



## AUDIT COMMITTEE

### NOTICE OF MEETING

To: **Presiding Member** Cr Malcolm Herrmann

#### **Members**

David Moffatt  
Peter Brass  
Pamela Lee  
Cr Melanie Selwood

Notice is hereby given pursuant to the provisions under Section 87 of the *Local Government Act 1999* that the next meeting of the Audit Committee will be held on:

**Monday 21 August 2023**  
**6.00pm**  
**63 Mt Barker Road, Stirling**

A copy of the Agenda for this meeting is supplied under Section 87 of the Act.

Committee meetings are open to the public and members of the community are welcome to attend. Meetings will be conducted in accordance with the applicable COVID-19 social distancing guidelines and may result in Members participating electronically in accordance with the provisions of the Committee's Terms of Reference.

A Public notice of the Agenda for this meeting is supplied under Section 88 of the Act.

A handwritten signature in black ink, appearing to read 'Greg G.', with a period at the end.

**Greg Georgopoulos**  
**Chief Executive Officer**



**Adelaide Hills**  
COUNCIL

## **AUDIT COMMITTEE**

**AGENDA FOR MEETING**  
**Monday 21 August 2023**  
**6.00pm**  
**63 Mt Barker Road, Stirling**

### **ORDER OF BUSINESS**

#### **1. COMMENCEMENT**

- 1.1. Acknowledgement of Country

*Council acknowledges that we meet on the traditional lands and waters of the Peramangk and Kurna people. We pay our respects to Elders past, present and emerging as the Custodians of this ancient and beautiful land. Together we will care for this country for the generations to come.*

#### **2. APOLOGIES/LEAVE OF ABSENCE**

- 2.1. Apology  
2.2. Leave of Absence  
2.3. Absent

#### **3. MINUTES OF PREVIOUS MEETINGS**

- 3.1. Audit Committee Special Minutes – 19 June 2023

***Recommendation***

*That the minutes of the Special Audit Committee meeting held on 19 June 2023, as supplied, be confirmed as an accurate record of the proceedings of that meeting.*

#### **4. PRESIDING MEMBER'S OPENING REMARKS**

**5. DELEGATION OF AUTHORITY**

The Audit Committee operates in accordance with the relevant sections of the Local Government Act 1999, and its Terms of Reference.

**6. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF THE COMMITTEE**

**7. PRESENTATIONS, ACTION REPORT & WORKPLAN**

7.1. Community Capacity Risk Presentation

7.2. Action Report and Work Plan Update

1. That the report be received and noted
2. To note the status of the *Action Report August 2023* as contained in *Appendix 1*.
3. To note the *Audit Committee Work Plan 2023, Version: 1.2* as contained in *Appendix 2*.
4. To approve the proposed changes to the *Draft Audit Committee Work Plan 2023, Version:1.3a* as contained in *Appendix 3*.

**8. OFFICER REPORTS**

8.1. End of Financial Year Update

1. *that the report be received and noted.*
2. *To note that changes to the 2023-24 Budget as a result of the proposed Carry Forward amounts will result in Financial sustainability indicators within Council's agreed targets as follows:*

<i>a. Operating Surplus Ratio</i>	<i>2.1%</i>	<i>(Target 1% to 5%)</i>
<i>b. Operating Surplus Ratio (underlying)</i>	<i>2.2%</i>	<i>(Target 1% to 5%)</i>
<i>c. Net Financial Liabilities Ratio</i>	<i>54%</i>	<i>(Target 25% to 75%)</i>
<i>d. Asset Renewal Funding Ratio</i>	<i>100%</i>	<i>(Target 95% to 105%)</i>

8.2. Service Review Biannual Report – Civil Services

*The Audit Committee resolves that the report be received and noted.*

8.3. Debtors Report

*The Audit Committee resolves that the report be received and noted.*

8.4. Quarterly Council Performance Report Q4

*The Audit Committee resolves the Quarterly Council Performance Report – Q4 2022-23 be received and noted.*

- 8.5. Placement of Council's Insurance Portfolio  
*The Audit Committee resolves that the report be received and noted.*
- 8.6. Risk Management Quarterly Report  
*The Audit Committee resolves that the report be received and noted.*
- 8.7. Audit Actions Implementation Report
1. *That the report be received and noted*
  2. *To note the implementation status of Internal and External Audit actions.*

**9. QUESTIONS WITHOUT NOTICE**

**10. CONFIDENTIAL ITEMS**

Nil

**11. NEXT MEETING**

The next Audit Committee meeting will be held at 6.00pm on Monday 16 October 2023 at 63 Mount Barker Road, Stirling.

**12. CLOSE MEETING**

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE  
MINUTES OF SPECIAL MEETING  
MONDAY 19 JUNE 2023  
63 MT BARKER ROAD STIRLING**

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**In Attendance****Members:**

Cr Malcolm Herrmann	Presiding Member
Peter Brass	Independent Member
David Moffatt	Independent Member
Pamela Lee	Independent Member
Cr Melanie Selwood	Council Member

**In Attendance:**

David Waters	Chief Executive Officer
Terry Crackett	Director Corporate Services
Natalie Armstrong	Director Development & Regulatory Services
Lachlan Miller	Executive Manager Governance & Performance
Mike Carey	Manager Financial Services

**Guests in Attendance:**

Adam Villani	Beesquared Consultants
Linh Dao	BDO Audit Pty Ltd
Mitchell Bremner	BDO Audit Pty Ltd

**1. COMMENCEMENT**

The meeting commenced at 6.00pm.

**1.1 Acknowledgement of Country**

Council acknowledges that we meet on the traditional lands and waters of the Peramangk and Kaurna people. We pay our respects to Elders past, present and emerging as the Custodians of this ancient and beautiful land. Together we will care for this country for the generations to come.

**2. APOLOGIES/LEAVE OF ABSENCE****2.1 Apology**

Nil

**2.2 Leave of Absence**

Nil

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE  
MINUTES OF SPECIAL MEETING  
MONDAY 19 JUNE 2023  
63 MT BARKER ROAD STIRLING**

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**2.3 Absent**

Nil

**3. MINUTES OF PREVIOUS MEETINGS**

**3.1 Audit Committee Meeting – 15 May 2023**

Moved Peter Brass

S/- Pamela Lee

**AC24/23**

**That the minutes of the Audit Committee meeting held on 15 May 2023 as supplied, be confirmed as an accurate record of the proceedings of that meeting.**

<b>Carried Unanimously</b>
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**4. PRESIDING MEMBER'S OPENING REMARKS**

1. No changes were made to the Draft Annual Business Plan as a result of the public consultation. There were some administrative changes which were based on the latest figures available: additional costs for power \$57k, Solid Waste Levy \$23k and Bins and Hard Waste \$11k. The changes do not affect the Financial Stability of the Council.
2. The Manager Financial Services, Mike Carey, has tendered his resignation effective in July and the Governance and Risk Coordinator, Steven Watson, resigned and left on 16 June 2023. The Presiding Member, on behalf of the Audit Committee, thanked Mike and Steven for their long and dedicated service to the Council.

**5. DELEGATION OF AUTHORITY**

In accordance with the Audit Committee Terms of Reference, the Committee has no delegated decision-making powers.

**6. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF AUDIT COMMITTEE**

Nil

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE  
MINUTES OF SPECIAL MEETING  
MONDAY 19 JUNE 2023  
63 MT BARKER ROAD STIRLING**

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Leave of the meeting was granted to bring Item 8.2 forward in the agenda.

**8.2 Interim Audit Management Letter**

**Moved: Pamela Lee  
S/- David Moffatt**

**AC25/23**

**The Audit Committee resolves:**

- 1. That the report be received and noted**
- 2. To note the communication received from BDO Audit dated 14 June 2023 as Attachment 1: Interim Report on the FY2023 External Audit from their Interim visit in May 2023 relating to the 2022-23 Annual Financial Statement and Internal Financial Control Audits and the Management Responses to their findings.**
- 3. To note that BDO Audit have advised that, based on the interim audit work performed to date, they have not noted any material exceptions that would lead to a qualification to the audit report on internal controls.**

<b>Carried Unanimously</b>
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**7. PRESENTATIONS, ACTION REPORT & WORKPLAN**

**7.1 Corporate Services Directorate Risk Presentation – deferred to August 2023**

**7.2 Development & Regulatory Services Directorate Risk Presentation**

**7.3 Action Report and Work Plan Update**

**Moved Cr Melanie Selwood  
S/- Peter Brass**

**AC26/23**

- 1. That the report be received and noted.**
- 2. That the status of the Action Report and Work Plan be noted.**

<b>Carried Unanimously</b>
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**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE  
MINUTES OF SPECIAL MEETING  
MONDAY 19 JUNE 2023  
63 MT BARKER ROAD STIRLING**

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**8. OFFICER REPORTS – DECISION ITEMS**

Cr Malcolm Herrmann vacated the chair and left the meeting at 6.56pm.  
With the leave of the meeting David Moffatt assumed the chair.

**8.1 Development Services – Service Review**

The Presiding Member welcomed Adam Villani to the meeting. Adam delivered the presentation contained in Appendix 3 of the report.

**Moved Peter Brass**  
**S/- Cr Melanie Selwood**

**AC27/23**

**The Audit Committee resolves:**

- 1. That the report be received and noted.**
- 2. To receive and note the Service Review 2022-23 – Development Services, as contained in Appendix 3.**
- 3. To note that that the Management Review and Implementation Plan of agreed actions will be reported to Audit Committee and subsequently Council within 4 months of the date of this report.**

<b>Carried Unanimously</b>
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**9. NEXT MEETING**

The next ordinary meeting of the Audit Committee will be held on Monday 21 August 2023 at 6.00pm at 63 Mt Barker Road, Stirling.

**10. CLOSE MEETING**

The meeting closed at 7.39pm.



**ADELAIDE HILLS COUNCIL  
AUDIT COMMITTEE MEETING  
Monday 21 August 2023  
AGENDA BUSINESS ITEM**

**Item:** 7.2

**Responsible Officer:** Lachlan Miller  
Executive Manager Governance & Performance  
Office of the Chief Executive

**Subject:** Action Report and Workplan Update

**For:** Decision

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**SUMMARY**

A formal Audit Committee Action Report is maintained to record the items requiring 'actioning' that result from each of the Audit Committee meetings.

The Audit Committee Work Plan assists the Committee members and staff in scheduling both discussion and reports to ensure appropriate coverage of the Committee functions over the 12-month period.

The Audit Committee *2023 Work Plan v1.3a* (**Appendix 3**) has four (4) suggested amendments for consideration at this meeting.

**RECOMMENDATION**

The Audit Committee resolves:

1. That the report be received and noted
  2. To note the status of the *Action Report August 2023* as contained in *Appendix 1*.
  3. To note the *Audit Committee Work Plan 2023, Version: 1.2* as contained in *Appendix 2*.
  4. To approve the proposed changes to the *Draft Audit Committee Work Plan 2023, Version:1.3a* as contained in *Appendix 3*.
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## 1. BACKGROUND

### Action Report

The Action List tracks the implementation of resolutions of the Audit Committee.

### Work Plan

The functions of the Audit Committee are set out in part 7 (Role) of the Committee Terms of Reference.

A Work Plan has been developed to assist the Committee members and staff in scheduling discussion and reports to ensure appropriate coverage of the functions over the 12-month period. The Audit Committee last adopted an updated Work Plan at its 15 May 2023 meeting.

## 2. ANALYSIS

### *Strategic Plan 2020-24 – A brighter future*

Goal 5	A Progressive Organisation
Objective O4	We actively represent our community.
Priority O4.3	Attract and develop a diverse and capable elected body that represents, promotes and reflects the composition of the community.
Priority O4.3	Advocate to, and exert influence with, our stakeholders on behalf of our community to promote the needs and ambitions of the region.
Objective O5	We are accountable, informed, and make decisions in the best interests of the whole community.
Priority O5.1	Enhance governance structures and systems to prudently adapt to changing circumstances and meet our legislative obligations.
Priority O5.2	Make evidence-based decisions and prudently assess the risks and opportunities to our community before taking action.

### ➤ **Legal Implications**

Section 126 of the *Local Government Act 1999* sets out the functions of an audit committee. Management of Committee's action items and work plan facilitates the achievement of these functions.

### ➤ **Risk Management Implications**

The management of action items and the work plan will assist in mitigating the risk of:

*Poor governance practices occur which lead to a loss of stakeholder (i.e., customer and regulator) confidence and/or legislative breaches.*

Inherent Risk	Residual Risk	Target Risk
Extreme (5C)	Low (3E)	Low (3E)

The Audit Committee Action Report and Work Plan are current controls and therefore the Committee's approval of this item will not impact the Residual or Target Risk ratings.

Note that there are many other controls that assist in mitigating this risk.

➤ **Financial and Resource Implications**

Council's current budget contains provision for the costs associated with the notification and conduct of Audit Committee meetings.

Resourcing in the Governance & Performance Department has been challenging over the last two quarters with extended leave by the two senior staff for the majority of Q4 2022-23 and with the resignation of the Governance & Risk Coordinator and leave taken by the Executive Manager Governance & Performance in Q1 2023-24 impacting on the continuity of all functions, specifically internal audit and risk management.

➤ **Customer Service and Community/Cultural Implications**

The timing and location of Audit Committee meetings should be considerate of the desire for community members to attend.

➤ **Sustainability Implications**

Not applicable.

➤ **Engagement/Consultation conducted in the development of the report**

Consultation on the development of this report was as follows:

<i>Council Committees:</i>	Not Applicable
<i>Council Workshops:</i>	Not Applicable
<i>Advisory Groups:</i>	Not Applicable
<i>External Agencies:</i>	Not Applicable
<i>Community:</i>	Not Applicable

➤ **Additional Analysis**

The review by the Audit Committee of the Action Report and Work Plan is an important element of Council's commitment to open and transparent decision making which facilitates public accountability.

Action Report

There is one (1) completed items and one (1) outstanding item on the Audit Committee Action Report (**Appendix 1**) arising from previous Committee meetings. Commentary against the item is provided for the Committee's information.

### Work Plan and Reporting Schedule

As per the 2023 Audit Committee Work Plan and Reporting Schedule v1.2 (**Appendix 2**), the following items are detailed below are included in this meeting:

Item	Commentary	Month Scheduled
<b>Financial Reporting</b>		
Long Term Financial Plan (LTFP)		February
Annual Business Plan (draft)		April
Budget Review 1		November
Budget Review 2		February
Budget Review 3		May
End of Year Financial Report		November
End of financial year reporting timetable		May
End of financial year update	Included in this meeting	August
Final Annual Financial Statements (incl management representation letter)		October
<b>Internal Control and Risk Management</b>		
Placement of Council's insurance portfolio (for noting)	Included in this meeting	August
Internal Financial Controls update	Included in this meeting	May
Risk Management Plan update	Included in this meeting	February/May/ August/November
Results of LGRS Risk Management Review		February (Biennial)
LGRS Risk Evaluation - Action Plan Review		May/November
<b>Internal Audit</b>		
Internal Audit quarterly update	Deferral to October 2023 meeting	February/May/ August/November
Internal audit reports		As Required
Implementation of internal audit actions progress report		February/August
Internal Audit Plan review	Deferral to November 2023 meeting	August
<b>External Audit</b>		
External audit interim letter		May
Implementation of external audit actions progress report	Deferral to October 2023 meeting	February/August
External Audit Plan review		February
Meeting attendance by external auditors		February/October
Review of auditor independence and legislative compliance		October
Audit Committee Completion Report		October/November

<b>Public Interest Disclosure</b>		
Public Interest Disclosure Policy review (replaces Whistle-blowers)		April 2024
Public Interest Disclosure Arrangements and Compliance		May 2023
<b>Other Business</b>		
Audit Committee self-assessment review		November
Presiding Member's Report		November
Work Plan and Reporting Schedule		November
Audit Committee Meeting Dates		November
Debtors Report		February/August
Annual Report		November
Action Report & Work Plan Update	Included in this meeting	All Meetings
Audit Committee Terms of Reference		August
Directors Presentation	Included in this meeting	February/May/ August/November
Other Reports	As required	As Required

#### Amendments to 2023 Work Plan

The following changes are suggested (and highlighted) for the *Draft 2023 Audit Committee Work Plan Version 1.3a (Appendix 3)*:

- 1) In relation to Internal Control and Risk Management category:
  - a) Renaming the Risk Management Plan Update item to the Quarterly Risk Management Report as it more appropriately describes the content.
  
- 2) In relation to the Internal Audit category:
  - a) Moving the Internal Audit Quarterly Update from the August to the October meeting, due to the resource constraints in the Governance and Performance Department.
  - b) Moving the Internal Audit Plan review from the August to the November meeting due to the resource constraints in the Governance and Performance Department.
  
- 3) In relation to the Other Business category:
  - a) Rescheduling the Corporate Services Directorate Risk presentation to the October meeting.

### 3. OPTIONS

The Audit Committee has the following options:

- I. To note the status of the Action Report at **Appendix 1** and approve the changes to the Draft Audit Committee Work Plan 2023 1.3a at **Appendix 3** (Recommended).
- II. To alter or substitute elements of the Action Report or Work Plan (Not Recommended).

### 4. APPENDIX

1. *Audit Committee Action Report – August 2023*
2. *Adopted Audit Committee Work Plan 2023 (v1.2)*
3. *Draft Audit Committee Work Plan 2023 (v1.3a)*

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# **Appendix 1**

*Audit Committee Action Report – August 2023*

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Meeting Date	Res No.	Item Name	Previously Declared COI	Action Required (Council Resolution)	Responsible Director	Responsible Officer	Status	Due Date	Status (for Council reporting)
15/05/2023	AC20/23	Budget Review 3	Nil	<p>That the report be received and noted</p> <p>To recommend to Council the proposed budget adjustments presented in Budget Review 3 which result in: An increase in the Operating Surplus from \$830k to \$970k for the 2022-23 financial year. No overall change to the Capital Works capital expenditure budget for 2022-23 thus maintaining a budget of \$19.369m which takes into account estimated carry forwards of \$8m in capital expenditure. A change in Council's current Net Borrowing Result to that presented in BR2 from \$342k to \$202k for the 2022-23 financial year as a result of the proposed operating adjustments. proposed financial sustainability indicators within Council's agreed targets of the following:</p> <p>Operating Surplus Ratio 1.8% (Target 1% to 5%)  Net Financial Liabilities Ratio 46% (Target 25% to 75%)  Asset Renewal Funding Ratio 104% (Target 95% to 105%)</p>	Terry Crackett	Mike Carey	Completed	23/05/2023	Budget Review 3 presented and adopted by Council at 23 May 2023 Meeting
19/06/2023	AC27/23	Development Services - Nil Service Review	Nil	<ol style="list-style-type: none"> <li>1. That the report be received and noted.</li> <li>2. To receive and note the Service Review 2022-23 – Development Services, as contained in Appendix 3.</li> <li>3. To note that that the Management Review and Implementation Plan of agreed actions will be reported to Audit Committee and subsequently Council within 4 months of the date of this report.</li> </ol>	Greg Georgopoulos	Kira-Marie Laverty	In Progress	16/10/2023	The Management Review and Implementation Plan of agreed actions is under development and will be tabled at the October 2023 Audit Committee meeting.



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## **Appendix 2**

*Adopted Audit Committee Action Work Plan 2023 V1.2*

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# **Appendix 3**

*Draft Audit Committee Work Plan 2023 (v1.3a)*

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**ADELAIDE HILLS COUNCIL  
AUDIT COMMITTEE MEETING  
Monday 21 August 2023  
AGENDA BUSINESS ITEM**

<b>Item:</b>	<b>8.1</b>
<b>Responsible Officer:</b>	<b>Liz Packer Acting Manager Financial Services Corporate Services</b>
<b>Subject:</b>	<b>2022-23 End of Financial Year Update</b>
<b>For:</b>	<b>Information</b>

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**SUMMARY**

This report provides the Audit Committee with an update of Council's preliminary Operating Result before Capital for the 2022-23 financial year and the status of the preparatory work for the end of year audit. It also includes an update on Capital Works and Borrowings as at 30 June 2023.

Whilst the preliminary surplus result of \$1.362m is currently \$392k favourable to budget, there are several key movements associated with grant programs (including the Local Roads & Community Infrastructure Program and Community Resilience Grants) that will result in the carry forward of expenditure requirements that will largely offset this variation. These key movements are explained in more detail within this report.

That said, Council's underlying end of year financial position is expected to remain favourable against budget largely because of favourable variances in statutory fees, employee costs and finance costs.

From an overall Net Lending/Borrowing result perspective, Council is favourable to budget by \$1,296k. This includes a minor unfavourable Capital Result to budget after taking into account the proposed capital carry forward income and expenditure requirements. Taking these changes into account, the operating surplus for 2023-24 will reduce marginally to \$1,223k (down from an original budget of \$1,228k) and the Operating Surplus Ratio will reduce to 2.1% (down from 2.2%) as a result of the additional revenue being carried forward. Importantly there is however no change to the Underlying Operating Surplus Ratio of 2.2%.

It should be noted that further changes to Council's financial results will occur following the finalisation of Council's statutory accounts and subsequent audit. The finalisation of the accounts will address matters still outstanding which include the landfill remediation provisioning, accounting for Council's subsidiaries' results as well as depreciation and other asset revaluation adjustments.

The Administration presented an End of Financial Year reporting timetable to the Audit Committee on 15 May 2023 and remains confident that all significant preparatory work will be completed in advance of the final audit visit by BDO scheduled for mid-September 2023.

## RECOMMENDATION

The Audit Committee resolves:

1. that the report be received and noted.
2. To note that changes to the 2023-24 Budget as a result of the proposed Carry Forward amounts will result in Financial sustainability indicators within Council's agreed targets as follows:

a. Operating Surplus Ratio	2.1%	(Target 1% to 5%)
b. Operating Surplus Ratio (underlying)	2.2%	(Target 1% to 5%)
c. Net Financial Liabilities Ratio	54%	(Target 25% to 75%)
d. Asset Renewal Funding Ratio	100%	(Target 95% to 105%)

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### 1. BACKGROUND

Council's preparation of the Annual General Purpose Financial Reports on a timely basis is affected by, but not limited to:

- external audit timelines
- resourcing, both internal and external
- Infrastructure assets validation

A timetable has been prepared to document and streamline the end of year progress during July and August, and the confirmed final audit visit commencing on 18 September 2023.

In relation to the 2022-23 financial statements, it is currently proposed that a Preliminary End of Year Financial Results and Carry Forwards Report will be tabled to Council at its 22 August 2023 meeting.

As the report provides Council with a preliminary view of Council's financial performance to budget for the year ended 30 June 2023, it was considered appropriate as part of this update to provide the Audit Committee with the Preliminary End of Year Financial Results and commentary given the timing of the Audit Committee Meeting.

### 2. ANALYSIS

#### ➤ Strategic Management Plan/Functional Strategy/Council Policy Alignment

*Strategic Plan 2020-24 – A brighter future*

Goal 5 A Progressive Organisation

Objective 05 We are accountable, informed, and make decisions in the best interests of the whole community.

Priority 05.2 Make evidence-based decisions and prudently assess the risks and opportunities to our community before taking action.

Priority 05.3 Demonstrate accountability through robust corporate planning and reporting that enhances performance, is relevant and easily accessible by the community.

➤ **Legal Implications**

Council is required to prepare audited annual Financial Statements in accordance with the *Local Government Act 1999 (LGA)*, and the *Local Government (Financial Management) Regulations 2011*.

Chapter 8, Part 3, Division 3 – Financial Statements and Division 4 – Audit, LGA 1999 and Part 4 – Financial Statements, *Local Government (Financial Management) Regulations 2011*.

➤ **Risk Management Implications**

Failure to complete the year end reporting process within an agreed timetable can result in increased financial, compliance and reputational risk.

The completion of the year end reporting and audit processes within the legislative timeframes will assist in mitigating the risk of:

*Poor governance practices occur which lead to a loss of stakeholder (i.e. customer and regulator) confidence and/or legislative breaches.*

Inherent Risk	Residual Risk	Target Risk
Extreme (5C)	Medium (3D)	Medium (3C)

➤ **Financial and Resource Implications**

The end of year financial reporting process ensures the timely production of the Annual General Purpose Financial Reports. These are required for the Annual Report and can impact on Council's ability to secure future grant and loan funding.

Council's Operating Result for 2022-23 has been significantly impacted by one off grants, which are accounted for in accordance with Accounting Standards (AASB 1058 Income of Not-for-Profit Entities and AAS 15 Revenue from Contracts with Customers) which means that the grant and associated expenditure are not aligned in terms of operating and capital or are not necessarily matched in the same year. Further details in relation to key operating budget variations are provided in the analysis section of this report.

Importantly however, Council's underlying end of year financial position is expected to remain favourable against budget largely as a result of favourable variances in statutory fees, employee costs and finance costs.

➤ **Customer Service and Community/Cultural Implications**

Not applicable.

➤ **Sustainability Implications**

Not applicable.

➤ **Engagement/Consultation conducted in the development of the report**

Consultation on the development of this report was as follows:

*Council Committees:* Not applicable.  
*Council Workshops:* Not applicable.  
*Advisory Groups:* Not applicable.  
*External Agencies:* Not applicable.  
*Community:* Not applicable.

➤ **Additional Analysis**

**Overall Preliminary Result compared to budget.**

<b>\$'000</b>	<b>Actual 2022-23 \$'000</b>	<b>Budget 2022-23 \$'000</b>	<b>Variance Fav/(Unfav) \$'000</b>
Operating income	54,265	53,512	753
Operating expenditure	52,903	52,542	(361)
<b>Operating Surplus before Capital</b>	<b>1,362</b>	<b>970</b>	<b>392</b>

Council's preliminary Operating Surplus before Capital as at 30 June 2023 was \$1.362m which is \$392k favourable to the revised budget.

This preliminary result is largely driven by:

- the early receipt of \$1.932m for the 2023-24 Financial Assistance Grant in June 2023 offset by \$1.488m for the 2022-23 Financial Assistance Grant which was received in June 2022. This had a favourable impact on Council's Operating result against budget by \$278k.
- the finalisation of Phase 1 and Phase 2 of the Federal Government Local Roads and Community Grant Program had a favourable impact of \$235k in 2022/23. It should be noted that LRCIP funding is treated as operating revenue, but much of the associated expenditure is treated as Capital.
- a favourable one-off amount of \$500k of unbudgeted funds received as settlement proceeds following the finalisation of a legal dispute.
- a transfer of \$410k in unbudgeted expenditure from capital to operating (including historical balances) following a detailed review of all Works in Progress (WIP) accounts. These funds were previously included in capital budgets.
- A reduction in employee costs against budget because of vacancies that were more than both expectation and original savings targets established. These reductions were largely offset through expenditure on contract labour as well as salary costs that were not capitalised at end of year following a review of project delivery for ICT and HR projects.
- Under expenditure totalling approximate \$500k on a range of grant funded projects (including the Community Resilience and Bushfire Program). This expenditure, as well as the associated revenue, will be carried forward into 2023/24 to enable completion of the projects.
- an increase in the provision for remediation of landfill sites of \$500k following a review of anticipated future expenditure requirements.
- other favourable variances in statutory fees, regulatory fees, and reduced finance costs.



Further changes to Council's financial results will occur following the finalisation of Council's statutory accounts and subsequent audit. Finalisation of the accounts will address such matters as:

- reviewing the landfill remediation provisioning.
- accounting for Council's subsidiaries' results.
- accrual of tied grant funding where expenditure has not yet been undertaken.
- accounting for final depreciation and leasing adjustments (noting that preliminary results are in line with budget forecasts).
- A review of costs held in WIP associated with disposal of land and buildings at the Adelaide Hills Business & Tourism Centre (AHBTC)
- undertaking remaining asset revaluation adjustments for buildings.

As noted previously in this report, Council's underlying end of year financial position is expected to remain favourable against budget largely because of favourable variances in statutory fees, employee costs and finance costs.

### Net Borrowings Position

Excluding leases, borrowings on 30 June 2023 were \$14.7m, represented by two (2) fixed term, LGFA Cash Advance Debenture, interest only loans of \$7.7m and a short-term drawdown facility with Westpac, drawn down to \$7.0m at year end.

\$'000	Actual June 23 \$'000	Budget June 23 \$'000	Variance \$'000	June 2022 Balances \$'000
Cash & Investments	489	515	(26)	3,216
Short term drawdown	(7,025)	(8,347)	1,322	(9,206)
Fixed Term Loans	(7,729)	(7,729)	0	(5,000)
<b>Total Borrowings</b>	<b>(14,754)</b>	<b>(16,076)</b>	<b>1,322</b>	<b>(14,206)</b>
<b>Net Position</b>	<b>(14,265)</b>	<b>(15,561)</b>	<b>1,296</b>	<b>(10,990)</b>

### Overall Capital Result

\$'000	Actual 2022-23 \$'000	Budget 2022-23 \$'000	Variance Fav/(Unfav) \$'000
Capital Income	5,495	7,751	(2,256)
Capital Expenditure	15,136	19,368	4,232
<b>Net expenditure - Capital projects</b>	<b>9,641</b>	<b>11,617</b>	<b>1,976</b>
Proposed Capital Expenditure Carry Forwards			(4,325)
Proposed Capital Income Carry Forwards			2,919
<b>Overall Capital Result - favourable</b>			<b>570</b>

The preliminary results show a capital spend of \$15.136m against a budget of \$19.368m. From the overall underspend of \$4.232m, it is proposed to carry forward capital expenditure in the order of \$4.325m across approximately 35 projects.

Capital income to be carried forward relates to unspent grant income received for FABRIK and funding yet to be received from the Department for Infrastructure and Transport for Council's Black Spot Roads Program. Projects identified under this program are expected to be completed in 2023-24.

There is still some review work being undertaken of carry forwards, but it is not expected that the amount will vary significantly from that to be presented to Council at its 23 August 2023 meeting for adoption.

**In summary**

Council's overall preliminary result for operating is favourable to budget by \$392 and capital is favourable to budget by \$570k, noting that there is still some end of year adjustments required to the amounts presented.

**Other Year End Matters**

Other specific matters currently being worked through as part of the year end process include:

- ensuring all grants are accounted for in accordance with AASB 1058 Income of Not-for-Profit Entities and AAS 15 Revenue from Contracts with Customers.
- finalisation of the capitalisation of project costs.
- review of final depreciation amounts including lease adjustments
- subsidiary results and the calculation of equity share for these investments.
- A review of costs held in WIP associated with disposal of land and buildings at the Adelaide Hills Business & Tourism Centre (AHBTC)
- finalisation of asset revaluations.

**3. OPTIONS**

The Committee has the following options:

- I. To note the report as prepared.
- II. To make additional comments or suggestions for Financial Services staff to consider as part of finalising the 2022-23 financial statements.

**ADELAIDE HILLS COUNCIL  
AUDIT COMMITTEE MEETING  
Monday 21 August 2023  
AGENDA BUSINESS ITEM**

**Item:** 8.2

**Responsible Officer:** Kira-marie Laverty  
Corporate Planning & Performance Coordinator  
Office of the Chief Executive

**Subject:** Service Review Biannual Report – Civil Services – August 2023

**For:** Information

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**SUMMARY**

Council has resolved to implement a *Service Review Framework* (the “Framework”) as part of the *Annual Business Plan 2021-22*. The Framework was adopted by Council at the 26 October 2021 meeting and provides Council with principles and guidelines for conducting an external Service Review to evaluate the adequacy, effectiveness and efficiency of the reviewed services.

The *Service Review Brief – Civil Services* was presented at the 25 January 2022 Council Meeting, and the consultant (Epic Projects & Consulting) was appointed and field work commenced in March 2022.

The final report, management response and associated recommendations were provided to Council at the 26 July 2022 meeting and to the Audit Committee at the 15 August 2022 meeting. As part of the management response, the Director Infrastructure and Operations in conjunction with other key staff provided a proposed action and implementation plan in response to the recommendations.

The purpose of this report is to present the progress of implementation and action plan contained in the *Service Review Biannual Report – Civil Services (Appendix 1)*. This is provided to the Audit Committee for their review in their capacity of providing advice to the Council on the adequacy and effectiveness of the systems and processes regarding financial management and reporting, internal control and risk management, internal audit and governance.

**RECOMMENDATION**

**The Audit Committee resolves that the report be received and noted.**

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## 1. BACKGROUND

Council has resolved to implement a *Service Review Framework* (the “Framework”) as part of the *Annual Business Plan 2021-22*. The Framework as adopted by Council at the 26 October 2021 meeting and provides Council with principles and guidelines for conducting an external Service Review to evaluate the adequacy, effectiveness and efficiency of the reviewed services. The current budget allocation is for one external Service Review to be conducted per annum.

The *Service Review Brief – Civil Services* was presented at the 25 January 2022 Council Meeting.

### 12.7 Service Review Brief – Civil Services

Moved Cr Leith Mudge  
S/- Cr Malcolm Herrmann

12/22

Council resolves:

1. That the report be received and noted
2. To adopt the draft *Service Review Brief – Civil Services* as contained in *Appendix 1*
3. That the Chief Executive Officer be authorised to make minor changes to the draft *Service Review Brief – Civil Services* arising from the Council's consideration of the matter.

Carried unanimously
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Following the Request for Quote procurement process being undertaken in February 2022, the consultant (Epic Project and Consulting) was appointed, with field work commencing in March 2022.

The objective of the service review of the Civil Services Maintenance Function, was to facilitate efficiency, effectiveness, and appropriateness in service provision through the analysis of factors such as:

- Service clarity, replicability and quality
- Customer (internal or external) priorities, aspirations and experience
- Alignment to the Council's strategic intent
- Statutory obligations
- Process efficiency and saving opportunities
- Service delivery effectiveness and performance assessment

Review and analysis was undertaken over April and May 2022, with the findings and recommendations captured in the *Service Review 2021-22 – Civil Service Maintenance Function Report*. In response to this, the Director Infrastructure and Operations in conjunction with other key staff prepared a Management Response and a draft Action Plan. These recommendations and actions are contained within the *Service Review Biannual Report – Civil Services (Appendix 1)*.

The final report, recommendations, management response and action plan was presented at the 26 July 2022 Ordinary Council Meeting where it was resolved:

**12.5 Service Review - Civil Services Maintenance**

Moved Cr Linda Green  
S/- Cr Leith Mudge

186/22

Council resolves:

1. That the report be received and noted
2. To receive and note the *Service Review 2021-22 – Civil Service Maintenance Function Report*, as contained in Appendix 1.
3. To adopt the *Service Review 2021-22 – Civil Service Maintenance Function – draft Action Plan*, containing the Service Review recommendations, management responses and agreed actions, as contained in Appendix 2
4. To note that that the implementation status of the agreed actions will be reported to Council on a biannual basis, nominally March and August.

Carried unanimously

This report was also provided to Audit Committee at its 15 August 2022 meeting where it was resolved:

**8.9. Service Review Report – Civil Services**

Moved Peter Brass  
S/- Natalie Johnston

AC48/22

The Audit Committee resolves:

1. To receive and note this report
2. To receive and note the *Service Review 2021-22 – Civil Service Maintenance Function Report*, as contained in Appendix 1.
3. To receive and note the *Service Review 2021-22 – Civil Service Maintenance Function – draft Action Plan*, containing the Service Review recommendations, management responses and agreed actions, as contained in Appendix 2
4. To note that that the implementation status of the agreed actions will be reported to Council on a biannual basis, nominally March and August.

Carried Unanimously

As per the above resolutions, a biannual report has been drafted (**Appendix 1**) to present to both Audit Committee and Council.

## 2. ANALYSIS

### ➤ Strategic Management Plan/Functional Strategy/Council Policy Alignment

#### *Strategic Plan 2020-24 – A brighter future*

Goal	A Progressive Organisation
Objective O2	Our customers find it easier to interact and do business with Council and have an improved customer experience.
Priority O2.2	Modernise our services and enhance the customer experience by making service delivery faster, more convenient and more proactive.
Priority 2.4	Continuously strive to measure and improve performance and service delivery across all functions.
Objective O3	Our organisation is financially sustainable for both current and future generations
Priority O3.4	Assess the range and level of services undertaken to ensure they fulfil Council's legislative and strategic intent

Council also operates an Internal Audit Program which, while undertaking somewhat similar review activities, has as its main focus to evaluate the adequacy and effectiveness of the systems of internal control within the Council to manage risk.

The Internal Audit Program and this Framework are complementary but separate governance activities.

### ➤ Legal Implications

Section 8 of the *Local Government Act 1999* (the "Act") sets out the principles that a council must act to uphold and promote observance in the performance of its roles and functions. The following principles are particularly relevant in the context of the Framework:

- (g) manage its operations and affairs in a manner that emphasises the importance of service to the community;
- (h) seek to ensure that council resources are used fairly, effectively and efficiently and council services, facilities and programs are provided effectively and efficiently;
- (i) seek to provide services, facilities and programs that are adequate and appropriate and seek to ensure equitable access to its services, facilities and programs;
- (ia) seek to balance the provision of services, facilities and programs with the financial impact of the provision of those services, facilities and programs on ratepayers;
- (j) achieve and maintain standards of good public administration;
- (k) ensure the sustainability of the council's long-term financial performance and position.

This report is provided to the Audit Committee for their review in their capacity of providing advice to the Council on the adequacy and effectiveness of the systems and processes regarding financial management and reporting, internal control and risk management, internal audit and governance.

➤ **Risk Management Implications**

*Lack of effective strategic planning and resource allocation processes*

Inherent Risk	Residual Risk	Target Risk
Extreme (4A)	Low (3E)	Low

The Framework is a mitigation action in addition to the many controls that are already in place for this risk.

➤ **Financial and Resource Implications**

The Service Review was a funded initiative in the *Annual Business Plan 2021-22*. The funding of \$26,000 related directly to the cost of appointing an external consultant.

The Corporate Planning & Performance Coordinator coordinated the procurement, conduct and reporting of the Service Review.

There are further resource implications associated with the implementation of the Report recommendations as contained in the action plan in **Appendix 1**. Any financial implications arising from the Report recommendations will be raised as budget review items or future consideration items, as required.

➤ **Customer Service and Community/Cultural Implications**

Implementation of the Service Review Report recommendations assists to facilitate improvements to the customer satisfaction of the Civil Services Maintenance activities.

➤ **Sustainability Implications**

Implementation of the Service Review Report recommendations assists to facilitate improvements to the effectiveness and efficiency of the Civil Services Maintenance activities.

➤ **Engagement/Consultation conducted in the development of the report**

Consultation on the development of this report was as follows:

**Council Committees:** The Service Review Framework was considered at the Audit Committee meeting on 18 October 2021 where it was resolved to recommend adoption of the Framework to Council.

