

## Strategic Improvement Plan 2 for Kiama Municipal Council

### Background:

Kiama Municipal Council (KMC) identified a range of issues and challenges relating to its financial sustainability and resourcing through the State of the Organisation Report February 2022. The initial Strategic Improvement Plan (SIP) followed in April 2022, outlining a mix of actions to address the issues and mitigate those challenges. Alerted by concerns raised by the Audit Office (AO), the NSW Office of Local Government (OLG) monitored Council's progress, choosing to encapsulate key actions from the SIP into a Performance Improvement Order (PIO) in November 2022.

Since then, Council has:

- received accreditation under s9-3B of the Aged Care Act 1997 for its Blue Haven aged care facility operations at the Bonaira site
- sold its property holdings in Akuna Street to partly restore reserves and working capital
- resolved to divest its Blue Haven property and aged care, residential, home care and community transport operations on the Bonaira St site
- established the basis of improving its financial position through draft liquidity, property and cashflow plans
- decided to explore the scenarios to retain, refurbish or redevelop the Blue Haven Terralong and Havilah sites, pending the outcome of dilapidation and options papers, and assessment of relevant risk and returns
- opted to pay down two-thirds (\$30m) of its remaining debt to TCorp for the Blue Haven Bonaira development, and negotiate a new loan for the balance (\$15m)
- resolved to progress opportunities to modernise its municipal operations initially by review of business units and services, its organisation structure and salary systems; and continue to advance the new configuration of its enterprise technology platforms

Notwithstanding, liquidity and cashflow concerns remain through next financial year. Next year's budgets will be framed to recognise timing of property (including Bonaira) sales; separation of Blue Haven from municipal operations; and right sizing organisational resources.

Given the resourcing constraints of the organisation, specialist expertise will be engaged to guide Council through the above activities.

The Strategic Improvement Plan version 2 (SIP2) will append a table of the status of actions incorporated in SIP1 (coded by completeness in a traffic light system: green-complete/ongoing; amber-underway/finalised soon; red-incomplete/not commenced). Where appropriate, outstanding actions have been carried forward into SIP2.

### Overall Objective:

To deliver a strategic program of works that improves the financial sustainability of the organisation and addresses governance, administrative and organisational matters raised in the OLG issued Performance Improvement Order.

### Critical Strategic Aims of the Strategic Improvement Plan:

1. To provide a blueprint for guiding the organisational transformation that is required over the next few years to improve financial sustainability, organisational performance, and maturity.

2. To demonstrate to the NSW State Government and Office of Local Government that the legislative requirements and ratios for sustainability can be met.
3. To position the organisation to refinance and repay the TCorp debt.
4. To proactively continue to implement the required improvements noted in the performance orders issued 8 November 2022.
5. To improve the capability, administrative and cultural performance of the organisation, with the ability to measure performance on annual basis.
6. To restore community confidence and trust in the business systems and processes of the municipality.
7. Position Kiama Municipal Council to be sustainable into the future, delivering the services and facilities required to support its community.

***\*\*It is important to note that this document is a work in progress and will be updated monthly to account for deliverables and respond to changing business needs. SIP2 builds on activities undertaken in the first SIP, which included 64 action items, 13 of which required carrying over. It is important to note some of those 13 items may change due to the evolution of information received and decisions made.\*\****

## **Approach:**

The broad approach considered by councillors at recent workshops includes the following:

1. Divest Property
  - Continue to work as resolved in 15 December 2022 report towards divestments (Akuna, Irvine, Marsden, Riverside holdings) and 28 February 2023 recommendations
2. Focus on fundamentals
  - divest aged care, home care and community transport operations
  - reassess Council role, returns and capacity in non-municipal functions (aged care, business units)
3. Restore liquidity
  - reduce debt and liabilities
  - restore reserves and working capital
  - address structural deficit
4. Reset budget
  - priority spend on assets (servicing, maintenance, renewal); and manage asset revaluations and depreciation
  - focus on public benefit and regulatory obligation services
  - reassess Council role and build fee recoveries for shared or private beneficiary services
  - pursue grants with low risk (capital contribution), or downstream impact (future depreciation or reduction in operating grant)
  - invest in organisation transition (business analysis, digital transaction, skill resilience)
5. Review settings
  - services, assets, business, attributions
  - rating, pricing, property
  - performance, risk
  - organisation design (incl staff establishment following divestment Blue Haven operations)

6. Resilient Organisation

- build growth and climate resilience into design and renewal of assets
- build change and resilience in organisation skills, culture and technology
- build systems of business intelligence for planning, risk, projects and reporting
- collaborate with agencies to improve population and infrastructure growth and emergency mapping

## Strategic Improvement Plan 2

The structure of SIP2 has been framed initially around the key elements of the OLG Performance Improvement Order, then additional matters identified from the State of Organisation Report and initial SIP.

