

CHIEF EXECUTIVE

ANNUAL PERFORMANCE REVIEW
ASSESSMENT

SUMMARY REPORT



August 2017

STRICTLY CONFIDENTIAL

Report prepared by:

External Facilitator,
Chief Executive Performance Review Committee

JANE JEFFREYS

Director, Jane Jeffreys Consulting
0411 860 951

OVERVIEW

Jane Jeffreys, Director of Jane Jeffreys Consulting has been engaged to conduct the Annual Performance Assessment for City of Playford's Chief Executive Mal Hemmerling, in the role as External Facilitator for the Chief Executive Performance Review Committee.

METHODOLOGY

The methodology for the 2017 assessment process involved:

1. A comprehensive online survey conducted via Survey Monkey
2. The opportunity for Elected Members and Direct Reports to further discuss their feedback in a confidential setting, either face to face or by telephone with the External Facilitator
3. A Self-Assessment by the Chief Executive reporting against the Performance Agreement.

Throughout the entire assessment process all feedback providers were encouraged to give feedback supported by relevant comments.

Comprehensive Survey

The comprehensive online survey was electronically distributed on Monday 24th July 2017 to a total of 20 participants, comprising all Elected Members and Executives for the City of Playford Council.

The comprehensive online survey asked a series of questions relating to the 2017 Chief Executive's Performance Agreement which included:

1. Annual Business Plan – Have the targets been met?
2. Smart Program – Have the targets been met on Smart CBD?
3. Smart Program Delivery – Have the targets been met on Smart Sport?
4. Smart Program Delivery – Have the targets been met on Smart Health?
5. Service Delivery – Have the Service Standards and Targets been established and endorsed by Council?
6. Service Delivery – Has the data collection and dashboard reporting been implemented?
7. Service Delivery – Have the Service Standard results improved?

8. Financial Performance – Has the budget and operational targets set by Council been achieved?
9. Customer Service Initiatives – Did the Resident Satisfaction Survey return a result of 3.5 or greater?
10. Organisational Culture - Is the CEO fostering and leveraging at a Federal, State and Local level?
11. Organisational Culture - Is the CEO participating in the Northern Economic Plan and other programs?
12. Organisational Culture - Has the CEO maintained and or improved relationships with Council Members?
13. Organisational Culture - Has the CEO developed a Marketing and Communications Strategy to better inform the community of Council's achievements and activity?
14. Other - Is Work Health Safety being managed well?
15. Other - Please comment on the CEO strengths?
16. Other - Please comment on any areas for improvement?

All feedback providers were to complete the online survey by Friday 4 August 2017.

A second opportunity was provided to all feedback providers to complete the online survey (sent Monday 14 August 2017) and the due date for completion was extended to Friday 18 August 2017.

Confidential Meeting

All feedback providers were invited to seek a confidential meeting, either face to face or by telephone with the External Facilitator Jane Jeffreys, to further explore their feedback if required. As of Monday 21 August 2017, no requests were received from feedback providers for further confidential discussions.

Chief Executive Self-Assessment

Dr Hemmerling has provided a Self-Assessment reflection on his key achievements in his second year as Chief Executive.

The final report will be discussed at the CEO Performance Review Committee Meeting on Monday 11 September 2017.

RESULTS FROM ONLINE SURVEY (SURVEY MONKEY)

The following provides the results received from feedback providers after completion of the online survey.

Of a total 20 respondents, we received 13 who completed the online survey.

FOCUS AREA: STRATEGY

QUESTION 1:

Key Result Area 1 – Strategic Delivery

Measurement Source/Tool – Annual Business Plan

Survey Question:

Annual Business Plan - Have the targets been met?

Feedback Result:

Answered: 12 Not Responded: 1

Yes: 11 No: 1

Feedback Provider Comments:

- NIL

QUESTION 2

Key Result Area 2 – Smart Program Delivery

Measurement Source/Tool – Project Plans

Survey Question:

Smart Program: Have the targets been met on Smart CBD?

Feedback Result:

Answered: 12 Not Responded: 1

Yes: 11 No: 1

Feedback Provider Comments:

- Partial
- Yes, this FY performance period, a good foundation for contribution.

