

MEDIA RELEASE**23 April 2019****Access Canberra Business Planning and Monitoring**

Auditor-General, Mr Michael Harris, today presented a report on **Access Canberra Business Planning and Monitoring** to the Speaker for tabling in the ACT Legislative Assembly.

Mr Harris says 'Business planning and particularly plan monitoring processes are not yet effective but the recent emphasis on business planning should lead to improved governance across Access Canberra'.

'Access Canberra, a function within the Chief Minister, Treasury and Economic Development Directorate, has placed an emphasis since 2017 on its business planning and monitoring processes. Extensive planning activities have resulted in a three-year strategic plan for the whole of Access Canberra and in sets of annual divisional and team-based business plans'.

'Around 45 teams developed their plans for 2018-19 through a concerted effort. The process of developing team-based business plans for Access Canberra's business units was inclusive and valued by staff, had an organisational cultural value and engaged staff from across most areas of Access Canberra. However, there is much to improve upon in the planning process and the resultant plans'.

The audit found that the team plans produced were variable in quality, with many plans not addressing aspects viewed as important by Access Canberra's Executive such as: identifying responsibilities for business as usual activities, identifying priorities for the year, identifying internal and external stakeholders, explicitly linking the team's business plan to the Access Canberra Business Plan or divisional plans and identifying risks to the achievement of the business plan.

The audit also found that deficiencies in plans make the monitoring and reporting of teams' activities more difficult. Once approved, team plans are not receiving adequate attention.

The summary of the **Access Canberra Business Planning and Monitoring** audit, with audit conclusions, key findings and one recommendation is attached to this media release.

Copies of **Access Canberra Business Planning and Monitoring: Report No. 03/2019** are available from the ACT Audit Office's website www.audit.act.gov.au . If you need assistance accessing the report please phone 6207 0833 or go to 11 Moore Street, Canberra City.

SUMMARY

Access Canberra was established on 16 December 2014 as a function within the Chief Minister, Treasury and Economic Development Directorate. Since its establishment Access Canberra has embarked upon a series of organisational change and governance and administrative reforms and initiatives aimed at improving organisational capability and effectiveness. In 2018 the Access Canberra Executive placed a particular focus on initiatives aimed at improving business planning and record-keeping across the organisation. This audit considers the effectiveness of Access Canberra's initiatives to improve business planning and record-keeping.

Conclusions

DEVELOPMENT OF BUSINESS PLANS

In the first three years since its establishment in December 2014, Access Canberra did not develop or implement a comprehensive business planning framework for the organisation. There was a lack of meaningful, organisation-wide business planning until July 2017 and inconsistent and ad hoc planning processes for Access Canberra's divisions and teams during this period. Access Canberra's activities were undertaken without reference to a set of structured and cascading business plans. The development of a business planning hierarchy in October 2017 provides a framework for effective organisational planning into the future. This framework clearly shows the role of Access Canberra business planning processes (including the *Access Canberra Business Plan*, divisional business plans and team-based business plans) and their integration with broader Chief Minister, Treasury and Economic Development Directorate planning as well as individuals' performance development planning.

There was a major focus on the part of Access Canberra to develop and implement team-based plans for 2018-19. Outcomes sought from the team-based business planning included organisational visibility over teams' business as usual activities and any business improvement projects being implemented by teams across the organisation.

The process of developing team-based business plans for Access Canberra's business units was inclusive and valued by staff. The process has also had an organisational cultural value and has engaged staff from across most areas of Access Canberra. It has assisted in promulgating a common language and shared purpose within Access Canberra. However, there is much to improve upon in the planning process and the resultant plans. It is not yet effective. A key deficiency is a business planning methodology which clearly identifies:

- the purpose of the business planning process, and what is being sought for the organisation;
- the sequencing of the different levels of planning across the organisation and how the plans align and should be used to inform other plans and activities;

- the level of team-based planning, i.e. what teams are to participate in annual planning; and
- how plans are to be reviewed, agreed and finalised.

MONITORING OF BUSINESS PLANS

Access Canberra processes for monitoring its business plans have not been effective. Access Canberra has not effectively monitored the *Access Canberra Business Plan* since its implementation in July 2017, nor has it effectively monitored its divisional or team-based business plans.