**Short term (ST) = work has a high degree of urgency, is directly linked to the Performance Improvement Order and will need to be completed by June 2023, 1- 3 months**

**Medium term (MT) = work is a priority, complex and may take a longer time to complete, between 3 to 6 months**

**Longer term (LT) = work is a priority but is highly complex and requires a full year (12 months) to undertake**

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
<b>Performance Improvement Order</b>					
1	Financial management	Review Council's current financial circumstances	<ul style="list-style-type: none"> <li>Extensively progressed and reported on the PIO compliance reports</li> </ul>	ST	CFO
2		Review SIP as necessary with regard to changing financial circumstances, findings from FY21 and FY22 audit, and the Aged Care Quality and Safety Commission s9-3B notice	<ul style="list-style-type: none"> <li>SIP2 developed as working draft.</li> </ul>	ST	CEO
3		Implement SIP actions and report progress monthly to Council	<ul style="list-style-type: none"> <li>Close out of SIP1 complete.</li> <li>SIP2 developed as working draft and future reporting</li> </ul>	ST	CEO
4		Review Council's compliance with accounting principles, incl Local Government Act, regulations and Code of Accounting Practice	<ul style="list-style-type: none"> <li>Permanent recruitment made to the Chief Financial Officer.</li> <li>Critical appointments at this senior level have helped give stability and leadership to the finance department.</li> <li>Report on categorisation of commercial activities included in business papers for the ordinary Council meeting 18 April 2023. Directly addresses areas of concern.</li> </ul>	ST	COO CFO

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
			<ul style="list-style-type: none"> <li>Activity costing and internal charging being explored for commercial operations.</li> <li>General ledger has been modified to enable separate budgeting and reporting for municipal, waste, holiday park and aged care activities, and this will be reported on separately at each quarterly budget review.</li> <li>Significant improvements made to monthly financial statements reported to Council and statement of investment reporting.</li> </ul>		
5		Review strategies to improve Council's immediate financial circumstances, including development of a Liquidity Plan	<ul style="list-style-type: none"> <li>Draft Liquidity Plan adopted February 2023.</li> <li>Cash flow adopted.</li> <li>Long term financial plan adopted.</li> <li>Distributions and returns for property divestment used to correct issues.</li> </ul>	ST	Whole Executive
6		Develop strategies to ensure Council's long term financial security	<ul style="list-style-type: none"> <li>Refer steps proposed in SIP 'Financial Management'.</li> <li>LTFP to be prepared for 2023/2024.</li> </ul>	ST	CEO COO CFO
7		Undertake strategic review of property holdings and investments	<ul style="list-style-type: none"> <li>Draft Property Plan adopted February 2023 to be finalised in May.</li> <li>To be updated pending workshops on proposals, risks and returns.</li> </ul>	ST	Director Infrastructure and Liveability
8	Blue Haven Aged Care Facility	Review Council's management and operations of the Blue Haven aged care facility	<ul style="list-style-type: none"> <li>Completed as part of business case.</li> </ul>	ST	COO Manager Aged Care and Operations
9		Develop an operational plan of management for the Blue Haven aged care facility	<ul style="list-style-type: none"> <li>Currently underway, included in Delivery Program and Operational Plan.</li> </ul>	ST	COO

