTACHMENTS

Attachment A – Organisation Scorecard Progress May 2022

Attachment B – Strategic Priorities Progress May 2022

- END OF REPORT -

Measure	Responsibility	Reporting Frequency	Baseline (as provided in Sep 2021)	Previous update (as provided March 2022)	Current update	Status
Effective Organisa	ation					
80% of strategic annual objectives via the Business Plan & Budget are achieved	Insights and Performance	Annually	There are 15 Key Activities in the 2020-21 BP&B aligned to the Strategic Plan. There are 15 Key Activities in the 2020-21 BP&B aligned to the Strategic Plan.	14 of 15 were completed or on track at the end of the financial year.	14 of 15 were completed or on track at the end of the 2020-21 financial year. The Key Activity which has not commenced and is delayed is: Delivery of feasibility assessments and design work for a River Torrens Wetlands and Urban Nature Space. Strategic Plan achievements for 2021/22 will be reported to Council in August 2022.	In Progress
>90% of internal audit recommendations are closed on time	Corporate Governance	Quarterly	 Continue to improve transparency with SRIA and the organisation to ensure relevant timeframes are met, with the CEO able to approve requested extensions. The baseline as of September 2021 was 50% 	Currently 50% of recommendations are closed according to their due date	There has been focused effort on closing out agreed actions arising from internal audits undertaken. Any extension to the timeline for completion of an action item requires CEO approval. All action items, and their completion, are monitored by SRIA (Strategic Risk and Internal Audit Committee) and Audit and Risk Committee. There have been a total of 98 actions from 1 September 2021 – 31 May 2022. 44 are open. Of the 54 actions that were closed between 1 September 2021 to 31	Priority for further action

Measure	Responsibility	Reporting Frequency	Baseline (as provided in Sep 2021)	Previous update (as provided March 2022)	Current update	Status
					May 2022, 31 of 54 were closed on time (57%).	
Overall satisfaction with delivery of Council services >70%	Insights and Performance	Annually	 Resident and Business surveys from 2021 hold the baseline data. Baseline City User Profile (CUP) data showed the following in relation to satisfaction with the delivery of Council services 66% indicated they were somewhat satisfied or extremely satisfied 28% of respondents were neither satisfied nor dissatisfied. 	As this is an annual update, the baseline remains until the next survey is conducted, commencing April 2022.	The data collection for the City User Profile (CUP) 2022 is currently underway. Updated data on satisfaction with Council services will be available in July.	In Progress
Customer Centric						
Customer Commitment statements in the Culture Survey achieve a rating of 4 or higher	People Experience	Annually	According to the Culture Survey results, our overall customer commitment score was 4.1. Specifically, this score was determined from the following statements and scores received in the survey: My team know who our customers are and what they need - 4.2 My peers work in line with our Values - 4.0 My team is encouraged to make changes that will	As this is an annual update, the baseline reflects the data as the current status.	The 2022 Culture Survey is open from 24 May to 10 June. The results of the survey will be shared with Executive and workshopped with the Wider Leadership Team and employees by the end of June.	In Progress

Measure	Responsibility	Reporting Frequency	Baseline (as provided in Sep 2021)	Previous update (as provided March 2022)	Current update	Status
			 contribute to our financial sustainability - 3.8 My team looks for better ways to do things that will improve the experience of our customers - 4.0 I work in line with our Values - 4.4 			
80% of Decisions and CEO Undertakings closed out within 12 months	Governance	Monthly	Work underway to develop a definition and baseline for this measure.		From September 2021 to the end of May 2022, 100% of Decisions and CEO Undertakings have been closed within the timeframe. We will continue to monitor progress of these through Exec.	In Progress
90% of TRIM correspondence actioned on time	Corporate Records	Monthly	 New measure provided by performance committee, baseline to be developed and status to be sought from the business. The latest information can be found in <u>Reporting Services</u> 		From September 2021 to end of May 2022, 43% of TRIM correspondence across the organisation has been closed on time.	Off track
Customer experience through Voice of Customer Surveys achieves a rating of 3.5 or higher	Customer & Marketing	Monthly	External survey - the Voice of Customer surveys are based on Customer Centre interactions, Events, City Permit or Development Assessment.	The Voice of Customer Survey achieved a rating of 3.5	The most recent available data for Voice of Customer Survey shows a rating of 4.3 as at end of April 2022. This improvement reflects the continued roll out of the customer experience strategy and new ways of supporting our customers.	In Progress

