**Minutes**

**Audit & Risk Committee Meeting**

**22 May 2023**

**Attention**

**These Minutes are subject to confirmation.**

Prior to acting on any resolution of the Council contained in these minutes, a check should be made of the Ordinary Meeting of Council following this meeting to ensure that there has not been a correction made to any resolution.

**Information**

Audit & Risk Committee Meetings are run in accordance with the City of Nedlands Standing Orders Local Law. If you have any questions in relation to items on the agenda, procedural matters, public question time, addressing the Committee or attending meetings please contact the Executive Officer on 9273 3500 or council@nedlands.wa.gov.au

**Public Question Time**

Public question time at an Audit & Risk Committee Meeting is available for members of the public to ask a question about items on the agenda. Questions asked by members of the public are not to be accompanied by any statement reflecting adversely upon any Council Member, Committee Member or Employee.

Questions should be submitted as early as possible via the online form available on the City’s website: [Public question time | City of Nedlands](https://www.nedlands.wa.gov.au/public-question-time)

Questions may be taken on notice to allow adequate time to prepare a response and all answers will be published in the minutes of the meeting.

**Addresses by Members of the Public**

Members of the public wishing to address the Audit & Risk Committee in relation to an item on the agenda must complete the online registration form available on the City’s website: [Public Address Registration Form | City of Nedlands](https://www.nedlands.wa.gov.au/public-address-registration-form)

The Presiding Member will determine the order of speakers to address the Council and the number of speakers is to be limited to 2 in support and 2 against any particular item on a Special Council Meeting Agenda. The Public address session will be restricted to 15 minutes unless the Council, by resolution decides otherwise.

**Disclaimer**

Members of the public who attend Committee meetings should not act immediately on anything they hear at the meetings, without first seeking clarification of Council’s position. For example, by reference to the confirmed Minutes of Council meeting. Members of the public are also advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.

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# Declaration of Opening

The Presiding Member declared the meeting open at 5:30pm and drew attention to the disclaimer on page 2 and advised that the meeting is being livestreamed.

# Present and Apologies and Leave of Absence (Previously Approved)

**Councillors** Councillor L J McManus Presiding Member Coastal Districts Ward

 Mayor F E M Argyle

 Councillor R Senathirajah Melvista Ward

 Councillor A W Mangano Dalkeith Ward

 Councillor O Combes Hollywood Ward

**Staff** Mr W R Parker Chief Executive Officer

 Mr M R Cole Director Corporate Services

 Ms L J Kania Coordinator Governance & Risk

 Ms S Mettam Manager Human Resources

 Ms E Van Der Wiele Project Manager (ERP)

 Mr S Billingham Manager Financial Services

**Invited** Matthew Beevers Engagement Director RSM

**Guests** Pranjal Sudhir Bhate Engagement Manager RSM

 Punitha Perumal Associate Director Financial Audit OAG

Michelle Shafizadeh Director Moore Australia

Nick Goosen Associate Director Moore Australia

**Public** There were no members of the public present and none online.

**Press** Nil.

**Leave of Absence** Nil.

**(Previously Approved)**

**Apologies** Nil.

# Public Question Time

Public questions submitted to be read at this point.

Nil.

# Addresses by Members of the Public

Addresses by members of the public who had completed Public Address Registration Forms to be made at this point.

Nil.

# Disclosures of Financial / Proximity Interest

The Presiding Member reminded Council Members and Staff of the requirements of Section 5.65 of the *Local Government Act* to disclose any interest during the meeting when the matter is discussed.

There were no disclosures of financial interest.

# Disclosures of Interests Affecting Impartiality

There were no disclosures affecting impartiality.

# Declarations by Members That They Have Not Given Due Consideration to Papers

Nil.

# Confirmation of Minutes

**8.1 Special Audit & Risk Committee Meeting Minutes – 20 April 2023**

Moved –Mayor Argyle

Seconded – Councillor McManus

The Minutes of the Special Audit & Risk Committee Meeting 20 April be accepted as a true and correct record of that meeting.