**Council Workshops:** The Service Review Framework was discussed in the 26 March 2021 Annual Business Plan and Budget workshop. Following the adoption of the Framework, a further workshop was held on 16 November 2021 to discuss the criteria for determining the function schedule for Service Reviews over the next 3 years.

**Advisory Groups:** Not applicable

**External Agencies:** Not applicable

**Community:** Not applicable

The final report, management response and associated recommendations were provided to Council at the 26 July 2022 meeting and to the Audit Committee at the 15 August 2022 meeting.

➤ **Additional Analysis**

With the recruitment of key operational roles within the Civil Services Maintenance Function, progress on the Service Review Action Plan has progressed in earnest. This includes the preparation of a comprehensive suite of project management documentation, including a Project Management Plan and an electronic Schedule in MS Project.

Other key achievements include the creation of multiple cross functional working groups, focusing on implementing in-field devices, managing civil infrastructure maintenance in Confirm Asset Management software, employee recognition, and promotion of field works respectively.

Details of the specific action plan and progress against each item is contained within the *Service Review Biannual Report – Civil Services (Appendix 1)*.

In accordance with the Framework, the Biannual Report is also being provided to Council for consideration at its 22 August 2023 meeting.

**3. OPTIONS**

As this is an information report, the Committee is limited to receiving and noting the report.

**4. APPENDIX**

(1) *Service Review Biannual Report – Civil Services*



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# **Appendix 1**

*Service Review Biannual Report – Civil Services*

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# Service Review 2021-22 – Progress Report

## Civil Services Maintenance Function

A Service Review of the Civil Services Maintenance function was undertaken over March to June 2022 by Epic Projects & Consulting.

The Final Report and associated recommendations were provided to Council at the 26 July 2022 meeting and to the Audit Committee at the 15 August 2022 meeting. The following report provides the progress of activities detailed in the Action Plan which was produced by the Director Infrastructure and Operations in conjunction with other key staff in response to the recommendations.

### Executive Summary

With the recruitment of key operational roles within the Civil Services Maintenance Function, progress on the Service Review Action Plan has progressed in earnest. This includes the preparation of a comprehensive suite of project management documentation, including a Project Management Plan and an electronic Schedule in MS Project.

Other key achievements include the creation of multiple cross functional working groups, focusing on implementing in-field devices, managing civil infrastructure maintenance in Confirm Asset Management software, employee recognition, and promotion of field works respectively.

### Service Review Recommendations

The key recommendations from the Civil Services Maintenance Function Service Review are listed below, along with a proposed priority for addressing the findings:

No	Recommendation	H	M	L
1	Develop prioritised program maintenance plans	-	X	-
2	Develop an expanded operational service standard suite for maintenance activities	X	-	-
3	Roll out of CONFIRM system to Civil Service Maintenance	X	-	-
4	Develop and promote cross functional teams working more closely together	X	-	-
5	Improved Budgeting and Measuring Costs	-	-	X
6	Improved Process for Section planning	-	X	-
7	Reward and Recognition	-	X	-
8	Continuous Improvement	-	-	X
9	Customer Communication	-	X	-
<b>Total</b>		<b>3</b>	<b>4</b>	<b>2</b>

## Action Plan

Action	22-23	23-24	24-25
Prioritise the order in which specific Asset Class specific maintenance plans are to be developed.	X	-	-
Develop and implement the Asset Class specific maintenance plans.		X	X
Prioritise the order in which specific Asset Class service standards are to be developed to subsequently inform asset maintenance plans.	X	-	-
Develop and adopt the Asset Class specific service standards.		X	X
Expedite the transitioning to use of Confirm in the field through engaging with Strategic Assets and Information Services.	X	X	X
Establish Civil Services specific Confirm Working Group including all relevant stakeholders.	X	X	X
Some interim methods may be investigated to aid in forecasting more accurately the cost per service delivery type.	-	X	-
Following adoption of Service Standards, development of Maintenance Plans, and implementation of confirm, improve use of data for more refined cost forecasting.			X
Develop Annual Plans (Name to be determined) beginning with 2022-23. (First to be completed by end Q2 2022)	X	-	-
Work with Organisational Development to ensure alignment with broader AHC approach to Reward and Recognition.	-	X	-
Work with Communications and Engagement to determine what operational activities or achievements are of broader public interest and can be promoted.	-	X	-
Ensure teams designate specific time on a regular basis, to encourage identification and subsequent progression of work to formally improve work practices. (Particular regard to identification of savings, as well as improved efficiency and customer service).	X	X	X
The Infrastructure and Operations Directorate will work closely with Customer Service to determine any potential for further automated messaging to be put in place (not just Civil Services) and continue to explore ways to improve overall communication with customers).	X	-	-
Greater utilisation of Depot Administration resource to provide job specific information to customers.	-	X	-
<b>Total</b>	<b>7</b>	<b>9</b>	<b>6</b>

## Progress Update

The following tables show the action plan developed to address the recommendations in the table above, with the ID's linking back to those assigned in the "Audit Risk Register". Note: where an action addresses multiple recommendations they have been grouped together in the table below.

ID	Action	Planned Date	Recommendation		Progress Update	Status
			No	Rating		
1.1 2.1	Prioritise the order in which specific Asset Class specific maintenance plans are to be developed.	30/06/2023	1	Medium	Work has commenced on identifying the priority order for development of asset class specific maintenance plans and service standards. Whilst the final list is yet to be adopted, early indication is the stormwater asset class will be top priority, base don risk and alignment with Asset Management Plan development.	In progress
			2	High		
1.2	Develop and implement the Asset Class specific maintenance plans.	30/06/2025	1	Medium	A draft stormwater asset class maintenance plan is in development, to align with the draft Stormwater Asset Management Plan.	In progress
2.2	Develop and adopt the Asset Class specific service standards.	30/06/2024	2	High	A draft stormwater asset class service standard is in development, to align with the draft Stormwater Asset Management Plan.	In Progress
3.1	Expedite the transitioning to use of Confirm in the field through engaging with Strategic Assets and Information Services.	30/06/2023	3	High	These works have commenced, focusing on developing the workflow of discrete functions from CRM to Confirm. Early efforts have focused on Council's Quick Response function.	In Progress
4.1	Establish Civil Services specific Confirm Working Group utilising the newly developed Project Management Framework (which will include all relevant stakeholders)	30/06/2023	4	High	The Confirm Working Group has been established, and will continue to meet monthly, for the duration of the project.	Complete
5.1	Some interim methods may be investigated to aid in forecasting more	30/06/2024	5	Low	This action is pending the adoption of asset specific service standards priority lists.	Not Commenced

ID	Action	Planned Date	Recommendation		Progress Update	Status
			No	Rating		
	accurately the cost per service delivery type.					
5.2	Following adoption of Service Standards, development of Maintenance Plans, and implementation of confirm, improve use of data for more refined cost forecasting.	30/06/2025	5	Low	This action is pending the adoption of individual asset class service standards.	Not Commenced
6.1	Develop Annual Plans (Name to be determined) beginning with 2022-23. (First to be completed by end Q2 2022).	30/06/2023	6	Medium	This action was postponed for 22/23 due to key vacancies within the Civil Services Maintenance Function. A draft Annual plan will now be prepared for the 23/24 FY.	In progress
7.1	Work with Organisational Development to ensure alignment with broader AHC approach to Reward and Recognition.	30/06/2024	7	Medium	A working group has been established with Civil Services, Open Space, and People & Culture team to work through issues around the recognition of operational staff. This includes providing input into the Council's Recognition Policy review.	In progress
7.2	Work with Communications and Engagement to determine what operational activities or achievements are of broader public interest and can be promoted.	30/06/2024	7	Medium	A working group has been established with Civil Services, Open Space, and Communications & Engagement teams to work through issues around promoting operational activities of Council.	In progress
8.1	Ensure both office and field based teams designate specific time on a regular basis, to encourage identification and subsequent progression of work to formally improve work practices. (Particular with regards to identification of savings, as well as improved efficiency and customer service).	30/06/2023	8	Low	This work has commenced as part of routine team meetings and team leadership discussions. When further progressed, it will be formalised to document outcomes.	In progress

ID	Action	Planned Date	Recommendation		Progress Update	Status
			No	Rating		
9.1	The Infrastructure and Operations Directorate will work closely with Customer Service to determine any potential for further automated messaging to be put in place (not just Civil Services) and continue to explore ways to improve overall communication with customers	30/06/2023	9	Medium	A preliminary meeting has been held with the customer experience project officer, with a focus on automation.	In progress
9.2	Greater utilisation of Depot Administration resource to provide job specific information to customers.	30/06/2024	9	Medium	Depot admin is regularly providing direct liaison, advice and response to customers around common issues.	In Progress

**ADELAIDE HILLS COUNCIL  
AUDIT COMMITTEE MEETING  
Monday 21 August 2023  
AGENDA BUSINESS ITEM**

**Item:** 8.3

**Responsible Officer:** Liz Packer  
Acting Manger Financial Services  
Corporate Services

**Subject:** Debtors Report 30 June 2023

**For:** Information

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**SUMMARY**

In line with the 2023 Work Plan a biannual debtor's report is provided to the Audit Committee for consideration.

This report covers the period ending 30 June 2023.

This report also includes an analysis of rates debtors, which is provided annually to the first Audit Committee meeting after 30 June of each year.

**RECOMMENDATION**

**The Audit Committee resolves that the report be received and noted.**

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**1. BACKGROUND**

Council generates income from a variety of sources including rates, grants, fines (infringements), development applications and fees and charges for the provision of goods and services to individuals, businesses and other organisations in the community.

This income is managed using financial management systems that also enables recording of amounts owing to Council and information relating to amounts paid. Appropriate action can be taken to collect amounts owing where they are not paid on time.

The last debtors report covering balances as of 31 December 2022 was presented to the Audit Committee on 20 February 2023.

## 2. ANALYSIS

### ➤ Strategic Management Plan/Functional Strategy/Council Policy Alignment

*Strategic Plan 2020-24 – A brighter future*

Goal A progressive organisation

Objective O5 We are accountable, informed, and make decisions in the best interests of the whole community.

Priority O5.3 Demonstrate accountability through robust corporate planning and reporting that enhances performance, is relevant and easily accessible by the community.

It is important that debt recovery practices are checked on a regular basis to ensure that Council's cash flow is optimised, and that the non-recovery of Council debts is minimised.

### ➤ Legal Implications

Council may obtain funds by recovering fees, charges, penalties or other money payable to it under S133 of the *Local Government Act 1999*.

Council also has obligations specified within the current Community Wastewater Management Scheme (CWMS) licence that require an endorsed hardship policy for customers. Failure to establish this policy will result in Council breaching current licence conditions.

### ➤ Risk Management Implications

Monitoring the balances of debtors through regular reporting will aid in mitigating the risk of:

*Poor debt recovery practices which lead to increased levels of overdue debtors will negatively impact on Council's current cash flow as well as reduce the likelihood of future debt recovery.*

Inherent Risk	Residual Risk	Target Risk
Extreme (4B)	Medium (3D)	Medium (3D)

### ➤ Financial and Resource Implications

Close monitoring of debt supported by an agreed policy will ensure that any cash flow impact on Council is minimised.

### ➤ Customer Service and Community/Cultural Implications

Not applicable

### ➤ Sustainability Implications

Not applicable



➤ **Engagement/Consultation conducted in the development of the report.**

Consultation on the development of this report was as follows:

<i>Council Committees:</i>	Not applicable
<i>Council Workshops:</i>	Not applicable
<i>Advisory Groups:</i>	Not applicable
<i>External Agencies:</i>	Not Applicable
<i>Community:</i>	Not applicable

➤ **Additional Analysis**

**Rates Debtors**

Council's rates debtor balances are dominated by rates that are struck in full in July, then quarterly fluctuations of receipts, which makes comparing rates debtors within the year difficult to interpret.

As such, rates debtors are reported on an annual basis to the first Audit Committee after 30 June of each year and was last provided to the Audit Committee on 15 August 2022.

The impact of cost-of-living pressures and rising interest rates are now being felt throughout parts of the community. Council continues to support those affected through the updated *Rating Policy* and separate *Debt Recovery Policy* to provide guidance on financial hardship and emphasise a number of alternative arrangements available to ratepayers. These include.

- Payment of rates on a weekly, fortnightly, or monthly basis instead of quarterly instalments, to support smaller, more regular payment options that take into consideration a ratepayer's other financial commitments.
- Postponement of the payment of rates in whole or in part for an extended period due to hardship. If postponement is granted, then fines and interest will be remitted automatically for the same period.
- Postponement for seniors is highlighted as an available choice for relevant ratepayers.
- No interest or fines charged on outstanding rate balances for all ratepayers with an agreed payment plan in place who adheres to the agreement.

Following a two-year pause, legal action and debt recovery follow up by Council's debt collection agency has recommenced for the 2022-23 financial year. The Administration will retain responsibility for all applications currently received who are on agreed payments plans and who are making payments in line with those plans.

The table below compares Council's debtor balances, over the last five (5) year ends, summarised by category.

**Rate Debtor Comparison across Financial Years \$'000**

<b>Debtors</b>	<b>June 2019</b>	<b>June 2020</b>	<b>June 2021</b>	<b>June 2022</b>	<b>June 2023</b>
Rates General	\$1,499	\$1,846	\$1,918	\$2,210	\$2,182
Provision	\$222	\$342	\$352	\$434	\$478
	<b>\$1,278</b>	<b>\$1,503</b>	<b>\$1,566</b>	<b>\$1,776</b>	<b>\$1,704</b>
Rate Revenue	<b>\$36,964</b>	<b>\$38,573</b>	<b>\$40,155</b>	<b>\$41,529</b>	<b>\$44,422</b>
% Outstanding to Rates Raised	<b>3.5%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>4.3%</b>	<b>3.8%</b>
Rates Postponed	\$95	\$129	\$128	\$150	\$186

To aid in the analysis the following table has also been included to show the ageing of rate debtors by reference to the rating year billed as at balance date for the last four years.

<b>Financial Year Ending</b>	<b>Prior to 2019-20 \$000s</b>	<b>2019-20 \$000s</b>	<b>2020-21 \$000s</b>	<b>2021-22 \$000s</b>	<b>2022-23 \$000s</b>	<b>Total \$000s</b>
30 June 2023	\$598	\$123	\$215	\$334	\$912	\$2,182
30 June 2022	\$595	\$217	\$434	\$964	-	\$2,210
30 June 2021	\$615	\$363	\$940	-	-	\$1,918
30 June 2020	\$744	\$1,102	-	-	-	\$1,846
30 June 2019	\$1,499	-	-	-	-	\$1,499

As can be seen from the above tables, current policy settings and an increased emphasis on ratepayers making more regular payments (not necessarily quarterly) has kept balances outstanding at a manageable level.

**Update on Review of Properties Identified for Section 184 or 210 Action**

Per section 184(1) of the *Local Government Act 1999*, if an amount payable by way of rates has been in arrears for three years or more the council may sell the property.

The Administration found nine (9) properties with rates arrears greater than three (3) years totalling \$121,983.50. At the Council meeting held 13 June 2023, the Chief Executive Officer was approved to progress the sale of these properties. At the time of this meeting, it was advised that one of these properties had since made full payment of their outstanding debt and that no further action was needed.

Pre-Section 184 letters were sent by registered mail to the remaining eight (8) properties recommending that potential sale action had begun. Following the receipt of this letter, one property has since made recompense and has cleared their outstanding rate balance. No further action will be taken with regards to this property, but the Administration progressing the process for the remaining seven (7) properties listed below.

Current outstanding debt on these properties as of 30 June 2023 is now \$107,242.

Assessment	Locality	Rates Owing
1557	Uraidla	\$11,895
9918	Stirling	\$21,725
15384	Mount Torrens	\$23,169
17086	Paracombe	\$15,648
19605	Stirling	\$11,205
19606	Stirling	\$12,488
20517	Crafers West	\$11,112

A number of these properties relate to either deceased estates or where rate notices have been unable to be delivered for many years.

The next stage of the process involves placing a notice of intent to sell in the Advertiser as well as placement of signage on the properties. It is anticipated this will occur within the next two weeks.

### **Sundry Debtors**

On 30 June 2023, total Sundry debtors outstanding totalled \$133,749.

In relation to overall sundry debtors' management the Administration undertakes a similar approach to rates, in terms of considering postponement and/or payment plans over extended periods about any debtor that contacts Council.

Description	TOTAL	<30 Days	<60 Days	<90 Days	<120 Days	<150 Days	>150 Days
AHBTC	42,072	42,072	0	0	0	0	0
Burial Fees	27,997	27,997	0	0	0	0	0
Food Premises Inspection	8,331	4,118	1,162	938	268	67	2,278
Miscellaneous (Other)	21,653	18,762	1,201	201	0	0	1,490
Other Councils	5,533	3,526	0	0	0	0	2,006
Property	756	0	0	0	0	0	756
Regulatory Services	131	0	0	131	0	0	0
Road Rent	1,037	73	0	0	0	0	964
Sport & Recreation	25,739	0	0	2,739	0	0	23,000
<b>TOTAL: 30/6/2023</b>	<b>133,749</b>	<b>96,548</b>	<b>2,363</b>	<b>4,009</b>	<b>268</b>	<b>67</b>	<b>30,494</b>

In relation to the Aged Debtors, the following points of clarification are provided:

- AHBTC related to the timing of payment for monthly rent, outgoings, and electricity and has since been paid.
- Burial fees outstanding are within our current payment terms of 30 days.
- There are eight (8) food premises inspection debtors >150 days as of 30 June 2023 totalling \$2,278. Of these:
  - Seven (7) debtors are for small value debts of \$134 each which are uneconomical to pursue through council's debt collection agency.

- The largest (and oldest) debtor totalling \$1,396 is still with the debt collection agency. Efforts to serve notice on the debtor has been difficult due to an inability to find them easily. A skip trace has been started previously but the debt still is unpaid.
- Debts owing from other Councils related to leave entitlements relating to employees who have transferred to Adelaide Hills Council and have since been paid.
- There are four (4) property debtors >150 days totalling \$756 for outdoor dining or encroachment permits and ten (10) road rent debtors > 150 days totalling \$964. All debts are small in value that are uneconomical to pursue through councils' debt collection agency at this stage.
- There are currently two payments outstanding towards upgrades that have recently occurred at Heathfield Oval. These are expected to be finalised following closeout of the remaining project build items.

The comparison of debtor movement presented to the Audit Committee over the past five (5) years is shown below.

Description	TOTAL	<30 Days	<60 Days	<90 Days	<120 Days	<150 Days	>150 Days
TOTAL: 30/6/2023	133,749	96,548	2,363	4,009	268	67	30,494
TOTAL: 31/12/2022	183,835	88,619	6,157	536	2,338	1,037	85,148
TOTAL: 30/6/2022	262,274	240,276	12,624	1,400	4,459	730	2,785
TOTAL: 31/12/2021	123,522	67,035	43,405	6,584	2,793	0	3,705
TOTAL: 30/6/2021	1,026,374	863,133	126,520	9,730	3,896	196	22,899
TOTAL: 31/12/2020	228,878	147,203	14,341	15,427	11,563	254	40,090
TOTAL: 30/6/2020	348,203	263,176	30,351	18,535	3,803	381	31,957
TOTAL: 31/12/2019	143,073	36,9	57,541	13,864	2,287	972	31,469
TOTAL: 30/6/2019	367,439	177,658	160,835	12,981	4,765	812	10,388
TOTAL: 31/12/2018	205,377	158,755	18,470	10,239	180	3,721	14,012
TOTAL: 30/6/2018	422,464	324,485	27,931	0	3,003	22,558	44,488

### Creditor Payments

Whilst not specifically related to Council's Debtor balances, the Committee has previously sought information on the number of payments that AHC was still making other than via direct deposit. Whilst it has taken a considerable amount of effort to close out the last of the Government Department, there are now no payments made other than direct deposit.

### 3. OPTIONS

The Audit Committee is limited to receiving this report.

**ADELAIDE HILLS COUNCIL  
AUDIT COMMITTEE MEETING  
Monday 21 August 2023  
AGENDA BUSINESS ITEM**

**Item:** 8.4

**Responsible Officer:** Kira-marie Laverty  
Corporate Planning & Performance Coordinator  
Office of the Chief Executive

**Subject:** Quarterly Council Performance Report – Q4 2022-23

**For:** Information

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**SUMMARY**

As a local government entity, Council has a number of legislative obligations regarding the preparation and distribution of corporate planning and reporting information to the elected body and the community. In addition to these mandated requirements, Council has over time created a number of additional elements to improve the integration, transparency and accountability of its activities. The Quarterly Council Performance Report is just one of these elements.

A revised suite of corporate performance indicators and targets were developed in consultation with Council Members, the Strategic Leadership Team and relevant officers as part of the *2020-21 Annual Business Plan* process and have continued to be incorporated into the *Annual Business Plan 2022-23*. These were aligned to the new *Strategic Plan 2020-24 – A brighter future* adopted in April 2020.

The Quarterly Council Performance Report for Q4 (**Appendix 1**) covers the period 1 April 2023 to 30 June 2023, and shows the performance against the corporate performance indicators as well as discussing key highlights aligned with the Strategic plan.

The purpose of this report is to inform the Audit Committee of Council's performance against the *Annual Business Plan 2022-23* targets in order to assist in their role as advisors to Council on the adequacy and effectiveness of processes involving financial management, reporting, risk and governance.

**RECOMMENDATION**

**The Audit Committee resolves the Quarterly Council Performance Report – Q4 2022-23 be received and noted.**

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## 1. BACKGROUND

At its 19 June 2018 meeting, Council adopted (Res 128/18) the Corporate Planning & Performance Framework, of which a key element was the establishment of a suite of Corporate Business Performance Indicators which are aligned with Adelaide Hills Council's Strategic Plan goals and will enable the tracking of performance over time.

Over the 2019-20 financial year, Quarterly Council Performance Reports were drafted showing the performance against the Corporate Performance indicators, strategic initiatives and key activities of the 2019-20 Annual Business Plan.

A revised suite of corporate performance indicators and targets were developed in consultation with Council Members, the Strategic Leadership Team and relevant officers as part of the 2020-21 Annual Business Plan process. These were aligned to the new Strategic Plan 2020-24 – A brighter future adopted in April 2020. These indicators have continued to be used in the Annual Business Plan 2022-23.

## 2. ANALYSIS

### ➤ Strategic Management Plan/Functional Strategy/Council Policy Alignment

*Strategic Plan 2020-24 – A brighter future*

Goal A progressive Organisation

Objective O5 We are accountable, informed, and make decisions in the best interests of the whole community

Priority O5.3 Demonstrate accountability through robust corporate planning and reporting that enhances performance, is relevant and easily accessible by the community

The Quarterly Council Performance Report is part of the performance reporting suite contained in the *Corporate Planning & Performance Framework*.

### ➤ Legal Implications

Chapter 8 - Administrative and financial accountability of the *Local Government Act 1999* sets out the key legislative obligations regarding corporate planning and reporting obligations, as follows:

- S122 – Strategic management plans – development, content requirements, consultation, review and availability of strategic plan, asset management plan and long-term financial plan;
- S123 – Annual business plans and budgets - development, content requirements, consultation, review and availability of annual business plan and budget
- S127 – Financial statements – preparation, content, auditing and availability of the financial statements;
- S131 – Annual reports – preparation, content, distribution and availability of the annual report

Additional requirements are contained in the *Local Government (General) Regulations 2013* and the *Local Government (Financial Management) Regulations*.

➤ **Risk Management Implications**

Quarterly Council Performance Reporting will assist in mitigating the risk of:

*Ineffective performance management and reporting processes leading to poor performance and/or loss of stakeholder confidence*

Inherent Risk	Residual Risk	Target Risk
Extreme (4B)	Low (3E)	Low (3E)

Note that there are many other controls that assist in mitigating this risk. The quarterly performance reports are part of the current control suite and therefore there is no additional mitigating impact of this report.

➤ **Financial and Resource Implications**

The Corporate Planning & Performance Coordinator role, which coordinates the performance reporting function, is funded in the Governance & Performance Department budget.

Quarterly Council Performance Reporting assists in showing the financial and resource performance to plan as per the targets, initiatives and activities outlined in the *Annual Business Plan 2022-23*.

As part of the development of the budget outlined in the *Annual Business Plan 2022-23*, a series of Savings Strategies were developed to help address emerging cost pressures and to improve Council's Operating Surplus over the period of the Long Term Financial Plan. The adopted strategies totalled \$650k in ongoing savings, and a page dedicated to reporting on the progress of these strategies has now been included in the quarterly report. As at the end of Quarter 4 the total savings has been calculated as \$624,074, which although below the \$650,000 target, is yet to capture savings associated with the "leave management" goal of \$100k. This saving will be finalised as part of the Financial Statement once leave balances are accrued. An update will be provided on this strategy within the next Quarter.

➤ **Customer Service and Community/Cultural Implications**

Providing integrated, consultative corporate planning and effective and transparent performance reporting to the Council and community has the potential to increase the level of trust and confidence in Council.

➤ **Sustainability Implications**

Quarterly Council Performance Reporting assists in demonstrating the outcomes related to Council's economic, social and environmental initiative.

➤ **Engagement/Consultation conducted in the development of the report**

Consultation on the development of this report was as follows:

*Council Committees:* Not applicable

*Council Workshops:* Not applicable

*Advisory Groups:* Not applicable

*External Agencies:* Not applicable

*Community:* Not applicable

**3. OPTIONS**

As this is an information report, the Audit Committee is limited to receiving and noting the report however additional feedback can be provided to the Governance and Performance team for consideration of future enhancements for the 2023-24 FY reports.

The Performance Report has been included in the Council's 22 August 2023 agenda and the Audit Committee Presiding Member will communicate any Audit Committee feedback or advice when the item is considered in the Council meeting.

**4. APPENDIX**

(1) *Quarterly Council Performance Report – Q4 2022-23*



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# **Appendix 1**

*Quarterly Council Performance Report – Q4 2022-23*

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# Quarterly Council Performance Report

Quarter 4 – 1 April to 30 June 2023

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# 1. Executive Summary

Strategic Goal	Performance Indicators	Annual Business Plan Strategic Initiatives
 <b>Built Environment</b>	 3 of 6 Targets met or exceeded	 Continuing 23-24 (16) Completed (10)
 <b>Community Wellbeing</b>	 3 of 5 Targets met or exceeded	 Continuing 23-24 (8) Completed (5) Deferred (2)
 <b>Economy</b>	 3 of 3 Targets met or exceeded	 Continuing 23-24 (2) Completed (1)
 <b>Natural Environment</b>	 5 of 7 Targets met or exceeded	 Continuing 23-24 (8) Completed (4)
 <b>Organisation</b>	 4 of 8 Targets met, N/A or exceeded	 Continuing 23-24 (4) Completed (8)

## Customer Service Standards

	<b>8</b>	Targets met or exceeded
	<b>4</b>	N/A or No Incidents reported
	<b>5</b>	Target not met

## Capital Performance

**\$7.7m** of infrastructure delivered

The primary focus of this quarter has been on completing projects that were under construction, as well as commencing early planning, scoping and design works for projects due to commence in Q1 or Q2 2023-24.

## Highlights

- The Substantive CEO Recruitment Process was finalised and Council appointed Greg Georgopoulos as CEO at its 12 May 2023 Special Council meeting
- The Long Term Financial Plan and Annual Business Plan for 2023-24 were adopted
- Completed the Community Survey, the results of which will assist in informing strategic planning and service improvements
- Secured 9 years of funding from the Department of Human Services to pay for a part time Centre Support position who will support programming across both community centres
- The Gumeracha Library upgrades were completed with the library reopening on 4 July 2023
- A total of \$37k in Community Grants were awarded for support in areas of community recovery & resilience, sustainability & biodiversity management, active lifestyles, art & cultural development, and lifelong learning.
- Council resolved to undertake a 12 month trial of changes to the kerbside bin system including provision of green organic bins to rural properties, and changing the collection frequency of green organic bins and residual waste bins.
- Undertook a tender for Council's three electricity supply agreements as well as participating in a LGAP Tender. The results were reported to Council at its 23 May 2023 meeting. From the Council decision, the final electricity supply contracts were for an agreed GreenPower load of 100%.

## Risk and Challenges

- Resource impacts have been felt across the organisation with some areas experiencing some staff resignation/retirement, planned and unplanned leave impacts in small teams, and/or the ongoing impacts of continuing to deliver on BAU work while actively recruiting new staff.

# 2. Adelaide Hills Council Major Projects

## Implementation of the Community and Recreation Facilities Framework

The Community & Recreation Facilities Framework was developed to support the management of Council and Community owned facilities.

This framework will be progressively implemented over a three year period.

### Latest News

New leases have been prepared and circulated to sporting tenants as at 30/06/2023. It will take several months to work through all of the new leases and have them executed by the tenant and by Council.

Discussions are ongoing with Lessees and Council regarding each parties' obligations.



## FABRIK Development

The FABRIK Development Project involves upgrading and enhancing the former Onkaparinga Woollen Mills site at Lobethal to create an arts and heritage hub in the central Adelaide Hills.

### Latest News

Construction is in the final stages, practical completion is due late December 2023. Summary of works as follows:

- new walls and footings constructed in building 20 and 14
- Revitalisation and remedial works to the interior and exterior of Building 21 including walls, bathrooms, ramps and floors, electrical and windows.
- new replacement framing and glazing completed to upper sawtooth windows in Building 20
- Pavilion slab pour and polished, and steel structure in progress



## Gumeracha Library improvements

The upgrade to the Gumeracha Library and Service Centre is aimed at making the space more welcoming and user-friendly. This includes updating the furniture, shelving, service counter and general layout.

### Latest News

Building works were undertaken in June 2023, including in the adjacent foyer space. New fittings and furniture were also installed and the refurbished Library reopened to the community on 4 July 2023.



## Heathfield School Courts including Canteen and Storage upgrades

This project is a unique collaboration between Council, local clubs, the High School, the Education Department and the Office for Recreation and Sport.

The four court facility will provide improved sporting amenity for the local community, the High School and facilitates great connections between the High School and the adjacent Heathfield Oval..

### Latest News

The new canteen and storeroom building at the Heathfield High School courts has reached practical completion.

The new building will provide local sports clubs with a canteen facility for those busy game days and a storage facility for club equipment.

The structure was built off site in modules and lifted in saving disruption to school activities by reducing onsite works.

This completes the final piece of the Heathfield High School Sporting Precinct providing the community with an excellent multi-sport facility.



## Towards Community Led Emergency Resilience Program (TCLERP)

Following on from the Community Resilience and Readiness pilot, the program has evolved to focus on community led emergency preparedness. The name of the program also changed to be Toward Community Led Emergency Resilience Program (TCLERP).

The program has several areas of focus including:

- Community Engagement
- Psychological and emotional emergency preparedness community education
- Recovery ready halls project – emergency preparedness for select community facilities
- Vegetation management project – ensuring practices are based on best fire science and within shared land owners existing capacity

### Latest News

Redi Communities workshops have now been completed with Houghton, Inglewood and Paracombe and Summertown and Uraidla.

The Adelaide Hills Community Action Bushfire Network hosted a successful emergency communications forum with presentations from Rebekah Sharkie, NBN, Telstra and CFS.

The final draft of AHC's Recovery Operations Manual and associated departmental sub-plans have been developed. BRM advisory will take on stage 2 of the tender, to develop an Emergency Management Policy and Elected Members Emergency Management Handbook.

A tender has been published for a consultant to develop an internal workforce operations manual and framework. The selection panel will meet to assess applications in July.

Consultation with an online community project group has been completed to inform the development of AHC's Bushfire Mitigation Strategy.

Community Information sessions about the Recovery Ready Halls funding opportunity have concluded and expressions of interest are open to community groups and hall committees.

The Reflections of Home Sculpture is now installed in Lobethal Bushland Park. A video has been created and is currently in the final stages of editing.



# 3. Performance by Strategic Goal

## A functional Built Environment

### Highlights

#### **Disability Discrimination Act (DDA) Upgrades Minor - Access upgrades region wide for compliance**

- Access to amenities at Lobethal Bushland Park was upgraded for persons with a disability.
- Other DDA Upgrade priorities are to be carried forward to the 2023-24 financial year, as additional design work is required

#### **Carbon Management Plan - Energy Upgrades, Battery & Efficiency Actions**

- The final property and sustainability audit report has been finalised. This report provides a list of actions to improve the energy and water efficiency of 38 buildings.
- A cost benefit analysis is in progress to determine whether additional solar PV panels or battery storage is feasible for the main Council facilities.

#### **Road Safety Program including co-contribution to Road Blackspot**

- As of 30 June, works were well commenced at Woodhill Rd, Ashton, and Montacute Rd, Montacute, with only minor works still in progress at the start of the new financial year.

#### **Feasibility Studies for future projects**

- Woodside Pool Feasibility project nearing completion with an on site workshop with Councilors and consultant to discuss findings from the report in August 2023. Project to be completed in Aug-Sept 2023

#### **General Property**

- Initial findings from the building audit data were programmed into Property works scheduled for 2023-24.
- Much of the general property maintenance undertaken during 2022-23 was reactionary however with the audit data and preparation of the building asset management plan, maintenance will become more proactive over time.

#### **Parking and By-Laws**

- During the 2022-23 year the Regulatory Services team dealt with over 260 CRM requests, these include illegal parking, expiation appeals & request for parking patrols etc. During this period Council issued over 550 parking expiations.

#### **Federation Park and Oval masterplan implementation**

- Path and additional power sources installed
- Federation Park Gumeracha toilet upgrade commenced in May 2023 with demolition complete as well as 1st fix plumbing and electrical works
- All items planned for 2022-23 have been completed.

#### **Cemeteries Upgrades**

- Design finalised and contractor appointed for construction of a Natural Burial Ground and go-to at Kersbrook Cemetery.
- Land division plan for Cromer Reserve, Birdwood lodged with Lands Title Office.
- Drainage works undertaken at Houghton Cemetery.
- Native Vegetation Report submitted and accepted by Native Vegetation Council for reinstatement of roadway at Stirling Cemetery.

#### **Policy Planning**

- Preliminary investigations undertaken for a possible Adelaide Hills Subzone Code Amendment via engagement with affected residents through June. Initial indicators show general support for Council to pursue changes to the Code to increase character and amenity protection.

## Risks & Challenges



### Purchase of Electric Vehicles cars for fleet

- Ongoing delays in receiving of electric vehicles ordered due to global supply demands.
- Will need to be continued into 2023-24.



### Road Safety Program including co-contribution to Road Blackspot

- Native Vegetation Council approval and land acquisition matters continue to delay the commencement of the Warren Rd project, with an extension granted by the Federal Blackspot Program to 30 December 2023.



### Stormwater projects

- Department of Infrastructure and Transport have advised they intend to redesign Junction Rd stormwater to find a more cost effective solution. LRCIP funding attached to Council's contribution will form part of the 2023-24 capital works program.



### Cemeteries Upgrades

- Tables & benches for Kersbrook Cemetery and Mt Torrens Cemetery experienced a supplier delay with an expected arrival in July 2023.
- Supplier costs are continuing to increase causing budget constraints.



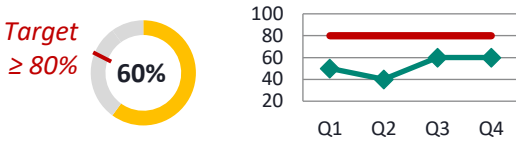
### Woodside School Crossing (LRCIP)

Design issues were unable to be resolved by 30 June, requiring this project to be carried forward to the 2023-24 financial year's program.



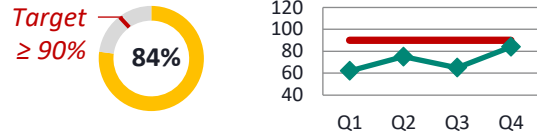
## Performance Indicators

### Operational tasks completed within the Civil Zone Maintenance Program



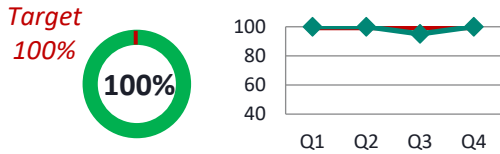
Q4 saw a reprioritisation of works due to the impact of reduced labour resources. A focus on recruitment during this quarter leaves us well positioned for Q1 23/24.

### Delivery of capital works program



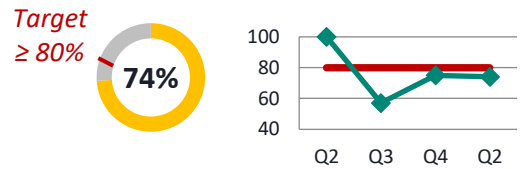
Actual expenditure is less than budget due to significant projects that were work in progress as of 30 June, such as Montacute Rd and Warren Rd Blackspot projects.

### Compliance inspections completed within 10 business days of development completion notification



During Quarter 4 there were 136 inspections undertaken by the building team. Twenty six (26) inspections were as a result of notifications for completion of works. Of these twenty six inspections 100% were carried out within 10 business days.

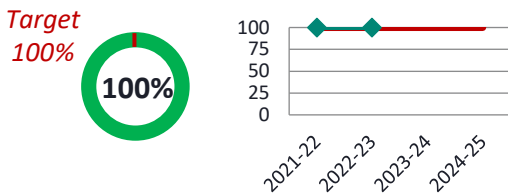
### Compliance inspections completed within 5 business days of notification of alleged unlawful development



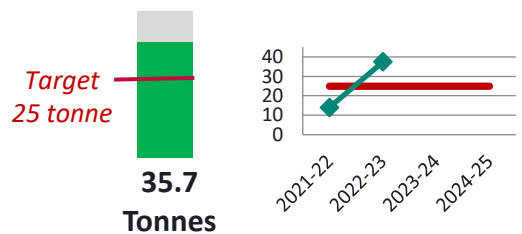
*\*Measure changed to Bi-annual in 2022-23 ABP.*



38 compliance inspections related to unlawful development were undertaken from 1 January to 30 June 2023; 26 of the 38 cases were inspected within 5 business days. Target was not met due to a high occurrence of alleged stormwater breaches with heavy rain periods.