Measure	Responsibility	Reporting Frequency	Baseline (as provided in Sep 2021)	Previous update (as provided March 2022)	Current update	Status
					Work is underway to further improve the scope of the Voice of Customer, which will enable all community services to have access to the program and improve the number and diversity of responses.	
Engaged Workforc	е					•
Participation in Performance and Development conversations process > 80%	People Experience	3 times per year	PDC dashboard updated weekly (more frequently during key times).	 COA 32% currently complete. 35% currently in progress. 33% not started at 28 Feb. 	At 20 May 2022, overall participation in the Performance and Development conversation process (PDC) is 82%.	In Progress
Participation in and completion of Mandatory Training 100%	People Safety and Wellbeing	Annually	 Information derived from the Training system. Figures based on completion of the following mandatory training modules: Be Security Smart Disability, Access & Inclusion Awareness Good Governance Records Management Training Safety & Wellbeing at CoA WH&S Fundamentals PCI Awareness & Credit Card Fraud 	Current statistics are In Progress for annual target	Participation in mandatory training modules is at 76%.	Priority for further action
Culture Survey	People	Annually	For the Wellbeing and Safety	As this is an annual update,	The 2022 Culture Survey will be	_ In
achieves a rating of 4 or higher for	Experience		statements in the culture survey, the score was 4.1	the baseline reflects the current status	open from 24 May to 10 June. The results of the survey will be	Progress



Measure	Responsibility	Reporting Frequency	Baseline (as provided in Sep 2021)	Previous update (as provided March 2022)	Current update	Status
Wellbeing and Safety statements.			overall. Specifically, the following ratings were achieved for each of the statements surveyed: The flexibility I have access to is helpful - 4.0 I am supported to prioritise safety and wellbeing - 4.1 I am proud to work for City of Adelaide - 3.8 I feel comfortable to speak up in my team - 4.2 I have regular conversations with my leader - 4.1 I can effectively manage my thoughts, feelings and behaviours at work - 4.1		shared with Executive then with the Wider Leadership Team and employees by the end of June.	
People Commitment Statements achieve a rating of 4 or higher in the Culture Survey	People Experience	Annually	 An environment where our people thrive - 4.0 Leadership helping us to reach our potential - 4.0 Learning and Growing with our city and community - 3.9 	As this is an annual update, the baseline reflects the current status	The 2022 Culture Survey will be open from 24 May to 10 June. The results of the survey will be shared with Executive in the first instance then with the Wider Leadership Team and employees by the end of June.	In Progress

Measure	Responsibility	Reporting Frequency	Baseline (as provided in Sep 2021)	Previous update (as provided March 2022)	Current update	Status
Year to Date Financial Indicators are in line with annual targets	Financial Planning and Reporting	Quarterly	Actuals are in the LTFP. Previously reported quarterly, however was adjusted to only be included when there were material changes. Reconsideration of inclusion of actuals against projections may be provided.		 30 June projected ratios: Operating surplus is projected at 2% and falls outside of the ratio targets due to a material adjustment to depreciation expense reported in Q3. Net Financial Liabilities are within the target at 23%. Asset Sustainability Ratio is projected to be 81%, an increase from 77% in Q2. Borrowings are within prudential limits at \$24.2m (14% of prudential limit). Cash flow from operations is above the 100% target at 108% 	In Progress
Committed Capital Works Projects & Asset Renewal programs delivered on time and on budget	Project Management Office	Quarterly	 Capital report to provide to council quarterly Capitalise projects within 10 weeks practical completion – 70% 	54 projects were processed from July 2021 to March 2022 with 42 meeting the KPI (78%).	Quarterly Capital Status report has been provided to Council outlining how projects are being delivered against budget, and any budget amendments. 88 projects reached practical completion. 61 projects achieved practical completion and were capitalised within 10 weeks. The remaining 27 projects were not capitalised within 10 weeks	In progress