No performance measures or targets were identified for the *Access Canberra Business Plan* when it was implemented in July 2017. Performance measures for its 2017-18 activities were only agreed on 22 June 2018 and performance measures for 2018-19 only agreed on 2 November 2018 and implemented on 8 February 2019. This is too late to be effective in influencing performance monitoring and remedial action during the year. The late agreement and implementation of the performance measures have impeded the quarterly monitoring and reporting of the *Access Canberra Business Plan*, to which the Access Canberra's Executive agreed in May 2018. There is also variability in the quality and comprehensiveness of the performance measures that have been identified; the 2018-19 performance measures are an improvement on the 2017-18 measures.

Following the development and implementation of the team-based business plans for 2018-19 there has been inconsistency in how teams have used, referred to, monitored and reported on the activities identified in their plans. There is also variability in the quality and comprehensiveness of the performance measures that have been identified by the teams in their business plans, and their usefulness in measuring the teams' performance. A key deficiency in the monitoring and reporting of team-based business plans is a methodology which clearly identifies:

- expectations for the specification of performance measures, including targets that are capable of being monitored and reported against;
- how and when performance is to be reported; and
- expectations of teams with respect to the ongoing review and updating of team-based business plans.

IMPROVING RECORDS MANAGEMENT

Access Canberra's initiatives to improve record-keeping across the organisation have been inconsistent and ad hoc and implemented with variable levels of success.

As a function within the Chief Minister, Treasury and Economic Development Directorate, Access Canberra relies on the broader directorate's records management team and its activities to comply with certain aspects of the *Territory Records Act 2002*. However, Access Canberra is also independently developing a better understanding of Access Canberra-specific needs and capability and has demonstrated a commitment to improving its records management. A key issue for Access

Canberra is to determine whether it intends to develop and implement its own Records Management Program, and associated policies, separate to that of the broader directorate.

Project Keystone is a major focus of Access Canberra, which seeks to simultaneously improve record-keeping across the organisation and move towards a 'paperless' organisation. Project Keystone is progressing, but is behind schedule. The full extent of Project Keystone, including the number of files and records to be migrated to Objective, is dependent on Access Canberra securing funding beyond June 2019. Any shortfall in the outcomes originally intended for Project Keystone will impair the organisation's ability to achieve consistency and effectiveness in its records management. While Access Canberra teams have a fair understanding of their records management needs and improvement actions, the extent to which these are effectively recognised in team-based business plans is variable.

Key findings

DEVELOPMENT OF BUSINESS PLANS

Paragraph

There was a lack of meaningful, organisation-wide business planning for Access Canberra between its inception in December 2014 and July 2017. An *Access Canberra Business Plan* was endorsed by the Access Canberra Executive in November 2015, which identified a series of actions to be 'completed' by 30 June 2016. However, some of the actions were not specific with respect to outcomes or deliverables, nor were there tangible measures attached to the outcomes which would allow for an assessment of completion or progress. No Access Canberra-wide business plan was developed for 2016-17.

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In July 2017, approximately two and a half years after the establishment of Access Canberra, the Access Canberra Executive endorsed a three-year *Access Canberra Business Plan*. The plan has two forms: an ideographic version and a two-page narrative version. The presentation of its year-by-year business aims ideographically is an unusual presentation device in ACT Government internal communications and is eye-catching and innovative. It is also supported by a two-page narrative version, which provides further information on each year's aims, as well as a statement with respect to expected organisational culture developments for each of the years. The plans collectively identify the broad strategies to be pursued by Access Canberra over the three-year period but are not specific with respect to outcomes or deliverables. No measures were developed for assessing the completion or the progress of the plan's outcomes when the plan was endorsed.

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A business planning hierarchy was presented to an Access Canberra Executive Meeting on 6 October 2017. It acknowledged the role of Access Canberra business planning processes (including the Access Canberra Business Plan, divisional business plans and 'team work plans') and their integration with broader Chief Minister, Treasury and Economic Development Directorate planning processes and

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individuals' performance development planning processes. The business planning hierarchy presents a logical framework for business planning in Access Canberra. However, the minutes of the meeting do not record the status of the planning hierarchy (i.e. whether the proposal is better practice or part of a proposed planning framework for Access Canberra) or provide further information on how the planning hierarchy should function.