### Inspections of footpaths in high priority zones



### Tonnes of recycled plastic content in products purchased by Council



Legend:  = Target Met  = Target not met  $\geq$  Greater than or equal to

## Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
B1001	Recreation Trails & Cycling Route Upgrades	➔
B1003	New Bus Shelter Installation Program	😊
B1004	New and upgraded footpaths	😊
B1007	Recreation Trails & Cycling Routes Framework Implementation	➔
B1009	DDA Upgrades Minor access upgrades region wide (compliance)	➔
B2001	Federation Park and Oval masterplan implementation	😊
B3002	Implement irrigation systems (renewal / upgrades)	➔
B3003	Investigate and Implement central irrigation control system (region wide)	➔
B3004	Prepare turf and irrigation design/management plans for key bore water use areas	➔
B3005	Carbon Management Plan - Energy Upgrades, Battery & Efficiency Actions	➔
B4006	Asset management - Confirm Web and Connect Licences and Field Devices	➔
B4009	Building Upgrades - minor	😊
B4010	Cemeteries Upgrades	😊
B4011	CWMS Capacity Upgrades (Birdwood & Woodside gravity mains)	😊
B4014	Road Safety Program including co-contribution to Road Blackspot	➔
B4015	Installation of further Electric Vehicle charging stations	➔
B4016	Purchase of Electric Vehicles cars for fleet	➔
B4041	Community and Recreation Facilities Framework Implementation	😊
B4042	Operational worksite review including forward planning	➔
B4043	Hamilton Hill - Dunfield Estate & Crest Maintenance	➔
B4044	Feasibility Studies for future projects	😊
B4045	Stormwater projects	😊
B4046	Mt Torrens Coach House Reserve Facilities	➔
B4047	Woodside School Crossing (LRCIP)	➔
B4048	Heathfield School Courts – Canteen and Storage	😊
B4049	Adelaide Hills War Memorial Swimming Pool - Splash Park Contribution (LRCIP)	➔

## Highlights

- ➔ **Tour Down Under (TDU)**
  - The routes for TDU 2024 were announced on 26 June 2023. These include in 2024, the Women's Stage 2 finish in Stirling on Saturday 13 January, efex Men's Stage 2 finish in Lobethal on Wednesday 17 January, and the Men's final Stage 6 finish at Mount Lofty on Sunday 21 January. TDU is also travelling through the Adelaide Hills on Friday 12 January for Ziptrak Women's Stage 1 and Thursday 18 January for Men's Stage 3.
- 😊 **Adelaide 100 Walking Route (LRCIP)**
  - Staff have received the final draft of the Adelaide 100 Risk & Cost Analysis with findings to be provided in the new year.
- 😊 **Stirling Region Skate Park**
  - The Stirling Region Skate Park Feasibility Study is complete with findings to be presented in the new financial year.
- ✓ **Positive Ageing Project (Collaborative)**
  - The Project has increased its membership this quarter due to the expansion of expected support required to all aged care providers which strongly encourages collaboration and partnership activities.
  - This project has been funded for another 12 months to 30 June 2024.
- ✓ **Community Centres**
  - Grant funding for both centres has been secured for the next 9 years via the Department of Human Services. The funds will be used to pay for a part time Centre Support position who works across both community centres and supports programming.
  - Winter school holiday program is in progress with all programs fully booked at Torrens Valley and with high booking and drop-in rate at the Summit.
- ✓ **Home Support Program**
  - From April 2023 - June 2023 the program delivered the following services:
    - Over 1,650 hours of in-home support (help in and around the home)
    - Over 4,000 hours of group social support programs, events and outings
    - Over 500 Community Bus transport services
    - Approximately \$7,000 in value of home modifications
- ➔ **Public Art (including acquisition)**
  - The Reflections of Home sculpture has been installed in Bushland Park Lobethal
- ➔ **Actions from adoption of Aboriginal Place naming Action plan**
  - Kurna names and reconciliation branding in place at Stirling transportable meeting rooms
  - Hamilton Hill naming of walking trail and reserve finalised and signage under creation
- ➔ **Aboriginal Cultural Development**
  - An agreement has been signed with Ochre Dawn to undertake stakeholder engagement and prepare a report that guides First Nations cultural content at Fabrik
- ✓ **Cultural Development**
  - Celebrated National Reconciliation Week across community centres, library and Positive Aging Centre with workshops and Nunga Screen film screenings
  - Undertook activities for Refugee Week including film screening
- ✓ **Grants and Partnerships**
  - Community Grants recipients included funding for outcomes in the following areas: Community recovery & resilience, Sustainability & biodiversity management, Active lifestyles, Art & Cultural development, Lifelong learning. The total awarded in this years round of grants to community groups totalled over \$37,000.
  - The Hills Community Passenger Network supported over 1,500 transport trips for disadvantaged residents to access medical appointments over the year.
  - Programs hosted and support delivered at the Hut includes - Financial Wellbeing, Food pantry and co-op, Community Lunches, Group Exercise classes, Homework Club, Transport, and social outings.
- ✓ **Community Development**
  - Funding (Federal & State) has been successfully obtained to go towards the accessible "Changing Places" toilet installation at FABRIK
  - A Disability Access and Inclusion Plan initiative for the accessibility audits of the Woodside & Stirling Libraries was progressed/actioned

## Highlights cont....

### ✓ Youth Development

- Participants of our 2023 Youth Leadership Program have completed their program of workshops
- SA Youth Week was held from 24 March - 02 April with various events attracting 60 – 70 attendees at each.
- The April school holidays included various well attended activities including the Woodside Jams, a Young Drivers Awareness Course, and the kick-off of a pilot series of Dungeons & Dragons afternoon sessions.
- Funding applications for the Hills Hangs (online youth engagement hub) project have been successful, with a total of \$8000 raised from a range of sources, including the Stirling Rotary, the Commissioner for Children and Young People, and the Onkaparinga Rotary.
- We have successfully secured sponsorship for our Young Drivers Awareness program from Maxima.
- The regional Adelaide Hills *Local Drug Action Team Community Action Plan* has been accepted and subsequently funded by the Alcohol and Drug Foundation. The program will fund:
  - Encounter Youth seminars in all Hills public high schools to educate students about safe partying, alcohol and drugs.
  - Train school staff to facilitate future sessions
  - A public community information seminar to be held in both the Adelaide Hills Council and the Mount Barker District Council area

### ✓ Emergency Management

- Council's support provided to three Riverland Councils during the 2022-23 River Murray flood event was recognised as finalist in the Local Government Professionals SA Awards for Excellence in the category of emergency management and recovery.
- Development of a Recovery Operations Manual to guide Council's community recovery response following an emergency event or natural disaster was completed.

### ✓ Public Health

- Received notification of 8 new food businesses opening in the area while 13 existing food businesses closed, resulting in a net decrease of 5 food premises this quarter.
- Received 68 new wastewater applications this quarter which is consistent with previous years.
- We have over 3300 aerobic wastewater systems operating in the area with approximately 48 listed as non-compliant and a further 278 not currently receiving any required maintenance. Council is following up with owners to have their systems maintained as per the legislative requirements to ensure public health.

### ✓ Volunteering

- During the quarter, the number of volunteers registered with AHC has increased by 5 to a total of 157 active volunteers. We received 11 new volunteer enquiries and 6 new volunteers were onboarded, the remaining 5 were referred to other community organisations.
- The Annual Thank You Volunteer Movie Day event in May was well received and a total of 616 community volunteers attended the event, up from 502 in 2022.
- Various AHC Volunteers completed Provide First Aid training and Manual Handling training during this quarter and all AHC Volunteer Leaders completed Access & Inclusion training in May 2023.

## Performance Indicators



### Positive ageing wellbeing score

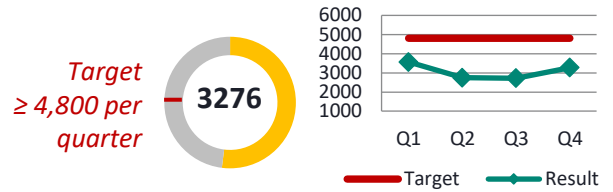
Average level of self-determined wellbeing of program participants reviewed in the quarter.



The wellbeing score has risen slightly for the last quarter of the year. The positive comments listed in the wellbeing report (which these statistics are gathered from) refer to social connection, meaning and purpose as reasons for people feeling a sense of wellbeing within themselves. Clients who have had illness complications are still reporting a lower self-described sense of wellbeing.



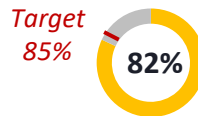
### Number of volunteer hours contributed to AHC programs each year



Volunteer hours have increased since the last quarter, however volunteer numbers are slow to bounce back after Covid which follows the national and global trend.



### Feedback from Community Centre Participants



Feel better connected to other in the community



Will use the knowledge/skills gained in the future

Survey responses were lower this period, regular participants seem to be getting survey fatigue and choosing not to complete. These are the participants who we are likely to see better connections in due to regularly connecting at the centre. More surveys from once off participants who are less likely to experience better connection outcomes from just one encounter.



### Number of events and programs celebrating cultural diversity



Legend: = Target Met = Target not met  $\geq$  Greater than or equal to

## Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
C1004	Gumeracha Library upgrades (LRCIP)	
C1005	Stirling Region Skate Park	
C4006	Play Space Framework Implementation	
C4012	Climate Change Adaption Plan Projects-All hazards emergency management	
C4022	Community Resilience Program	
C4023	Adelaide 100 Walking Route (LRCIP)	
C5002	Aboriginal Cultural Development	
C5003	Actions from adoption of Aboriginal Place naming Action plan	
C6001	Fabrik Activation Capital	
C6003	Capital Divestment - Capital Cost	
C6004	Activation Arts & Heritage Hub - Operating (Income)	
C6005	Activation Arts & Heritage Hub - Operating (Expenditure)	
C6006	Tour Down Under	
C6008	Support for high profile regional event	
C6009	Public Art (including acquisition)	

## Highlights

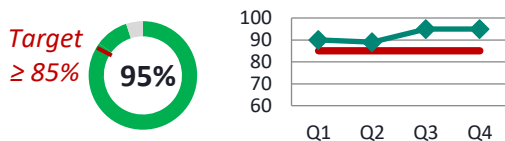
- ➔ **Review and upgrade Council signage and branding**
  - Final drawings and budget considerations are in train for production and installation first quarter of the new FY.
- ➔ **Free Camping Initiative**
  - Balhannah Oval Free Camping and Dump Point is now fully operational.

## ✓ Economic Development

- Three year funding agreement for Stirling Business Association has been approved.
- One year funding agreement for Adelaide Hills Tourism has been approved and signed.
- Two year pilot of Building Upgrade Finance has been approved.
- The Home Based Business networking event in Stirling was held with over 20 attendees
- Quarterly e-newsletter distributed with nearly 2,500 opens (click rate of 36%)

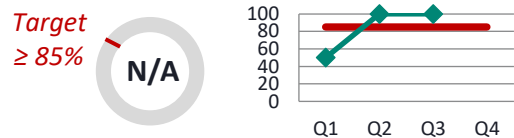
## Performance Indicators

### ✓ Percentage of planning consents completed within statutory timeframes



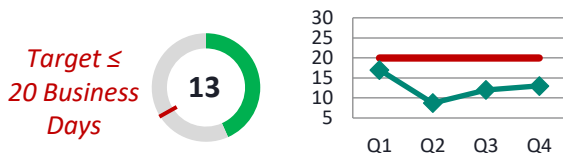
There were a total of 217 Planning Consents issued by Council in this quarter with 95.35% of the decisions made within the statutory timeframes. There was an average assessment timeframe of 16 days during this quarter.

### ✓ Percentage of new development application decisions upheld in Council/CAPs favour under appeal



During this quarter one new appeal has been lodged against Council/CAP Decisions - the outcome of this Appeal has not yet been determined. Council's Appeal to the Supreme Court was dismissed. This matter was originally was appealed to the ERD Court in Q1.

### ✓ Average number of days for building consents







There were a total of 72 Building Consents issued by Council in Quarter 4 with the average assessment timeframe of these decisions being 13 days.

**Legend:** ✓ = Target Met or N/A    — = Target not met    — = N/A – cant be assessed     $\geq$  Greater than or equal     $\leq$  Less than or equal





## Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
E1003	Free Camping Initiative	➔
E2001	Review and upgrade Council signage and branding	➔
E4001	Additional Tree safety work required to support the Tour Down under	😊

## Highlights

-  **Local Climate Adaptations for landscape conservation**
  - Two sites of high conservation value (Bridgewater Recreation Reserve & Mylor Parklands) located close to habitation have been managed to reduce fuels created by high volumes of woody weeds.
  
-  **Develop informative and attractive signage in Council reserves/playgrounds**
  - Staff have been working with Council's signage design consultant to develop new templates for signage at reserves, bike tracks, trails & play spaces. Work is expected to be completed towards the end of 2023.
  
-  **Develop Council Encroachment Policy**
  - Workshop with key staff held in May with a draft Framework for the encroachment policy circulated post-workshop.
  - The first draft of the policy was circulated in June
  
-  **Fire Prevention**

Council's Regulatory Services team completed a total of:

  - 9410 inspections during the fire danger season
  - 249 105F notices
  - 11 Council organised block clearing
  - 9 expiations for non-compliance
  - 651 Burning Permits - completed as:
    - 558 Approved
    - 14 Denied
    - 79 information provided
  
-  **Waste**
  - At the 13 June 2023 Council meeting it was resolved to undertake a 12 month trial of changes to the kerbside bin system including provision of green organic bins to rural properties, and changing the collection frequency of green organic bins and residual waste bins.
  
-  **Native Vegetation Marker Site (NVMS) Program to protect and manage roadside vegetation**
  - 168 out of 450 NVMS sites managed as part of 2022-23 AHC Roadside Weed Control Work Plan.
  - Works completed on managing Blue Marker sites within the Cudlee Creek fire scar (72 sites) funded by the Local Economic Recovery funding.
  - Completed works in the Cherry Gardens fire scar funded under the \$72k Catchment Recovery grant.
  
-  **Post prescribed burn weed management**
  - 10 prescribed burn sites completed. Weed management on all sites managed by various contractors have been completed for the year.
  - Presentation delivered by Department for Environment and Water (DEW) Fire Management Unit to Council. Approval granted for DEW to investigate 6 further sites on Council land.
  
-  **Animal Management**
  - Council's Regulatory Services team ended the year with over 9000 dogs registered and over 1400 cats registered. Council issued 79 expiations under the Dog and Cat Management Act for a range of offences including wandering at large, un-registered and attack etc.
  - Council continues to educate cat and dog owners of there responsibilities as pet owners and provide support to pet owners.



## Performance Indicators



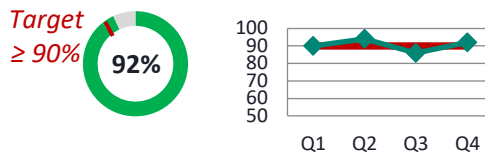
### Tonnes of green organics collected on Green organics days



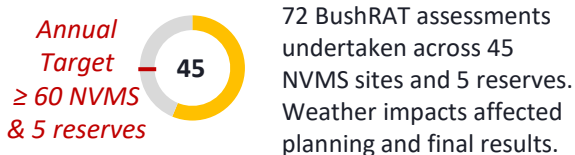
Tonnages dropped off is dependent on the season and on rate payers utilising the service.



### Percentage of nuisance and litter queries resolved



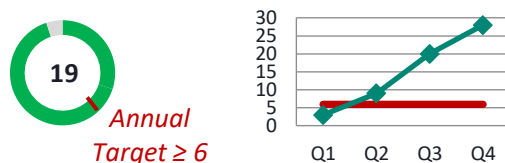
### Number of Blue Marker sites (NVMS) monitored using the BushRAT methodology (actual versus planned)



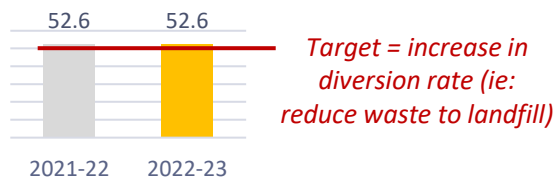
72 BushRAT assessments undertaken across 45 NVMS sites and 5 reserves. Weather impacts affected planning and final results.



### Number of community education actions delivered – actioned vs planned



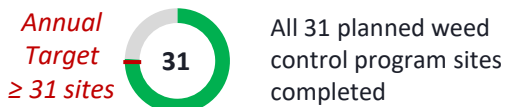
### Percentage change in tonnes of waste disposed to landfill compared to previous financial year



Diversion rate remained the same as previous financial year. The diversion rate is determined by residents waste disposal practices.



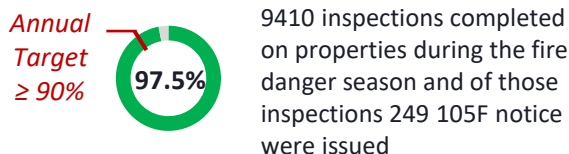
### Weed Control in biodiversity sites - no. of sites complete (actual versus planned)



All 31 planned weed control program sites completed



### Percentage of private properties inspected prior to bushfire season that comply with fuel load management requirements



## Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
N1003	Long Term Strategic Tree Planting Program	😊
N2003	Native Vegetation Marker Program to protect and manage roadside vegetation	😊
N2004	Review Unformed Public Roads to ascertain connectivity potential & habitat value	😊
N2005	Develop Council Encroachment Policy	➡
N2006	Develop and review Council Management Plans for high value reserves	➡
N2008	Develop informative and attractive signage in Council reserves/playgrounds	➡
N2010	Post prescribed burn weed management	😊
N2012	Fire scars proactive tree management (LRCIP)	😊
N3001	Local Climate Adaptations for landscape conservation	😊
N3002	Resilient community facilities and open space including water fountains	➡
N4001	Explore feasibility and benefits of a user pays kerbside bin service	😊
N5001	Undertake Kerbside Waste Audits	😊



## Highlights



### Ongoing Skytrust (WHS system) implementation

- Work on the enhancement of the SkyTrust system is ongoing. A review of the WHS Improvement Plan has been completed and will be captured within SkyTrust to enable ongoing monitoring.
- The resourcing to support WHS activities has also been reviewed following departure of the WHS Advisor and endorsed to include both an Advisor role and an Administrative role. Recruitment now completed for the Advisor who has since started on 25 July 2023.



### Cyber & Systems Security - Program Management

- The Cyber & Systems Security Program is now operational with the organisation and is an ongoing program within the Information Services Department to continually enhance, develop and progress activities associated with a Local Government Cyber Security Framework.



### Governance & Performance

- Budget workshops held in April 2023 with the final Annual Business Plan and Budget 2023-24 adopted in late June 2023
- Phase 1 of the Strategic Plan development process was substantially completed by the end of the quarter.



### Financial Services

- 2023-24 Long Term Financial Plan including the results of consultation presented and adopted by Council 26 April 2023
- Undertook a tender for Council's three electricity supply agreements as well as participating in a LGAP Tender. The results were reported to Council at its 23 May 2023 meeting. From the Council decision, the final electricity supply contracts were for an agreed GreenPower load of 100%.



### Council Member Induction

- In this quarter Council Members undertook the following training modules:
  - Values, ethics & behaviour
  - Communication skills
  - Leadership skills - Strategic thinking & change management
  - Leadership skills - Resilience



### Update of Business Continuity Plan (BCP) and implementation

- The Workforce Incident Operations Manual project is underway which will address resource constraints associated with key personnel between the Incident Management Team (EMP), Organisational Response (WHS) and Business Continuity Team (BCP). Once the project is completed the plan can be finalised.



### Community perception survey

- The survey has been completed and initial analysis will be presented as part of the Strategic Plan workshop planned for 18 July.
- The full analysis report will be produced and distributed in the new financial year.



### Customer Experience

- The arboriculture team commenced automated workflow notification to customers with tree enquires from the Confirm Enterprise System. The automated updates to customers are averaging 130 touchpoints per week.
- Implemented a pilot of automated emails to communicate the outcome of service requests to customers. Initially implemented on reports of illegal dumping and has since been expanded to updating customer contact detail requests.
- Completed a business case for renewal of the Customer Relationship Management (CRM) system, including the high level functional requirements to enable online/digital service delivery.

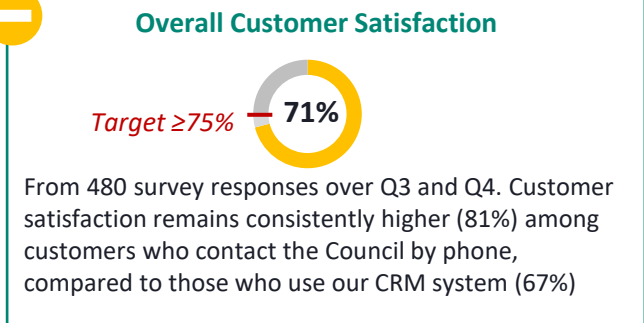
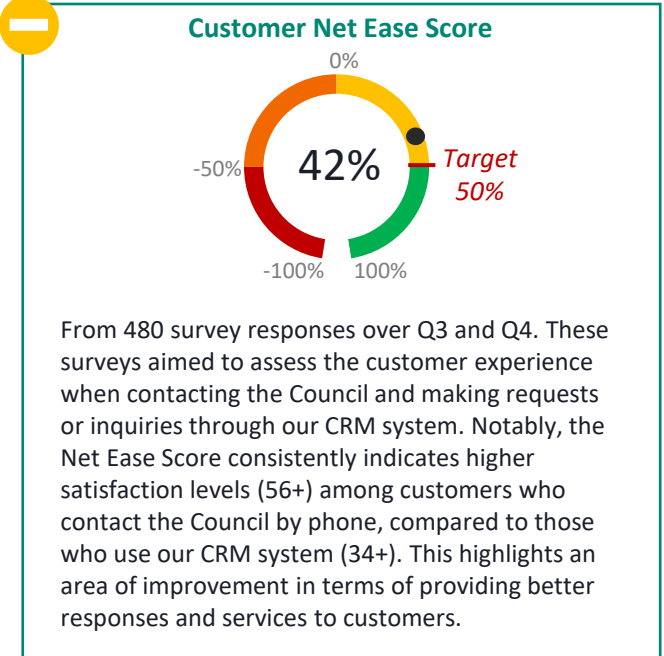
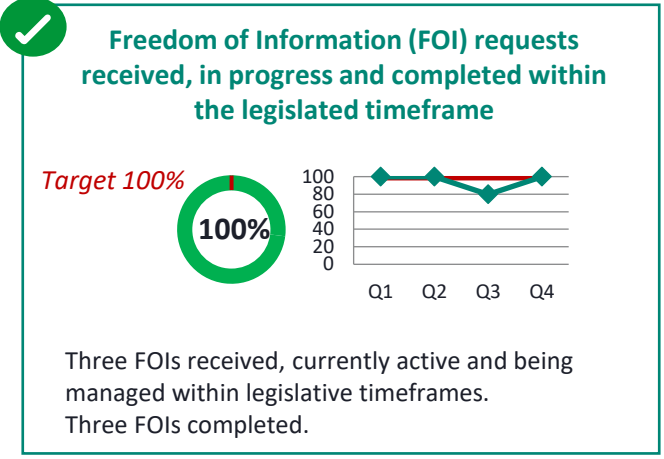
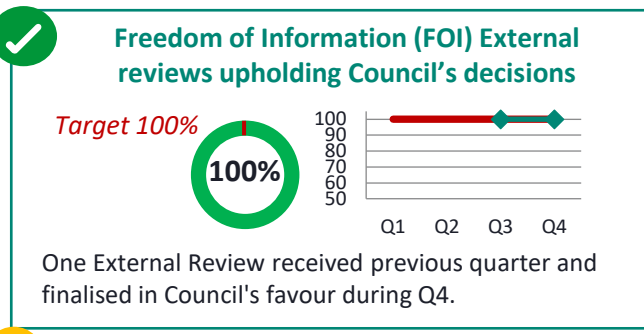
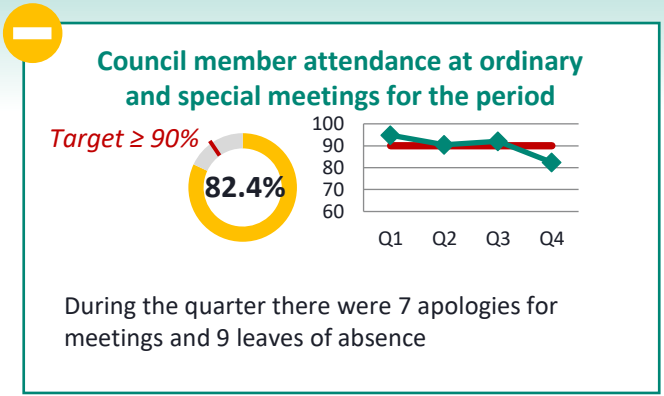
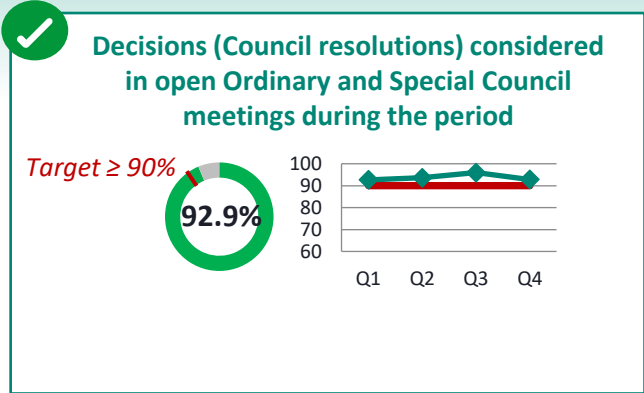
## Risks and Challenges

### Governance & Performance

- Despite the challenge of a resignation and leave impacts reducing resources, all legislative obligations were met and key project of the substantive CEO recruitment was finalised



## Performance Indicators





## Progress on Strategic Initiatives from the Annual Business Plan

Project ID	Strategic Initiatives	Status
O1001	Resource to manage ongoing Skytrust (WHS system) implementation	😊
O1002	Update of Business Continuity Plan and implementation	➡
O2001	New council website and e-services	➡
O2002	Annual Council website license subscription	😊
O4001	Local Government Election Support	😊
O4002	Council Member Induction Training	➡
O5004	Maintenance of LG performance benchmarking program (Councils in Focus)	😊
O5005	Resource to manage building & swimming pool compliance inspections	😊
O6002	Cyber & Systems Security - Program Management	😊
O6005	Records Management software	😊
O6007	Community perception survey	😊
O6008	Information Systems - ERP Systems (Payroll, HR, Finance)	➡

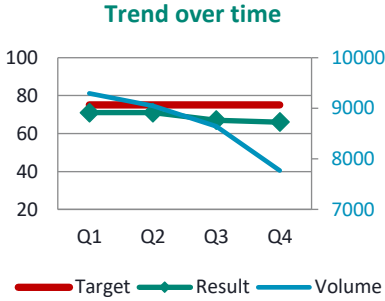
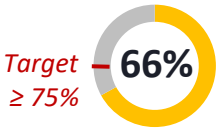
# 4. Customer service standards

## 5.1 General Customer Standards

### Answering Incoming Phone Calls

Volume of calls = 7,770

Contact centre calls answered within 30 sec

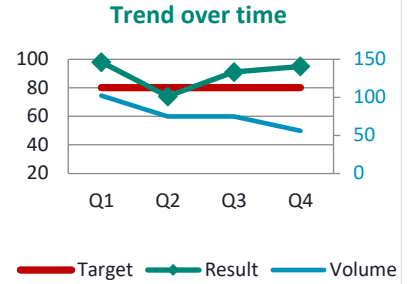


More time spent on resolving at the first point of contact which has increased the handling time

### Updating Customer Details

Volume of updates = 56

Details updated within 5 days

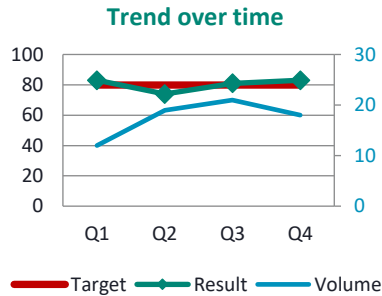
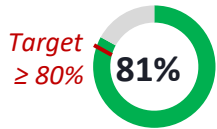


## 5.2 Service Specific Standards – Time Based Indicators

### New Event Applications

Volume of applications = 18

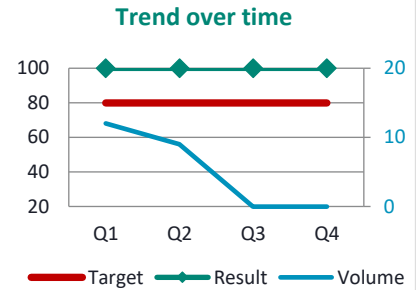
Acknowledgement of receipt within 5 days



### Illegal Burning Complaints

Volume of complaints = 0

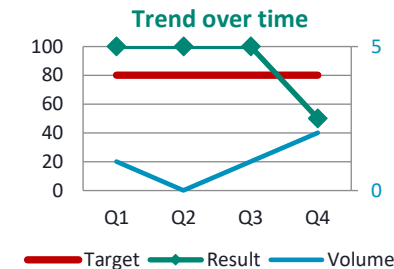
Investigated within 24 hours



### Health Complaints

Volume of complaints = 2

Investigated within 24 hours

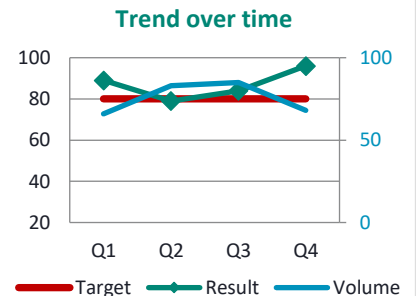


Non-compliant complaint met within 30 hours

### Illegally Dumped Rubbish

Volume of reports = 68

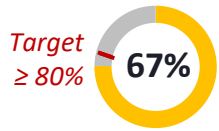
Rubbish removed within 3 days



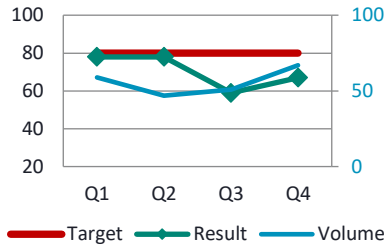
## Library Services

Volume of requests = 67

Response to requests to purchase materials within 10 days



Trend over time



Result for responses made within the service standard not available as the process for purchase requests has changed.

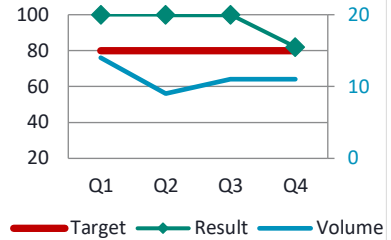
## Dog Attacks

Volume of attack reports = 11

Response within 24 hours



Trend over time



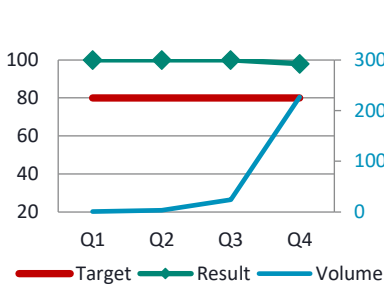
## Wasps

Volume of reports = 227

Investigate and action within 7 days



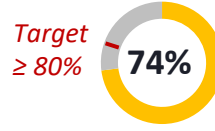
Trend over time



## Development Applications

Volume of applications = 19

Approval of fast track development applications within 28 days



Trend over time



Allowing for the request for further information, 100% of decisions were made within the timeframe.

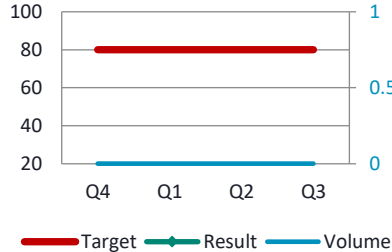
## Missed Bins

Volume of requests = 0

Missed bins collected within 2 days



Trend over time



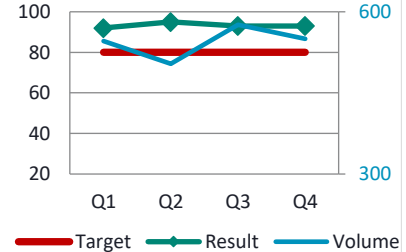
## Request for Bin Repair or Replacement

Volume of requests = 550

Requests actioned within 7 days



Trend over time



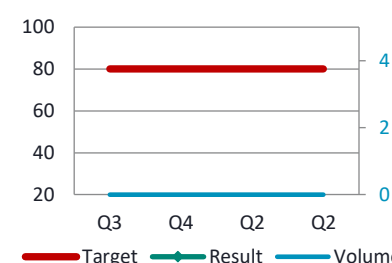
## Footpath Repairs - Hazardous

Volume of repairs = 0

Responded and made safe within 24 hours



Trend over time



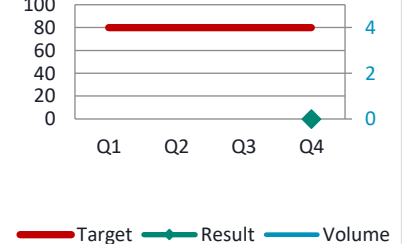
## Road Repairs - Hazardous

Volume of repairs = 1

Responded and made safe within 24 hours



Trend over time

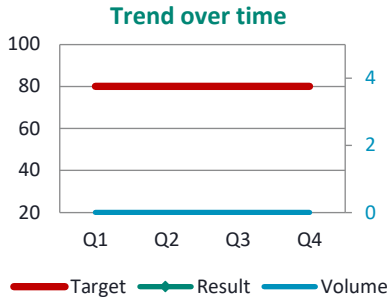


The one case took longer to resolve as it was referred to DIT.

### Stormwater Repairs - Hazardous

Volume of reports = 0

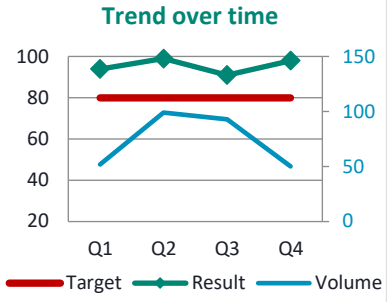
Responded and made safe within 24 hours



### Trees - Hazardous

Volume of reports = 50

Responded and made safe within 24 hours



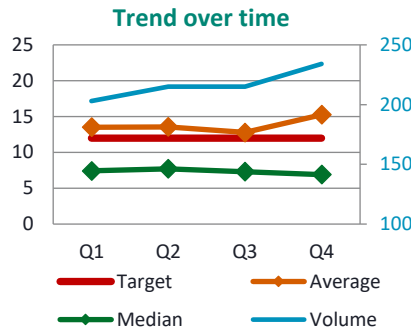
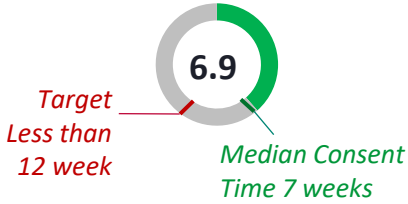
## 5.3 Service Specific Standards – Other Indicators

$\geq$  Greater than or equal to

### Development Applications

Volume of planning consents = 234

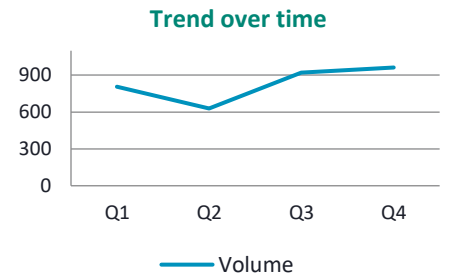
Average consent time from date of receipt



Results are using applications in the state-wide portal

### Low Risk Infrastructure Requests – Number of New Requests

Volume of new requests = 963



### Low Risk Infrastructure Requests – Average Time to Resolve

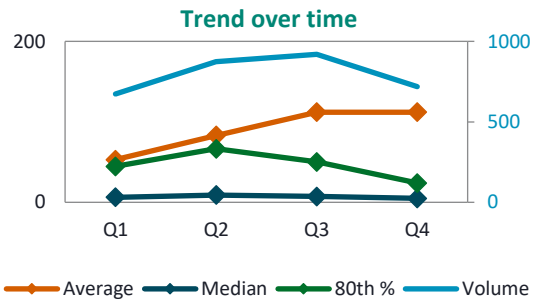
Volume of Requests = 719

Resolution time of requests

Average = 24 days

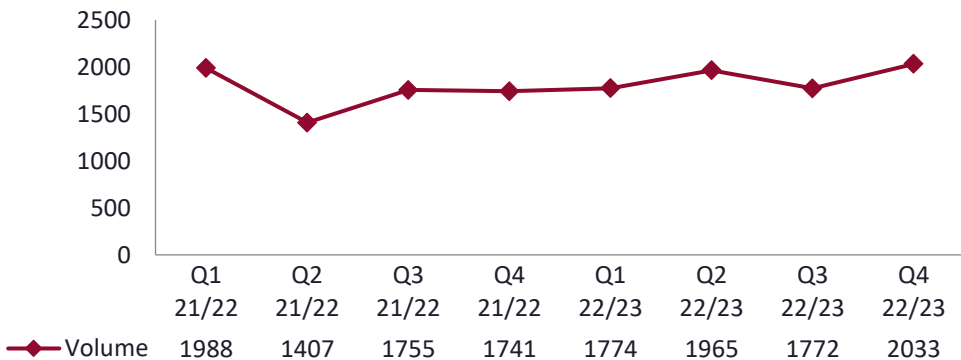
Median = 4.8 days

80<sup>th</sup> Percentile = 23.94 days



### Overall Volume of Requests

Trend in volume of requests/customer cases for which there is an adopted service standard, excluding the volume of phone calls





# 5. Capital Works Program

Quarter 4 of 2022-23 FY represents the finalisation of the 2022-23 Capital Works Program, with approximately \$7.77M of infrastructure delivered during this period.

The primary focus of this quarter has been on completing projects that were under construction, as well as commencing early planning, scoping and design works for projects due to commence in Q1 or Q2 2023-24.

## Highlights

- Construction was completed on the Tiers Road, Woodside, renewal and upgrade project,
- 396 m of Longwood Rd, Heathfield, was reconstructed and resealed,
- New sealed footpath was constructed along Kingsland Road, Aldgate, improving access to the shopping precinct,
- Road safety upgrades were completed along Woods Hill Rd, Ashton, as part of the Federal Blackspot Program.

## What's Next

- Projects that were in progress as of 30 June 2023 will be completed early in the 23/24 FY,
- Detailed design will be commenced for projects approved as part of the 2023/24 Capital Works Program,
- Early works will be delivered using existing panel contracts, such as footpath renewal projects.