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
					Manager Aged Care and Operations
10		Revise the operational plan of management, taking into account Aged Care Quality and Safety Commission accreditation assessment	<ul style="list-style-type: none"> <li>Update on status of ACQSC continuous improvements reported to ARIC on 4 April 2023. COO reported to the March 2023 Ordinary meeting on all aspects of the operation at Blue Haven and business activities with regard to compliance with the standards.</li> </ul>	ST	COO Manager Aged Care and Operations
11		Prepare a business case outlining options (lease, sell, joint venture or retain) for the Blue Haven facility	<ul style="list-style-type: none"> <li>Completed and reported to 28 February 2023 ordinary Council meeting.</li> </ul>	ST	CEO COO
12		Review and report on Council's compliance with Aged Care Act 1997 and related legislation, including: <ul style="list-style-type: none"> <li>- Use of funds, deposits and bonds</li> <li>- Financial circumstances of facility</li> <li>- Strategies to improve financial performance of facility</li> <li>- Response to accreditation audit</li> </ul>	<ul style="list-style-type: none"> <li>Completed and Prudential Policy adopted.</li> <li>9-3B letter closed out.</li> <li>Findings of business case improvements referred to Blue Haven Advisory Committee and Management for ongoing improvements.</li> </ul>	ST	CEO COO
13	Financial Accounting and Management Systems	Review Council's current systems and implement and improvements	<ul style="list-style-type: none"> <li>Implement recommendations of Forsyth report and finalise release of executive summary.</li> <li>Continue configuration, implementation and training in TechOne finance, HR and asset systems.</li> <li>Interim CFO commenced 30 January and is being retained until 30 June 2023, together with a contractor to assist TechOne configuration.</li> <li>Recruitment of permanent CFO finalised.</li> </ul>	ST	CFO

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
			<ul style="list-style-type: none"> <li>• Simpler cashflow summaries as well as statutory QBRS and SRV reporting are in place from March quarter.</li> <li>• Data now emerging and being reported to ELT on excess leave, overtime, unplanned absence, vacancy and staff establishment per functional area.</li> <li>• Draft budget presented to ELT on 11 April 2023 and Councillor workshop booked for 20 April 2023.</li> <li>• Report submitted to 18 April 2023 Ordinary Council meeting correcting functional classifications in the budget of several business areas.</li> <li>• Improvements to financial systems included as an action item in SIP2 and will continue over time.</li> <li>• 80% of reconciliations for the 2021/22 year have been completed and this should help with audit work and budget preparation.</li> </ul>		
<b>Strategic Improvement Plan 2</b>					
14	Financial Management	Complete the financial statements for FY21 and FY22 and external audit process.	<ul style="list-style-type: none"> <li>• Report submitted to Council on 18 April 2023.</li> <li>• AO sign off FY21. Reported to ARIC meeting 4 April 2023 and subsequent April council meeting is expected horizon for sign off.</li> <li>• FY22 audit expected June/July 2023, engagement plan approved.</li> </ul>	ST	COO CFO



	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
15	Financial Management	Service Review (including revenue raising opportunities) including: <ul style="list-style-type: none"> <li>- Review of waste business unit</li> <li>- Review of leisure centre</li> <li>- Review of holiday parks</li> </ul>	<ul style="list-style-type: none"> <li>• Report submitted to the extraordinary Council meeting 28 Feb 2023 and endorsed.</li> <li>• Council resolution 23/050OC.</li> <li>• Seeking budget allocation for completion of works as part of 2023/24 budget.</li> <li>• Noting a rolling program of service reviews for all other areas of the business.</li> </ul>	LT	Whole management team
41	Property	Sale of superfluous assets	<ul style="list-style-type: none"> <li>• Property plan developed and endorsed as per public report 28 February 2023 requirement, finalising May 2023.</li> <li>• Akuna Street sale completed December 2023.</li> </ul>	LT	Director Infrastructure and Liveability
44	Property	Consider outsourcing service components to manage risks	<ul style="list-style-type: none"> <li>• Recommendations of Finance Advisory Committee reported to Council for consideration.</li> <li>• Service reviews may explore in more detail.</li> </ul>	LT	Director Infrastructure and Liveability
46	Blue Haven	Subject to reclassification processes continue the work required to implement Council's decision of 13 October 2022 and resolved on 28 February 2023 concerning divestment of all aged care assets and services located on Blue Haven Bonaira site, and associated resolutions concerning Terralong subdivisions and dilapidation report.	<ul style="list-style-type: none"> <li>• Resources required approved by Council. Via Council resolution 22/104OC.</li> <li>• Business case completed.</li> <li>• Public report delivered and resolved 28 February 2023.</li> </ul>		COO Director Infrastructure and Liveability
47	Blue Haven Terralong	Continue to implement resolutions made 28 February concerning Planning Proposals for subdivision, decommissioning and dilapidation condition reports.	<ul style="list-style-type: none"> <li>• All actions underway.</li> <li>• Planning proposal on 28 day public notice.</li> <li>• Public hearing booked for 6 May 2023.</li> <li>• Public Works leading decommissioning and dilapidation report.</li> </ul>	LT	Director Infrastructure and Liveability