Following the endorsement of the *Access Canberra Business Plan* in July 2017, each of Access Canberra's five divisions prepared a divisional business plan. The divisional plans varied considerably in format and content, ranging from a one-page summary document through to a 41-page document of tabulated content. Each division developed its own unique presentational style and content for its plan, which was the subject of an 'Access Canberra Estimates' process, at which divisional leaders presented to the Access Canberra Executive at a series of 'hearings'. The 'Access Canberra Estimates' hearings process was an innovative way to develop understanding and ownership of divisional priorities at a time when Access Canberra Executive's organisational change process was emphasising developing people and organisational culture. 2.19

There was a lack of meaningful team-based business planning in the first full three years of Access Canberra's operation; 2015-16, 2016-17 and 2017-18. In March 2018 the Operation Bedrock team reported to the Access Canberra Executive '18 (of 41) business units do not have any business plans related to what they do'. Furthermore, most of the ten teams selected for further detailed fieldwork had not prepared business plans for any of the three full years (2015-16 to 2017-18) since the establishment of Access Canberra in December 2014. In any given year only two or three of the ten teams had prepared a business plan. 2.23

Following the announcement of the requirement that all teams were to prepare business plans for 2018-19, there was a lack of clarity with respect to the purpose of the business planning process and the outcomes that were being sought. It is apparent, however, that the October 2017 Access Canberra business planning hierarchy acknowledged the role of 'team work plans' in the planning hierarchy, and the Access Canberra Executive Meeting minutes of 16 March 2018 refer to 'a cascading effect from the [*Access Canberra Business Plan*]'. Access Canberra executives and senior managers have since advised that key outcomes were developing visibility (beyond the immediate team members) of the team's activities and awareness-raising of Access Canberra's priorities. Clearly articulated expectations with respect to the purpose of the exercise or the outcomes to be sought, as part of a methodology for the exercise, would have assisted in the subsequent implementation of 2018-19 team-based business planning. 2.36

Documents submitted for the purpose of team-based business planning for 2018-19 reflect a wide range of team sizes (from one team member to 95). The choice of what 2.51

constituted a business planning unit was ultimately the choice of the divisional Director. There was no description in a methodology of the required, or optimum, planning unit, although the Executive intended business plans to be comprehensive of 'everything that you do'. Having such a wide variety of planning units risks limiting the effectiveness of plans to provide visibility of the team's activities beyond the immediate team.

The Access Canberra Executive did not communicate its intentions for the review and finalisation of 2018-19 business plans effectively. There was no description in any methodology of how or whether teams' business plans would be considered by the Access Canberra Executive or reviewed or endorsed prior to finalisation. While the Access Canberra Executive appeared to endorse a process at its meeting on 6 April 2018, which involved review and 'confirmation' of draft business plans, it did not share this with business units nor follow that process. 2.58

A review of the 2018-19 team-based business plans shows variability in the business plans' conformance with key requirements of the business planning process, as articulated in the *Business Unit Plan Checklist*. The 2018-19 team-based business plans were more effective in describing business as usual activities (including identifying measures and describing the success of the activities) as well as identifying projects currently underway and indicators of success for those projects. The 2018-19 team-based business plans were less effective in identifying responsibilities for business as usual activities, identifying priorities for the year, identifying internal and external stakeholders, explicitly linking the business plan to the *Access Canberra Business Plan* or divisional plans and identifying risks to the achievement of the business plan. 2.71

During the period that Access Canberra teams were preparing business plans for 2018-19, only three of the five Access Canberra divisions had prepared a divisional plan for 2018-19. In the absence of completed divisional plans for 2018-19 the business units only had divisional plans for 2017-18 and their associated priorities to reflect and conform with. This weakens the benefit of teams' business plans and their alignment with organisational and divisional strategies and priorities. 2.78

Seventy per cent of team-based business plans for 2018-19 made explicit reference to the *Access Canberra Business Plan* or to the relevant divisional plan, i.e. referred to these plans by name. All the business plans reviewed referred to at least one divisional priority for the relevant Division. However, they did so in varying ways and varying degrees, noting that it was not always necessary and appropriate for each team-based business plan to address each aim or priority. 2.87

Fifteen of the 44 team-based business plans (34 per cent) do not address the requirement to identify responsibilities and accountabilities in team-based business plans, including those for business as usual activities and project activities, as 2.92

required in the *Business Unit Plan Checklist*. In the remaining 29 team-based business plans (66 per cent), different approaches were undertaken by the teams. The rationale for this requirement, and how it was to be achieved, was not well communicated and the teams' response to the requirement did not effectively address the need either for accountability or to demonstrate resource alignment, two possible reasons for making the requirement.