QUESTION 3

Key Result Area 2 – Smart Program Delivery

Measurement Source/Tool – Project Plans

Survey Question:

Smart Program Delivery: Have the targets been met on Smart Sport?

Feedback Result:

Answered: 12 Not Responded: 1

Yes: 10 No: 2

Feedback Provider Comments:

- Tennis almost completed, lawn bowls new complex and courts under construction
- Bowling Club delayed by six months.

QUESTION 4

Key Result Area 2 – Smart Program Delivery

Measurement Source/Tool – Project Plans

Survey Question:

Smart Program: Have the targets been met on Smart Health?

Feedback Result:

Answered: 12 Not Responded: 1

Yes: 11 No: 1

Feedback Provider Comments:

- NIL

FOCUS AREA: ORGANISATIONAL PERFORMANCE

QUESTION 5

Key Result Area 3 – Service Delivery

Measurement Source/Tool – Service Standards

Survey Question:

Service Delivery: Have the Service Standards and Targets been established and endorsed by Council?

Feedback Result:

Answered: 13 Not Responded: 0

Yes: 12 No: 1

Feedback Provider Comments:

- Most have but not all.

QUESTION 6

Key Result Area 3 – Service Delivery

Measurement Source/Tool – Service Standards

Survey Question:

Service Delivery: Has the data collection and dashboard reporting been implemented?

Feedback Result:

Answered: 13 Not Responded: 0

Yes: 13 No: 0

Feedback Provider Comments:

- Elected Members have not seen much of it.

QUESTION 7

Key Result Area 3 – Service Delivery

Measurement Source/Tool – Service Standards

Survey Question:

Service Delivery: Have the Service Standard results improved?

Feedback Result:

Answered: 12 Not Responded: 1

Yes: 12 No: 0

Feedback Provider Comments:

- NIL

QUESTION 8

Key Result Area 4 – Financial Performance

Measurement Source/Tool – Budget, Financial reporting against budget

Survey Question:

Financial Performance: Has the budget and operational targets set by Council been achieved?

Feedback Result:

Answered: 12 Not Responded: 1

Yes: 11 No: 1

Feedback Provider Comments:

- I want deficits to be reined in as quickly as possible with a view to paying off as much debt as possible.

QUESTION 9

Key Result Area 4 – Customer Service

Measurement Source/Tool – Resident Satisfaction Survey (Annual Measure Customer Measurement Tool)

Survey Question:

Customer Service Initiatives: Did the Resident Satisfaction Survey return a result of 3.5 or greater?

Feedback Result:

Answered: 12 Not Responded: 1

Yes: 11 No: 1

Feedback Provider Comments:

- It may well have overall, but you will not have much satisfaction with the rate payers in the rural areas following the rate review.
- CEO needs to focus in on providing basic infrastructure, such as footpaths and repairing derelict roads, in addition to the council's vision of a Smart City in Elizabeth. This applies to all areas in the council, rural and urban.

FOCUS AREA: ORGANISATIONAL CULTURE

QUESTION 10

Key Result Area 6 – Relations

Measurement Source/Tool – External

Survey Question:

Is the CEO fostering and leveraging at a Federal, State and Local level?

Feedback Result:

Answered: 13 Not Responded: 0

Yes: 11 No: 2

Feedback Provider Comments:

- Very scared to upset Government, needs to be more forceful in the Northern Economic Plan and the benefits it will bring to Playford.

QUESTION 11

Key Result Area 6 – Relations

Measurement Source/Tool – External/Communications

Survey Question:

Is the CEO participating in the Northern Economic Plan and other programs?

Feedback Result:

Answered: 13 Not Responded: 0

Yes: 11 No: 2

Feedback Provider Comments:

- Respectfully, I think he should be doing more, particularly with the horticulture industry in Virginia. Overall, I would say yes.
- Council is not getting a regular update on the Northern Economic Plan.

QUESTION 12

Key Result Area 6 – Relations

Measurement Source/Tool – Staff Survey (bi-yearly)

Survey Question:

Has the CEO maintained and or improved relationships with Council Members?

