

GOVERNANCE AND TRANSPARENCY COMMITTEE LATE REPORTS

Item No.	Item Title	Page No.
	Declarations of Interest	
	Business Outstanding	
	Officers' Reports	
6	iVolve Project Quarterly Status Update	3
7	Quarterly Reports to the Department of State Development, Infrastructure, Local Government and Planning	12
	Notices of Motion	
	Matters Arising	

** Item includes confidential papers

GOVERNANCE AND TRANSPARENCY COMMITTEE NO. 2

10 MARCH 2022

LATE REPORTS

1. **INVOLVE PROJECT QUARTERLY STATUS UPDATE**

This report provides an update on Council's iVolve Stage 3 Program. Details on the approach of Stage 3 are outlined and while a late start to the Program occurred, remediation of the Delivery Plan has been undertaken, where required, to meet the 30 June 2022 deadline for delivery of a final Business Case to determine if Council should proceed with an agreed Vendor Solution/s.

RECOMMENDATION

That the report be received and the contents noted.

2. **QUARTERLY REPORTS TO THE DEPARTMENT OF STATE DEVELOPMENT,
INFRASTRUCTURE, LOCAL GOVERNMENT AND PLANNING**

This is a report concerning a request received by the Mayor (on behalf of Council) from the Director-General, Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) for Council to provide a series of quarterly performance reports through to the quarter ending 30 June 2022.

This is the third of the quarterly reports for consideration by the Governance and Transparency Committee and relates to the period October – December 2021. Endorsement of this quarterly report is sought, with the Mayor to send a letter and the quarterly report to the Director-General.

As noted above, Council's obligation to provide quarterly performance reporting ends on 30 June 2022. Direction will be sought from the Director-General by the Chief Executive Officer on concluding this reporting requirement.

RECOMMENDATION

That Committee endorse the draft letter and quarterly performance reports (October – December 2021) set out in Attachments 1-6.

Doc ID No: A7810750

This matter has been determined to be of a significant nature and approval has been given to refer this report to the Governance and Transparency Committee as a late item.

ITEM: 1

SUBJECT: INVOLVE PROJECT QUARTERLY STATUS UPDATE

AUTHOR: BUSINESS SUPPORT OFFICER

DATE: 23 FEBRUARY 2022

EXECUTIVE SUMMARY

This report provides an update on Council's iVolve Stage 3 Program. Details on the approach of Stage 3 are outlined and while a late start to the Program occurred, remediation of the Delivery Plan has been undertaken, where required, to meet the 30 June 2022 deadline for delivery of a final Business Case to determine if Council should proceed with an agreed Vendor Solution/s.

RECOMMENDATION

That the report be received and the contents noted.

RELATED PARTIES

AVEC Global Pty Limited have been engaged to work with Council staff to fulfil the following:

- Functional specifications
- Change Impact Assessment
- Solution Architecture
- Procurement Approach Strategy and STEP
- Final Business Case

To achieve these requirements, the below resources are all now working on the Project:

- Program Director
- Business Process Lead
- Business Analyst (Senior)
- Business Analyst
- Solution Architect/Design Lead
- Procurement Lead
- Change Manager
- ICC System SME
- ICC Project Officer x 2
- ICC Business SMEs (cross-council)
- ICC Procurement Team
- ICC PCG Members

An independent gateway assurance review on current solutions is also currently underway.

Strategic Directions remain engaged as the strategic advisors for the Project and will deliver the Project Assurance Review.

There were no declarations of conflicts of interest.

IFUTURE THEME

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PURPOSE OF REPORT/BACKGROUND

The former Project Team, through the Enterprise Program Management Office, previously reported that Stage 3 (Final Business Case) commenced in November 2021, with the delivery to be managed by a Council appointed external Program Director.

The Program Director was engaged to build a team of internal and external resources to undertake this stage of the Project under a 'Council managed delivery model'.

