

His Worship the Mayor
Councillors
City of Marion

Notice of Finance, Risk and Audit Committee

Council Chamber, Council Administration Centre
245 Sturt Road, Sturt

Tuesday, 11 October 2022 at 2.00 pm

The CEO hereby gives Notice pursuant to the provisions under Section 83 of the *Local Government Act 1999* that a Finance, Risk and Audit Committee will be held.

A copy of the Agenda for this meeting is attached in accordance with Section 83 of the Act.

Meetings of the Council are open to the public and interested members of this community are welcome to attend. Access to the Council Chamber is via the main entrance to the Administration Centre on Sturt Road, Sturt.



Tony Harrison
Chief Executive Officer

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1 Open Meeting**2 Kurna Acknowledgement**

We acknowledge the Kurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3 Elected Member Declaration of Interest (if any)**4 Confirmation of Minutes****4.1 Confirmation of Minutes of the Finance, Risk and Audit Committee Meeting held on 16 August 2022**

Report Reference	FRAC221011R4.1
Originating Officer	Unit Manager Governance and Council Support – Victoria Moritz
Corporate Manager	Manager Office of the Chief Executive – Kate McKenzie
General Manager	Chief Executive Officer – Tony Harrison

RECOMMENDATION

That the minutes of the Finance, Risk and Audit Committee Meeting held on 16 August 2022 be taken as read and confirmed.

ATTACHMENTS

1. FRA C 220816 - Final Public Minutes [4.1.1 - 11 pages]



**Minutes of the Finance, Risk and Audit Committee
held on Tuesday, 16 August 2022 at 4.00 pm
Council Chamber, Council Administration Centre
245 Sturt Road, Sturt**



**PRESENT**

Ms Emma Hinchey (Chair)
Ms Nicolle Rantanen
Mr David Papa
Councillor Maggie Duncan

In Attendance

Chief Executive Officer - Tony Harrison
General Manager City Services - Ben Keen
General Manager City Development - Tony Lines
Chief Financial Officer - Ray Barnwell
Manager Office of the CEO - Kate McKenzie
Unit Manager Governance and Council Support - Victoria Moritz
Manager IT Operations - Micheal Bowden
Juliano Freitas, Audit Director from Galpins
Eric Beere, Director KMPG
Chantal Milton, Principal Consultant Holmes Dyer

1 Open Meeting

The Chair opened the meeting at 4.00pm.

2 Kurna Acknowledgement

We acknowledge the Kurna people, the traditional custodians of this land and pay our respects to their elders past and present.

3 Elected Member Declaration of Interest (if any)

The Chair asked if any member wished to disclose an interest in relation to any item being considered at the meeting

The following interests were disclosed:

- Ms Rantanen disclosed that she is now a member on the Local Government Finance Authority Audit and Risk Committee.

4 Confirmation of Minutes

4.1 Confirmation of Minutes of the Finance, Risk and Audit Committee Meeting held on 17 May 2022

Report Reference FRAC220816R4.1

Moved Ms Rantanen

Seconded Councillor Duncan

FRAC220816 - Finance, Risk and Audit Committee - 16 August 2022



That the minutes of the Finance, Risk and Audit Committee Meeting held on 17 May 2022 be taken as read and confirmed.

Carried Unanimously

5 Business Arising

5.1 Business Arising Statement - Action Items

Report Reference	FRAC220816R5.1
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The Committee suggested looking at the Schedule of Items for next year and consider whether an additional meeting would be required to ensure quality discussion on all the items presented.

Management acknowledged the number of items listed on the agenda and have committed to reviewing current items to determine their relevance and value to the committee. The preference from Management would be to look at an extension where required rather than scheduling an additional meeting. It was noted that a special meeting could be called during the year if necessary.

Moved Ms Rantanen

Seconded Councillor Duncan

That the Finance, Risk and Audit Committee:

1. Notes the business arising statement, meeting schedule and upcoming items.

Carried Unanimously

The Chair sought and was granted leave of the meeting to vary the order of the agenda and consider the item *7.6 Interim External Audit – 2021-2022* next in the meeting.

7.6 Interim External Audit - 2021-2022

Report Reference	FRAC220816R7.6
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Juliano Freitas, Audit Director from Galpins was present for the item and provided an overview of the Interim External Audit 2021-2022 findings. Overall, the external auditors found that Council demonstrated a high level of compliance with the implementation of an internal control framework consistent with the principles within the Better Practice Model. During their interim visit they found that the majority of key internal controls reviewed were in place and were operating effectively (92 out of 100 core controls reviewed). The report noted 8 findings none of which were rated high with 5 findings with a moderate risk rating and 3 rated low risk.

The following discussion points were noted:

- The Committee sought to understand the risk rating given to the findings relating to purchase and procurement / contracting (findings 2.3.1 and 2.3.2) and expressed their concerns with this finding.
- The sample size was also discussed noting that the internal procurement process had not been completely followed on three occurrences,
- The Committee questioned how this would be prevented in the future and if system controls could ensure a preventative control is in place to avert any further instances.



- The Committee questioned the approach to assurance testing to determine if these were isolated.
- Mr Freitas (Galpins) commented these were a one-off occurrence and not systemic. From an external audit perspective, these would not be considered high given the number of appropriate audit controls in place. The controls in place include the framework, purchase orders which are appropriately approved and checking systems. The incidents relate to one phase or element of the process and would not specifically cause the financial report to be of a different opinion. It considered whether this was more relevant to the internal audit, given it does not affect the number in the accounts and should be considered from an internal process perspective.
- Management acknowledged these instances were disappointing, however provided examples of internal controls that had been put in place to mitigate this in the future including checklists that had been implemented as part of the tender process. Assurance was provided that these checklists prevent the process from progressing to the point of sign-off and approval.
- The Committee provided comment on finding 2.2.2 regarding the disposals of infrastructure and questioned how the figures are recorded. Mr Freitas commented the amount related to disposals of infrastructure assets are not separately identified but instead included in the revaluation decrement in the asset movement. The Chief Finance Officer provided an explanation, noting the net valuation figures are correct, however the disposal value is not separately identified. The finding has been communicated to the project implementation team for the new Asset System to address the requirements. This movement will be documented in future years.
- Discussions will occur between Galpins and the Finance team to determine an appropriate value for this movement in the 2021/22 accounts.
- The Committee queried the sign off of CEO Credit Card Statements given the recent value the Ombudsman has placed over these in recent times. The Committee suggested that the Mayor should be signing off on the CEO Credit Card Statement.

ACTION: Inform internal Auditors of the findings in relation to Purchase and Procurement / Contracting

ACTION: Perform a self-assessment on procurement internal controls.

ACTION: Moving forward the Mayor is to review the CEO Credit Card Statement.

Moved Ms Rantanen

Seconded Mr Papa

That the Finance, Risk and Audit Committee:

1. Receive and Note the Interim External Audit Report for 2021-2022

Carried Unanimously



6 Confidential Items

6.1 Cover Report - Cybersecurity - Quarterly Update

Report Reference FRAC220816F6.1

Moved Ms Rantanen

Seconded Mr Papa

That pursuant to Section 90(2) and (3)(b)(i) and (ii) of the Local Government Act 1999, the Committee orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Development, General Manager Corporate Services, General Manager City Services, Manager Office of the CEO, Chief Financial Officer, Senior Digital Transformation Program IT Manager, Unit Manager Governance and Council Support and Governance Officer, Manager IT Operations be excluded from the meeting as the Committee receives and considers information relating to Cyber security of CoM, upon the basis that the Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to the current status of the CoM Cyber Security and the impact on contractual expectations.

Carried Unanimously

4.25pm the meeting went into confidence

Moved Councillor Duncan

Seconded Ms Rantanen

In accordance with Section 91(7) and (9) of the *Local Government Act 1999* the committee members order that this report, Cybersecurity – Quarterly Update, any appendices and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2022.

Carried Unanimously

4.36pm the meeting came out of confidence

6.2 Cover Report - City of Marion Property Asset Strategy (CoMPAS) Overview

Report Reference FRAC220816F6.2

Moved Ms Rantanen

Seconded Councillor Duncan

That pursuant to Section 90(2) and (3)(b) of the Local Government Act 1999, the Committee orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Development, General Manager City Services, General Manager Corporate Services, Manager Office of the CEO, Manager City Property, Chief Financial Officer, Unit Manager Governance and Council Support and Governance Officer, be excluded from the meeting as the Committee receives and considers information relating to City of Marion Property Asset Strategy (CoMPAS) Overview upon the basis that the Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to commercial information and



the receipt, consideration or discussion of the information or matter in an information or briefing session open to the public would, on balance, be contrary to the public interest.

Carried Unanimously

Moved Councillor Duncan

Seconded Mr Papa

That the Finance, Risk and Audit Committee:

1. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the committee members order that this report, City of Marion Property Asset Strategy (CoMPAS), any attachments and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(b) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection until Council resolves and commence consultation on the CoMPAS. This confidentiality order will be reviewed at the General Council Meeting in December 2022.

Carried Unanimously

5.06pm the meeting came out of confidence

7 Reports for Discussion

7.1 Meeting with the Internal Auditors in Confidence

Report Reference FRAC220816R7.1

Mr Eric Beere, Director KPMG entered the meeting

Moved Mr Papa

Seconded Ms Rantanen

That the Finance and Audit Committee:

1. Pursuant to Section 90(2) and (3)(g) of the Local Government Act 1999, orders that all persons present, be excluded from the meeting, with the exception of Eric Beere and Heather Martens from KPMG, as the Finance and Audit Committee meets with Council's Internal Auditors, on the basis that the Finance and Audit Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to commercial information of the Council.
2. Include the following comments within the minutes:
 - The auditors are looking forward to performing the Digital transformation Program Internal Audit as it has been in the plan for a while now.
 - The Auditor noted:
 - A steady level of improvement year on year
 - That KPMG are not following up on outstanding actions
 - That we need to review closure of audit actions as part of the audit program in the future
 - Issues discussed regarding timelines for actioning of audit findings
 - Discussed staff turnover and operational day to day issues – not major

FRAC220816 - Finance, Risk and Audit Committee - 16 August 2022



- Scope setting is collaborative
- Good attitude towards internal audit
- Need to complete the Digital Transformation Program audit

Carried Unanimously

The Chair sought and was granted leave of the meeting vary the order of agenda items and bring forward the item 7.9 *Internal Audit Plan 2022-2023* to be considered next in the meeting.

7.9 Internal Audit Plan 2022 - 2023

Report Reference FRAC220816R7.9

The Manager Officer of the CEO introduced the item and provided a brief overview of the Internal Audit Plan for 2022-2023.

The Committee provided the following feedback and comments:

- Suggested a review of the audits and implementation of recommendations. Questions arose around the process for closing out of high rated findings and the Committee highlighted the importance of ensuring there was a robust and vigorous process around this.
- The Committee discussed whether previous conversations around purchasing, and procurement findings should be brought into an audit. Management advised both contract management and procurement audit had been undertaken at separate times recently, however committed to following up previous audits and identifying and relevant findings and recommendations and bringing these back to the Committee.
- Management also suggested one of the findings relating to the DTP tender could be included and covered off in the review as part of the DTP health check
- The Committee commented the DTP health check scope looks more like a project management audit and was seeking assurance that the same project management findings wouldn't come back. Mr Beere confirmed this won't be a general high-level audit. It will look at operating models, change management and a deep dive into different streams looking into issues.
- The Committee also questioned whether the project management finding had been applied through this scope. Management advised multiple improvements had been made to ensure accountability and robustness in governance. Management emphasised this was a health check with significant long-term opportunity to review the transformation project and look at advocating what is being delivered and what the objective are. It was not in the best interest of the organisation to look at the project management of the DTP.
- The Community Consultation scope was discussed with the Committee questioning if there was any best practice comparison against other councils, suggesting there is a lot to be learnt from other Councils who attract higher consultation participation rates. Mr Beere confirmed the scope identifies benchmarking both locally and interstate.
- Management were pleased to advise recent community consultation had shown improved participation rates through some different approaches.
- It was acknowledged this was a good time to conduct the audit with the team looking for opportunities in this space.

ACTION: Include an Audit for the implementation of recommendations.

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ACTION: Include the finding regarding the DTP tender as part of the review of the DTP health check.

ACTION: Review findings of previous Contract Management and Procurement Audits to determine any relevant findings and recommendations. These are to be highlighted and brought back to the Committee.

Moved Councillor Duncan

Seconded Mr Papa

That the Finance, Risk and Audit Committee:

1. Notes the progress of the Internal Audit Program.
2. Considers and provides feedback on the:
 - a. Digital Transformation Health Check scope (Attachment 1)
 - b. Community Consultation Scope (Collaborative) (Attachment 2)

Carried Unanimously

7.2 Council Member Report

Report Reference FRAC220816R7.2

Moved Mr Papa

Seconded Ms Rantanen

That the Finance, Risk and Audit Committee:

1. Notes this report.

Carried Unanimously

7.3 Annual Insurance and Claims Report

Report Reference FRAC220816R7.3

The Annual Insurance and Claims Report was taken as read. The Committee queried the number of incidents which had significantly decreased and whether this was a short-term trend as a result of COVID-19 and whether we expect to see an increase in this number. Management commented the usage of community centres was tracking lower as a result of COVID-19 with some closed through this period and also acknowledged the change in system with incidents now being recorded in Salesforce. This figure may increase, however hard to predict.

The Committee requested an update on the Sam Willoughby BMX item at the October meeting.

ACTION: Prepare a report to be presented at the October meeting regarding Sam Willoughby BMX.



ACTION: Review how incidents are categorised and captured in Salesforce to verify there is no loss of reporting data.

Moved Mr Rantanen

Seconded Councillor Duncan

That the Finance and Audit Committee:

1. Notes the report and claim information provided in Attachment 1.

Carried Unanimously

7.4 Quarterly Risk Report

Report Reference FRAC220816R7.4

The Quarterly Risk Report was taken as read. The Committee commented on the increased risk rating regarding the ability to attract employees, questioning if this is the new normal and if the long-term trend just needs to be managed. Management commented they had discussed this at length, however with a retention rate of 80% acknowledged there was increased pressures to attract employees and felt the risk had heightened in the last few months. This will continue to be monitored and if appears this is becoming normal, the risk rating will be adapted.

The Committee also questioned the last time the hardship policy was tested given the current inflation rates. Management confirmed this was last tested during COVID-19, however had not seen any increases in this regard. This will be regularly monitored and assessed if required.

Management acknowledged the internal rating control had not yet been included and committed to including this in the October report.

Moved Ms Rantanen

Seconded Mr Papa

That the Finance, Risk and Audit Committee:

1. Notes the Corporate Risk Register Report (Attachment 1) and provides feedback on the review outcomes.
2. Notes the changes made to the DTP01 risk with the completed treatments being implemented as controls as queried by the FRAC on the 17 May 2022.
3. Endorses the risk rating changes for PCU01 moving from Medium to High risk, as detailed in Attachment 2.

Carried Unanimously



7.5 Aged Care Quality Standards

Report Reference FRAC220816R7.5

The Committee discussed the outcomes of the Aged Care Quality Standards Audit and provided the following comments:

- Questions were asked around the time it takes for some member of the community to receive services from the City of Marion, indicating this may be up to 18 months. Staff clarified the process with referrals being received through the *my aged care portal* and not direct from community members. Once referrals are received, they are processed within two weeks. When the City of Marion services are at capacity, the portal is closed. Assessors can see what portals are open and look elsewhere if they are closed. There is also an option to be placed on a waitlist if they do not choose to look elsewhere.
- The Committee acknowledged that unfortunately it is quite common to see portals closed.
- The Committee discussed the non-compliant items that had been identified and queried whether there were any concerns around reputational risk given they would be published on the Aged Care website and whether there was any threat to funding or subsidies because of the non-compliance. Staff acknowledged there was a reputational risk, however, also comments that all audits are published on the same website. There would be a risk to funding if there was extreme non-compliance, however it was noted that those identified were minor and teams were working towards addressing these.
- Management commented on the unique circumstances and potential confusion around the standards and amalgamation of new audit regime. Management will focus on remedial action required with these reported fortnightly through to the Executive Leadership Team to ensure compliance as soon as possible.
- The Committee questioned whether there is an internal assessment program to ensure the organisation is on top of this. Management commented first and foremost the internal audit system must go through the audit process to test internal systems. An independent audit assessment will always be needed to ensure the organisation is held accountable. It is expected this will become a routine program conducted annually and subject to independent assessment every three years.
- The Committee noted the importance of closing the loop from the groundwork through to the administration work and ensuring actions are fully implemented when completing.

Moved Mr Papa

Seconded Ms Rantanen

That the Finance, Risk and Audit Committee:

1. Notes the report from the Aged Care Quality and Safety Commission dated 6 May 2022.

Carried Unanimously

Meeting Closure

The meeting was declared closed at 6.10pm.

CONFIRMED THIS 11 DAY OF OCTOBER 2022

CHAIRPERSON

FRAC220816 - Finance, Risk and Audit Committee - 16 August 2022



The Following Items were not considered:

- 7.7 Asset Valuations
- 7.8 Internal Audit Program – Implementation of Recommendations
- 7.10 Finance and Audit Committee Annual Report to Council
- 8.1 Australian Service Excellence Standards – Update
- 8.2 DTP – Quarterly Status Update

5 Business Arising

5.1 Business Arising Statement - Action Items

Report Reference	FRAC2210115.1
Originating Officer	Unit Manager Governance and Council Support – Victoria Moritz
Corporate Manager	Manager Office of the Chief Executive – Kate McKenzie
General Manager	Chief Executive Officer – Tony Harrison

REPORT OBJECTIVE

The purpose of this report is to review the business arising from previous meetings of the Finance, Risk and Audit Committee meetings, the meeting schedule and upcoming items.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

- 1. Notes the business arising statement, meeting schedule and upcoming items.**

ATTACHMENTS

1. Business arising statement 5 October 2022 [5.1.1 - 8 pages]

CITY OF MARION
BUSINESS ARISING FROM FINANCE AND AUDIT COMMITTEE MEETINGS
AS AT 10 AUGUST 2022



	Date of Meeting	Item	Responsible	Due Date	Status	Completed / Revised Due Date
1.	18 May 2021	Service Review Program and Recommendations - Progress Update Action: A report be brought back to the Finance and Audit Committee in August with a status updated including a program detailing expectations and commitments for this year and next. Action: The CEO committed to having discussions around accountability of actions and closing out outstanding actions.	Chief Executive Officer	August 2021	The Service review program is currently being revisited. A further verbal update can be provided at the meeting if required.	
	17 May 2022	Action: Ensure this report comes back in August 2022 including a detailed structured approach.	Chief Executive Officer	Revised Due Date December 2022		
2.	17 May 2022	Business Arising Statement – Action Items: Action: Standing Item: <i>Service Review Program - Scopes, Reviews and Monitoring</i> , to be presented to the FRAC in August.	Chief Executive Officer	16 August 2022 December 2022	This has been reporting function has been impacted by staff departure. Currently working through resourcing for this matter.	

City of Marion
Finance Risk & Audit Committee Action Arising Statement and Work Program - 2022

	Date of Meeting	Item	Responsible	Due Date	Status	Completed / Revised Due Date
3.	17 May 2022	Business Continuity Program Annual Report 2021-22 Action: Bring the following documents back to the next Finance, Risk and Audit Committee Meeting in August: 1. Business Continuity Plan 2. KMPG report outlining the BIA and Recovery Strategy Project	Manager Office of the CEO	16 August 2022 October 2022	These items are included within the agenda	October 2022
4.	16 August 2022	Interim External Audit - 2021-2022 ACTION: Inform internal Auditors of the findings in relation to Purchase and Procurement / Contracting ACTION: Perform a self-assessment on procurement internal controls. ACTION: Moving forward the Mayor is to review the CEO Credit Card Statement.	Chief Finance Officer	Sept 2022 31 Dec 2022 30 Sept 2022	The internal auditors were advised of the findings relating to procurement and one contract was reviewed as part of the DTP internal audit. Finance will work with Procurement Team to perform self-assessment on internal control processes. Finance have put a process in place to enable the Mayor to review CEO Credit Card Statement on monthly basis.	Sept 2022 30 Sept 2022

City of Marion
Finance Risk & Audit Committee Action Arising Statement and Work Program - 2022

	Date of Meeting	Item	Responsible	Due Date	Status	Completed / Revised Due Date
5.	16 August 2022	Internal Audit Plan 2022 – 2023 ACTION: Include an Audit for the implementation of recommendations. ACTION: Include the finding regarding the DTP tender as part of the review of the DTP health check. ACTION: Review findings of previous Contract Management and Procurement Audits to determine any relevant findings and recommendations. These are to be highlighted and brought back to the Committee.	Manager Office of the CEO	Dec 2022 Sept 2022 Dec 2022	Working with KPMG to scope this review. This has been included within the DTP Health Check Currently working through these and will report back in December	Sept 2022
6.	16 August 2022	Annual Insurance and Claims Report ACTION: Prepare a report to be presented at the October meeting regarding Sam Willoughby BMX. ACTION: Review how incidents are categorised and captured in Salesforce to verify there is no loss of reporting data.	Unit Manager Risk & Strategy	Oct 2022 Oct 2022	Update report included within the agenda. After investigation, it has been noted that 11 incidents were incorrectly entered into Skytrust , rather than Salesforce. Therefore, the number of incidents previously reported for 21/22 would be up 11,	December 2022

City of Marion
Finance Risk & Audit Committee Action Arising Statement and Work Program - 2022

	Date of Meeting	Item	Responsible	Due Date	Status	Completed / Revised Due Date
					but this is still a significant decrease on other years. Currently working on the process to ensure correct documentation of incident management.	October 2022

* Completed items to be removed are shaded

City of Marion
Finance Risk & Audit Committee Action Arising Statement and Work Program - 2022

SCHEDULE OF MEETINGS 2022

Day	Date	Time	Venue
Tuesday	22 February 2022	2 pm – 5pm	Administration Centre
Tuesday	17 May 2022	2 pm – 5pm	Administration Centre
Tuesday	16 August 2022	4.00 – 6.00 pm Followed by 6.30 – 8.30 pm (Joint workshop with Council)	Administration Centre
Tuesday	11 October 2022	2 pm – 5pm	Administration Centre
Tuesday	13 December 2022	2 pm – 5pm	Administration Centre

INDICATIVE AUDIT COMMITTEE WORK PROGRAM – 2022

TUESDAY, 22 February 2022

Topic	Action
Elected Member Report	Communication Report
Draft Annual Business Plan and Budget 2022-23 and Draft Long Term Financial Plan - Update	Review and Feedback
Internal Audit Program – Scopes, Reviews, Plans	Review and Feedback
Internal Audit Program – Implementation of Recommendations	Noting
Service Review Program - Scopes, Reviews and Monitoring	Review and Feedback
Quarterly Risk Report	Review and Feedback
Budget Review 2 – 2021-22	Review and Feedback
External Audit Contract Review	Recommendation to Council
Cybersecurity – Quarterly Update	Noting
Digital Transformation Project – Quarterly Status Update	Noting

City of Marion
Finance Risk & Audit Committee Action Arising Statement and Work Program - 2022

TUESDAY, 17 May 2022

Topic	Action
Elected Member Report	Communication Report
Draft Annual Business Plan and Budget 2022-23 (after public consultation) & Draft Long Term Financial Plan	Review and Feedback
Internal Audit Program – Scopes, Reviews, Plans	Review and Feedback
Internal Audit Program – Implementation of Recommendations	Noting
Service Review Program - Scopes, Reviews and Monitoring	Review and Feedback
Reserves Policy	(Present Policy to FRAC prior to presenting to Council) – Action from FRAC 211214
Annual Report on Business Continuity	Review and Feedback
Quarterly Risk Reporting	Review and Feedback
Internal Audit Plan for 2022-23 & 2023-24	Review and Feedback
External Audit Engagement Letter for the year ending June 2022	Review and Feedback
Budget Review 3 – 2021-22	Review and Feedback
Cybersecurity – Quarterly Update	Noting
Digital Transformation Project – Quarterly Status Update	Noting
Cove Sports and Community Club – Section 48 Report	Review and Feedback

TUESDAY, 16 August 2022 (Joint Workshop with Council)

Topic	Action
Elected Member Report	Communication Report
Australian Service Excellence Standards – Audit Outcome (Aug 21 - provide a report back to the Committee in August 2022 with an update on the implementation of actions)	Review and Feedback
Meeting with Internal auditors in camera	Seeking feedback from Auditors
Annual Insurance and Claims	Review and Feedback
Asset Valuations	Review and Feedback
Internal Audit Program – Scopes, Reviews, Plans	Review and Feedback
Internal Audit Program – Implementation of Recommendations	Noting
FRAC Annual Report to Council	For discussion prior to October
Quarterly Risk Reporting	Review and Feedback
Aged Care Quality Standards	Results of recent Audit
Cybersecurity – Quarterly Update	Noting
Digital Transformation Project – Quarterly Status Update	Noting
Joint Workshop with Council (6.30pm onwards)	TBA

City of Marion
Finance Risk & Audit Committee Action Arising Statement and Work Program - 2022

TUESDAY, 11 October 2022

Topic	Action
Elected Member Report	Communication Report
FRAC Annual Report to Council 2021-22	Review and Recommendation to Council
Independence of Council's Auditor for the year end 30 June 2022	Review and Recommendation to Council
Audited Annual Financial Statements for the year end 30 June 2022	Review and Recommendation to Council
Investment Performance 2021-22	Noting
Debtors Report	Noting
Meeting with external auditors in camera	Seeking feedback from Auditors
Internal Audit Program – Scopes, Reviews, Plans	Review and Feedback
Internal Audit Program – Implementation of Recommendations	Noting
Fraud and Corruption Annual Review	Review and Feedback
Annual Review of HSE Program	Review and Feedback
Asset management maturity assessment results summary	External consultants to present a summary of the results of asset management maturity assessment (electronically via zoom)
Business Continuity Program Annual Report 2021-22 <ul style="list-style-type: none"> Business Continuity Plan KMPG report outlining the BIA and Recovery Strategy Project	Review and Feedback
Service Review Program – Standing Item - Scopes, Reviews and Monitoring	Review and Feedback
Service Review Program and Recommendations - Progress Update including a detailed structured approach.	Review and Feedback
Asset Valuations	

Tuesday, 13 December 2022

Topic	Action
Elected Member Report	Communication Report
Internal Audit Program – Scopes, Reviews, Plans	Review and Feedback
Internal Audit Program – Implementation of Recommendations	Noting
Service Review Program - Scopes, Reviews and Monitoring	Review and Feedback
Sam Willoughby BMX Insurance & Claims Report	Requested at August meeting
Work Program and Meeting Schedule 2023	Review and Feedback
First Budget Review 2022-23	Review and Feedback

City of Marion
Finance Risk & Audit Committee Action Arising Statement and Work Program - 2022

Framework and Key Assumptions for preparation of 2023/24 ABP and LTFP	Review and Feedback
Quarterly Risk Reporting	Review and Feedback
Cybersecurity – Quarterly Update	Noting
Digital Transformation Project – Quarterly Status Update	Noting
Annual Corporate Risk Profile & Strategic Risk Register	Review and Feedback
Annual Ombudsman Report 2021/22	Noting

6 Confidential Items

6.1 Cover Report - Fraud and Corruption 2021-22 Report

Report Reference	FRAC221011F6.1
Originating Officer	Unit Manager Strategy and Risk – Maddie Frew
Corporate Manager	Manager Office of the Chief Executive - Kate McKenzie
General Manager	Chief Executive Officer - Tony Harrison

REASON FOR CONFIDENTIALITY

Local Government Act (SA) 1999 S 90 (2) 3

(e) matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person

RECOMMENDATION

That pursuant to Section 90(2) and (3)(e) of the Local Government Act 1999, the Council orders that all persons present, with the exception of the following persons: Chief Executive Officer, Chief Financial Officer, General Manager City Development, General Manager City Services, General Manager Corporate Services, Manager Office of the Chief Executive, Unit Manager Governance and Council Support, Unit Manager Strategy and Risk, Risk Business Partner, be excluded from the meeting as the Council receives and considers information relating to *Fraud and Corruption 2021-22 Report* upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to matters affecting the security of the council.

6.2 Cover Report - Sam Willoughby BMX Track Claim Progress Update

Report Reference	FRAC221011F6.2
Originating Officer	Risk Business Partner – Tania Del Torre
Corporate Manager	Manager Office of the Chief Executive - Kate McKenzie
General Manager	Chief Executive Officer - Tony Harrison

REASON FOR CONFIDENTIALITY

Local Government Act (SA) 1999 S 90 (2) 3

(b) information the disclosure of which (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and (ii) would, on balance, be contrary to the public interest

RECOMMENDATION

That pursuant to Section 90(2) and (3)(b) of the Local Government Act 1999, the Council orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Development, General Manager City Services, General Manager Corporate Services, Manager of the Office of the CEO, Chief Financial Officer, Manager City Activation, Unit Manager Governance and Council Support, Unit Manager Strategy and Risk and Risk Business Partner, be excluded from the meeting as the Council receives and considers information relating to Sam Willoughby BMX Track Claim Progress Update, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to commercial and financial information.