Feedback Result:

Answered: 13 Not Responded: 0

Yes: 12 No: 1

Feedback Provider Comments:

- NIL

QUESTION 13

Key Result Area 6 – Relations

Survey Question:

Has the CEO delivered a Marketing and Communications Strategy to better inform the Community of Council's achievements and activity?

Feedback Result:

Answered: 13 Not Responded: 0

Yes: 11 No: 2

Feedback Provider Comments:

- Yes, but could be done much better
- Possible we could do more in this area
- Media has improved, but a large focus on social media and not traditional forms of media.

FOCUS AREA: OTHER**QUESTION 14**

Key Result Area 7 – Work Health Safety

Measurement Source/Tool – Legislation

Survey Question:

Is Work Health Safety being managed well?

Feedback Result:

Answered: 13 Not Responded: 0

Yes: 13 No: 0

Feedback Provider Comments:

- NIL

QUESTION 15

Survey Question:

Please comment on the CEO strengths?

Feedback Result:

Answered: 11 Not Responded: 2

Feedback Provider Comments:

- Very passionate about making Playford a successful organisation, now and in the future. I really like the forward and new thinking that other Councillors have not seen before.
- Very good at the big vision projects and implementing them through private and public partnerships.
- Leads extremely well, is visionary, open to suggestions, his personal extensive network is well valued and benefits Playford, listens.
- Confident leadership.
- Experience, maturity, knowledge, access to Governments, private sector, commercial sector, contacts.
- The CEO is a good strategist. He has clear objectives and I believe he communicates them well to Elected Members. He regularly updates the Chamber on both opportunities and challenges as they arise.

- Clarity of vision, clear strategic management and implementation of the vision
- Good communicator.
- Able to implement the Council's vision.
- Capacity for change management and delivery on strategy.
- Highly developed leadership ability to get the best out of staff and community.
- Ability to quickly identify the real issues, not get distracted by symptoms.
- Creates a doing Culture around him which inspires staff (good culture).
- Generates commercial and community outcomes.
- Highly skilled in resolving conflict.
- Communicates at all levels of the organisation.
- Ability to provide wisdom in most heated circumstances.
- Me Hemmerling is a great communicator, discusses all matters with the EM's.
- He is an extremely good manager of business and is able to bring great opportunities to the City of Playford.

QUESTION 16

Survey Question:

Please comment on any areas for improvement?

Feedback Result:

Answered: 9 Not Responded: 4

Feedback Provider Comments:

- Internal communication is always a sticking point no matter where you work. I believe there is always room for improvement, e.g., keep it as simple as possible, use easy English and provide diagrams etc where possible.
- I feel that projects that do not provide the "wow" factor (such as footpaths, maintaining roads, drainage in some of the rural townships) are not receiving anywhere near the same level of attention because they are not as spectacular in the eyes of the council. I believe that our residents and ratepayers appreciate the vision of the Council but also want it to focus in on the basics.
- One negative was Playford's proposed rate increases earlier this year. Primary producer's increases were too large. Giving some residential residents a modest reduction and other higher valued residents an increase, did not go down well with the community and proposal had to be abandoned.

We still have people in the community who are suspicious of Council intent. To Mal's credit he has recognised Council communication and engagement was below par.

- The proposal to shift rates burden was not run well - the onus on lowering commercial rates seems to have had too much sway on proposals. We need better mechanisms for community engagement.
- Needs to get staff to pay attention to details.
- None identified at this stage.
- N/A, ongoing success.

CEO SELF-ASSESSMENT REPORT (August 2017)

SELF REFLECTION

This report by Mal Hemmerling is a reflection of his second year as CEO of the City of Playford. It provides an insight into the progress, opportunities and challenges of the last 12 months with a focus on the management and operations of the organisation, focus on the customer, delivery of the strategic plan and major projects and a reflection on external relationships.