Access Canberra staff were asked to provide feedback on the value of the team-based business planning process for 2018-19. Twenty-nine fully completed responses were received by the Audit Office. The 29 responses indicate that respondents perceived there was greater value in participating in the business-planning process itself compared to the outcomes of the process:

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- 62 per cent of respondents rated the process as of 'substantial' value or as 'highly valued'; and
- 44 per cent of respondents rated the outcome of the business planning process as of 'substantial' value or as 'highly valued'. (Seven per cent of respondents identified the outcome of the business planning process as of 'limited' value).

MONITORING OF BUSINESS PLANS

Paragraph

The Access Canberra Executive reviewed the progress of the first year of the *Access Canberra Business Plan* at its planning day on 29 March 2018. It did so without reference to an agreed monitoring framework, including measures associated with the 2017-18 aims, and without agreeing what data or information would be the basis for assessing progress.

3.4

In May 2018 Access Canberra held a series of 'Access Canberra Estimates' hearings in which senior officers from each of the five divisions reported on their activities. Two of the five divisions reported on progress against their divisional plan priorities. There is no evidence of the other three divisions reporting on progress against their divisional plan priorities. While providing an opportunity for cross-agency communication and information-sharing, the 'Access Canberra Estimates' hearings process did not provide a rigorous mechanism for monitoring progress against divisional priorities.

3.8

Between February and May 2018 the Access Canberra Executive concurrently sought to: develop measures for the 2017-18 and 2018-19 aims identified in the *Access Canberra Business Plan*; and seek business units' input for the purpose of reporting against the 2017-18 aims. The latter was sought in the absence of defined and agreed measures for 2017-18, which did not occur until 22 June 2018. At the same time, business units were also developing their 2018-19 business plans. There was confusion in business planning teams during this period with respect to what was required. The Access Canberra Executive sought to resolve the confusion by

3.25

prioritising the preparation of business units' team-based business plans for 2018-19.

In June 2018, the Access Canberra Executive agreed a set of measures by which progress against the nine 2017-18 *Access Canberra Business Plan* aims could be monitored and reported. An outcomes report was prepared for the Access Canberra Executive in August 2018. Of the nine aims for 2017-18, only one was effectively reported against (since the measure itself and the reporting against it provided a clear and transparent basis for assessing performance). Four sets of measures were not effectively reported, because there was a lack of information on the nature of the measure and what it was assessing as well as a lack of information associated with the outcomes being reported against the measure. The August 2018 report prepared for the Access Canberra Executive was not effective in measuring progress against the *Access Canberra Business Plan*. 3.28

The Access Canberra Executive endorsed a set of measures for the second year of the *Access Canberra Business Plan* (2018-19) on 2 November 2018, approximately four months into the year. These measures were then implemented on 8 February 2019, following a combined meeting of the Access Canberra Executive and Senior Officers' Forum. These measures are an improvement on the 2017-18 measures. As at 18 February 2019 a set of one-page descriptions was being developed for the measures, including data sources and methodology for reporting against the measures. No reports have been prepared on progress against the *Access Canberra Business Plan* 2018-19 aims using the measures. 3.35

The Access Canberra Executive did not identify or mandate how team-based business plans for 2018-19 should be used by the teams. Similarly, no expectations were set with respect to the frequency or nature of the monitoring, reporting and review of business plans, either by the Access Canberra Executive or Operation Bedrock Steering Committee. Of the ten teams selected for further detailed fieldwork, it is apparent that only one team (the Transport Solutions team) had reviewed the progress of activities identified in the business plan and prepared a status report. Representatives from four other teams advised that their plan had been referred to in business meetings and as a means to prompt consideration of activity, while representatives of the four remaining teams advised that their plan had not been referred to since its finalisation four and a half months earlier. 3.46

Access Canberra teams have not consistently reflected changes to the scope of their operations, priorities or resources in their 2018-19 business plans when there has been a recognised need to do so. Of the ten teams selected for further detailed fieldwork, seven teams identified that there had been changes to the team's circumstances; three teams had revised their plan accordingly and four teams had not. This indicates that the initial expectation of the Access Canberra Executive that 3.50

team-based business plans would be 'live' and updated to reflect changing circumstances has not been met.