**CARRIED UNANIMOUSLY 5/-**

# Items for Discussion

**9.1 ARC07.05.23 – Internal Audit Report – Workforce Management**

|  |  |
| --- | --- |
| **Meeting & Date** | Audit Risk Committee Meeting – 22 May 2023 |
| **Applicant** | City of Nedlands |
| **Employee Disclosure under section 5.70 Local Government Act 1995**  | Nil. |
| **Report Author** | Shelley Mettam – Manager Human Resources  |
| **Director** | Michael Cole Director Corporate Services |
| **Attachments** | 1. Internal Audit – Workforce Management - See appendix 3 of Item ARC09.05.23 Moore Aust Report
 |

**Regulation 11(da) – During discussion on this item management and Moore Australia provided assurances on the progress that is being made on outstanding recommendations.**

Moved – Councillor Combes

Seconded – Mayor Argyle

**That the Recommendation be adopted.**

(Printed below for ease of reference)

**CARRIED 4/1**

**(Against: Cr. Mangano)**

**Audit & Risk Recommendation / Recommendation**

**The Audit and Risk Committee receives the Workforce Management report and notes the findings, recommendations of the Audit and the management comments as well as the assurances by the management and Moore Australia (internal auditor) that satisfactory progress is being achieved with the implementation of the recommendations.**

Recommendation

The Audit and Risk Committee receives the Workforce Management report and notes the findings, recommendations of the Audit and the management comments.

**Purpose**

This report provides the findings and recommendations from the audit of the City’s Workforce Management, conducted by Moore Australia.

**Voting Requirement**

Simple Majority.

**Background**

Moore Australia as the City’s appointed Internal Auditors conducted a review of the City’s Workforce Management function. Moore’s audit was conducted with input from City personnel.

The attached report contains details of the findings, issues raised and management comments.

**Discussion**

The City of Nedlands Workforce Plan (2022-2032) was adopted in June 2022 and included monitoring as part of the annual budget process.

Moore’s Audit Report on Workforce Management identified the following areas for improvement, and together with the City’s response is as follows:

1. **Develop activities to support Key Results Areas (KRAs)**: the CEO, Manager HR and Corporate Planning Officer are refining the performance appraisal tools to better incorporate and measure KRAs, flowing to employee performance appraisal processes;
2. **Resources:** identified in the Workforce Plan and will continue to be monitored and adapted;
3. **Training and Development**: training and development needs are identified with the integrated KRAs;
4. **Qualifications and Credentials Register**: the new HR module in OneCouncil includes an accreditation register which is \part of the set of employee data;

1. **Workforce Risk Management**: currently under development;

1. **Legislative Compliance Register**: currently under development;
2. **Supported Workforce Plan** – the Workforce Plan milestones are regularly reported to EMT and Council and communicated to staff;
3. **Recruitment and Selection Policies and Procedures**: the OneCouncil recruitment module is in the final stages of implementation with accompanying revised policies and procedures;
4. **Lack of Performance Indicators**: as per 1 above, KRAs are being integrated with **performance** and appraisal processes;

1. **Surveys and assessments**: the City conducts periodic Staff Climate surveys and exit **interviews** are offered to all staff;
2. **Audit and Risk Committee terms of reference**: for review;
3. **Approved termination policies**: incorporated in OneCouncil modules;
4. **Staff attrition**: staff turnover at the City has been high. The employment market is challenging - consistent efforts to gather information on employee experience with a view to greater attraction and retention are consistently assessed; and
5. **Termination Improvement Opportunities**: onboarding and offboarding procedures in OneCouncil are being implemented.

**Consultation**

Over the period of the audit, City staff members were interviewed and consulted with by the Moore Australia audit team.

**Strategic Implications**

This item relates to the following elements from the City’s Strategic Community Plan.

**Vision** Our city will be an environmentally-sensitive, beautiful and inclusive place.

**Values**

**Great Governance and Civic Leadership**

We value our Council’s quality decision-making, effective and innovative leadership, transparency, accountability, equity, integrity and wise stewardship of the community’s assets and resources. We have an involved community and collaborate with others, valuing respectful debate and deliberation.

**Budget/Financial Implications**

The annual budget includes provision to address the recommendations arising in this report.

**Legislative and Policy Implications**

Risk management policy refers.

**Decision Implications**

Should the recommendations be endorsed, administration will implement actions as outlined in the report.

**Conclusion**

The Workforce Management findings, with management comments, are presented to the Audit and Risk Committee for their information.

**Further Information**

Nil.