ORGANISATIONAL ALIGNMENT

- Ensuring our resources are aligned to deliver the organisation's priorities and services is an ongoing consideration. The 2015/16 organisational realignment delivered a structure to refocus the organisation on delivering to the community and maximising opportunities. In 2016/17, we have made some adjustments to continue to ensure we're set up to deliver.
- The refreshed strategic plan, Smart City, Connected Community drove these first adjustments, with the Stretton Centre moving into the Strategy and Corporate Business Unit to enable stronger alignment with strategy and policy; and Marketing moving into the City Services Business Unit to align with the community focus of this customer facing service delivery business unit.
- To maximise the opportunities presented to us in creating SA's Next Great City, the City Services Business Unit undertook a realignment driven by the opportunity to activate the new places and spaces created by our major projects.
- The City Operations group made adjustments to its team structures to prepare for the future growth of the City; meet increasing demands upon ageing infrastructure such as roads and transport systems and manage increasing environmental challenges.

REFOCUSED STRATEGIC PLAN

Smart City, Connected Community

- The introduction of our Smart Programs is driving the transformation of our community and the way we as an organisation deliver services.
- Over the last 12 months we have invested in and focused on the Smart CBD, Smart Health and Smart Sport programs. These programs are key drivers and catalysts for our economic and social transformation as a city.

Refer Investment Strategy Infographic over:

Investment Strategy Infographic:



OVERVIEW OF MAJOR PROJECTS

Delivery of our major projects is the key to achieving our Smart City, Connected Community objectives. Over the last twelve months we have made significant inroads particularly in the Northern CBD, Sports Precinct and Health Precinct.

While there has been much progress in this space, Playford has seen ongoing renewal and maintenance of our existing infrastructure of \$18.6M in 2016/17.

Northern CBD

- Significant works completed within and surrounding Prince George Plaza, including construction of the plaza and installation of restored Windsor Green Fountain.
- The Plaza opening will feature a spectacular light show and performance by the ASO and is set for Friday 6 October 2017.
- Significant community interest in and media coverage of the developing Northern CBD.
- Ice Rink - continuing to advocate to the highest levels of SA Government to secure their support.
- Investor interest has been strong, with the medical centre concept progressing with the developer, government department reviewing plans and hotel design documentation in progress. There is strong interest in CBD retail tenancies.

Sports Precinct

Playford City Tennis Centre

- Completed on time - a great outcome for our community and testament to our organisation's ability to drive projects.
- TennisGear Management, a national company employing 55 staff across three centres, was appointed to operate and manage the Playford City Tennis Centre.
- The Centre will host ATP Men's Challenge and ITF Women's Future tournaments in December.
- Grove Tennis Club has since successfully transitioned into the new facility

Playford City Bowling Centre

- Builder appointed and construction commenced in late July with forecast completion date early 2018.
- Strong media interest in this facility.
- Playford Bowls Club – concept and detailed design agreed.

Health Precinct

- ACH have confirmed x65 bed licences, with an estimated 1,000 on-going jobs once final stages of ACH VITA North Facility is complete.
- Council is seeking a provider to conduct market research into potential opportunities for investment in training, research, development and innovation to address current and future needs across the region, including population growth and the effects of NDIS.
- Research will help position ourselves for prospective investment in training, research, development & innovation.
- We are also exploring the digital infrastructure necessary in this precinct – aligning to Smart City, Connected Community vision – fast internet with high storage, precinct WIFI, smart lighting and parking.

Customer Focus

- Our Customer Guarantee program commenced in December 2016 with implementation into 22 teams by end of June 2017. The remaining teams will complete this process by end of September 2017. Its aim is to improve the customer's experience when interacting with Council and reduce customer escalations – make sure we are addressing more enquiries at first point of interaction / quickly as possible.
- Focusing on this has assisted in our strong Customer Measurement Tool (CMT) benchmark result against other metropolitan Councils. We achieved a 2017 result of 69%, which is a significant increase from 58% in 2016. We received the best result, leading all Councils that participate in this benchmarking exercise.
- This reinforces how we are getting better and better at working with our customers by answering queries, following up, and resolving concerns.