Formal handover of the Project from the Enterprise Program Management Office to the ICT Branch was completed on 27 January 2022.

Further details on the changes of approach for Stage 3 are outlined below:

- Stage 3 Delivery Plan was developed and approved and is now being delivered.
- The Program Team are running future state functional requirements workshops that commenced in January 2022 and are expected to be finalised by mid-March 2022.
- Activities are underway to develop the Solution Architecture and Integration Overview.
- Development of the Procurement approach and information in preparation for a Procurement control gate of mid-March 2022 is also occurring.
- Concurrently, a desktop review of current systems against target state requirements is being conducted.

This is a business transformation program and considerable effort is being undertaken to develop a Change Management Strategy and Communications Plan to support the project through this stage and future stages.

A late start for Stage 3 has put pressure on the completion date of 30 June 2022. However, continued monitoring and where required, remediation of the program will be undertaken to meet the date in consultation with stakeholders.

LEGAL/POLICY BASIS

Not Applicable

RISK MANAGEMENT IMPLICATIONS

The delays experienced during the terminated procurement process for the business partner resulted in delays to the implementation roadmap tabled as part of the approved Preliminary Business Case.

The preliminary timeframes reported to this Committee in December 2021, were part of the Preliminary Business Case. The intention of Stage 3 (Final Business Case) is to confirm likely implementation timeframes with greater accuracy and confidence.

The Stage 3 Delivery Plan outlines the likely timeframes for the completion of Stage 3 and the start of Stage 4 activities.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS
RECEIVE AND NOTE REPORT
The Recommendation stated that this report be received and the contents noted. The decision to receive and note the report does not limit human rights. Therefore, the decision is compatible with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

The Stage 3 Delivery Approach and Strategy Plan was approved in December 2021. The current year's budget allocation for the project is \$1.5 million.

COMMUNITY AND OTHER CONSULTATION



iVolve Stage 3 Project Control Group
ICT Steering Committee

CONCLUSION

This Program continues to be considered high risk and the Committee should be aware that the success of the Program will continue to largely depend on appropriate senior stakeholder support with an understanding and commitment that this overall Program will involve significant cultural change and business transformation and the support and participation of key staff across council.

The effectiveness of the controls applied to this Program will continue to be reported on a quarterly basis to the Audit and Risk Management Committee and the Governance and Transparency Committee.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	iVolve Project Quarterly Status Update  
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Theresa White
BUSINESS SUPPORT OFFICER

I concur with the recommendations contained in this report.

Sylvia Swalling
CHIEF INFORMATION OFFICER

I concur with the recommendations contained in this report.

Jeffrey Keech
ACTING GENERAL MANAGER (CORPORATE SERVICES)

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iVolve Stage 3 - KEY PROJECT CONTROLS REPORT

PROJECT:	iVolve Stage 3 Project
PROJECT LEAD:	Russel Withers
REPORTING PERIOD:	01/11/21 - 30/01/22
PROJECT STAGE:	Stage 3 - Final Business Case

CURRENT PROJECT HEALTH:	Monitor Closely
PROJECT HEALTH COMMENTS:	This project is considered to be high risk and the committee should be aware that success of the project will largely depend on appropriate senior stakeholder support and authority with an understanding and commitment that this project will involve deep cultural change and business transformation - it is not merely another technology project. Appropriately skilled and experienced resources, together with active stakeholder input and buy-in, will be essential to successfully and effectively deliver Stage 3 of the project.