**9.2 ARC08.05.23 – Entry Meeting with OAG and RSM - Audit 2023**

|  |  |
| --- | --- |
| **Meeting & Date** | Audit Risk Committee Meeting – 22 May 2023 |
| **Applicant** | City of Nedlands |
| **Employee Disclosure under section 5.70 Local Government Act 1995**  | Nil. |
| **Report Author** | RSM Australia Pty Ltd |
| **Director** | Michael Cole – Director Corporate Services |
| **Attachments** | 1. City of Nedlands – Audit Planning Memorandum
 |

**Regulation 11(da) – Not Applicable – Recommendation Adopted**

Moved – Councillor Senathirajah

Seconded – Mayor Argyle

**That the Recommendation be adopted.**

(Printed below for ease of reference)

**CARRIED UNANIMOUSLY 5/-**

**Audit & Risk Committee Recommendation / Recommendation**

**That the Audit and Risk Committee receives the Audit Plan from RSM Australia for the audit of the City for the year ending 30 June 2023.**

**Purpose**

This item is for RSM Australia to present their audit plan for the audit of the City of Nedlands for the year ending 30 June 2023.

**Voting Requirement**

Simple Majority.

**Background**

RSM Australia has submitted their audit plan which outlines the scope of work and the key considerations in relation to the audit of City of Nedlands for the year ending 30 June 2023.

The purpose of this audit plan is to set out the key areas of the audit, when they will conduct the engagement and the City.

The plan is prepared with input from Administration. The audit plan is tailored for City of Nedlands’ environment and revised throughout the year to adjust for business developments, additional relevant matters arising, changes in circumstances, findings from activities performed and feedback we receive from you.

**Consultation**

Nil.

**Strategic Implications**

This item relates to the following elements from the City’s Strategic Community Plan.

**Vision** Our city will be an environmentally sensitive, beautiful and inclusive place.

**Values**

**High standard of services**

We have local services delivered to a high standard that take the needs of our diverse community into account.

**Great Governance and Civic Leadership**

We value our Council’s quality decision-making, effective and innovative leadership, transparency, accountability, equity, integrity and wise stewardship of the community’s assets and resources. We have an involved community and collaborate with others, valuing respectful debate and deliberation.

**Budget/Financial Implications**

There are no financial implications to this report.

There may be budget implications when the report’s recommendations are addressed in detail, where operational impacts are estimated and considered by the Administration, and then by Council at the appropriate time. There is no immediate budgetary implication to receiving this report.

**Decision Implications**

The purpose of this report is to receive the Audit Plan. Any feedback from the Audit and Risk Committee will be included in the audit plan.

**Conclusion**

That Audit and Risk Committee receives the Audit Plan from RSM Australia for the audit of the City for the year ending 30 June 2023.

**Further Information**

Nil.

**9.3 ARC09.05.23 – Update from Moore Australia**

|  |  |
| --- | --- |
| **Meeting & Date** | Audit Risk Committee Meeting – 22 May 2023 |
| **Applicant** | City of Nedlands |
| **Employee Disclosure under section 5.70 Local Government Act 1995**  | Nil. |
| **Report Author** | Moore Australia |
| **Director** | Michael Cole –Director Corporate Services |
| **Attachments** | 1. Moore Australia Agenda Paper - ARC Meeting 22 May 2023
 |

**Regulation 11(da) – Not Applicable – Recommendation Adopted**

Moved – Councillor Combes

Seconded – Mayor Argyle

**That the Recommendation be adopted.**

(Printed below for ease of reference)

**CARRIED 4/1**

**(Against: Cr. Mangano)**

**Audit & Risk Committee Recommendation / Recommendation**

**That the Audit and Risk Committee received the agenda paper from Moore Australia.**

**Purpose**

This report is for Moore Australia to present its agenda paper to the Audit and Risk Committee.

**Voting Requirement**

Simple Majority.

**Background**

Moore Australia has submitted an agenda paper for the discussion at the Committee meeting.

**Consultation**

Nil.

**Strategic Implications**

This item relates to the following elements from the City’s Strategic Community Plan.

**Vision** Our city will be an environmentally sensitive, beautiful and inclusive place.

**Values High standard of services**

We have local services delivered to a high standard that take the needs of our diverse community into account.

**Great Governance and Civic Leadership**

We value our Council’s quality decision-making, effective and innovative leadership, transparency, accountability, equity, integrity and wise stewardship of the community’s assets and resources. We have an involved community and collaborate with others, valuing respectful debate and deliberation.