## Financial Performance by Asset Category (preliminary numbers)

Asset Category	YTD Actuals \$'000s	YTD Budget \$'000s	YTD Var fav / (unfav) \$'000s	Annual Revised Budget \$'000s	% Spent to Annual Budget \$'000s
Bridges	150	130	(20)	130	115.5%
Buildings	2,534	5,948	3,414	5,948	42.6%
Cemeteries	87	134	46	134	65.3%
CWMS	382	473	91	473	80.8%
Footpaths	800	692	(108)	692	115.6%
Guardrails	93	100	7	100	92.6%
Kerbing	91	78	(13)	78	116.7%
LRCIP	421	491	70	491	85.7%
Other - Ret Walls, Str Furniture & Bus Stops	238	381	143	381	62.5%
Roads	6,659	6,858	199	6,858	97.1%
Sport & Recreation	386	314	(72)	314	122.9%
Stormwater	219	233	14	233	94.0%
Fleet	1,950	3,279	1,329	3,279	59.5%
ICT	242	366	125	366	66.0%
Plant & Equipment	98	164	66	164	59.5%
<b>Total</b>	<b>14,376</b>	<b>19,368</b>	<b>4,992</b>	<b>19,368</b>	<b>74.2%</b>

# 6. Savings Strategies

## Savings Achieved (\$)



Strategies	PLANNED	ACHIEVED
<b>Strategy 1: Remove CPI on Contract &amp; Other Costs</b>	<b>\$231,000</b>	<b>\$231,000</b>
<i>Reduce the automatic budget increases on costs where the savings increase can be handled within the existing budgets</i>		
<b>Update:</b> This initiative has been achieved by budget adjustments to remove the CPI factor as part of the 2022-23 budget build in Q1.		
<b>Strategy 2: Electronic Rate Notices</b>	<b>\$4,500</b>	<b>\$2,585</b>
<i>Transition to greater use of electronic issue of rate notices to reduce printing and mail cost</i>		
<b>Update:</b> For the year, the number of ratepayers using electronic rate options increased from 1,965 to 3,089, an increase of 57%, resulting in a total take up of 17% and annual savings of \$2,585. The shortfall covered by additional savings in payment options and fines and interest.		
<b>Strategy 3: Change Payment Options</b>	<b>\$10,000</b>	<b>\$13,534</b>
<i>Transition from higher cost payment options to lower cost options for our customer payments</i>		
<b>Update:</b> Total amount of savings achieved in relation to reviewing and implementing merchant payment portal options and BPay transaction fee costs totalled \$13,534 and covered the shortfall in the electronic rate notices target		
<b>Strategy 3a: Rates fines and Interest</b>	<b>\$30,000</b>	<b>\$51,955</b>
<i>Budget increase to allow for higher level of income received via rates, fines and interest</i>		
<b>Update:</b> New Strategy to make up shortfall of \$30k originally planned to be in strategy 3		
<b>Strategy 4: Insourcing of tree management</b>	<b>\$25,000</b>	<b>\$25,000</b>
<i>Reduce expenses on outsourced work by finding ways to complete using existing internal resources.</i>		
<b>Update:</b> This saving was realised by removing the budget allocation from the area.		
<b>Strategy 5: Vacancy Management</b>	<b>\$150,000</b>	<b>\$200,000</b>
<i>Retain the current vacancy management strategy to ensure positions are only filled when necessary and unused budget is returned</i>		
<b>Update:</b> Additional savings here offset the leave management strategy. I.e: where vacancy is higher leave entitlements may be higher		
<b>Strategy 6: Leave management</b>	<b>\$100,000</b>	<b>TBD</b>
<i>Reducing operating costs by focusing on reducing the unused annual and long service leave balances.</i>		
<b>Update:</b> End of year processes are yet to be undertaken to determine the 30 June 2023 accrued leave balances.		
<b>Strategy 7: Other Savings</b>	<b>\$100,000</b>	<b>\$100,000</b>
<i>All other savings strategies that the Executive are considering as a means of removing upward pressure on rates</i>		
<b>Update:</b> A number of savings have been achieved related to the areas of Review of the Hut contribution \$15,000, Information Services \$11,500, Civil Services \$2,000, Strategic Assets \$1,100, Asbestos inspection program \$35,000 and Waste \$30,400		
<b>TOTALS</b>	<b>\$650,500</b>	<b>\$624,074</b>

# 7. Financial Performance

## Overall Funding Statement as at 30 June 2023

Note: These figures are preliminary only. The fully reconciled figures will be presented to Council as part of the Budget Review report.

	YTD Actual	YTD Budget	YTD Variance	Annual Revised Budget
	\$'000	\$'000	\$'000	\$'000
Rates	44,401	44,361	41	44,361
Statutory income	1,428	1,378	50	1,378
User charges	901	875	26	875
Grants, subsidies and contributions	6,401	6,253	148	6,253
Income - Other	1,137	623	513	623
<b>Total Operating Income</b>	<b>54,268</b>	<b>53,489</b>	<b>779</b>	<b>53,489</b>
Total Employment costs	21,152	20,874	(278)	20,874
Materials, contracts and other expenses	20,763	20,604	(158)	20,604
Depreciation and amortisation	10,446	10,446	-	10,446
Finance costs	542	595	53	595
<b>Total Operating Expenditure</b>	<b>52,903</b>	<b>52,519</b>	<b>(385)</b>	<b>52,519</b>
<b>Operating Surplus / (Deficit) before Capital</b>	<b>1,364</b>	<b>970</b>	<b>395</b>	<b>970</b>
<b>Capital Expenditure</b>	<b>14,376</b>	<b>19,368</b>	<b>4,992</b>	<b>19,368</b>
<b>Capital Income</b>	<b>4,995</b>	<b>7,751</b>	<b>(2,756)</b>	<b>7,751</b>
<b>Net expenditure - Capital projects</b>	<b>9,381</b>	<b>11,616</b>	<b>2,236</b>	<b>11,616</b>
<b>Net Lending / (Borrowing) Result for Year</b>	<b>2,430</b>	<b>(200)</b>	<b>2,630</b>	<b>(201)</b>

Adelaide Hills Council Operating Summary				
By Directorate				
as at June 2023				
	YTD Actuals	YTD Budget	YTD Var	Annual Adopted Budget
	\$'000s	\$'000s	fav / (unfav)	\$'000s
			\$'000s	
<b>Income</b>				
CEO	27	34	(7)	34
Community Capacity	2,721	2,590	131	2,590
Corporate Services	44,872	44,604	268	44,604
Development & Regulatory Services	1,479	1,403	76	1,403
Infrastructure & Operations	5,168	4,857	311	4,857
<b>Income Total</b>	<b>54,268</b>	<b>53,489</b>	<b>779</b>	<b>53,489</b>
<b>Expenditure</b>				
CEO	2,486	2,545	59	2,545
Community Capacity	7,696	8,575	878	8,575
Corporate Services	10,526	10,185	(341)	10,185
Development & Regulatory Services	4,160	4,027	(133)	4,027
Infrastructure & Operations	28,035	27,187	(848)	27,187
<b>Expenditure Total</b>	<b>52,903</b>	<b>52,519</b>	<b>(385)</b>	<b>52,519</b>
<b>Operating Surplus / (Deficit)</b>	<b>1,364</b>	<b>970</b>	<b>395</b>	<b>970</b>



**Adelaide Hills**  
COUNCIL

#### MORE INFORMATION

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Stirling SA 5152



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**ADELAIDE HILLS COUNCIL  
AUDIT COMMITTEE MEETING  
Monday 21 August 2023  
AGENDA BUSINESS ITEM**

**Item:** 8.5

**Responsible Officer:** Terry Crackett  
Director Corporate Services  
Corporate Services

**Subject:** Placement of Council's Insurance Portfolio 2023-24

**For:** Information

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**SUMMARY**

To provide the Audit Committee with an overview of Council's insurance portfolio for 2023-2024

**RECOMMENDATION**

**The Audit Committee resolves that the report be received and noted.**

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**1. BACKGROUND**

The SA Local Government mutual schemes were established approximately 30 years ago, initially out of necessity as councils found it increasingly difficult to secure adequate insurance at competitive rates for workers compensation, civil liability and asset protection.

Local Government Risk Services (LGRS) operates the following risk schemes which utilised by SA councils (including Adelaide Hills) to manage their risk portfolios (these are discussed in more detail below):

- LGA Workers Compensation Scheme (LGAWCS)
- LGA Mutual Liability Scheme (LGAMLS)
- LGA Asset Mutual Fund (LGAAMF)
- LG Income Protection Fund (LGIPF)
- Brokerage of general insurance products from the commercial insurance market

**Mutual Schemes**

LGA Workers Compensation Scheme (LGAWCS)

LGAWCS provides Council with a fully integrated Claims, Return to Work and Work Health Safety service. It is registered as a self-insurer by SafeWork and is bound by the Performance Standards for Self-Insurers (PSSI). All South Australian Councils are Members of LGAWCS.

The Scheme is funded by a levy on Member remuneration and operates a rebate/penalty program to reward good performance.

### LGA Mutual Liability Scheme (LGAMLS)

LGAMLS is an indemnity scheme established pursuant to Schedule 1, Pt 1 2 (1)(a) of the Act. Pursuant to S142 of the Act, every council in SA has a statutory duty to “insure” against the financial impact of potential civil liability risks. Membership of the LGAMLS constitutes insurance for the purposes of this section. All South Australian councils are Members of LGAMLS. Unique in its structure, the cover provided through membership of the LGAMLS is unlimited with nil exclusions.

The Scheme covers public and products liability, professional indemnity, environmental landfill (pollution legal liability), Council Members & Officers and Employment Practices liability.

The Scheme is funded by the payment of an annual contribution which is calculated based on the Member’s revenue base, adjusted to reflect the maturing risk profile, claims history and application of risk management principles.

### LGA Asset Mutual Fund (LGAAMF)

The LGAAMF provides discretionary protection for Member’s property assets, motor vehicles, computers and electronic equipment, fidelity guarantee, machinery breakdown, and cyber security and data protection.

Cover for the Council's property and contents, under the LGAAMF, are required to be at replacement value of the assets in a condition and construction in an “as new state”.

Damage to general civil infrastructure is not covered by the Fund, due to the significant value of the civil infrastructure network within Council's area, the increase in premium cost would significantly outweigh the likely cost of any claim and therefore is uneconomical to cover. This approach is standard practice within the Local Government sector.

However, since 2015 Bridges have been listed on the Council’s Asset Insurance Schedule as an assessment has been made that it would be appropriate given the risks involved including the susceptibility of washaways as a result of flooding.

### LG Income Protection Fund (LGIPF)

The LGIPF offers discretionary indemnity and claims management services to Members for employees in respect of loss of income resulting from a non-work related injury or illness. Council includes this insurance as part of its Enterprise Development Agreements and individual Employment Agreements, which provides a benefit to employees for up to two years for accident or illness, injury dependant.

## **General Insurances**

In addition to the cover purchased via the mutual schemes, Council also purchases additional cover, brokered by LGRS, from the commercial insurance market. These covers include:

### Public and Products Liability

These policies provides coverage to Council on behalf of:

- Nominated uninsured contractors and volunteers of Home and Community Care
- Uninsured *ad hoc* or occasional hirers Council owned or controlled facilities
- Uninsured roadside stalls
- Advisory and Working Groups
- Regular user groups (as declared) of Council owned or controlled facilities
- Death or Personal Injury and Loss or Damage to Property happening during the Period of Insurance and caused by an occurrence in connection with the hire of the Council facility.

### Personal Accident

Personal Accident Insurance provides coverage for Death and Total or partial disablement for Insured Parties listed below:

- Insured persons are covered whilst engaged in any activity directly or indirectly connected with or on behalf of the Council including travel to and/or from any such activity.
- Council Members and their accompanying Partners/Spouses.
- Employees and their accompanying Partners/Spouses, (excluding claims where the employee is entitled to benefits under any Return to Work legislation)
- Volunteers whilst engaged in any voluntary work directly or indirectly connected with or on behalf of the Council including individual members of any Trust or Committee formed by Council.
- Persons whilst engaged in any Government Labour Market, Training or Job Creation Projects.
- Members of the Council's Assessment Panel, Audit Committee and CEO Performance Review Panel.

### Journey Injury

Journey Injury Insurance provides coverage for Bodily Injury to Employees whilst engaged in a journey to and from their place of residence and place of work and between a place of training and place of work.

## 2. ANALYSIS

### ➤ Strategic Management Plan/Council Policy

Strategic Plan 2020-24 – A brighter future

Goal 5 A Progressive Organisation

Objective 05 We are accountable, informed, and make decisions in the best interests of the whole community

Priority 05.1 Enhance governance structures and systems to prudently adapt to changing circumstances and meet our legislative obligations

Priority 05.2 Make evidence-based decisions and prudently assess the risks and opportunities to our community before taking action.

### ➤ Legal Implications

Section 126 of the *Local Government Act 1999* (the “Act”) sets out the functions of an audit committee. Management of Committee’s action items and work plan facilitates the achievement of these functions.

The Act sets out a number of requirements regarding insurance:

- Section 80 states that Council must take out insurance to cover Elected Members against risks associated with performing their duties.
- Section 142 requires Councils to take out and maintain insurance to cover its civil liabilities at least to the extent prescribed by the regulations.

### ➤ Risk Management Implications

Insurance is a prudent strategy to mitigate risk associated with providing Council services and affords Council a level of resilience and confidence so that it can continue to operate through unforeseen circumstances and loss.

Entering into insurance contracts will assist in mitigating the risk of:

*Under or uninsured liabilities/events/assets leading to financial and/or reputation damage*

Inherent Risk	Residual Risk	Target Risk
High (4C)	Medium (2C)	Low (2D)

### ➤ Financial and Resource Implications

Insurance is a means of protection from financial loss. It is a form of risk management primarily used to hedge against the risk of a contingent high cost, low frequency loss.

The costs for insurance are considered as part of the Annual Business Plan and Budget process with any adjustments considered in the quarterly budget review processes.



➤ **Customer Service and Community/Cultural Implications**

The community would have a reasonable expectation that the Council has prudent insurance arrangements in place to finance risks associated with the loss, damage, theft and liabilities created by its assets, actions, employees and contractors.

➤ **Sustainability Implications**

There are no direct sustainability implications arising from this report.

➤ **Engagement/Consultation conducted in the development of the report**

Consultation on the development of this report was as follows:

<i>Council Committees:</i>	Not Applicable
<i>Council Workshops:</i>	Not Applicable
<i>Advisory Groups:</i>	Not Applicable
<i>External Agencies:</i>	Not Applicable
<i>Community:</i>	Not Applicable

➤ **Additional Analysis**

The following provides a summary of the cost of Council’s insurance portfolio for the 5 years from 2019-20. Please note that the figures below are gross contributions and that for each of the mutual schemes Council receives special and/or performance (based on claims history of Council) distributions at the end of each year.

<b>Mutual Fund / Insurance Class</b>	<b>2019-20 (Excl. GST)</b>	<b>2020-21 (Excl. GST)</b>	<b>2021-22 (Excl. GST)</b>	<b>2022-23 (Excl. GST)</b>	<b>2023-24 (Excl. GST)</b>
<b>LGRS Mutual Fund Schemes*</b>					
LGA Workers Compensation Scheme	\$408,050.00	\$426,078.00	\$462,832.00	\$431,521.00	\$443,640.00
LGA Asset Mutual Fund	\$276,244.00	\$293,444.00	\$360,193.00	\$430,140.00	\$469,298.00
LGA Income Protection Fund	\$263,826.00	\$263,826.00	\$293,886.00	\$284,933.00	\$346,642.00
LGA Mutual Liability Scheme	\$303,178.00	\$312,274.00	\$327,887.00	\$344,282.00	\$361,496.00
<b>General Insurance Policies</b>					
Ad Hoc Hall Hirers	\$2,554.10	\$2,554.10	\$3,565.80	\$3,731.15	\$3,731.15
Un-Insured Roadside Stallholders	\$1,091.64	\$1,091.64	\$1,185.80	\$1,237.59	\$1,162.26
Advisory Groups	\$4,639.16	\$4,639.16	\$3,159.44	\$3,307.41	\$3,062.59
Personal Accident (Incl. Elected Members)	\$2,189.78	\$2,189.78	\$2,189.78	\$2,289.26	\$1,769.40
Community Care Contractors (CHSP)	\$865.08	\$865.08	\$941.59	\$1,373.59	\$1,352.27
Journey	\$12,962.59	\$12,962.59	\$13,640.79	\$15,120.51	\$14,799.16
<b>TOTAL</b>	<b>\$1,275,600.35</b>	<b>\$1,319,924.35</b>	<b>\$1,469,481.20</b>	<b>\$1,517,935.51</b>	<b>\$1,646,952.83</b>

*\*(These are the Gross Contributions prior to any ‘Performance Bonus’ and/or ‘Special Distribution payment’ has been deducted)*

In relation to the key movements between years a copy of an extract from the LGRS 2023-24 Insurance Renewal Update has been provided. Two key points of note however are as follows:

- The cost of cover for the LGAAMF in recent years has been heavily impacted on by frequency of weather-related events which in turn has seen claims costs and payment to members for material loss and damage increase substantially and now makes up 41% of all claims costs. In addition to this, rising inflation, higher demand for material, labour and professional services is also playing a role with impact on asset values.
- The **budget** for the annual LG Income Protection Fund (LGIPF) contribution payable in the above table is based on the 'Estimated Number of Employees & Wages (Inside/ASU & Outside/AWU)' declared on the 2023/2024 LGIPF Questionnaire at the start of the year (ie: 1/7/2023). The **actual** amount payable is determined at the end of the year once the '2023/2024 LGIPF Actual Wages Declaration' is provided. This results in a 'Credit Note' issuing to Council as a result of the vacancies which occur during the financial year.

### 3. OPTIONS

The Committee has the following options:

- I. To note the status of Council's insurance portfolio for 2023-2024 as presented. (Recommended).
- II. To recommend additions or changes to the insurance portfolio. (Not Recommended)

### 4. APPENDIX

- (1) LGRS 2023-24 Insurance Renewal Update

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# **Appendix 1**

*LGRS 2023-24 Insurance Renewal Update*

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# 2023/24 MEMBER RENEWAL

## **Important notice: 2023/24 LGA Asset Mutual Fund, LG Income Protection Fund and General Insurance changes**

We confirm continuation of cover, your invoices detailing your contribution will be sent shortly, which detail the LGA Asset Mutual Fund, LG Income Protection Fund, and General Insurance and Marine covers for the period 30 June 2023 to 30 June 2024.

Our Summary of Fund Memberships and Insurances including Asset and Motor Vehicle Schedules for 2023/2024 will be available to download via the LGRS Member Centre by mid July 2023 online at [LGRS Member Centre](#).

In accordance with our obligations under the [Financial Services Reform Act 2001](#), we have supplied Council with a [Financial Services Guide \(FSG\)](#) that explains the services we provide online. It will assist you in determining whether to use any of these services.

The LGRS Member Centre will assist Council in maintaining and co-ordinating all aspects of your Risk Protection Program and contains the following information:

- Member Portfolio Documents – via [LGRS Member Centre](#)
- Contribution and Premium Summary
- LGA Asset Mutual Fund Property and Motor Vehicle Schedules
- Online Claim Lodgement with Procedures and Forms
- Personnel Contacts
- Policy Wordings and Scheme Rules - via [LGRS Member Centre](#)
- [Financial Services Guide \(FSG\)](#)

## LGA Asset Mutual Fund (LGAAMF)

The LGAAMF cover continues to protect Council's Assets, Crime, Computer Equipment, Machinery, Cyber and Motor Vehicles in a manner which is well beyond the protection provided by traditional Insurance products. Details of the cover limits and Member retentions applicable are provided in the Summary of Fund and Insurance register.

Losses occurring prior to 4.00pm on the 30th June 2023 are required to be reported formally to the Fund by the 31st August 2023. Any claims reported after this date are classified as late reported and may not be indemnified by the Fund.

## Property

The LGAAMF is committed to the sustainable protection of the Local Government Sector and continues to deliver broad protection with additional funded benefits to all our Members. In the last 10 years, the impact and frequency of weather-related events has seen claims costs and payment to members for material loss and damage increase substantially and now makes up 41% of all claims costs.

Rising inflation, higher demand for material, labour and professional services is also playing a role with impact on asset values. This will impact Members in the event of loss and/or damage to assets should they not be listed for the full replacement value.

Global Insurance Market Trends According to the Marsh Global Insurance Market Index which measures its global commercial insurance premium pricing change at renewal and representing the world's major insurance markets. Commercial property rates in the Pacific region, where Australia is the biggest market, recorded a price increase of 8% with loss impacted and CAT-exposed clients seeing the highest increases.

Noting rising inflation, building price increases and weather related losses, we are pleased to confirm that the LGA Asset Mutual Fund has been able to keep rate increase to a minimum of 1% which is a great result and benefit to our members noting higher increases of 8% in the commercial property market.

The Minimum Property Excess for the 2023/24 period will be \$1,000 each and every claim except for Members that already have a higher Excess.

Property endorsements applicable to the various reinsurers of the Fund are attached for your reference.

Section 2 of the Property cover – Business Interruption the indemnity period is limited to 12 months for:

- Failure of Supply from Public Utilities
- Prevention of Access (5km radius limit)
- Suppliers/ Customers Premises

## Cyber Liability

The cyber market remains challenging, however is beginning to stabilise with price increases moderating. Coverage for cyber and security controls have been the main areas of focus. With the continuing emergence of Cyber incidents, we have successfully negotiated competitive re-insurance terms with a moderate 7% increase and the LGA Asset Mutual Fund continues to subsidise 50% of the total cost as another added value benefit to Members.

The Cyber Enterprise Risk Management policy wording and applicable endorsements is available via the [LGRS Member Centre](#)

## Crime Protection

The Crime Protection provided via the LGA Asset Mutual Fund is reinsured by Chubb Insurance Australia Limited. We have been able to maintain rates for the 2023/24 period and summarise the following changes below:

- A new policy wording will apply for the upcoming period
- A summary of changes document is attached for your perusal and a copy of the new wording is available via the LGRS Member Centre
- Failure to Segregate Duties Exclusion to remain for certain members based on renewal responses

Previously the Reinsurer provided a \$250k Expenses Sublimit regardless of the Limit of Liability when normally it would be restricted to 10% of the Limit of Liability. However we have agreed the following for the 2023/24 period:

- \$300k Limit of Liability will have a \$100k Expense Limit
- \$500k Limit of Liability will have a \$150k Expense Limit
- \$1m and above Limit of Liability will have a \$250k Expense Limit

Protection for Crime is conditional upon receipt, review and acceptance of the Crime questionnaire prior to 30/06/2023 and that there is no material change in the risk between the date of your questionnaire and the 30th June 2023 and that there are no circumstances or claims notified between the date of your completed Crime Questionnaire and the 30th of June 2023.

## Local Government Income Protection Fund (where applicable)

For the 2023/2024 period, the Local Government Income Protection Fund (LGIPF) has maintained coverage with a 5-7% increase in rates in line with the 2023/24 Budget Renewal Guide.

We remind members that the LGIPF is classified by ASIC as a Mutual Risk Product and Managed Investment Scheme. It is important to understand that the fund is not Insurance and should not be referred to as Insurance in documents provided to employees, such as in Enterprise Bargaining Agreements (EBA's). It is not uncommon to hear the LGIPF referred to as 'Income Protection Insurance' or the fund as a 'Mutual Self-Insurance Fund'. The LGIPF should never be referred to as Insurance.

We ask Members and Potential Members to ensure that Employees are provided with a copy and/or access to the LG Income Protection Fund PDS which provides an overview of the structure and benefits provided by the LGIPF, along with some guidelines and Scheme Rules which will be followed when considering claims and/or other matters that are referred to the LGIPF.

A copy of the PDS is available via the [LGRS Member Centre](#).

## General Insurance

### Employee Journey Insurance

This Insurance is Underwritten by QBE Insurance (Australia) Ltd, for the 2023/2024 period. Please note the Journey Insurance Policy Wording referenced as QM206 – 0521 can be viewed and/or downloaded from the LGRS Member Centre. This should be read in conjunction with the Endorsements detailed on the Journey Insurance Tax Invoice or Summary of Insurance Schedule. A marginal rate increase of 4.11% applies for the 2023-2024 Fund period.

### Personal Accident – Corporate Travel Insurance

This Insurance is Underwritten by QBE Insurance (Australia) Ltd. The Policy Wording has recently been updated (QM692-0622 Local Government Personal Accident and Corporate Travel Insurance (SA) and a copy can be downloaded from the LGRS Member Centre. All benefits and limits have been maintained, however, Definition of Category has been enhanced to include 'Work Experience' persons. Rates have been maintained as per expiry for the upcoming Renewal Period.

A new Travel Assistance Provider has been appointed:

#### ASSISTANCE PROVIDER

QBE's travel Assistance Provider for this policy is nib International Assistance.

As service provider nib International Assistance is responsible for coordinating any medical evacuation and repatriation services required, and is ready to respond, 24 hours a day, 365 days a year. In the event of an Accident, Illness or Emergency during your trip overseas, please contact our medical and emergency assistance team.

Phone: +61 3 8523 2523

Email: [travel-assist@nib.com.au](mailto:travel-assist@nib.com.au)

You will be asked for your name (Insured and Insured Person), Policy Number and the Period of Insurance.

You will need to advise the place and telephone number where the Insured Person can be reached and give a brief description of your situation and the nature of help required.

For full details of cover provided under this section of the Policy, please refer to the Policy Wording.



## Public Liability for Adhoc & Occasional Hirers / Buskers /HACC/Community committees

This Insurance is Underwritten by QBE Insurance (Australia) Ltd via Victor Insurance for the 2023/2024. This Policy wording can be downloaded from the LGRS Member Centre. The following Endorsements/Exclusions apply to each cover and is attached to your Schedule for further review.

Public Liability policies for un-insured stallholders, buskers, entertainers, youth advisory committee, social clubs and other uninsured working parties of Council, the Property in Your Physical or Legal Control increased from \$100,000 to \$250,000

Excesses have increased from \$500 to \$1,000 for each and every Property Damage claim or series of claims arising out of any one Occurrence and the following exclusions/endorsements apply:

### **SPECIAL NOTE:**

This policy does not cover fairs, festivals, fetes, parades, marches or other special events that your group organise where more than 500 people are expected, unless agreed to by LGRS (Local Government Risk Services) and noted in your policy schedule.

- Excess increased from \$500 to \$1,000 for each and every Property Damage claim or series of claims arising out of any one Occurrence and the following policy wording and exclusions/endorsements apply:

### **ENDORSEMENTS**

#### **ATTACHING TO AND FORMING PART OF THIS POLICY.**

Except to the extent provision is already made, or more extensive cover is already provided by the printed policy wording, it is agreed that the following clauses are incorporated in the Policy.

The Insurer agrees that all definitions detailed in these clauses will replace the appropriate definitions in the printed Policy wording, which are deemed to be deleted.

Should any ambiguities exist in the clauses they will be interpreted in favour of the Insured.

Headings have been included for ease of reference and it is agreed that the Terms, Conditions and Exclusions of the Policy are not to be construed and interpreted by reference to such headings.

### **LCIS01 DEFINITIONS**

2.21. You, Your or Insured (c) is amended to read as follows:

Any director, executive officer, Employee, voluntary unpaid worker which includes committee members, office holders, managers of You but only while acting within the scope of their duties in such capacity.

### **EXCLUSIONS**

#### **LCIS05 PARTICIPATION EXCLUSION**

Personal Injury of any person caused by or arising out of the participation of such person or his/her property in any game, match, race, practice, trial, or other sporting activity (including but not limited to swimming, gymnastics, health and fitness activities) but this exclusion does not apply to Personal injury or Property Damage caused by or arising out of your negligence as a property owner or lessee or manager of the premises or facility.

### **LCIS07 SEXUAL MOLESTATION**

Any claims arising from, contributed to by or in connection with sexual and/or child assault, abuse, molestation or attempt thereat. Furthermore, We will not indemnify You for '1.3 Supplementary Payments.

### **LCIS08 AMUSEMENTS EXCLUSION**

Any claims arising from, contributed by or in connection with:

- (a) Animal rides;
- (b) Amusement rides and/or devices of any description;
- (c) Inflatable recreational equipment.

### **LCIS16 COUNCIL LIABILITY EXCLUSION**

This Policy does not indemnify any council for their legal liability arising from the use, operation or provision of any council facilities provided for hire, use or operation by others or for any other business conducted by council in connection with such facilities.

### **LCIS32 TOTAL LISTED HUMAN DISEASE EXCLUSION**

We shall not be liable to indemnify You for Your legal liability or any other benefit, cost or expense arising directly or indirectly out of, contributed to by, resulting from or in connection with any listed human disease determined under section 42 of the Biosecurity Act 2015 (Cth) or any Subsequent Legislation.

For the purposes of this exclusion "Subsequent Legislation" means:

1. An act or regulation as amended, replaced or re-enacted;
2. Where an act or regulation has been repealed, the current equivalent act or regulation (Commonwealth, State or Territory) with materially the same object or purpose whether in whole or part.

### **Buskers – Endorsement in addition to the above include:**

#### **LCIS15 BUSKERS**

Claims for Personal Injury or Property Damage arising directly or indirectly from use of knives, swords (including theatrical knives and swords) or any activity involving the use of fire.

### **Umpires – Endorsements in addition to the above include:**

#### **LCIS18 PRODUCTS LIABILITY EXCLUSION**

The following additional Exclusion is added to the Policy:

This Policy does not cover liability arising out of Your Products.

#### **LCIS20 PERSONAL INJURY TO UMPIRES EXCLUSION**

Any claim arising from Personal Injury to any umpire engaged by or on behalf of any council and/or sporting association

### **Commonwealth home support program (previous HACC) – Endorsements in addition to the above include:**

#### **LCIS04 PROFESSIONAL LIABILITY (TOTAL) EXCLUSION**

The following amendments are made to the Policy: 'Professional Liability' Exclusion 3.15 is deleted and replaced with:

Liability to pay Compensation for the rendering of or failure to render professional advice or service by you or on your behalf or any related error or omission connected therewith.

### **LCIS21 TREATMENT RISK EXCLUSION**

Personal Injury arising directly or indirectly out of or caused by Your error, omission or act, in the treatment or nursing of a patient, or in the use of medical apparatus or equipment, or in the provision or administration of drugs or medication by or on behalf of You.

### **Uninsured stallholders – Endorsement in addition to the above include:**

#### **WHEN YOU ARE NOT COVERED:**

We cannot provide cover through LCIS for stallholders providing the following services/products: All commercial businesses must have own cover as we cannot provide cover to businesses.

- Goods imported by you;
- Jumping castles, inflatable slides, trampolines, amusement rides;
- Live animals;
- Child minding activities;
- Photo booths
- Toys
- Tobacco, E-cigarettes, electronic vaping devices, electronic nicotine delivery systems or similar smoking apparatus;
- Sale of alcohol;
- Amusement rides/devices – mechanical, powered or animal;
- Bicycles, Skateboards, in line skates, roller skates, scooters and associated protective equipment;
- Inflatable pools, life jackets, floating devices and other floating aids;
- Protective or safety equipment and/or clothing, eyewear and life preservation products;
- Second hand electrical items & tools;
- Automotive parts/accessories of any nature (including motor cycles);
- Sporting goods/equipment;
- Swords, Spears, Bows, Crossbows, Firearms, ammunition or weapons of any kind;
- Knives, not including chef/kitchen knives or garden pruning equipment;
- Fireworks, pyrotechnics or explosives;
- Sale of flammable, dangerous and/or hazardous chemicals, petrochemicals, pool chemicals and flammable liquids with a flash point below 23°C
- Sale of animals;
- Sale of animal feed, pet food or pet food supplements. Not including pet treats for domestic animals;
- Vaporisers and humidifiers;
- Treatment risks including massage, acupuncture, chiropractic treatment and natural therapies;
- Nutraceuticals or cosmetics;
- Any medical device or alternative therapy medical device including any massage device;
- Detergents and/or soaps (including natural) manufactured by Insured;
- Candles of any description and including the burning or heating by flame of oils/essences but excluding incense sticks;
- Vitamins, minerals, herbals and other health supplements (other than food);
- Children's toys;
- Children's cubby houses;
- Children' swings, slides, playground equipment or climbing equipment;
- Baby/Infant clothing/children's clothing;

### **LCIS09 PRODUCTS LIABILITY – CHILDREN'S TOYS / SECOND HAND ELECTRICAL ITEMS & TOOLS**

Property Damage or Personal Injury caused directly or indirectly by the manufacture, sale or supply of children's toys and second hand electrical items / tools.



## Contact:

Please direct your question to our support team for help via our dedicated renewals inbox:  
[lgrsrenewals@jlta.com.au](mailto:lgrsrenewals@jlta.com.au)

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**ADELAIDE HILLS COUNCIL  
AUDIT COMMITTEE MEETING  
Monday 21 August 2023  
AGENDA BUSINESS ITEM**

**Item:** 8.6.

**Responsible Officer:** Lachlan Miller  
Executive Manager Governance & Performance  
Office of the Chief Executive

**Subject:** Quarterly Risk Management Report

**For:** Decision

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**SUMMARY**

This report provides the Audit Committee with an update on Risk Management activities including the current status of the Strategic Risk Profile and Management Plan.

In relation to the Strategic Risk assessments, there has been the following change since the February 2023 assessment.

- Inherent Risk: Nil (0) Change
- Residual Risk: Nil (0) Change
- Target Risk: Nil (0) Change
- New Mitigation(s): No new mitigations
- Completed: Increase from 61% (60) to 74% (87) with ten (10) completed actions
- In Progress: Decrease from 36% (36) to 26% (30)
- Not Commenced: Decrease from 3% (3) to 0% (0)

In relation to the Corporate Risk Framework, the SkyTrust Software Council uses for managing its WHS and other obligations has had its Corporate Risk Module populated with information from the previously used Strategic Risk Register spreadsheets. A copy of the *SkyTrust Strategic Risk Register* is at **Appendix 1**.

**RECOMMENDATION**

**The Audit Committee resolves that the report be received and noted.**

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## 1. BACKGROUND

Council's Strategic Risk Profile monitoring and reporting process has been in place since 2014 based on the, then, current Risk Management Policy and the Risk Management Framework.

The allocation of risk owners has been reviewed over time due to changes in the portfolio allocation within the Administration. The current allocations have been in place since January 2020 with the exception of SR9a (human resources) which has been transferred to the Director Corporate Services following the November 2022 resignation of the Executive Manger Organisational Development.

Reports on the Strategic Risk Profile have been provided to the Audit Committee and subsequently Council on a quarterly basis since February 2016.

At its 13 May 2019 meeting, the Committee reviewed the Risk Management Policy and noted that only minor nomenclature changes were required, prior to recommending it for Council's consideration.

Council adopted the revised Policy at its 28 May 2019 meeting.

### Risk Management Framework

Additionally, an extract of the Strategic Risk Register is usually provided to the Committee and Council. At its 13 May 2019 meeting the Committee requested that the full Register be provided for the Committee's review. The SkyTrust Software Council uses for managing its WHS and other obligations has had its Corporate Risk Module populated with information from the previously used Strategic Risk Register spreadsheets. A copy of the SkyTrust Strategic Risk Register is at **Appendix 1**.

## 2. ANALYSIS

### *Strategic Plan 2020-24 – A brighter future*

Goal 5	A Progressive Organisation
Objective O4	We actively represent our community
Priority O4.3	Attract and develop a diverse and capable elected body that represents, promotes and reflects the composition of the community
Priority O4.3	Advocate to, and exert influence with, our stakeholders on behalf of our community to promote the needs and ambitions of the region
Objective O5	We are accountable, informed, and make decisions in the best interests of the whole community
Priority O5.1	Enhance governance structures and systems to prudently adapt to changing circumstances and meet our legislative obligations
Priority O5.2	Make evidence-based decisions and prudently assess the risks and opportunities to our community before taking action.

A number of actions contained in the *2023-24 Annual Business Plan* have been added as mitigations against the applicable strategic risk

➤ **Legal Implications**

A number of sections of the *Local Government Act 1999* require councils to identify and manage the risks associated with its functions and activities. Further, s125 requires council to have appropriate internal controls.

Similarly, the *Work Health & Safety Act 2012* is structured around the protection of workers and others against harm to their health, safety and welfare through the elimination or minimisation of risk arising from work or specified substances or plant.

➤ **Risk Management Implications**

Improvements in the implementation of the risk management framework will assist in mitigating the risk of:

*A lack of effective risk management occurs which leads to greater uncertainty in the achievement of objectives and/or negative outcomes.*

Inherent Risk	Residual Risk	Target Risk
Extreme (5C)	Medium (4D)	Medium (4D)

Note that there are many other controls that assist in mitigating this risk.

➤ **Financial and Resource Implications**

While there are no direct financial or resource implications from this report, a number of Strategic Risk Profile and Management Plan treatments are impacted by funding limitations or have been accommodated in the *2023-24 Annual Business Plan and Budget*.

Council's Governance & Risk Coordinator resigned from the position in June 2023 and this has impacted on the initiatives to progress the Review of the Risk Management Framework.

➤ **Customer Service and Community/Cultural Implications**

There is a high expectation that Council has appropriate corporate governance processes in place including an effective corporate risk management system.

➤ **Sustainability Implications**

There are no direct sustainability implications arising from this report.