The team-based business plans for 2018-19 have not been consistently referred to or used for the purpose of developing and implementing individual staff members' Performance and Development Plans. Only 5 out of 19 Access Canberra staff members (26 per cent) in the team selected for further detailed fieldwork advised that they had had a Performance and Development Plan discussion with their supervisor which made reference to the team's business plan. Ten out of 19 Access Canberra staff members (53 per cent) advised that they had not had a discussion as at mid-November 2018, while four staff members (21 per cent) advised that they had had a discussion but did not refer to the team-based business plan. 3.53

Team-based business plans for 2018-19 have not consistently and effectively articulated how performance in relation to the business as usual activities identified in the plans is to be measured and assessed. Of the ten teams selected for further detailed fieldwork, there is considerable variability in how effectively the teams have identified and articulated descriptions of success and associated measures of performance, and how effectively the team is monitoring and reporting on performance. While almost all teams have described the success of business as usual activities and identified measures for assessing performance, there is considerable variation in how well the teams have identified and articulated associated targets for monitoring. 3.61

In 2018 the Access Canberra Executive identified a need to improve its visibility over projects being undertaken by teams across Access Canberra. The identification of projects currently underway or planned was a key feature of team-based business planning for 2018-19. Following the completion of team-based business plans, the Operation Bedrock team evaluated a master list of 130 projects being managed across Access Canberra for their strategic significance and the Access Canberra Executive approved a list of 19 projects for additional oversight. The team-based business planning process for 2018-19 was an effective means of providing the Access Canberra Executive with oversight of projects underway across Access Canberra and identifying those projects that warranted ongoing attention. 3.82

In November 2018 the Access Canberra Executive identified a preference for implementing a 'Light Touch Project, Light Governance' approach to its oversight of projects. The 'Light Touch Project, Light Governance' approach is at an early stage of development and it has not yet been determined what project monitoring and reporting processes will be implemented as part of this approach. 3.83

IMPROVING RECORDS MANAGEMENT

Paragraph

Access Canberra has established a Records Management team, which currently has two staff. A key focus of activity of the Records Management team has been the administration of the Objective Electronic Document and Records Management System (EDRMS) and support for Access Canberra teams to move to using the system. The team also provides support for the handling of paper records that are packaged, sentenced and placed in archive or processed for disposal. The small size of the Records Management team means it has limited capacity to support the improvement of records management in Access Canberra other than through the administration of the Objective application.

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In November 2018 the Records Management team facilitated the completion of the Director of Territory Records' Compliance Checklist Tool self-assessment for Access Canberra. Access Canberra identified a rating of 'Essential' for its application of each of the seven principles identified in the self-assessment meaning the level describes 'the essential, or minimum, requirements that must be addressed to meet the organisations legal, regulatory and business requirements'. Access Canberra was not required to complete the self-assessment, as the obligation rested with the broader Chief Minister, Treasury and Economic Development Directorate, but demonstrated its proactivity in seeking to improve its records management. The self-assessment is expected to inform the record-keeping improvement agenda of teams as they commence 2019-20 business planning.

4.33

Access Canberra has given consideration to developing and implementing its own Records Management Program. There is no obligation on Access Canberra to do so, as responsibility for this lies with the broader Chief Minister, Treasury and Economic Development Directorate and Access Canberra is currently covered by the directorate's broader program. The Access Canberra Records Management team has also developed a draft *Records Management Policy* for Access Canberra. While the development of an Access Canberra *Records Management Policy* is identified in the Records Management team's 2018-19 business plan it currently does not align with and support the broader Directorate policy and its progression is not a priority within existing resources. Access Canberra's consideration of the proposal to establish a program or policy (or both) specific to Access Canberra has been in development for almost two years, but remains unresolved.