**Budget/Financial Implications**

There are no financial implications to this report.

There may be budget implications when the report’s recommendations are addressed in detail, where operational impacts are estimated and considered by the Administration, and then by Council at the appropriate time. There is no immediate budgetary implication to receiving this report.

**Decision Implications**

Should the recommendations be endorsed, administration will implement actions as outlined in report.

**Conclusion**

That Audit and Risk Committee receives the agenda paper from Moore Australia.

**Further Information**

Nil.

**9.4 ARC10.05.23 – Internal Audit Report – Conflict of Interest**

|  |  |
| --- | --- |
| **Meeting & Date** | Audit Risk Committee Meeting – 22 May 2023 |
| **Applicant** | City of Nedlands |
| **Employee Disclosure under section 5.70 Local Government Act 1995**  | Nil. |
| **Report Author** | Libby Kania – Coordinator Governance and Risk |
| **Director** | Michael Cole Director Corporate Services |
| **Attachments** | 1. Internal Audit – Conflict of Interest - See appendix 2 of Item ARC09.05.23 Moore Aust Report
 |

**Regulation 11(da) – Not Applicable – Recommendation Adopted**

Moved – Councillor Senathirajah

Seconded – Councillor Combes

**That the Recommendation be adopted.**

(Printed below for ease of reference)

**CARRIED UNANIMOUSLY 5/-**

**Audit & Risk Committee Recommendation / Recommendation**

**The Audit and Risk Committee receives the Conflict of Interest report and notes the findings, recommendations of the Audit and the management comments.**

**Purpose**

This report provides the findings and recommendations from the audit of the City’s Conflict of Interest management, conducted by Moore Australia

**Voting Requirement**

Simple Majority.

**Background**

Moore Australia as the City’s appointed Internal Auditors conducted a review of the City’s Conflict of Interest management. Moore’s audit was conducted with input from City personnel.

The attached report contains details of the findings, issues raised and management comments.

**Discussion**

The report from Moore Australia made 14 Findings. These findings and officer comments are detailed below. Where applicable, an update has been provided. The timeframes and action owners for completion of these findings are contained in the Moore Australia report that is attached to this report.

1. **Risk Management**

a. Consider developing and implementing a formal budget dedicated to funding risk management and COI-related practices.

Response - Provisions have been made in the Governance Business Unit budget for 2023/24 to progress the risk management project at the City and to ensure implementation and embedding of risk management in the City’s processes.

b. Consider appointing a resource to perform risk management including COI practices within the City. A ‘Senior Governance Officer’ position is referred to in the City’s Policy documents. We understand that the position of “Coordinator Governance and Risk” is currently being recruited at the City.

Response - The City, in January 2023, appointed a dedicated Coordinator of Governance and Risk. The Risk Management Project has progressed to date with a draft Risk Management Policy, Risk Management Framework, and Strategic Risk Register having been developed. It is intended that these documents will be tabled at an Audit and Risk Committee meeting in the near future.

1. **COI Register**

c. Develop and implement a central Conflicts of Interest Register.

Response - The City does have a designated register that captures all conflicts of interest declared by Councillors and officers at Council and committee meetings. This is also used to capture conflicts of interest outside of these meetings if and when officers provide the information to the CEO. The register is located in the City’s document system. A formalised Conflicts of Interest Register has been developed by the Planning business unit for the capture of conflicts specific to their officers.

1. **Register of Financial Interests – Primary and Annual Returns**

d. Ensure that the City’s Register of Financial Interest is updated to include all required information, including all Primary and Annual Declarations in the form prescribed by legislation.

Response - No further action required. All required information is maintained in the Attain software solution.

e. Ensure that the City’s website is updated to include all information disclosures as per legislative requirements.

Response - No further action is required. The City’s website now includes this information.

1. **Secondary Employment**

f. Develop and implement a Secondary Employment Register.

Response - A register of secondary employment has been included in the HR module in One Council.

1. **Disclosure of gifts and benefits**

g. Consider adding an additional column to the electronic gifts register to distinguish between the date of the declaration and the date of the record to evidence compliance with the 10 day rule.

Response - Attain has been updated to include these declarations. No further action is required.

h. Provide refresher training to the City’s employees regarding what kinds of gifts are reportable and how to complete the register. Ensure that updates to the register are appropriately workflowed for approval.