➤ **Engagement/Consultation with Committee, Regional Subsidiary, Advisory Group and Community**

<i>Council Committees:</i>	Not Applicable
<i>Council Workshops:</i>	Not Applicable
<i>Advisory Groups:</i>	Not Applicable
<i>External Agencies:</i>	Not Applicable
<i>Community:</i>	Not Applicable

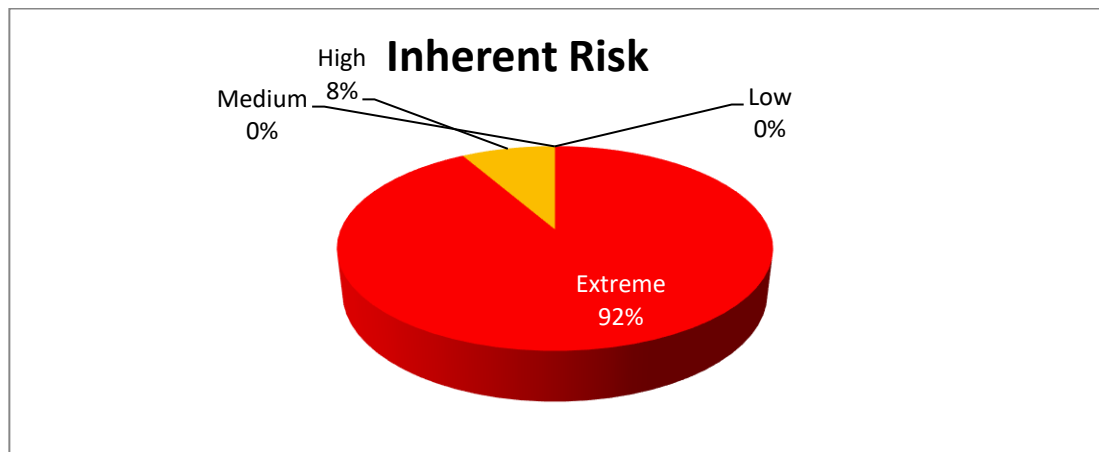
➤ **Additional Analysis**

Strategic Risk Profile

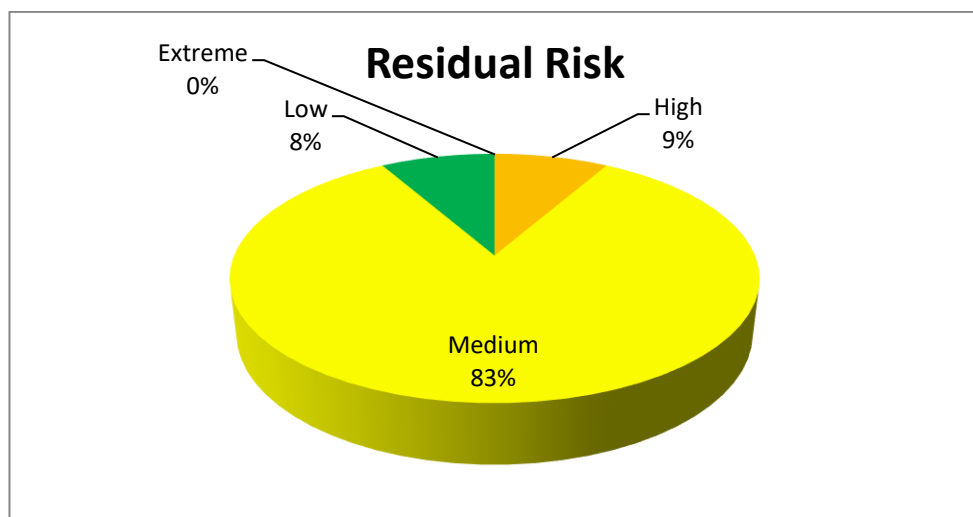
The Strategic Risks are regularly reviewed by the risk owners responding to triggers in the risk environment, changes in causation or impact, changes in the control environment and on the completion of mitigation actions (which then form part of the control environment) which collectively can impact the likelihood and/or consequence of the risk.

The Strategic Risks were recently reassessed, and the following diagrams depict the Inherent, Residual and Target ratings.

There has been no change to the Inherent risk ratings from the February 2023 assessment.

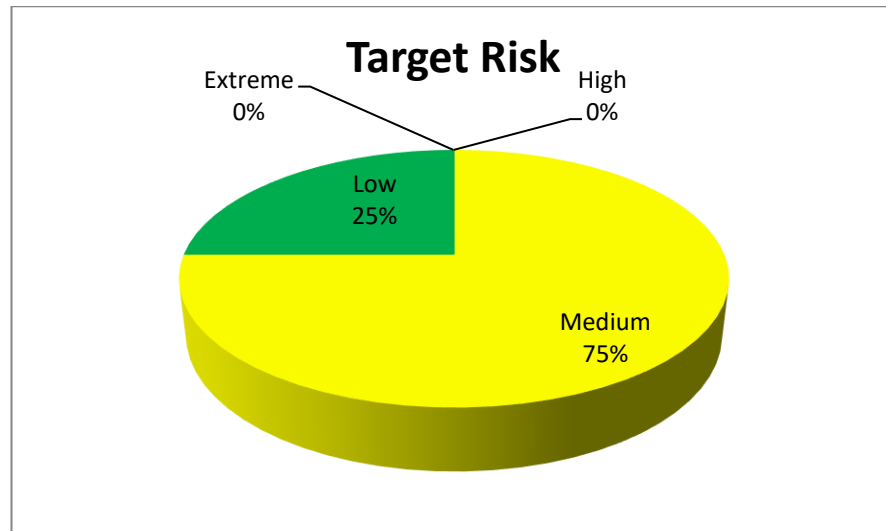


Officers regularly review their risks and mitigations and there has been no change to the Residual Risk ratings from the February 2023 assessment.



Officers regularly review their risks and mitigations and there has been no change to the Target Risk ratings from the February 2023 assessment.

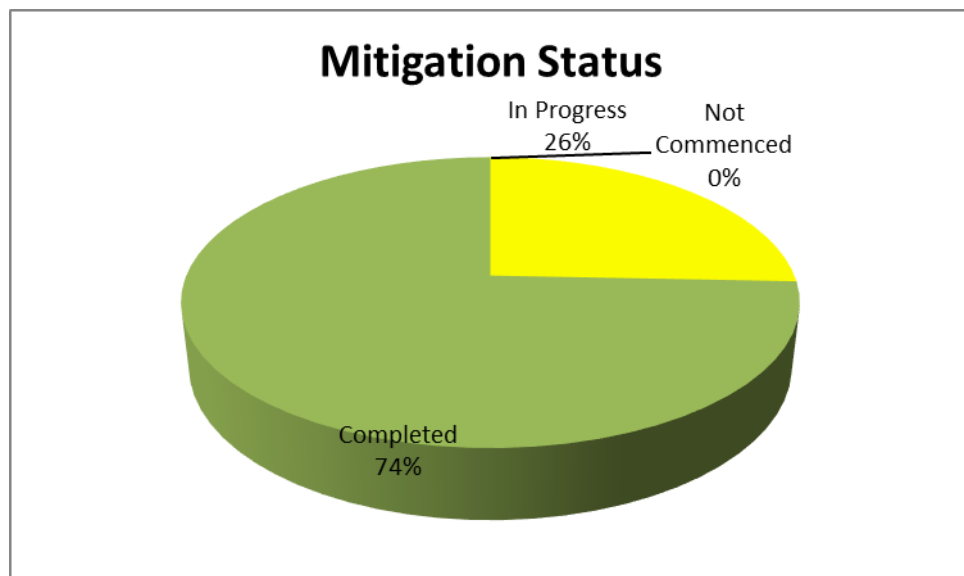




The implementation of Mitigation Actions has been progressing steadily with increased new mitigations from risk owners undertaking their latest assessments in line with the 2023-24 Annual Business Plan adoption. The current status is as follows:

Status	May 2022	August 2022	February 2023	August 2023
<b>Completed</b>	64% (76 actions)	61% (78 actions)	61% (78 actions)	74% (87 actions)
<b>In Progress</b>	25% (24 actions)	32% (31 actions)	36% (36 actions)	26% (30 actions)
<b>Not Commenced</b>	11% (10 actions)	7% (7 actions)	3% (3 actions)	0% (0 actions)
<b>New Initiatives (in above totals)</b>	Nil (0) New Mitigations	Six (6) New Mitigations	One (1) New Mitigation	No New Mitigations

This is shown diagrammatically below:



### Risk Management Framework

As identified through an action in the Strategic Risk Register, the Administration has continued to work on the Risk Management Framework. The key outstanding item has been improvements by the software provider to the registration functionality and reporting capabilities of the SkyTrust system.

Unfortunately, there has been minimal progress by the developer to address these deficiencies and Council will need to explore alternative system options to achieve the required functionality for an effective corporate risk management system.

### **3. OPTIONS**

The Audit Committee has the following options:

- I. To note the update on the Strategic Risk Profile as presented (recommended).
- II. To determine not to note either or both updates and/or identify additional actions to be undertaken (not recommended).

### **4. APPENDIX**

- (1) Strategic Risk Register – August 2023

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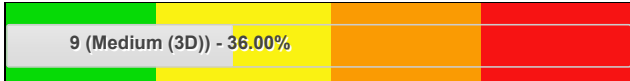
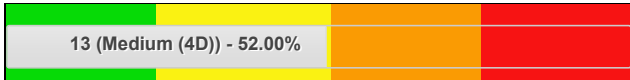
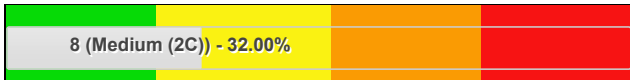
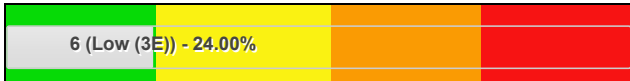
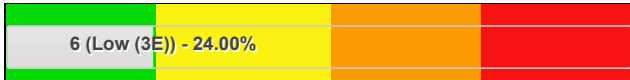
# **Appendix 1**

*Strategic Risk Register – August 2023*

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<b>ID:</b>	Risk - 170963
<b>Risk Title or Work Activity:</b>	Strategic Risk - Representation &&&&& Decision Making
<b>Risk Description:</b>	Failure to act as a representative, informed and responsible decision-maker in the interests of the community. (PR)
<b>Responsible Person:</b>	Lachlan Miller
<b>Date of Risk Identification:</b>	12/11/2020
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Governance, Legal & Compliance
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	<p>Cause:</p> <ul style="list-style-type: none"> <li>- Poor governance practices (CR22)</li> <li>- Poor risk management practices (CR21)</li> <li>- Poor representation arrangements (CR92)</li> <li>- Poor representation of the community by Council Members (CR62)</li> <li>- Lack of effective strategic planning and resource allocation processes. (CR63)</li> <li>- Untimely implementation of Council resolutions (CR37)</li> <li>- Lack of effective financial sustainability processes. (SR9c)</li> <li>- Ineffective performance management and reporting processes. (CR64)</li> <li>- Poor working relationship between Council and Administration. (CR65)</li> <li>- Failure to engage in sector-wide reform initiatives (CR81)</li> </ul>
<b>Possible Consequences:</b>	<p>Impact:</p> <ul style="list-style-type: none"> <li>- Decisions are not representative of community sentiment or made in the community's interest</li> <li>- Decisions are poorly or incorrectly informed leading to a high risk profile, errors, loss, waste, omissions, breaches of legislation.</li> <li>- Breaches of legislation, unenforceable decisions/resolutions, creation of liabilities/ additional risk to Council, stakeholder and/or regulator dissatisfaction and/or sanction.</li> </ul>
<b>Initial Risk Score:</b>	<p>22 (Extreme (5C)) - 88.00%</p>
<b>Initial Risk Comments:</b>	The main area of impact is community, social and reputational as it is largely based on public perception of conduct compared to individual (and therefore differing) expectations although actual breaches of legislation will contribute to this inherent rating.
<b>Residual Risk Score:</b>	<p>9 (Medium (3D)) - 36.00%</p>
<b>Residual Risk Comments:</b>	There are many controls in place to partially mitigate this risk some are systematic however many are administrative controls and therefore reliant on the diligence of individual Council Members/Officers to implement.
<b>Other Requirements/Comments:</b>	
<b>Current:</b>	Yes

**Risk Controls**

Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness
CR92 (Poor representation arrangements which leads to decisions that are not made in the best interests of the community) - Provisions of Chpt 3 of the LG Act regarding composition of councils and wards, mandated representation reviews, voluntary representation review, 2017 ERR completed, Strategic Boundary Review report	Lachlan Miller	26/07/2023	11/08/2023		PARTIALLY EFFECTIVE (Designed Partially Adequately; Operating Partially Effectively)
					
CR21 (A lack of effective risk management occurs which leads to greater uncertainty in the achievement of objectives and/or negative outcomes.) - Revised CRM Policy adopted, CRMF adopted, training provided to senior staff, RM considerations included in agenda report templates. General awareness of risk management principles and considerations. Strategic Risk Profiling and management of assessments in SkyTrust, MLS Risk Reviews and advisory.	Lachlan Miller	26/07/2023	11/08/2023		PARTIALLY EFFECTIVE (Designed Adequately; Operating Partially Effectively)
					
CR62 (Poor representation of the community by Council Members leading to formal decisions that do not appropriately take account the community needs) - Provisions of LG Act and behavioural standards, EM training on role, contact details on website, issue of email addresses and laptops; COI provisions, informed and researched Council reports, public consultation policy and practices.	Lachlan Miller	26/07/2023	11/08/2023		PARTIALLY EFFECTIVE (Designed Partially Adequately; Operating Partially Effectively)
					
CR63 (Lack of effective strategic planning and resource allocation processes) - Suite of strategic management plans, strategic, business and project planning and budgeting processes, trained and experienced staff. Corporate Planning & Performance Reporting Framework, CP&R Coord role, Service Review Framework adopted. Council reports contain financial and resource implications.	Lachlan Miller	26/01/2024	11/08/2023	Added control regarding Council report financial and resource implications	EFFECTIVE (Designed Adequately; Operating Effectively)
					
CR64 (Ineffective performance management and reporting processes leading to poor performance and/or loss of stakeholder confidence) - Budget review processes, provisions of LG Act regarding budget reviews and annual reporting, trained and experienced staff, CEOPRP, Corporate Planning & Performance Reporting Framework, Quarterly Council Performance Report, 4x8 processes, Management contract review process, enhanced major project reporting. Local Government Advice Scheme	Lachlan Miller	26/01/2024	11/08/2023		EFFECTIVE (Designed Adequately; Operating Effectively)
					

CR65 (Poor working relationship between Council and the Administration leading to ineffective and inefficient performance by Council) - CM and Administration training in the respective roles, team building and relationship development, performance reporting, One Team Communication Protocols, designated administration contact listing, CEO 1:1, strengthened provisions in s58	Lachlan Miller	26/01/2024	11/08/2023		PARTIALLY EFFECTIVE (Designed Adequately; Operating Partially Effectively)
CR37 (Actions arising from Council resolutions not be completed in a timely manner leading to a loss of stakeholder confidence) - Action List, Minutes, Council Resolution Update report. Council Member queries	Lachlan Miller	26/01/2024	11/08/2023		EFFECTIVE (Designed Adequately; Operating Effectively)
CR22 (Poor governance practices occur which lead to a loss of stakeholder (i.e. customer and regulator) confidence and/or legislative breaches.) - Legal considerations considered in agenda report templates, Governance Manager advises council, well-functioning Audit Committee, flyers and updates from LGA, legal providers and professional associations. Professional and experienced management team. Policies (Conduct, COPMP, allowances, caretaker, Information Sessions, COPAMD, PID), delegations, agendas, minutes, T&D, COI Mgt. Review of s41, AGs, s43 subsidiary and external group fiduciary arrangements. By laws reviewed 2018. Council Resolution Update report shows COIs declared.	Lachlan Miller	26/01/2024	11/08/2023		PARTIALLY EFFECTIVE (Designed Adequately; Operating Partially Effectively)
CR81 (Failure to engage in sector-wide reform initiatives leading to the Adelaide Hills community not being adequately represented) - Monitoring LGA circulars and other invitations to make submissions (OLG, ECCOSA, ECSA), consideration @ ELT and Council level, Membership on LG-related bodies	Lachlan Miller	26/01/2024	11/08/2023		PARTIALLY EFFECTIVE (Designed Adequately; Operating Partially Effectively)

Actions								
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date	
Corporate Risk Register	Governance Framework Review	Immediately	Lachlan Miller	NIL	100%	Complete (Accepted)	30/09/2016	
Corporate Risk Register	Review of s41 Committee and Advisory Group Terms of Reference	Immediately	Lachlan Miller	Last review of Advisory Groups by Council was 18 December 2018. Last review of Audit Committee and CEOPRP was 27 November 2018, SPDPC (ceased) was 24 November 2020.	100%	Complete (Accepted)	30/09/2016	
Corporate Risk Register	Rollout of ControlTrack (Internal control module)	Immediately	Michael Carey	Endorsed and implemented for Financial Controls	100%	Complete (Accepted)	30/12/2015	

Corporate Risk Register	Review of Risk Management Framework	Immediately	Lachlan Miller	<p>SkyTrust configuration adequate for corporate rollout however additional work required on reporting functionality. Documentation being amended for SkyTrust functionality. Intend to conduct function workshops as the training exercise.</p> <p>230215 This work was sidelined whilst work was undertaken on the LG Election and Council Member Induction process. Work is scheduled to recommence March 2023.</p> <p>230811 Resignation of Governance &amp; Risk Coordinator has resulted in deferral of Framework completion until late 2023.</p>	50%	Not Complete (Overdue)	30/12/2023
Corporate Risk Register	Representation Review - 2016/17	Immediately	Lachlan Miller	Representation Review completed and certified by Electoral Commissioner in November 2017	100%	Complete (Accepted)	30/04/2017

				<p>Participation is ongoing as boundary proposals are lodged.</p> <p>230811 - Local Government Boundaries Commission has approved the Campbelltown City Council (CCC) submission to progress to the Inquiry Stage. CCC yet to consider the cost implications of the inquiry and determine whether to proceed.</p> <p><i>27/01/2023 by Lachlan Miller</i></p> <p>-</p> <p>CCC proposal has progressed to the Inquiry stage. AHC has positive impact into the design of the Inquiry Plan. Awaiting CCC decision as to whether to proceed with Inquiry and pay cost estimate.</p>			
Corporate Risk Register	Participation in boundary reform initiatives	Immediately	Lachlan Miller	<p><i>07/08/2022 by Lachlan Miller</i></p> <p>-</p> <p>Campbelltown City Council (CCC) lodged its Stage 2 proposal in April 2022. The Boundaries Commission requested CCC to lodge Supplementary Information to be lodged by 30 June 2022, this was achieved. Boundaries Commission advised on 20 August 2022 that CCC's Proposal can progress to an Inquiry if CCC agree to the cost estimate (to be considered post-election).</p> <p><i>12/07/2021 by Lachlan Miller</i></p> <p>-</p> <p>Watching brief kept on boundary reform proposals and actions of the initiating councils</p>	60%	Not Complete (Overdue)	30/12/2023
Corporate Risk Register	Review of s43 and external group fiduciary duties where Council members or staff are on Boards	Immediately	Lachlan Miller	NIL	100%	Complete (Accepted)	30/12/2016
Corporate Risk Register	2018 LG Election induction training	Immediately	Lachlan Miller	All mandatory and discretionary training completed.	100%	Complete (Accepted)	30/06/2019
Corporate Risk Register	Implementation of Corporate Planning & Performance Reporting Framework	Immediately	Lachlan Miller	Framework adopted by Council on 19 June 2018 and implemented in 2018-19.	100%	Complete (Accepted)	30/06/2019



Corporate Risk Register	Strategic Boundary Review project	Immediately	Lachlan Miller	Final report adopted by Council in September 2020	100%	Complete (Accepted)	30/06/2020
Corporate Risk Register	Implementation of LG Reform legislative changes.	Immediately	Lachlan Miller	<p>Statute Amendment (Local Government Review) Act 2021 passed in Parliament in May 2021 sittings.</p> <p>230811 - Final tranche of LG Reform regarding Audit Committees and Internal Audit to come into effect on 30/11/23. Minor modifications to the Audit Committee Terms of reference required.</p> <p><i>27/01/2023 by Lachlan Miller</i></p> <p>-</p> <p>The latest tranches of changes occurred with the November 2022 periodic elections (specifically COI, BMF)</p> <p><i>07/08/2022 by Lachlan Miller</i></p> <p>-</p> <p>Provisions continue to be released in tranches and the required actions and communications are undertaken at each date.</p> <p><i>11/05/2022 by Lachlan Miller</i></p> <p>-</p> <p>Commencement dates have been published for the majority of the remaining reforms and process/systems are amended leading up to each commencement tranche.</p> <p><i>17/01/2022 by Lachlan Miller</i></p> <p>-</p> <p>Commencement of new provisions on 23 December 2021, reforms mostly related to strategic and financial planning and reporting.</p>	80%	In Process	30/11/2023

				<p><i>09/11/2021</i> <i>by Lachlan Miller</i></p> <p>-</p> <p>Second tranche of provisions commencing 10 November 2021 - removal of requirement to display documents; full publication of register of interests; independent advice regarding CEO termination, recruitment, performance review; many election-related changes.</p>			
				<p><i>09/08/2021</i> <i>by Lachlan Miller</i></p> <p>-</p> <p>OLG/LGA progressively releasing proposed commencement dates and draft regulations for comment. First tranche of new provisions to commence in August/Sept - role and functions of council, principal and ordinary member role, information sessions, other provisions regarding notifications.</p>			
				<p><i>12/07/2021</i> <i>by Lachlan Miller</i></p> <p>-</p> <p>Awaiting further information from OLG/LGA regarding commencement</p>			
Corporate Risk Register	Service Review Framework development	Immediately	Lachlan Miller	<p>Framework adopted by Council on 26 October 2021</p> <p><i>12/07/2021</i> <i>by Lachlan Miller</i></p> <p>-</p> <p>Currently meeting with internal stakeholders prior to finalising Framework for Council.</p>	100%	Complete (Accepted)	30/09/2021

Corporate Risk Register	Representation Review - April 2024-April 2025	Six Months	Lachlan Miller	<p><i>27/01/2023</i> <i>by Lachlan Miller</i></p> <p>- Revised representation review provisions commenced 30 June 2022. Only a representation report required to be produced.</p> <p><i>09/11/2021</i> <i>by Lachlan Miller</i></p> <p>- Section 12 will be amended to require only one public consultation on representation options (i.e. representation report).</p> <p><i>09/08/2021</i> <i>by Lachlan Miller</i></p> <p>- Representation Review will be included in 2023-24 ABP</p>	0%	In Process	30/04/2025
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**Documents**

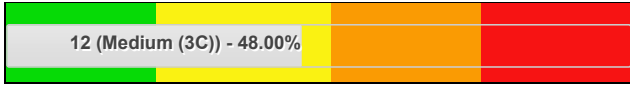
Date Added	Document Name	Document Details
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**Saved PDF Versions**

Date Saved	Saved By	Revision	PDF Document
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<b>ID:</b>	Risk - 169143
<b>Risk Title or Work Activity:</b>	Strategic Risk - Service Delivery
<b>Risk Description:</b>	Failure to deliver projects, programs and services in accordance with plans (time, budget, quality)
<b>Responsible Person:</b>	Peter Bice
<b>Date of Risk Identification:</b>	15/05/2020
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Service Delivery
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	<p>Causes:</p> <ul style="list-style-type: none"> <li>- Ineffective Budget Bid process ( ineffective cost estimates preparation; possible lack of understanding of budget and budget process;</li> <li>- Unrealistic timeframes e.g. 12 months for design, consultation and delivery; Change or poorly defined scope; Inadequate specifications and documentation and design; Lack of stakeholder engagement.</li> <li>- Lack of effective consistent project management methodologies</li> <li>- Unforeseen weather and climate conditions,</li> <li>- Lack of appropriate plant and equipment,</li> <li>- Poor contractor management,</li> <li>- Lack of resources (Lack of adequate skilled resources; Loss of key staff,)</li> <li>- Change in government legislation or policy,</li> <li>- Reduction in grant funding,</li> <li>- Lack of scheduled maintenance</li> <li>- Unclear Service ranges and levels</li> </ul>
<b>Possible Consequences:</b>	<p>Impact:</p> <ul style="list-style-type: none"> <li>- Cost of projects escalates, unbudgeted spending, impacts on delivery of the projects</li> <li>- Damage to Council reputation</li> <li>- Outcomes of the project delivered fails to meet community's expectations</li> <li>- Weaknesses in infrastructure necessitating increased maintenanc</li> </ul>
<b>Initial Risk Score:</b>	<p>21 (Extreme (4B)) - 84.00%</p>
<b>Initial Risk Comments:</b>	
<b>Residual Risk Score:</b>	<p>9 (Medium (3D)) - 36.00%</p>

<b>Residual Risk Comments:</b>	<ul style="list-style-type: none"> <li>- Monthly capital reports from finance</li> <li>- Reporting of The Quarter to Council</li> <li>- Regular team meetings with project updates</li> <li>- Quarterly budget review process</li> <li>- 3 Year Capital Program</li> <li>- Procurement policy</li> <li>- Process and qualified staff/teams</li> <li>- Project reporting process</li> <li>- Panel contractors</li> <li>- Legislation and policy</li> <li>- KPI monitoring and reporting</li> <li>- Financial Reporting</li> <li>- LTFP processes have been amended to ensure that all key Strategies and Plan (including the Strategic Plan and Asset Management Plans) are captured as part of the LTFP review each year ahead of budget</li> </ul>
<b>Other Requirements/Comments:</b>	Addition of the Project Management Framework has further Strengthened the controls.
<b>Current:</b>	Yes

Risk Controls					
Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness
<ul style="list-style-type: none"> <li>- Monthly capital reports from finance</li> <li>- Reporting of The Quarter to Council</li> <li>- Regular team meetings with project updates</li> <li>- Quarterly budget review process</li> <li>- 3 Year Capital Program</li> <li>- Procurement policy</li> <li>- Process and qualified staff/teams</li> <li>- Project reporting process</li> <li>- Panel contractors</li> <li>- Legislation and policy</li> <li>- KPI monitoring and reporting</li> <li>- Financial Reporting</li> <li>- LTFP processes have been amended to ensure that all key Strategies and Plan (including the Strategic Plan and Asset Management Plans) are captured as part of the LTFP review each year ahead of budget</li> </ul>	Peter Bice	01/09/2022	01/09/2021		
 <p>12 (Medium (3C)) - 48.00%</p>					

Actions							
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date

Corporate Risk Register	'Project Management a) Implementation of Project management framework. A trial with Built and Natural Assets is underway since 1/7/15. A review was undertaken in 2016 to assess and refine framework. Further review required now that Manager Civil Services appointed b) Process to audit and check project management. c) Implementation of scheduled program maintenance,	Immediately	Peter Bice	IN PROGRESS. Project Management Documentation now being developed in partnership with external expertise.  <i>13/10/2021 by Peter Bice</i> -  <i>13/10/2021 by Peter Bice</i> - PM Framework has now been implemented, beginning with Civil and Open Space Teams, and progressive adoption occurring from other key Project Delivery Areas.	100%	Complete (Accepted)	30/06/2016
Corporate Risk Register	Refine the budget bid process to ensure that sufficient time is allocated to cost budget submissions and also timing recognising that some projects will need to span across multiple years due to lead times associated with planning, consultation and approvals. Action: develop a budget bid database with a two stage process by 30/3/2016	Immediately	Peter Bice	COMPLETED. Initial 3 year program developed for 2017/18 ABP.  <i>20/05/2021 by Peter Bice</i> -	100%	Complete (Accepted)	30/01/2016
Corporate Risk Register	Start to promote multiple year project planning in line with Asset Management Planning	Immediately	Peter Bice	COMPLETED. 3 Year Capital Program has been established, which help to achieve this goal.  <i>19/05/2021 by Peter Bice</i> -	100%	Complete (Accepted)	30/06/2016

Corporate Risk Register	Develop process in conjunction with Organisational Development to transfer knowledge once an employee has notified intent to leave the organisation (i.e. to capture staff knowledge with consideration of succession planning and transition to retirement)	Six Months	Anne Pett	IN PROGRESS. Process development underway, however progress has stalled due to other delivery priorities. Looking to reinvest in this process development over the coming months. Suggest this be transferred to Executive Manager Organisational Development. OD has some important priorities with strict deadlines currently. This process can be addressed through People Leaders focusing on their teams having documented procedure manuals in their areas being developed and continually updated. Where a person transitions to retirement, conversations are undertaken around the management of knowledge transfer and if a current employee needs to be trained in specific aspects of the work as an interim step.	50%	In Process	30/12/2023
Corporate Risk Register	Amend LTFP and budget processes to capture all Strategic and Functional Strategy funding requirements.	Immediately	Michael Carey	COMPLETED: 2018/19 & 2019/20 Budgets adopted based on a revised LTFP that captured all Strategic and Functional Strategies.  <i>13/07/2023 by Michael Carey</i> -	100%	Complete (Accepted)	30/06/2018
Corporate Risk Register	Amend LTFP ratio ranges, as well as rates indice, to ensure growth in Operating Surplus to fund growth in operating expenditure	Immediately	Michael Carey	Budget workshop held on 30/1/2021 where proposed changes we considered appropriate to take to Audit Committee. LTFP adopted April 2021 with updated LTFP financial indicator ranges	100%	Complete (Accepted)	30/06/2021
Corporate Risk Register	Develop Quarterly Report of all key projects to Council that provides a status and financial information	Immediately	Lachlan Miller	COMPLETED: The Quarter now implemented and being reported to Council and Audit Committee	100%	Complete (Accepted)	30/09/2019

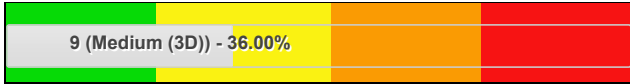
Documents		
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Date Saved	Saved By	Revision	PDF Document

<b>ID:</b>	Risk - 170965
<b>Risk Title or Work Activity:</b>	Strategic Risk - Governance, Legal & Compliance
<b>Risk Description:</b>	Failure to exercise, perform and discharge the powers, functions and duties under legislation, contracts, leases and policies (PR)
<b>Responsible Person:</b>	Lachlan Miller
<b>Date of Risk Identification:</b>	09/02/2021
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Governance, Legal & Compliance
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	<p>Cause:</p> <ul style="list-style-type: none"> <li>- Lack of awareness of legislative/contractual/lease/policy requirements</li> <li>- Lack of standardised lease terms and conditions.</li> <li>- Ineffective delegation and authorisation mechanisms.</li> <li>- Poor procurement and contract management practices</li> <li>- Ineffective compliance management systems</li> <li>- Staff do not possess the appropriate KSE</li> <li>- Legislative changes, not being fully understood</li> <li>- Poor confidential item management processes (CR 15 &amp; 20)</li> <li>- Ineffective implementation of Council resolutions (CR37)</li> </ul>
<b>Possible Consequences:</b>	<p>Impact:</p> <ul style="list-style-type: none"> <li>- Legislative/lease/policy of contractual obligations are not discharged leading to breaches of legislation and/ or contractual arrangements</li> <li>- Failure to effectively undertake the functions of a council</li> <li>- Contractual penalties and liabilities.</li> <li>- Inefficient systems that lead to loss of resources</li> <li>- Scrutiny and sanctions by integrity agencies</li> <li>- Resolutions not implemented in a timely manner, opportunities missed, legislative obligations unmet</li> </ul>
<b>Initial Risk Score:</b>	<p>21 (Extreme (4B)) - 84.00%</p>
<b>Initial Risk Comments:</b>	Council has obligations under many different legislative, policy and contractual instruments
<b>Residual Risk Score:</b>	<p>9 (Medium (3D)) - 36.00%</p>
<b>Residual Risk Comments:</b>	Notwithstanding many controls in place, few are systematized and most are administrative controls which rely on the diligence/knowledge of the Council Officer.
<b>Other Requirements/Comments:</b>	The ELT has made the decision not to resource a compliance function and therefore doesn't have either a compliance register of all legislative/contractual/policy obligations or a compliance officer role. All functional areas are responsible for their legislative/policy/contractual obligation compliance.
<b>Current:</b>	Yes

### Risk Controls



Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness
<p>Legal considerations considered in agenda report templates, updates from LGA, legal providers and professional associations. Professional and experienced management team. Register of leases and licenses. Legislative delegations register regularly reviewed, role specific training &amp; development. Policy registers, policies on web, MLS and WCS audits, contract registers, lease registers, internal audit program, external audit program Governance Legal Compliance Audit Employment of Procurement Coordinator Procurement Framework implemented. Experienced property team. Action List, Minutes, Council Resolution Update report.</p>	Lachlan Miller	26/07/2023	11/08/2023		PARTIALLY EFFECTIVE (Designed Partially Adequately; Operating Partially Effectively)
					

Actions								
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date	
Corporate Risk Register	Legislative compliance audit	Immediately	Lachlan Miller	NIL	100%	Complete (Accepted)	30/06/2016	
Corporate Risk Register	Development of contract management system, subject to funding	Immediately	Michael Carey	NIL	100%	Complete (Accepted)	31/12/2016	
Corporate Risk Register	Development of a legal opinions database	Immediately	Lachlan Miller	As all legal opinions are recorded and accessible in TRIM/RecordsHub, a legal opinions database would be an inefficient use of resources.	100%	Complete (Accepted)	30/06/2020	
Corporate Risk Register	Implementation of new delegations and authorisations management system and associated training.	Immediately	Steven Watson	Software has been implemented and is now being updated as delegation changes occur.	100%	Complete (Accepted)	29/06/2020	
Corporate Risk Register	Community & Recreation Facilities Framework will provide for greater standardisation in leasing terms and conditions	Immediately	Karen Cummings	The draft Framework was endorsed by Council in August 2022. Staff are now working on preparation of new Lease/Licensing/Management Agreement templates with Lawyers which will be progressively implemented by 1 July 2023.	70%	Not Complete (Overdue)	30/06/2023	

Corporate Risk Register	Implement Statutes Amendment (Local Government Review) Act 2021 provisions (see Action ID 278100)	Immediately	Lachlan Miller	<p>230811 - Final tranche of LG Reform regarding Audit Committees and Internal Audit to come into effect on 30/11/23. Minor modifications to the Audit Committee Terms of reference required.</p> <p><i>27/01/2023 by Lachlan Miller</i></p> <p>-</p> <p>The latest tranches of changes occurred with the November 2022 periodic elections (specifically COI, BMF)</p> <p><i>07/08/2022 by Lachlan Miller</i></p> <p>-</p> <p>Provisions continue to be released in tranches and the required actions and communications are undertaken at each date</p> <p><i>09/11/2021 by Lachlan Miller</i></p> <p>-</p> <p>Implementation and transition arrangements are being progressively developed and commenced in tranches. First two tranches 20 September and 10 November 2021 implemented.</p> <p><i>09/08/2021 by Lachlan Miller</i></p> <p>-</p> <p>See Action ID: 278100</p>	80%	In Process	30/11/2023
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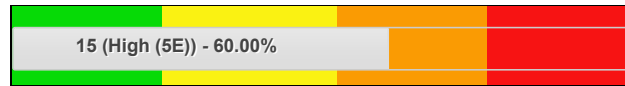
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<b>ID:</b>	Risk - 170933
<b>Risk Title or Work Activity:</b>	Strategic Risk - Community Land Management
<b>Risk Description:</b>	Failure to manage and develop public areas vested in, or occupied by the Council (F)
<b>Responsible Person:</b>	Terry Crackett
<b>Date of Risk Identification:</b>	06/02/2021
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Community Health & Wellbeing
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	Lack of strategic and operational processes to manage Council's property portfolio. Poor sports, recreation and open space management practices. Physical hazards to users Poor climate adaptation regimes Lack of maintenance Renewal works not undertaken as planned
<b>Possible Consequences:</b>	Increased cost to maintain infrastructure Reduced confidence in Council by the community Increased risks to staff and community when utilising facilities Disadvantage to AHC community over that of other areas Negative impact on community wellbeing
<b>Initial Risk Score:</b>	<p>25 (Extreme (5A)) - 100.00%</p>
<b>Initial Risk Comments:</b>	
<b>Residual Risk Score:</b>	<p>15 (High (5E)) - 60.00%</p>
<b>Residual Risk Comments:</b>	
<b>Other Requirements/Comments:</b>	
<b>Current:</b>	Yes

Risk Controls					
Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness

<p>CLMP Established: Karen: Dec 2024 Building Asset Management Plans Established: Karen: June 22 Sustainable funding for Asset Renewal and Mtce captured within LTFP: Chris / Karen: Annual Strategic Plan includes Goals / Objectives / Priorities associated with Public Areas : Karen: 2024 Sport &amp; Recreation Strategy: Renee : June 22 Property Structure &amp; Resourcing appropriate : Karen: Dec 22 Open Space &amp; Recreation Structure &amp; Resourcing appropriate : Chris : Dec 22 Audit of trees undertaken of high risk trees areas : Damian : Oct 2023 Inspection regime in place for high risk assets (building, playground equipment) : Customer Request System established and integrated with Asset Mgt System : David W : Dec 22 Cemeteries Operating Policy &amp; supporting mtce program: Alana: Dec 21 Leases and Licenses for public areas established: Gen : June 2023 Trails Strategy adopted : Renee : June 22 Strategic Bicycle Plan : Renee : June 22 Crown Land Review Completed</p>	Terry Crackett	30/01/2024	30/07/2023	A cross functional review of this risk was undertaken in July 2021. This review resulted in a reassessment of all controls and actions required.	Moderate reduction in risk
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Actions								
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date	
Corporate Risk Register	Update Community Land Management Plans	Six Months	Karen Cummings	Updated Community Land Management Plans and Register were adopted by Council in September 2019. A review of the Community Land Register and Community Land Management Plans should occur at least every 2 years.	100%	Complete (Accepted)	30/09/2021	
Corporate Risk Register	Programmed maintenance regime to be developed (land and buildings)	Immediately	Karen Cummings	Strategic Property Review endorsed by Council. Programmed maintenance schedules developed in Open Space and Civil Services areas. Building maintenance schedule being developed as part of Facility Framework, service standards to be developed. Open Space operation programs for roadside and reserve maintenance are incorporated into Road Reserves Annual Maintenance Program and to include in Roadside Vegetation Management Plan. Asset Management Plan Review included in 2022/23 Budget	92%	Not Complete (Overdue)	30/06/2023	

Corporate Risk Register	Review of Crown Land under care and control of Council	Six Months	Karen Cummings	<p>Detailed assessment of all land parcels undertaken and workshop and report provided to Council. Preliminary consultation completed in relation to potential land parcels to hand back to the Crown. Revocation of community land classification commenced with formal community consultation completed. A report was presented to Council in March 2021 to continue the revocation process that was endorsed. Application for approval for revocation has been lodged with the Minister for Planning. Following a response from the Minister for Planning, a workshop will be held with Council prior to a report being presented to Council for further consideration.</p> <p>Note 9/01/2023: Response received from Minister - revocation now referred to Crown Lands department to revoke the Community Land classification. Update report to be presented to Council at Jan 2023 Council meeting. Update by June 2023.</p> <p><i>11/07/2023 by Karen Cummings</i></p> <p>- Report to be considered by Council on 25/07/2023 for 18 parcels of Crown Land to be reverted back to the Crown</p> <p><i>04/01/2022 by Natalie Armstrong</i></p> <p>- Application for approval for revocation lodged with Minister for Planning.</p>	75%	Not Complete (Overdue)	30/06/2023
Corporate Risk Register	Review of the Trails Strategy (including Bicycle Plan)	Six Months	Renee O'Connor	<p>Trails Strategy developed and adopted by Council. Funding for implementation of the Strategy included in the 2022/23 Annual Business Plan.</p> <p><i>03/01/2023 by Renee O'Connor</i></p> <p>- The new Trails &amp; Cycling Rotes Framework has been endorsed, concluding the review of all previous trails &amp; cycling strategic documents.</p>	100%	Complete (Accepted)	30/06/2023
Corporate Risk Register	Building Asset Management Plans Updated	Six Months	Peter Bice	<p>The audit across buildings for valuations, condition assessment, insurance and sustainability base line has now been undertaken. The Building AMP is now in development, with the draft document nearing completion. Some delay has been experienced due to competing priority project delivery and staff vacancy, and an end of year completion is more realistic.</p>	75%	Not Complete (Overdue)	30/12/2023