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
48	Blue Haven	Barroul House, options to explore outsourced delivery option.	<ul style="list-style-type: none"> <li>Catering/lease of Barroul House intended to be incorporated into outsourcing of Pavilion catering contracts.</li> <li>Resolved to divest of all aged care assets on Bonaira site as per resolution 23/053OC.</li> <li>No further action to be taken.</li> </ul>		N/A
49	Blue Haven	Consider the caretaker / ILU management solution and options.	<ul style="list-style-type: none"> <li>Contracts set and advertised.</li> <li>Caretaker for Bonaira still in recruitment phase. 4-year contract now being promoted in attempt to attract greater interest.</li> <li>Interim arrangements currently in place.</li> </ul>	LT	COO Manager Aged Care and Operations
51	Blue Haven	Building 4 matters at Blue Haven Bonaira to be addressed.	<ul style="list-style-type: none"> <li>Building works being costed.</li> <li>Decision resolved to divest of the Bonaira aged care assets through tender process.</li> <li>No further reporting to updated on this matter.</li> </ul>	LT	N/A
52	Blue Haven	Defect period for Blue Haven Bonaira to be closed out and all works completed.	<ul style="list-style-type: none"> <li>Specialist project manager appointed to lead process as resolved at extraordinary meeting resolution 23/053OC</li> </ul>	LT	COO Project Manager
61	Organisation Transformation	Salary system review	<ul style="list-style-type: none"> <li>Draft model developed, circulated to unions for feedback.</li> <li>LGNSW Consultant being engaged to review.</li> <li>Councillor presentation provided 7 February 2023 and interactive workshop held 27 February 2023.</li> <li>Budget bid being prepared and staff engagement pending budget allocation.</li> </ul>	LT	COO Manager People and Performance

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
63	Organisation Transformation	Cost of salary system and structure to be fully explored and consultation to occur with staff and Councillors	<ul style="list-style-type: none"> <li>• Refer above</li> <li>• Need to be cognisant of cost of implementation and award increases impact on finances; as well as union position, and optics to community and staff</li> </ul>	LT	COO Manager People and Performance
73	Governance	Review of complaints and Code of Conduct.	<ul style="list-style-type: none"> <li>• Work has commenced to review existing Complaints Policy.</li> <li>• Ongoing training underway for Code of Conduct.</li> <li>• Updates being made to policy in accordance with advice and information received from OLG.</li> </ul>	LT	Governance Coordinator Manager People and Performance
16	Financial Management	Restore negative restricted funds (reserves)	<ul style="list-style-type: none"> <li>• As part of the extraordinary meeting Council endorsed the following distribution of funds from Akuna Street "Resolution 23/049OC.</li> <li>• This distribution of funds restores the restricted funds position to positive in the short term but will still require work in the LTFP.</li> <li>• Pending the results of the dilapidation report for Terralong retirement village, a reserve needs to be established for the retirement village renewal. Consideration should also be given to the current liabilities held on the balance sheet.</li> <li>• Forsyth's report made several recommendations concerning the restricted reserves and these should be implemented.</li> <li>• Council adopted the new Restricted Funds policy 20 December 2022.</li> <li>• A minimum restricted cash position should be established and maintained to meet required ratios</li> </ul>	ST	CEO CFO