Refer to the results provided below for more detailed information:

- *Our average queue time has dropped by almost half compared to this time last year (from 1.30 minutes to 30 seconds)*
- *Average duration for a query to be resolved has also dropped by almost 70% (average duration in June 2016: 16.94 days to 4.84)*
- *85% of customers are satisfied with the call centre (up from 73%)*
- *77% satisfied with interactions with various departments across the organisation (up from 59%)*
- *"Ease of doing business" score of 18 points, from 27 to 45.*

Resident Satisfaction

- We achieved a 2017 overall resident satisfaction mean score of 3.68 out of 5, compared with 3.76 in 2016 and 3.57 in 2015.

- The survey was administered in early July at the tail end of the Rating Policy Review and while there was still negative media coverage on the review. This divisive, community issue would have contributed to the decrease in satisfaction levels.
- While our mean score was slightly below our last year's results, 94% of residents indicated that they were at least 'somewhat satisfied' with Council. This is a 1% increase compared to 2016 results.
- When compared to other metropolitan councils, we're still significantly above average in resident satisfaction levels with 3.68 for Playford compared to the metropolitan average of 3.31.
- That said, we continue to take on board our community's feedback and use this data to incrementally improve our administration and services. We do this by embedding this data into the organisation's Service Standard program.

FINANCIAL MANAGEMENT

Annual Business Plan and Budget

- Our annual 2017/18 budget was approved and is good news for the community with the lowest rate increase for many years.
- This budget was about delivery of high quality services and community-focussed projects, as well as attracting greater investment and jobs.
- We are embarking on our biggest Capital Works Plan in Council history with \$59 million being spent on renewing existing roads, footpaths, buildings and parks
- Through various measures including continuous improvement, we have saved the community \$1 million, which we will directly reinvest into new or improved services.
- Despite only increasing rates by 2.8%, we are still introducing 11 new or enhanced services.

Rating Policy Review

- We have a historic need to address high commercial rates and the imbalance in our rating structure. The Rating Policy Review aimed to explore ways of addressing that.
- We didn't do this lightly— we all wanted to look at ways of addressing the high commercial rates and imbalance in our rating structure. We have been through the process and while the rating structure will remain unchanged, we need to take lessons from the process. The issue of the imbalance in rates across our Council still remains and needs to be addressed over the coming years.

- There were many lessons learned from the process that aren't to be ignored – our role in community consultation and engagement being one, and what this may look like in the future.
- The community has told us there is inequity, so we still want to address commercial reduction, options for vacant land and residential burden.

Longer Term Financial Sustainability

- The Rating Policy Review was just one part of the work needed to assess our long-term finances.
- KPMG have been engaged to provide an independent review of how viable our Long Term Financial Plan is. It will look into commercial development, economic growth & Return on Investment, and lifecycle of our City.
- We need to continue to look at different ways of generating income, finding cost savings and providing value-for-money services to drive greater economic and social benefit.
- Developing a multi-faceted strategy to manage and leverage debt. This includes: using debt toward development of income generating assets, strategic disposal of surplus assets and land, review of asset management and growth strategies, investment strategies and rating policy review.

MARKETING AND COMMUNICATIONS

- Over the last 12 months, a strong marketing campaign has been delivered to position Playford as South Australia's Next Great City. This has been supported by clear branding surrounding our major projects, the development of the Smart City website for investors and sustained media coverage.
- From 28 September 2016 – 25 August 2017, Playford has experienced an audience reach of 109M, with a total of 4,888 news items.
- Weekly media reach and monitoring demonstrates our positive upward movement and improvement in the traditional media space. There has been significant media interest in our major projects, with marked increase in television coverage.
- Significant stories have included positive coverage on 'Life after Holden', Playford Fringe, Council's proactive efforts to mitigate illegal dumping, and Playford's partnership with China to establish soccer scholarships with three local aspiring students.
- Equally, our expanding presence and reach in the digital, online media space via Facebook, Council website, Twitter and LinkedIn has increased our daily readership and community interactions significantly. This year saw the successful launch of playfordnews.com our own local, news website.

WORK, HEALTH, SAFETY

- Managing our WHS area well. Our average Lost Time Injury days are 65% less than similar sized councils (7 days compared to 17 days).
- Managing our WHS area well, claims, return to work etc.
- Executive Team attended Due Diligence training with LGA Worker's Compensation Scheme.
- Playford continues to be amongst the top performing Council's for Return to Work claims.