Corporate Risk Register	LTFP reviewed to accommodate the ongoing cost of recovery from disaster events	Six Months	Christopher Janssan	<p>Council has considered the financial impact of significant events such as disasters including bushfire or storm as these type of events have occurred more regularly in recent years. As a result, Council has also assessed its Net Financial Liability ratio with an additional \$3m of borrowings represented by the top red line in the graph below. The resultant ratio shows that even with the additional \$3m, Council still maintains this ratio within a sustainable target range.</p> <p>The \$3m represents the likely Council net contribution to a very significant disaster in the order of \$10m taking into account financial assistance from State and Federal Governments. This assumption is also based on Council's strong preference to borrow if such a major event did occur rather than requiring an increase in rates to fund any financial impact.</p>	100%	Complete (Accepted)	31/03/2022
Corporate Risk Register	Finalise the Community Recreation Facilities Framework (by 31/12/2021) and develop a strategy for inclusion in the LTFP for future funding.	Six Months	Renee O'Connor	<p><i>03/01/2023 by Renee O'Connor</i></p> <p>-</p> <p>The Community &amp; Recreation Facilities Framework was endorsed by Council in 2022, &amp; financial implementation was included in the 2022 iteration of the LTFP review.</p> <p><i>01/08/2022 by Renee O'Connor</i></p> <p>-</p> <p>The final draft documents will be presented to Council at its August 2022 meeting for endorsement. Staged financial implementation has been considered &amp; included in the recent review of the LTFP.</p>	100%	Complete (Accepted)	31/03/2022
Corporate Risk Register	Undertake a review of the Sport and Recreation Strategy	Six Months	Renee O'Connor	<p><i>01/08/2022 by Renee O'Connor</i></p> <p>-</p> <p>Sport &amp; Recreation team staff have commenced the initial phase of the Sport &amp; Recreation Strategy review.</p>	15%	In Process	30/11/2023

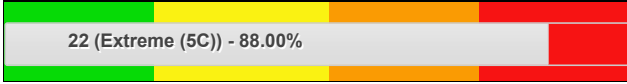
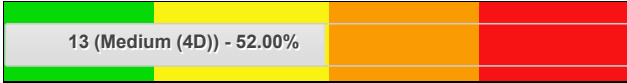
Corporate Risk Register	Develop Public Toilet Strategy	Six Months	Steve Sauerwald	<p>Development of a Public Toilet Strategy will include the assessment of existing facilities (including link to building audit to be undertaken), development of guidelines in relation to public toilet renewal and new options, development of priorities of upgrades and new, position in relation to supporting community groups who provide public toilet facilities in locations where Council does not provide public toilet facilities</p> <p><i>14/07/2023 by Steve Sauerwald</i></p> <p>- Physical Public Toilet audit commenced 11/07/2023. Gathered information will be collated with the Sprout audit information and presented in a one page per asset format. Anticipated completion by end of August 2023.</p>	30%	In Process	31/08/2023
Corporate Risk Register	Review the Open Space Mtce Programs to inform an update to the LTFP	Six Months	Nicole Budd	<p><i>16/01/2023 by Nicole Budd</i></p> <p>- Due to restructure within Open Space Ops team, we are finalising updated programs now that will be allocated within three new 'sub-teams' within the OPs team. Programs to be completed by end of February 2023.</p> <p><i>29/12/2021 by Nicole Budd</i></p> <p>- Mowing schedules have been updated to best reflect efficiency over the prime mowing season. Also, currently reviewing schedule for playground &amp; cemetery maintenance to ensure compliance with Australian Standards &amp; community expectations.</p>	80%	Person Responsible Complete	17/02/2023
Corporate Risk Register	In conjunction with Rec & Sport update the audit regime of high risk assets following finalisation of the Community Recreation Facilities Framework	Six Months	Karen Cummings	<p>Priority has been on implementing the Community and Recreation Facilities Framework which will continue into the first half of 2023. The Building audit findings have just been received in late 2022 and there have been no significant high priority risks identified. Staff will continue to implement the Community and Recreation Facilities Framework and review the building audit data and other data to identify high risk assets and their audit regime.</p>	30%	Not Complete (Overdue)	30/06/2023



Corporate Risk Register	Develop Cemetery Mgt Plans for each cemetery under AHC care and control	Six Months	Karen Cummings	Development of management plans for each cemetery will be undertaken as resourcing allows with the heritage listed cemeteries taking priority.	10%	Not Complete (Overdue)	30/06/2023
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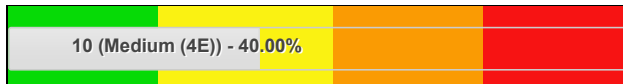
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<b>ID:</b>	Risk - 170817
<b>Risk Title or Work Activity:</b>	Strategic Risk - Environment
<b>Risk Description:</b>	Failure to manage, develop, protect, restore , enhance and conserve the environment in an ecologically sustainable manner and to improve amenity. (F)
<b>Responsible Person:</b>	Peter Bice
<b>Date of Risk Identification:</b>	15/05/2020
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Environment
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	<p>Cause:</p> <ul style="list-style-type: none"> <li>-Lack of understanding of biodiversity.</li> <li>- Inadequate planning controls,</li> <li>- Lack of specific skill and knowledge of natural environment,</li> <li>- Insufficient budget,</li> <li>- Lack of internal coordination in project delivery,</li> <li>- Inadequate emergency response to environmental hazard,</li> <li>- Lack of longitudinal planning and service delivery, difficulty of meeting varying community expectation,</li> <li>- Ineffective natural resource management strategies and processes.</li> <li>- Poor environmental management practices.</li> <li>- Illegal dumping</li> </ul>
<b>Possible Consequences:</b>	<p>Impact:</p> <ul style="list-style-type: none"> <li>- Damage to local environment</li> <li>- Financial - restoration of failure to act (fines plus the works to restore)</li> <li>- Reputational damage</li> <li>- Impact on human health and wellbeing due to the loss of visual amenity and ability to interact with nature</li> <li>- Local amenity not maximised</li> <li>- Health and economic impacts due to climate change</li> <li>- Failure to meet stakeholder expectation</li> </ul>
<b>Initial Risk Score:</b>	 <p>22 (Extreme (5C)) - 88.00%</p>
<b>Initial Risk Comments:</b>	
<b>Residual Risk Score:</b>	 <p>13 (Medium (4D)) - 52.00%</p>
<b>Residual Risk Comments:</b>	
<b>Other Requirements/Comments:</b>	Council continues to work locally but also partner with key agencies to advocate for improved ecological sustainability.
<b>Current:</b>	Yes

Risk Controls					
Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness

<ul style="list-style-type: none"> <li>- Biodiversity Strategy,</li> <li>- Water Management Plan</li> <li>- Biodiversity Advisory Group and Sustainability Advisory Group</li> <li>- Trained &amp; qualified staff</li> <li>- Safe working procedures</li> <li>- Blue Marker sites</li> <li>- Spill kits</li> <li>- SDS</li> <li>- Customer request system for reporting to us</li> <li>- Machinery hygiene</li> <li>- Development Plan</li> <li>- Strategic Plan Reviewed with Goal area for Natural Environment established (including priorities)</li> </ul>	Peter Bice	01/03/2021	12/11/2020		
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Actions							
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date
Corporate Risk Register	Water Resources strategy to be developed	Immediately	Sharon Leith	Water Management Plan endorsed by Council 13 December 2016.	100%	Person Responsible Complete	13/12/2016

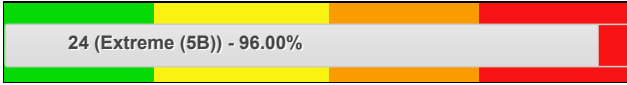
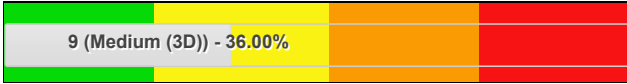
				Trail of first draft complete 31 Dec 2020 Trial of revised raft commenced 30 Jun 2021 Target adoption of final draft = 31 Dec 2021  <i>06/03/2021 by Ashley Curtis</i>  - PMF was in testing phase, however testing project officer left the organisation, placing the test on hold, to be continued by new project officer.			
Corporate Risk Register	Project Management framework (see action above)	Immediately	Ashley Curtis	<i>05/03/2021 by Peter Bice</i>  - Underway, drat documentation completed.  <i>05/03/2021 by Peter Bice</i>  - Underway, drat documentation completed.	100%	Complete (Accepted)	31/12/2021
Corporate Risk Register	Implementation plan for the Biodiversity Strategy to be developed; Interim review of Strategy	Immediately	Tonia Brown	Biodiversity Strategy endorsed by Council on 24/9/2019. Implementation plan for the Biodiversity Strategy complete.	100%	Person Responsible Complete	24/09/2019
Corporate Risk Register	Ensure adequate budget and human resources are allocated to the priority strategies articulated in the Biodiversity Strategy's Implementation Plan	Immediately	Peter Bice	Implementation plan for the Biodiversity Strategy complete. The plan informs Annual Programming and LTFF.	100%	Complete (Accepted)	26/02/2021
Corporate Risk Register	Establish a program to review the safe operating procedures to ensure that they incorporate contemporary management techniques to minimise environmental impacts.	Immediately	Christopher Janssan	Budget Bids to support this years program were included in the 2018-19 Annual Business Plan and Budget Process.	100%	Complete (Accepted)	26/02/2021
Corporate Risk Register	Expansion of Blue Marker Sites	Immediately	Christopher Janssan		100%	Complete (Accepted)	30/10/2016

**Documents**

Date Added	Document Name	Document Details
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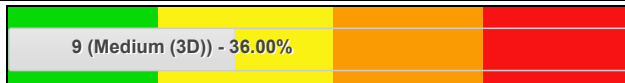
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<b>ID:</b>	Risk - 170941
<b>Risk Title or Work Activity:</b>	Strategic Risk - Financial
<b>Risk Description:</b>	Failure to manage, improve and develop the financial resources available to Council. (F)
<b>Responsible Person:</b>	Terry Crackett
<b>Date of Risk Identification:</b>	12/11/2020
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Financial
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	Poor internal control environment Poor procurement planning and processes. Ineffective insurance arrangements. Poor financial management processes (treasury, AP, AR) Poor contract management Poor People Management Ineffective Asset Planning Lack of Business Planning Poor Strategic Planning Lack of Business Case development (including Prudential Reviews)
<b>Possible Consequences:</b>	Potential for qualified accounts as an audit outcome; inappropriate segregation of duties; increased potential for fraud; negative impact on Council brand & reputation; lack of consistency in process use; inability to measure process effectiveness and outcomes; increased risk of litigation; inappropriate assets with short medium and long term financial impacts; potential inability to pay; negative impact on ability to service the community; poor customer relations; poor supplier relationships; potential impact on income from rates, fees and charges; increased risk of litigation leading to financial instability.
<b>Initial Risk Score:</b>	
<b>Initial Risk Comments:</b>	
<b>Residual Risk Score:</b>	
<b>Residual Risk Comments:</b>	
<b>Other Requirements/Comments:</b>	A cross functional review of this risk was undertaken in July 2021. This review resulted in a reassessment of all controls and actions required. Whilst the actions have now been individually created, separate controls are required to be captured.
<b>Current:</b>	Yes

Risk Controls					
Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness

<p>Long Term Financial Plan in place and regularly Reviewed; Annual Business Plan developed and aligned each year to the Long Term Financial Plan; Internal audit and annual review of internal controls; System security and configuration; Induction procedures; Recruitment and selection processes; Financial delegations; Informed level of insurance cover through LGAMLS, rating policy, process and timeframes; Asset management register and program; Executive Manager Governance and Risk employed; Procurement Co-Ordinator role employed; Qualified employees that are trained in policies; Conflict of interest declaration regularly reviewed (Directors/CEO); WHS procedures on plant purchasing, consultation and risk assessment; Fraud and Corruption Policy; Whistleblowers Policy; Insurance reviewed annually and all areas of insurance are reviewed and recalculated for following year; Wage declaration which affects the insurance calculation annually; insurance claims process; Quality accredited insurance company-LG Risk Services; insurer processes claims; professional internal advice; Financial management system; Updated Procurement Policy and Procedures Adopted by Council in 2019 (delegation and authority included); Code of Conduct for Employees and Council Members; Discipline processes; Ongoing training and development; Internal controls framework; Debt Recovery Policy and Accounts Reconciliation Policies updated and adopted External Fund Funding Policy adopted by Council (2017) Implementation of ContolTrack to monitor financial controls environment Treasury Policy established</p>	<p>Terry Crackett</p>	<p>28/02/2024</p>	<p>11/02/2023</p>	<p>A cross functional review of this risk was undertaken in July 2021. This review resulted in a reassessment of all controls and actions required. Whilst the actions have now been individually created, separate controls are however still required to be entered.</p>	<p>EFFECTIVE (Designed Adequately; Operating Effectively)</p>
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Actions								
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date	
Corporate Risk Register	Review positions across council that require criminal history checks, including financial roles	Immediately	Megan Sutherland	Updated Policy and Procedure covering the relevant criminal history check requirements have been adopted and training completed. Identified positions requiring checks are being updated or undertaken currently.	100%	Complete (Accepted)	30/06/2016	
Corporate Risk Register	Recruit Procurement Coordinator Role	Immediately	Michael Carey	Recruitment completed in June 2018	100%	Complete (Accepted)	30/09/2017	
Corporate Risk Register	Review of Procurement Policy and procedures (Stage 1)	Immediately	James Greenfield	Updated Policy and Procedure endorsed by Council in August 2019	100%	Complete (Accepted)	01/06/2019	
Corporate Risk Register	Review the process map of the insurance claims procedure to enable consistency of application.	Six Months	Steven Watson	220104 Development of process map has commenced. 220405 Creation and attached herein a Motor Vehicle Incident Report which is used for capturing information proceeding to an insurance claim. 220405 Creation and attached herein is an Asset Incident Report which is used for capturing information proceeding to an insurance claim. 220405 Attached herein is the LGRS Portal User Manuals 230215 This work was sidelined whilst work was undertaken on the LG Election and Council Member Induction process. Work is scheduled to recommence March 2023.	85%	Not Complete (Overdue)	30/06/2023	
Corporate Risk Register	Explore Grant funding opportunities	Immediately	Michael Carey	A Grant Funding Policy endorsed by Council.	100%	Complete (Accepted)	01/07/2016	
Corporate Risk Register	Develop a Treasury Management Policy	Immediately	Michael Carey	Policy endorsed by Council October 2017	100%	Complete (Accepted)	30/11/2018	
Corporate Risk Register	Implement the Cyber Security Plan	Six Months	James Sinden	A Cyber Security Plan has been developed and will be presented to Audit Committee for endorsement in May 2021 3rd August 20201 - The implementation of an ISMS is a part of the recently adopted Cyber Security Plan that was adopted at the June 2021 Council Meeting. Commencement is now delayed due to the resignation of a key AHC Staff member responsible for the delivery of the project. It's anticipated that the project will commence in late September 2021.  <i>09/01/2023 by James Sinden</i>  - Progress on the ISMS has been the development of an Information Security Manual and End User Security Procedures that are now progressing through formal review and endorsement by the organisation.	100%	Complete (Accepted)	30/06/2023	



				<p><i>02/08/2022</i> <i>by James Sinden</i></p> <p>- AHC is progressing its implementation of its ISMS (Information Security Management System) with the creation of a Cyber Security Calendar, Security Risk Register &amp; Information Asset Inventory.</p>			
				<p><i>10/05/2022</i> <i>by James Sinden</i></p> <p>- The LGITSA Cyber Security Framework has been completed and AHC is currently aligning its Cyber Security Plan to this framework in a sector wide approach of improving Cyber Security maturity. AHC has also engaged CyberCX in the implementation of AHC's ISMS (Information Security Management System) and work activity continues in this area.</p>			
				<p><i>01/04/2022</i> <i>by James Sinden</i></p> <p>- Work activity continues with this action where staff have been closely involved in the working group established by LGITSA (Local Government Information Technology South Australia) to develop a Local Government Cyber Security Framework that's been grant funded by the LGA. As the development of the framework progresses, AHC continues to build upon technical cyber security controls and implementation work activity with consultants that will align to a State based Cyber Security Framework.</p>			
Corporate Risk Register	Develop a Project Management Framework supported by Policies & Procedures	Six Months	Ashley Curtis	Draft Framework has been completed and use broadly across the organisation now occurring. Some refinement being made based on user feedback, with supporting Policies and Procedures developed but subject to ongoing refinement and review.	100%	Complete (Accepted)	30/06/2022

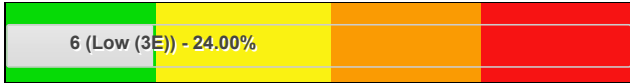
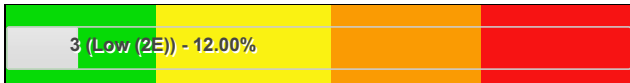
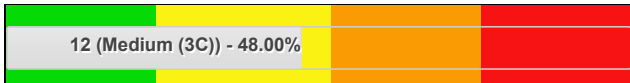
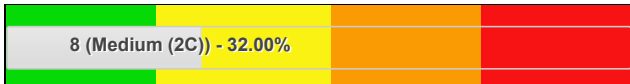
Corporate Risk Register	Undertake a review of the Fleet Management Framework (including Policies & Procedures)	Six Months	Christopher Janssan	A detailed analysis is being undertaken in 22-23 to confirm the approach to achievement and quantum of savings. Working with Manager People and Culture to look at make-up of fleet and will then work on Policy	20%	In Process	30/06/2024
Corporate Risk Register	Implement biannual reporting of procurement to ELT	One Month	James Greenfield	<i>05/11/2021 by James Greenfield</i> - PResentation held 04/11/2021. Presentations booked for Feb and Sept 2022	100%	Person Responsible Complete	31/08/2021
Corporate Risk Register	Establish a process to ensure that a review of Purchase Order variations is undertaken	Three Months	James Greenfield		100%	Complete (Accepted)	31/12/2021
Corporate Risk Register	Investigate the option for Business Interruption Insurance	Three Months	Steven Watson	LGRS have provided a proposal for undertaking Business Interruption Review (BIR) , however a proposal to undertake a Transferable Risk Profile (TRP) is occurring mid September 2021 which includes identifying Maximum Foreseeable Loss (MFL) on risks identified. Following the TRP an assessment will be made as to any gaps and consideration of furthering the BIR proposal.  210826 Met with stakeholders to discuss. We focused on a loss of rate revenue through a bushfire event and Council's willingness to fund a rate shortfall or willingness to cut services to accommodate such. The agreed approach was to seek quotes for Loss of Rate Revenue of \$5m, \$7m and \$10m for a period of 1, 3 and 5 years. We will reconvene once the quote has been received.  200104 Awaiting feedback from TC / LM on the quote and TRP information provided.  230215 This work was sidelined whilst work was undertaken on the LG Election and Council Member Induction process. Work is scheduled to recommence March 2023.	85%	Not Complete (Overdue)	30/06/2023
Corporate Risk Register	Provide a report to ELT on the Annual Placement of Insurance (including claims experience)	Two Months	Steven Watson	An item was presented to ELT on Thursday 26 August 2021 detailing the insurance report to the Audit Committee, claims history and where to find the insurance claims register. An action arising included presenting to ELT twice yearly on this matter during the months of March and September.  220421 - Another briefing presented to ELT on 21 April 2022.	100%	Person Responsible Complete	30/09/2021
Corporate Risk Register	Undertake an annual review of the Long Term Financial Plan to ensure that changes within the operating environment of Council are captured and accommodated to ensure long term financial sustainability can be achieved. Last reviewed Feb 23.		Elizabeth Packer		%	New	29/02/2024

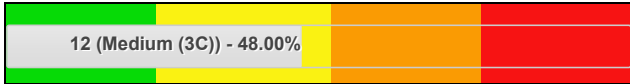
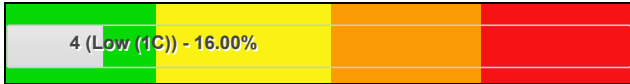
Documents		
Date Added	Document Name	Document Details

Saved PDF Versions			
Date Saved	Saved By	Revision	PDF Document

<b>ID:</b>	Risk - 170934
<b>Risk Title or Work Activity:</b>	Strategic Risk - People & Culture inc WHS
<b>Risk Description:</b>	Failure to manage, improve and develop the human resources available to the Council. (F)
<b>Responsible Person:</b>	Terry Crackett
<b>Date of Risk Identification:</b>	07/08/2020
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	People & Culture (includes WHS)
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	Poor IR practices Ineffective attraction and retention initiatives Lack of workforce planning and development. Deficient equity and diversity programs Poor leadership Failure to ensure appropriate WH&S for employees and volunteers. Volunteers not trained or inducted effectively
<b>Possible Consequences:</b>	Increased financial cost; potential litigation; decrease in morale; poor work performance; inability to deliver services; negative impact on council brand and reputation; lacking or ineffective policy/procedures; inability to meet the demand for volunteering opportunities, inability to offer attractive positions; council could fail to meet the legislative requirements if training avoided; not having available staff/volunteers to undertake work at required times; heightened number of complaints around EEO; ineffective management of human resources, lose ability to innovate through poor leadership; increased injured and notifiable incidents; potential death; litigation threatening the viability of the organisation; unable to attract employees and volunteers; lack of handover and transfer of valuable knowledge; challenges about fair and equitable process; higher turnover costs and negative affect on work culture; increase absenteeism.
<b>Initial Risk Score:</b>	<p>24 (Extreme (5B)) - 96.00%</p>
<b>Initial Risk Comments:</b>	There is a huge array of risks associated with the management of people within the organisation. Several large pieces of legislation have requirements to be met to manage these risks.
<b>Residual Risk Score:</b>	<p>12 (Medium (3C)) - 48.00%</p>
<b>Residual Risk Comments:</b>	There are significant controls in place to manage these risks, with responsibilities to provide procedures and process in key departments that are then utilised by people across the organisation, including People Leaders, employees and 'workers' from a WHS perspective.
<b>Other Requirements/Comments:</b>	
<b>Current:</b>	Yes

Risk Controls					
Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness

Volunteer Framework established and implemented Volunteer Policy Developed	Rebecca Shepherd	30/11/2022	05/08/2022	Volunteer Policy and additional procedures implemented and working effectively with improved practices. Volunteer Policy to be reviewed in 2022.	EFFECTIVE (Designed Adequately; Operating Effectively)
					
Recruitment Policies and Procedures in place	Anne Pett	30/03/2023	05/08/2022	Phase 2 of the HR System implementation will be commencing in August or September 2022 (still being finalised). With the Recruitment and Retention Audit recently being completed, a range of actions, including the update of the Recruitment and Selection Procedure and associated documents will now commence.	EFFECTIVE (Designed Adequately; Operating Effectively)
					
WHS Management System in place (Committee, Reporting, SkyTrust, Policy & Procedures) Regular audits by LGAWCS	Anne Pett	30/07/2023	05/08/2022	WHS policy, procedures, SOP's, risk assessments, inspections, hazard and incident reporting, audits, action processing and updating and use of Skytrust are all ongoing processes that continue to be used and reviewed.	EFFECTIVE (Designed Adequately; Operating Effectively)
					
Established Policies and Procedures Framework	Anne Pett	28/08/2023	05/02/2023	The OD Policy and Procedure Framework was adopted by Executive on 14/7/2022. Work will continue on the review and development of policies and procedures against this framework. This work has been placed on hold given the resignation of the Mgr People and Culture as well as the Team Leader OD. The new Mgr People and Culture will commence on 20 March 2023 at which time the progression of the Policy & Procedure Framework will recommence.	PARTIALLY EFFECTIVE (Designed Adequately; Operating Partially Effectively)
					
Leadership Framework Established and development opportunities undertaken	Anne Pett	30/09/2023	05/02/2023	This work has been placed on hold given the resignation of the Mgr People and Culture as well as the Team Leader OD. The new Mgr People and Culture will commence on 20 March 2023 at which time the progression of the Leadership Framework will be considered.	PARTIALLY EFFECTIVE (Designed Adequately; Operating Partially Effectively)
					

OD Structure supported through trained and experienced staff	Anne Pett	17/10/2023	17/07/2023	Following the resignation of the Mgr OD as well as the Team Leader OD and WHS Advisor, a resource and structure review was undertaken of the now People and Culture Department. This review has been completed and resulted in the provision of additional resourcing to support both the WHS and OD Advisory roles. The new Mgr People and Culture commenced on 20 March 2023 and the new WHS advisor will start 25 July 2023. The People and Culture Department was further reviewed as part of a Corporate Services resource and structure review. This review proposes the removal of the Team Leader OD position and redesigns the OD Advisor role to Senior People & Culture Officer. The OD Officer role is proposed to go full time. Changes are subject to feedback from consultation which closes 21 July 2023.	PARTIALLY EFFECTIVE (Designed Adequately; Operating Partially Effectively)
					
Enterprise Agreement Framework in place	Anne Pett	01/12/2023	05/08/2022	The Enterprise Development Agreements have been in place for many years. This provides Council the opportunity to work with employees in a consultative way, with their Union Organisers (as relevant), to discuss terms and conditions of employment, providing the framework, that sits over Awards, to manage our work and employees. Current Agreements are in place for Field and Office until 30 June 2025.	EFFECTIVE (Designed Adequately; Operating Effectively)
					
2022 Fair Treatment, Bullying & Grievance Policies and Procedures are established	Anne Pett	30/06/2024	05/08/2022	These documents are established and up to date. Their next scheduled review is 30 June 2024 or as legislation or internal controls require.	EFFECTIVE (Designed Adequately; Operating Effectively)
					
Established Position Descriptions for all roles:	Anne Pett	01/07/2024	05/02/2023	Position descriptions are reviewed at the appointment of recruitment or classification assessments. There is provision for PD's to be reviewed annually with the staff member and People Leader as part of the 4x8 process. OD has undertaken a review of position descriptions with a view to begin updating PD's periodically, particularly those that have not been reviewed more recently.  This work has been placed on hold given the resignation of the Mgr People and Culture as well as the Team Leader OD. The new Mgr People and Culture will commence on 20 March 2023 at which time the work will recommence.	EFFECTIVE (Designed Adequately; Operating Effectively)
					

Actions								
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date	
Corporate Risk Register	Equity and diversity plan is being developed	Six Months	Anne Pett	Since this action commenced, the Access and Inclusion Plan 2020-2024 has been adopted by Council in January 2021. A review of the direction of this action is needed so as not to double up on activities. This action has been delayed as resourcing has needed to focus on the HR and payroll system implementation, payroll processing each fortnight, WHS Action Plans and activities and day to day organisational support. The ongoing support of managing COVID and general illness across the organisation has also been important for OD. This action has not been progressed, P&C will be gathering Diversity data from employees that will support the DAIP, RAP and Our Watch and potentially inform an Access and Inclusion Plan (or similar).	30%	Not Complete (Overdue)	30/06/2023	

Corporate Risk Register	Review Fair Treatment and Bullying Procedures, and Grievance Resolution Procedure;	Six Months	Anne Pett	Fair Treatment, Workplace Bullying Policies and Grievance Procedure require an annual review to ensure currency	100%	Complete (Accepted)	01/07/2022
Corporate Risk Register	Review Work From Home Policy & procedures to ensure that meet the changing needs of the workforce stemming from COVID and increased fire events.	Two Months	Anne Pett	Procedures updated to respond to events in 2020 and were implemented successfully. Review now required to ensure application to a more business as usual mode of operation is effective.	100%	Complete (Accepted)	30/10/2021
Corporate Risk Register	Implement replacement Payroll system to comply with legislative requirements that will not be possible with existing system on 1 January 2022.	Immediately	Michael Carey	<p>Project team established and options for upgrade being considered. Advise received that critical deadline may move to 30 June 2022. System set up is well progressed and testing currently underway. The majority of the setup work has now been completed. Go live date was re set for mid February 2022. Go live was reset for 28 March 2022</p> <p><i>11/05/2022 by Megan Sutherland</i></p> <p>- Community Payroll was implemented on the week of 28/3/2022.</p> <p><i>22/04/2021 by Megan Sutherland</i></p> <p>- Currently working with ICT Team and the external system provider to map out requirements. ICT managing the implementation plan.</p>	100%	Complete (Accepted)	01/04/2022

Corporate Risk Register	Undertake training in recruitment practices for staff involved in recruitment panels	Six Months	Anne Pett	<p>Phase 1 of the HR system has been implemented. We are currently scoping out and prioritising Phase 2 of the system implementation which will include Employee Self Service and e-Recruitment. The Recruitment Audit has also been undertaken (May 2022) with the initial report returned (20 June 2022).</p> <p>This work has been placed on hold given the resignation of the OD Manager and Team Leader. The new Mgr People and Culture will commence on 20 March 2023 at which time work will recommence.</p> <p>The Recruitment &amp; Selection Policy and Procedure was supported by ELT in July 2023 and CEO approval is imminent. Following approval training will be deliver to all relevant staff across Council who have responsibility for recruitment and selection.</p> <p><i>07/02/2022 by Niamh Milligan</i></p> <p>-</p> <p>This action will be addressed as part of the work that will occur around the implementation of e-Recruitment through the new HR System, Lanteria. We are working towards the new system going live currently.</p>	20%	Not Complete (Overdue)	30/06/2023
Corporate Risk Register	Review how the Work from Home Procedure is going and if positively contributing to effective and efficient work and working relationships across the organisation.	Three Months	Megan Sutherland	<p>Given the current pandemic arrangement there has been considerable review of WFH processes and procedures. There is still a level of follow up required to ensure compliance. A new register has been established to monitor which employees are working from home each day.</p> <p><i>11/05/2022 by Megan Sutherland</i></p> <p>-</p> <p>WFH processes are reviewed in an ongoing way to enable work to be undertaken that meets the needs of the organisation and it's people. Further work will be progressed as we lead the organisation out of the the 'COVID crisis' and determine if or where any changes to these practices are needed.</p>	100%	Complete (Accepted)	30/04/2022
Corporate Risk Register	Leadership Coaching & Mentoring Program Progressed	Six Months	Anne Pett	<p>This work has been placed on hold given the resignation of the Mgr People and Culture as well as the Team Leader OD. The new Mgr People and Culture will commence on 20 March 2023 at which time the progression of the Leadership Framework will be considered.</p> <p>The Leadership Framework will be considered as part of the review of Values and Behaviours.</p>	5%	In Process	30/12/2023
Corporate Risk Register	Review OD Structure to ensure resources aligned to corporate goals and undertake recruitment to ensure revised structure resourced.	Three Months	Megan Sutherland	<p>Revised structure established and currently out to consultation with staff. Additional resource to to support OD approved within the 2021/22 budget. Systems project resource endorsed by ELT on 5/8/21. Changes to OD structure are currently being implemented.</p> <p>One position has been appointed and is working well. The recruitment process has been completed for the other role and commences in Jan 2022</p>	100%	Complete (Accepted)	20/12/2021




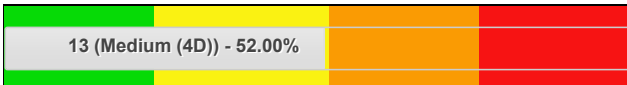
Corporate Risk Register	Update OD Policies & Procedures to align to Framework.	Six Months	Anne Pett	<p>The OD Policy and Procedure Framework has been adopted by Executive on 14/7/2022. Review and update of documents will continue against this Framework. All OD policy/procedures and procedures will not be completed by Dec 2022. Work will continue until all documents have been updated. A Reference Group has been established to support this review process.</p> <p>The Policy and Procedure was reviewed resulting in the consolidation, deletion and creation of policies/procedures. ELT approved the revised framework on 13 July 2023 with a prioritised implementation schedule. It is anticipated that all documents will be reviewed and implemented over a period of 12-18 months.</p> <p><i>21/06/2022 by Niamh Milligan</i></p> <p>- A proposed OD Policy and Procedure Framework was workshopped with the EM OD on 15/06/2022 with feedback incorporated. It will be presented to ELT at the next 'Develop' meeting on 14 July 2022.</p> <p><i>07/02/2022 by Niamh Milligan</i></p> <p>- We are continuing to work through the update of policies and procedures with the current focus being on the Leave Procedure which is currently being reviewed.</p>	15%	Not Complete (Overdue)	02/12/2022
Corporate Risk Register	Undertake Audit of Position Descriptions to Ensure currency and ensure update where not current	Six Months	Karlee Cook	<p>OD has undertaken a review of position descriptions with a view to begin updating PD's periodically, particularly those that have not been reviewed more recently. Note: all PD's across the organisation will not be reviewed by end of 2022 particularly due to the ongoing implementation of the HR system which is expected to continue into 2023 and takes significant resourcing.</p> <p>The review of Position Descriptions has not progressed and additional resources will be required to achieve, which could be through engaging a temporary contractor.</p> <p><i>27/01/2022 by Niamh Milligan</i></p> <p>- The OD Advisor has commenced this review with an initial focus on ensuring that we have position descriptions for all positions and identifying any gaps.</p>	15%	Not Complete (Overdue)	31/12/2022

Corporate Risk Register	Training and Development Framework Reviewed & Implemented (captures current 4x8, WHS and Corporate Training needs)	Six Months	Niamh Milligan	<p>T&amp;D is managed in OD in two discrete areas, WHS and HR. The WHS Action Plan and Improvement Plan are both focused on updating training information and developing training plans. Around 75% of the organisation's staff will have their WHS requirements logged against them/their position in Skytrust by end of Sept 2022. Data has been collected and discussed with People Leaders for HR also. This will be added to the HR system once the training module is implemented (timing of this still being determined) and likely to commence later in 2023.</p> <p>The HR System has now been paused and the intent to go out tender in October. The TNA is 100% loaded in SkyTrust and a training plan will be developed by October.</p> <p><i>07/02/2022 by Niamh Milligan</i></p> <p>-</p> <p>The OD Advisor has commenced. A meeting is scheduled with the EM OD on 7/2/22 to discuss the WHS Action Plan which includes work associated with a WHS T&amp;D Framework which will be expanded to included corporate training.</p> <p><i>07/02/2022 by Niamh Milligan</i></p> <p>-</p> <p>The OD Advisor has commenced. A meeting is scheduled with the EM OD on 7/2/22 to discuss the WHS Action Plan which includes work associated with a WHS T&amp;D Framework which will be expanded to included corporate training.</p>	20%	In Process	30/12/2023
Corporate Risk Register	WHS Policy & Procedure Review at LGAWCS followed by AHC application	Six Months	Anne Pett	The plan to update the WHS procedures is being followed with 17 procedures and forms updated and approved via Executive. Other work is progressing to develop training that can be run via Skytrust to provide basic procedure knowledge, including a knowledge checking process.	75%	Not Complete (Overdue)	30/06/2023
Corporate Risk Register	WHS Reporting across organisation to be reviewed to ensure awareness and education is appropriate. Revised reporting requirements to be implemented if identified.	Six Months	Lee Merrow	Reporting has been updated as a result of audit feedback. Ongoing monitoring and further improvement will take place as the reporting is used and reviewed in the organisation.	100%	Complete (Accepted)	30/11/2021

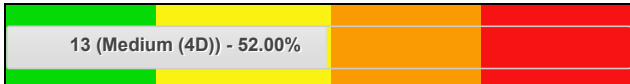
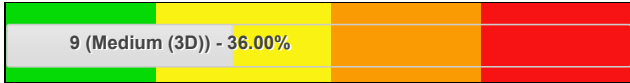
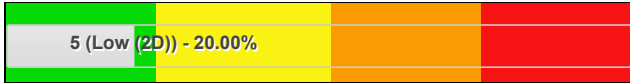
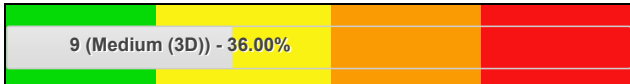
Documents		
Date Added	Document Name	Document Details

Saved PDF Versions			
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<b>ID:</b>	Risk - 170939
<b>Risk Title or Work Activity:</b>	Strategic Risk - Information Services
<b>Risk Description:</b>	Failure to manage, improve and develop the information resources available to the Council. (F)
<b>Responsible Person:</b>	Terry Crackett
<b>Date of Risk Identification:</b>	06/02/2021
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Information Technology
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	Cause: - Business systems do not effectively support organisational needs - Poor information management practices (capture, use, storage, retrieval).
<b>Possible Consequences:</b>	Inefficiency; increased risk of errors (from manual systems); negative impact on council brand & reputation; decreased staff morale; potential for increased turnover of staff; lack of consistency; increased cost in undertaking work; systems cannot be upgraded due to inadequate hardware layer; inability to test updates before being implemented; lack of information sharing; working in information silos; failure to capture corporate knowledge effectively; misinformation that leads to negative or undesired outcomes; residents being misinformed or misled; potential legal or financial implications.
<b>Initial Risk Score:</b>	
<b>Initial Risk Comments:</b>	
<b>Residual Risk Score:</b>	
<b>Residual Risk Comments:</b>	
<b>Other Requirements/Comments:</b>	
<b>Current:</b>	Yes

Risk Controls					
Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness
ISMS (Information Security Management System) - LG Cyber Security Framework	James Sinden	08/01/2024	09/01/2023	The level of effectiveness of this control will be determined by the ongoing resourcing that is applied to implement the Cyber Security Framework Cyber Security Audit Completed and endorsed by Audit Committee Implementation plan developed for establishing a Cyber Security Plan and aligned to LG Cyber Security Framework Implement Cyber Security Controls Enacted Undertake penetration testing of corporate systems	Major reduction in risk

					
ICT Business Continuity Systems established	James Sinden	08/01/2024	09/01/2023	Data Centre established & diverse geographic locations and immediate switchover capability Hierarchical back up regime Cloud First Strategy in place & transition of systems occurring System & Application MAO (Maximum Acceptable Outage) - set to organisational requirements Undertake system outage testing	EFFECTIVE (Designed Adequately; Operating Effectively)
					
Information Services Team resourced in accordance with required structure (including \$ & FTE)	James Sinden	08/01/2024	09/01/2023	Induction processes & onboarding driven through OD Systems security & access protocols Work from home access regime	EFFECTIVE (Designed Adequately; Operating Effectively)
					
Information Services Strategic Plan Developed (2022)	James Sinden	08/01/2024	09/01/2023	A review of the Information Services Strategic Plan has commenced (Jan 22) with ISSRG. Draft Information Services Strategic Plan created Consolation with ISSRG and Executive completed Digital Transformation Plan (tactical plan) developed	Major reduction in risk
					

Actions										
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments				Percent Complete	Status	Due Date

Corporate Risk Register	Review the Information Services Business Plan	Six Months	James Sinden	<p>The Information Services Business Plan is reviewed on an annual basis to align with the setting of LTFP and Budget..</p> <p><i>07/05/2021 by David Collins</i></p> <p>-</p> <p><i>26/02/2021 by David Collins</i></p> <p>-</p> <p>Confirm Asset Management System is implemented an in use by the organisation.</p>	100%	Complete (Accepted)	30/12/2021
Corporate Risk Register	Finalise development of Cyber Security Framework (including implementation Plan)	Six Months	James Sinden	<p>Implementation of the Cyber Security Program has been completed and has moved into operations mode within the Information Services Department.</p> <p><i>02/08/2022 by James Sinden</i></p> <p>-</p> <p>The LGITSA Cyber Security Framework has been completed and AHC has aligned the Cyber Security Plan (the implementation plan) to the framework and commenced implementation of the ISMS (Information Security Management System).</p> <p><i>10/05/2022 by James Sinden</i></p> <p>-</p> <p>The implementation of an ISMS is a part of the recently adopted Cyber Security Plan (Framework) that was adopted at the June 2021 Council Meeting.</p> <p>Commencement was delayed due to the resignation of a key AHC Staff member responsible for the delivery of the project.</p> <p>After advertising for a Senior Cyber Security ICT Officer, Council was unable to find an appropriate candidate given there is considerable demand in the industry for these skillsets.</p>	100%	Complete (Accepted)	30/06/2023

				<p>In the short term a specialist contract resource is being used to progress with implementation.</p> <p>The newly appointed Team Leader ICT has already introduced a formal ITIL Change Management process using the forms engine via the corporate website for both external vendors and internal ICT change control.</p> <p>Development of ICT Policy and implementation of an ICT Operations Manual planning has started and AHC Staff have assisted with the development of a Local Government Cyber Security Framework that has been grant funded by the LGA and facilitated by LGITSA (Local Government Information Technology South Australia) and external consultants. A draft version of the framework is expected to be released shortly to the LG Sector for feedback.</p> <p>The LGITSA Cyber Security Framework has been completed and AHC is currently aligning its Cyber Security Plan to this framework in a sector wide approach of improving Cyber Security maturity. AHC has also engaged CyberCX in the implementation of AHC's ISMS (Information Security Management System) and work activity continues in this area.</p> <p><i>01/04/2022 by James Sinden</i></p> <p>-</p> <p>Work activity continues with this action where staff have been closely involved in the working group established by LGITSA (Local Government Information Technology South Australia) to develop a Local Government Cyber Security Framework that's been grant funded by the LGA. As the development of the framework progresses, AHC continues to build upon technical cyber security controls and implementation work activity with consultants that will align to a State based Cyber Security Framework.</p>			
Corporate Risk Register	Implement new records management system in conjunction with SharePoint upgrade	Six Months	James Sinden	Completed Action - New SharePoint environment implemented, Record Point software acquired to replace TRIM and installed, project plan established for EDRMS and architecture completed. Build of Test Environment completed and software integration with line of business systems being undertaken. Live environment built and configured and staged rollout commenced in 2020. TRIM Migration Project completed with contractors (AvePoint)	100%	Complete (Accepted)	30/06/2017

Corporate Risk Register	Develop business case for the electronic capture of all records currently stored in hardcopy format both onsite and offsite.	Six Months	James Sinden	<p><i>10/05/2022</i> <i>by James Sinden</i></p> <p>- The business case developed identified cost estimates that exceed current budget allocation and further analysis is required if the activity is to progress.</p> <p><i>01/02/2022</i> <i>by Jody Atkins</i></p> <p>- Corrected dates: The Scan on Demand proposal was issued to Management November 2020, with a business case issued August 2021, waiting Managers approval for Scan on Demand to occur.</p> <p><i>01/02/2022</i> <i>by Jody Atkins</i></p> <p>- The development of a business case for electronic capture of all hard copy records has commenced. The Scan on Demand proposal was issued to Management November 2019, with a business case issued August 2020, waiting Managers approval for Scan on Demand to occur. Clearing of back Woodside room has occurred to enable over 2000 files to be in a more fire safe environment. Clearing of hard records in other worksites (Heathfield, Garrod Ave, Lobethal, Gumeracha and parts of Nairne Road) have been completed. Still an area in Nairne Road to be cleared (dungeon).</p>	100%	Complete (Accepted)	26/02/2022
Corporate Risk Register	Progress transition to cloud for remaining applications / systems	Six Months	James Sinden	<p><i>08/08/2023</i> <i>by James Sinden</i></p> <p>- CRM System has been given Captial funding to progress work activity for a renewal of the solution and migration to cloud hosting. A project control group has been established and is currently engaging with the organisation with a view to undertake a tender process for the work activity.</p>	25%	In Process	30/06/2027



*07/07/2023*  
*by James Sinden*

-  
Scoping work for implementation of Microsoft 365 - Teams Calling

*07/07/2023*  
*by James Sinden*

-  
Developed and implemented a new Council Members Portal in November 2022 for the new Council with M365

*09/01/2023*  
*by James Sinden*

-  
MS Teams Cloud migration scoping and planning work is underway

*02/08/2022*  
*by James Sinden*

-  
SharePoint Cloud migration scoping out requirements for the EDRM's has commenced including analysis of data governance compliance.