Response - Refresher training will be developed in conjunction with HR on core governance topics.

i. Implement control procedures to ensure that an up-to-date version of the register is uploaded to the City’s website in accordance with legislation.

Response - Website has been updated to include these declarations. No further action required.

**6.** **Employee COI Training**

j. Develop and implement a COI training program for Council, Management, employees, contractors and volunteers which is supplemented by assessment components and scheduled refresher training. This should be underpinned by a COI training program for risk and COI related activities. Training materials and attendance should records be maintained.

Response - Refresher training will be developed in conjunction with HR on core governance topics.

**7.** **COI declarations and due diligence**

k. Employees should be requested to declare any actual, potential, or perceived conflicts of interest upon hire, confirm their existence or absence once a year and be familiarised with the processes in which they can submit COI declarations at any given point in time. All conflicts should be recorded in the Conflicts of Interest Register and be managed in accordance with the policy and procedure already in place.

Response - Implement measures to require declarations on an annual basis in conjunction with HR.

l. Consider conducting background and due diligence checks on potential staff, suppliers, contractors and business partners, particularly in circumstances that involve elevated risk.

Response - Consider conducting background checks on potential staff, and contractors.

m. Consider performing data analytics to identify undeclared conflicts of interest. This may include but is not limited to implementing periodic comparison of vendor information with current employees’ information such as addresses and telephone numbers.

Response - Consider use of data analytics as part of the OneCouncil system.

**8.** **Policy Review and Monitoring**

n. Consider a review of the policy and procedure already adopted by the City to ensure that it meets the required objectives. Partner this with recommendation 5, in developing and implementing a training program for the City to ensure that all stakeholders are aware of the requirements of the policy and procedure to adopt them effectively.

Response - Review policy and procedure.

**Consultation**

Over the period of the audit, City staff members were interviewed and consulted with by the Moore Australia audit team.

**Strategic Implications**

This item relates to the following elements from the City’s Strategic Community Plan.

**Vision** Our city will be an environmentally-sensitive, beautiful and inclusive place.

**Values**

**Great Governance and Civic Leadership**

We value our Council’s quality decision-making, effective and innovative leadership, transparency, accountability, equity, integrity and wise stewardship of the community’s assets and resources. We have an involved community and collaborate with others, valuing respectful debate and deliberation.

**Budget/Financial Implications**

The annual budget includes provision to address the recommendations arising in this report.

**Legislative and Policy Implications**

[*Local Government Act 1995*](https://www.legislation.wa.gov.au/legislation/prod/filestore.nsf/FileURL/mrdoc_43454.pdf/%24FILE/Local%20Government%20Act%201995%20-%20%5B07-t0-00%5D.pdf?OpenElement) Part 5, Division 6 sections 5.57 - 5.73 (Disclosures of Financial Interests in matters affecting local government decisions); sections 5.74 - 5.87 (Disclosure of financial interests in returns).

[*Local Government (Administration) Regulations 1996*](https://www.legislation.wa.gov.au/legislation/prod/filestore.nsf/FileURL/mrdoc_43667.pdf/%24FILE/Local%20Government%20%28Administration%29%20Regulations%201996%20-%20%5B03-m0-00%5D.pdf?OpenElement) regulations 20 – 28A.

**Decision Implications**

Should the recommendations be endorsed, administration will implement actions as outlined in report.

**Conclusion**

The Conflict of Interest findings, with management comments, is presented to the Audit and Risk Committee for their information.

**Further Information**

Nil.

**9.5 ARC11.05.23 – OneCouncil Project Status Report**

|  |  |
| --- | --- |
| **Meeting & Date** | Audit Risk Committee Meeting – 22 May 2023 |
| **Applicant** | City of Nedlands |
| **Employee Disclosure under section 5.70 Local Government Act 1995**  | Nil. |
| **Report Author** | Emma Van der Wiele – Project Manager (ERP) |
| **Director** | Michael Cole – Director Corporate Services |
| **Attachments** | Nil |

**Regulation 11(da) – Not Applicable – Recommendation Adopted**

Moved –Mayor Argyle

Seconded – Councillor Senathirajah

**That the Recommendation be adopted.**

(Printed below for ease of reference)

**CARRIED UNANIMOUSLY 5/-**

**Audit & Risk Committee Recommendation / Recommendation**

**Audit & Risk Committee receives the OneCouncil Project Status Report.**

**Purpose**

The purpose of this report is to provide the Project status and current health of the OneCouncil Enterprise Resource Planning system implementation.