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
17	Financial Management	Replenish unrestricted funds (working capital)	<ul style="list-style-type: none"> <li>As part of the extraordinary meeting Council endorsed the following distribution of funds from Akuna Street - Resolution 23/049OC</li> <li>This distribution of funds restores the restricted funds position to positive in the short term but will still require work in the LTFP</li> <li>A minimum restricted cash position should be established and maintained to meet required OLG ratios.</li> </ul>	ST	CFO COO
18	Financial Management	Strengthen infrastructure reserves and levels of renewals, aligned to depreciation	<ul style="list-style-type: none"> <li>Pending the results of the dilapidation report for Terralong retirement village, a reserve needs to be established for the retirement village renewal.</li> <li>Assess the appropriateness of the forecasting for asset replacement and renewal.</li> <li>Assess whether the revaluations have been ground-truthed or percentage increases and determine a process to revalue all.</li> </ul>	MT	COO CFO Director Infrastructure and Liveability
19	Financial Management	Pending reclassification process reassign aged care ILU/RAD liabilities (to Blue Haven purchaser)	<ul style="list-style-type: none"> <li>Include in tender process the current liabilities held for Bonaira.</li> </ul>	ST	COO
20	Financial Management	Renegotiate terms TCorp debt and amend cash flow accordingly	<ul style="list-style-type: none"> <li>At the extraordinary meeting 28 February 2023 Council endorsed (Resolution 23/044OC).</li> <li>Correspondence sent and process initiated immediately thereafter.</li> </ul>	ST	CEO COO CFO
21	Financial Management	Reposition DP/OP to meet (averaged) key financial ratios (operating performance, own source revenue, cash expense, debt service)	<ul style="list-style-type: none"> <li>To be undertaken with refresh of LTFP</li> </ul>	ST	CEO COO

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
22	Financial Management	Reappraise community service obligation (CSO); and pricing (fee) settings for regulatory and private benefit services	<ul style="list-style-type: none"> <li>To be completed following the service review process.</li> </ul>	LT	COO CFO
23	Financial Management	Reassess viability/profitability of business units	<ul style="list-style-type: none"> <li>To be completed following the service review process.</li> </ul>	LT	Whole of management team
24	Financial Management	Reset sustainable/recurring revenue streams	<ul style="list-style-type: none"> <li>To be completed following the service review process, and Terralong dilapidation/returns paper.</li> </ul>	LT	Whole of management team
25	Financial Management	Discern municipal services, assets and appropriate resourcing (incl FTE)	<ul style="list-style-type: none"> <li>KPMG assisted separation of books for Blue Haven and KMC. Work completed.</li> <li>Separate budgeting and reporting available now and remains as a focus.</li> <li>Workforce planning to be assigned to each department as part of business plans being developed for DPOP consideration for 2023/24.</li> <li>Work to completed once DPOP is completed.</li> </ul>	MT	COO Manager People and Performance
26	Financial Management	Reframe services, asset standards and levels of service	<ul style="list-style-type: none"> <li>To be completed following the service review process.</li> </ul>	LT	Whole of management team
27	Financial Management	Refresh risk appetite, thresholds, and strategic risk	<ul style="list-style-type: none"> <li>Workshop held with ELT on strategic risk plan in Feb 2023. Reported to ARIC at February meetings, Resolution 23/002ARIC.</li> <li>Workshop to be re-held in July 2023.</li> </ul>	MT	Manager People and Performance ARIC
28	Financial Management	Revise rating structures, incl potential SRV to retain own source revenues (OSR) per capita	<ul style="list-style-type: none"> <li>FAC resolved to options paper into SRV application "22/048FAC".</li> <li>Awaiting funding consideration as part of 2023/24 budget process.</li> </ul>	MT	COO CFO

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
			<ul style="list-style-type: none"> <li>Application process would need to be completed towards September 2023.</li> </ul>		
29	Financial Management	Reinstate debt recovery practice	<ul style="list-style-type: none"> <li>Vacancies in finance department being filled and increased focus on monthly reconciliations and debt recovery practice.</li> <li>Monthly reporting on debtors to ELT and collection status.</li> </ul>	ST	CFO
30	Financial Management	Re-survey community views on services and assets (aged care if required)	<ul style="list-style-type: none"> <li>Utilise funding from the Bonaira resolution August 2022 to fund the preparation for the work required to satisfy the resolution from extraordinary meeting concerning community engagement "22/104OC".</li> </ul>	ST	CEO Communications Coordinator
31	Financial Management	Establish Grants Policy, including pursue grant funding with low exposure to residual/recurrent expenditure or growth in depreciation/renewal	<ul style="list-style-type: none"> <li>Grants officer appointed and quarterly reports to council on grant outcomes have been provided.</li> </ul>	MT	Grants Officer CFO
32	Financial Management	Establish Debt Policy, including raising debt when supported by new/growth revenues	<ul style="list-style-type: none"> <li>Work to be completed.</li> </ul>	MT	CFO
33	Financial Management	Revise and refresh financial and asset strategies, pending above outcomes	<ul style="list-style-type: none"> <li>Work to be completed.</li> </ul>	MT	CFO
34	Financial Management	Support advocacy for rate peg to accommodate population and depreciation growth, and removal of ESL	<ul style="list-style-type: none"> <li>Submission on rate peg to IPART.</li> <li>Support LGNSW work.</li> </ul>	ST	Whole of management team
35	Financial Management	Embed costs and distribution of property proceeds into Liquidity Plan	<ul style="list-style-type: none"> <li>CFO to consider and implement.</li> </ul>	MT	CFO
36	Financial Management	Continue monthly cashflow reports in summarised form	<ul style="list-style-type: none"> <li>Update cashflow analysis with resolutions with regard to TCorp loan payments; distribution of Akuna sale; and anticipated timing and returns</li> </ul>	ST	CFO