*02/08/2022*  
*by James Sinden*

-  
SharePoint Cloud migration scoping out requirements for the EDRM's has commenced including analysis of data governance compliance.

				<p><i>10/05/2022</i> <i>by James Sinden</i></p> <p>- Payroll Phase 2 (Electronic Timesheet Solution) to commence in May Human Resources (Employee Self Service Portal) Phase 2 to commence in May</p>			
				<p><i>01/04/2022</i> <i>by James Sinden</i></p> <p>- Significant work has been undertaken in transition to Cloud for the following system. Payroll - Completed - Phase 1 Human Resource - Phase 1 Active Director - Completed Exchange - Completed Endpoint Detection &amp; Response (Microsoft Defender Security) - Completed and removal of redundant EDR systems (Carbon Black, Proofpoint etc)</p>			
Corporate Risk Register	Review Information Services Strategic Plan	Six Months	James Sinden	The Information Services Strategic Plan is being reviewed by ISSRG (Information Strategic Reference Group) to align to the technology system reference within the Council Strategic Plan - A Brighter future: Strategic Plan 2020-24 Objective 6 - Technology and innovation.	100%	Complete (Accepted)	30/06/2022

**Documents**

Date Added	Document Name	Document Details
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**Saved PDF Versions**

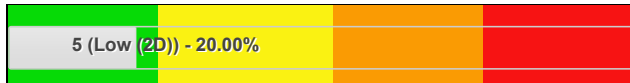
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<b>ID:</b>	Risk - 150009
<b>Risk Title or Work Activity:</b>	Strategic Risk - Development
<b>Risk Description:</b>	Failure to plan at the local and regional level for the future development and future requirements of the area. (F)
<b>Responsible Person:</b>	Natalie Armstrong
<b>Date of Risk Identification:</b>	15/09/2020
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Service Delivery
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	<p>Cause:</p> <ul style="list-style-type: none"> <li>- Poor understanding of development, infrastructure, population, transport, demographics and trends</li> <li>- Ineffective liaison with state and federal planning and development agencies.</li> <li>- Ineffective strategies to enhance and conserve character areas and iconic sites.</li> <li>- Poor place making strategies.</li> <li>- Deficient planning and building rules consent practices.</li> <li>- Ineffective infrastructure planning processes.</li> <li>- Lack of appropriately trained and experienced staff.</li> <li>- Poor business planning and budgeting processes to allocate sufficient resources to functions</li> </ul>
<b>Possible Consequences:</b>	<p>Impact:</p> <ul style="list-style-type: none"> <li>- Poor planning and development outcomes, ad-hoc and reactionary planning, unresponsive approaches to addressing community needs and trends</li> <li>- Uncoordinated approaches to infrastructure provision, lack of partnership &amp; funding arrangements, lack of collaborative &amp; mutually beneficial outcomes for community, Council and State Govt., duplication of services and resources</li> <li>- Disempowered community with poor and inefficient use of public spaces</li> <li>- Dysfunctional organisation with a poor reputation resulting in community dissatisfaction with level and type of service provision resulting in a Council regime change</li> <li>- Non-compliant with legislative responsibilities resulting in considerable liability exposure</li> <li>- Inconsistent and misdirected operations and service provision</li> </ul>
<b>Initial Risk Score:</b>	<p>21 (Extreme (4B)) - 84.00%</p>
<b>Initial Risk Comments:</b>	Lack of poor planning, adequately trained staff, poor research into planning issues facing the Council area from a planning and development point of view leading to poor development outcomes, unresponsive planning policy and controls and lack of appropriate or required infrastructure
<b>Residual Risk Score:</b>	<p>5 (Low (2D)) - 20.00%</p>
<b>Residual Risk Comments:</b>	Employment of appropriately trained and qualified staff; undertaking thorough analysis of planning policy and development related matters facing Council; having adequate community engagement into these matters to ensure development policies are responsive to community needs and aspirations; having appropriate training and delegations in place for effective and efficient decision making for development assessment function; having an effective, trained and experienced Council Assessment Panel in place to determine delegations to the Assessment Manager/staff and make decisions on complex development applications.
<b>Other Requirements/Comments:</b>	

<b>Current:</b>	Yes
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**Risk Controls**

Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness
<ul style="list-style-type: none"> <li>- Development Policy Planning function in place to monitor, analyse and advise</li> <li>- Implementing and transitioning to the new Planning &amp; Design Code</li> <li>- Up to date Policy in place</li> <li>- Privately funded Code Amendment Policy and other development related policies in place</li> <li>- Participation in relevant forums with State &amp; Federal Govt and other stakeholder groups regarding any changes to development policy</li> <li>- Undertake responsibilities outlined in the Collaborative Work Plan between SPC and Council regarding transitioning to the new Planning, Development &amp; Infrastructure (PDI) Act 2016</li> <li>- Transition and amend where required the Council's Development Plan to the Planning &amp; Design Code over the next 3 years in accordance with the PDI Act</li> <li>- Precinct Planning Framework and expertise in place</li> <li>- Skilled and experienced planning, building, infrastructure, sport &amp; recreation planning, community development and economic development teams in place</li> <li>- Community engagement and consultation methodologies in place to accord with the State's Community Engagement Charter</li> <li>- Relevant development assessment staff and CAP members accredited in accordance with the State's Accreditation Scheme</li> <li>- 4x8 processes identifying training and development needs</li> <li>- Development and PDI Act delegations and sub-delegations</li> <li>- CAP in place and functioning</li> <li>- Adopted District Master Plan in place</li> <li>- Regional Climate Change Adaptation Plan - Resilient Hills and Coast</li> </ul>	Deryn Atkinson	01/12/2023	01/06/2023	It is noted that the SAPC continues to make changes to the P&D Code with the anticipated Miscellaneous Technical Enhancement Code Amendment envisaged to be uploaded to the P & D Code by 2 June 2023. Opportunity to contribute to the Greater Adelaide 30 Year Regional Plan Review later in 2023 is anticipated with the release of a discussion paper by the SAPC proposed in Q3 of 2023.	EFFECTIVE (Designed Adequately; Operating Effectively)



**Actions**

Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date
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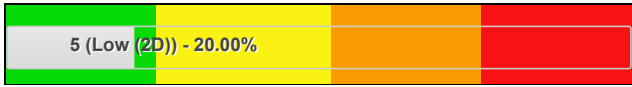
Corporate Risk Register	Rollout of Precinct Planning methodologies as projects are identified	Immediately	James Szabo	COMPLETED. Precinct Planning methodology in place and Place Making Coordinator role established to role out place making initiatives as and when required. Stirling Mainstreet Design Guidelines and Crafers Mainstreet Urban Design Framework completed. Gumeracha mainstreet project underway. Discussions underway with Imagine Uraidla group to commence possible mainstreet project.	100%	Complete (Accepted)	01/01/2021
Corporate Risk Register	Progression of outstanding DPA: Local Heritage (Stage 1 DPA) to be lodged with the Minister for approval in May 2018	Immediately	James Szabo	COMPLETED. Stage 1 DPA approved by SPDC on 14 August 2018 and subsequently by the Minister for Planning on 8 August 2019.	100%	Complete (Accepted)	01/09/2019
Corporate Risk Register	Implementation of Planning, Development & Infrastructure (PDI) Act reforms	Immediately	Deryn Atkinson	COMPLETE: The PDI Act went live for our Council area on 19 March 2021. By the go live date, staff had prepared all the delegations, policies and procedures provided by the State Planning Commission (SPC) and in accordance with the business readiness program. However, the SPC continues to make changes to the delegations and policies & procedures in response to identified issues with the new system. It is anticipated that this will be ongoing for the rest of 2021. Although the compliance inspection module has been implemented by the SPC, full functionality is yet to be determined and staff will monitor this to decide on whether or not the integration with Open Office and the new Planning Portal is still required.	100%	Complete (Accepted)	19/03/2021
Corporate Risk Register	Transition of Development Plan into the new Planning & Design (P&D) Code	Immediately	James Szabo	COMPLETED: Council participated in forums with the State Planning Commission to ensure that desired changes to the Rural Planning Policy were incorporated into development of Planning & Design Code. The entire Development Plan has now transitioned into the aforementioned Code which went live on 19 March 2021. Although not all desired development policies were transitioned into the Code, staff will monitor the assessment of applications and outcomes achieved. If required, recommendations will be put to Council to seek desired amendments to the Code to achieve the desired outcomes in the future.	100%	Complete (Accepted)	19/03/2021
Corporate Risk Register	Asset Management Planning - renewal and future requirements	Immediately	Peter Bice	IN PROGRESS. Asset Management Plan reviews underway, and ongoing. Jeff Roorda Review findings and reasonable assumptions being considered and incorporated where appropriate.  <i>06/07/2021 by Peter Bice</i>  - Asset Management planning is legislated, and we work with our Auditors annually to ensure the updating schedule is appropriate, and our Asset Management Maturity continues to improve.	100%	Complete (Accepted)	30/06/2021
Corporate Risk Register	Regional Climate Change Adaptation Plan - Resilient Hills and Coast	Immediately	Peter Bice	COMPLETED. Plan endorsed by Council 27/09/16  <i>13/10/2021 by Peter Bice</i>  -	100%	Complete (Accepted)	31/12/2021

Documents		
Date Added	Document Name	Document Details

Saved PDF Versions			
Date Saved	Saved By	Revision	PDF Document

<b>ID:</b>	Risk - 170851
<b>Risk Title or Work Activity:</b>	Strategic Risk - Growth and Prosperity
<b>Risk Description:</b>	Failure to promote the Council area and provide an attractive climate and locations for the development of business, commerce, industry and tourism (F)
<b>Responsible Person:</b>	David Waters
<b>Date of Risk Identification:</b>	09/02/2021
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Growth & Prosperity
<b>Team:</b>	Executive Leadership Team Economic Development Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	<p>Cause:</p> <ul style="list-style-type: none"> <li>-- Inadequate provision for commercial development in the Development Code</li> <li>-- Minimal or no understanding of, and support for, business and tourism representative groups/associations</li> <li>-- Lack of business operating skills in people who wish to run a business</li> <li>-- Lack of understanding of economic drivers</li> <li>-- Inappropriate infrastructure in industrial precincts or nodes, placing barriers on development of industrial precincts.</li> <li>-- Lack of understanding of tourism demand</li> <li>-- Poor business sustainability in the face of economic challenges</li> </ul>
<b>Possible Consequences:</b>	<p>Impact:</p> <ul style="list-style-type: none"> <li>-- Loss of local jobs</li> <li>-- Loss of basic local retail and service businesses</li> <li>-- Devaluation of local residential and commercial property</li> <li>-- Rise in social problems and reduced quality of life</li> <li>-- Reduced property values</li> <li>-- Impact on Council's reputation as being across economic issues and supporting sustainable development</li> </ul>
<b>Initial Risk Score:</b>	<p>17 (High (3B)) - 68.00%</p>
<b>Initial Risk Comments:</b>	Inherent risk assessment considered impacts to both the local economy and the Council's reputation (as per consequences outlined above).
<b>Residual Risk Score:</b>	<p>5 (Low (2D)) - 20.00%</p>
<b>Residual Risk Comments:</b>	Residual risk rating is based on the existing controls. It is noted that there are other risk events entirely outside of Council's control which affect economic prosperity in the district and these are not considered here.
<b>Other Requirements/Comments:</b>	
<b>Current:</b>	Yes

Risk Controls					
Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness

<p>Current Economic Development Plan 2020-24 (adopted by Council Feb 21, replacing former Economic Development Strategy); Team of 2 FTE experienced and highly competent officers employed to deliver EDP and provide support to this risk area (the second FTE resourced by Council in 2020); Regular pattern of engagement with local business communities and stakeholder groups; Database containing contact details of all people operating businesses in the district, to enable e-communication (qtlly business newsletter and ad-hoc as required); Partnership with Mount Barker DC and SATC to fund Adelaide Hills Tourism, which is designed to help providers understand and leverage tourism opportunities; Annual subscription to Economy.id, which enables ready access to economic demographic data for the Council district, available for businesses and the public; Active participation in Adelaide Hills Business Support Network, comprising representatives of agencies providing business support services in the Hills.</p>	David Waters	05/08/2024	09/08/2023	Comprehensive risk review undertaken August 2022 to update actions and controls. New risk event identified. Old (completed) actions deleted and new actions added.	Major reduction in risk
					

Actions							
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date
Corporate Risk Register	Development of revised Economic Development Strategy Action Plan, involving engagement with key stakeholders to ensure Council's role is appropriately identified.	Immediately	Melissa Bright	<p>Workshop held with Council Members late 2020. Anticipated to come to Council in March 2021 for adoption. Implementation to follow in the ensuing years.</p> <p><i>08/04/2021 by Melissa Bright</i></p> <p>- Economic Development Plan finalised and endorsed by Council on 23 Feb 2021</p>	100%	Complete (Accepted)	31/03/2021
Corporate Risk Register	Identify significant economic infrastructure issues and opportunities	Immediately	Marc Salver	COMPLETED: Manager ED worked with key stakeholders to progress two major transport routes - b-double access to Lobethal and Northern Freight Train Bypass. The B-double access project was completed in 2019. However, the State Government announced they would not be progressing the Northern Freight Train Bypass.	100%	Complete (Accepted)	31/12/2016
Corporate Risk Register	Assess effectiveness of key points of AHC engagement with community	Immediately	Marc Salver	Ongoing through role of Community Engagement Coordinator, through the introduction of online engagement tool and use of other social media platforms and engagement methodologies	100%	Complete (Accepted)	01/07/2016
Corporate Risk Register	Active and positive engagement with local business communities	Immediately	Melissa Bright	Ongoing role of MED	100%	Person Responsible Complete	01/07/2016



Corporate Risk Register	Encourage an integrated and coordinated approach across all levels of govt to create a diverse and sustainable economy across the District	Immediately	Melissa Bright	Actively developing and maintaining relationships with relevant State and Commonwealth Govt agencies	100%	Person Responsible Complete	30/10/2016
Corporate Risk Register	Work actively with business groups and associations, providing resources to interact and network on a consistent basis. Key role for EDO	Immediately	Melissa Bright	The Manager ED is actively building relationships with existing business associations and working with communities that currently do not have business groups (e.g. Gumeracha, Northern Hills, Lobethal) to explore the benefits	100%	Person Responsible Complete	30/12/2016
Corporate Risk Register	Assess effectiveness of key points of engagement with community e.g. website, contact centre, development approval process, waste, health and regulatory services	Immediately	Melissa Bright	Quarterly e-newsletters distributed to more than 6,000 registered ABNs in the region. Mostly achieving above industry standards with at least 30% open rate and over 10% click rate.	100%	Person Responsible Complete	30/12/2016
Corporate Risk Register	Develop business contact database	Immediately	Melissa Bright	NIL	100%	Person Responsible Complete	31/12/2016
Corporate Risk Register	Identify significant organisations, roles and skillsets within region	Immediately	Melissa Bright	Relationships with key contacts with business and industry organisations being regularly maintained and developed by the MED	100%	Person Responsible Complete	31/12/2016
Corporate Risk Register	Improve partnership with DC Mt Barker and SATC to assist Adelaide Hills Tourism leverage tourism opportunities	Immediately	Melissa Bright	MED active committee member of Adelaide Hills Tourism (AHT) and Visitor Information Servicing Group	100%	Person Responsible Complete	31/12/2016
Corporate Risk Register	Improve engagement with local business associations	Immediately	Melissa Bright	Regular communication established with SBA and WCA	100%	Person Responsible Complete	31/12/2016
Corporate Risk Register	Undertake precinct planning/placemaking, with consideration of triple bottom line (As appropriate)	Immediately	Melissa Bright	The MED is a member of Council's Placemaking group to ensure a coordinated approach	100%	Person Responsible Complete	31/12/2016
Corporate Risk Register	Undertake a mid-term review of progress against activity identified in the Economic Development Plan.	Six Months	Melissa Bright	This action will potentially result in changes to a number of identification actions and order of priority.	100%	Complete (Accepted)	30/06/2023
Corporate Risk Register	Encourage the development of support structures for small, start up and Home Based Businesses.	Immediately	Brett Mayne	A Home Based Business Network has been established and is meeting every 3 times a year and has developed its own Facebook page to maintain contact with members.	100%	Complete (Accepted)	01/09/2023
Corporate Risk Register	Advocate to State and Federal Government agencies for increased availability and improved coordination of Business Services.	Immediately	Brett Mayne	The Adelaide Hills Business Support Network is active and seeking solutions to Business servicing issues. It comprises representatives from Australian State and Local Government as well as locally based service providers.	100%	Complete (Accepted)	30/11/2023
Corporate Risk Register	Design and establish a Business Services Hub for Creative Industries based from Fabrik.	Immediately	Brett Mayne	Initial Research has been undertaken. Next steps are being worked through.	50%	In Process	28/06/2024

#### Documents

Date Added	Document Name	Document Details
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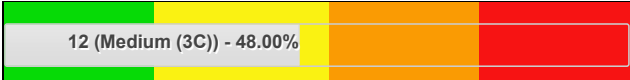
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01/08/2022 3:31:16 PM	David Waters	1	Risk170851_2022-08-01_3-31-16_PM.pdf
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<b>ID:</b>	Risk - 169129
<b>Risk Title or Work Activity:</b>	Strategic Risk - Assets & Infrastructure
<b>Risk Description:</b>	Failure to provide appropriate infrastructure for the community (F)
<b>Responsible Person:</b>	Peter Bice
<b>Date of Risk Identification:</b>	12/11/2020
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Assets & Infrastructure
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	<p>Cause:</p> <ul style="list-style-type: none"> <li>- Ageing infrastructure in need of renewal to remain fit for purpose and/or comply with legislation</li> <li>- Poor asset management regimes (data, reveals)</li> <li>- Ineffective maintenance regimes</li> <li>- Leaseholders conducting works outside of contractual/legislative obligations.</li> <li>- Duplication or gaps in infrastructure provision to communities.</li> <li>- Lack of understanding community needs and trends</li> </ul>
<b>Possible Consequences:</b>	<p>Impact:</p> <ul style="list-style-type: none"> <li>- Increased cost to maintain infrastructure</li> <li>- Reduced confidence in Council by the community</li> <li>- Increased risks to staff and community when utilising facilities</li> <li>- Disadvantage to AHC community over that of other areas</li> <li>- Negative impact on community wellbeing</li> </ul>
<b>Initial Risk Score:</b>	<p>21 (Extreme (4B)) - 84.00%</p>
<b>Initial Risk Comments:</b>	210219 - Transferred from AHC Strategic Risk Assessment Excel Spreadsheet
<b>Residual Risk Score:</b>	<p>13 (Medium (4D)) - 52.00%</p>
<b>Residual Risk Comments:</b>	<p>Current Asset Management Plans for key asset categories</p> <ul style="list-style-type: none"> <li>- Long Term Financial Plan that captures the Strategic Plan and Asset Management Plans</li> <li>- Endorsed annual budget for maintenance program (all asset categories)</li> <li>- Annual Business Plan &amp; Budget consultation undertaken</li> <li>- Customer Survey undertaken</li> <li>- Asset condition audits undertaken cyclically</li> <li>- Asset management system updated to Confirm Enterprise Asset Management</li> <li>- Building inspections (last done 2017)</li> <li>- Compliance audits for buildings as per legislation</li> <li>- Customer request system captures community concerns/issues</li> <li>- Sport and Recreation Strategy</li> <li>- Bike Strategy</li> <li>- Preventative Maintenance regime</li> <li>- Strategic Plan Reviewed with Goal area for Built Environment established (including priorities)</li> </ul>
<b>Other Requirements/Comments:</b>	As Asset Management Planning continues to improve, the control of this risk will also improve.

<b>Current:</b>	Yes
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Risk Controls					
Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness
<ul style="list-style-type: none"> <li>- Current Asset Management Plans for key asset categories</li> <li>- Long Term Financial Plan that captures the Strategic Plan and Asset Management Plans</li> <li>- Endorsed annual budget for maintenance program (all asset categories)</li> <li>- Annual Business Plan &amp; Budget consultation undertaken</li> <li>- Customer Survey undertaken</li> <li>- Asset condition audits undertaken cyclically</li> <li>- Asset management system updated to Confirm Enterprise Asset Management</li> <li>- Building inspections (last done 2017)</li> <li>- Compliance audits for buildings as per legislation</li> <li>- Customer request system captures community concerns/issues</li> <li>- Sport and Recreation Strategy</li> <li>- Bike Strategy</li> <li>- Preventative Maintenance regime</li> <li>- Strategic Plan Reviewed with Goal area for Built Environment established (including priorities)</li> </ul>	Peter Bice	01/09/2022	12/11/2020	This is Business As Usual Activity, captured as appropriate in Asset Management Plans.	EFFECTIVE (Designed Adequately; Operating Effectively)
 <p>12 (Medium (3C)) - 48.00%</p>					

Actions								
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date	
Corporate Risk Register	Update asset management plans as per cycle (and LTFP)	Immediately	David Collins	Footpaths, Kerbs and Roads AMP adopted by Council Feb 2021. AMPS for other classes in development.	100%	Complete (Accepted)	30/06/2021	
Corporate Risk Register	Preventative Maintenance regime developed	Immediately	David Collins	NIL  <i>07/05/2021 by David Collins</i> - Programmed maintenance cycle in place for Civil services	100%	Complete (Accepted)	01/01/2017	

Corporate Risk Register	Establish service levels in consultation with community	Immediately	David Collins	<p>Updated to CRM response times completed. Levels of service refinements required as part of AMP reviews. Stormwater Level of Service Report adopted by Council. Levels of service established in adoption of Roads, Footpath and Kerb Asset Management Plan.</p> <p><i>07/05/2021 by David Collins</i></p> <p>-</p> <p><i>07/05/2021 by David Collins</i></p> <p>-</p> <p>Asset Management Plan Roads, Footpath and Kerb Adopted 2021</p>	100%	Complete (Accepted)	30/06/2021
Corporate Risk Register	Establish cycle for condition audits and monitor (incl buildings)	Immediately	David Collins	<p>Building audits funded in 2020/21</p> <p>Span Bridge Audits completed in 202/21</p> <p>Condition audits identified in AMP and new system implementation and set up has delayed some condition auditing.</p> <p>Audit of Kerb being undertaken by internal resource on ConfirmConnect February 2021. Footpath audit to be conducted in first half of 2021.</p> <p>Conditon audit identified in Road, Footpath and Kerb AMP for all sealed roads. To be undertaken in 2022/23</p>	100%	Complete (Accepted)	01/06/2021
Corporate Risk Register	Develop Bike Strategy to identify infrastructure requirements	Immediately	David Collins	<p>To Council Oct 16 - completed</p> <p><i>07/05/2021 by David Collins</i></p> <p>-</p> <p>Bike Strategy was developed and was reviewed as part of Trail Stratgey.</p>	100%	Complete (Accepted)	30/06/2021

Corporate Risk Register	Revise Sport and Recreation Strategy to identify infrastructure requirements	Immediately	David Collins	Strategy completed and infrastructure requirements linked to Strategic Property Review. LTFP now capturing ongoing investment.  <i>07/05/2021 by David Collins</i>  -	100%	Complete (Accepted)	01/03/2016
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**Documents**

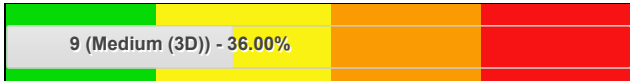
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<b>ID:</b>	Risk - 170815
<b>Risk Title or Work Activity:</b>	Strategic Risk - Community Health and Wellbeing
<b>Risk Description:</b>	Failure to provide for the welfare, well-being and interests of the community (F)
<b>Responsible Person:</b>	David Waters
<b>Date of Risk Identification:</b>	13/05/2020
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Community Health & Wellbeing
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	<p>Cause:</p> <ul style="list-style-type: none"> <li>- Ineffective public health programs (food, immunisation, waste water)</li> <li>- Ineffective community development programs</li> <li>- Failure to identify and respond to key community issues</li> <li>- Poor understanding of cultural and diversity issues in community.</li> <li>- Lack of effective active and passive recreation participation strategies.</li> <li>- Ineffective strategies to work with vulnerable members of the community.</li> <li>- Inappropriate behaviour of community facility users.</li> <li>- Unaffordable rates, fees and charges</li> <li>- Ineffective regulatory services activities (including management of dogs, noise, parking)</li> <li>- Poor community facilities</li> <li>- Inequity across the district in respect to support for community facilities</li> </ul>
<b>Possible Consequences:</b>	<p>Impact:</p> <ul style="list-style-type: none"> <li>- Food poisoning, insanitary conditions, etc.</li> <li>- Decreased wellbeing and an over-reliance on social support</li> <li>- Loss of faith in Council's ability to meet community needs</li> <li>- Inability for people from diverse backgrounds to live/participate in the community</li> <li>- Decreased health and wellbeing across the community</li> <li>- Inability/difficulty for people of all socioeconomic backgrounds to live in the district</li> <li>- cultural disrespect</li> <li>- Inequity in access to community facilities and participation in social/sporting pursuits</li> </ul>
<b>Initial Risk Score:</b>	<p>24 (Extreme (5B)) - 96.00%</p>
<b>Initial Risk Comments:</b>	
<b>Residual Risk Score:</b>	<p>9 (Medium (3D)) - 36.00%</p>
<b>Residual Risk Comments:</b>	
<b>Other Requirements/Comments:</b>	
<b>Current:</b>	Yes

**Risk Controls**

Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness
<ul style="list-style-type: none"> <li>- Qualified staff making informed and evidence based decisions.</li> <li>- Regulatory responsibilities (environmental health) that incorporate inspection regimes, education and prosecution where necessary within a highly regulated environment.</li> <li>- Mandated 4-yearly development of strategic plan, incorporating community engagement, ensures effort is made periodically to understand issues important to the community.</li> <li>- Community engagement policy prescribing minimum consultation and engagement activities.</li> <li>- Communicate with empathy, regular informal contact with the community.</li> <li>- Local engagement via Community Centres is occurring with cultural groups.</li> <li>- Ad-hoc engagement on an as-needs basis.</li> <li>- Development of the Reconciliation Action Plan (2015).</li> <li>- Staff cultural awareness training.</li> <li>- Recreation and Open Space Planner position created in early 2016.</li> <li>- New Sport &amp; Recreation Strategy was developed and adopted in Oct 2016.</li> <li>- Services currently being provided for vulnerable individuals including in-home support, centre based programs, events, support activities and advocacy.</li> <li>- Codes of conduct in place in some programs/services.</li> <li>- LTFP with sustainable and reasonable rates growth profile. Annual review process for fees and charges incorporates review by Exec and Council Members to ensure control. Internal efficiency improvement program aims to keep costs down.</li> <li>- Volunteer Management Policy and Strategy. Well established and funded volunteer based programs. Little reliance on external funding.</li> <li>- Safe Environments Policy (for working with vulnerable people). AHC is now registered on the DHS system for suitability for work screening and all existing staff in prescribed positions have now been checked.</li> <li>- Commonwealth Home Support Program is subject to periodic audit by the funder (Commonwealth) to ensure service standards are being met and quality controls are in place.</li> <li>- Libraries Strategy (adopted 2022)</li> <li>- Newly adopted Community and Recreation Facilities Framework providing more equitable support for recreation facilities across the district.</li> </ul>	David Waters	31/07/2024	24/07/2023		Moderate reduction in risk
 <p>9 (Medium (3D)) - 36.00%</p>					

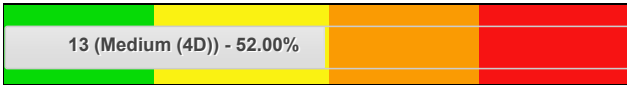
Actions								
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date	
Corporate Risk Register	Community Cultural Development Officer to develop Cultural Development principles and framework	Immediately	Rebecca Shepherd	<p>The previous risk review has concluded that this action is not necessary to achieve the target risk.</p> <p><i>01/03/2021 by Rebecca Shepherd</i></p> <p>- Action no longer required.</p>	100%	Complete (Accepted)	31/10/2020	



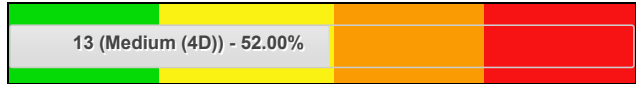
Corporate Risk Register	Implement the new Access and Inclusion Plan	Immediately	Rebecca Shepherd	IN PROGRESS. Provisional DIAP was adopted by Council in November 2020, following by further engagement and final adoption of a revised Plan in January 2021. The plan has a 4 year implementation timetable.	50%	In Process	30/06/2024
Corporate Risk Register	Review facility management arrangements. Develop a more consistent approach to community facility users conduct across the various program areas.	Immediately	Karen Cummings	The final framework has been adopted by Council and is now subject to implementation. A new action/s has been established pertaining to the implementation of the framework.	100%	Complete (Accepted)	30/06/2023
Corporate Risk Register	Recruit additional resource to help implement the new Community Facilities Framework	Two Months	Renee O'Connor		100%	Complete (Accepted)	31/10/2022
Corporate Risk Register	Monitor development of new local government community engagement charter (under recent legislative reform) and react accordingly in respect to any requirements the charter imposes on Council.	Six Months	Jennifer Blake	17/05/2023 - By Jennifer Blake  The LGA is advocating to the Minister to progress this action but believes it may not be signed off by him until 2024.  <i>07/02/2023 by Jennifer Blake</i>  - The Minister is yet to approve the Community Engagement charter and the LGA have advised that they will keep Council informed on progress. No action can be taken at this time.	30%	In Process	24/02/2024

Documents		
Date Added	Document Name	Document Details

Saved PDF Versions			
Date Saved	Saved By	Revision	PDF Document
25/07/2022 2:21:26 PM	David Waters	1	Risk170815_2022-07-25_2-21-26_PM.pdf

<b>ID:</b>	Risk - 170816
<b>Risk Title or Work Activity:</b>	Strategic Risk - Emergency and Hazzard Management
<b>Risk Description:</b>	Failure to take measures to protect the community from natural and other hazards (F)
<b>Responsible Person:</b>	Peter Bice
<b>Date of Risk Identification:</b>	15/05/2020
<b>Corporate Risk?</b>	Yes
<b>Risk Type:</b>	Strategic
<b>Risk Category:</b>	Community Health & Wellbeing
<b>Team:</b>	Executive Leadership Team
<b>Location/Project:</b>	Other
<b>Possible Risk Events:</b>	<p>Cause:</p> <ul style="list-style-type: none"> <li>- Poor fire prevention initiatives</li> <li>- Poor flood protection initiatives</li> <li>- Poor wind protection initiatives</li> <li>- Ineffective emergency management regimes</li> <li>- Ineffective asset maintenance and replacement plans and programs</li> <li>- Lack of participation in regional emergency management arrangements</li> <li>- Noncompliance with legislation</li> <li>- Insufficient budget</li> <li>- Ineffective planning and preparations</li> </ul>
<b>Possible Consequences:</b>	<p>Impact:</p> <ul style="list-style-type: none"> <li>- Significant property loss and damage</li> <li>- Loss of life, injury</li> <li>- Reputational damage</li> <li>- Exposure to liability and penalty</li> <li>- Loss of community normality</li> <li>- Council services stretched and some services may not be fully operational</li> <li>- Loss or damage of public and private infrastructure</li> <li>- Environmental and biodiversity impacts</li> </ul>
<b>Initial Risk Score:</b>	 <p>24 (Extreme (5B)) - 96.00%</p>
<b>Initial Risk Comments:</b>	
<b>Residual Risk Score:</b>	 <p>13 (Medium (4D)) - 52.00%</p>

<b>Residual Risk Comments:</b>	<ul style="list-style-type: none"> <li>- Participation in regional EM arrangements through the ZEMC, and the AMLRBMC and cooperation with other councils and agencies re EM</li> <li>- Provision of assistance to control agencies and the community to respond to emergency incidents as they arise and work with local units to resolve localised issues relating to EM.</li> <li>- Provision of assistance to the community and to relevant government and non-government agencies assist recovery from emergencies.</li> <li>- Contribute to, support and participate in community education programs including the SES Flood Safe Program, Red Cross REDiPlan program and CFS Community Fire Safety Meetings.</li> <li>- Ongoing replacement and maintenance of Council's infrastructure through implementation of Council's AMP and proactive and reactive maintenance programs including stormwater infrastructure (including Flood Plain Modelling), fire track maintenance and street sweeping program.</li> <li>- Ongoing fuel reduction programs on high risk Council owned land including woody weed control, slashing and maintenance of asset protection zones.</li> <li>- Ensure ongoing compliance with the F&amp;ES Act 2005 including annual property inspections to ensure community compliance with requirements of the Act, respond to breaches of the Act as they arise, ongoing appointment of Fire Prevention Officers pursuant with requirements of the Act and provide advice to residents on bushfire prevention and mitigation.</li> <li>- Ongoing implementation of tree maintenance programs including the monitoring and maintenance of high risk trees and undertaking reactive tree pruning and removal of high risk trees minimising failure in windy conditions. Commencement of Zone-based Preventative Main</li> </ul>
<b>Other Requirements/Comments:</b>	As improvements to Asset Management Plans occur through each review, the control effectiveness also continue to improve.
<b>Current:</b>	Yes