7 Reports for Discussion

7.1 Council Member Report

Report Reference	FRAC221011R7.1
Originating Officer	Unit Manager Governance and Council Support – Victoria Moritz
Corporate Manager	Manager Office of the CEO - Kate McKenzie
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

Section 3.5 of the Finance, Risk and Audit Committee Terms of Reference states “*where the Council makes a decision relevant to the Finance and Audit Committees Terms of Reference, the Elected Member Representative will report the decision to the Audit Committee at the next Committee meeting and provide relevant context*”.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Notes this report.**

DISCUSSION

Council Member Representative – Councillor Maggie Duncan

Since the last FAC meeting, Council has met three times for General Council Meetings. At these meetings, Council made the following decisions that relate to the Finance and Audit Committee Terms of Reference in chronological order. If the Committee wishes to discuss any of the items considered in confidence in further detail, the Committee will be required to move into confidence.

23 AUGUST – GENERAL COUNCIL MEETING

Section 270 Internal Review – Spinnaker Circuit

Council noted the findings within the Kellady Jones Lawyers report identifying that the Council has acted within its decision-making powers and its decision making was reasonable after considering the best interests of the community.

Marion Arena Proposal to Grant Lease – Update

Council approved a ground lease over 262A Sturt Road, Marion for a term of 42 years to Cruachan Investments trading as Ice Rinks Adelaide and the Pelligra Group (the Consortium) for the purpose of constructing and operating the Marion Arena indoor ice sports and rock-climbing recreational facility.

Youth Development Grants 2022/23

Endorsed several projects totalling \$67,985 for the Youth Development Grants funding in 2022-23.

Community Grants 2022/23 Round 1

Endorsed a total of \$48,991 to identified projects for the Community Grants Program Round One Funding for 2022-23.

Marion Golf Park

Endorsed a total budget of \$2,700,000 to build a new clubhouse and signage for the Marion Park Golf Course with the balance of the existing funding (\$387,689) to be expended in the 2022/23 financial year, and the remaining budget of \$2,312,311 be considered as part of the Annual Business Planning process for 2023/24. This project does not reach the threshold for a section 48 Prudential report.

WHS Monthly Performance Report

It was noted that Local Government Risk Services (LGRS) Lost Time Injury data indicates that City of Marion is performing better than similar Councils. Data for FY 2022-23 is limited due to a lag in determining data from Local Government Risk Services and the absence of any Lost Time Injuries during July 2022. It was reported at this meeting that the current 12 month rolling LTIFR for the City of Marion is 7.4 which represents a 43% reduction over the previous 12 months.

Confidential**Spinnaker Circuit Reserve East – Revocation of Community Land Classification**

(minutes released)

Resolved to approve the revocation of the subject land from its community land classification. Authorised the negotiation of the sale of the land to the Catholic Church Endowment Society for a sum of \$1,695,000 which achieves market value.

City of Marion Property Asset Strategy (CoMPAS)**30 AUGUST – SPECIAL COUNCIL MEETING****Glenthorne Nature Play – Update**

Allocates additional funding of up to \$200,000 to ensure the delivery of the Glenthorne City Wide Attraction is in line with the original concept design, noting that the current DEW contingency of \$200,000 would be used before any additional Council funding. Noted that the additional funding will be incorporated in the second quarterly review of the 2022/23 budget.

Cumbria Court, Mitchell Park – Revocation of Community Land Classification

Deferred a decision on the revocation of community land for the remainder of 1 Cumbria Court pending the outcomes of a further process to seek Expressions of Interest (EOI) from City of Marion focused community organisations.

Confidential**City of Marion Water Business Update****13 SEPTEMBER – GENERAL COUNCIL MEETING****Quarterly Risk Report**

Council were provided with a quarterly review, noting the overall risk environment has remained reasonably unchanged with the current market conditions recognised and the ongoing impacts noted within the environmental scan. One risk (PCU01) has been elevated to a high risk relating to the 'ability to attract new employees and retain high performing people'. This risk is reported to the FRAC separately.

WHS Monthly Performance Report

Council received the report and noted No Lost Time Injuries have been recorded for the current reporting period. The 12 month Rolling Lost Time Injury Frequency Rate (September 2021-August 2022) demonstrates a 31% reduction over the previous 12-month period (September 2020-August 2021). The 12 month Rolling Total Recordable Injury Frequency Rate (September 2021-August 2022) demonstrates a 9% increase over the previous 12-month period (September 2020-August 2021).

ATTACHMENTS

Nil

7.2 Independence of Council's Auditors

Report Reference	FRAC221011R7.2
Originating Officer	Unit Manager Statutory Finance & Payroll – Andrew Doyle
Corporate Manager	Chief Financial Officer - Ray Barnwell
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

In accordance with the *Local Government Act 1999* (the Act) and *Local Government (Financial Management) Regulations 2011*, Council's auditor can only undertake work that is within the scope and function of the auditor as prescribed under the Act. This includes undertaking the annual financial audit and any audits as requested by Council under Section 130A of the Act in relation to the economy and efficiency of Council operations. The underlying principle of this requirement is to ensure that auditor independence is not compromised.

Regulation 22(3) requires Council's Chief Executive Officer and the Presiding Member of the Finance Risk and Audit Committee to each provide, on an annual basis, a statement that provides a certification as to compliance for the relevant financial year with the requirement that the auditor be independent of the City of Marion (refer to **Attachment 1**).

EXECUTIVE SUMMARY

During the 2021-22 financial year, Council has not engaged Galpins to provide any services outside the scope of the auditor's functions as prescribed in the Act.

Management confirms that it is not aware of any circumstance that would impact on the independence of Council's Auditor and that the CEO will be signing the certification within his delegation.

In addition to the above statement, regulation 22(5) also requires that Council's Auditor provide a statement (in the form provided at **Attachment 2**) attesting to their independence.

Auditor independence is an important aspect of an auditor's role. Independence is key to the confidence with which the audit is undertaken.

RECOMMENDATION

That the Finance Risk and Audit Committee:

1. **Notes the statement provided by Council's Auditor attesting to their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2021-22 financial year (Attachment 2).**
2. **Notes that the CEO will be signing a statement that Council's external auditor Galpins maintained their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2021-22 financial year.**
3. **Endorses the Chairperson signing a statement that Council's external auditor Galpins maintained their independence in accordance with the Local Government (Financial Management) Regulations 2011 for the 2021-22 financial year.**

Legal / Legislative / Policy

Local Government Act 1999, Local Government (Financial Management) Regulations 2011.

ATTACHMENTS

1. Audit Independence Certificate - COM 2022 [7.2.1 - 1 page]
2. Audit Independence - Statement by Auditor [7.2.2 - 1 page]

City of Marion

General Purpose Financial Statements

for the year ended 30 June 2022

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Marion for the year ended 30 June 2022, the Council's Auditor, Galpins has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

Tony Harrison

CHIEF EXECUTIVE OFFICER

Emma Hinchey

**PRESIDING MEMBER
FINANCE RISK AND AUDIT COMMITTEE**

Date:

Galpins

Accountants, Auditors
& Business Consultants



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ABN: 89 656 702 886

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under Professional Standards Legislation

CITY OF MARION

GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Statement by Auditor

I confirm that, for the audit of the financial statements of City of Marion for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor
Partner

Date: 03 October 2022

7.3 Annual Financial Statements for the year ended 30 June 2022

Report Reference	FRAC221011R7.3
Originating Officer	Unit Manager Statutory Finance & Payroll – Andrew Doyle
Corporate Manager	Chief Financial Officer - Ray Barnwell
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

The objective of this report is to present the City of Marion's Annual Financial Statements for the financial year ended 30 June 2022 to the Finance, Risk and Audit Committee. Reports provided include:

1. **Representation letter** (Attachment 1) - audit of annual financial report for period 1 July 2021 to 30 June 2022. The purpose of this letter is to express an opinion as to whether the financial report is prepared in accordance with Australian Accounting Standards, the *Local Government Act 1999* and other mandatory reporting requirements in Australia. This letter will be signed by Tony Harrison, CEO once the financial statements have been adopted by Council.
2. **Analytical Review** (Attachment 2) - Comparative analysis to prior year audited financial statements and comparison to original adopted 2021-22 budget
3. **Annual Financial Statements** for year ended 30 June 2022 – (Attachments 3 to 4).
4. **External Auditor (Galpins) Audit Completion Report** – (Attachment 5).

These reports are provided for consideration by the Finance, Risk and Audit Committee prior to adoption of the 2021-22 Annual Financial Statements by Council at its meeting on 25 October 2022.

EXECUTIVE SUMMARY

The 2021-22 Annual Financial Statements demonstrate Council's continued strong financial performance, providing a sound basis for long-term objectives set out in the Strategic Plan.

In summary, Council achieved an Operating Surplus of \$0.542m compared to an operating surplus of \$0.256m for 2020-21. The key factors contributing to the movement in operating surplus are detailed in Attachment 2 (Analytical Review - against Adopted Budget 2021-22).

The Annual Financial Statements for the year ended 30 June 2022 have been completed with Council's Auditors indicating they expect to issue an unmodified audit opinion, subject to the satisfactory completion of the following matters:

- A subsequent events review up to the date of the audit opinion
- Receipt of management's signed representation letters

In accordance with its 'Terms of Reference' the Finance, Risk and Audit Committee provides independent advice and support to Council in helping it achieve its governance and prudential management obligations, including the review of Council's Annual Financial Statements to ensure they present fairly the state of affairs of the City of Marion.

This report has been prepared in accordance with section 127 of the Local Government Act 1999 and the Local Government Accounting Regulations.

In accordance with section 125 of the Local Government Act 1999 Council's external auditors have also assessed the internal financial control environment in regard to Council's compliance with all material aspects of the Act.

Council's Auditors have indicated that they expect to issue an unmodified audit opinion with regards to council's internal control environment.

As part of the annual audit process Council's external auditors also perform a number of minor grant audits, which are required as part of each individual funding agreement.

Next Steps

In conjunction with the adoption of the 2021-22 audited Annual Financial Statements the 1st Budget Review 2022-23 process will be completed which includes:

- Adoption of the 2021-22 Carryovers & Unexpended Grants (noting that the funding relating to projects which have been re-timed will be brought into the budget when required) as part of the 2022-23 First Budget Review;
- Reconciling and identifying the 2021-22 funding savings achieved against Council's adopted 2021-22 budget.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

- 1. Recommends to Council that the audited Annual Financial Statements for the year ended 30 June 2022, as included at Attachments 3-4, be adopted.**
- 2. Notes Galpins Audit Completion Report, as included at Attachment 5.**
- 3. Notes the comparative analysis to prior year audited Annual Financial Statements and original adopted 2021-22 budget (Analytical Review), as included at Attachment 2.**

GENERAL ANALYSIS

The Statements have been prepared in accordance with applicable Australian Accounting Standards and the Local Government Regulations.

The Local Government Accounting Regulations require that a Council must prepare its accounts for audit by the second Friday in October and on or before 30 November, supply a copy of the Audited Financial Statements to each of the following:

- The Minister responsible for Local Government
- The Local Government Grants Commission
- The Deputy Commonwealth Statistician and Government Statistician

Legal / Legislative / Policy:

Local Government Act 1999, Local Government (Financial Management) Regulations 2011

DISCUSSION

Four main statements are prepared as part of the Annual Financial Statements as summarised below:

STATEMENT OF COMPREHENSIVE INCOME

The Statement of Comprehensive Income details Council's revenues and expenses for the reporting period 1 July 2021 to 30 June 2022 and reveals an operating surplus (before capital revenues and contributed assets) of \$0.542m for 2021-22 compared to an operating surplus of \$0.256m for 2020-21. The key movements in operating revenue and expenses are noted below with further analysis detailed in the analytical review (Attachment 2).

Operating Income – prior year comparison

Total Operating income for 2021-22 was \$102.422m compared to \$97.324m in 2020-21. The increase of \$5.098m (5.2%) includes an increase in grants revenue (\$1.923m). Council adopted a one per cent rate increase in 2021-22 with the increase in rates revenue of \$1.7m including underlying growth of 1% in ratable properties contributing to the increase. Council's income also reflects a net gain from its share in SRWRA of \$0.882m for 2021-22.

A number of other smaller variances are outlined and further detailed in Attachment 2 ("Analytical Review – against Prior Year Actual").

Operating Expenses – prior year comparison

Total Operating expenses for 2021-22 were \$101.880m compared to prior year actuals of \$97.068m in 2020-21. The total increase of \$4.812m on prior year actual costs is a result of increases to:

- Materials, Contracts & Other Expenses of 2.609m (6.1%) - the increase primarily relates to additional operating expenditure on projects including the Digital Transformation project (\$1.364m), Food Waste Recycling Program (\$543k), The Coastal Walkway - Field River (\$247k) and Hugh Johnson Reserve Upgrade (\$223k). Other increases include additional expenditure of Maintenance Agreements (\$322k).
- Employee costs increased by \$1.896m stemming from Enterprise Agreements annual increases (\$765k), additional Council endorsed positions including Digital Transformation Program positions (\$814k) and additional Grant Funded Positions (\$284k).
- Further analysis is detailed in Attachment 2 - ("Analytical Review – against Prior Year Actual").

Capital Revenues and Revaluation – prior year comparison

Other key variances reported on the Statement of Comprehensive Income:

Grants recognised specifically for New or Upgraded Assets is \$6.259m. This amount includes the final installments of grant funding relating to the completion of three of Council's multi-year major projects; Mitchell Park Sports and Community Club (\$1.23m), the Sam Willoughby UCI BMX Facility (\$1.28m) and Southern Soccer Facility (\$1.03m). In addition, amounts for the Local Roads and Community Infrastructure grants (\$1.24m) and Hugh Johnson Boulevard Reserve (\$801k) along with other minor grants make up this balance.

Another key movement includes Changes in Revaluation Surplus – IPP&E an increase of \$37.042m which reflects the change in the valuation of assets following a desktop revaluation of infrastructure assets undertaken by independent professional valuers in 2021-22.

Variances against the 2020-21 Statement of Comprehensive Income are further detailed in Attachment 2 ("Analytical Review – against Prior Year Actual").

KEY OPERATING RATIOS

OPERATING SURPLUS RATIO	2022	2021	2020
Operating Surplus (before capital revenues)	0.53%	0.26%	6.83%

This ratio expresses the operating surplus as a percentage of total operating revenue. The target set in Council's Long Term Financial Plan is to "maintain a financial position at an average of between 0 and 10% over any five financial years".

Comment:

The Operating Surplus Ratio remains within the lower end of Council's targeted bandwidth of 0 – 10%.

RATE REVENUE RATIO	2022	2021	2020
Rate Revenue Operating Revenue	80%	82%	85%

This ratio expresses rate revenue as a percentage of operating revenue.

Although this ratio is not a prescribed ratio required by the 'Model Set of Accounts' it is a valuable indicator as it highlights Council's reliance on rates as a revenue source and the need for Council to seek alternative sources of income.

Comment:

Council's reliance on rate revenue decreased in 2021-22 due to increases in Grants, Subsidies and Contributions and a minor increase in rate revenue.

STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position provides details of Council's assets, liabilities and equity as at 30 June 2022.

Infrastructure, Property, Plant & Equipment (IPP&E):

Council's IPP&E increased by \$68.529m (6.1%) compared to 2020-21. Council constructed \$49.449m of new and renewed assets in 2021-22 offset by depreciation of \$16.334m, an infrastructure revaluation increment of \$37.042m and disposals and other minor adjustments of \$1.630m. The table below identifies the key contributors to the movement in Council's non-current assets which can mainly be attributed to revaluations of its Infrastructure assets.

	2022 \$000s	2021 \$000s	Increase/(Decrease) \$000s
Buildings	130,923	111,825	19,098
Infrastructure	684,884	636,496	48,388

Other variances when comparing 2021-22 against the 2020-21 Statement of Financial Position are

further detailed in Attachment 2 (“Analytical Review – against Prior Year Actual”).

ASSET RENEWAL FUNDING RATIO	2022	2021	2020
Net Asset Renewals Depreciation Expense	78%	86%	58%

Net asset renewal expenditure is defined as net capital expenditures on the renewal and replacement of existing assets and excludes new capital expenditure on the acquisition of additional assets.

This ratio indicates whether the Council is renewing or replacing existing assets at the rate of consumption. A long-term average ratio of 100% would indicate that Council is investing adequately in maintaining its asset base. The annual target is between 90–110%.

Comment:

Council’s Long Term Financial Plan (LTFP) is set to achieve an average Asset Renewal Funding Ratio of 100% over the next three years and over the 10-year term of the LTFP.

The ratio of 78% achieved in 2021-22 is below the target of 90% primarily due to a savings in Roads Reseals expenditure of \$167k and retimed renewal expenditure for Car Parks of \$200k, Streetscapes \$341k, Vehicle Replacement Program \$453k, Coastal Walkway \$667k, Property Renewal \$395k and Warriparinga Bridges \$452k.

ASSET CONSUMPTION RATIO	2022	2021	2020
Carrying value of depreciable assets	73%	74%	76%
Gross value of depreciable assets			

This ratio shows the consumption of the asset stock at a point in time (or the percentage of useful life remaining). Depreciation represents the reduction in value of the assets each year and therefore accumulated depreciation is the total reduction in the carrying value of the assets.

Council’s target for this ratio is between 80-100%.

Comment:

A ratio higher than 80% indicates that Council’s overall asset base has on average a relatively high remaining useful life. A result of between 40% and 80% is considered acceptable.

BORROWINGS

In assessing Council’s financial position, it is appropriate to consider liabilities in relation to borrowings. Borrowings are required by Council from time to time to finance strategic long-term assets for the orderly development of the City. With no new borrowings taken out in 2021-22 due to Council’s strong cash holding position Council’s total borrowings as at the 30 June 2022 were \$3.563m, a net decrease of \$0.828m over the level of borrowings in June 2021. Council is in a strong position to take on the forecast borrowings of \$13.9m outlined in Council’s adopted LTFP over the next couple of years .

KEY DEBT RATIOS

The following indicators are used to monitor Council's performance in relation to its current level of debt.

NET FINANCIAL LIABILITIES RATIO	2022	2021	2020
Net Financial Liabilities	(11%)	(34%)	(32%)
Total Operating Revenue			

This ratio indicates the extent to which net financial liabilities of the council can be met by the council's total operating revenue and is based on the Net Financial Liabilities above.

Comment:

This result reflects Council's Financial Assets currently exceed its Financial Liabilities predominantly as a result Council's current holding of cash and other financial assets allocated for unexpended grants and funding for multi-year capital projects and projects carried over or re-timed to 2022-23 and beyond. Council's capacity to meet its financial obligations from operating revenues is strong and it has capacity to meet future requirements identified in its Long Term Financial Plan.

INTEREST COVER RATIO	2022	2021	2020
Net Interest Expense	(0.1%)	(0.2%)	(0.5%)
Total Operating Revenue			

Net interest costs are defined as total interest expenses less total interest revenues. This ratio indicates the extent to which Council's commitment to interest expenses are met by total operating revenues.

Comment:

Negative ratios have been recorded for the past 7 years reflecting interest revenues being greater than interest expenses.

DEBT SERVICING RATIO	2022	2021	2020
Principal + Interest	1.1%	1.6%	1.7%
Total Operating Revenue			

This ratio identifies Council's ability to service its debt obligations from operating revenues, with target range set at 0 to 5%.

Comment:

The ratio confirms that Council has a low debt holding and is well positioned for future borrowings outlined in its Long Term Financial Plan. The 1.1% result is well below the upper end of the target range of between 0 and 5%.

STATEMENT OF CHANGES IN EQUITY

The Statement of Changes in Equity reconciles the opening and closing balances of Council's equity over the reporting period.

The balance of equity represents Council's net worth of \$1,223.8m as reflected in the Statement of Financial Position.

CASH FLOW STATEMENT

The Cash Flow Statement details the cash movements for the year ended 30 June 2022 and reconciles with Note 11 of the Annual Financial Statements.

The Statement indicates a decrease in Cash, Cash Equivalents and Investments of \$26.973m compared to 30 June 2021. As previously mentioned, a sizable portion of the cash position is committed to unexpended grants, carryovers and re-timed capital works. Council also retains significant cash reserves quarantined for ongoing multi-year major projects and long term asset management objectives.

RESERVE FUNDS

A review of the balances of Council's reserves indicates that they are at a level sufficient to meet their purpose and intent which are listed in Note 9 Reserves in Attachment 3. Council's current Reserve funds are made up of the following:

Grants and Carryovers Reserve: **\$12.853m**

This is made up of grant funded carryover projects and capital works carried over to 2022-23 or re-timed to future years as required.

Open Space Reserve: **\$2.512m**

It is considered by management that the current balance of this fund is adequate to meet its intended purpose.

Asset Sustainability Reserve – General **\$10.151m**

This fund is considered by management to be adequate to provide Council with the funding capacity to manage its long term asset management objectives. Funding in this reserve has been quarantined to support key infrastructure projects in 2022-23 including the Coastal Walking Trail, Tarnham Road Reserve redevelopment and MCC Plaza redevelopment. Council also endorsed the release of funds from this reserve to support a 2% rating strategy in 2022-23.

Asset Sustainability Reserve – Water Reserve **\$1.153m**

This reserve has been established to quarantine revenue received and savings identified from the sale and use of treated stormwater from the Oaklands Wetland to further develop third party supply opportunities.

EQUITY ACCOUNTED INVESTMENT

Council has part ownership in equity accounted investments and is required to include its equity share in these in its Annual Financial Statements along with copies of these entities' Financial

Statements.

Southern Region Waste Resource Authority (SRWRA)

SRWRA provides and operates services for the management of waste and waste facilities on behalf of its constituent councils – The Cities of Onkaparinga, Marion and Holdfast Bay – ensuring that a long term Waste Management Strategy exists in the southern region of Adelaide. The City of Marion has a 30% share in SRWRA.

ATTACHMENTS

1. Attachment 1 - Letter of Representation [7.3.1 - 4 pages]
2. Attachment 2 - Analytical Review 2021-2022 [7.3.2 - 3 pages]
3. Attachment 3 - Annual Financial Statements for year ended 30 June 2022 [7.3.3 - 46 pages]
4. Attachment 4 - SRWRA Annual Report 2021-2022 [7.3.4 - 52 pages]
5. Attachment 5 - Galpins - Audit Completion Report City of Marion [7.3.5 - 17 pages]

4 October 2022



Mr Tim Muhlhausler
Partner
Galpins Accountants Auditors and Business Consultants
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Dear Tim,

This representation letter is provided in connection with your audit of the financial report of the City of Marion (the Council) for the year ended 30 June 2022 for the purpose of expressing an opinion as to whether the financial report presents fairly in accordance with the Australian Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

We confirm that *(to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves)*:

A. FINANCIAL REPORT

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, for the preparation of the financial report in accordance with Australian Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*; in particular the financial report presents fairly in accordance therewith.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control for the preparation of the financial report in accordance with Australian Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.
3. Significant accounting policies adopted in the preparation of the financial report are fully and fairly described in the financial report.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
5. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards. Such transactions with related party may include:
 - sales, purchases, loans, transfers of assets / liabilities/ services, leasing arrangements, guarantees etc.
 - all balances due to or from related party at year end.
6. All events subsequent of the date of the financial report for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.

The City of Marion acknowledges it is part of Kaurna land and recognises the Kaurna people as the traditional and continuing custodians of the land.



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7. There are no identifiable misstatements, both individually and in the aggregate, within the financial report.

B. OWNERSHIP

1. The Council has good title (or lease interest) in all assets recorded in the accounts.

C. VALUATION

1. We have no plans and intentions that may affect materially the carrying value, or classification, of Council's assets and liabilities.
2. The fair value of land and buildings as determined by the external valuer is reasonable.
3. Adequate provisions have been recorded in the accounts for all anticipated losses.
4. Depreciation rates for capital and other assets have been reviewed having regard to such factors as asset usage and obsolescence. Any adjustment to reflect the most recent assessment of the useful lives of all capital and other assets has been recognised and disclosed in the financial report.
5. The carrying amount of capital and other assets does not materially differ from its fair value at the reporting date.

D. Information Provided

1. We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the Council from whom you determined it necessary to obtain audit evidence.
2. All transactions have been recorded in accounting records and are reflected in the financial report.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
4. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
5. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Council and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial report.

6. We have disclosed to you all information in relation to allegations of fraud, suspected fraud, affecting the Council's financial report communicated by employees, former employees, analysts, regulators or others.
7. We have disclosed to you all known instances of non-compliance or suspected non-compliances with laws and regulations including all covenants, conditions or other requirements of outstanding debts, whose effects should be considered when preparing the financial report.
8. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial report; and accounted for and disclosed in accordance with the applicable financial reporting framework.
9. We have disclosed to you all known unusual commitments or contractual obligations that were not in the ordinary course of business whose effects should be considered when preparing the financial report.
10. We have disclosed to you the identity of the Council's related parties and all the related party relationships and transactions of which we are aware.

E. COMPLETENESS

1. All assets owned or controlled by the Council have been recorded in the accounts.
2. All services rendered prior to the year-end have been recorded in the correct financial year.
3. Inventory does not include items not paid for and for which no liability has been recorded in the accounts at year-end.
4. All charges to capital assets (and additions under capital leases) during the year represent actual additions and no expenditure of a capital nature have been charged to expenses during the year.
5. All capital assets sold or dismantled during the year have been properly accounted for in the accounts.
6. Capital and other assets with a limited life are being depreciated, amortised, or otherwise written off as a charge to income over their estimated useful lives in a systematic and rational manner.
7. All liabilities of the Council at year-end have been recorded in the accounts (including provisions for such items as salaries and wages, employee benefits, professional services and long term debts).

F. ELECTRONIC PUBLICATION OF FINANCIAL REPORT

1. We acknowledge our responsibility for the electronic presentation of the audited financial report and independent auditor's report on the internet is identical to the signed hard copy version.
2. We acknowledge our responsibility to clearly differentiate between audited and unaudited information in the construction of the Council's website as we understand the risk of potential misrepresentation.
3. We acknowledge our responsibility for the design, implementation and internal control to ensure the security and integrity of the data published on the internet.
4. We acknowledge our responsibility to only publish the independent auditor's report when the full financial report is presented on the website.

G. OTHER

1. Minute book provided to you contains complete and authentic minutes of all meetings and committees held throughout the year to the most recent meetings.
2. We believe that the Council will be able to meet its financial commitments when they fall due.