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
			from Blue Haven property and operations divestment.		
37	Financial Management	Prepare quarterly consultant, legal and key project reports	<ul style="list-style-type: none"> <li>Will append to QBRS reports on costs, purpose, source of funding and status of engagements.</li> </ul>	ST	CEO
38	Financial Management	Assess adequacy of operational reserves and cash	<ul style="list-style-type: none"> <li>Nominate estimated costs and distribution of proceeds of sales of property resolved to divest (liquidity plan schedule).</li> <li>Pay \$30m to TCorp asap (to reduce remaining interest to August) as per 28 February resolution.</li> <li>Exploring options to borrow internally (subject to Minister approval) remaining \$15m (to save higher interest charges, and subject to remaining reserves being acceptable).</li> <li>Negotiate \$15m new loan facility with TCorp.</li> <li>Update movements in restricted and unrestricted funds (reserves) as consequence of those above distributions, and anticipated timeframes for Blue Haven divestment (pending reclassification) into cashflow statements.</li> </ul>	ST	CEO CFO
39	Performance	Compare KMC to similar LGA benchmarks	<ul style="list-style-type: none"> <li>CFO to consider this work.</li> </ul>	MT	CEO COO
40	Performance	Participate in ISJO performance reporting	<ul style="list-style-type: none"> <li>CEO to participate.</li> </ul>	ST	CEO
42	Property	Commercial considerations report that explores dilapidation report and subdivision report for Blue Haven Terralong site as a result of the Council resolutions	<ul style="list-style-type: none"> <li>Requires resourcing to implement.</li> <li>As resolved 28 Feb 2023, Resolution 23/053OC.</li> </ul>	LT	COO Director Infrastructure and Liveability
43	Property	Pending reclassification February decision of Council to progress sale of Blue Haven Bonaira	<ul style="list-style-type: none"> <li>Established internal PCG and cycle of meetings.</li> </ul>	LT	COO

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
		property and operations (ILU, RACF, HACC, transport); and preparation of dilapidation report for Terralong	<ul style="list-style-type: none"> <li>Recording names, scope and value of consultancies engaged to date and proposed with regard to Blue Haven business case and sales established.</li> <li>Complete the reclassification of Bonaira site.</li> <li>Prepare options paper for refurbishment or redevelopment for Terralong and Havilah following dilapidation report (which may include feasibility of future cashflows pending a staged refurbishment).</li> <li>Consider interest of potential buyers during Bonaira sale process and its bankability with/without Terralong or Havilah.</li> <li>Explore options to retain, repurpose, refurbish, redevelop or divest property identified in draft property plan, identifying business case and project management scenarios where appropriate.</li> </ul>		Director Infrastructure and Liveability
45	Property	Differentiation of municipal from business unit and aged care services and resourcing	<ul style="list-style-type: none"> <li>Review and scope business unit and general services.</li> <li>Review asset standards and hierarchies supporting those services.</li> <li>Establish appropriate resourcing for the adopted levels of service.</li> </ul>	LT	Whole of management team
49	Blue Haven	Defects at Bonaira ILU to be resolved and bond released	<ul style="list-style-type: none"> <li>Specialist project manager appointed to lead process as resolved at extraordinary meeting resolution 23/053OC.</li> </ul>	ST	COO
50	Blue Haven	Restructure ILU, in-home care and RACF	<ul style="list-style-type: none"> <li>Interim structure put in place to provide direct leadership to Blue Haven Bonaira. Endorsed by ELT and union notification completed.</li> </ul>	ST	COO