4.41

Access Canberra is seeking to achieve its organisational aim of going 'paperless' and improve its record-keeping practices through Project Keystone. Project Keystone was initially conceived as early as August 2016, when the first version of a draft Project Plan was prepared. The project was endorsed by the Access Canberra Executive on 8 September 2017 and a project team formed on 1 November 2017,

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with an expected end date for the project of 1 May 2019 (subsequently revised to 30 June 2019).

There is a risk to the completion of Project Keystone. Progress is being made, but this is slower than originally envisaged. As at 28 February 2019, (the date of the most recent project status report), of a total of 29 targeted business units, 16 business units were awaiting records' migration into Objective. Access Canberra has advised that, at the end of March 2019, 14 of the 29 teams had access to Objective and all 14 teams' records had been migrated into Objective, and a further eight teams had access to Objective but were awaiting records' migration. The full extent of Project Keystone, including the number of files and records to be migrated to Objective, is dependent on Access Canberra securing funding beyond June 2019. Business units participating in the roll out of Objective had effectively anticipated and planned for improvements to their records management activities in their 2018-19 business plans in accordance with the intentions of the Project Keystone team.

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Six of the business plans of the ten selected teams for further detailed work identify and articulate discrete records management activities; either 'business as usual' or project activities designed to improve records management (including their completeness and accuracy) or data and information management. Four of the business plans make scant reference to records management activities or initiatives. The identification and articulation of activities to improve records management or data and information management in team-based business plans clearly and visibly identifies the teams' commitment to organisational aims and objectives of improved records management.

4.61

Recommendations

RECOMMENDATION 1 BUSINESS PLANNING METHODOLOGY

Access Canberra should develop, endorse and promulgate a business planning methodology that clearly identifies:

- a) what the Executive aims to achieve through the process of its business planning activity;
- b) the sequencing of the different levels of planning across the organisation and how each plan should be used to inform other plans and activities;
- c) the level of team-based planning, i.e. what teams are to participate in annual planning; and
- d) how plans are to be reviewed, agreed and finalised.

RECOMMENDATION 2 PLAN MONITORING FRAMEWORK

Access Canberra should develop, endorse and promulgate a monitoring and reporting framework for its divisional and team-based business plans that clearly identifies:

- a) expectations for the specification of performance measures, including targets that are capable of being monitored and reported against;
- b) how and when performance is to be reported; and
- c) expectations of teams with respect to the ongoing review and updating of team-based business plans.

RECOMMENDATION 3 ACCESS CANBERRA RECORDS MANAGEMENT

Access Canberra should support its records management improvement activities by:

- a) making a clear and timely decision on whether Access Canberra intends to have its own Records Management Program and policy;
- b) determining priorities and actions for improving records management across the organisation in response to the self-assessed *Compliance Checklist Tool*;
- c) requiring records management activities and initiatives to be reflected and incorporated within team-based business plans; and
- d) progressing Project Keystone in a timely way by clearly identifying an end date for the project, appropriate resources and associated deliverables.

Agency response

In accordance with the requirements of the *Auditor-General Act 1996*, the Chief Minister, Treasury and Economic Development Directorate was provided with:

- a draft proposed report for comment. All comments were considered and required changes were reflected in the final proposed report; and
- a final proposed report for further comment. As part of this process, recipients were offered the opportunity to provide a statement for inclusion in the final report in the Summary Chapter.

Access Canberra provided comments for inclusion in this Summary Chapter.

Access Canberra response

Access Canberra found this to be an engaging performance audit, which will add notable value to our business planning and monitoring processes.

We understand the importance of good governance to support effective regulation. Especially in an agency with as many moving parts as Access Canberra.

As I often comment to my team, today we'll make more than 8,000 regulatory decisions – decisions to issue licenses or registrations, decisions to inspect or investigate matters, and decisions to exercise formal powers to enforce the law. And our community needs to have confidence in every one of those decisions and their impact.

Sound governance through effective business planning and monitoring is central to a high performing regulator. And we welcome the findings of the Audit Office into our practices. We especially commend the audit team on their willingness to roll up their sleeves and spend some time with our team members to build a wholesome understanding of our business.