Yours Sincerely,

Tony Harrison
Chief Executive Officer

ANALYTICAL REVIEW - against Prior Year Actual

ATTACHMENT 2

Statement of Comprehensive Income	2021/22	2020/21	Variance	Variance	Favourable/ (Unfavourable)	Analysis
	\$'000's	\$'000's	\$'000's	%		
Income						
Rates Revenues	81,879	80,179	1,700	2.1%	F	Council adopted a 1% rate rise in addition to movement due to the growth rate in rateable properties of 1.1%.
Statutory Charges	2,348	2,175	173	8.0%	F	Primarily from an increase in Development Assessment Fees revenue.
User Charges	3,010	2,701	309	11.4%	F	Primarily relates to an increase in Rental income from new lease agreements executed in 2021-22.
Grants, Subsidies & Contributions	11,742	9,819	1,923	19.6%	F	The increase in grant funding reflects the receipt of \$2.6m (75%) of the 2022-23 Grants Commission allocation in advance in 2021-22 along with \$1.19m for the Coastal Walking Trail renewal and \$562k grant funding for the Food Waste recycling program.
Investment Income	365	503	(138)	(27.4%)	U	A decrease in investment income due to a significant reduction in surplus cash holdings in 2021/22.
Reimbursements	690	872	(182)	(20.9%)	U	A decrease in Risk Incentive Program funding (\$98k) and Private Infrastructure works (\$62k).
Other Income	1,506	902	604	67.0%	F	Increase in donations and contributions income relating to Relisiant South Climate Partnership (\$154k), Open Space Developor Contributions (\$78k), Cross Council Labour Recovery (\$38k) and Insurance Recoveries (\$36k).
Net Gain - Equity Accounted Businesses	882	173	709	409.8%	F	Movement in equity accounted investments - refer Note 19 and SRWRA Annual Financial Statements.
Total Income	102,422	97,324	5,098	5.2%		
Expenses						
Employee Costs	40,134	38,238	1,896	4.96%	U	Includes annual increases from Enterprise Agreements (\$765k), Council endorsed positions including Digital Transformation Program positions (\$814k) and additional Grant Funded Positions (\$284k).
Materials, Contracts & Other Expenses	45,141	42,532	2,609	6.1%	U	Increase in costs for Contractors, primarily relating Digital Transformation Projects (\$1,364k), Food Waste Recycling Program (\$543k), The Coastal Walkway - Field River (\$247k), Hugh Johnson Reserve Upgrade (\$223k) and an increase in Maintenance Agreements (\$322k).
Depreciation, Amortisation & Impairment	16,334	15,963	371	2.3%	U	Increase in depreciation expense due to new assets and Asset Renewal Program mainly related to Footpaths (\$150k), Plant and equipment (\$110k), Other assets (\$55k) and Buildings (\$38k).
Finance Costs	271	335	(64)	(19.1%)	F	No new borrowings were taken out resulting in a decrease in interest expense.
Total Expenses	101,880	97,068	4,812	5.0%		
Operating Surplus/(Deficit)	542	256	286	111.7%		
Asset Disposal & Fair Value Adjustments	(1,384)	(2,102)	718	(34.2%)	F	Asset disposal differences including disposal of remaining assets at Mitchell Park Sports Club in 2020/21.
Amounts Received Specifically for New or Upgraded Assets	6,259	9,542	(3,283)	(34.4%)	U	With the completion of the Sam Willoughby International BMX Facility, Southern Soccer Facility and Mitchell Park Sports and Community Club council brought to account the remaining \$3.5m of capital grant funds (\$7.4m in 2020-21). Council also recognised \$1.24m for Phase 2 of the Local Roads and Community Infrastructure (\$796k in 2020-21) along with \$801k for the Hugh Johnson Boulevard Reserve.
Physical Resources Received Free of Charge	1,396	2,001	(605)	(30.2%)	U	Relates to a decrease in Infrastructure assets received relating to the Tonsley redevelopment.
Net Surplus/(Deficit)	6,813	9,697	(2,884)	(29.7%)		
Other Comprehensive Income						
Changes in Revaluation Surplus - IPP&E	37,042	(21,408)	58,450	(273.0%)	F	Reflects change in the valuation of assets following a desktop revaluation of infrastructure assets undertaken by independent professional valuers in 2021/22.
Share of Other Comprehensive Income - Equity Accounted Council Business	346	0	346	0.0%	F	Relates to Councils share of SRWRA Asset Revaluation in 2021/22.
Total Other Comprehensive Income	37,388	(21,408)	58,796	(274.6%)		
Total Comprehensive Income	44,201	(11,711)	55,912	(477.4%)		

ANALYTICAL REVIEW - against Prior Year Actual

ATTACHMENT 2

Statement of Financial Position	2021/22	2020/21	Variance	Variance	Analysis
	\$000's	\$000's	\$000's	%	
ASSETS					
Current Assets					
Cash & Cash Equivalents	24,639	16,712	7,927	47.4%	Increase in short term deposits and bills.
Trade & Other Receivables	5,279	8,110	(2,831)	(34.9%)	Movements relate to General Debtors of \$1.732m which decreased \$1.583m from 2020/21 and Accrued Revenues of \$0.072m, which decreased by \$1.076m.
Other Financial Assets	2,400	37,300	(34,900)	(93.6%)	Relates to a decrease of funds invested in term deposits with over 90 day terms at 30 June.
Inventories	500	311	189	60.8%	
Total Current Assets	32,818	62,433	(29,615)	(47.4%)	
Non-Current Assets					
Equity Accounted Investments in Council Businesses	7,855	6,627	1,228	18.5%	Movement in equity accounted investments - refer Note 19 and SRWRA Annual Financial Statements.
Infrastructure, Property, Plant & Equipment	1,198,015	1,129,486	68,529	6.1%	Movements in valuation of infrastructure assets and asset acquisitions, disposals and depreciation.
Other Non-Current Assets	6,659	10,328	(3,669)	(35.5%)	Decrease in Work In Progress balance relates primarily to the completion of Major projects that had commenced prior to 30 June 2021.
Total Non-Current Assets	1,212,529	1,146,441	66,088	5.8%	
TOTAL ASSETS	1,245,347	1,208,874	36,473	3.0%	
LIABILITIES					
Current Liabilities					
Trade & Other Payables	11,029	17,721	(6,692)	(37.8%)	Reflects the decrease in creditors balance as at 30 June 2022.
Borrowings	876	827	49	5.9%	Current borrowings (current loan principle component) decreasing as existing loans are being paid down. No new loans established in 2021/22.
Provisions	6,346	6,430	(84)	(1.3%)	Decrease in Employee Provisions (\$0.084m).
Lease Liabilities	10	15	(5)	-	Reduction in lease liability due to leases ending.
Total Current Liabilities	18,261	24,993	(6,732)	(26.9%)	
Non-Current Liabilities					
Borrowings	2,687	3,564	(877)	(24.6%)	Reduction in total borrowings in line with scheduled repayments of existing loans - no new borrowings taken out during 2021/22.
Provisions	594	702	(108)	(15.4%)	Decrease in Employee Provisions (\$0.108m).
Lease Liabilities	0	11	(11)	-	Reduction in lease liability due to leases ending or nearing end dates.
Total Non-Current Liabilities	3,281	4,277	(996)	(23.3%)	
TOTAL LIABILITIES	21,542	29,270	(7,728)	(26.4%)	
Net Assets	1,223,805	1,179,604	44,201	3.7%	
EQUITY					
Accumulated Surplus	427,628	403,189	24,439	6.1%	Refer Statement of Comprehensive Income & Statement of Change in Equity (movement in comprehensive income net of reserve transfers).
Asset Revaluation Reserves	769,508	732,120	37,388	5.1%	Reflects change in the valuation of assets following a desktop revaluation of infrastructure assets undertaken by independent professional valuers in 2021/22.
Other Reserves	26,669	44,295	(17,626)	(39.8%)	Decrease in amounts held in Council's Accounting Reserves.
Total Council Equity	1,223,805	1,179,604	44,201	3.7%	

ANALYTICAL REVIEW - against Adopted Budget

ATTACHMENT 2

Statement of Comprehensive Income	2021/22 \$000's	Original Budget \$000's	Variance \$000's	Variance %	Favourable/ (Unfavourable)	Analysis
Income						
Rates Revenues	81,879	81,693	186	0.2%	F	Primarily relates to lower than forecast Rate Rebates (\$94k).
Statutory Charges	2,348	2,106	242	11.5%	F	Increase in Parking Fines (\$141k) Development Assessment Fees Revenue (\$90k).
User Charges	3,010	2,827	183	6.5%	F	Increase in Rental Income for new ageements executed in 2021/22 financial year, not originally budgeted for.
Grants, Subsidies & Contributions	11,742	6,726	5,016	74.6%	F	Primarily relates to additional funding for CHSP of \$1.11m, additional Grant Commision Funding received in advance \$1.61m, Coastal Walking Trail Funding recognised in 2021-22 of \$1.19m, Food Waste Recycling Program \$562k and a number of smaller operating grants successfully attracted during the 2021-22 year.
Investment Income	365	347	18	5.2%	F	Actual interest revenue reflects an increase in official interest rate on cash holdings for the last two months of the year.
Reimbursements	690	664	26	3.9%	F	-
Other Income	1,506	1,096	410	37.4%	F	Donations and Contributions income is greater than budgeted (\$374k) in addition to a higher than forecast Cross Council Labour Recovery
Net Gain - Equity Accounted Businesses	882	365	517	141.6%	F	Movement in equity accounted investments - refer Note 19 and SRWRA Annual Financial Statements.
Total Income	102,422	95,824	6,598	6.9%		
Expenses						
Employee Costs	40,134	39,912	222	0.6%	U	Primarily relates to an increase in unbudgeted Grant Funded positions (\$284k).
Materials, Contracts & Other Expenses	45,141	35,456	9,685	27.3%	U	Primarily relates to elements of budgeted capital projects reclassified to operating including Alawoona Avenue Streetscapes (\$967k), Sam Willoughby International BMX facility (\$945k), Diagonal Road Streetscapes (\$449k), Sturt Road Streescapes (\$311k), Capella Drive Reserve (\$307k), Sturt Road Streetscape (\$250k), Coastal Walkway (\$248k) along with a number of other minor variances. A total of \$4.220m of expenditure was carried over from 2020/21. \$2.807m of this was for Digital Tranformation projects and \$573k for the Food Waste Recycling Program.
Depreciation, Amortisation & Impairment	16,334	16,000	334	2.1%	U	Increase in depreciation expense for AASB 16 Leases (\$129k) and a number of new assets being depreciated or the first time (\$260k) .
Finance Costs	271	254	17	6.7%	U	Reflects interest expense on AASB 16 Leases not budgeted for.
Total Expenses	101,880	91,621	10,259	11.2%		
Operating Surplus/(Deficit)	542	4,203	(3,661)	(87.1%)	U	
Asset Disposal & Fair Value Adjustments	(1,384)	0	(1,384)	0.0%	U	Infrastructure and Open Space Equipment disposals during 2021/22.
Amounts Received Specifically for New or Upgraded Assets	6,259	4,577	1,682	36.7%	F	Grant funding originally budgeted in 2020-21 including Mitchell Park Sports and Community Club \$1.00m, Sam Willoughby International BMX Facility \$905k and Southern Soccer Facility \$1.03m, was recognised in 2021-22. Anticipated grant funding of \$1.5m for Marion Golf Park Club did not materialise in 2021-22.
Physical Resources Received Free of Charge	1,396	0	1,396	0.0%	F	Reflects contributed assets relating to the Tonsley redevelopment and a number of minor increases in infrastructure assets.
Net Surplus/(Deficit)	6,813	8,780	(1,967)	(22.4%)	U	
Other Comprehensive Income						
Changes in Revaluation Surplus - IPP&E	37,042	0	37,042	0.0%	U	Movement in Infrastructure assets due to desktop valuation carried out by independent valuer in 2021/22.
Share of Other Comprehensive Income - Equity Accounted Council Business	346	0	346	0.0%	F	Unbudgeted movement in SRWRA asset valuation.
Total Other Comprehensive Income	37,388	0	37,388	0.0%		
Total Comprehensive Income	44,201	8,780	35,421	403.4%	F	

City of Marion

GENERAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2022



City of Marion

General Purpose Financial Statements

for the year ended 30 June 2022

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City of Marion

General Purpose Financial Statements
for the year ended 30 June 2022

Certification of Financial Statements

We have been authorised by the Council to certify the financial statements in their final form.

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.

Tony Harrison
Chief Executive Officer

Date:

Kris Hanna
Mayor

Date:

City of Marion

Statement of Comprehensive Income

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Income			
Rates Revenues	2a	81,879	80,179
Statutory Charges	2b	2,348	2,175
User Charges	2c	3,010	2,701
Grants, Subsidies and Contributions	2g	11,742	9,819
Investment Income	2d	365	503
Reimbursements	2e	690	872
Other income	2f	1,506	902
Net Gain - Equity Accounted Council Businesses	19(a)	882	173
Total Income		102,422	97,324
Expenses			
Employee costs	3a	40,134	38,238
Materials, Contracts and Other Expenses	3b	45,141	42,532
Depreciation, Amortisation and Impairment	3c	16,334	15,963
Finance Costs	3d	271	335
Total Expenses		101,880	97,068
Operating Surplus / (Deficit)		542	256
Physical Resources Received Free of Charge	2i	1,396	2,001
Asset Disposal & Fair Value Adjustments	4	(1,384)	(2,102)
Amounts Received Specifically for New or Upgraded Assets	2g	6,259	9,542
Net Surplus / (Deficit) ¹		6,813	9,697
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	37,042	(21,408)
Changes in Revaluation Surplus - Equity Accounted Council Businesses	19	346	—
Total Other Comprehensive Income		37,388	(21,408)
Total Comprehensive Income		44,201	(11,711)

(1) Transferred to Statement of Changes in Equity

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

City of Marion

Statement of Financial Position

as at 30 June 2022

\$ '000	Notes	2022	2021
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	24,639	16,712
Trade & Other Receivables	5b	5,279	8,110
Other Financial Assets	5c	2,400	37,300
Inventories	5d	500	311
<u>Subtotal</u>		<u>32,818</u>	<u>62,433</u>
Total current assets		<u>32,818</u>	<u>62,433</u>
Non-current assets			
Equity Accounted Investments in Council Businesses	6a	7,855	6,627
Other Non-Current Assets	6b	6,659	10,328
Infrastructure, Property, Plant & Equipment	7a(i)	1,198,015	1,129,486
Total non-current assets		<u>1,212,529</u>	<u>1,146,441</u>
TOTAL ASSETS		<u>1,245,347</u>	<u>1,208,874</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	11,029	17,721
Borrowings	8b	876	827
Provisions	8c	6,346	6,430
Lease Liabilities	8d	10	15
<u>Subtotal</u>		<u>18,261</u>	<u>24,993</u>
Total Current Liabilities		<u>18,261</u>	<u>24,993</u>
Non-Current Liabilities			
Borrowings	8b	2,687	3,564
Provisions	8c	594	702
Lease Liabilities	8d	—	11
Total Non-Current Liabilities		<u>3,281</u>	<u>4,277</u>
TOTAL LIABILITIES		<u>21,542</u>	<u>29,270</u>
Net Assets		<u>1,223,805</u>	<u>1,179,604</u>
EQUITY			
Accumulated surplus		427,628	403,189
Asset revaluation reserves	9a	769,508	732,120
Other reserves	9b	26,669	44,295
Total Council Equity		<u>1,223,805</u>	<u>1,179,604</u>
Total Equity		<u>1,223,805</u>	<u>1,179,604</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

City of Marion

Statement of Changes in Equity
for the year ended 30 June 2022

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2022					
Balance at the end of previous reporting period		403,189	732,120	44,295	1,179,604
Net Surplus / (Deficit) for Year		6,813	—	—	6,813
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	37,042	—	37,042
- Share of Gain (Loss) on Revaluation - Equity Accounted Council Businesses		—	346	—	346
Other comprehensive income		—	37,388	—	37,388
Total comprehensive income		6,813	37,388	—	44,201
Transfers between Reserves		17,626	—	(17,626)	—
Balance at the end of period		427,628	769,508	26,669	1,223,805
2021					
Balance at the end of previous reporting period		396,604	753,528	41,183	1,191,315
Net Surplus / (Deficit) for Year		9,697	—	—	9,697
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	(21,408)	—	(21,408)
Other comprehensive income		—	(21,408)	—	(21,408)
Total comprehensive income		9,697	(21,408)	—	(11,711)
Transfers between Reserves		(3,112)	—	3,112	—
Balance at the end of period		403,189	732,120	44,295	1,179,604

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

City of Marion

Statement of Cash Flows

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Cash flows from operating activities			
<u>Receipts</u>			
Rates Receipts		82,059	80,535
Statutory Charges		2,369	2,193
User Charges		3,131	2,852
Grants, Subsidies and Contributions (operating purpose)		10,156	12,681
Investment Receipts		365	503
Reimbursements		748	939
Other Receipts		12,804	4,105
<u>Payments</u>			
Finance Payments		(271)	(335)
Payments to Employees		(41,046)	(38,172)
Payments for Materials, Contracts & Other Expenses		(56,484)	(47,072)
Net cash provided by (or used in) Operating Activities	11b	13,831	18,229
Cash flows from investing activities			
<u>Receipts</u>			
Net Disposal of Investment Securities		34,900	—
Amounts Received Specifically for New/Upgraded Assets		4,153	5,983
Sale of Replaced Assets		266	385
Sale of Surplus Assets		97	416
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(9,959)	(7,530)
Expenditure on New/Upgraded Assets		(34,416)	(16,315)
Net Purchase of Investment Securities		—	(900)
Net cash provided (or used in) investing activities		(4,959)	(17,961)
Cash flows from financing activities			
<u>Payments</u>			
Repayments of Borrowings		(828)	(1,244)
Repayment of Finance Lease Liabilities		(117)	(143)
Net Cash provided by (or used in) Financing Activities		(945)	(1,387)
Net Increase (Decrease) in Cash Held		7,927	(1,119)
plus: Cash & Cash Equivalents at beginning of period		16,712	17,831
Cash and cash equivalents held at end of period	11a	24,639	16,712
Additional Information:			
plus: Investments on hand – end of year	5c	2,400	37,300
Total Cash, Cash Equivalents & Investments		27,039	54,012

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

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City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

(1) Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis using the historical cost convention in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 30 May 2022

1.2 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

1.3 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

1.4 Estimates and assumptions

COVID-19 is not expected to have a significant financial impact on Council operations with the Council. It is expected limited financial impacts will flow into the 2022/23 financial year and these have been largely taken into account during the development of the budget process for 2022/23. The budget assumptions for 2022/23 assume that no further harsher restrictions are put in place by the government. However, Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

(2) The Local Government Reporting Entity

City of Marion is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 245 Sturt Road, Sturt. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Other entities in which Council has an interest but does not control are reported in Note 19.

(3) Income Recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference
2019/20	\$2,980,238	\$3,452,091	- \$471,853
2020/21	\$3,046,589	\$2,995,722	\$50,867
2021/22	\$4,601,320	\$3,124,230	\$1,477,790

Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues are recognised over time using the input method, with costs incurred compared to total expected costs used as a measure of progress. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

(4) Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

(5) Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

(6) Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Category	Individual Threshold
Infrastructure	\$10,000
Land	n/a
Land Improvements	\$5,000
Buildings	\$10,000
Furniture and Fittings	\$3,000
Equipment	\$3,000
Other	\$3,000

Thresholds are also applied to Aggregated Assets in determining whether the value is considered material.

Category	Aggregate Threshold
Infrastructure	
Reserve Lighting	\$250,000
Reserve Pathways	\$500,000
Buildings	
Bus Shelters	\$1,000,000
Shelters/Gazebos	\$250,000
Fencing	\$500,000
Furniture and Fittings	\$25,000
Equipment	
Irrigation	\$1,000,000
LED Lighting	\$1,000,000
Other	
BBQs	\$250,000
Reserve Furniture	\$500,000
Drink Fountains	\$50,000
Reserve Bollards	\$250,000
Reserve Bins	\$100,000
City Band Instruments	\$100,000
Council Artwork	\$100,000

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

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City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are listed below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

	Short Life Years	Long Life Years
Furniture & Equipment		
Office Equipment	3 to 10	n/a
Office Furniture	15	n/a
Vehicles and Heavy Equipment	3 to 15	n/a
Other Plant & Equipment	7 to 25	n/a
LED Lighting	50	n/a
Irrigation – Equipment	10	n/a
Irrigation - Pipework	60	n/a
Buildings		
Sub Structure	n/a	80 to 200
Super Structure	40 to 80	n/a
Roofing	40	n/a
Services	40 to 50	n/a
Fitout	30	n/a
Infrastructure		
Sealed Roads – Surface	25 to 40	n/a
Road Base	60 to 100	200
Road Formation	200	n/a
Kerb	70 to 105	200
Footpath – Bitumen/Rubber	20 to 40	60 to 100
Footpath – Concrete	50 to 85	n/a
Footpath – Paved	50 to 85	n/a
Other Road Structures	20 to 100	40 to 80
Traffic Signs	15 to 20	n/a
Bridges	80 to 140	200
Stormwater Pipes Concrete	100 to 175	200
Stormwater Pipes PVC	60 to 100	n/a
Stormwater Pipes Ribloc	60 to 100	200
Junction Boxes	100 to 175	200
Pollutant Traps	100 to 175	200
Box Culverts	100 to 175	200
Headwalls	100 to 175	200
Drainage Pits	100 to 175	200
Other Infrastructure		
Wetland Assets	15 to 100	250
Car Parks	25 to 40	n/a
Lighting	15 to 25	n/a
Recreation Pathways	30 to 40	n/a
Sports Floodlights	25	n/a
Other Assets		
Playground Equipment	20	n/a
Reserve Furniture	25	n/a
Band Instruments	30	n/a
Civic Art Structures	15 to 80	n/a

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City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

6.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

6.6 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with AASB 123 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

(7) Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days from the date of invoice. No interest is payable on these amounts.

7.2 Payments Received in Advance & Deposits

Amounts other than grants received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

(8) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

(9) Employee Benefits

9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Fund. The Fund has two types of membership, each of which is funded differently. Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

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City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

(10) Leases

The Council assesses at contract inception whether a contract is, or contains, a lease. That is, the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Council as a Lessee

Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

Council recognises the right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of the costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight line basis over lease term.

The right-of-use asset is also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, Council recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. In calculating the present value of the lease payments the council uses the interest rate implicit in the lease.

iii) Short term leases and leases of low value assets

Council applies the short-term lease recognition exemption to its short term leases (i.e. a lease term less than 12 months from commencement date). Council also applies the low-value assets recognition exemption to leases that do not meet the underlying asset capitalisation threshold. These leases are recognised as an expense on a straight line basis over the lease term.

(11) Equity Accounted Council Businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 19.

(12) GST Implications

In accordance with UIG Interpretation 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

(13) New accounting standards and UIG interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to AASB 16 Covid-19 Related Rent Concessions

In 2020, the AASB issued AASB 2020-4, Amendments to AASBs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, in 2021 the AASB extended the period of application of the practical expedient to 30

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021. This amendment had no impact on the financial statements of the Council.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2022, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements that could be applicable to Councils.

Effective for NFP annual reporting periods beginning on or after 1 January 2022

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments

Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2020-6)
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (amended by AASB 2021-6)

Effective for NFP annual reporting periods beginning on or after 1 January 2025

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5 and AASB 2021-7)

(14) Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(15) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 2. Income

\$ '000	2022	2021
(a) Rates Revenues		
General Rates		
General Rates	81,912	79,924
Less: Mandatory Rebates	(2,316)	(1,959)
Less: Discretionary Rebates, Remissions & Write Offs	(35)	(25)
Total General Rates	79,561	77,940
Other Rates (Including Service Charges)		
Regional Landscape Levy	2,057	1,995
Total Other Rates (Including Service Charges)	2,057	1,995
Other Charges		
Penalties for Late Payment	261	244
Total Other Charges	261	244
Total Rates	81,879	80,179
(b) Statutory Charges		
Planning and Development Fees	978	930
Animal Registration Fees & Fines	599	575
Parking Fines / Expiation Fees	771	670
Total Statutory Charges	2,348	2,175
(c) User Charges		
Hall & Equipment Hire	345	307
Sales - General	593	828
Sundry	881	853
Admission Fees	560	382
Rental Income	631	331
Total User Charges	3,010	2,701
(d) Investment Income		
Interest on Investments		
- Local Government Finance Authority	365	499
- Banks & Other	-	4
Total Investment Income	365	503

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City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 2. Income (continued)

\$ '000	2022	2021
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(e) Reimbursements

Private Works	286	357
Other	404	515
Total Reimbursements	690	872

(f) Other income

Sundry	272	39
Donations & Contributions income	459	161
Labour Recovery	656	618
Insurance & Other Recoupments - Infrastructure, IPP&E	119	84
Total Other income	1,506	902

(g) Grants, Subsidies, Contributions

Sam Willoughby International BMX Facility	1,280	2,602
Local Roads and Community Infrastructure Phase 2	1,239	796
Southern Soccer Facility	1,029	1,278
Mitchell Park Sports and Community Club	1,230	3,520
Hugh Johnson Boulevard Reserve	801	—
Other Amounts Received Specifically for New or Upgraded Assets	680	1,346
Total Amounts Received Specifically for New or Upgraded Assets	6,259	9,542

Individually Significant Item - Financial Assistance Grants	4,601	3,047
Home and Community Care Grants	2,633	1,714
Coastal Walking Trail Renewal	1,193	—
Birch Crescent Streetscape	—	1,825
Roads to Recovery	976	976
Food Waste Recycling Program	563	—
Family and Community Development	278	272
Library Services	278	317
Smart Cities & Suburbs	—	618
Other Grants, Subsidies and Contributions	1,220	1,050
Total Other Grants, Subsidies and Contributions	11,742	9,819

Total Grants, Subsidies, Contributions	18,001	19,361
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The functions to which these grants relate are shown in Note 12.

(i) Sources of grants

Commonwealth Government	8,030	10,786
State Government	9,765	8,002
Other	206	573
Total	18,001	19,361

(ii) Individually Significant Items

Grants Commission - Financial Assistance Grant recognised as income	4,601	3,047
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City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 2. Income (continued)

2022: In April 2022, Council received part payment for the 2022/23 Grants Commission Financial Assistance Grants. This payment was adjusted for minor reconciling amounts relating to the 2021/22 Grants Commission payment received in May 2021.

2021: In May 2021, Council received part payment for the 2021/22 Grants Commission Financial Assistance Grants. This payment was adjusted for minor reconciling amounts relating to the 2020/21 Grants Commission payment received in June 2020.

\$ '000	2022	2021
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(h) Conditions over Grants & Contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

Unexpended at the close of the previous reporting period	8,186	7,167
Less:		
<i>Expended during the current period from revenues recognised in previous reporting periods</i>		
Other	(7,831)	(659)
Subtotal	(7,831)	(659)
Plus:		
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
Other	3,836	1,678
Subtotal	3,836	1,678
Unexpended at the close of this reporting period	4,191	8,186
Net increase (decrease) in assets subject to conditions in the current reporting period	(3,995)	1,019

(i) Physical Resources Received Free of Charge

Roads, Bridges & Footpaths	1,396	2,001
Total Physical Resources Received Free of Charge	1,396	2,001

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 3. Expenses

\$ '000	Notes	2022	2021
(a) Employee costs			
Salaries and Wages		32,841	32,086
Employee Leave Expense		4,004	3,007
Superannuation - Defined Contribution Plan Contributions	18	3,213	3,027
Workers' Compensation Insurance		944	803
Less: Capitalised and Distributed Costs		(868)	(685)
Total Operating Employee Costs		40,134	38,238
Total Number of Employees (full time equivalent at end of reporting period)		387	370
(b) Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		28	39
Bad and Doubtful Debts		95	8
Elected Members' Expenses		370	365
Operating Lease Rentals - Cancellable Leases		290	317
Subtotal - Prescribed Expenses		783	729
(ii) Other Materials, Contracts and Expenses			
Contractors		23,551	21,118
Maintenance		4,187	4,141
Parts, Accessories & Consumables		4,720	4,116
Infrastructure Contributions		2,491	2,616
Sundry		1,564	2,373
Levies Paid to Government - Regional Landscape Levy		2,057	1,996
Levies - Other		136	226
Energy		1,478	1,445
Professional Services		1,741	1,430
Insurance		669	586
Memberships & Subscriptions		437	367
Legal Expenses		359	300
Printing & Postage		276	276
Bank Fees & Charges		184	202
Library Materials		184	198
Telecommunication Charges		174	176
Fringe Benefits Tax		113	162
Advertising		37	75
Subtotal - Other Material, Contracts & Expenses		44,358	41,803
Total Materials, Contracts and Other Expenses		45,141	42,532

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City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 3. Expenses (continued)

\$ '000	2022	2021
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Buildings & Other Structures	3,746	3,708
Infrastructure	8,992	8,858
- Other	1,193	1,178
Right-of-use Assets	130	124
Plant & Equipment	1,416	1,307
Furniture & Fittings	84	79
Intangible Assets	54	45
Other Assets	719	664
Subtotal	16,334	15,963
Total Depreciation, Amortisation and Impairment	16,334	15,963
(d) Finance Costs		
Interest on Loans	271	335
Total Finance Costs	271	335

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2022	2021
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	266	385
Less: Carrying Amount of Assets Sold	(1,676)	(2,465)
Gain (Loss) on Disposal	(1,410)	(2,080)
(ii) Assets Surplus to Requirements		
Proceeds from Disposal	97	416
Less: Carrying Amount of Assets Sold	(71)	(438)
Gain (Loss) on Disposal	26	(22)
Net Gain (Loss) on Disposal or Revaluation of Assets	(1,384)	(2,102)

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 5. Current Assets

\$ '000	2022	2021
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(a) Cash & Cash Equivalent Assets

Cash on Hand at Bank	839	1,112
Short Term Deposits & Bills, etc.	23,800	15,600
Total Cash & Cash Equivalent Assets	24,639	16,712

(b) Trade & Other Receivables

Rates - General & Other	1,710	1,897
Rates Postponed for State Seniors	174	167
Accrued Revenues	72	1,148
Debtors - General	1,732	3,315
GST Recoupment	800	1,051
Prepayments	791	532
Total Trade & Other Receivables	5,279	8,110

(c) Other Financial Assets

Other Financial Assets (Term Deposits with over 90 days to maturity)	2,400	37,300
Total Other Financial Assets	2,400	37,300

Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13.