	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
			<ul style="list-style-type: none"> <li>RACF management and senior staff structure have undergone significant adjustment and recruitment. Review and other minor adjustments made to operational and financial management.</li> <li>Council decision October 2022 to divest of Bonaira aged care and ILU services (pending land reclassification).</li> </ul>		
53	Blue Haven	Reduce costs associated with overtime and agency usage.	<ul style="list-style-type: none"> <li>Initial investigations undertaken and sign off process re-established.</li> <li>Weekly reporting for organisation prepared and distributed and monitoring continues.</li> <li>Internal Audit on payroll completed.</li> <li>Resident numbers reduced at BH to align with available staffing levels.</li> </ul>	MT	COO Manager Aged Care and Operations
54	Blue Haven	Finalise master roster for Blue Haven	<ul style="list-style-type: none"> <li>Master roster work has progressed.</li> <li>Operational plan for the 12 months is underway.</li> <li>Resident occupancy has been capped to ensure appropriate care service levels.</li> <li>ACQSC Accreditation achieved October 2022 despite challenging operational context.</li> </ul>	ST	COO Manager Aged Care and Operations
55	Assets	Asset revaluations on all classification of assets undertaken, responding to management letters from external auditors.	<ul style="list-style-type: none"> <li>Final report for Revaluation of Building and Recreation Assets undertaken in 2021/22 being finalised.</li> </ul>	LT	Director Infrastructure and Liveability
56	Assets	Asset utilisation work undertaken to ensure maximum use of available assets	<ul style="list-style-type: none"> <li>Plant &amp; Equipment Utilisation reviewed on ongoing basis to inform replacement and maintenance cycle.</li> <li>Reviews of other asset utilisation pending.</li> </ul>	LT	Director Infrastructure and Liveability

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57	Assets	Open space planning and sport facility planning and asset management practices improved.	<ul style="list-style-type: none"> <li>Open Space &amp; Recreation Strategy under preparation.</li> <li>Internal service review of park maintenance commenced.</li> </ul>	LT	Director Infrastructure and Liveability
58	Assets	Finalise program of works for flood grants	<ul style="list-style-type: none"> <li>Submitted applications and programs for both grants; await response or approval to our program/application.</li> <li>Includes design of solutions in Jamberoo including around the preschool.</li> </ul>	LT	Director Infrastructure and Liveability
59	Development and Planning	DA approvals to ensure maximum usage of assets by community and optimal revenue from fees and charges	<ul style="list-style-type: none"> <li>Work underway to review the following: <ul style="list-style-type: none"> <li>Fees and charges</li> <li>Halls and facilities usage and opportunities</li> <li>DA approval options and zoning controls to enable additional uses and revenue generation.</li> </ul> </li> </ul>	LT	Director Planning, Environment and Communities
60	Development and Planning	Developer contributions policy to be rewritten to ensure adequate collection of fees and charges for refurbished assets, alongside analysis of existing and future needs.	<ul style="list-style-type: none"> <li>Director Environmental Services working on enhancement of control procedures and review of the existing plans, which will include a Development Contribution Officer role to enable oversight of the plans and framework, and staff education.</li> <li>Recruitment underway for role to lead this work.</li> <li>Staffing required in order to complete works.</li> </ul>	LT	Director Planning, Environment and Communities
62	Organisation Transformation	Casual conversion requirements to be reviewed and met	<ul style="list-style-type: none"> <li>Initial review undertaken, further reporting required.</li> </ul>	LT	Manager People and Performance