Measure	Responsibility	Reporting Frequency	Baseline (as provided in Sep 2021)	Previous update (as provided March 2022)	Current update	Status
					from time of practical completion. 69% of projects that have reached practical completion were capitalised within 10. This	
Deliver \$4.7m efficiency gain	Exec and Associate Directors	Quarterly	Projected and actuals are provided in the quarterly finance reports.		is only 1% below the target. As reported in the 2021/22 Quarterly Business Update Q3 Report, the budget review includes the full realisation of this \$4.75m target.	Achieved

Priority	Responsibility	Previous update	Current update	Progress
1. Demonstrate value	for money in wha	t we deliver across our services		
1.1 Undertake service reviews in 2 areas and identify opportunities for efficiency and improved service	SRIA internal audit Director, City Services	 Procurement internal audit underway. Review element being incorporated into service delivery planning. Second Service Review area to be determined. 	 We have undertaken 2 service reviews, in the areas of procurement and security: The Procurement internal audit was completed and presented to Executive on 5 May. Security review undertaken and implementation underway. Opportunities for efficiencies identified through this process include removal of the duplication of services, localising external services, improving security for after-hour workers and a more coordinated response to emergency activities. 	In Progress
1.2 Ensure Asset Management Plans deliver value for money, now and in the long term	Director, City Services Asset Managers	 The six Asset Management Plans are out of date and will be revised as a priority. Further investigation of the accuracy of the Asset Register, Valuation and Depreciation is planned. 	 All six asset management plans will be reviewed and updated over the next two years. Transport and Urban Element Asset Management Plans will be delivered in October 2022, Buildings and Park Lands and Open Space by June 2023, and Electrical and Lighting and Stormwater by March 2024. Review of asset data and financial revalution underway for several asset classes. This will be reflected in the revised Asset Management Plans and annual review of proposed works program. 	In Progress
1.3 Undertake a review of the Procurement function to identify opportunities to improve commercial outcomes	Manager Finance & Procurement	 Rowe Advisory engaged to undertake audit of procurement. Findings of review will be implemented. Procurement Team Leader appointed with strong commercial background. 	 Procurement Audit completed and presented to Executive on 5 May. Implementation of recommendations will be addressed in high value order and will include the potential to outsource complex procurements to support value for money and social procurement outcomes. Work plan to be presented to Executive in June. Review of roles and responsibilities to encourage appropriate resource allocation to drive achievement of strategic procurement outcomes. 	In Progress

Priority	Responsibility	Previous update	Current update	Progress
2. Build partnerships t	o enable new op	portunities		
2.1 Progress the City Deal initiatives in line with established plans (Visitor Centre, Wi-Fi and CCTV) and define the City Deal 2.0	Executive Manager, Business & Investment Manager, Information Management	 Adelaide Free Wi-Fi: on track with plan. CCTV upgrades: on track, however there may be some delays with supply of equipment due to market supply. Visitor Centre/Experience Adelaide: Investigations continuing for location for new centre, expressions of interest open for delivery of smart technology applications. Need to define City Deal 2.0. 	 Adelaide Free Wi-Fi implementation underway and on track with plan. City Safe CCTV upgrades underway: on track, hardware order has been placed to minimise supply market delays. Visitor Centre/Experience Adelaide: Investigations continuing for locations. Developed presentation of what the centre could look like to be used as part of the request for proposal that is currently being developed. Ongoing discussions with Executive on the next City Deal 2.0. 	In Progress
2.2 Advance residential growth - in the CBD and North Adelaide through delivery of the Strategic Property Review and AEDA's residential growth Action Plan	Executive Manager, Business & Investment Manager, City Planning & Heritage	 Meeting was held this week to prepare report for Council's consideration in May 2022. Continuing discussions with State Government regarding development charges to build evidence base for reconsideration of how fees and charges are levied. 	 The Strategic Property review has been completed, and regular updates are provided to Council on completed and planned actions for that period. The current foucs has been on: EOI for the Bus Station site Acquisition and disposal of Land and Asset Policy Tynte Street Car Park Consultation Report on the residential growth action plan to was discussed at The Committee on 3 May 2022 and approved with some amendments by Council on 10 May. The action plan consists of 25 actions under 6 focus areas. One of the actions is to develop a City Plan, which has commenced. A cross-organisation Residential Housing and Growth Coordinating Group has been established to progress all residential and housing growth projects. 	In Progress