EMPLOYEE SURVEY

- The Employee Survey is run every second year – the last one was in 2016 and next is due in 2018.

EXTERNAL RELATIONSHIPS

- Playford has been a leader in the **Northern Economic Plan** over the last 12 months, driving it forward with our investment into major projects – Northern CBD, Sports Precinct and Health Precinct. I continue to advocate strongly for Playford and the region in the NEP Meetings.
- We've delivered a significant **International Engagement Program** over the last 12 months with a targeted focus on China. We have an established relationship with the City of Zibo, and during our visit there in May they invited the Adelaide United Football Club Junior boys team to participate in the Birthplace Cup International Youth Football Championships in Zibo in October 2017. All expenses, including international airfares, accommodation and meals will be paid for by the City of Zibo.
- We established new relationships and signed two new agreements. In December 2016, we welcomed a delegation from China during which we signed a MOU, with the Beauty Culture & Cosmetics Chamber of the All-China Federation of Industry & Commerce. This provides a framework for the parties to further investigate opportunities for collaboration, trade and investment in the personal care, health supplements and cosmetics industry.
- In July 2017, we hosted a delegation from the Shanghai District of Yangpu and signed an Intention Agreement for technological, scientific, environment protection, educational, sporting and cultural exchanges between our communities, which we will now use as a basis to explore economic and social benefits for our community.

- These relationships provide real opportunities for trade and investment between local and Chinese businesses. In September, we are hosting a trade event where eight local businesses will have the opportunity to pitch to up to 40 buyers from China and Hong Kong.

CHALLENGES

- Ensuring the organisation and resources are aligned, motivated and focused to deliver on our priorities is an ongoing consideration and challenge.
- How we engage with our community – how we work together, communicate and inspire confidence in what we're doing.
- Relationship with the SA Government is a work in progress
 - while we have access at ministerial levels, there is not enough open dialogue (Ice Arena approvals is an example).

FORWARD FOCUS

- Consolidation of the previous year's initiatives with a continuing focus on the delivery of major projects and activation of our new places and spaces.
- Determining our place in major industry reforms - NDIS and My Aged Care.
- Clearer framework for how we engage with our community, including residents and business.
- There is a need to establish formal connections that bring together our northern neighbours so we can discuss our common interests – job creation, urban renewal, mining, and similar Smart City agendas.
- Continue to maintain close relationships with Council with open and communicate at regular forums.
- Internally, continue to improve our systems, processes and interactions with community – our Customer Guarantee and Service Standard programs are helping us continuously improve in this space.
- Externally, continue to push our agenda, needs and priorities as we strive to better serve the Playford community e.g., through Northern Economic Plan.
- Foster a stronger relationship with SA Government to encourage more direct and open dialogue between us.
- Prepare the organisation for the impending SA Government and Local Government elections in 2018.

SUMMARY

The Elected Member and Executive Staff survey responses indicate high levels of satisfaction in the achievements of the Chief Executive in 2016/17.

Dr Hemmerling's self-assessment and achievements align well with his Performance Agreement demonstrating successful delivery of outcomes.

In addition, the regular updates by the Chief Executive to Council has enabled Elected Members to be kept informed of achievements, progress and emerging issues throughout the year.

The Chief Executive has successfully led the organisation in delivering the key initiatives and projects in the City of Playford Strategic Plan. His individual performance has achieved the requirements of his 2016/17 Performance Agreement.

Suggestions for improvement will be taken into account when preparing the Chief Executive Performance Agreement for 2017/18.

RECOMMENDATIONS

It is recommended that the CEO Performance Review Committee note the findings contained in this report.

A handwritten signature in black ink that reads 'Jane Jeffreys'.

JANE JEFFREYS FAICD, FAIM, FAHRI
Director - Jane Jeffreys Consulting
161 Wakefield Street, Adelaide SA 5000
Mobile: 0411 860 951
E jane@jjconsulting.net.au
W www.jjconsulting.net.au