(d) Inventories

Stores & Materials	500	311
Total Inventories	500	311

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 6. Non-Current Assets

\$ '000	Notes	2022	2021
(a) Equity Accounted Investments in Council Businesses			
Southern Region Waste Resource Authority	19(a)i	7,855	6,627
<u>Total Equity Accounted Investments in Council Businesses</u>		<u>7,855</u>	<u>6,627</u>
(b) Other Non-Current Assets			
Other			
Capital Works-in-Progress		6,659	10,328
<u>Total Other Non-Current Assets</u>		<u>6,659</u>	<u>10,328</u>

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City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment (continued)

(a(i)) Infrastructure, Property, Plant & Equipment

		as at 30/06/21				Asset movements during the reporting period							as at 30/06/22			
	Fair Value Level	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Adjustments & Transfers	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
\$ '000																
Land	3	353,132	–	–	353,132	110	–	–	–	–	–	–	353,242	–	–	353,242
Buildings & Other Structures	3	183,357	–	(71,532)	111,825	21,702	1,205	(64)	(3,746)	–	–	–	205,947	–	(75,024)	130,923
Infrastructure	3	778,153	–	(176,252)	601,901	6,386	5,855	(878)	(8,992)	–	–	37,042	844,563	–	(203,249)	641,314
- Other	3	48,752	–	(14,157)	34,595	9,853	794	(479)	(1,193)	–	–	–	58,371	–	(14,801)	43,570
Right-of-Use Assets		–	658	(637)	21	–	–	–	(130)	117	–	–	–	775	(767)	8
Plant & Equipment		–	25,207	(9,894)	15,313	673	1,802	(262)	(1,416)	–	–	–	–	27,273	(11,164)	16,109
Furniture & Fittings		–	1,407	(674)	733	320	91	–	(84)	–	–	–	–	1,819	(758)	1,061
Intangible Assets		–	1,043	(931)	112	24	75	–	(54)	–	–	–	–	1,141	–	(985)
Other Assets	3	16,279	–	(4,425)	11,854	559	–	(64)	(719)	–	–	–	16,710	–	(5,078)	11,632
Total Infrastructure, Property, Plant & Equipment		1,379,673	28,315	(278,502)	1,129,486	39,627	9,822	(1,747)	(16,334)	117	–	37,042	1,479,974	29,867	(311,826)	1,198,015
Comparatives		1,345,157	61,129	(256,478)	1,149,808	12,994	7,011	(2,903)	(15,963)	(56)	(21,408)	–	1,379,673	28,315	(278,502)	1,129,486

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City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment (continued)

(b) Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

Valuation of Assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on Valuations

Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques

Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use.

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City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment (continued)

AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Fair value hierarchy level 2 valuations: Land is shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Fair value hierarchy level 3 valuations of valuations of buildings, infrastructure and other assets: There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.

The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques.

Land & Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. A comprehensive revaluation was carried out by independent valuation for the reporting period, 30 June 2018.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset. Currently there are no assets that require this treatment.

Buildings & Other Structures

A comprehensive revaluation was carried out by independent valuation for the reporting period, 30 June 2018.

Infrastructure

A desktop revaluation of infrastructure assets (roads, footpaths, kerbs, drains, bridges, traffic devices and traffic signs) was carried out by independent valuation for this reporting period, 30 June 2022.

A comprehensive revaluation was carried out by independent valuation for the reporting period, 30 June 2018 for other infrastructure assets such as car parks, lighting, walking trails and reserve pathways

All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Equipment & Equipment

These assets are recognised on the cost basis.

All other Assets

A comprehensive revaluation was carried out by independent valuation for the reporting period, 30 June 2018.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 8. Liabilities

\$ '000	2022 Current	2022 Non Current	2021 Current	2021 Non Current
(a) Trade and Other Payables				
Goods & Services	5,652	—	8,010	—
Payments Received in Advance	—	—	23	—
- Grants, Subsidies, Contributions - Operating	974	—	2,863	—
- Grants & Contributions - Capital	3,217	—	5,323	—
Accrued Expenses - Employee Entitlements	1,041	—	1,313	—
Accrued Expenses - Other	83	—	130	—
Other	62	—	59	—
Total Trade and Other Payables	11,029	—	17,721	—

(b) Borrowings

Loans	876	2,687	827	3,564
Total Borrowings	876	2,687	827	3,564

All interest bearing liabilities are secured over the future revenues of the Council

(c) Provisions

Employee Entitlements (including oncosts)	6,346	594	6,430	702
Total Provisions	6,346	594	6,430	702

(d) Lease Liabilities

Lease Liabilities	10	—	15	11
Total Other Liabilities	10	—	15	11

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9. Reserves

	as at 30/06/21				as at 30/06/22
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset Revaluation Reserve					
Land	250,696	—	—	—	250,696
Buildings & Other Structures	84,875	—	—	—	84,875
Infrastructure	2,890	1,165	—	—	4,055
- Stormwater Drainage	80,343	15,681	—	—	96,024
- Other	298	—	—	—	298
- Roads, Bridges, Footpaths	307,578	20,196	—	—	327,774
Other Assets	5,073	—	—	—	5,073
JV's / Associates - Other Comprehensive Income	367	346	—	—	713
Total Asset Revaluation Reserve	732,120	37,388	—	—	769,508
Comparatives	753,528	(21,408)	—	—	732,120

	as at 30/06/21				as at 30/06/22
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other Reserves					
Open Space Reserve	2,441	135	(64)	—	2,512
Grants/Carry Forward Projects Reserve	23,085	4,206	(14,438)	—	12,853
Asset Sustainability Reserve	17,910	1,117	(8,876)	—	10,151
Water Reserve	859	294	—	—	1,153
Total Other Reserves	44,295	5,752	(23,378)	—	26,669
Comparatives	41,183	24,808	(21,696)	—	44,295

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City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 9. Reserves (continued)

Purposes of Reserves

Asset Revaluation Reserves

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

Open Space Reserve

Purpose - this reserve has been established to account for the following:

- I. set aside open space contributions provided by developers in accordance with the Planning, Development and Infrastructure Act 2016 (conditions may apply)
- II. separate net proceeds associated with Road Closures.
- III. net proceeds associated with disposal of minor land holdings
- IV. funds received from the 'Urban Trees Fund'

Use of Fund - monies can be applied to the development of Open Space facilities as approved by Council and in accordance with the Open Space Policy. Interest revenues earned on contributions provided by developers are transferred to the Fund.

Grants and Carryovers Reserve

Purpose - this reserve was created for:

Grants received in advance - occasionally a funding body has provided untied Grant funds relating to the following financial year(s) in advance. When this has occurred, it has been necessary to transfer these funds to this reserve so that they can be matched against the expenditures planned to be incurred in the next financial year.

Carryovers - typically represents unspent capital and service improvements budgets carried forward to the following financial year.

Use of Fund - monies are utilised in accordance with the original purpose.

Asset Sustainability Reserve

Purpose - this is a reserve fund established to:

- I. Primary Purpose – Provide Council with the ability to access sufficient funds to enable it to respond to a major infrastructure failure or fund an infrastructure gap identified in periodic asset audits.
- II. Assist Council fund its Long Term Asset Management objectives.
- III. Provide a means by which to spread the cost of intergenerational assets thereby reducing the need for borrowings
- IV. Provide a means by which Council can strategically plan to maintain its asset base within a long term Financial framework.

The Asset Sustainability Reserve will be funded from planned surpluses identified in the Long Term Financial Plan (LTFP).

Use of Fund - Reserve transfers will be controlled by specific Council resolutions or identified as part of the approved annual Strategic Plan and Budget.

Water Reserve

Purpose - this reserve is established to quarantine revenue received and savings identified from the sale and use of treated stormwater from Oaklands Wetland to further develop third party supply opportunities.

Use of Fund - Reserve transfers require approval at Executive level.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 10. Assets Subject to Restrictions

\$ '000	2022	2021
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The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

Cash & Financial Assets

Grant funds received in advance

4,191 8,186

Total Cash & Financial Assets**4,191 8,186****Total Assets Subject to Externally Imposed Restrictions****4,191 8,186**

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2022	2021
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(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Total Cash & Equivalent Assets	5	24,639	16,712
Balances per Statement of Cash Flows		24,639	16,712

(b) Reconciliation of Change in Net Assets to Cash from Operating Activities

Net Surplus/(Deficit)		6,813	9,697
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		16,334	15,963
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(882)	(173)
Non-Cash Asset Acquisitions		(1,396)	(2,001)
Grants for capital acquisitions treated as Investing Activity		(6,259)	(9,542)
Net (Gain) Loss on Disposals		1,384	2,102
		15,994	16,046
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Inventories		(189)	20
Net (Increase)/Decrease in Receivables		2,831	(2,110)
Net Increase/(Decrease) in Other Liabilities		(16)	7
Net Increase/(Decrease) in Trade & Other Payables		(4,597)	4,049
Net Increase/(Decrease) in Unpaid Employee Benefits		(192)	217
Net Cash provided by (or used in) operations		13,831	18,229

\$ '000	Notes	2022	2021
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(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

Physical Resources Received Free of Charge	21	1,396	2,001
Amounts recognised in Income Statement		1,396	2,001
Total Non-Cash Financing and Investing Activities		1,396	2,001

(d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards	125	125
LGFA Cash Advance Debenture Facility	11,000	11,000

Council has immediate access to a short-term cash advance debenture facility at variable interest rate borrowings from the Local Government Finance Authority of SA.

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).										
\$ '000	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Functions/Activities										
Development Assessment	1,179	1,099	4,573	4,375	(3,394)	(3,276)	—	—	—	—
Crime Prevention	3	5	393	363	(390)	(358)	—	—	—	—
Community Support & Development	5,417	4,677	15,548	14,669	(10,131)	(9,992)	2,821	2,381	150,515	130,348
Public & Environment Health	157	120	1,184	929	(1,027)	(809)	553	78	—	—
Community Safety Inspection	1,411	1,277	2,235	1,869	(824)	(592)	—	—	—	—
Public Infrastructure	3,435	2,961	20,847	20,446	(17,412)	(17,485)	4,832	2,092	700,382	661,170
Open Space	1,120	2,026	18,335	19,069	(17,215)	(17,043)	198	1,463	298,674	293,244
Public Conveniences	10	8	664	633	(654)	(625)	—	—	3,170	3,304
Strategic Projects	52	131	1,788	1,966	(1,736)	(1,835)	—	50	52	66
Asset Management	—	—	—	—	—	—	—	—	15,236	15,349
Neighbourhood Centres	340	401	1,560	1,675	(1,220)	(1,274)	285	357	7,648	7,487
Cultural Development	254	336	3,600	3,306	(3,346)	(2,970)	13	93	14,308	14,472
Libraries	589	602	8,614	7,731	(8,025)	(7,129)	362	317	13,938	13,935
Waste & Recycling	110	757	10,269	9,945	(10,159)	(9,188)	—	573	—	—
Trees	—	—	2,471	2,092	(2,471)	(2,092)	20	—	—	—
Economic Development	90	100	1,120	1,194	(1,030)	(1,094)	—	60	—	—
Governance	—	—	5,961	4,062	(5,961)	(4,062)	—	—	—	—
Service Quality	1	2	163	108	(162)	(106)	—	—	742	411
Treasury	87,372	82,649	2,555	2,636	84,817	80,013	2,658	2,355	40,682	69,088
Total Functions/Activities	101,540	97,151	101,880	97,068	(340)	83	11,742	9,819	1,245,347	1,208,874

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, net gain (loss) from joint ventures & associated entities, amounts received specifically for new or upgraded assets and physical resources received free of charge.

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 12(b). Components of Functions

The activities relating to Council functions are as follows:

DEVELOPMENT ASSESSMENT

Building and planning services which ensure that houses are safely constructed and designed and developed in a manner which is sympathetic to the local neighbourhood

CRIME PREVENTION

Services such as graffiti removal and working with other agencies to improve the safety and amenity of the community

COMMUNITY SUPPORT & DEVELOPMENT

Services such as home and community care, youth services, support for volunteers and community transport providing direct support to groups within the community

PUBLIC & ENVIRONMENTAL HEALTH

Services such as food safety and public health inspections, immunisation and enforcement of certain environmental regulations as well as Planning, information, advice and demonstration to promote environmentally sensitive practices by both Council and the community

COMMUNITY SAFETY INSPECTION

Services include dog and cat control, pest control, parking control and the enforcement of by-laws to ensure that the community is safe and orderly

PUBLIC INFRASTRUCTURE

Includes the design, development and maintenance of footpaths, streets, drainage and kerb and water table, as well as street signs, traffic control devices and line-marking ensuring that local neighbourhoods are safe and accessible with good amenity

OPEN SPACE

Parks, reserves, ovals and streetscape development and maintenance providing well maintained public spaces for use by all members of the community

PUBLIC CONVENIENCES

Services such as provision and maintenance of public toilets in close proximity to highly frequented reserves and other open space areas

STRATEGIC PROJECTS

Delivery of Major Projects across the city aimed at providing improved services and facilities for the Community

ASSET MANAGEMENT

Management and maintenance of Council properties enabling them to be utilised by members of the community for various purposes such as meetings, social activities and programs

NEIGHBOURHOOD CENTRES

Providing opportunities for learning and social activities for all ages and interests

CULTURAL DEVELOPMENT

Supporting community involvement in arts and cultural activity and expression, celebrating diversity, indigenous people and those from culturally and linguistically diverse backgrounds. This includes the Marion Cultural Centre and Living Kurna Cultural Centre providing cultural and artistic experiences for the community

LIBRARIES

Three libraries and a delivery service providing opportunities for learning and social activities for all ages and interests

WASTE & RECYCLING

Services including domestic kerbside collection, hard rubbish collection, street sweeping and general litter collection to maintain cleanliness and amenity

TREES

Provision of street trees and revegetation programs to improve amenity and promote, where possible, the use of indigenous plants

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City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 12(b). Components of Functions (continued)

ECONOMIC DEVELOPMENT

Planning and support for existing and potential businesses to assist businesses to adapt to changing circumstance and provide an employment base for the Marion community

ORGANISATION OF EXCELLENCE

To lead in the delivery of the Community Vision, the organisation must maintain its sustainability. This underpins our Corporate Vision of "An Organisation of Excellence". To achieve this, the following essential support services are funded in the budget.

Governance

Elected Member Support

Provision of services which enable Elected Members to undertake their role in making decisions for the Council and community, including Council meetings, elections and council receptions.

Strategic, corporate and sustainability planning and policy development

To ensure that Council is progressing towards achieving the Community Vision 2040 and its strategic social, cultural, and economic and environmental sustainability goals in a transparent and accountable manner, working with our Local, State, and Commonwealth Government partners

Risk management policy, development and internal audit

Activities to ensure that Council is continuously improving its management systems

External relations, communication and community engagement

Enables the community to be appropriately and adequately informed about the activities and decisions of the Council.

Service Quality

Customer Experience

In particular the Customer Service Centre, which enables Council staff to liaise with the community to address issues and concerns directly with Council, as well as provide the community with information and referral to other services provided in the region.

Information Technology

Provides support to Council staff for their technological needs to enable them to contribute towards delivery of the Community Vision as well as access by the community to Council information and services through the internet and email

Information Management

Enables Council to keep adequate and appropriate records of activities and decisions

TREASURY

Including budgeting, rating, accounts management and payroll, which ensure sound and transparent financial management which enables Council to provide adequate services and facilities and appropriately address community needs

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 13. Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 0.43% and 2.17% (2021: 0.30% and 0.55%). Short term deposits have an average maturity of 92 days and an average interest rate of 0.41% (2021: 110 days and 1.55%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - Rates & Associated Charges

Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

Terms & Conditions:

Secured over the subject land, arrears attract interest of 2% (2021: 2%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Fees & Other Charges

Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

Terms & Conditions:

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Other Levels of Government

Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

Carrying Amount:

Approximates fair value.

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

Liabilities - Creditors and Accruals**Accounting Policy:**

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities - Interest Bearing Borrowings**Accounting Policy:**

Initially recognised at fair value and subsequently at amortised cost using the effective interest rate.

Terms & Conditions:

Secured over future revenues, borrowings are repayable over 10 to 15 years; interest is charged at fixed rates between 5.8% and 6.85% (2021: 5.8% and 6.85%).

Carrying Amount:

Approximates fair value.

Liabilities - Leases**Accounting Policy:**

Accounted for in accordance with AASB 16 as stated in Note 17.

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets and Liabilities					
2022					
Financial Assets					
Cash & Cash Equivalents	24,639	—	—	24,639	24,639
Receivables	5,279	—	—	5,279	5,279
Other Financial Assets	2,400	—	—	2,400	2,400
Total Financial Assets	32,318	—	—	32,318	32,318
Financial Liabilities					
Payables	5,783	—	—	5,783	5,783
Borrowings	1,081	—	—	1,081	876
Non-Current Borrowings	—	2,325	830	3,155	2,687
Total Financial Liabilities	6,864	2,325	830	10,019	9,346
2021					
Financial Assets					
Cash & Cash Equivalents	16,712	—	—	16,712	16,712
Receivables	8,110	—	—	8,110	8,110
Other Financial Assets	37,300	—	—	37,300	37,300
Total Financial Assets	62,122	—	—	62,122	62,122

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City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Liabilities					
Payables	8,222	–	–	8,222	8,222
Borrowings	1,081	–	–	1,081	827
Non-Current Borrowings	–	2,991	1,244	4,235	3,564
Total Financial Liabilities	9,303	2,991	1,244	13,538	12,613

The following interest rates were applicable to Council's Borrowings at balance date:

\$ '000	2022		2021	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	6.09%	3,563	6.08%	4,391
		3,563		4,391

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

Expected Credit Losses (ECL)

Council uses an allowance matrix to measure expected credit losses for receivables from individual customers, which comprise a large number of small balances. As rates and annual charges are secured over subject land no allowance for such receivables is made. The following table provides information about Council's ECLs from receivables (excluding secured rates and charges, GST and other amounts held in trust). Impairment analysis is performed each reporting date. ECLS are based on credit history adjusted for forward looking estimates and economic conditions.

Set out below is the movement in the allowance for expected credit losses:

Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2022	2021
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Capital Commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Buildings	1,255	10,490
Infrastructure	2,655	2,493
Plant & Equipment	2,093	1,749
Other	581	1,366
	6,584	16,098

These expenditures are payable:

Not later than one year	6,584	16,098
	6,584	16,098

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 15. Financial Indicators

	Indicator 2022	Indicators 2021	Indicators 2020
Financial Indicators overview			
<i>These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.</i>			
1. Operating Surplus Ratio			
Operating Surplus			
Total Operating Income	0.5%	0.3%	6.8%
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>			
2. Net Financial Liabilities Ratio			
Net Financial Liabilities			
Total Operating Income	(11)%	(34)%	(32)%
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.</i>			
Adjusted Operating Surplus Ratio			
Operating Surplus			
Total Operating Income	(0.9)%	0.2%	7.2%
Adjustments to Ratios			
<i>In recent years the Commonwealth Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.</i>			
Adjusted Net Financial Liabilities Ratio			
Net Financial Liabilities			
Total Operating Income	(8)%	(32)%	(32)%
3. Asset Renewal Funding Ratio			
Asset Renewals			
Targeted Renewal Expenditure (Depreciation Expense 2020 and prior)	78%	86%	58%
<i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.</i>			

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 16. Uniform Presentation of Finances

\$ '000	2022	2021
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	102,422	97,324
less Expenses	(101,880)	(97,068)
Operating Surplus / (Deficit)	542	256
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(9,959)	(7,530)
add back Depreciation, Amortisation and Impairment	16,334	15,963
add back Proceeds from Sale of Replaced Assets	266	385
	6,641	8,818
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	(34,416)	(16,315)
add back Amounts Received Specifically for New and Upgraded Assets	4,153	5,983
add back Proceeds from Sale of Surplus Assets	97	416
	(30,166)	(9,916)
Net Lending / (Borrowing) for Financial Year	(22,983)	(842)

City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Computer and Office Equipment

Council has entered into non-cancellable operating leases for various items of computer and office equipment.

No contingent rentals were paid during the current or previous reporting periods.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

No lease contains any escalation clause.

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

(a) Right of use assets

\$ '000	Ready to use	Total
2022		
Opening balance	21	21
Adjustments to right-of-use assets due to re-measurement of lease liability	117	117
Depreciation charge	(130)	(130)
Impairment of right-of-use assets	—	—
Reclassification to Software as a Service	—	—
Balance at 30 June	8	8
2021		
Opening balance	201	201
Adjustments to right-of-use assets due to re-measurement of lease liability	(4)	(4)
Depreciation charge	(124)	(124)
Impairment of right-of-use assets	—	—
Reclassification to Software as a Service	(52)	(52)
Balance at 30 June	21	21

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$ '000	2022	2021
Balance at 1 July	26	217
Accretion of interest	19	12
Payments	(152)	(144)
Reclassification to Software as a Service	—	(55)
Re-measurement of Lease liability	117	(4)
Balance at 30 June	10	26

Classified as:

continued on next page ...

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City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 17. Leases (continued)

\$ '000	2022	2021
Current	10	15
Non Current	–	11

The maturity analysis of lease liabilities is included in Note 13.

Council had total cash outflows for leases of \$441,587

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	130	124
Interest expense on lease liabilities	19	12
Expense relating to leases of low-value assets	260	288
Other	30	29
Total amount recognised in profit or loss	439	453

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 18. Superannuation

The Council makes employer superannuation contributions in respect of its employees to Hostplus (formerly Statewide Super). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10% in 2021/22; 9.50% in 2020/21). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2020/21) of "superannuation" salary.

In addition, Council makes a separate contribution of 3.7% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2021. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 19. Interests in Other Entities

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2022	2021	2022	2021
Council's Share of Net Income				
Joint Ventures	882	173	7,855	6,627
Total Council's Share of Net Income	882	173	7,855	6,627

((a)i) Joint Ventures, Associates and Joint Operations

(a) Carrying Amounts

\$ '000	Principal Activity	2022	2021
Southern Region Waste Resource Authority (SRWRA)	Waste and Recycling	7,855	6,627
Total Carrying Amounts - Joint Ventures & Associates		7,855	6,627

Southern Region Waste Resource Authority (SRWRA)

The Southern Region Waste Resource Authority was established under Section 43 of the Local Government Act to provide and operate services for the management of waste and waste facilities under its control on behalf of its constituent councils.

The SRWRA owns and operates the Southern Region Waste Disposal Depot on behalf of the Cities of Holdfast Bay, Marion and Onkaparinga.

The City of Marion has an equal voting right and a 30% interest in the assets and liabilities of SRWRA. For the year ended 30 June 2022, the net assets of SRWRA total \$26,185,000. The City of Marion interest, totalling \$7,855,000 is disclosed below.

In 2006 the decision was taken to equity account for this investment due to a change in the operations of the business. Initial balances were brought to account through accumulated surplus.

(b) Relevant Interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2022	2021	2022	2021	2022	2021
Southern Region Waste Resource Authority (SRWRA)	30.00%	30.00%	30.00%	30.00%	33.00%	33.00%

continued on next page ...

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City of Marion

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 19. Interests in Other Entities (continued)

(c) Movement in Investment in Joint Venture or Associate

\$ '000	Southern Region Waste Resource Authority (SRWRA)	
	2022	2021
Opening Balance	6,627	6,454
Share in Operating Result	882	173
Adjustments to Equity - Share of Asset Revaluation	346	—
Council's Equity Share in the Joint Venture or Associate	7,855	6,627

(d) Joint Operations Expenditure Commitments

Expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

\$ '000	2022	2021
(i) Capital Expenditures Payable		
Committed Projects	79	1,250
	79	1,250

Note 20. Non-Current Assets Held for Sale & Discontinued Operations

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

City of Marion

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. Land under roads

As reported in the Financial Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in the reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

2. Potential insurance losses

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

3. Bank guarantees

Council currently has no guaranteed loans or other banking facilities advanced to community organisations and sporting bodies at reporting date.

4. Legal expenses

Council is the planning consent authority for its area under the Planning, Development and Infrastructure Act 2016 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 9 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2022, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.

City of Marion

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 23. Related Party Transactions

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 17 persons were paid the following total compensation:

\$ '000	2022	2021
The compensation paid to Key Management Personnel comprises:		
Salaries, Allowances & Other Short-Term Employee Benefits	1,212	1,283
Post-Employment Benefits	80	83
Total	1,292	1,366

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

Receipts from Key Management Personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received no receipts from Key Management Personnel.



SRWRA
Southern Region Waste Resource Authority

ANNUAL REPORT

2021 *to* 2022

SRWRA is a regional subsidiary established by the Cities of Onkaparinga, Marion and Holdfast Bay, pursuant to Section 43 of the Local Government Act, 1999.

Under our Charter, SRWRA is responsible for providing and operating waste management services on behalf of our Constituent Councils.

Our core business activity is the management of our recycling facilities and landfill. We partner with industry experts and pride ourselves in employing innovative resource recovery approaches to support the circular economy.

We are one of the State's major landfill operations currently receiving over 100,000 tonnes of waste annually with approximately 65,000 tonnes going to landfill.

Our joint venture operation with Integrated Waste Services (IWS) has continued to develop through the jointly owned Southern Recycling Centre (SRC) which is realising a significant reduction of waste to landfill. The processing of kerbside municipal waste tonnage has increased with the contracting of new customers. The SRC is also preparing for the receipt of Regional Waste.

Our joint venture operation with Re.Cycle (Adelaide), a subsidiary of Re.Group, has completed the first year of operation through the jointly owned Southern Materials Recovery Facility (SMRF). The SMRF, which is the largest in South Australia, is a state-of-the-art facility that provides processing of kerbside commingled recycling and produces the highest product purity levels in Australia.

SRWRA CONSTITUENT
COUNCILS



JOINT VENTURE
PARTNERS





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CHAIRPERSON'S MESSAGE

Australia has developed a National Waste Policy Action Plan that creates ambitious targets and actions to guide investment and national efforts to 2030 and beyond. Amongst these targets is that by 2030 we should achieve an 80% average recovery rate from all waste streams and we should halve the amount of organic waste that is sent to landfill. This Action Plan complements and supports the implementation of better waste management plans by state and territory governments, local government, business and industry.

Historically, SRWRA has operated a landfill, and while there will always be a place for well-run landfills to dispose of residual streams that cannot be recycled, we have continued to invest to ensure we play our small part in progressing towards these national targets through the development of an integrated waste management precinct.

Through our joint venture with IWS, who have been servicing South Australia's waste management needs for more than 50 years, the Southern Recycling Centre continues to invest in the diversion of organic waste from landfill. This is one of only two operations in the State that extracts the organic fraction from municipal waste and diverts this from landfill, over the past twelve months we have processed more than 59,200 tonnes and diverted around 35% of this away from landfill.

Our Materials Recovery Facility, operated under a joint venture arrangement with Re.Group who are the only Australian company that designs, builds, owns and operates recycling systems, was commissioned in July 2021 and officially opened in November 2021 as one of the most advanced recycling facilities in Australia. We are grateful to the Commonwealth and State governments for their financial contribution towards the cost of this important infrastructure.

This is a significant new business for SRWRA. Since our opening we have processed 23,300 tonnes of commingled recyclables from the household 'yellow bin', with more than 68% of this being diverted from landfill to contribute towards creating a more resilient recycling industry in Australia. This recovery effectively extends the life of materials turning them into products such as Cardboard, Mixed Paper, Ferrous metals, Non-ferrous metals, HDPE, PET Plastics and Glass.



I am pleased to advise that, despite the challenges of operating a significant new business we have been able to maintain highly competitive waste disposal costs for municipal waste and recyclables, reporting an overall Operating Surplus of \$0.534 million (after adjusting for the accounting impact of grant funding) for the year ended 30 June 2022. These surplus funds will of course provide for any future post closure costs and be available for reinvestment in future waste management activities.

We are fortunate to have a dedicated team at SRWRA who manage all aspects of our operation very well and on behalf of the Board I would like to take this opportunity to acknowledge their contribution to the success of SRWRA. I also extend my thanks and appreciation to the Board and the Audit Committee for their vision, dedication and commitment to ensuring that SRWRA continues to deliver sustainable waste management solutions for our Constituent Councils and the southern region of Adelaide.

I commend to you the Annual Report for FY2022 which demonstrates that the Authority continues to meet the objectives outlined in its Charter.

Mark Booth
CHAIRPERSON



CHIEF EXECUTIVE OFFICER'S MESSAGE

SRWRA's integrated site provides processing facilities for both the kerbside waste and recycling bins, a landfill, green energy precinct and a recycled water storage dam that supports McLaren Vale. The integration of our site is unique in Australia and ensures we are leaders in delivering innovative and sustainable waste management solutions for the benefit of our southern Adelaide communities.

The Southern Recycling Centre had a strong 12 months, growing its customer base whilst playing a significant role in the diversion of waste from landfill.

The Southern Materials Recovery Facility has completed its first year of operation and is setting the benchmark for product purity in Australia. This facility is the largest and most technically advanced facility of its type in South Australia.

SRWRA's green energy precinct continues to thrive with the generation of power from South Australia's largest solar farm on capped landfill (600kW) and a 3MW biogas plant that converts methane from the landfill into electricity, removing a harmful greenhouse gas in the process.

The Authority has continued to provide a cost-effective waste management solution for its Constituent Councils and their communities. The Authority is in a strong financial position with net assets of \$26.2 million.

Over the last 12 months, the Authority invested in the education of schoolchildren within our communities through the Les Perry Memorial Grants Program. This year, 14 schools from our three Constituent Council areas took part in the Les Perry Memorial Grants Program and received a total of \$9,656 in grant funding to support learning about environmentally responsible waste management.

COVID-19 continues to have an impact on our operation with new work practices now the norm for all staff. The commitment and 'can do' attitude of the SRWRA staff has ensured the site continues to operate for the benefit of our Constituent Councils and their communities. I congratulate our team on their strong contribution and express my sincere appreciation of their efforts.