Priority	Responsibility	Previous update	Current update	Progress
2.3 Work with Council to resolve the future for the Aquatic Centre	Associate Director, Strategic Property & Commercial Director, City Shaping	 Discussions held with Premier, State and Federal Ministers and relevant departments. LM held discussions about possible funding contributions with neighbouring Councils. Understanding of State Government commitments to site will be clearer following state election. 	 \$82.4m included in State Government budget to construct and operate a New Aquatic Centre in Park 2 with the specific location to be guided by consultation and site technical investigations. Initial discussions have occured with State Government with further detailed discussions to take place to understand initial project roles, responsibilities and governance. 	In Progress
2.4 Progress to establish the Adelaide Park Lands Foundation	Manager, Governance Associate Director Park Lands, Policy & Sustainability	 Mark Booth engaged to undertake a business case and high-level test of the "market" to gauge the level of likely support of donors to contribute to the foundation if and when it is established. The business case for the Park Lands foundation is scheduled for the May 2022 Council meeting 	Report to be presented to Council in July requesting that Council establishes a Park Lands Foundation that meets the requirements of the Deductible Gift Recipient.	In Progress
2.5 Build and maintain relationships with city stakeholders with a stakeholder management plan	Manager, Strategy, Insights & Performance Executive Manager, Office of the CEO	Grants Coordinator position with responsibility for developing stakeholder management plan, has been developed and expected to be advertised in March 2022.	 The CEO continues to build and foster relationships and partnerships. These are established across government, corporate and not-for-profit sectors and are managed through both formal and informal opportunities. Relationships have also been fostered with the incoming State Government AEDA held an inaugural business summit with 355 attendees from business community. Development of a Stakeholder Management Framework/Plan has commenced. It will address the findings and recommendations of the Stakeholder Management Framework Internal Audit Report completed in 2018 and build on work undertaken previously. 	In Progress

Responsibility	Previous update	Current update	Progress
istent culture acro	ss the organisation		
Manager, Information Management	Chamonix engaged and currently in Discovery Phase, with engagement with a wide cross section of CoA stakeholders to determine the CRM problem/opportunity as the fundamental building block before implementation planning.	Chamonix engaged and currently in Discovery Phase. Engagement with a wide cross section of CoA stakeholders currently underway with a CRM implementation roadmap scheduled for the delivery by the end of June. The roadmap will identify projects and work packages which will then be costed and scheduled.	In Progress
Manager, People Manager, Customer & Marketing	 CoA organisational branding work will inform this. Greg Kavanagh from Branded Culture engaged, Exec workshop. 	 Branded Culture engaged to develop the CoA brand The initial findings were presented to Executive on May 22 and were very well received with a follow-up session to be held in June. This work will be incorporated into the CoA employer brand, to ensure we attract, recruit and retain the best people. 	In Progress
Manager, People	People & Culture team currently drafting.	People & Culture team currently developing strategy and will link to the CoA brand and values work referred to in Strategic Priority 3.2.	In Progress
agement			
Manager, Strategy, Insights & Performance	Opportunities to incorporate the development of Business Cases into other corporate processes and practices continues to be explored, including an assessment of capability within the organisation.	 Discussions have commenced with plans to: Develop principles, expectations and standards around the need for business cases. Identify gaps in capability and ensure staff have the required skills to develop business cases. Integrate the process into the Project Management System to ensure consistency with a framework to be presented to Executive in July. Pilot business case developed to support Mini Golf 	In Progress
	Manager, Information Management Manager, People Manager, Customer & Marketing Manager, People Agement Manager, Pictoria Strategy, Insights &	Manager, Information Management Management Manager, Information Management Management Manager, People Manager, Customer & Marketing Manager, People Manager, People Manager, Customer & Marketing Manager, People Manager, People Manager, Customer & Marketing Manager, People Manager, Strategy, Insights & Performance Manager, Strategy, Insights & Performance	Manager, Information Discovery Phase, with engaged and currently in Discovery Phase. Engagement with a wide cross section of CoA stakeholders to determine the CRM problem/opportunity as the fundamental building block before implementation planning. Manager, People

