



GENERAL MANAGER'S REPORT

13th June 2006

GM9	INTERNAL REPORTING SYSTEMS
FILE: 98	AVB {Folio No. * }

SUMMARY:

To advise Council of improvements to be introduced to our internal reporting systems.



DESCRIPTION:

Following a breakdown in procedures resulting in overspending earlier this year, I undertook to carry out a review of our internal reporting systems and to introduce improvements to minimise the re-occurrence of any similar failures.

The review has involved the Directors and their staff and the following improvements are to be introduced.

1. An order is to be generated for all goods / services including tenders and consultancy services
2. Financial implications of approving development applications for Council works or properties are to be identified in the report to Council.
3. When orders for good or services are raised this will generate commitment costing. The practice of placing a nominal amount on the order is to cease.
4. Revote Report is to be presented to Council at the June meeting. If the job has commenced prior to 30 June but not completed in that financial year, that is not a revote, and the manager Finance and Council needs to be advised that these jobs need to be carried over to the New Year. Revotes and carry over votes are to appear in weekly cost reports as from 1st July with the following information: -

- Account details
 - Budget for the preceding year
 - Total expenditure to date including expenditure from the previous year
5. Budget allocations are to be upgraded as they are approved by Council and not left to the end of the quarter.
 6. It is recognised that daily costings cannot be introduced at this time as resources are unavailable. The current system of creditors being entered daily with wages and plant information being available by the Wednesday the following week is to continue.
 7. The report to Council on the progress of the works program is to be linked to Civicview and not prepared manually.
 8. Staff are to be given training in the Civicview financial system.
 9. The year to date budget information in the cost reports is to be updated weekly rather than monthly.
 10. The Civicview software is to be amended to allow each department to provide finance with details of estimated expenditure timeframes to eliminate the practice of dividing the total vote by 52.
 11. On the completion of a job, job numbers are to be closed off at a time determined by Project Managers to prevent further unrelated expenses being costed to the job.
 12. The questions to be responded to by the Directors to the General Manager on a monthly basis are:-
 - Have departmental budgets been checked for the previous month
 - Details of votes \$10,000 or more under / over 10%
 - Implementation details of your staff communications strategy
 - Were performance measures and KPI's discussed at staff meetings
 - What ideas have staff had to drive performance

- How many letters remain unanswered / unfinalised after 14 days and what are the reasons why
 - What management systems within your department need revamping to improve efficiency and which of these are currently being addressed
 - What are your staff development and succession plans
 - What risk management issues have been identified that could place Council at risk eg. Financially, legally, environmentally, adverse attention, politically, safety or technologically
13. Reports from Directors to the General manager are to be made available during the first week of each month
14. Agendas from all staff meetings are to include the following:-
- KPI's and performance measure review
 - Correspondence and complaints outstanding
 - Achievement of outputs
 - The Directors Report to the General manager
 - Occupational Health and Safety
 - Implementation of the Workplace Equity and Diversity Framework
 - Issues affecting the Team arising out of Council, JSCC, Manex and Leadership Team minutes
 - Individual reports from Team members
15. Team meetings are to be minuted. This can be resolutions or dot points of issues discussed
16. Estimating the cost of works will be prepared in two stages;
- A unit rate estimate will be prepared for budgeting purposes by the relevant department
 - A resource estimate will be prepared prior to the commencement of the project by the relevant department
- (The unit rate estimate will not be updated when the jobs are included in the draft budget. Staff resources aren't available to update all capital works estimates, many of

which are deleted from the draft estimates. The resource estimate will be updated prior to commencement of the job and any major variation reported to Council for the allocation of resources or for Council to decide to alter the scope of the works)

17. For every major capital work (greater than \$20,000) a job management plan is to be developed outlining timeframes and costings for each component of the work. Resource estimates are to be prepared prior to commencement of the project by supervisors from the section undertaking the work with involvement by the Team Leaders where possible. Team Leaders should monitor progress on the project with the Project Co-ordinator responsible to report any variations to their Manager. Team Leaders to receive training in project management.

18. Position descriptions are to include responsibilities of staff.

Staff need to be able to concentrate on their jobs that is the implementation of Council's decisions and the completion of Council's programs as adopted in the budget. Although it is acknowledged that Councillors have the right to ask questions many of the questions asked required detailed investigation or research to answer. Some questions are actually requests to do additional work. This has been identified as a contributor to staff becoming distracted from their appointed tasks and concentrating on the individual interests of Councillors. This year alone we have received 160 pink slips as well as numerous letters and verbal enquiries from Councillors and these have been given response priority.

By diverting their time from assigned tasks, staff are falling behind in their negotiated outcomes and outputs and in some cases are not providing the level of supervision and management required. In future Councillors questions that can be answered without research will be answered promptly while those that need research will be prioritised in line with the other duties that need to be performed by the staff member concerned. Where questions are a request for additional work to be performed the Councillor will be asked to submit a Notice of Motion to Council.

REPORT IMPLICATIONS

- ***Environmental***

Nil

- ***Social***

Nil

- *Economic*

Nil

- *Policy or Statutory*

Nil

RECOMMENDATION

That the information be noted.

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A V Burgess
GENERAL MANAGER