SRWRA is fortunate to have a highly committed and capable Board and Audit Committee, led, on both accounts, by highly experienced Chairs. The time commitment required of the Board and Audit Committee is increasing as SRWRA grows and increases in complexity. I would like to recognise the strong contribution of the Board and Audit Committee in SRWRA's ongoing success.

I look forward to the next 12 months as we continue to deliver innovative and sustainable waste management solutions for the benefit of our southern Adelaide communities and the environment.

Chris Adams
CHIEF EXECUTIVE OFFICER

BOARD OF MANAGEMENT

AS AT JUNE 30TH 2022



CHAIRPERSON
Mark Booth

MEMBERS



CITY OF ONKAPARINGA
Kirk Richardson



CITY OF ONKAPARINGA
Richard Peat



CITY OF MARION
Sorana Dinmore



CITY OF MARION
Ian Crossland



CITY OF HOLDFAST BAY
Roberto Bria

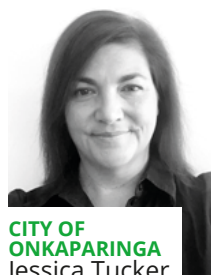


CITY OF HOLDFAST BAY
John Smedley

DEPUTY MEMBERS



CITY OF ONKAPARINGA
Heidi Greaves



CITY OF ONKAPARINGA
Jessica Tucker



CITY OF MARION
Ray Barnwell



CITY OF MARION
Bruce Hull



CITY OF HOLDFAST BAY
Clare Lindop

FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022



SOUTHERN REGION WASTE RESOURCE AUTHORITY

General Purpose Financial Report for the financial year ended 30 June 2022

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SOUTHERN REGION WASTE RESOURCE AUTHORITY

Annual Financial Statements
for the financial year ended 30 June 2022

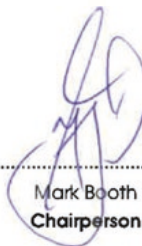
Certification of Financial Statements

I have been authorised by Southern Region Waste Resource Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards*.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



Chris Adams
Chief Executive Officer



Mark Booth
Chairperson

Date: 19 September 2022

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Statement of Comprehensive Income
for the financial year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Income			
User charges	2	10,534	11,774
Investment income	2	656	487
Other	2	2,309	454
Net gain - equity accounted Joint Venture	13	2,988	1,032
Total Income		16,487	13,747
Expenses			
Employee costs	3	951	1,131
Finance costs		1	-
Materials, contracts & other expenses	3	11,671	11,176
Depreciation, amortisation & impairment	3	936	1,002
Total Expenses		13,559	13,309
Operating Surplus		2,928	438
Asset disposal & fair value adjustments	3	13	140
Amounts received specifically for new/upgraded assets		-	-
Net Surplus		2,941	578
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment		1,153	-
Total Other Comprehensive Income		1,153	-
Total Comprehensive Income		4,094	578

This Statement is to be read in conjunction with the attached Notes.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Statement of Financial Position
as at 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Assets			
Current Assets			
Cash and cash equivalents	4	5,828	4,643
Trade & other receivables	4	2,501	3,008
Loan - Related Party	11,13	400	1,500
Total Current Assets		8,729	9,151
Non-current Assets			
Equity accounted joint venture	13	8,808	5,801
Property, plant & equipment	5	25,693	25,745
Total Non-current Assets		34,501	31,546
Total Assets		43,230	40,697
Liabilities			
Current Liabilities			
Trade & other payables	6	3,203	4,752
Provisions	6	119	128
Total Current Liabilities		3,322	4,880
Non-Current Liabilities			
Provisions	6	13,723	13,726
Total Non-current Liabilities		13,723	13,726
Total Liabilities		17,045	18,606
Net Assets		26,185	22,091
Equity			
Accumulated surplus		23,810	20,869
Asset revaluation reserve		2,375	1,222
Total Equity		26,185	22,091

This Statement is to be read in conjunction with the attached Notes.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Statement of Changes in Equity
for the financial year ended 30 June 2022

	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance at start of period - 1 July 2020	20,291	1,222	21,513
Net Surplus/ (Deficit) for Year	578	-	578
Other Comprehensive Income			
Gain on revaluation of property, plant & equipment	-	-	-
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period - 30 June 2021	20,869	1,222	22,091
Balance at start of period - 1 July 2021	20,869	1,222	22,091
Net Surplus/ (Deficit) for Year	2,941	-	2,941
Other Comprehensive Income			
Gain on revaluation of property, plant & equipment	-	1,153	1,153
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period - 30 June 2022	23,810	2,375	26,185

This Statement is to be read in conjunction with the attached Notes

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Statement of Cash Flows
for the financial year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Cash Flows from Operating Activities			
Operating receipts from customers		13,334	11,450
Investment receipts		656	487
Operating payments to suppliers & employees		(12,228)	(9,920)
Finance payments		(1)	-
Net Cash provided by (or used in) Operating Activities	7	1,761	2,017
Cash Flows from Investing Activities			
Amounts specifically for new or upgraded assets		-	-
Sale of replaced assets	3	57	244
Distributions from equity accounted Joint Ventures	13	700	600
Contributions to equity accounted Joint Ventures	13	(703)	(513)
Expenditure on equity accounted contributed assets	13	-	(5,679)
Expenditure on renewal/replacement of assets	5	-	(634)
Expenditure on new/upgraded assets	5	(1,730)	(6,898)
Net Cash provided by (or used in) Investing Activities		(1,676)	(12,880)
Cash Flows from Financing Activities			
Repayment Related Party Loans		1,500	-
Payment of Related Party Loans		(400)	-
Net Cash provided by (or used in) Financing Activities		1,100	-
Net Increase (Decrease) in cash held		1,185	(10,863)
Cash & cash equivalents at beginning of period	4	4,643	15,506
Cash & cash equivalents at end of period	4	5,828	4,643

This Statement is to be read in conjunction with the attached Notes

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2022

Note 1 – Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Onkaparinga, City of Marion and the City of Holdfast Bay.

Each Constituent Council hold the following equitable interest in the Authority:

- City of Onkaparinga 55%
- City of Marion 30%
- City of Holdfast Bay 15%

1.2 Historical Cost Convention

Except where stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 The Local Government Reporting Entity

Southern Region Waste Resource Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at 112 Bakewell Dr, Seaford Heights SA 5169.

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables are generally unsecured and do not bear interest.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2022

Note 1 (cont.) – Significant Accounting Policies

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 9.

5 Infrastructure, Property, Plant & Equipment

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

5.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. No capitalisation threshold is applied to the acquisition of land or interests in land.

Capitalisation threshold applied of \$1,000 for all asset classes. Any purchases greater than this amount are capitalised and depreciated on the Authority's asset register.

5.3 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class are shown below. Depreciation of Landfill Construction and Future Capping, Rehabilitation and Restoration costs are amortised proportionately to the rate of filling based upon the projected remaining airspace of landfill cells as at the beginning of the reporting period. The Authority annually assesses the remaining airspace of landfill cells and accordingly, depreciation and amortisation rates are adjusted to reflect these estimates. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimated.

Plant, Furniture & Equipment	3 - 10 years
Buildings	30 - 50 years
Waste Facility	10 - 15 years
Landfill construction	Amortised proportionately to rate of filling
Future capping costs	Amortised proportionately to rate of filling
Future rehabilitation and restoration costs	Amortised proportionately to rate of filling

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2022

Note 1 (cont.) – Significant Accounting Policies

6 Payables

6.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

The Authority recognises all presently entitled liabilities as current liabilities regardless of whether it is expected to be paid within the preceding 12 months of reporting date.

7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Statewide Super). The Scheme has two types of membership, each of which is funded differently.

Accumulation Fund Members

Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation 10% in 2021/22 (9.5% in 2020/21).

No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Defined benefit scheme is where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2021.

The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

The Authority also makes contributions to other superannuation schemes selected by employees under the 'choice of fund' legislation.

All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the new assets of the scheme, and no further liability attaches to the Authority.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2022

Note 1 (cont.) – Significant Accounting Policies

8 Provisions for Landfill Capping, Rehabilitation and Restoration Costs

The Authority's provision for landfill capping, post closure rehabilitation costs and restoration costs are calculated based on the net present value of the future cash outflows expected to be incurred to remediate the landfill which will include the costs of capping, rehabilitating and restoring the landfill site.

The measurement of the provisions requires significant estimates and assumptions such as discount rate, inflation rate, assessment of the requirements of the Environment Protection Authority (EPA) or other government authorities, the timing, extent and costs of activities required and the area of the landfill to be remediated, which is determined by volumetric aerial surveys.

These uncertainties may result in future actual expenditure differing from the amounts currently provided. Expenditure relating to ongoing rehabilitation and restoration will reduce any provision previously established.

The Authority monitors the remaining airspace, the airspace consumption efficiency (compaction) ratio, the discount rate and the inflation rate used to calculate the net present value of the future landing capping, rehabilitation and restoration costs on an annual basis and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet.

A complete review of all future capping, rehabilitation and restoration costs including a review of all the key assumptions and estimates in relation to the measurement of these costs is performed on a regular basis with the assistance of external consultants to ensure all projected costs have been independently verified.

The dates of the last review of the key assumptions and estimates in relation to the measurement of the future capping, rehabilitation and restoration costs are shown below:

Costs	Effective Date	Independent Assessor
Capping costs	30 June 2019	Golder Associates
Restoration costs	30 June 2018	Golder Associates
Rehabilitation costs	30 June 2016	Katalyse Pty Ltd

9 Inventory

Inventory held by the Authority reflect materials stored on site which have either been purchased or gifted which will be used for future Cell and Capping construction works to be undertaken in future years.

10 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax". Receivables and Creditors include GST receivable and payable. Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable. Non-current assets and capital expenditures include GST net of any recoupment.

Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

11 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements

for the year ended 30 June 2022

Note 1 (cont.) – Significant Accounting Policies

12 New Accounting Standards

No new accounting standards were applied by the Authority during the financial year. The Authority has not elected to early adopt any new accounting standards, interpretations or amendments which are not yet effective.

13 Valuation of Land and Building Assets

Building assets held by the Authority were valued by Opteon (South Australia) Pty Ltd with an effective valuation date of 30 June 2014 applied for financial reporting purposes. Assets were valued to their market value based on highest and best use. All purchases made post 30 June 2014 have been recorded at cost. Since 1 July 2019, The Authority has undertaken significant building construction works which represent 65% of the recorded "At Cost" balance of assets recorded in Note 5 as at 30 June 2022.

Land assets held by the Authority were valued by AssetVal with an effective valuation date of 30 June 2022 applied for financial reporting purposes. Where there is an active and liquid market as evidenced by sales transactions of similar property types, a Market approach by way of Direct Comparison or Income methods were utilised.

Some parcels of land are subject to restrictions as to use and sale and the value of these land assets has been determined after considering suitable market evidence and making necessary adjustment to account for these restrictions.

14 Valuation of Landfill Assets

Landfill assets comprise the acquisition of landfills, cell development costs, landfill improvements costs and the assets related to future landfill capping, rehabilitation and restoration costs.

Assets related to future landfill capping, rehabilitation and restoration costs are valued based on the net present value of the future cash outflows expected to remediate the landfill which will include the costs of capping, rehabilitating and restoring the landfill asset. The assumptions used to estimate these costs and details of their regular review are described in item 8 – Provision for Landfill Capping, Rehabilitation and Restoration Costs.

All landfill assets are amortised proportionately to the rate of filling as described in Note 1.5.3 Depreciation of Non-Current Assets.

15 Equity Accounted Joint Ventures

The Authority accounts for its interest in Joint Ventures applying the equity method per AASB 128. The value of investments held in Joint Venture entities are held at cost.

16 COVID-19

Given the nature of the business activities undertaken by the Authority, there has been no restrictions imposed on waste processing operations of the Authority due to government enforced restrictions introduced as a result of the COVID-19 pandemic event.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements
for the financial year ended 30 June 2022

	2022 \$'000	2021 \$'000
Note 2 - Income		
User Charges		
Landfill Operations	10,534	11,774
	10,534	11,774
Investment Income		
Interest on investments	34	102
Rental income	622	385
	656	487
Other Income		
Other income	353	171
Joint Venture cost reimbursement *	1,956	283
	2,309	454
Note 3 - Expenses		
Employee Costs		
Salaries and Wages	829	1,092
Employee leave expense	(13)	(25)
Superannuation	99	98
Workers' Compensation Insurance	36	47
Less: Capitalised and distributed costs	-	(81)
	951	1,131
Materials, Contracts & Other Expenses		
Auditor's Remuneration	39	21
Board Expenses	52	36
Contractors	403	397
Fuels & oils	199	128
Equipment hire	28	10
Maintenance	292	450
Legal	52	160
Levies - EPA	8,137	9,570
Professional services	166	26
Joint Venture costs*	1,956	108
Sundry	347	270
	11,671	11,176

* Expenses recorded for the Southern Materials Recycling Facility relate to leasehold improvements undertaken on the recycling shed premises by the Authority which were reimbursed by the Joint Venture and recorded as income in Note2. The leasehold improvements are recognised as an asset by the Joint Venture.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements
for the financial year ended 30 June 2022

Note 3 - Expenses (cont)

	2022 \$'000	2021 \$'000
Depreciation, Amortisation & Impairment		
Buildings & Structures	314	184
Plant & Equipment	310	408
Office Equipment	6	8
Super Cell	156	205
Super Cell Capping	132	174
Post Closure Rehabilitation	15	19
Future Restoration Costs	3	4
Work in Progress	-	-
	936	1,002
Asset Disposals		
Proceeds from disposal	57	244
Less: Carrying amount of assets sold	(44)	(104)
Gain (Loss) on disposal	13	140
Note 4 - Current Assets		
Cash & Cash Equivalents		
Cash on Hand and at Bank	2,575	4,519
Short-term deposits	3,253	124
	5,828	4,643
Trade & Other Receivables		
Debtors - general	2,394	3,008
Accrued Revenues	13	-
Prepayments	49	-
Sundry Debtors	45	-
	2,501	3,008

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements
for the financial year ended 30 June 2022

Note 5 - Property, Plant & Equipment

	2021 \$'000				2022 \$'000			
	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount
Land	5,205	-	-	5,205	6,335	-	-	6,335
Buildings & Structures	560	5,810	(955)	5,415	560	11,637	(1,265)	10,932
Plant & Equipment	-	4,938	(2,718)	2,220	-	4,994	(2,950)	2,044
Office Equipment	-	172	(141)	31	-	122	(118)	4
Super Cell	-	8,970	(5,599)	3,371	-	8,988	(5,756)	3,232
Super Cell Capping	5,426	-	(2,570)	2,856	5,426	-	(2,702)	2,724
Post Closure Rehabilitation	6,143	-	(5,818)	325	6,143	-	(5,833)	310
Future Restoration Costs	4,228	-	(4,169)	59	4,228	-	(4,172)	56
Work in Progress	-	6,263	-	6,263	-	56	-	56
	21,562	26,153	(21,970)	25,745	22,692	25,797	(22,796)	25,693

SOUTHERN REGION WASTE RESOURCE AUTHORITY

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the financial year ended 30 June 2022

Note 5 - Property, Plant & Equipment

	2021 \$'000	Movement in Property, Plant & Equipment during the Financial Year						2022 \$'000
	Carrying Value	Renewal / Replacement	Additions New/Upgrade	Disposals	Revaluation	Adjustment / Transfer	Depreciation	Carrying Value
Land	5,205	-	-	(23)	1,153	-	-	6,335
Buildings & Structures	5,415	-	-	-	-	5,831	(314)	10,932
Plant & Equipment	2,220	-	-	-	-	134	(310)	2,044
Office Equipment	31	-	-	(21)	-	-	(6)	4
Super Cell	3,371	-	17	-	-	-	(156)	3,232
Super Cell Capping	2,856	-	-	-	-	-	(132)	2,724
Post Closure Rehabilitation	325	-	-	-	-	-	(15)	310
Future Restoration Costs	59	-	-	-	-	-	(3)	56
	6,263	-	1,713	-	-	(7,920)	-	56
* Work in Progress	25,745	-	1,730	(44)	1,153	(1,955)	(936)	25,693
2021 \$'000	19,319	634	12,577	(104)	-	(5,679)	(1,002)	25,745

* A transfer of Work in Progress totalling \$1.955 million to operating expenses occurred during the financial year as improvements to the recycling shed were agreed to be taken on by the Joint Venture as a leasehold improvement. A disclosure has been included in Note 3 to show the total cost of the project and the funds reimbursed by the Joint Venture to the Authority for works undertaken.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements
for the financial year ended 30 June 2022

Note 6 - Liabilities

	2022 \$'000		2021 \$'000	
	Current	Non-current	Current	Non-current
Trade & Other Payables				
Goods & services	3,186	-	4,752	-
Payments received in advance	17	-	-	-
	3,203	-	4,752	-
Provisions				
Annual Leave	58	-	70	-
Long Service Leave	61	5	58	8
Super Cell Capping	-	7,980	-	7,980
Post Closure Rehabilitation	-	4,064	-	4,064
Future Restoration Costs	-	1,674	-	1,674
	119	13,723	128	13,726

Reconciliation of Movement in Landfill & Restoration Provisions

	Super Cell Capping	Post Closure Rehabilitation	Future Restoration Costs	Total
Opening Balance	7,980	4,064	1,674	13,718
Additional Amounts Recognised/ (Derecognised)	-	-	-	-
Payments	-	-	-	-
Unwinding of Present Value Discounts	-	-	-	-
Closing Balance	7,980	4,064	1,674	13,718

An independent review and update of key assumptions and estimates included in the calculation of landfill capping and post closure liabilities is planned to be conducted in 2022/23. As part of the review and update to the liabilities, consideration will be given to key assumptions relating to the estimated remaining filling life and available capping techniques/technology. Details relating to the previous review of the landfill liabilities has been disclosed in Note 1.8.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2022

Note 7 - Cash Flow Reconciliation

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2022 \$'000	2021 \$'000
Total cash & equivalent assets	5,828	4,643
Less: Short-term borrowings	-	-
Balances per Cash Flow Statement	<u>5,828</u>	<u>4,643</u>

(b) Reconciliation of Change in Net Assets to Cash from Operating Activities

Net Surplus (Deficit)	2,941	578
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	936	1,002
Transfer of Work in Progress	1,955	-
Equity adjustment - Joint Venture	(16)	-
Net (Gain) Loss on equity accounted joint ventures	(2,988)	(1,032)
Net (Gain) Loss on disposal of assets	(13)	(140)
	<u>2,815</u>	<u>408</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	507	(778)
Net increase (decrease) in trade & other payables	(1,549)	2,411
Net increase (decrease) in other provisions	(12)	(24)
Net Cash provided by (or used in) operations	<u>1,761</u>	<u>2,017</u>

(c) Financing Arrangements

Corporate Credit Cards	20	18
Cash Advance Debenture (CAD) Facility*	500	-

*The CAD facility is held with the Local Government Finance Authority (LGFA) and the Authority has no drawdown of funds from the facility as at reporting date.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2022

Note 8 - Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Accounting Policy: Carried at lower of cost and net realisable value; Interest is **Call, Short Term** recognised when earned.

Deposits **Terms & conditions:** Deposits on Call do not have a maturity period and have an average interest rates of 0.5% - 1.05% (2021: 0.3%).

Carrying amount: approximates fair value due to the short term to maturity.

Receivables - Gate Accounting Policy: Carried at nominal values less any allowance for doubtful Fees & Associated debts. An allowance for doubtful debts is recognised (and re-assessed annually) Charges when collection in full is no longer probable.

Carrying amount: approximates fair value (after deduction of any allowance).

Liabilities - Creditors Accounting Policy: Liabilities are recognised for amounts to be paid in the future and Accruals for goods and services received, whether or not billed to the Authority.

Terms & conditions: Liabilities are normally settled on 30 day terms.

Carrying amount: approximates fair value.

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

Risk Exposure

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements
for the financial year ended 30 June 2022

Note 8 - Financial Instruments

Liquidity Analysis

	2022	≤ 1 year	Maturity > 1 year ≤ 5 years	> 5 years	Non- interest bearing	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Amortised Cost						
Cash Assets		5,828	-	-	-	5,828
Receivables		-	-	-	2,501	2,501
Total		5,828	-	-	2,501	8,329
Financial Liabilities						
Payables		-	-	-	3,203	3,203
Borrowings		-	-	-	-	-
Total		-	-	-	3,203	3,203

	2021	≤ 1 year	Maturity > 1 year ≤ 5 years	> 5 years	Non- interest bearing	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Amortised Cost						
Cash Assets		4,643	-	-	-	4,643
Receivables		-	-	-	3,008	3,008
Total		4,643	-	-	3,008	7,651
Financial Liabilities						
Payables		-	-	-	4,752	4,752
Borrowings		-	-	-	-	-
Total		-	-	-	4,752	4,752

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2022

Note 9 - Commitments for Expenditure

	2022 \$'000	2021 \$'000
Capital Commitments		
Capital expenditure committed at reporting date but which is not recognised in the financial statements as liabilities are as follows:		
Committed Projects	79	1,250
	79	1,250

Note 10 - Events Occurring After Reporting Date

There were no events that occurred after reporting date that requires to be disclosed.

Note 11 - Disclosure of Related Party Transactions

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999*. In all, 6 persons were paid the following total compensation:

Salaries, allowances & other short term benefits	402	404
Total	402	404

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Onkaparinga (Member Council)	7,913	466	Provision of waste disposal services
City of Holdfast Bay (Member Council)	1,446	115	Provision of waste disposal services
City of Marion (Member Council)	3,526	313	Provision of waste disposal services
Southern Materials Recycling Facility (Joint Venture)	3,309	362	Provision of waste disposal services
Southern Recycling Centre (Joint venture)	6,327	593	Provision of waste disposal services

Amounts recorded as outstanding from Related Parties are recorded in Trade and other receivables in Note 4. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

In addition to the waste disposal services above, SRWRA undertook \$1.956 million of works to upgrade the Material Recovery Facility by the Southern Materials Recycling Facility Joint Venture. The income and expenses relating to this activity have been disclosed in Note 2 and 3.

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SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements
for the financial year ended 30 June 2022

Note 12 - Uniform Presentation of Finances

	2022 \$'000	2021 \$'000
Income	16,487	13,747
Expenses	(13,559)	(13,309)
Operating Surplus / (Deficit)	<u>2,928</u>	<u>438</u>
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	-	(634)
Depreciation, Amortisation, Impairment and Movement in Landfill Provisions	936	1,002
Proceeds from Sale of Replaced Assets	57	244
	<u>993</u>	<u>612</u>
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	(1,730)	(6,898)
Amounts received specifically for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets	-	-
	<u>(1,730)</u>	<u>(6,898)</u>
Net Lending / (Borrowing) for Financial Year	<u><u>2,191</u></u>	<u><u>(5,848)</u></u>

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the Financial Statements for the financial year ended 30 June 2022

Note 13 - Equity Accounting Joint Ventures

Southern Recycling Centre (SRC)

The Authority has entered into a joint venture arrangement with Integrated Waste Services to operate the Southern Recycling Centre located on the Authority's landfill site.

	2022 \$'000	2021 \$'000
The Authority's respective interests are:		
- interest in operating result:	50.00%	50.00%
- ownership of equity	49.99%	49.99%
- the proportion of voting power	50.00%	50.00%
<u>Movement in Investment in Joint Operation:</u>		
Opening Balance	1,164	677
New Capital Contributions	-	-
Share in Operating Result	1,140	1,087
Equity Adjustment	16	-
Distributions Received	(700)	(600)
Share in Equity of Joint Operation	1,620	1,164

Expenditure Commitments

There were no expenditure commitments at reporting date that required to be recognised in the financial statements.

Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Notes to the financial statements for the financial year ended 30 June 2022

Note 13 (cont.) - Equity Accounting Joint Ventures

Southern Materials Recycling Facility (SMRF)

The Authority has entered into a joint venture arrangement with Re.Cycle (Adelaide) Pty Ltd to operate the Southern Material Recovery Facility located on the Authority's landfill site.

	2022 \$'000	2021 \$'000
The Authority's respective interests are:		
- interest in operating result:	50.00%	50.00%
- ownership of equity	50.00%	50.00%
- the proportion of voting power	50.00%	50.00%
Movement in Investment in Joint Operation:		
Opening Balance	4,637	-
Capital Contributions (cash contribution)	703	513
Capital Contributions (transfer of plant assets)	-	5,679
Capital Contribution (conversion to loan)	-	(1,500)
Share in Operating Result	1,848	(55)
Share in Equity of Joint Operation	7,188	4,637

The Authority applies AASB 1058 when recognising income from Grants in line with the applicable treatment applied by not-for-profit entities. The Joint Venture recognises grant income on a different basis which has resulted in an inconsistent application of accounting policy between the entities on the timing of recognising income from grant revenues. As a result of this different application in accounting standards and policy on grant revenue recognition, this has resulted in an adjustment to the Share in Operating Result of \$2.327 million (increase) in the current financial year.

The Authority has an outstanding receivable loan with the Southern Materials Recovery Facility totalling \$0.4 million (FY21: \$1.5 million) as at the reporting date.

Expenditure Commitments

The Joint Venture has a \$3.956 million capital commitment as at reporting date relating to the construction of plant and equipment which is expected to be completed in the 2022/23 period.

Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2022

Note 14 - Fair Value Measurements

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets.

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

(a) Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the association are consistent with one or more of the following valuation approaches:

- *Market approach*: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- *Income approach*: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- *Cost approach*: reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2022

Note 14 (cont.) - Fair Value Measurements

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2022					
Recurring fair value measurements					
Property, Plant & Equipment and Landfill Assets					
- Land	5	-	6,335	-	6,335
- Buildings	5	-	560	-	560
- Super Cell Capping	5	-	-	5,426	5,426
- Post Closure Rehabilitation	5	-	-	6,143	6,143
- Future Restoration Costs	5	-	-	4,228	4,228
Total financial assets recognised at fair value		-	6,895	15,797	22,692
2021					
Recurring fair value measurements					
Property, Plant & Equipment and Landfill Assets					
- Land	5	-	3,450	1,755	5,205
- Buildings	5	-	560	-	560
- Super Cell Capping	5	-	-	5,426	5,426
- Post Closure Rehabilitation	5	-	-	6,143	6,143
- Future Restoration Costs	5	-	-	4,228	4,228
Total financial assets recognised at fair value		-	4,010	17,552	21,562

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2022

Note 14 (cont.) - Fair Value Measurements

(b) Disclosed fair value measurements

The following tables provide the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	3	Cost Approach	Landfill assets unobservable inputs. The measure of these costs requires significant estimates and assumptions such as: discount rate, inflation rate, assessment of EPA requirements, the timing, extent and costs of the required activities and the estimated remaining airspace of the landfill.
There has been no change in the valuation technique(s) used to determine the value of parcels of land where there are restrictions as to use and sale of these assets.	3	Market Value	Land assets unobservable inputs. Some parcels of land are subject to restrictions as to use and sale and the value of these land assets has been determined after considering suitable market evidence and making necessary adjustments to account for these restrictions. These adjustments are usually unobservable inputs that are likely to have a significant effect on valuation.

**Southern Region Waste Resource Authority****Audit Committee - Auditor Independence****Presiding Member Certification**

I, Greg Connor, the person occupying the position of Presiding Member of the Southern Region Waste Resource Authority's Audit Committee, do hereby certify (for the purposes of Regulation 21 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside the scope of the audit functions under the Local Government Act 1999.



Greg Connor
Presiding Member

Southern Region Waste Resource Authority Audit Committee

22/8/2022
Dated

Galpins

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& Business Consultants



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Galpins Trading Pty Ltd
ABN: 89 656 702 886

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under Professional Standards Legislation

SOUTHERN REGION WASTE RESOURCE AUTHORITY

GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2022

Statement by Auditor

I confirm that, for the audit of the financial statements of the Southern Region Waste Resource Authority for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulation 2011*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor

Director

21 September 2022

Galpins

Accountants, Auditors
& Business Consultants



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INDEPENDENT AUDITOR'S REPORT

To the members of the Southern Region Waste Resource Authority

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of SRWRA (the Authority), which comprises the statements of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the Executive Officer and the Chairman.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2022, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as Authority determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of this financial report.

As part of an audit of the financial report in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the financial report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor

Director

21 September 2022

Galpins

Accountants, Auditors
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INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

To the members of the Southern Region Waste Resource Authority

Opinion

We have audited the compliance of SRWRA (the Authority) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2021 to 30 June 2022 have been conducted properly and in accordance with the law.

In our opinion, SRWRA has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to internal controls established by the Authority in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Authority have been conducted properly and in accordance with law for the period 1 July 2021 to 30 June 2022.

Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The Authority's Responsibility for Internal Control

The Authority is responsible for implementing and maintaining an adequate system of internal controls, in accordance with Section 125 of the *Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law.