**Voting Requirement**

Simple Majority.

**Background**

At the Ordinary Council Meeting held on the 22 June 2021 Council resolved the following:

“That Council:

1. approves the supplier, TechnologyOne, to be awarded the contract for RFT 2020-21.03 – Provision City Finance System (Enterprise Resource Planning System) for the initial term of 5 years, comprising the initial 3 years with two one-year extensions, to be awarded under Local Government (Functions & General) Regulations 1996 11(2).
2. agrees to enter a contract with TechnologyOne to purchase their Enterprise Resource Planning System, called OneCouncil, with final contract subject to independent review to the satisfaction of the Chief Executive Officer; and notes:
3. The adoption of the Integrated Enterprise Resource Planning approach for implementing Information Systems; and

b. The implementation of the TechnologyOne One Council solution using the Cloud model called “Software as a Service.”

The OneCouncil implementation project has been managed as an internal project, resourced to accommodate a staged roll out of fundamental modules across the organisation. The project has been divided into three key phases which align evenly to a three-year commitment of delivery.

The City successfully implemented the modules forecast in the first phase, on time and with organisational wide support and engagement.

**Discussion**

The City is currently engaged in phase two of the OneCouncil project implementation, scheduled for completion in 2023. The current phase is on track and continues to progress with successful module implementation, on time and within budget. There is considerable risk of scope impact where action is not made on the open escalation point detailed within this document.

The escalation underpins the issue of continuous improvement and business as usual including the expectation on the project team to manage the influx of improvements and issues in conjunction with new module implementation.

The activities completed in the April 2023 reporting period are aligned with managing current project controls and embedding the success of the OneCouncil solution. The forward-thinking project team are committed to future proofing the functionality that the system offers and have actively participated in strategies to achieve positive outcomes for the City of Nedlands.

Continued efforts to prepare for Phase 3 – Property and Ratings include an increase in the organisational wide communications and messaging from senior leadership and champions including feedback from recently completed or commenced modules. The scope of stakeholder engagement ensures the city understands the level of support and facilitation the project team are offering and committed to, which encourages the organisation to take an interest in the campaign and strengthen the change adoption.

For a comprehensive overview of the phase 2 tracking, refer to figure 1. Phase 2 - Project progress tracker for the April 2023 reporting period.

|  |  |  |  |
| --- | --- | --- | --- |
| **Area** | **Previous Status** | **Current** **Status** | **Comments** |
| **Scope** |  |  | Outcomes are at risk if open escalation point is not actioned  |
| **Budget** |  |  | The budget forecast for the year remains within the allocated budget  |
| **Schedule** |  |  | The schedule is being effectively managed |

|  |  |  |
| --- | --- | --- |
| **Green** |  | Project is on track to deliver the expected outcomes at the budgeted cost in the currently agreed timeframe |
| **Amber** |  | Currently agreed outcomes, time, cost and/or quality requirements are at risk of being exceeded if specific action is not taken |
| **Red** |  | Currently agreed outcomes, time, cost and/or quality requirements have been or will be exceeded and specific action is required to address |