KEY OUTCOMES AND OBJECTIVES

Key Outcomes and Objectives Progressed this Reporting Period	Confidence that Objective has been met	Steps to Increase Confidence	Key Outcomes and Objectives for Next Reporting Period
<p>1. Finalise engagement of the Program Director and any identified additional project resources required for delivery of Stage 3 Conduct and finalise appropriate procurement activities to engage specialist expertise to supplement and address internal capability gaps.</p> <p>2. Develop Stage 3 Delivery Plan Prepare a detailed delivery plan for Stage 3 which is relevant, complete and achievable in order to meet the required outcomes to deliver a robust Final Business Case with a recommended fit for purpose vendor solution(s).</p> <p>3. Commence delivery of Stage 3 Project Plan Undertake relevant project tasks to progress the Stage 3 Delivery Plan in a timely, consistent and effective manner in line with best practice and good governance guidelines.</p>	Reasonably Effective	<ul style="list-style-type: none"> - Ensure the revised Stage 3 resourcing model is fully understood and supported by key stakeholders in order to engage the necessary resources to successfully and effectively deliver required Stage 3 Outcomes. - Ensure scopes of work for Program Director and other roles are clearly defined with respect to required outcomes when engaging successful respondents. - Ensure decision making is undertaken in an open and transparent forum and all stakeholders understand and support any proposed approaches and associated requirements for successfully resourcing and delivering the project. - Be prepared to pause the project to ensure factors influencing effective and accurate decision making can be adequately considered to prevent later project complications and/or mitigate the risk of project failure. 	<p>1. Delivery of Stage 3 Project Plan Undertake relevant project tasks to progress the Stage 3 Delivery Plan in a timely, consistent and effective manner in line with best practice and good governance guidelines.</p>

MAJOR FOCUS AREAS, KEY CONCERNS AND OPPORTUNITIES

Major Focus Areas <small>(as per QAO report - Delivering Successful Technology Projects)</small>	Key Project Controls	Control Effectiveness	Trend from Last Report	Key Concerns	Opportunities
	1. Engagement with ICTSC at key decision points	Reasonably Effective	>	ICTSC understands the significance of this project as an organisational transformation, not just an ICT project	Promote a greater understanding of the extent of business transformation and the associated implications across organisational leadership

Item 1 / Attachment 1.

Major Focus Areas (as per QAO report - Delivering Successful Technology Projects)	Key Project Controls	Control Effectiveness	Trend from Last Report	Key Concerns	Opportunities
Leadership and Stakeholder Engagement	2. Establishment of Project Control Group to identify business considerations	Effective	>	Business engagement is maintained at appropriate levels. The business engagement model needs to be reconsidered as part of the Change Management Strategy.	Re-engage with middle managers and associated business areas with clearly articulated engagement and change strategy plans to gain buy-in and support. Ongoing role of the Project Control Group and membership will be reviewed as part of Stage 3 planning activities to ensure the project continues to be supported as required moving forward.
	3. Development of Preliminary/Final Business Case to articulate the case for change	Reasonably Effective	>	Ensuring that the required outcomes, outlined in the approved PBC as part of the case for change, remain relevant and achievable as the Final Business Case is developed. Given the need for significant organisational change and transformation, realistic achievement of stated benefits may prove difficult.	Focus heavily on understanding the organisational readiness to transform and the imperative to change in order to identify an achievable and realistic solution recommendation in the Final Business Case.
	4. Encourage visible and active change sponsorship	Reasonably Effective	>	Ensure the extent of change management, associated organisational impacts of this project and the roles and responsibilities of key stakeholders in change management are understood and supported in order to deliver successful and effective outcomes	Utilise specialist knowledge and experience to firmly embed the importance of effective change management and the roles and responsibilities of key stakeholders across all levels of the organisation to ensure successful outcomes. Establishment of key change management activities is a key focus of Stage 3 with continual reinforcement, management and monitoring to be ongoing through the life of the project.
Alignment with Clearly Articulated & Understood Outcomes	1. Due Diligence review points to confirm continued understanding of issues and required actions and outcomes	Reasonably Effective	>	Implications of decisions made during each stage of the project need to be fully transparent and articulated so they are clearly understood by key stakeholders and the relevant support is provided to ensure the project can be successfully and effectively delivered and/or significant risks are adequately mitigated.	<ul style="list-style-type: none"> - Facilitate greater understanding by ICTSC of extent business transformation and associated resourcing implications for project success - Continue to leverage knowledge from other councils to ensure a greater understanding of risks and opportunities - Utilise specialist knowledge and experience to identify key areas of concern and reinforce extent of , and commitment to, required change for delivery of successful outcomes
	2. Regular Status reporting to inform stakeholders	Effective	>	None at this stage	Additional quarterly reporting to the Governance and Transparency Committee established to ensure continual engagement with elected representatives.
	3. Establishment of Project Control Group to identify business considerations	Effective	>	Business engagement is maintained at appropriate levels. The appropriate business engagement model will need to be monitored to ensure greater focus and attention on appropriately and effectively engaging with business areas.	<ul style="list-style-type: none"> - Identify barriers preventing buy-in and engagement of key stakeholders and develop mitigation strategies to influence the success of organisational change. - Ongoing role of Project Advisory Group and membership will be reviewed as part of Stage 3 planning activities to ensure the project continues to be supported as required moving forward.