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 *Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Auditor's responsibility

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitations of Use

This report has been prepared for the members of the Authority in accordance with section 129 of the *Local Government Act 1999* in relation to the internal controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than that for which it was prepared.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor

Director

21 September 2022



**Southern Region Waste Resource Authority
Board Chairperson - Auditor Independence**

I, Mark Booth, the person occupying the position of Chairperson of the Southern Region Waste Resource Authority's Board, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside of the scope of the audit functions under the Local Government Act 1999



Mark Booth
Chairperson
Southern Region Waste Resource Authority

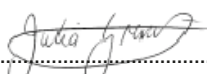
24 / 08/ 2022...

Date



**Chief Executive Officer's Certificate of Compliance
Auditor Independence
Southern Region Waste Resource Authority**

I, Julia Grant, the person for the time being occupying the position of Acting Chief Executive Officer of the City of Onkaparinga, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.


.....
Acting Chief Executive Officer
City of Onkaparinga

24/08/2022.
Dated



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South Australia 5047

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Chief Executive Officer's Certificate of Compliance Auditor Independence Southern Region Waste Resource Authority

I, Tony Harrison, the person for the time being occupying the position of Chief Executive Officer of the City of Marion, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.



 Chief Executive Officer
 City of Marion

18./08./2022
Dated

The City of Marion acknowledges it is part of Kaurna land and recognises the Kaurna people as the traditional and continuing custodians of the land.



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marion.sa.gov.au



holdfast.sa.gov.au

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19 August 2022

**Chief Executive Officer's Certificate of Compliance
Auditor Independence
Southern Region Waste Resource Authority**

I, Roberto Bria, the person for the time being occupying the position of Chief Executive Officer of the City of Holdfast Bay, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the *Local Government Act 1999*.

Chief Executive Officer
City of Holdfast Bay

19/8/22
Dated



ATTENDANCE AT BOARD MEETINGS

BOARD MEMBERS	MEETINGS HELD WHILST MEMBER	MEETINGS ATTENDED
CHAIRPERSON Mark Booth	8	7
CITY OF ONKAPARINGA Kirk Richardson	8	8
CITY OF ONKAPARINGA Richard Peat	8	7
CITY OF MARION Sorana Dinmore	8	7
CITY OF MARION Ian Crossland	8	5
CITY OF HOLDFAST BAY Roberto Bria	8	7
CITY OF HOLDFAST BAY John Smedley	8	4
DEPUTY BOARD MEMBERS		
Please Note: Deputy Members are only required to attend a Meeting when the Member is an apology		
CITY OF ONKAPARINGA Heidi Greaves	8	0
CITY OF ONKAPARINGA Jessica Tucker	3	2
CITY OF MARION Bruce Hull	8	0
CITY OF MARION Ray Barnwell	8	8
CITY OF HOLDFAST BAY Clare Lindop	8	2

ATTENDANCE AT AUDIT COMMITTEE MEETINGS

	MEETINGS HELD WHILST MEMBER	MEETINGS ATTENDED
Please Note: Deputy Members are only required to attend a Meeting when the Member is an apology		
PRESIDING MEMBER Greg Connor	6	6
Sam Spadavecchia	6	6
Emma Hinchey	6	6
Mark Booth	6	6
John Smedley <i>Deputy SRWRA Representative</i>	6	0

PERFORMANCE AGAINST BUSINESS PLAN

Each year SRWRA prepares an Annual Business Plan that is submitted to the Constituent Councils detailing its aims and objectives.

AIMS, OBJECTIVES AND KEY MEASURES	STATUS
RESOURCE RECOVERY OBJECTIVES	
Commence operation of Material Recovery Facility	Complete
Review the first 12 months of performance of the Solar Farm	Complete
Identify and assess the feasibility of advanced waste treatment opportunities	Complete
Explore options to treat organics and greens	In progress
Identify potential markets/business opportunities for recovered products	Ongoing
Identify and support potential markets/business opportunities for recovered resources	Completed
RESOURCE RECOVERY KEY MEASURES	
Diversion of incoming waste material from landfill >32% to increase by 1% per year	Achieved 36%
Future landfill airspace = 30 years	Achieved 30 years
Carbon emission offset >100,000 tonnes per year	Achieved 118,115t
Deliver agreed projects on time and on budget	91%
STAKEHOLDER RELATIONSHIPS OBJECTIVES	
Establish and maintain consistent communication with stakeholders and communities to ensure SRWRA's role and capabilities are understood	Completed
Provide information to Constituent Councils to support them with waste avoidance and positive waste behaviours and initiatives	Completed
Identify industry initiatives and outcomes that are locally relevant and provide to Constituent Councils	Completed
Hold Joint Venture Committee meetings in accordance with agreed schedule	Completed

Senator Andrew McLachlan CSC
 Erin Thompson
MAYOR, CITY OF ONKAPARINGA
 Amanda Wilson
MAYOR, CITY OF HOLDFAST BAY
 Tony Harrison
CHIEF EXECUTIVE OFFICER, CITY OF MARION



AIMS, OBJECTIVES AND KEY MEASURES	STATUS
STAKEHOLDER RELATIONSHIPS KEY MEASURES	
One presentation to Elected Members in each Constituent Council per annum	Completed
Bi-monthly communication with Constituent Councils	Completed
OPERATIONAL EXCELLENCE OBJECTIVES	
Update LEMP to reflect new EPA Licence which is renewed by 31 July 2021	Completed
Review and update Governance Manual	Completed
Review and update Policies and Procedures	Completed
Implement 2021 Risk Evaluation Action Plan (WHS&IM)	Completed
Implementation and review of Risk Management Registers	In Progress
Future landfill rehabilitation and capping is assessed and funded over the lifetime of the site	In Progress
Deliver operating surplus	Achieved
Review fill plan and program supercell construction	Achieved
Establish strategic and operational KPI's	Achieved
OPERATIONAL EXCELLENCE MEASURES	
Maintain EPA Licence	Achieved
Reduction in the number of lost time injuries from the previous year	Achieved
Achieve or surpass operating surplus budget	Achieved

WORK HEALTH AND SAFETY

LOST TIME INJURIES

At SRWRA safety is part of our culture, a value considered with each decision made by management and staff. SRWRA is committed to providing a healthy and safe work environment that minimises the risk of injury or illness arising from work activities.

SRWRA recorded one lost time injury (LTI) in 2021-2022 which is consistent with the previous twelve months when one lost time injury was also recorded.

ANNUAL LOST TIME INJURIES

(Lost time injuries represent one complete shift or more of lost time)

2019-2020	2020-2021	2021 - 2022
0	1	1

INJURY MANAGEMENT

SRWRA received no worker compensation claims during 2021-2022. This is a decrease in claims lodged compared to the previous year, which had one compensation claim lodged.



PROCUREMENT

SRWRA is committed to a fair, transparent and accountable process when acquiring goods and services, consistent with Section 49 of the Local Government Act 1999.

Each year goods and services are procured to support the delivery of the Annual Business Plan and Budget. The SRWRA Board has adopted the Procurement Policy to govern all procurement activities, excluding the purchase and disposal of land and other assets owned by the Authority.

In certain circumstances, the Authority may, after approval from its Board, waive application of this Policy and pursue a method which will bring the best outcome for the SRWRA. The Authority must record its reasons in writing for waiving application of this Policy.

ANNUAL PROCUREMENT PERFORMANCE

NUMBER OF PROCUREMENT EVENTS	NUMBER OF PROCUREMENT POLICY WAIVERS
470	3

Key reasons for the granting of Procurement Policy waivers in the last 12 months include:

- the best value for money outcome for SRWRA
- the limited size of the market and the number of credible suppliers
- engagement of expert in financial and management accounting requirements due to complexity of operational and statutory requirements.



SRWRA CONSTITUENT
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Accountants, Auditors & Business Consultants

2021/22 Audit Completion Report

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EXECUTIVE SUMMARY

To the members of the audit committee of City of Marion

We are pleased to present our Audit Completion Report for the financial year ended 30 June 2022. The purpose of this document is to summarise the key accounting and audit matters that have arisen during the engagement and our audit conclusions.

We intend to issue the following opinions (subject to the satisfactory completion of the items described in section 1 – *Status of our Audit Work* of this document):

Intended opinions	Type of opinion	Proposed Auditor's Report
Opinion on the Financial Statements	Unmodified	Refer to Appendix 1 of this report.
Controls Opinion	Unmodified	Refer to Appendix 2 of this report.

We have included in this report the following information to ensure that councillors, management and audit committee members are aware of all significant matters relating to the audit.

Matters	Sections
Status of our audit work	Section 1
Key Audit Matters	Section 2
Internal Controls Opinion and Recommendations	Section 3
Immaterial Uncorrected Misstatements	Section 4
Proposed Independent Auditor's Report on the Financial Report	Appendix 1
Proposed Independent Auditor's Report on the Internal Controls	Appendix 2

We have also signed the statement by auditor regarding our independence, and confirmed that for the audit of the year ended 30 June 2022 we have maintained our independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

Yours faithfully



Tim Muhlhausler CA Registered Company Auditor
Date: 3 October 2022

1. Status of Our Audit Work

Below is a summary of the status of audit activities and key documents related to the completion of our final audit.

Activities/Documents	Responsibility	Status
Final draft of the financial report	Management	Completed
Final audit visit	Audit	Completed
Final substantive procedures	Audit	Completed
Audit verification of the final draft of the financial report	Audit	Completed
Final draft of the financial report after audit verification	Management	Completed
Audit Completion Report	Audit	Completed
Final audited financial statements from the Council's subsidiaries	Management	Completed
Signed certification of auditor independence	Management	Note 1
Final financial report after considerations from the audit committee	Management	Note 1
Signed certification of financial statements	Management	Note 1
Signed management representation letter	Management	Note 1
Final Independent Auditor's Report on the Internal Controls	Audit	Note 2
Final Independent Auditor's Report on the Financial Report	Audit	Note 2

Note 1 To be provided after the audit committee meeting.

Note 2 To be provided by audit on receipt of both the:

- final financial report containing the signed certification of financial statements and the signed certification of auditor independence, and
- signed management representation letter.

2. Key Audit Matters

Key audit matters are those matters that, in the auditor's professional judgement, were of most significance in the audit of the financial report. We address these matters in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

2.1 Valuation of Infrastructure assets

Why the matter is significant	How the matter was addressed
<p>Infrastructure assets are valued at fair value. The fair values of these assets were based on depreciated current replacement costs which is comprised by the gross replacement cost less accumulated depreciation.</p> <p>Council values the gross replacement cost using the estimated average cost (unit cost) at which it could construct a substitute asset of comparable quality in the normal course of business. There was inherent subjectivity involved in making judgments in relation to assumptions used to estimate unit rates which also involved determining the:</p> <ul style="list-style-type: none"> components of assets that are replaced at different times in the asset lifecycle costs required to replace these components using current prices for materials, labour, and plant costs indices for measuring subsequent changes in unit rates. <p>The useful lives of assets and the measurement of accumulated depreciation are determined by external valuers. Significant judgement is used to determine the different useful lives for different components of assets and to calculate the depreciation that would have accumulated since original construction using these estimated useful lives.</p> <p>The significant professional judgments used to estimate the gross replacement cost and the accumulated depreciation are also relevant to the calculation of the annual depreciation expense of these assets.</p>	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> reconciled closing balances to the asset registers reconciled the movements in note 7 to the asset register reviewed the basis for valuation used by external valuers assessed the competence of external valuers (experts) in accordance with Australian Accounting Standards reviewed the fair value hierarchy provided in note 7 for each category of asset reconciled the useful lives used to calculate the accumulated depreciation and the depreciation for the period to the revaluation reports reviewed the useful lives mentioned above for different components and compared them to other local government entities performed a recalculation of depreciation reviewed the methodology used by Council to perform componentisation of infrastructure assets and compared the methodology used to Council's actual asset management practices and to other local government entities reconciled the unit rates used for different components of infrastructure assets to the unit rates provided in the valuer's report reviewed the unit rates mentioned above and compared them to different local government entities assessed the adequacy of disclosures in the financial report.

2.2 Valuation of Land and Buildings

Why the matter is significant	How the matter was addressed
<p>Land and buildings are valued at fair value. The basis of valuation to be used for these assets depends on a number of factors such as the nature of the asset, purpose of their use, the highest and best use of the asset, potential restrictions to the disposal of these assets among other factors.</p> <p>Valuation of land depends on whether the land is classified as Crown land or community land. Community land and Crown land are valued using unobservable (level 3) inputs as the allowance for the restriction on sale (requiring Ministerial consent) is usually an unobservable input, and is likely to have a significant effect on valuation.</p> <p>Land, where Council has an unfettered right to sell them, is usually valued at current market value based on their highest and best use. Level 2 inputs are primarily used for land during the valuation process.</p> <p>Valuation of buildings depends on the nature of these assets. Some Council buildings have no active market due to the specialised nature of the assets and the services they provide. For such buildings fair value is usually determined on the basis of replacement with a new building having similar service potential. Valuation techniques used to measure fair value of these buildings include significant unobservable inputs (level 3).</p> <p>For buildings that have an active market, buildings are assessed on market value principles which is deemed to be their fair value based on level 2 inputs. The most significant input into this valuation approach is sales transactions of comparable properties within the City, adjusted for any pertinent differences.</p> <p>The significant professional judgments used to estimate the value of buildings are also relevant to the calculation of the annual depreciation expense of these assets.</p>	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> reconciled closing balances to the asset registers reconciled the movements in note 7 to the asset registers reviewed the basis for valuation used by external valuers assessed the competence of external valuers (experts) in accordance with Australian Accounting Standards analysed the nature of the land building assets and concluded whether the fair value hierarchy provided in note 7 for each category of asset was reasonable reconciled the useful lives used to calculate the accumulated depreciation and the depreciation for the period to the revaluation reports reviewed the useful lives mentioned above for different components and compared them to other local government entities performed a recalculation of depreciation; and assessed the adequacy of disclosures in the financial report.

2.3 Accounting treatment of capitalisation of assets

Why the matter is significant	How the matter was addressed
<p>Councils are asset intensive and highly dependent on multiple assets to deliver services to customers. Hence, there is a high volume of transactions and significant amounts involved in relation to capitalisation of assets.</p> <p>Due to the unique characteristics of Council's assets a number of considerations are taken into account when an expenditure is capitalised which include:</p> <ul style="list-style-type: none"> whether Council is incurring capital expenditure on physical resources that are controlled by Council. Control is the most difficult of the characteristics of an asset to be defined as the concept goes beyond the legal ownership; Inclusions and exclusions of costs at initial recognition of an asset in accordance with AASB 116; Cost involved in dismantling and removing the asset and/or restoring the site under AASB 137; Borrowing costs to be capitalised into the cost of IPPE where the asset is a "qualifying asset" as per AASB 123; and accounting for subsequent costs and defining the nature of these costs as being capital or maintenance expenditure. 	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> performed analytical procedures to define whether the amounts capitalised for the FY was in accordance with our expectation and our understanding of the entity; reviewed internal controls in place for capitalisation of assets; selected a sample of additions and performed an assessment of the nature of the addition and concluded whether the addition was recognised in accordance with Australian Accounting Standards; reviewed the WIP schedule and selected a sample of transfers out to ensure that the asset was appropriately valued and capitalised in the right account; and reviewed the WIP schedule in order to identify projects that should have been capitalised but were not.

2.4 Management Override of Controls

Why the matter is significant	How the matter was addressed
<p>Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare a fraudulent report by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, the risk of material misstatement due to fraud is a significant risk.</p>	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> tested the appropriateness of journal entries recorded in the general ledger reviewed accounting estimates for biases performed final analytical procedures to conclude as to whether the financial report is consistent with our understanding of the entity requested written representation from Management reviewed IT access controls rights processes in place reviewed processes in place to ensure independent reviews of exception reports generated by Council reviewed processes in place to ensure independent reviews of audit trails of changes to master files.

2.5 Other High Risk Areas

The other high risk areas described in this section are account balances and/or audit areas that are not subject to a high degree of professional judgement, however we assessed their inherent risks as being high due to the materiality of the account balances, the high volume of transactions involved and other reasons outlined below:

Account balance	Why the risk is High	Overall audit response
Rates and charges	<ul style="list-style-type: none"> - largest revenue item - often used as a reference point for analysing expenditure decisions - politically sensitive – reputational risk involved if rates are raised incorrectly. 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - comparison of total capital values from the VG report to the total capital value recorded in the rates system - reconciliation of the rates modelling to the rates system and to the general ledger - recalculation of rates for a sample of rate payers.
Employee costs	<ul style="list-style-type: none"> - one of the largest expense items - high volume of transactions / data – subject to error - errors impact individuals financially. 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - inspection of employee files (contracts, awards, EBs) - inspection of timesheets - recalculation of a sample of individual payments.
Materials, Contracts & Other expenses	<ul style="list-style-type: none"> - one of the largest expense items - high volume of transactions, inherently higher risk of error - fraud risk area (procurement, payments and credit cards) - procurement and contracting are key focus areas for ICAC and the Auditor-General's Department. 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - inspection of supporting documents (contracts, invoices, purchase orders, subsequent payments, etc) for a sample of expenses.
Cash and cash equivalents	<ul style="list-style-type: none"> - material balance - fraud risk - if there is any instance of errors and/or fraud it will be indicative of broader errors - poor attitude to cash controls may be indicative of overall culture related to the entity's controls environment - public money 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - bank confirmation - inspection of bank statements - verification of outstanding reconciling items - reperformance of bank reconciliations.
Trade and other payables	<ul style="list-style-type: none"> - one of the largest liabilities - material balance - opportunity for understatements - if there is a poor use of accrual basis of accounting it may be indicative of poor culture - payments represent an opportunity for fraud. 	<ul style="list-style-type: none"> - walkthroughs and tests of effectiveness of controls from the Better Practice Model - analytical procedures - reconciliation between subsidiary ledgers and the general ledger - inspection of subsequent payments for a sample of creditors - inspection of a sample of subsequent payments for completeness test.



City of Marion

2.6 Intended Opinion on the Financial Report

We have completed our final risk of material misstatements assessment and concluded that the audit procedures performed were sufficient to reduce the audit risk to an acceptable level. We have evaluated the results of our audit testing and determined that no further adjustments to the financial statements are required.

In our opinion, subject to the satisfactory completion of the items described in section 1 of this report, ***the financial report prepared by Council presents fairly***, in all material respects, the Council's financial position as at the end of the current financial year and its financial performance for the year ended on that date (refer to our proposed Independent Auditor's Report on the Financial Report included in Appendix 1 of this report).

3. Internal Controls Opinion and Recommendations

We have performed an extensive review of the Council's financial controls for the purpose of forming our control opinion as required by section 129 of the *Local Government Act 1999* based on council's obligations under s125 of that Act.

Our controls opinion is restricted per s129 of the Act to the application of s125 as it relates to financial internal controls, specifically the controls exercised by the Council during the relevant financial year in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities.

A summary of the results of our review is provided in the table below:

Business cycles	Controls Reviewed	Operating Effectively	2022 Findings			
		2022	H	M	L	BP
General Ledger	11	10	-	1	-	-
Fixed Assets	16	14	-	2	-	-
Purchasing & Procurement/Contracting	10	8	-	2	-	-
Accounts Payable	13	13	-	-	-	-
Rates / Rates Rebates	10	10	-	-	-	-
Receipting	5	5	-	-	-	-
Payroll	19	18	-	-	1	-
Credit Cards	5	4	-	-	1	-
Banking	5	5	-	-	-	-
Debtors	6	5	-	-	1	-
Total	100	92	-	5	3	-

Overall the Council demonstrated a **high level of compliance** with the implementation of an internal control framework consistent with the principles within the Better Practice Model.

During our interim audit visit we found that the majority of key internal controls reviewed were in place and were operating effectively (92 out of 100 core controls reviewed). Risks were rated based on an assessment of the risk of non-compliance with s125 of the *Local Government Act 1999* as described in Appendix 3 – Risk Ratings.

An interim audit management letter was issued and presented to the audit committee containing our overall assessment of the council's internal controls and all the controls weaknesses identified during our review of the Council's financial controls.

Council has an action plan in place to address most of the findings related to the controls that were not operating effectively as indicated in Management responses to our interim management letter issued in July 2022.

In our opinion, subject to the satisfactory completion of the items described in section 1 of this report, **the Council has complied, in all material respects, with Section 125 of the Local Government Act 1999** in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities.



City of Marion

4. Immaterial Uncorrected Misstatements

There are no immaterial uncorrected misstatements to be reported.



City of Marion

5. Contact Details



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Appendix 1 – Proposed Independent Auditor’s Report on the Financial Report

To the members of City of Marion

Opinion

We have audited the accompanying financial report of City of Marion (the Council), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of City of Marion.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Council as at 30 June 2022, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Council’s Responsibility for the Financial Report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Council is responsible for assessing the Council’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council’s financial reporting process.

Auditor’s Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatements, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and



City of Marion

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of this financial report.

As part of an audit of the financial report in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the financial report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA Registered Company Auditor
Partner

Date:



Appendix 2 – Proposed Independent Auditor’s Report on the Internal Controls

To the members of City of Marion

Independent Assurance Report on the Internal Controls of City of Marion

Opinion

We have audited the compliance of City of Marion (the Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2021 to 30 June 2022 have been conducted properly and in accordance with the law.

In our opinion, City of Marion has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to internal controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2021 to 30 June 2022.

Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The Council’s Responsibility for Internal Controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with Section 125 of the *Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law.

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 *Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.



City of Marion

Auditor's responsibility

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Council to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with the law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitation of Use

This report has been prepared for the members of the Council in accordance with section 129 of the *Local Government Act 1999* in relation to the internal controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA Registered Company Auditor
Partner

Date:

Appendix 3 – Risk Ratings

The audit findings identified during our interim audit documented in our interim management letter and in section 3 of this report were rated as follows:

Category	Description
Potential Material Weaknesses	The issue described could lead to a material weakness in the council's internal controls and non-compliance with s125 of the Local Government Act.
Moderate Weaknesses	The issue described does not represent a material weakness due to the existence of compensating controls. However, the failure of the compensating controls or the existence of any other moderate weakness within the same business cycle may lead to a material weakness in the council's internal controls and non-compliance with s125 of the Local Government Act.
Low Risk Weaknesses	The issue described is a low risk weakness due to the existence of compensating controls and/or the failure or absence of the internal controls does not impact significantly on the council's financial risk. However, multiple low-level risk weakness within the same business cycle may lead to a material weakness in the council's internal controls and non-compliance with s125 of the Local Government Act.
Better Practice Weaknesses	The issue described has been included in this report as an opportunity for better practice.

7.4 Meeting with the External Auditors in Confidence

Report Reference	FRAC221011R7.4
Originating Officer	Manager Office of the Chief Executive – Kate McKenzie
Corporate Manager	N/A
General Manager	Chief Executive Officer - Tony Harrison

REPORT HISTORY

This is an annual report and was last considered in October 2021.

Report Reference	Report Title
FAC211012.R6.4	Meeting with the external auditors in Confidence (without management present)

REPORT OBJECTIVE

The Finance and Audit Committee Terms of Reference recognises that the Committee will meet with both the external auditors and internal auditors without management, at least once per year (Clause 4.1). This provides the Committee an opportunity to have a confidential conversation with the Auditors without management present.

The purpose of this report is to exclude the public and staff from the meeting to enable this conversation to occur.

The Chair of the Committee will provide a summary of the discussion to the Manager, Office of the CEO to be published in the minutes.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

- 1. Pursuant to Section 90(2) and (3)(g) of the Local Government Act 1999, orders that all persons present, be excluded from the meeting, with the exception of Tim Muhlhausler from Galpins, as the Finance, Risk and Audit Committee meets with Council's External Auditors, on the basis that the Finance and Audit Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to commercial information of the Council.**
- 2. Include the following comments within the minutes:**

ATTACHMENTS

Nil

7.5 Asset Valuations

Report Reference	FRAC221011R7.5
Originating Officer	Unit Manager Statutory Finance & Payroll – Andrew Doyle
Corporate Manager	Chief Financial Officer - Ray Barnwell
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

This report provides a summary of the process and outcomes of the 2021-2022 asset valuation.

EXECUTIVE SUMMARY

Council's asset valuation process includes the engagement of independent professionally qualified valuers to provide comprehensive valuations of Council's assets, undertaken in accordance with council's Asset Accounting Policy every 5 years, with independent desktop valuations undertaken by the valuers in interim years for Infrastructure Assets. Desktop valuations for Infrastructure assets are undertaken as a means to monitor and counteract large valuation fluctuations, as these represent 76% of Councils total depreciable asset base subject to valuation.

In accordance with Council's Asset Accounting Policy all infrastructure assets were subject to a desktop valuation for the year ended 30 June 2022. New non-infrastructure assets are being included at cost for 2021-2022. Plant & Equipment and Furniture and Fittings are also recognised 'At Cost'. The desktop valuation of infrastructure assets was undertaken by Australia Pacific Valuers (APV).

The carrying value of Council's Infrastructure assets (excluding WIP) as at 30 June 2021 was \$599.669m. The outcome of the desktop infrastructure valuation for 2021-2022 showed an increase in the Fair Valuation of \$38.649m to \$638.318m (6.44%).

RECOMMENDATION

- 1. That the Finance Risk and Audit Committee notes the outcome of the 2021-2022 desktop valuation for all infrastructure assets.**

DISCUSSION

As noted above Council engages external, independent and qualified valuers to determine the fair value of the council's non-current assets. This is conducted in accordance with the Australian Accounting Standards AASB13 Fair Value Measurement. The definition of Fair Value is:

- the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Under this overarching Accounting Standard all assets (with the exception of assets held for sale) are valued in accordance with AASB13 at Fair Value.

Under Australian Accounting Standards assets are required to be componentised and categorised. For example, roads are valued as formation, pavement and seal; buildings valued as structure, roof, fit out, and services; stormwater pipes valued depending on materials (e.g. reinforced concrete, PVC, or Ribloc).

Council's current valuation methodology is comprised of the previous year's valuation data being provided to asset owners who provide up to date information in relation to quantities, materials, unit rates, condition rating, acquisitions and disposals and contributed assets (assets constructed on Council land by external parties). This updated data is then provided to the independent valuers to utilise in their desktop valuation assessment each year.

Infrastructure Assets

Council's infrastructure assets have increased in fair value by \$38.649m (6.44%) between the 2021 and 2022 valuation exercises. This was reflected as a revaluation reserve increment of \$37.042m on previously revalued assets and fair value of 2022 capitalised assets of \$1.607m. Significant increases were noted in Stormwater Drainage (\$14.79m), Roads (\$12.759m) and Footpaths (\$4.23m), offset slightly by a decrease in the value of Signage (\$0.137m).

The key driver for the increase in the asset fair values for the 2021-2022 financial year relates the increase in unit rates for replacement cost (Gross Value) measured against mostly consistent condition assessment ratings. Condition assessments for some elements of the Signage fleet were noted as having reached the end of their useful lives and reflected the minor devaluation above.

The following table shows the valuation movements for the infrastructure assets for 2021-2022:

	2022			2021					
	Gross Or Mv	Accumulated Depreciation	Fair Value	Prev. No Of Asset	APV Reported 2021 Gross Or Mv	APV Reported 2021 Accumulated Depreciation	APV Reported 2021 Fair Value	% Variance of Gross	% Variance of Fair Value
Asset Class									
Bridge Assets	5,941,323	1,616,120	4,325,203	45	5,655,865	1,497,838	4,158,027	5.05%	4.02%
Footpath Assets	144,666,342	38,951,712	105,714,630	5901	136,659,630	35,171,501	101,488,129	5.86%	4.16%
Kerb and Gutter Assets	165,959,929	40,397,694	125,562,234	15576	158,087,879	37,205,163	120,882,716	4.98%	3.87%
Parking Bay Assets	274,630	23,210	251,420	129	253,958	18,121	235,837	8.14%	6.61%
Retaining Wall Assets	7,047,102	1,084,774	5,962,328	57	6,616,997	973,409	5,643,588	6.50%	5.65%
Road Assets	266,508,804	52,561,744	213,947,060	10749	246,759,955	45,571,700	201,188,255	8.00%	6.34%
Signage Assets	3,592,011	2,433,665	1,158,346	14141	3,473,898	2,178,373	1,295,525	3.40%	-10.59%
Stormwater Drainage Assets	194,741,458	54,132,254	140,609,203	10262	168,615,923	42,800,276	125,815,648	15.49%	11.76%
Stormwater Structure Assets	39,810,506	7,031,188	32,779,318	7691	37,462,463	6,379,647	31,082,816	6.27%	5.46%
Traffic Device Assets	13,025,092	5,017,090	8,008,002	1182	12,334,367	4,455,754	7,878,613	5.60%	1.64%
	\$841,567,196	\$203,249,450	\$638,317,746		\$775,920,936	\$176,251,782	\$599,669,154	8.46%	6.44%

Building/Other Infrastructure and Other Assets

As these assets are not subject to a desktop review in 2021-2022, they will be included in the annual financial statements as a combination of cost (assets constructed since the 2017-2018 comprehensive valuation) and fair value. A full comprehensive valuation is due to be conducted for these non-infrastructure assets in 2022-2023.