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
64	Organisation Transformation	Review of position descriptions	<ul style="list-style-type: none"> <li>Position descriptions being discussed through performance review process and any updates required are being identified.</li> <li>All Directors and Managers PD's that are impacted by organisational restructure have been updated, likewise any vacant roles have been updated prior to advertising to reflect new template.</li> </ul>	LT	Whole of management team
65	Organisation Transformation	Review of the full suite of HR policies to ensure workforce is properly managed	<ul style="list-style-type: none"> <li>Review of workplace HR policies is underway, priorities for changes: <ul style="list-style-type: none"> <li>hybrid workplace</li> <li>recruitment and selection process</li> <li>internal EOI process</li> </ul> </li> </ul>	LT	Manager People and Performance
66	Organisation Transformation	Maturity model assessment of Council be conducted in financial year 2022/23 subject to adequate funds being available	<ul style="list-style-type: none"> <li>As per NoM, will be considered as part of budget process for 22/23.</li> <li>Service reviews should be completed first, and then maturity assessment.</li> </ul>	ST	CEO
67	Organisation Transformation	Revise age and appropriateness of salary system and HR policies; and affordability in context of KMC financial sustainability	<ul style="list-style-type: none"> <li>Discern municipal from business unit and aged care staffing levels.</li> <li>Revise and confirm L2 executive structure (required early in council term).</li> <li>Revise L3-5 management and staff structures following review of above services.</li> <li>Revise salary system and remuneration reflective of neighbouring municipal market.</li> <li>Consider financial and personnel impacts of anticipated award and proposed salary system.</li> </ul>	MT	Whole of Executive

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
			<ul style="list-style-type: none"> <li>Consider options to mitigate those impacts (incl delay recruitments, manage unplanned absences, excess leave).</li> </ul>		
68	Financial Systems	Revise application as Cat 1 business, waste charges and potential General Fund subsidies	<ul style="list-style-type: none"> <li>Review activity costings to Waste.</li> <li>Review and define appropriate service scope.</li> <li>Review recoveries and charging for domestic waste v general rates.</li> <li>Review value and purpose of waste reserves.</li> <li>Remove waste as Cat 1 disclosure financial statements.</li> <li>Establish appropriate costing, charging and budget for FY24.</li> </ul>	MT	Director Infrastructure and Liveability
69	Financial Systems	Continue configuration of TechOne ERP, and improve confidence in data	<ul style="list-style-type: none"> <li>Differentiate municipal from business unit and aged care financial budgets and reporting.</li> <li>Streamline HR, financial and workflow reporting.</li> <li>Establish and generate appropriate performance (council and staff) reporting.</li> </ul>	LT	COO CFO
70	Financial Systems	Improve reconciliation and working papers to support external audit	<ul style="list-style-type: none"> <li>Underway</li> <li>Engagement Plan for 2021/2022 approved.</li> </ul>	ST	CFO
71	Financial Systems	Implement appropriate recommendations of Forsyth report	<ul style="list-style-type: none"> <li>Review movements between externally and internally restricted and unrestricted cash over the last five years.</li> <li>Assess potential risks of developer contribution restricted cash reserves not being in accordance with developer contribution plans and also developer contribution legislation, regulations and guidelines.</li> </ul>	ST	CFO

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
			<ul style="list-style-type: none"> <li>• Review of Council's fixed asset register, including major asset movements over the last five years, review of the completeness and accuracy of the register, and depreciation methodologies.</li> <li>• Review the reconciliations of the general ledger to the financial statements.</li> <li>• Review financial records and supporting workpapers used for the preparation of financial statements.</li> <li>• Review engagement of major suppliers to ensure that council is in compliance with generally accepted procurement policy.</li> <li>• Review contract engagement processes including terms of contract.</li> <li>• Review Council's asset revaluation, depreciation rates and methodologies.</li> </ul>		
72	Governance	Reassess availability of information and commercial/privacy obligations	<ul style="list-style-type: none"> <li>• Report on purpose and value of consultancies and legals and monitor expenditure.</li> <li>• Progressively publish or release appropriately redacted documents regarding aged care, property and financial matters as third party consultation is completed.</li> <li>• Include Blue Haven as Cat 1 business disclosure in budgets and financial statements.</li> </ul>	MT	CEO
74	Governance	Implement appropriate recommendations of Hopwood governance report in following areas	<ul style="list-style-type: none"> <li>• Structure and resourcing.</li> <li>• Policy framework.</li> <li>• Risk management.</li> <li>• Internal Audit and the Audit, Risk and Improvement Committee.</li> </ul>	ST	Governance Coordinator Whole of management team

	Theme	Actions	Responses, risks and steps taken	Timeline	Responsibility
			<ul style="list-style-type: none"> <li>• Statutory reporting and compliance.</li> <li>• Disclosures of interests.</li> <li>• Delegations and approval processes.</li> <li>• Corporate governance framework.</li> </ul>		