Item 1 / Attachment 1.

Major Focus Areas (as per QAO report - Delivering Successful Technology Projects)	Key Project Controls	Control Effectiveness	Trend from Last Report	Key Concerns	Opportunities
Appropriate Resourcing in Place (Skills, Experience & Capability)	1. Project and Resourcing Plan in place for each project stage	Effective	V	Project resourcing plans were revised to lead delivery of Stage 3. The revised plan will only be effective if it is endorsed and supported by stakeholders to ensure appropriately skilled resources can be funded, engaged and retained to deliver required project outcomes.	Focus on identifying the right mix of skills and capability as a foundation element for success and communicate the associated costs/benefits and risks to build a case for supporting recommendations
	2. Continual identification of skill and capability gaps	Reasonably Effective	>	Identified resource needs are not fully supported particularly in relation to the need for specialist skills including change management. Short term budget constraints should be weighed against the longer term need to ensure the project is successfully delivered in line with good governance guidelines and lessons learned.	- Focus on identifying the right mix of skills and capability as a foundation element for success and communicate the associated costs/benefits and risks to build a case for supporting recommendations - Leverage specialist knowledge, skills and expertise to identify and address capability gaps within the agreed engagement scope.
	3. Accessing the right people and ensuring availability as and when needed	Reasonably Effective	>	Identified resource needs are not fully supported particularly in relation to the need for specialist skills including change management. Short term budget constraints should be weighed against the longer term need to ensure the project is successfully delivered in line with good governance guidelines and lessons learned.	- Focus on identifying the right mix of skills and capability as a foundation element for success and communicate the associated costs/benefits and risks to build a case for supporting recommendations - Leverage specialist knowledge, skills and expertise to identify and address potential resourcing gaps within the agreed engagement scope.
Working Collaboratively to Ensure Success	1. Agreeing clear scopes of work with external parties	Effective	>	Agreed Statements of Work with external specialists will need to be clearly developed, articulated and closely monitored to ensure adherence, compliance and that required project outcomes can be successfully and effectively met.	Focus on ensuring any external specialists deliver required outcomes and meet expectations within required timeframes according to the agreed Statement of Work
	2. Clearly articulating roles, responsibilities, time frames, and deliverables for all parties at each project stage.	Reasonably Effective	>	The revised project plan and resourcing means current stage deliverables and timeframes for the project will need to be re-examined in light of the need to agree the roles and responsibilities of required resources and the ability of those resources to meet required outcomes and timelines. As part of the engagement of any external specialists there will be a need to closely monitor and manage these resources to prevent slippage, scope creep and non delivery of required outcomes.	Focus on working closely with any external specialists to pre-emptively identify potential issues and risks that may adversely affect deliverables and timelines through regular project status reports and meetings outlining progress against the clearly articulated delivery timelines in the agreed Statement of Work
	3. Clearly articulated Terms of Reference for Project Advisory and Working Groups	Reasonably Effective	>	Monitor the business engagement model to ensure appropriate resourcing for Stage 3 have been engaged and that the relevant Groups are enabling this.	These groups are required for Stage 4 implementation however will be established and mobilised with terms of reference to ensure maximum business engagement in the later part of Stage 3.
	1. Clearly identified Stage Go/No Go Gates within the agreed governance process	Reasonably Effective	>	Agreed governance process needs to be revised now that the project sits under the Office of the CIO to ensure stage Go/No Go gates are understood, agreed and widely communicated to key stakeholders when and where applicable.	Provide opportunities to re-evaluate stage gates and governance process where adjustments and revisions may lead to better project outcomes in terms of delivery times and reduced costs.