Valuation Cycle

In accordance with the report on Improved Asset Valuation Process presented to the committee on 26 February 2019 (FAC190226R11), the current valuation cycle is as follows:

Financial Year	Accounting Infrastructure	Accounting Non Infrastructure	Insurance
2019-2020	Desktop	Not Applicable	Indexation
2020-2021	Desktop	Not Applicable	Desktop
2021-2022	Desktop	Not Applicable	Indexation
2022-2023	Comprehensive	Comprehensive	Comprehensive
2023-2024	Desktop	Not Applicable	Indexation

7.6 Business Continuity Program Annual Report 2021-22

Report Reference	FRAC221011R7.6
Originating Officer	Manager Office of the Chief Executive – Kate McKenzie
Corporate Manager	Manager Office of the Chief Executive - Kate McKenzie
General Manager	- N/A

REPORT HISTORY

Report Reference	Report Title
FRAC210518R05	Annual Business Continuity Management Program

REPORT OBJECTIVE

The objective of this report is to provide the Finance, Risk and Audit Committee (FRAC) with an overview of the Business Continuity Management Program in 2021-22 in accordance with the FRAC's Terms of Reference to provide "effective management of risk and the protection of Council assets" and to provide assurance of the continued implementation of effective business continuity management initiatives across the organisation.

EXECUTIVE SUMMARY

This report provides an overview of the initiatives undertaken through the BCM Program in 2021--22 which aim to ensure that disruptive events are managed in accordance with the BCM Framework.

The BCM Program objective is to build organisational maturity through capacity building, testing of key controls plus continual improvement of systems and documentation. As the Incident Management Team (IMT) was operational for most of 2021/22 managing the on-going response to COVID-19 pandemic, the usual training provided through proactive business continuity exercises ceased as the pandemic response provided the opportunity for real life testing and capability building. Further work also progressed with KPMG on the Business Impact Assessment and the Recovery Strategies Project.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

- 1. Notes the report and provides feedback on the annual program.**
- 2. Notes the KMPG report outlining the BIA and Recovery Strategy Project**
- 3. Endorses the revised Business Continuity Plan**

BACKGROUND

The Business Continuity Management (BCM) Program is reported annually and was last presented to the Finance, Risk and Audit Committee at its meeting held on 18 May 2021(FAC210518R05) and again on 17 May 2022.

COVID-19 was declared a world-wide pandemic on 11 March 2021, and the Business Continuity Plan (BCP) was formally activated on 16 March 2021, however the Incident Management Team (IMT) had been meeting informally to monitor the unfolding situation for a number of weeks prior.

COVID-19 significantly affected local government's ability to deliver traditional services to the community. The City of Marion was able to respond quickly and efficiently to the unprecedented business emergency through the IMT, which was guided by the BCP. The BCP proved to be a well entrenched document and enabled the IMT to be quickly assembled with each member being fully aware of their roles and responsibilities, allowing them to focus on the response to the unfolding pandemic. The primary objectives of the IMT were to continue serving the community safely, ensuring the safety and job security of staff and proactive transparent communications to our community and our people.

DISCUSSION

KPMG was engaged to undertake an audit of the COVID-19 response "Business Continuity Plan and COVID-19 Response Audit", reported to FAC at its meeting in February 2021 (FAC210223R06). The audit report acknowledged that the CoM handled the crisis well, the IMT was activated early and that appropriate risk and impact assessments were performed. The report identified five findings and two potential improvement opportunity, as outlined below:

- F1 Existing Business Continuity Framework needs to be updated to reflect pandemic planning and recovery strategy strategies
- F2 Agree protocols for fast-tracked procurement of IT infrastructure during business continuity events
- F3 Confirm and update the required technological capabilities for remote working in the Recovery Strategies
- F4 BCP documentation has not been updated to record specifics on recovery response activities
- F5 Update existing recovery strategy documentation to reflect the manual processes (and changes implemented) as a result of COVID-19
- PIO1 Potential changes to consider regarding Incident Management Team roles and responsibilities
- PIO2 Opportunities for greater integration and tailoring of documentation.

These recommendations are now in various stages of implementation and being monitored through the usual internal audit reporting to the Finance, Risk and Audit Committee.

KPMG facilitated a Business Impact Assessment (BIA) and a review of all divisions Recovery Strategies (Attachment 1). This work included an organisation-wide BIA to assess critical functions and recovery times and the development of Recovery Strategies across all business units to identify critical resources, critical IT systems and critical human resources. Work is now progressing with key stakeholders to validate the information provided by each division and confirm realistic recovery times. A SharePoint portal was also developed to streamline processes and support document management for the BIA and recovery strategies.

In addition, various other initiatives have been undertaken including:

- Induction of new IMT Members
- I-Responda training
- Participated in Exercise "Stormaparinga" as an observer. This was a City of Onkaparinga exercise, with the objective to practice the activation of the IMT to manage a major storm & flooding emergency in the City of Onkaparinga area. The exercise tested, the IMT requirements, communications, checklists and functional roles.

NEXT STEPS

The usual proactive Business Continuity Management Program will resume in 2022-23 which will continue to build organisational maturity through capacity building, testing of key controls and continual improvement of systems and documentation. The key initiative to build capacity will be the holding of an emergency response exercise to test key controls and IMT's capability to respond to an extreme storm. The exercise held will precede a broader recovery exercise planned to be held in

conjunction with the Southern Adelaide Zone Emergency Management Committee councils being the cities of Holdfast Bay, Mitcham and Onkaparinga.

Due to the large organisational change, iResponda training is also being rolled out to required staff to ensure a solid foundation of emergency management knowledge within the organisation. It is acknowledged that the list of staff trained on iResponda within the BCP will require updating once this has been completed.

CONCLUSION

The progress achieved through our COVID-19 response over the last twelve months has led to a maturing of emergency management systems, processes, capabilities, and networks that are critical to management emergency events should they occur. The completion of actions recommended in the Business Continuity and Covid-19 Response Audit by undertaken by KPMG through the Internal Audit Program will further improve processes, embed knowledge and increase the resilience of the organisation to provide assurance to Council and all key stakeholders.

ATTACHMENTS

1. Co M Business Impact Assessment Report Final [7.6.1 - 20 pages]
2. R M- TOO L-4.01 Business Continuity Plan - version 3.3 [7.6.2 - 80 pages]



City of Marion

Business Impact
Assessment Update
Report

February 2022



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Executive Summary

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KPMG was engaged by the City of Marion (CoM) to assist in updating the recovery strategies for the critical business functions onto the custom-built CoM SharePoint "Recovery Strategies" portal, by performing Business Impact Assessment (BIA) workshops to identify the critical functions, service recovery objectives, critical equipment and infrastructure and human resources across its business units.

Objective and Scope

The objective of this engagement was to assist CoM in undertaking workshops to perform strategic business impact assessments to update their business function recovery strategies.

The scope of the Engagement was agreed as follows:

- Facilitate a workshop with the Executive Leadership Team (ELT) to review the existing strategic Business Impact Assessment, and agree any changes to critical business activities and priorities.
- Update the existing Strategic BIA timeline graphic
- Facilitate twelve (12) workshops, by senior leadership team member (comprising each business unit lead manager) to update the business unit Recovery Strategies documented in the new City of Marion SharePoint tool, and
- Identify and report gaps for consideration

Key Observations

Overall, it was observed that the CoM has a detailed Business Continuity Management framework and proficient understanding of their business functions. Through the review, the following key themes and observations were noted:

- Further work is required to update the tool to reflect the current IT environment.
- Not all critical staff have adequate equipment to perform their roles.
- Further coordination is required across CoM ICT functions to ensure consistent processes and procedures are followed, and that the ICT teams do not work in siloes.
- Additional functions were identified as 'critical' during the business unit workshops. These functions should be reviewed and endorsed by the ELT to ensure that the organisation agrees that these businesses functions are critical.
- There were conflicting MAOs, RPO's and RTO's for each application identified in the recovery strategies, IT will need to validate the recovery timings to be consistent and achievable.

Positive Observations

A number of positive observations were identified during the course of this engagement and are summarised as follows:

- ✓ CoM has built a custom SharePoint site to store the updated recovery strategies for each business unit and is able to modify the site and information quickly and efficiently.
- ✓ Work is being undertaken to enable reporting on these functions to support uplift of the business continuity capability of the organisation.
- ✓ Staff were positive, enthusiastic and engaged with the workshops throughout the engagement.
- ✓ Bi-annual reminders will be sent out to the Senior Leadership Team (SLT) to ensure that the recovery strategies for their areas are reviewed and updated as necessary.

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Critical Functions

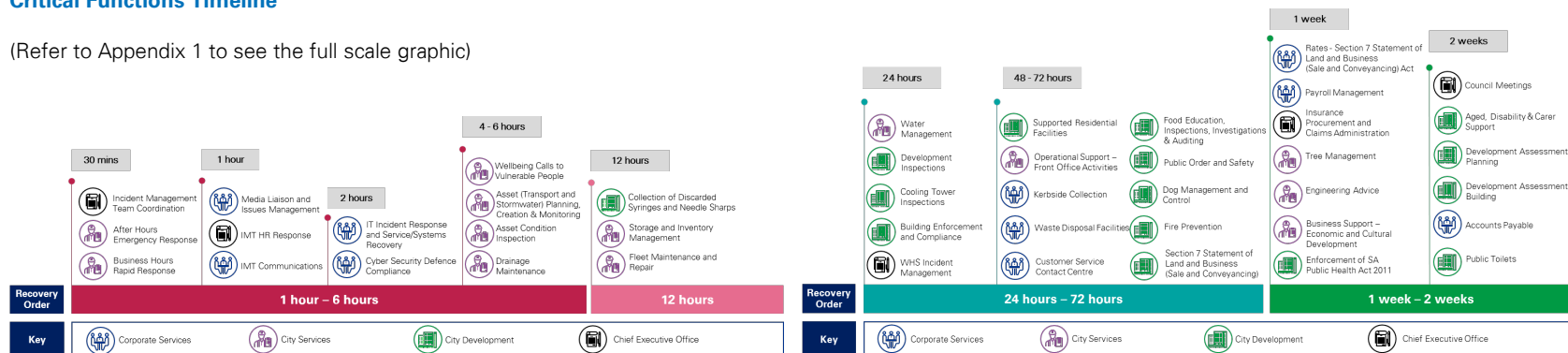
Critical Business Functions are the business activities and processes that must be restored in the event of disruption to ensure the continuity of the organisation. The Business Impact Assessment performed in early 2020 identified 26 critical business functions that would need to be operational within two weeks of a disruption event. Since that time there have been a range of changes and/or disruption to business operations as a result of staff turnover, COVID-19 and other organisational changes.

During this review, management identified 43 critical functions which should be restored within 2 weeks or less. While some have been renamed to better reflect the nature of the functions, others are new to the timeline. This is due to changes in legislative and regulatory timing requirements and additional insights into operational processes that are essential in supporting the community and enhancing the ability to respond to events arising from lessons learnt from COVID-19 and other disruptive events.

The critical functions within the first 24 hours have not changed significantly since the previous assessment undertaken in 2020. In the 24 hours to 72 hours timeframe, where there were 6 critical functions there are now 15 critical functions. In the 1 week to 2 weeks timeframe, where there were 5 critical functions identified there are now 13 critical functions. The critical functions have been grouped into their overarching departments, i.e. Corporate Services, City Services, City Development and the Chief Executive Office.

Critical Functions Timeline

(Refer to Appendix 1 to see the full scale graphic)



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Observations

Through the workshops and discussions with personnel, KPMG identified 2 findings and 2 performance improvement opportunities. The following table provides a summary of our observations and the associated ratings (refer to Appendix 5 for rating classification). These observations and recommendations have been discussed with CoM Management.



Rating	Ref #	Description
Moderate	F1	Technology Readiness and relevant registers have not been updated to reflect recent organisational and system changes
Low	F2	Not all staff have the equipment required to perform their role
PIO	PIO1	Highly specific individualised information within the Recovery Strategies
PIO	PIO2	Further validation required from IT and ELT on critical business functions

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Background

KPMG previously assisted the CoM in undertaking strategic business impact assessment workshops and reviewing the associated recovery strategies in February 2020. It was identified that there were several opportunities for CoM to improve related processes, however, COVID-19 impacted CoM's ability to act on these opportunities for improvement as the organisation had to pivot to address the impacts of COVID-19.

CoM management recognised the need to undertake a strategic BIA across the directorates to enhance their resilience by developing specific recovery strategies that incorporate the required IT systems, equipment, infrastructure and resources needed to support identified critical business functions.

Approach

As part of the engagement the following was undertaken:

1. Held a validation workshop with the ELT to discuss and confirm previous critical business functions identified in February 2020.
2. Completed 12+ workshops with individual business units to: identify critical business functions; confirm Maximum Allowable Outages and service recovery times; identify required equipment and infrastructure; confirm resources and consider alternative workarounds and legislative requirements.
3. Performed analysis of the data contained within the master registers on SharePoint to ensure it was sound and logical.

Purpose

The BIA is a whole-of-organisation assessment that identifies CoM's key functions and services and the activities that support them, in order to prioritise planning and recovery efforts.

Key Outcomes

The key outcomes of the BIA process are noted as follows:

- The Services of Council list has been reviewed resulting in **157** services identified as being performed by the council.
- The organisation is better informed as to which activities and resources need to be recovered the quickest during a disruptive event, ensuring that impacts to the CoM and customers are minimised.
- Effort invested in drawing up Business Continuity Plans is optimised by only focusing on prioritised activities that are time critical to the organisation.
- Critical resources that support multiple prioritised activities across the organisation are identified, allowing suitable redundancy options to be created that benefit multiple business areas and reduce duplication of effort.
- Identified non-critical business functions where staff can be redeployed to better support the CoM in an event of a disaster.

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Executive Leadership Team Workshop

The validation workshop performed with the ELT identified that post the initial COVID-19 impact to the organisation that further considerations were required to be incorporated and updated into the service recovery timeline graphic.

Recovery Strategy Workshops

The recovery strategy workshops were conducted with each business unit across the Office of the CEO, City Services, City Development and Corporate Services to identify their critical functions (refer to Appendix 4 for the list of business units).

The following questions were asked:

- What services/functions does your business area provide?
- What activities support the provision of these services/functions?
- What would the impact over time be to the organisation of not undertaking each activity? Are there any critical time periods e.g. legislative requirements?
- What are the required IT systems necessary to support those functions?
- What are the required minimum critical equipment, infrastructure and human resources necessary to function?
- Are there any alternate workarounds?
- What is the Maximum Allowable Outage (MAO) for the service?

The following information was taken into consideration for IT systems required to be used by the function:

- Recovery Time Objective (RTO)
- Recovery Point Objective (RPO)

Analysis

All information from the workshops was input to the following Master Recovery Registers available on the CoM SharePoint:

- Business Impact Assessment Register
- Critical IT System Register
- Critical Infrastructure and Equipment Resources Register
- Human Resources Register

The workshops further identified:

- **43** Critical Functions (up and running in under two weeks) (Refer to Appendix 1)
- **79** Non-Critical/Important Functions (between two weeks and three months) (Refer to Appendix 2)
- **31** Non-Critical/Discretionary Functions (can be paused over three months) (Refer to Appendix 2)
- **45** different IT systems (Refer to Appendix 3)
- Various equipment and infrastructure necessary to the operations of the business

3.0 Observations

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Finding: F1 – Technology Readiness and relevant registers have not been updated to reflect recent organisational and system changes

Rating: **Moderate**

Observations(s)	Risk(s)	Recommendation(s)
<p>Due to significant staff turnover and the impacts of COVID-19, the information technology landscape and resilience plans have not been updated to reflect the on-going organisational and system changes.</p> <p>It was identified that a technical readiness assessment that examines the technology concepts, requirements and capabilities of the organisation has not been performed since 2019. Furthermore, the IT Service Recovery Plan and the Information Technology Infrastructure Library (ITIL) documentation has not been adequately updated on a regular basis to reflect the current IT environment and assets.</p> <p>The workshops specifically identified the following issue resulting from the siloed way in which the CoM has previously operated:</p> <ul style="list-style-type: none"> A separate ICT function exists within the libraries function, that central IT personnel were unaware of and therefore did not have appropriate oversight. <p>While it is noted that the CoM libraries are consistently performing innovatively and providing high quality outcomes, having a consistent approach and understanding across the organisation will have improved organisational processes and ensure inefficiencies are rectified.</p> <p>Moving forward, it will be critical that the IT function has a holistic approach to effectively coordinate and manage the various requirements of IT that are delivered across the CoM.</p> <p>Although the business impact of this observation is considered to be high, it was been re-rated to moderate (refer to Appendix 5 for rating classification), as it is acknowledged that IT personnel are aware of the above issues and are currently undertaking remediation procedures to inform and update the required processes and documentation.</p>	<p>The lack of an updated, centralised and coordinated approach to the management of the CoM's IT processes could lead to an increased risk of the following:</p> <ul style="list-style-type: none"> Inefficiencies in IT processes may lead to delays and duplication of effort Inability to respond effectively and efficiently to an incident Lost synergies and the inability to share good practices/lessons learned Inconsistent application of approved organisational processes 	<ol style="list-style-type: none"> Update the required IT documentation and processes to ensure the IT environment is reflective of current processes and assets. Update the IT Service Recovery plan. IT function to develop a consistent holistic approach to coordinate and manage the various IT requirements to be delivered across CoM.

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Finding: F2 – Not all staff have the equipment required to perform their role

Rating:

Low

Observations(s)	Risk(s)	Recommendation(s)
<p>Through the BIA workshops, it was identified that the current allocation of mobile phones and laptops is not wholly aligned with the needs of staff who are considered critical or regularly work outside of the CoM offices.</p> <ul style="list-style-type: none"> Some staff members who work off-site on development or construction sites do not have work mobile phones that allowed them to be contactable during the event of a disaster. It was identified that those staff members utilise personal mobile devices as a workaround. However, that does not allow them to be easily contactable in the event of an emergency as their personal contact numbers are not recorded by CoM due to privacy requirements. Some staff, who have been categorised as critical in the event of an disaster, do not have the appropriate equipment (i.e. work mobile phones or laptops) to enable them to perform these required duties remotely. Although various staff members have been issued with work laptops, it is common practice to physically leave them on work premises without taking them home at the end of each day. Subsequently, in the event of a premise becoming inaccessible or when there is restriction of movement, this may lead to an increased risk of staff not being able to perform their roles on a timely basis. <p>Management advised that a review of current use cases of equipment and re-allocation of equipment based upon prioritisation of needs is required; e.g. to reallocate the work mobile phones issued to non-critical office based staff, to those staff who use their personal mobile devices for work purposes, and are deemed critical and/or regularly work outside the standard office environment</p> <p>This may alleviate the risks associated with them not being readily contactable via CoM issued mobile phones, or having appropriate equipment to enable WFH.</p>	<p>Critical staff may not be able to perform their required duties during an event of a disaster.</p>	<ol style="list-style-type: none"> Review the current use cases of equipment allocated to staff and determine whether equipment is appropriately allocated to staff based on needs. Re-prioritise, re-allocate or allocate required equipment to staff appropriately based on their job requirement. Reinforce the message that critical staff should always take their laptop home.

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Finding: PIO1 – Highly specific individualised information within the Recovery Strategies

Rating:

PIO

Observation(s)	Risk(s)	Recommendation(s)
<p>Analysis of information contained within the recovery strategies identified that some responses provided by business areas were highly individualised and specific with little to no context provided i.e. a particular individual's car is necessary to provide a critical function.</p> <p>While this makes sense at a high level to current department management, staff turnover, the impact of an emergency or changes to organisational structure may result in future personnel in management positions being unable to execute the strategy.</p>	<p>In the event of a disaster, highly individualised information may cause confusion and hinder the ability of a person to make decisions or undertake the required processes to support business functions.</p>	<ol style="list-style-type: none"> 1. Review the information recorded in the master registers on the SharePoint on a regular basis to ensure there are appropriate levels of detail and context that will enable a third party to assume the required role of a function.

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Finding: PIO2 – Further validation required from IT and ELT on critical business functions

Rating:

PIO

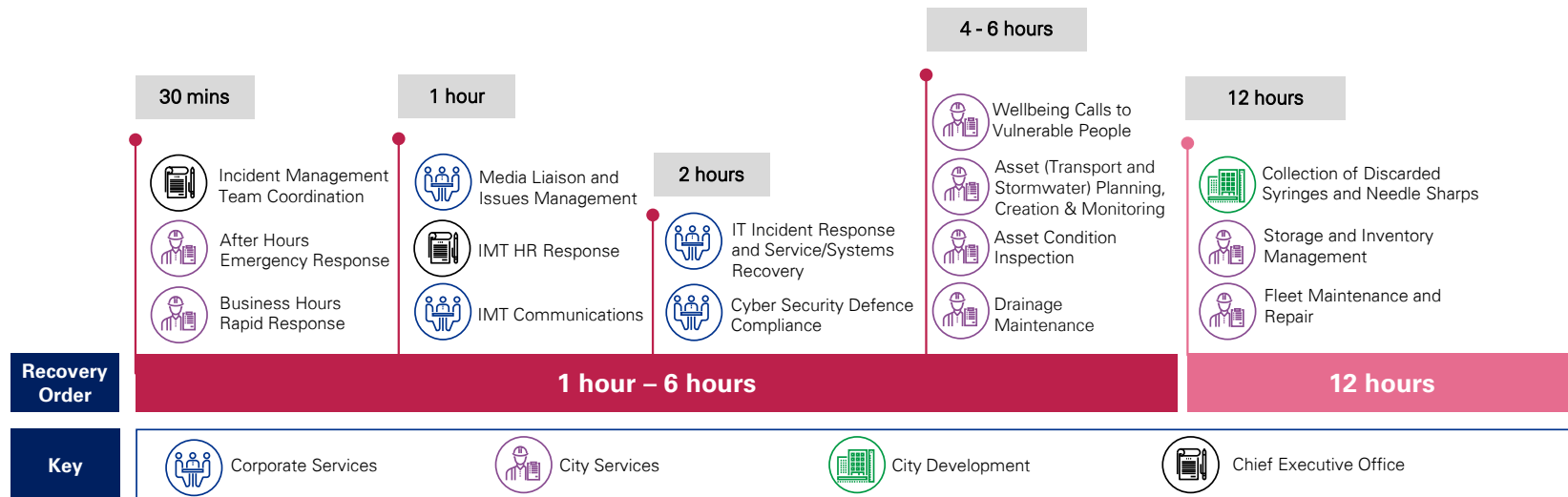
Observations (s)	Risk(s)	Recommendation(s)
<p>Throughout the course of the BIA workshops, new and updated business functions have been identified.</p> <p>The ELT will need to validate the new or updated critical business functions to agree the criticality of the business functions. Analysis of the data extracted from the master spreadsheets from the CoM SharePoint site identified that 15+ critical business functions have been identified that were not previously considered critical (within the two week timeframe).</p> <p>Analysis performed on the information extracted from the master data identified that there are conflicting MAOs, RPO's and RTO's for each application (noting different uses by each business function). Furthermore, while the RTO's have been defined for each critical function by the business, the IT team have not yet validated that the required RTOs and prioritisation is achievable in the event of a disaster.</p> <p>Alignment between IT and ELT expectations will also need to be considered when validating the critical business functions.</p>	<p>Without having critical business functions validated by the necessary personnel, there is potential for:</p> <ul style="list-style-type: none"> • Misalignment of expectations from Management • IT not being able to respond in a timely manner 	<ol style="list-style-type: none"> 1. Ensure IT is engaged to validate and determine the feasibility of the information provided in the recovery strategies. 2. Conduct another priority workshop with the ELT to ensure the new critical business functions are validated.

Appendix 1 – Critical Function Timeline

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The critical function timeline below shows the recovery priority order of the functions with MAO of 12 hours or less

Refer to the next page for the functions with MAOs with a tolerance of 24 hours to 2 weeks.



Appendix 1 – Critical Function Timeline

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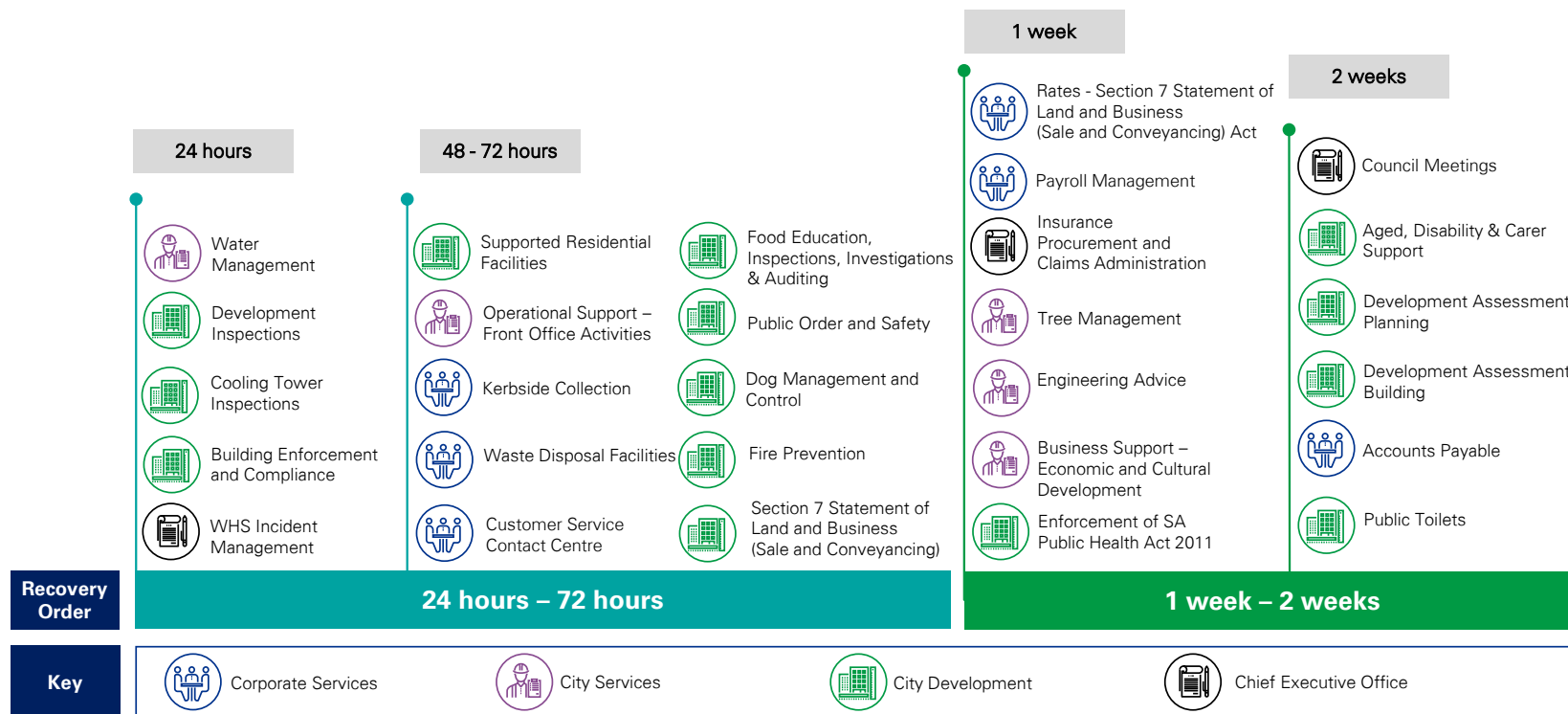
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The Critical Function Timeline below shows the recovery priority order of the functions with MAOs of 24 hours to two weeks.



Appendix 2 – Non-Critical Functions

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The tables below outlines all the non-critical/important functions identified throughout the workshops.

Corporate Services

Contracts management	Project Management Policies, Systems, Programs and Support
Fleet procurement and disposal	Corporate & Community Publications
Utilities management	Corporate website and social media
Customer Service Centre	Citizenship ceremonies
Justice of Peace service	Community Engagement
Customer Experience/Relationship Management	Treasury management
Budget Management	Applications systems & databases support
Rate Collection and management	Desktop computers, security access, printers and telecommunications
Rate Postponement	GIS systems and mapping support
Accounts receivable	Mobile device policy and implementation
Long Term Financial Planning	Server infrastructure and technical services
Statutory Reporting	Software licensing
Treasury management	Vendor and outsourced services management
CoM Support Ticket Response to support CoM users	

City Services

Environmental Risk Management Coordination	Asset Maintenance (including irrigation, landscape, playgrounds)
Community Passenger Network	Reserve maintenance
Community Programs	Protection of remnant native vegetation
Library Service	Road maintenance and operation
Traffic and parking investigations	Infrastructure Audit Unit
Asset Information Management	Civil Asset Maintenance
Environmental Engagement	Civil Related Renewal Capital Programs
Outdoor Pool facilities, services and programs	Hard & illegally dumped rubbish collection
Biodiversity maintenance	

Chief Executive Office

Strategic Planning and Reporting	Policy Development and Register Maintenance
Freedom of information applications	Business Partnering including EA negotiations & industrial relations
Elected Member support	P&C Programs
Executive support	Recruitment & Onboarding
SharePoint & Teams development and maintenance	Training; Induction, Mandatory, Professional/Leadership Development
Inbound mail processing	Volunteer Coordination & Programs
Risk Management Policies, Systems, Programs and Support	KPI Framework and Reporting
Grant Attraction & Funding Coordination	Employee Wellbeing Program (including EAP & immunisations)
Annual Report	Return to Work (including Early Intervention)
CEO KPI Reporting	WHS Management System Development & Implementation (including VOC)

City Development

Coastal Walkway maintenance	Environmental Protection Control
Outdoor Pool facilities, services and programs	Immunisations
Council facility maintenance, renewal and upgrade	Investment and Tourism Promotion
Strategic Infrastructure Projects	Hoarding and Squalor Management
City Activation	Noise and nuisance control
Animal Management	Lease, license & hire management (including commercial)
Cat management and control	Strategic Infrastructure Projects
Planning Enforcement & Compliance	Urban Renewal

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The tables below outlines all the non-critical/discretionary functions identified throughout the workshops.