Priority	Responsibility	Previous update	Current update	Progress
4.2 Identify a minimum of 2 new revenue streams	Associate Director, Strategic Property & Commercial	 Mini golf currently being scoped and business case to be developed. Digital advertising progressing. Consolidation of work to date in this area to be presented to Exec in late March along with draft Revenue Principles. 	 Digital advertising tender submission is progressing through evaluation subject to Council decision, estimated implementation of a new contract and associated revenue is Q1 FY2022/23. Mini Golf Feasibility Study complete with a business case presented to Executive in May 2022. Kadaltilla report scheduled for May 2022 and Council report scheduled for July 2022 to progress the project. Business case in development for expansion of nursery and bio-organics services and currently in market for a feasibility assessment. 	In Progress
4.3 Identify 2 underperforming city shaping sites to bring to market	Manager, Property Development	 211 Pirie St sale completed Continuing to work through the Strategic Property Review to identify opportunities for other sites to bring to market 	 211 Pirie St sale completed with planning for development works underway. Council has approved the progression of an expression of interest for the sale and redevelopment of the former Bus Station site. Planning for market release underway. Council is progressing sale of the Whitmore Square apartments with four apartments to be sold in 2021/22. The remainder of the apartments will be sold in the 2022/23. 	In Progress
4.4 Develop and implement Future Fund Investment policy	Manager, Finance & Procurement	Policy adopted by Council on 27 January 2022, implementation underway and ongoing	 Implementation of the Future Fund Investment policy continues, following adoption by Council. The CEO continues to refine the application of the fund. 	Achieved

5. Support the elected b	ody in effective go	overnance for the City of Adelaide		
5.1 Continue to streamline the responses to Council Member enquiries i.e. responding in a timely manner to CEO undertakings and requests via the SRS system	Manager Governance	 A list of Elected Members requests and enquiries is maintained and updated regularly, circulated via SRS weekly. Currently scoping opportunities for improvement and identifying any issues with current approach. 	 Pursuing opportunities to better use data reports, align Council Member requests to services and functions and develop an interactive dashboard. An updated service management system is currently being tested with plans to transition the current system to the new platform in preparation for the new term of council. Reports on all outstanding undertakings are provided to Executive on a monthly basis. 	In Progress
5.2 Improve transparency to enable sound decision making i.e. aim for majority of reports to be discussed in public	Manager, Governance	 New approach to determining confidentiality presented to and endorsed by Executive on 3 March 2022. Communications to be shared with staff advising of new approach. 	 Award of Contract and Board Appointment reports are all transitioning from confidential to public. In 2020/21 there were 3 Board appointments and 11 Award of Contracts that would transition to public through this process. The quarterly commercial report is now a public report. 	In Progress
5.3 Review the City of Adelaide Act 1998 to identify opportunities for legislative change	Manager, Governance	 Scoping options to present to state government to allow CoA to undertake pilots in a range of areas including online voting, investment outside council boundaries 	 A review of the City of Adelaide leglisation has occurred and opportunities for legislative change have been identified and documented. Staff will continue to support the LM in these dicussions but this action is now complete. 	Achieved
5.4 Investigate the opportunity for Kaurna representation on Council	Manager, Governance	 Presentation given to Reconciliation Committee on 23 February 2022. Reconciliation Officer and Manager Governance to identify and contact Kaurna entities to discuss CoA voting entitlements. Legislative proposal being prepared to go to the State Government after upcoming State Election to request a change in legislation to allow for a reserved seat for Aboriginal representation at the City of Adelaide. 	 Meeting held with the Reconciliation Officer, Governance and a Kaurna representative in April to identify indigenous organisations within the city. We are actively engaging these businesses to ensure they are on the City of Adelaide voters roll. This is an important link with the legislative reform of the City of Adelaide Act 1998 (as provided in 5.3 of this document) and further supports Kaurna representation on Council. Governance is proactively contacting identified organisations to ensure they are enrolled so they can participate in the upcoming election. 	In Progress