**Activities recently completed (last period):**

* The project schedule for phase 3 - property and ratings has been developed within MS project and details the macro work packages across the period of project delivery. Consideration has been mapped to allow for TechnologyOne consultant availability post go-live for an extended 2-month period.
* The phase 3 visual communication slide to showcase the Property and Ratings phase to the organisation has been developed and will begin circulation within the organisation to track the progress of the project.
* Facilitated presentation to the Planning and Compliance directorate to provide high level overview of phase 2 progress and the inclusions of phase 3; prompting a healthy discussion on data management and business process preparedness.
* ASPEC assets data validation process by external contractors is complete and supports the input of data for the Assets and works module.
* Assets module configuration is complete and user acceptance testing is scheduled with impacted stakeholders. As the Assets module nears the go-live, the project team made an informed decision to increase the frequency of meetings to ensure quality in delivery of functionality, change and transfer of module management to business owners.
* The project team have arranged an Assets and Depreciation financial training session with internal stakeholders as part of Assets and Works module implementation, facilitated by a TechnologyOne consultant.
* Property and Ratings communications have been arranged for the June all staff meeting with messaging delivered by Project Sponsor/Director Corporate Services.
* 1:1 informing sessions to prepare Managers for the property and ratings phase of the project have been mapped and will include the scale of involvement, understanding the current business area data, documented processes, expectation setting and reviewing of resource allocation. Sessions will commence mid-May 2023.
* The Contracts module has been placed on hold due to the offboarding of business area employees, however steps to manage project delivery and continuity of business processes with the current issues at the forefront of topic have been established and communicated to stakeholders. This includes ongoing testing to ensure the functionality is a fit for purpose solution once the business area is resourced to administer and maintain the module. Contingency efforts to ensure the module configuration and knowledge is captured will be evidenced in development of a succinct portfolio/work-pack inclusive of video instructions and process maps for administration, data input and maintenance for the incoming officers.
* DXP configuration sessions have commenced with all stakeholders partaking in the three-day workshops to establish the functionality and desired outcomes. Preparation prior to the configuration sessions included a project team pre-briefing, a briefing session with all stakeholders to understand the module inclusions/exclusions, timeframes, availability, expectation setting and levels of engagement for the journey to completion, Information gathering and mapping of processes with the stakeholders. Its important to note that the stakeholder engagement effort to form a collaborative internal working relationship was pivotal to the preparation for configuration sessions.
* The OneCouncil champions model is proving beneficial to the project success as the project team have integrated use of Promapps within their training program. The mapping solution offers support to the organisation offering a central repository of corporate knowledge capture. Training has included workshop demonstrations, knowledge sharing sessions and champion presentations on a process of their choosing. Elevating the use of promapps in this forum will increase the maturity of the business processes and reduce organisational wide risks.
* Supporting business continuity and embedding of process knowledge across the organisation; the project team have created a calendar of OneCouncil training refresher sessions on existing modules based on the feedback from surveys and interactions with employees. The training session poster includes a QR code for ease of booking a session and forms part of the change and communications plans to support the City’s transformation to the OneCouncil solution.
* E-Recruitment module has been successfully implemented. Planned training schedule is complete and final training session triggered by employee demand is scheduled for May. All work instructions, process maps and video demonstrations are now an available resource to the hiring managers. A module competency assessment is scheduled for August to evidence the successful implementation and draw lessons learnt data. The project team continue to work with the module owners to solution any issues post go-live.
* The project team participated in an internal OneCouncil risk assessment workshop and identified the key areas for concern. The workshops were a collaborative and active engagement in communicating cause, event and impact reflected using the risk bowtie methodology. There were eight risks identified; all of which have current and planned preventative and mitigating controls which will undergo quarterly review.
* Data migration training with TechnologyOne has been arranged to prepare the business systems analysts for the scale of data capture and transfer required for property and ratings component of the project.
* The project team have made a conscious effort to prepare for the City of Nedlands End of financial year roll over by ensuring a TechnologyOne consultant is available to assist with the system management in an event of a roll back or where the system may lose functionality. Plans to manage the roll over will be undertaken by the Finance business area.
* An ECM module health check has been arranged with TechnologyOne as part of a quality assurance and management preparation leading into property and ratings phase of the project.
* Development of a module breakdown map to establish the volume of work dispersed across the organisation relative to the property and ratings phase of the project. The map will identify the module relationships with business processes, responsible employees for processes, status of data, availability of officers, volume of work required, allocation of time required to project, etc. The resource will inform at a macro and micro level, the efforts and impacts the phase will have on the organisation.

**Upcoming period’s activities:**

* PPLGS demonstration session at City of South Perth
* PPLGS preparation and configuration sessions
* 1:1 session with Managers impacted by the Property and Ratings module. Messaging to understand the involvement, business process accessibility, allocated resources, expectation setting and committed agreement.
* Creation of Contracts module portfolio work-pack to complete the project delivery with the current constraints on the business area.
* Development of master data documentation to assist with Phase 3 – Debtors.
* Assets and works User Acceptance Training and configuration migration.
* Assets and works training and communications plan.
* Increased volume of communication to broader organisation on Phase 2 update and Phase 3 commencing – Project Manager and Change Manager to present as guests at City of Nedlands team stand up meetings with the intention of promoting discussion/concerns and achieving stakeholder confidence and buy in.
* Development of a Terms of Reference for Phase 3 allocated business area resources – Meeting platform is required for resource collaboration to communicate their experiences, issues, concerns, wins and loses to the project team throughout each stage of the project journey. This is an important part of the transformation, as siloed operations will halt the success and maturity of the project.
* Establishing meeting frequency with Manager ICT for technical change governance for Phase 3 – property and ratings
* Preparation sessions with Rates officer and Manager Finance on expectation, dependencies, contingency plans for phase 3 of the project.