Risk Controls					
Control Details	Reviewer	Next Review Date	Last Review Date	Review Notes	Control Effectiveness
<ul style="list-style-type: none"> <li>- Participation in regional EM arrangements through the ZEMC, and the AMLRBMC and cooperation with other councils and agencies re EM</li> <li>- Provision of assistance to control agencies and the community to respond to emergency incidents as they arise and work with local units to resolve localised issues relating to EM.</li> <li>- Provision of assistance to the community and to relevant government and non-government agencies assist recovery from emergencies.</li> <li>- Contribute to, support and participate in community education programs including the SES Flood Safe Program, Red Cross REDiPlan program and CFS Community Fire Safety Meetings.</li> <li>- Ongoing replacement and maintenance of Council's infrastructure through implementation of Council's AMP and proactive and reactive maintenance programs including stormwater infrastructure (including Flood Plain Modelling), fire track maintenance and street sweeping program.</li> <li>- Ongoing fuel reduction programs on high risk Council owned land including woody weed control, slashing and maintenance of asset protection zones.</li> <li>- Ensure ongoing compliance with the F&amp;ES Act 2005 including annual property inspections to ensure community compliance with requirements of the Act, respond to breaches of the Act as they arise, ongoing appointment of Fire Prevention Officers pursuant with requirements of the Act and provide advice to residents on bushfire prevention and mitigation.</li> <li>- Ongoing implementation of tree maintenance programs including the monitoring and maintenance of high risk trees and undertaking reactive tree pruning and removal of high risk trees minimising failure in windy conditions. Securing of Elevated Work Platform and additional Tree Team staffing has further improved the controls.</li> </ul>	Peter Bice	31/12/2023	03/01/2023	There is always a risk of negative community perception of the level of risk appetite in relation to some natural hazards given misinformation and emotion attached.	EFFECTIVE (Designed Adequately; Operating Effectively)
 <p>13 (Medium (4D)) - 52.00%</p>					

Actions								
Action Source	Action Required	Action Priority	Person Responsible	Extra Comments	Percent Complete	Status	Due Date	
Corporate Risk Register	Development of new Emergency Management Plan.	Immediately	John McArthur	<p>EM Framework endorsed by ELT 14/2/17, EM responsibility now transferred to Infrastructure &amp; Operations, Project timeframes to be reviewed. Update 02/10/19 - Draft Emergency Management Plan completed. Draft Incident Operations Manual (formerly within the Emergency Management Plan) to be considered for endorsement by ELT 3 October 2019. Council to participate in LGA Council Ready Program to complete Emergency Management Plan by September 2020 based on a risk assessment process. Update 07/11/19 - ELT formally resolved to commit to LGA Council Ready Program, scheduling of initial risk assessment workshop set for 9/12/19. Incident Operations Manual adopted by ELT 3 October and is currently being implemented. Update 29/01/20 Lessons learnt from Cudlee Creek fire were identified in an After Action Review in February 2020 and now being incorporated into the Incident Operations Manual. Emergency Management Plan development timeframes may need to be reviewed as priority is on updating the Incident Operations Manual. Draft Emergency Management Plan completed as of 26 February 2021. 29/12/21 - Emergency Management Plan completed and endorsed by ELT 14 October 2021.</p> <p><i>29/11/2021 by John McArthur</i></p> <p>-</p> <p><i>29/11/2021 by John McArthur</i></p> <p>-</p> <p>Emergency Management Plan completed and endorsed by ELT 14 October 2021</p> <p><i>27/09/2021 by John McArthur</i></p> <p>-</p> <p>Update 27 September 2021 - Draft Emergency Management Plan and revised Incident Operations Manual (incorporating 'lessons learnt' from Cudlee Creek and Cherry Gardens bushfires and Exercise Pomona) scheduled for ELT review 14 October 2021.</p> <p><i>29/07/2021 by John McArthur</i></p>	100%	Complete (Accepted)	31/08/2021	

				<p>- Update 29 July 2021 - Draft Emergency Management Plan is being finalised. Key response elements previously included in Emergency Management Plans have been prioritised, completed and moved to Council's Incident Operations Manual.</p> <p><i>26/02/2021 by John McArthur</i></p> <p>- Emergency Management Plan is nearing completion. Currently the Emergency Management Plan is in first draft form and comprises sections on Disaster Risk Reduction, Incident Operations and Recovery.</p>			
Corporate Risk Register	Commit to I Responda emergency response framework.	Immediately	Lachlan Miller	Council is now part of this program . Its plan to be transferred to contemporary standard. Anticipated to be complete by 31/12/19.	100%	Complete (Accepted)	01/12/2019
Corporate Risk Register	Develop Emergency Management Team for ongoing development and review of Council's EM processes relating to emergencies that occur external to the organisation (not WHS emergency management)	Immediately	John McArthur	<p>To be developed under EM Framework. Update 05/08/19 - Draft Incident Operations Manual 95% complete. This document will be used with the draft Emergency Management Plan to plan, prepare, respond and recover from emergency events. Anticipated to be completed by 30 November 2019. Update 02/10/19 - Draft Incident Operations Manual to be considered by ELT for endorsement on 3 October 2019. Update 07/11/19 - Incident Operations Manual adopted by ELT 3 October 2019 including establishment of an Incident Management Team completing this action. 29/12/21 - Revised Incident Operations Manual reflecting lessons learnt from Cudlee Creek and Cherry Gardens bushfires and COVID-19 response signed off by Acting CEO 14 October 2021. This action is complete, refer update 07-11/19.</p> <p><i>29/07/2021 by John McArthur</i></p> <p>- Update 29 July 2021 - The completion and implementation of Council's Incident Operations Manual has completed this action. This manual provides a framework to respond to emergencies that occur external to the organisation including the establishment of an Incident Management Team, including a Council Commander, an Emergency Operations Centre and levels of preparedness Standby, Alert, Operations and restore. The Council Commanders discuss emergency management arrangements throughout the year and any outcomes to be delivered are action by the Manager Sustainability, Waste and Emergency Management.</p>	100%	Complete (Accepted)	03/10/2019
Corporate Risk Register	Research the establishment of a dedicated EM role (temporary/permanent)	Immediately	Lachlan Miller	EM responsibilities included in Manager Sustainability, Waste & Emergency Management position.	100%	Complete (Accepted)	31/03/2016

Corporate Risk Register	Establish Zone-based Preventative Maintenance Program	Immediately	Christopher Janssan	Zone program established	100%	Complete (Accepted)	01/02/2016
Corporate Risk Register	Review bushfire prevention and mitigation arrangements	Immediately	Christopher Janssan	Structure in place	100%	Complete (Accepted)	30/06/2017
Corporate Risk Register	Review insurance option related to loss of rate revenue following significant loss of property associated with bushfire	Six Months	Lachlan Miller	<p>Proposal received by Administration in March 2021, still to be assessed.</p> <p><i>09/11/2021 by Lachlan Miller</i></p> <p>- Transferable risk workshop conducted with ELT, awaiting final report. Modelling of revenue loss (rates) scenarios currently under development.</p> <p><i>10/05/2021 by Lachlan Miller</i></p> <p>- Loss of income cover was discussed during the 2021-22 Insurance Placement. A proposal has been received by LGRS and it still to be assessed.</p>	20%	In Process	30/11/2020

Documents		
Date Added	Document Name	Document Details

Saved PDF Versions			
Date Saved	Saved By	Revision	PDF Document

**ADELAIDE HILLS COUNCIL  
AUDIT COMMITTEE MEETING  
Monday 21 August 2023  
AGENDA BUSINESS ITEM**

**Item:** 8.7

**Responsible Officer:** Lachlan Miller  
Executive Manager Governance & Performance  
Office of the Chief Executive

**Subject:** Audit Actions Implementation Update

**For:** Information

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**SUMMARY**

The implementation status of actions arising from previous Internal & External Audits is provided in *Appendix 1*.

Three (3) actions have been completed since the last implementation report (February 2023) to the Committee.

**RECOMMENDATION**

**The Audit Committee resolves:**

- 1. That the report be received and noted**
  - 2. To note the implementation status of Internal and External Audit actions.**
- 

**1. BACKGROUND**

The 2023 Audit Committee Work Plan and Reporting Schedule provides for reports to the Audit Committee on a biannual basis (February and August) regarding the implementation status of actions arising from Internal and External Audits

The Audit Committee was last provided an update of outstanding actions at its February 2023 meeting.

**2. ANALYSIS**

*Strategic Plan 2020-24 – A brighter future*

Goal 5 A Progressive Organisation

Objective O5 We are accountable, informed, and make decisions in the best interests of the whole community

- Priority O5.2 Make evidence-based decisions and prudently assess the risks and opportunities to our community before taking action.
- Priority O5.3 Demonstrate accountability through robust corporate planning and reporting that enhances performance, is relevant and easily accessible by the community.

Monitoring the implementation of internal and external audit actions facilitates the effective management of risk exposures and improves the overall governance environment.

➤ **Legal Implications**

Accounts, Financial Statement and Audit, *Local Government Act 1999*

Section 125 of the *Local Government Act 1999* (the Act) requires councils to ensure that appropriate policies, practices and procedures of internal controls are implemented and maintained in order to assist the council to carry out its activities in an efficient and orderly manner to achieve its objectives, to ensure adherence to management policies, to safeguard Council’s assets, and to secure (as far as possible) the accuracy and reliability of Council records.

The Internal Audit program is an important tool to provide an objective appraisal of the adequacy on internal controls in managing our risk and supporting the achievement of council objectives.

Testing of Council’s transactions and internal controls by the external auditor coincides with Council’s own Risk Management Framework. The External Auditor’s annual inspection and certification of Council’s financial position and performance provides the community with an assurance of Council’s internal financial control environment in managing our risk and supporting the achievement of council objectives.

➤ **Risk Management Implications**

The implementation of actions arising from internal and external audits will assist in mitigating the risk of:

*Internal control failures occur which lead to greater uncertainty in the achievement of objectives and/or negative outcomes.*

Inherent Risk	Residual Risk	Target Risk
High (4C)	Medium (3C)	Medium (3C)

Note there are many other controls that contribute to managing this risk.

➤ **Financial and Resource Implications**

Actions arising from internal and external audits are generally accommodated in existing functional budgets. Where an agreed action requires unbudgeted funds, this will be managed through Council’s budget review processes.



➤ **Customer Service and Community/Cultural Implications**

There is a high expectation that Council has appropriate corporate governance processes in place including an effective internal control environment.

➤ **Sustainability Implications**

Not applicable

➤ **Engagement/Consultation with Committee, Regional Subsidiary, Advisory Group and Community**

Consultation on the implementation of actions to address the audit findings was as follows:

*Council Committees:* Not Applicable

*Council Workshops:* Not Applicable

*Advisory Groups:* Not Applicable

*External Agencies:* Not Applicable

*Community:* Not Applicable

➤ **Additional Analysis**

The status of the outstanding actions from Internal and External Audits is at **Appendix 1**.

Three (3) actions have been completed since the last implementation report to the Committee.

A separate report will be provided to August 2023 Committee meeting regarding the status of Service Reviews conducted by Council under its *Service Review Framework*.

At the August 2022 meeting, the Committee discussed a desire to have an aged analysis of outstanding action items by risk rating. The table below has been produced for the Committee's consideration:

Risk Rating	On Track	Completed	Overdue				Total Actions
			<3 mths	3-6 mths	6-12 mths	>12 mths	
<b>Extreme</b>	0	0	0	0	0	0	0
<b>High</b>	0	0	0	0	0	0	0
<b>Medium</b>	6	0	2	1	2	0	11
<b>Low</b>	2	2	4	1	2	2	13
<b>Improvement</b>	1	1	0	0	0	0	2
<b>TOTAL</b>	<b>9</b>	<b>3</b>	<b>6</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>26</b>

It should be noted that while there are 26 items in total, some of the actions relate to the same subject on multiple occasions (i.e. BCP has 3 actions)

**3. OPTIONS**

The Committee has the following options:

- I. To note the implementation status of the Internal and External Audit actions as presented; or
- II. To identify additional actions to be undertaken.

**4. APPENDIX**

- (1) Audit Actions Implementation Status – August 2023

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# **Appendix 1**

*Audit Actions Implementation Status – August 2023*

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Audit Name	Reference	Issue	Risk Rating	Recommendation	Proposed Action	Responsible Officer	Due Date	Progress	Est. Completion Date	Comment
2020 Galpins Financial Controls Review Interim Management Letter May 2020	2.3.2 - GENERAL LEDGER	The Business Continuity Plan is overdue for review	Low	The Business Continuity Plan is updated.	Council will be accessing the Local Government Risk Services to business continuity planning service.	Lachlan Miller	30/06/2021	In Progress	30/12/2023	Identification of all critical functions completed. Critical Function Plans (CFP) have been finalised by the CFP owners. The overarching BCP document (incorporating the CFPs) has been drafted and workshopped with key staff in November 2022. The Workforce Incident Operations Manual project is underway which will address resource constraints associated with key personnel between the Incident Management Team (EMP), Organisational Response (WHS) and Business Continuity Team (BCP). Once the project is completed the BCP can be finalised.
2021 - Bentleys - Payroll Function Internal Audit - May 2021	1.1	Efficiency of manual payroll process	Low	We recommend management: • Assess the benefit of payroll process automation and quantify the cost associated • Quantify the saving if the three days of the Payroll Officer's time could be freed up; and • Make a decision to implement system solution of payroll process.	We will assess the benefit of automating the payroll process after implementing the new payroll system to meet ATO requirements and implement improved efficiencies. (This has been approved by ELT.)	Liz Packer	1/01/2024	In Progress	30/06/2023	The new payroll system went live the week of 28/3/2022. A couple of factors are affecting the review of efficiencies being - the later implementation of the payroll system (initially expected an end of 2021 implementation) and we are also managing staff changes, including a change in payroll officer, with the new officer commencing end of August 2022. We continue to look at improved ways of working as we use and become more familiar with the system and it's functionality. In late 2022 two key employees within the People and Culture Team resigned which has impacted significantly on the future timing of a shift away from manual timesheets. The Payroll function has since been moved into the Financial Services area with a proposal currently before Exec to provide additional resourcing to support the function. A shift away from manual timesheets currently on hold pending resolution of resourcing needs.
2021 - Bentleys - Payroll Function Internal Audit - May 2021	1.2	Efficiency of manual payroll process	Low	We recommend management: • Assess the benefit of payroll process automation and quantify the cost associated • Quantify the saving if the three days of the Payroll Officer's time could be freed up; and • Make a decision to implement system solution of payroll process.	We will review the Payroll Officer's time and quantify savings after the system has been used and new patterns of work established.	Liz Packer	16/12/2022	In Progress	28/04/2023	The new payroll system went live the week of 28/3/2022. A couple of factors are affecting the review of efficiencies being - the later implementation of the payroll system (initially expected an end of 2021 implementation) and we are also managing staff changes, including a change in payroll officer, with the new officer commencing end of August 2022. We continue to look at improved ways of working as we use and become more familiar with the system and it's functionality. In late 2022 two key employees within the People and Culture Team resigned which has impacted significantly on the future timing of a shift away from manual timesheets. The Payroll function has since been moved into the Financial Services area with a proposal currently before Exec to provide additional resourcing to support the function. A shift away from manual timesheets currently on hold pending resolution of resourcing needs.
2021 - Bentleys - Payroll Function Internal Audit - May 2021	3	Records management	Low	We recommend management: • Document the record management requirements into policies and procedures and enforce the implementation.	Following the implementation of the new payroll system we will review and update processes to ensure an automated leave management function is implemented.	Anne Pett	30/06/2023	In Progress	31/12/2023	Both the payroll and HR systems are live (HR only in the aspects that affect payroll). We have begun discussions on Employee Self Service (ESS), where the automated leave processes will be processed. In late 2022 two key employees within the People and Culture Team resigned which has impacted significantly in the implementation of reforms. The Manager People & Culture has recently started and will reassess what work is required to best address this audit action. The Payroll function has now been move to Financial Services and the ESS development has been put on hold until 2024 due to resourcing and capacity challenges. This includes the appointment of a new Payroll Officer who is learning the payroll processing and supported by other Finance staff. In addition the OD Systems Project Officer who would have been a lead resource for the ESS development and implementation has been reassigned to work in ICT to focus on various systems development and implementation. Recommended that this action be reassigned to Liz Packer / Gary Lewis.
2021 Galpins Financial Controls Review Interim Management Letter May 2021	2.2.1.3	Asset management plans overdue for adoption	Medium	Management works towards preparation and adoption of Buildings, CWMS, Stormwater, Bridges and Playground asset management plans.	Continue to document asset management planning and adopt asset management plans for major asset classes (i.e. buildings)	Karen Cummings	30/06/2022	In Progress	30/11/2023	Update as at 19/06/2023: Draft Building Asset Management Plan being prepared by Assets team for discussion and review. Budget has been allocated in the 21/22FY to undertake building audits and valuations. Proposal is out for tender in early May and will be progressed with evaluation of tender submissions and then appointment of successful party to undertake the project. Estimated completion date has been revised to enable sufficient time for review to be undertaken. Sprutt Consulting has been engaged to undertake the building audits. These audits commenced on Wednesday 20/7/22. and was received in December 2022. Data in process of being analysed to inform the Building asset management plan.
2021 Galpins Financial Controls Review Interim Management Letter May 2021	2.3.1	The Business Continuity Plan is overdue for review	Low	The Business Continuity Plan is updated.	Develop and implement Business Continuity Plan	Lachlan Miller	31/12/2021	In Progress	30/12/2023	Identification of all critical functions completed. Critical Function Plans (CFP) have been finalised by the CFP owners. The overarching BCP document (incorporating the CFPs) has been drafted and workshopped with key staff in November 2022. The Workforce Incident Operations Manual project is underway which will address resource constraints associated with key personnel between the Incident Management Team (EMP), Organisational Response (WHS) and Business Continuity Team (BCP). Once the project is completed the BCP can be finalised.
2021-22 Financial Controls Review - Interim Management Letter - May 2022	2.1.1b - CWMS	Assets requiring new revaluations and new condition assessments to ensure they are revalued with sufficient regularity	Medium	Ensure that assets using the revaluation model are revalued with sufficient regularity as required by Australian Accounting Standards.	Engage consultant to undertake a condition audit of active (above ground) CWMS assets and condition revaluation as at July 2022.	David Collins	30/06/2023	In Progress	30/07/2023	Valuer engaged and Condition Audit and Valuation - site inspections completed and final report following Council feedback to be provided week ending 4/8/23

Audit Name	Reference	Issue	Risk Rating	Recommendation	Proposed Action	Responsible Officer	Due Date	Progress	Est. Completion Date	Comment
2021-22 Financial Controls Review - Interim Management Letter - May 2022	2.1.1c - Roads	Assets requiring new revaluations and new condition assessments to ensure they are revalued with sufficient regularity	Medium	Ensure that assets using the revaluation model are revalued with sufficient regularity as required by Australian Accounting Standards.	Engage consultant to collect base road condition information for analysis in 22/23 and revaluation based on condition data from July 2023.	David Collins	30/06/2024	In Progress		Road audit completed and being evaluation with SCI (seal condition index) and PCI (pavement condition index) data being modelled to determine condition of sealed network and then subsequent revaluation based on condition.
2021-22 Financial Controls Review - Interim Management Letter - May 2022	2.1.2b - Playgrounds AMP	Asset management plans overdue for adoption	Medium	Management works towards preparation and adoption of Buildings, CWMS, Stormwater and Playground asset management plans.	Draft Stormwater and Playground AMP's to be developed during 22/23 and adoption in 2023/24.	David Collins	30/06/2024	In Progress	27/10/2023	Review of current data and playspace framework being modelled into lifecycle AMP
2021-22 Financial Controls Review - Interim Management Letter - May 2022	2.1.2c - Buildings AMP	Asset management plans overdue for adoption	Medium	Management works towards preparation and adoption of Buildings, CWMS, Stormwater and Playground asset management plans.	Building condition audit and revaluation out to tender April 2022 and to be included in the Building AMP in 22/23.	Karen Cummings	30/06/2023	In Progress	30/11/2023	Update as at 19/06/2023: Minor building works resulting from the Sprout Audit have been planned for as part of the 2022/2023 Annual Business Plan and Budget. Draft Building asset management plan in process of being prepared by Asset Management team for review in second part of 2023. Sprout Consulting have been engaged to undertake the building audits. These audits commenced on Wednesday 20/7/22. It is Sprout's aim to have these audits completed by 30/10/2022. Sprout Building Audit data received in December 2022. Data now in process of being analysed to inform Building Asset Management Plan preparation and Annual Business Plan and budget for 2023/2024.
2021-22 Financial Controls Review - Interim Management Letter - May 2022	2.1.3	Asset maintenance plans not aligned with asset management plans	Medium	Ensure that maintenance schedules are developed in accordance with Asset Management Plans.	Managers with maintenance budget responsibility to develop asset maintenance plans for business area to ensure alignment with AMP outcomes.	David Collins	30/06/2024	In Progress		CWMS final ready for presentation to Council March 23 Road Footpath and Kerb Asset Management Plan (AMP) adopted. Bridges AMP adopted in March 2022 Building condition audit commenced in August 2022 and AMP to be completed in 2023. CWMS draft AMP presentation to Audit in August 2022 for comment. Safety Barrier, Retaining Wall, Bus Shelter operational asset plans have been peer reviewed and feedback being updated - not part of Strategic Management Plans as minor asset and not material Assets Maintenance Plans are subsequently aligned to adopted AMP's
2021-22 Financial Controls Review - Interim Management Letter - May 2022	2.2.3	The Business Continuity Plan is overdue for review	Low	The Business Continuity Plan is updated.	Local Government Risk Services (LGRS) has been contracted to deliver their BCP development and implementation service. Function owners have completed their assessments of the maximum acceptable outage (MAO) for their service offerings utilising a SharePoint database. For those services with critical MAOs, a Critical Function Plan (CFP) will be developed in conjunction with LGRS and these will be incorporated into the revised BCP.	Lachlan Miller	30/09/2022	In Progress	30/12/2023	Identification of all critical functions completed. Critical Function Plans (CFP) have been finalised by the CFP owners. The overarching BCP document (incorporating the CFPs) has been drafted and workshoped with key staff in November 2022. The Workforce Incident Operations Manual project is underway which will address resource constraints associated with key personnel between the Incident Management Team (EMP), Organisational Response (WHS) and Business Continuity Team (BCP). Once the project is completed the BCP can be finalised.
2021-22 IT Entity Level Controls Review - May 2022	3.1	IT Policies and procedures	Medium	We understand that new ICT policies are part of the Cyber Security Plan. It is recommended that the following IT policies (or equivalent) be developed, issued on the Intranet site and implemented to Council Staff: - • Information Security Policy • Access Management Policy • Change Management Procedure • Network Security Policy including passwords • Information management – classification and handling • Online services • Physical Access • Remote Access and telecommuting	The implementation of the LGITSA Cyber Security Framework and associated work activity with consultants (CyberCX) will see an alignment to this recommendation.  As indicated in the findings, delays were incurred due to resourcing an appropriately skilled Cyber Security Officer and the release of the LGITSA Cyber Security Framework to ensure alignment with the LG Sector in the implementation of Cyber Security Plans across the state.  <b>Action</b> : Implement an Information Security Management System (ISMS)	James Sinden	31/12/2022	In Progress	31/12/2023	The Cyber Security Framework that is being used to develop ICT Policies is being progressed within current resourcing constraints. This has been challenging in aligning template policy documents, to actual organisational requirements, as to how they can be effectively resourced and implemented to ensure that a policy or procedure can be adhered to within current organisational capability. Draft policies & procedures have been created and explored with key staff to get feedback as to the practicality of policies, with a view to amend or propose alternative solutions that need to be progressed and explored to mitigate the risks. Currently the estimated completion date hasn't been met due to the complexity and work required to come to an organisational position, and it's anticipated that a further extension of time is required to obtain the best outcome, rather than have a policy that is not workable from an organisational and implementation perspective. Additional time needed is being considered but it's expected to be several months.
2021-22 IT Entity Level Controls Review - May 2022	3.3	ICT Governance- Revise ICT and IS Strategic Plan	Medium	Finalise the IS Strategic Plan.	Work has commenced on a Draft Information Services Strategic Plan; however, consideration is being undertaken in incorporating this activity into a Corporate Services Plan as indicated in the recommendations.  <b>Action</b> : progress the development of strategic planning for the Information Services Department	James Sinden	31/12/2022	In Progress	31/12/2023	The Information Services Strategic Plan is now being progressed to ELT for adoption but has not been completed by the due date. Currently Council is undergoing a review of the Council Strategic Plan that also contains references to Technology & Innovation that may impact on the requirement for a separate strategic plan so further consideration is required as how to progress.



Audit Name	Reference	Issue	Risk Rating	Recommendation	Proposed Action	Responsible Officer	Due Date	Progress	Est. Completion Date	Comment
2022 - Bentleys - Economic Development Plan Implementation Internal Audit - Aug 2022	3. Regular review and update of ED Plan	<p>There was no formal regular review and update of the ED Plan in place to ensure that the action items are all designed appropriately and practically to address the targeted outcomes and the latest changes are addressed, such as the lack of resources in the ED Business Unit.</p> <p>RISKS:</p> <ul style="list-style-type: none"> <li>Action items identified in the ED Plan are not scheduled or responsibility allocated</li> <li>Action items identified in the ED Plan are not resourced (physical and financial)</li> <li>Action items in the ED Plan are not completed within the timeframes and resources allocated.</li> </ul>	Low	Management conducts formal regular review and update of the ED Plan, at least on an annual basis or when any significant change occurs, to ensure the relevancy of the action items and adequate resources are identified and in place.	The Economic Development Plan was only adopted by Council in February 2021 and has a lifespan of four years. A mid-term formal review in early 2023 is considered appropriate and within the capacity of existing resourcing levels.	Melissa Bright	30/06/2023	Completed	30/06/2023	Mid term review presented to Council in February
2022 - Bentleys - Economic Development Plan Implementation Internal Audit - Aug 2022	4 - Improvement Opportunity - Types of actions	<p>In addition to the infrastructure and projects delivered by other business areas within the Council, the actions by the ED Business Unit to implement the ED Plan include:</p> <ul style="list-style-type: none"> <li>workshops and training</li> <li>networking event</li> <li>marketing and promotional materials.</li> </ul> <p>It was observed that the action items were largely funded by the ED Business Unit operation budget, which is \$550K (2 FTEs) for 2021-22, 1% of the Council's budgeted Total Operating Expenditure of \$48,958K according to the Annual Business Plan 2021-22. The budget would be challenging to achieve one of the five strategic goals.</p>	Not Rated	Management benchmarks against other regional councils to ensure common actions of the ED Plan are implemented, where possible.	<p>Once salaries, other employment costs and commitments to partners like Regional Development Australia, Adelaide Hills Tourism and Stirling Business Association are taken into account, the Economic Development Team has a \$15,500 operating budget. Suggestions noted. The Economic Development Officer participates in a regional forum of local government economic development officers where common interests and new ideas are shared. The suggestions made in this audit will be considered in the 2023 mid-term review of priorities and timelines.</p>	Melissa Bright	30/06/2023	Completed	30/06/2023	Mid term review presented to Council in February
		<p>Going forward, where possible, Council should try the following common actions by other local councils to achieve better outcomes of local economic development:</p> <ul style="list-style-type: none"> <li>conferences and field days</li> <li>financial support for business and tourism associations</li> <li>festivals and other tourism support events.</li> </ul>								
2022 - Bentleys - Economic Development Plan Implementation Internal Audit - Aug 2022	5 - Improvement Opportunity - Closure review of the ED Plan	<p>In the future when the ED Plan is completed and before commencement of the next Plan, a formal closure review should be in place to include</p> <ul style="list-style-type: none"> <li>Outcomes and objectives realisation</li> <li>Any action items not complete and/or outcomes not achieved, what are the reasons</li> <li>Lessons learnt for future Plan.</li> </ul>	Not Rated	Management undertakes a formal closure review of the ED Plan in the future before the commencement of the next Plan.	Will undertake a closure review on completion of plan in 2025	Melissa Bright	30/06/2025	Not Commenced	30/06/2025	

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2022 - Bentleys - Recruitment and Retention Internal Audit Report - Aug 2022	1. Improvement Opportunity - Electronic signature	We identified the needs of using electronic signatures from this audit via interviews with three People Leaders/Recruiting Managers and a sampling test of the process. We found that the manual printing, scanning and signing of the documents were still in place although the Records Hub system was available to reduce the physical steps.	Low	Management applies electronic signature application.	AHC is currently exploring options for the use of electronic signatures within its application systems to improve workflow, ease of use and ensure compliance with records management practices. ACTION: Work with Manager Information Services on electronic Signature Applications, such as DocuSign being reviewed for appropriateness for AHC and use across the business. (note: financial implications here so not a commitment to implement)	Anne Pett	30/06/2023	In Progress	31/12/2023	The People and Culture Team is currently working with TL Information Systems regarding the implementation of DocuSign (or alternate software). The use of Adobe Electronic / Digital Signatures in forms by updating old forms / re-educating People Leaders on how to use this function is currently being progressed for key areas.
2022 - Bentleys - Recruitment and Retention Internal Audit Report - Aug 2022	1.1 Policy/Procedure Framework update	Council's Recruitment and Selection Policy (dated 2005) was overdue for review and update. Lack of current policy document has impacted transparency, relevancy and consistency of the practice across the organisation, although there is a Recruitment and Selection Checklist (Checklist) in use by Organisational Development (OD). The following was not captured in the Policy: <ul style="list-style-type: none"> <li>All categories of employment, i.e., <ul style="list-style-type: none"> <li>Directors or equivalents typically employed under fixed-term contracts with negotiable salaries</li> <li>Managers employed under individual employment contracts</li> </ul> </li> </ul> <ul style="list-style-type: none"> <li>Employees (including office, depot, part-time or casual) employed under enterprise development agreements</li> </ul> <ul style="list-style-type: none"> <li>Implementation strategy to suit the current needs to improve efficiency and effectiveness, i.e., decentralised approach, governance arrangements, roles and responsibilities, and technology solution, etc.</li> </ul> The Checklist was recently reviewed and updated to reflect the current process, except for one step in Section 1.	Medium	Management reviews and updates the Recruitment and Selection Policy (Policy) and Checklist to ensure currency and consistent requirements; and ensures the responsible officers are informed of the updated requirements.	The People & Culture Department agrees with the finding and will Update Recruitment and Selection Policy/Procedure (Responsible officer - OD Advisor)	Anne Pett	28/02/2023	In Progress	31/08/2023	The Recruitment & Selection Policy and Procedure was supported by ELT in July 2023 and CEO approval is imminent.



Audit Name	Reference	Issue	Risk Rating	Recommendation	Proposed Action	Responsible Officer	Due Date	Progress	Est. Completion Date	Comment
		<p>The Checklist required that “OD has up to 10 working days to review and will advise you (i.e., Recruiting Manager) when this has been completed”, which is now redundant in practice as the work efficiency has already improved and a technology solution is applied (e.g., iPad or laptop).</p> <p>RISK:</p> <ul style="list-style-type: none"> <li>Recruitment processes are not clear, consistent, timely and transparent</li> <li>Recruitment roles and responsibilities are not clearly documented and understood</li> <li>Retention structures and processes are not clearly documented and implemented</li> </ul>								
		<ul style="list-style-type: none"> <li>Noncompliance with Section 125 of the Local Government Act 1999 to have appropriate policies implemented and maintained.</li> </ul>								
2022 - Bentleys - Recruitment and Retention Internal Audit Report - Aug 2022	1.3 Policy/Procedure Framework update	<p>Council’s Recruitment and Selection Policy (dated 2005) was overdue for review and update. Lack of current policy document has impacted transparency, relevancy and consistency of the practice across the organisation, although there is a Recruitment and Selection Checklist (Checklist) in use by Organisational Development (OD).</p> <p>The following was not captured in the Policy:</p> <ul style="list-style-type: none"> <li>All categories of employment, i.e., <ul style="list-style-type: none"> <li>Directors or equivalents typically employed under fixed-term contracts with negotiable salaries</li> <li>Managers employed under individual employment contracts</li> </ul> </li> </ul>	Medium	Management reviews and updates the Recruitment and Selection Policy (Policy) and Checklist to ensure currency and consistent requirements; and ensures the responsible officers are informed of the updated requirements.	OD Department agrees with the finding and will Provide advice/training sessions as relevant to those across the organisation with responsibility for recruitment. (Responsible officer = OD Department)	Anne Pett	30/06/2023	In Progress	30/11/2023	<p>The resignation of two key personnel within the People and Culture Team required this action to be placed on hold until positions were filled. The Manager People and Culture has now been appointed and completed a review of the Recruitment &amp; Selection Policy. This Policy went to ELT in July 2023 and was endorsed subject to consultation.</p> <p>Following consultation training will be deliver to all relevant staff across Council who have responsibility for recruitment and selection.</p>



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2022 - Bentleys - Recruitment and Retention Internal Audit Report - Aug 2022	3. Improvement Opportunity - Data-driven Retention Strategy	<p>Council's annual and quarterly staff turnover rates are prepared and reported through corporate performance reporting to Council and Audit Committee. Although Council is still in the process of creating a Retention Strategy, the overarching trends of turnover may provide confidence in talent retention.</p> <p>The Council's annual turnover rates for the last three years (i.e., 2018-19, 2019-20, and 2020-21) were 8.33%, 8.29% and 8.68% respectively, which was consistent with the "unplanned turnover rate of 8.3% per annum in the sector" according to a 2018 report from the Australian Local Government Association (ALGA)</p>	Low	Management collects relevant data to target high-risk and high-performing employees for appropriate retention efforts; collects relevant data to understand employee value proposition; and develops a data-driven post COVID-19 talent retention strategy.	<p>More recently we have discussed a range of possible surveys that could be used to gain current thoughts from employees. Cost, timing, what data and how it will be collected and used are all considerations. More current practices show subject/point in time surveys, eg Pulse Surveys, on specific subject matter return responses that can be acted on more responsively, rather than surveys using a whole range of topics.</p> <ol style="list-style-type: none"> <li>1. Review information needed for a Retention Strategy Policy/Procedure and how this will be obtained. (OD Dept)</li> <li>2. Develop a Retention Strategy Policy/Procedure. (OD Advisor)</li> </ol>	Anne Pett	30/09/2023	Not Commenced	30/09/2023	The resignation of two key personnel within the People and Culture Team required this action to be placed on hold until positions were filled. The Manager People and Culture has now been appointed and will incorporate this action in a Retention Strategy (or similar). A Retention Strategy has been identified as a priority to develop by the end of 2023.
		<p>2. Council's turnover rate in the year to March 2022 was 5%, lower than the 9.5% turnover rate of the Australian workforce in the year to February 2022 according to the Australian Bureau of Statistics (ABS)</p> <p>3. In our opinion, good turnover is to retain essential knowledge while having new people join the organisation. Council currently</p> <ul style="list-style-type: none"> <li>• Lacks data to show the employee retention risk associated with the performance rating</li> <li>• Had no employee survey or workshop to address issues and identify priorities (physically and mentally) from all levels of staff at least annually.</li> </ul>								
2022 - Bentleys - Recruitment and Retention Internal Audit Report - Aug 2022	3.1 Consistent practice	<p>Sample testing of 10 new employees' recruitment process for 2020-21 and 2021-22 found inconsistent practices due to out-of-date policy (Finding 1) and the current decentralised approach. Specifically, we found the following inconsistent practices:</p> <ul style="list-style-type: none"> <li>• All Recruitment and Selection Checklists sampled (100%) were not complete</li> <li>• All Position Descriptions sampled (100%) did not have OD's sign-off</li> <li>• Six out of nine CEO Preferred Candidate Memos sampled (67%) had the OD Office Use Only section not complete</li> <li>• Five out of nine samples where relevant (56%) did not conduct a Training Needs Analysis</li> </ul>	Low	Once the Policy and Checklist are updated, management ensures the requirements are understood by the relevant responsible officers and implemented consistently.	<p>We have a new HR system and there is a recruiting module we plan on implementing in Phase 2 (yet to begin).</p> <p>We expect between Records Hub and the HR Recruiting module that we will be able to improve and manage aspects of the recruitment process that should address some of these findings.</p> <p>Action: Train Recruiting Managers on the requirements in the Recruitment and Selection Policy/Procedure and the Checklist.</p>	Anne Pett	30/06/2023	In Progress	30/11/2023	The Recruitment & Selection Policy and Procedure was supported by ELT in July 2023 and CEO approval is imminent. Once approved all relevant staff will receive training on the Policy and Procedure (which includes reference to the Recruitment & Selection Checklist)





Audit Name	Reference	Issue	Risk Rating	Recommendation	Proposed Action	Responsible Officer	Due Date	Progress	Est. Completion Date	Comment
2023 BDO Financial Controls Review Interim Management Letter - May 2023	1 - Expenses - Payroll	It was noted from our testing that two Council staff members in the payroll team have access and editing rights to the Creditor Masterfile which is beyond the person's role and responsibility.	Medium	It is recommended that management consider implementing role-based access request as part of the onboarding process and regular review of user access be conducted for relevant GL modules, not just at the IT application level. If due to practical reasons, access rights to the Creditor Masterfile cannot be changed, additional scrutiny is recommended when senior members of the finance team review the changes made to the Masterfile, and check if any changes were made by the said personnel.	The System Analyst to create a new specific Payroll Creditors functional group limiting user access to the processing of the payroll to be tested and signed off by Financial Services.	Liz Packer	30/09/2023	In Progress	30/09/2023	
2023 BDO Financial Controls Review Interim Management Letter - May 2023	2 - Assets - Debtors	It was noted from our testing that one Council staff members who works in the Accounts Receivable team can issues and subsequently reconcile receipt of the same invoices.	Medium	It is recommended that Council implement segregation of duties (preventative control) or implement specific detective control to ensure that errors, if they occur, are detected and corrected in a timely manner, and to reduce the possibility of fraud.	Council will look to implement additional specific detective controls including the regular review of monthly debtors reports by the Team Leader Financial Accounting for large and overdue accounts. Consideration of further preventative controls to be investigated	Liz Packer	30/09/2023	In Progress	30/09/2023	
2023 BDO Financial Controls Review Interim Management Letter - May 2023	3 - Revenue - Grants	It is noted from our testing, that though Council maintains a grant register it does not contain sufficient detail or information to facilitate an efficient review of budget vs funding agreement as well as compliance with the relevant funding conditions.	Medium	It is recommended that council upgrade the current grant register to help facilitate the ongoing management of grants for both compliance and financial measures.	Council will review and upgrade the current grant register to help facilitate the ongoing management of grants for both compliance and financial measures. In addition, when the Finance Officer Accounts Receivable/Treasury becomes aware of a grant, it is to be immediately added to the Grant Register as well as follow up of the responsible council officer to update the register appropriately	Liz Packer	30/09/2023	In Progress	30/09/2023	