Major Focus Areas <small>(as per QAO report - Delivering Successful Technology Projects)</small>	Key Project Controls	Control Effectiveness	Trend from Last Report	Key Concerns	Opportunities
Issues and Risks are Managed Effectively	2. Continual assessment of effectiveness of mitigation of identified risks and take actions to correct the course of the project as necessary	Effective	>	None at this stage	Not applicable at this stage

Item 1 / Attachment 1.

Major Focus Areas <small>(as per QAO report - Delivering Successful Technology Projects)</small>	Key Project Controls	Control Effectiveness	Trend from Last Report	Key Concerns	Opportunities
	3. Document and report on key lessons learned in stage closure reports to inform the management of latter project stages	Reasonably Effective	>	Documented lessons learned are not fully valued or understood by key stakeholders	Developing a best practice methodology focused on good governance and management of identified risks and issues will contribute to successful outcomes and an iterative knowledge resource for future projects

CURRENT PROJECT FOCUS

Primary Project Focus:	The primary focus of the project at this point is get the project timelines back on track by identifying and securing the necessary resources to deliver Stage 3 of the project and delivery of the Stage 3 plan.
Why:	Stage 3 is critical to identifying and sourcing the most appropriate, fit for purpose, vendor solution/(s) to meet Council's needs now and into the future, supported by an endorsed Final Business Case.
How:	The revised Stage 3 plan is enabling the project to move forward and build on the Preliminary Business Case by establishing a clear solution specification to be taken to the market and supported by change and culture management plans and strong vendor and contract negotiation expertise to arrive at a recommended vendor solution/(s).
Potential Risks/Impacts:	Appropriate Council Subject Matter Experts and specialist expertise cannot be adequately identified, engaged and/or funded to address key capability gaps throughout Stage 3 of this project resulting in further project delays, suboptimal solution selection and/or vendor/contract negotiation outcomes.
Opportunities:	Appropriate engagement of specialist expertise delivers the requisite knowledge, experience and capability to mitigate known skill and capability gap risks to deliver a Final Business Case which identifies a fit for purpose vendor solution/(s) for Council.

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This matter has been determined to be of a significant nature and approval has been given to refer this report to the Governance and Transparency Committee as a late item.

ITEM: 2

SUBJECT: QUARTERLY REPORTS TO THE DEPARTMENT OF STATE DEVELOPMENT,
INFRASTRUCTURE, LOCAL GOVERNMENT AND PLANNING

AUTHOR: ACTING MANAGER, PERFORMANCE

DATE: 14 FEBRUARY 2022

EXECUTIVE SUMMARY

This is a report concerning a request received by the Mayor (on behalf of Council) from the Director-General, Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) for Council to provide a series of quarterly performance reports through to the quarter ending 30 June 2022.

This is the third of the quarterly reports for consideration by the Governance and Transparency Committee and relates to the period October – December 2021. Endorsement of this quarterly report is sought, with the Mayor to send a letter and the quarterly report to the Director-General.

As noted above, Council's obligation to provide quarterly performance reporting ends on 30 June 2022. Direction will be sought from the Director-General by the Chief Executive Officer on concluding this reporting requirement.