**Project Issues for Escalation:**

Continuous Improvement – Business as Usual

Complexities:

* There is an increasing expectation from internal business areas for Project team members to manage OneCouncil technical helpdesk and continuous improvement activities as part of business as usual for modules which have been successfully implemented. Paired with undertaking new module implementation as part of the evolving project, this is not a sustainable solution and does not equip the organisation with adequate business continuity efforts to support the immediate operations furthermore, the system in the long term.

Proposed Solution:

* Upskill the Information Technology team to understand the technical elements of the system and undertake the helpdesk/BAU components.
* Build a stronger working relationship with Information Technology team to ensure ease of knowledge sharing and collaboration. E.g. Involvement in Project team meetings, Demonstrations by project team members on technical nuances and governance on approach to manage issues and changes.
* Module Closure Acceptance document detailing the functionality delivered, milestones met, agreed plan (with an end date) for continuous improvement to address any issues that may have surfaced since module Go-Live.
* The above has been supported by EMT

*Figure 1.* *Phase 2 - Project progress tracker for the April 2023 reporting period*

**Consultation**

This report summarises detailed consultative information which observes the accuracy of the project status and health. Consultative efforts are managed in accordance with the below Stakeholder Consultation Plans.

| **Stakeholder Consultation Plans** | **Purpose** |
| --- | --- |
| Change Management Plan  | To outline the strategy and approach to managing the organisational change associated with implementing the OneCouncil project for employees, customers, and stakeholders.  |
| Communication Plan | To provide an overall framework for the ongoing management, coordination, and delivery of communications to all staff across the City of Nedlands impacted by the OneCouncil project activities.  |
| Stakeholder Engagement Plan  | To outline the City’s approach to managing stakeholder engagement throughout the implementation of the OneCouncil solution to ensure clear direction for the delivery of stakeholder engagement actions.  |

**Strategic Implications**

This item relates to the following elements from the City’s Strategic Community Plan.

**Vision** Our city will be an environmentally sensitive, beautiful, and inclusive place.

**Values** **High standard of services**

We have local services delivered to a high standard that take the needs of our diverse community into account.

**Great Governance and Civic Leadership**

We value our Council’s quality decision-making, effective and innovative leadership, transparency, accountability, equity, integrity and wise stewardship of the community’s assets and resources. We have an involved community and collaborate with others, valuing respectful debate and deliberation.

**Priority Area**

* The implementation of OneCouncil is a key result area for the Chief Executive Officer.

**Budget/Financial Implications**

A provision for the continuing implementation of OneCouncil is included in the approved City of Nedlands 2022/23 Annual Budget.

**Legislative and Policy Implications**

Nil.

**Decision Implications**

The City has sufficient information to present the OneCouncil Project status report.

**Conclusion**

The implementation of the OneCouncil project underpins the strategic and operational requirements for the City of Nedlands through a single, integrated solution. The change benefits of the software allow the city to embrace technological strategies to deliver smart community goals.

Recent adoption of changes to the approach and management of the OneCouncil project has seen the module implementation and change acceptance by the organisation reach a level of maturity that ensures the systems future is embedded in the culture at the City of Nedlands.

Solutioning the escalation point to address continuous improvement and business as usual will ensure reduced impact to the three project health areas namely, scope, budget and schedule.

Efforts to ensure the project continues to mature as the team transition from Phase 2 to Phase 3 include operating with a collaborative lens, addressing issues raised for escalation and continuous improvement initiatives are managed efficiently and effectively in partnership.

**Further Information**

Nil.

# In Camera

Allocated time for Committee to discuss items with Auditors without Administration or Public present.

The Administration Staff left the meeting at 7.10 pm and returned at 7.20 pm.

# Date of Next Meeting

The date of the next meeting of the Audit & Risk Committee will be on Monday 21 August 2023 at 5.30pm.

# Declaration of Closure

There being no further business, the Presiding Member declared the meeting closed at 7.20pm.