RECOMMENDATION/S

That Committee endorse the draft letter and quarterly performance reports (October – December 2021) set out in Attachments 1-6.

RELATED PARTIES

There is no potential, perceived or actual conflicts of interest to disclose.

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

The Director-General, DSDILGP wrote to Mayor Harding on 6 April 2021 and advised of his decision to not reappoint Mr Steve Greenwood as Advisor to Ipswich City Council for a further period. Mr Greenwood had been appointed to the role of Advisor for an initial period of twelve (12) months. The initial period ended on 12 April 2021.

However, under section 115 of the *Local Government Act 2009*, the Director-General, DSDILGP, Mr Damien Walker, requested that up to 30 June 2022, the Council provides him with quarterly reports on the performance of Council including the following matters:

- progress of the People and Culture Strategic Plan developed during Mr Greg Chemello's period of interim administration.
- implementation of any outstanding issues from Mr Chemello's final Vision 2020 which he understood to be: Procurement; ICT and Knowledge Management; and People and Culture.
- results from the Council's Pulse staff survey results and any actions being implemented to address issues of concern identified through that survey.
- any significant changes to governance policies and processes and the rationale for such changes.
- any significant issues relating to senior staff changes; and
- any issues which may identify corruption risks.

The progress reports have been collated for the period of October to December 2021 for each item identified above (Attachments 2-6). These progress reports have been adopted as the standard for the series of quarterly reports to the Director-General, DSDILGP up until 30 June 2022.

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions:

Local Government Act 2009

Local Government Regulation 2012

Public Sector Ethics Act 2004

Industrial Relations Act 2016

Crime and Corruption Act 2001

RISK MANAGEMENT IMPLICATIONS

There has been significant investment in good corporate governance and risk management both during the period of Interim Administration of Ipswich City Council and since the return of the elected representatives in April 2020. Council has implemented an Enterprise Risk Management Framework and has developed and is implementing a Five-Year Risk Maturity Roadmap to continue to mature its approach to identifying and managing risks.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS
NON-DISCRETIONARY DECISION
The Recommendation of this report arises from a requirement under section 115 of the <i>Local Government Act 2009</i> that allows for the monitoring of a local government's performance and do not impact individuals. Therefore, the decision will not be unlawful under the <i>Human Rights Act 2019</i> .

FINANCIAL/RESOURCE IMPLICATIONS

The collation of the quarterly performance reports has been undertaken by the Enterprise Program Management Office (ePMO) of Council within the existing resource allocation and has been given priority over other responsibilities given the legislative obligation. All future performance reports will continue to be coordinated by the ePMO up until 30 June 2022.







COMMUNITY AND OTHER CONSULTATION

The Performance Reports have been coordinated by the ePMO with input and content verified by the relevant officers identified in the reports. Consultation on the draft letter and progress reports has also occurred with the Office of the Mayor.

CONCLUSION

The Director-General, DSDILGP has requested council provide a series of quarterly reports up until 30 June 2022. The proposed cover letter and October – December 2021 quarterly reports are set out in Attachments 1 to 6.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	DG Letter - Draft Cover Letter, October to December 2021 ↓ 
2.	DG Letter - Project Status - People and Culture, October to December 2021 ↓ 
3.	DG Letter - Project Status - Information Knowledge Management, October to December 2021 ↓ 
4.	DG Letter - Project Status - Policy and Procedure Change, October to December 2021 ↓ 
5.	DG Letter - Project Status - Fraud and Corruption Control, October to December 2021 ↓ 
6.	DG Letter - Project Status - ICT Strategy, October to December 2021 ↓ 

Maree Walker

ACTING MANAGER, PERFORMANCE

I concur with the recommendations contained in this report.

Barbara Dart

ACTING GENERAL MANAGER COORDINATION AND PERFORMANCE

I concur with the recommendations contained in this report.

Peter Tabulo

ACTING CHIEF EXECUTIVE OFFICER

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