Corporate Services	
Petty cash	DTP Projects (including business engagement, needs analysis and delivery)
IT Project Management and Co-ordination (IT-related BAU projects)	Community Events

City Services	
Environmental Strategic Planning	Arts and culture
Environmental Projects	Community Programs – Neighbourhood Centres
Asset Management Planning	Sponsorship and grants
Memorials	Bookings & hall hire of neighborhood centres
Walking & Cycling	Community Programs – Vibrant Communities

Chief Executive Office	
Staff digital literacy training	Internal Audit
Information auditing and classifying	Work Area Planning (WAP) Coordination

City Development	
Sporting Club Support	Smart Cities
Cultural Centre - event programming/management, facility hire & oversight of management agreements	Planning & Design Code - Code Amendments
Sport & Recreation Programs	Public health: non mandatory
Sports Facility Management	Enforcement of Council's By-Laws
Community Land e.g. procurement, disposal, revocation, easements, permits	Parking Management and Regulation
Cultural Centre	Volunteer graffiti program
Public Art & Place-making	

Appendix 3 – IT Systems

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The tables below outlines all the IT systems identified throughout the workshops.

IT Systems		
Office 365	RFID System	Bluebeam Revu
Sales Force	PC Reservation & Print Management	Health Manager
Harbour	Enterprise Online Library Catalogue	Pin Force
Office 365	Reboot Restore	Aurion
ESRI	DACO	Active Directory
Sky Trust	3CX	Training Manager
Camms	Open Office	Smarty Grants
Authority	CoM Support	Event Brite
Ungerboeck	BIS	Fresh Services
Centaman	BI Query Corporate Reports	Falcon
Network Drives	Ibis	Indesign
Acrobat Pro	SMS	Constant Contact
Network	RAMMS	Custom Surveys
Sharepoint	Forestry	Bang The Table
One Card	PlanSA	Building Maintenance System

Appendix 4 – Staff Consultation

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The tables below summarises CoM business units who were involved in discussions and contributed to the observations detailed in this report. We would also like to thank all staff members who provided their insights.

ELT	SLT	LT	
Chief Executive Office	Office of the Chief Executive	Governance & Council Support	Records Management
		Strategy & Risk	Business Intelligence
	People & Culture	People & Culture	Work, Health and Safety
Corporate Services	Finance	Finance Partnering and Rates	Statutory Finance and Payroll
		Financial Transformation	
	Strategic Procurement	Procurement	
	Customer Experience	Customer Service	Marketing and Events
		Engagement and Media	
	IT Operations and DTP IT	IT Operations	DTP – Financial Transformation
	DTIP & IT Help Desk	Help Desk	DTP
City Services	Operations	Operational Support	Open Space Operations
		Civil Services	
	Engineering, Assets & Environment	Engineering	Environmental Sustainability
		Asset Systems	
	Community Connection	Libraries	Community Wellbeing – Vibrant Communities
		Community Wellbeing - Positive Aging and Inclusion	Community Wellbeing – Neighbourhood Centres
City Development	City Activation	City Activation	Economic and Cultural Development
		Project Design and Management	Open Space Recreation
	City Property	Land and Property	Sport and Recreation
		Cultural Facilities/Outdoor Pool	
	Development & Regulatory Services	Planning Assessment	Community Safety
		Building Assessment	Environmental Safety

Appendix 5 - Classification of Observations

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The following framework for internal audit ratings has been developed and agreed with the CoM's Management for prioritising internal audit findings according to their relative significance depending on their impact to the process. The individual internal audit findings contained in reports will be discussed and rated with the CoM's Management.

Rating	Definition	Examples of business impact	Action(s) required
Extreme/Critical	Issue represents a control weakness, which could cause or is causing severe disruption of the process or severe adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> Detrimental impact on operations or functions. Sustained, serious loss in reputation. Going concern of the business becomes an issue. Decrease in the public's confidence in the Council. Serious decline in service/product delivery, value and/or quality recognised by stakeholders. Contractual non-compliance or breach of legislation or regulation with litigation or prosecution and/or penalty. Life threatening. 	<ul style="list-style-type: none"> Requires immediate notification to the Council Finance and Audit Committee via the Presiding Member Requires immediate notification to the CoM's Chief Executive Officer. Requires immediate action planning/remediation actions
High	Issue represents a control weakness, which could have or is having major adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> Major impact on operations or functions. Serious diminution in reputation. Probable decrease in the public's confidence in the Council. Major decline in service/product delivery, value and/or quality recognised by stakeholders Contractual non-compliance or breach of legislation or regulation with probable litigation or prosecution and/or penalty. Extensive injuries. 	<ul style="list-style-type: none"> Requires immediate CoM's General Manager notification. Requires prompt Management action planning/remediation actions (i.e. 30 days)

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Rating	Definition	Examples of business impact	Action(s) required
Moderate	Issue represents a control weakness, which could have or is having a moderate adverse effect on the ability to achieve process objectives	<ul style="list-style-type: none"> Moderate impact on operations or functions. Reputation will be affected in the short-term. Possible decrease in the public's confidence in the Council. Moderate decline in service/product delivery, value and/or quality recognised by stakeholders. Contractual non-compliance or breach of legislation or regulation with threat of litigation or prosecution and/or penalty. Medical treatment required. 	<ul style="list-style-type: none"> Requires CoM's General Manager and/or Senior Manager attention. Requires short-term Management action.
Low	Issue represents a minor control weakness, with minimal but reportable impact on the ability to achieve process objectives.	<ul style="list-style-type: none"> Minor impact on internal business only. Minor potential impact on reputation. Should not decrease the public's confidence in the Council. Minimal decline in service/product delivery, value and/or quality recognised by stakeholders. Contractual non-compliance or breach of legislation or regulation with unlikely litigation or prosecution and/or penalty. First aid treatment. 	<ul style="list-style-type: none"> Timeframe for action is subject to competing priorities and cost/benefit (i.e. 90 days).

Disclaimers

Inherent limitations

The scope of this report has been outlined in the Executive Summary. The services provided in connection with the engagement comprise an advisory engagement which is not subject to Australian Auditing Standards or Australian Standards on Review or Assurance Engagements, and consequently no opinions or conclusions intended to convey assurance will be expressed. Due to the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the control procedures that have been subject to the procedures we performed operate, has not been reviewed in its entirety and, therefore, no opinion or view is expressed as to its effectiveness of the greater internal control structure. The procedures performed were not designed to detect all weaknesses in control procedures as they are not performed continuously throughout the period and the tests performed on the control procedures are on a sample basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, the CoM's Management and personnel. We have not sought to independently verify those sources unless otherwise noted within the report. We are under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with the CoM. The internal audit findings expressed in this report have been formed on the above basis.

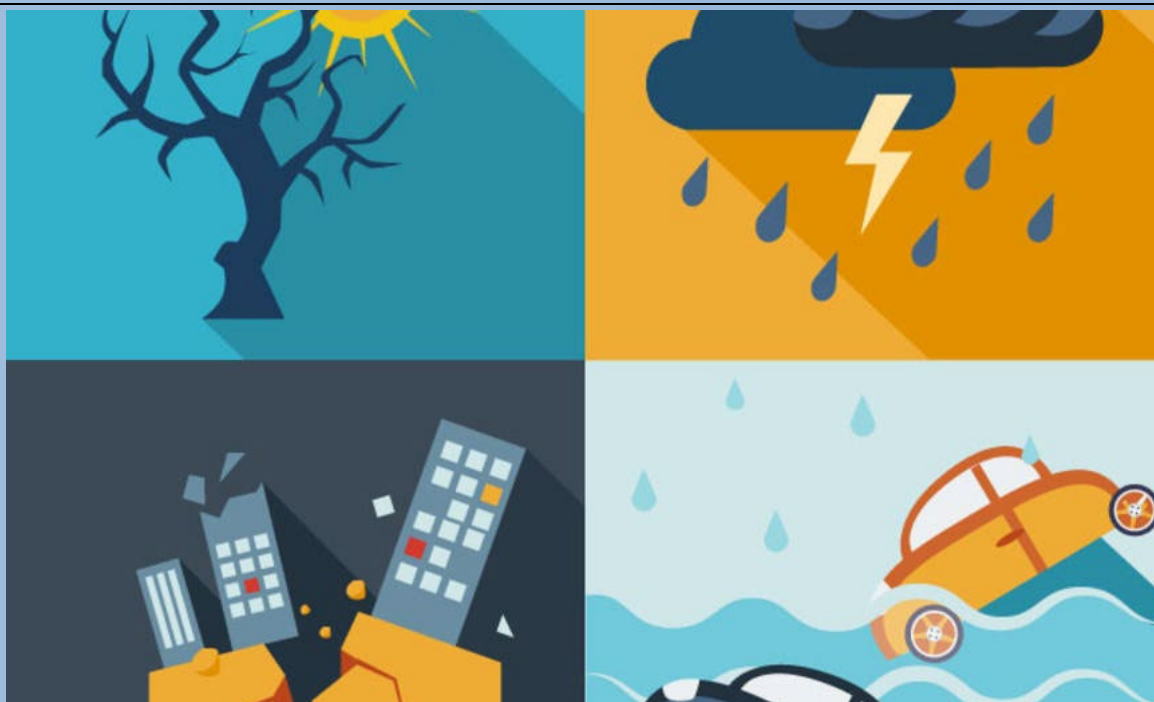
Third party reliance

This report is solely for the purpose set out in the Executive Summary of this report and for CoM's information, and is not to be used for any other purpose or distributed to any other party without KPMG's prior written consent. This internal audit report has been prepared at the request of the CoM Finance and Audit Committee or its delegate in connection with our engagement to perform internal audit services as detailed in the contract. Other than our responsibility to the CoM, neither KPMG nor any member or employee of KPMG undertakes responsibility arising in any way from reliance placed by a third party, including but not limited to the CoM's external auditor, on this internal audit report. Any reliance placed is that party's sole responsibility.

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BUSINESS CONTINUITY PLAN



PREVENTION | PREPAREDNESS | RESPONSE | RECOVERY



Version 3.5 Updated: 04/10/2022

Document Particulars

This Business Continuity Plan is part of a suite of emergency management documents implemented by the City of Marion and should be referenced in conjunction with the City of Marion's Workplace and Community Emergency Management Plans.

Acknowledgement

The City of Marion acknowledges the assistance of the Local Government Risk Services in the initial drafting of this Business Continuity Plan, with additional acknowledgement on further revision of content provided by the Local Government Association in conjunction with SA Fire & Emergency Services Commission, State Emergency Service, Primary Industries & Regions SA, City of Tea Tree Gully, The Barossa Council, City of Playford, City of Charles Sturt, Adelaide Hills Council, Berri Barmerra Council, City of Onkaparinga and Clare & Gilbert Valleys Council.

Document Control

Document Owner: Strategy & Risk
Version: 3.5
Endorsed by: Finance, Risk and Audit Committee
Endorsement Date: 11 October 2022

Review and Test Process

This Plan will be formally reviewed every three years. Informal interim reviews may be undertaken as required to incorporate changes to legislation, staffing or as a result of report findings following incidents and/or exercises.

Version	Date	Summary of changes	Revision approved by
3.1	26/09/19	Inclusion of Heat Guide, revisions to Communications Strategy in line with SAZEMC, revisions to IMT operational templates	IMT – Exercise Swelter
3.2	16/03/20	IMT Operations – 'Council template revisions & organisational updates	IMT – Covid response
3.3	23/03/21	Update to IMT contacts, iResponda contacts and CoM locations	S. Walczak
3.4	26/11/21	Updates resulting from BCP Audit	S. Walczak
3.5	11/10/20	Review by FRAC	K. McKenzie

Document Location

This Plan will be available on the City of Marion website and its intranet site as well as manual copies provided to IMT Members which will guide City of Marion's employees in the management of a community emergency event.

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Abbreviations and Definitions

Term	Definition	Abbreviation
Business Continuity Plan(s)	A collection of procedures and information that is developed compiled and maintained in readiness for use in the event of an emergency or disaster.	BCP
Community Emergency Management Plan	Part of a suite of emergency management documents implemented by the City of Marion – to be referenced in conjunction with the City of Marion's Business Continuity Plan and Workplace Emergency Management Plans.	CEMP
Emergency Operations Centre	A central point of reference to co-ordinate the response to a business interruption event. To be established at the discretion of the IMT Commander.	EOC
Incident Management Team	An assembly of management representatives and other seconded staff formed for the express purpose of responding to an organisational crisis. IMT management structure will overlay all normal management structures during the response process.	IMT
Information Technology Service Recovery Plan	Outlines the strategies to recover ICT systems (hardware & software) when ICT systems are disrupted	ICTSRP
Maximum Acceptable Outage	The maximum period of time that Council can tolerate the loss of capability of a critical business function, process, asset or IT application.	MAO
State Emergency Management Plan	The State Emergency Management Plan articulates the roles and responsibilities that Local Government may play in the local emergency management planning and preparedness. These include ensuring all requisite local emergency management planning and preparedness measures are undertaken.	SEMP
Workplace Emergency Management Plan	Outlines the specific COM approach in response to a workplace related emergency situation	WEMP

Introduction

Purpose

The City of Marion (CoM) Business Continuity Plan (BCP) is a whole of business approach to ensure critical strategic, operational and project functions can be maintained and/or restored as a result of an event resulting in disruption to business.

The purpose of this Plan is to respond to the responsibilities outlined in the Incident Management Team (IMT) Responsibility Statement in **Appendix A** and to build organisational capabilities, through decisive and responsible actions and support the continued achievements of critical business functions in the face of uncertainty or disruption. The Plan acts as a guide for the organisation to respond, recover, resume and restore functions in a clear and transparent manner, to a pre-defined level of operation following a business interruption event, as a result, minimising any adverse consequences for usual business operations.

Council recognises that the BCP in isolation does not build capability; it provides the approach to establishing effective capability and identifies the facilities, technical infrastructure, key responsibilities, and processes required for Council to be able to respond to and recover from a business interruption event.

Scope

The BCP is applicable to all CoM officers and covers all CoM places of work. The BCP is to be used during activation of the Emergency Operations Centre (EOC) and to assist the IMT in managing the response and recovery phase of an incident. It ensures that appropriate structures and protocols are in place to enable effective response to a business interruption event that has the potential to impact on Council's operations.

In identifying business continuity risks, the focus is on the building of resilience and response capabilities within business functions that have been identified as critical. Treatment options for non-critical functions are also identified and documented within the framework. This ensures that Council has a holistic view when responding to interruption events.

The BCP does not cover requirements associated with a workplace emergency (safety) situation. A separate Workplace Emergency Management Plan is in place that outlines the management of these types of incidents. In all cases of activation of the Workplace Emergency Management Plan, the Chief Warden will brief the Incident Management Team Commander of any implications for business continuity.

Diagram 1 Overview of Emergency Risk Management and Business Continuity Relationship



Objectives

The objective of the BCP is to:

1. Identify business functions that are critical to Council in meeting its business objectives
2. Develop recovery plans based on criticality of business functions rather than geographic location
3. Build resilience within Council's operational framework
4. Identify and document roles and responsibilities for key staff positions
5. Minimise the impact of function loss on stakeholders and the community

The BCP provides a framework for management and staff to enable them to implement an agreed response process. In assessing the business continuity risks of the City of Marion it became evident that given the structure of local government a number of inherent advantages were identified such as:

6. Multiple facilities providing common services reducing the impact of a single facility loss
7. Common IT systems with possible duplication and access across some facilities
8. Ability to transfer staff and tasks to other facilities, and
9. The ability to call on adjoining Councils for assistance in service delivery.

In the event of a business interruption event, these advantages would suggest the business impact is a reduction in capacity rather than a loss of capability in a particular area.

Use of the Business Continuity Plan

This BCP should be used in the event of a business interruption event that may impact on the ability of The City of Marion to deliver business objectives. Managers and staff with responsibility for impacted areas of the business should use the BCP and any relevant recovery strategies to ensure a consistent and agreed course of action is implemented.

Context

The BCP can be enacted as the result of a cyber, internal (workplace) or external (community) emergency response scenario, as such it is aligned with the following documentation:

- The *ICT Service Recovery Plan (ICT SRP)* - outlines the strategies to recover ICT Systems (hardware and applications) when ICT systems are disrupted.
- The *Workplace Emergency Management Plan (WEMP)* - outlines the CoM's specific approach in response to a workplace related emergency situation.
- The *Community Emergency Management Plan (CEMP)* - outlines the CoM's specific approach in response to a Community related emergency situation.

Both the BCP and the CEMP have a similar working structure in that they convene an Incident Management Team in response to an event in contrast to the WEMP where Emergency Controls Officers such as the Warden Network and Designated First Aiders facilitate a pre-rehearsed emergency response.

Training and Communication

A key objective of the BCP is to increase awareness of potential business interruption events that could impact Council. The Plan outlines the response/ recovery protocols associated with such events. Training and communication will play a key role in achieving this objective.

The Strategy and Risk Unit communicate the BCP to relevant staff and ensure that induction/ training programs include reference to business continuity in the context of sound risk management practices.

Managers should be familiar with key deliverables as detailed in the Critical Function Recovery Strategies and ensure that staff are aware of their roles and responsibilities in the event of a business interruption event.

BCP Validation, Training and Testing

Business Continuity Management is a process, not an event. Commitment to an annual training, test and maintenance schedule is required, including participation of key stakeholders to ensure BCP procedures remain relevant into the future. The outcome of the testing is to be reported to the Finance and Audit Committee via the Executive Leadership Team.

All aspects of the BCP should be tested, but not necessarily all in one year. Major components (Recovery Strategies) should be reviewed at least annually. Volatile information such as contact lists or areas undergoing constant change, should be validated more frequently. In addition to the annual test and review of the BCP, any significant changes in the CoM's operations should also trigger a review of the BCP. Version control of the BCP will be co-ordinated and recorded through the Risk Business Partner.

	Activity for Review	Accountability	Timeframe
1	Business Continuity Plan (overarching plan)	Unit Manager Strategy & Risk	Monitor at least every 4 years and action as required
2	Business Continuity Plan Training	Risk Business Partner	Annual training brief or refresher session
3	Business Continuity Plan Exercise	Risk Business Partner	Annual desktop or simulation exercise
4	Critical Function Recovery Strategies	Recover Strategy Owners	Annual Review

Incident Management

The Incident Management Team (IMT) is established to provide a management mechanism that can ensure reporting lines and responsibilities are clear when the BCP is activated. The focus of the IMT is to manage the business interruption event from a corporate perspective while providing guidance and support to the Managers impacted. The IMT needs to be flexible and scalable dependent on the incident. Whereas smaller, less complex incidents may require fewer resources, with more than one role filled by the same person, larger incidents, may require an extended IMT with every function filled by a resource. When multi-agency response is required council involvement will again change to adapt to external state level structures including the ZEST, LGFSG and Control Agency.

This process is facilitated by the development of pre-determined courses of actions (Recovery Strategies) thus allowing the IMT to focus on the strategic or whole of business response to the business interruption event. Resilience within the IMT is the responsibility of the IMT. Each position in the IMT, outlined in Diagram 4 below, is to have alternate members identified and trained in the role.

Responsibility Statements for each IMT position have been developed to ensure directions are clear and unambiguous. All Responsibility Statements included in this document are to be approved by the IMT and will come into effect on activation of the BCP.

Incident levels

City of Marion has identified the following classification for incident levels.

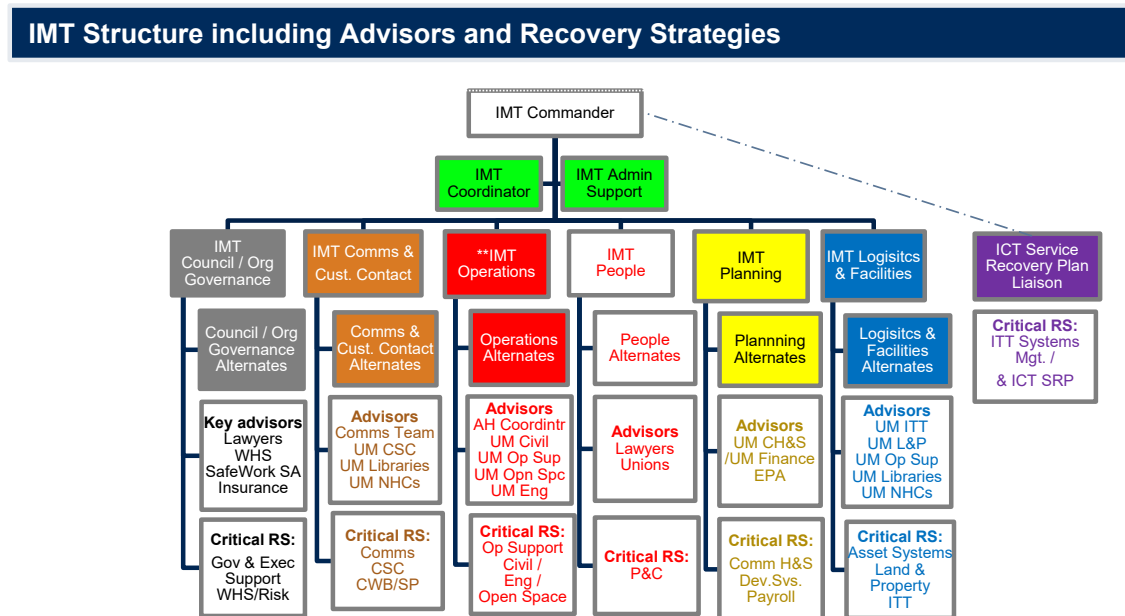
Diagram 4: City of Marion Incident Level Classifications

Incident Level	Description & Example
Incident Level 1	Council able to resolve incident within existing resources in a business as usual capacity Eg: low level flooding, mild storm damage, short period of extreme heat
Incident Level 2	The incident is more complex in size, resource or risk and Council is required to assign additional resources above business as usual Eg: widespread flooding, significant storm damage, prolonged localised power outage
Incident Level 3	The incident is unable to be managed using existing Council resources and external support is required: Eg: Statewide emergency, earthquake, terror attack, public health epidemic

An IMT will be established, by the appointed IMT Commander, to manage and coordinate Level 2 or Level 3 incidents. The scale of the IMT will vary according to the level of incident assessed. (Note: Different agencies, including the LGFSG and Control Agencies, have their own levels for classifications of emergency incidents which may differ from those of councils.)

Incident Management Team

Diagram 5: IMT Structure



***The IMT Commander will be the Local Government Emergency Centre Coordinator/DHS Contact as outlined in the CEMP, any alternate officer will need to have undertaken iResponda training provided by the LGA.*

The above IMT roles are held by the designated and alternate positions assigned as outlined below.

Diagram 6: IMT Positions

IMT Positions – Roles with 1 st and 2 nd Alternate Roles*						
Incident Level			IMT Position	Roles	1 st Alternate	2 nd Alternate
1	2	3				
X	X	X	IMT Commander	CEO	GM City Dev	GM Corporate Services./ GM City Services.
X	X	X	IMT Coordinator	UM Strategy & Risk	Risk Business Partner	HSE Coordinator & Business Partner
X	X	X	IMT Admin Support	CEO EA	Risk Business Partner	Governance Admin Officer
X	X	X	IMT Council/ Org Governance	Manager Office of the CEO	UM Governance & Council Support	Governance Officer
	X	X	IMT Comms. & Customer Contact	Manager Customer Experience	UM Media and Engagement	Media and Engagement Advisor
	X	X	IMT Operations	GM City Services	Manager Operations	UM Operational Support
	X	X	IMT People	Manager P&C	UM P&C	UM Organisational Development
		X	IMT Planning	Manager Eng. Assets & Enviro.	Chief Financial Officer	Manager Development & Regulatory Services
		X	IMT Logistics & Facilities	Manager City Property	Manager Community & Cultural Services	Manager City Activation
IMT/ICT SRP			ICT Service Recovery Plan Liaison	GM Corporate Services	Manager IT Operations	Snr DTP IT Manager

**In exceptional circumstances where IMT members and alternates are unavailable, the IMT will appoint appropriate alternates*

Triggers for Activation

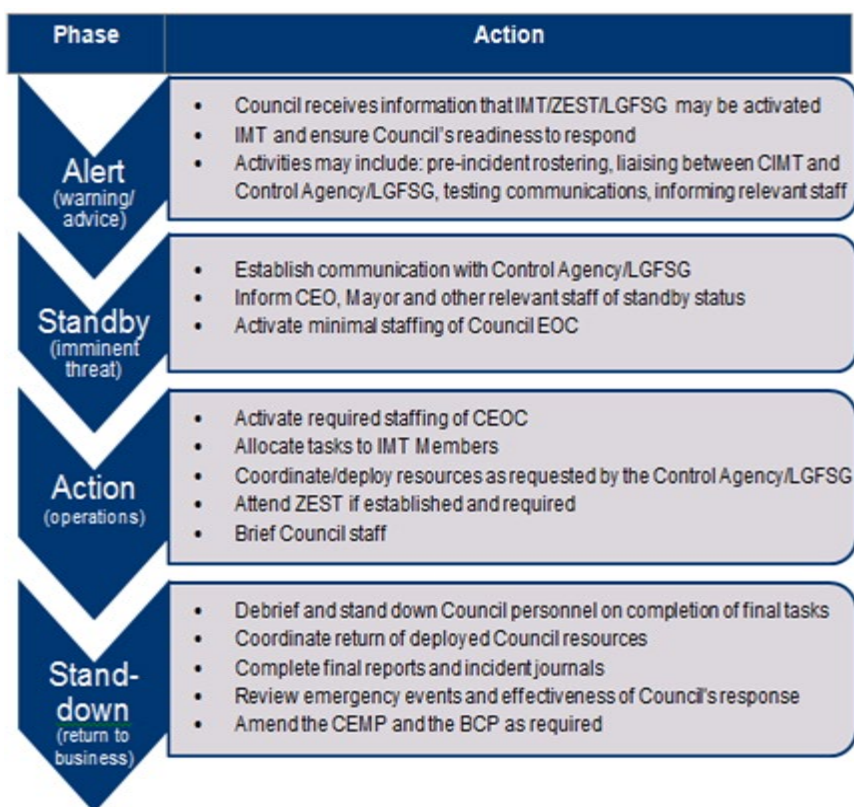
The BCP and IMT may be activated by the IMT Commander when a Level 2 or Level 3 incident is anticipated, is imminent or is already occurring.

Triggers for City of Marion to activate the BCP include:

- receiving advice from a Control Agency or the LGFSG that an emergency has or is about to occur
- becoming aware of an incident within their jurisdiction that has the potential to become an emergency
- being notified that an emergency in an adjoining area is likely to impact on the City Of Marion
- being required to attend ZEST activation

IMT activation levels

Activation can occur in four phases depending on the nature of the incident.



Notification of Activation Levels

The initial IMT activation contact will be via SMS message, giving a coded text identifying the phase and immediate action. These SMS messages will be pre-set and issued via the IMT Coordinator.

Key contacts are detailed in Appendix B.

Not all phases will occur in every incident and *messages will be prefixed by COMA (denoting City of Marion)*

ALERT:

SMS message: ALERT - BCP MAY BE ACTIVATED – IMT MEMBERS PLEASE AWAIT FURTHER ADVICE

Upon receipt of information that an incident may reasonably be expected to occur, some preliminary planning may occur, activities in this phase could include pre-rostering, determining availability of resources and preliminary communications with external agencies.

STANDBY:

SMS message: STANDBY – BCP – PLEASE BE READY TO ATTEND EOC AT ADMIN BUILDING

The IMT may be put on standby if there is reasonable warning or forecast of an incident occurring, for instance this may occur if a severe storm or extreme fire danger day is predicted. IMT staff will be notified of their expected attendance at the EOC if it is activated.

ACTION:

SMS message: ACTION – BCP ACTIVATED – PLEASE ATTEND EOC AT ADMIN BUILDING

The EOC is staffed, with operations coordinated and resources deployed in response to the incident. Communications are essential between internal staff, external agencies and the public.

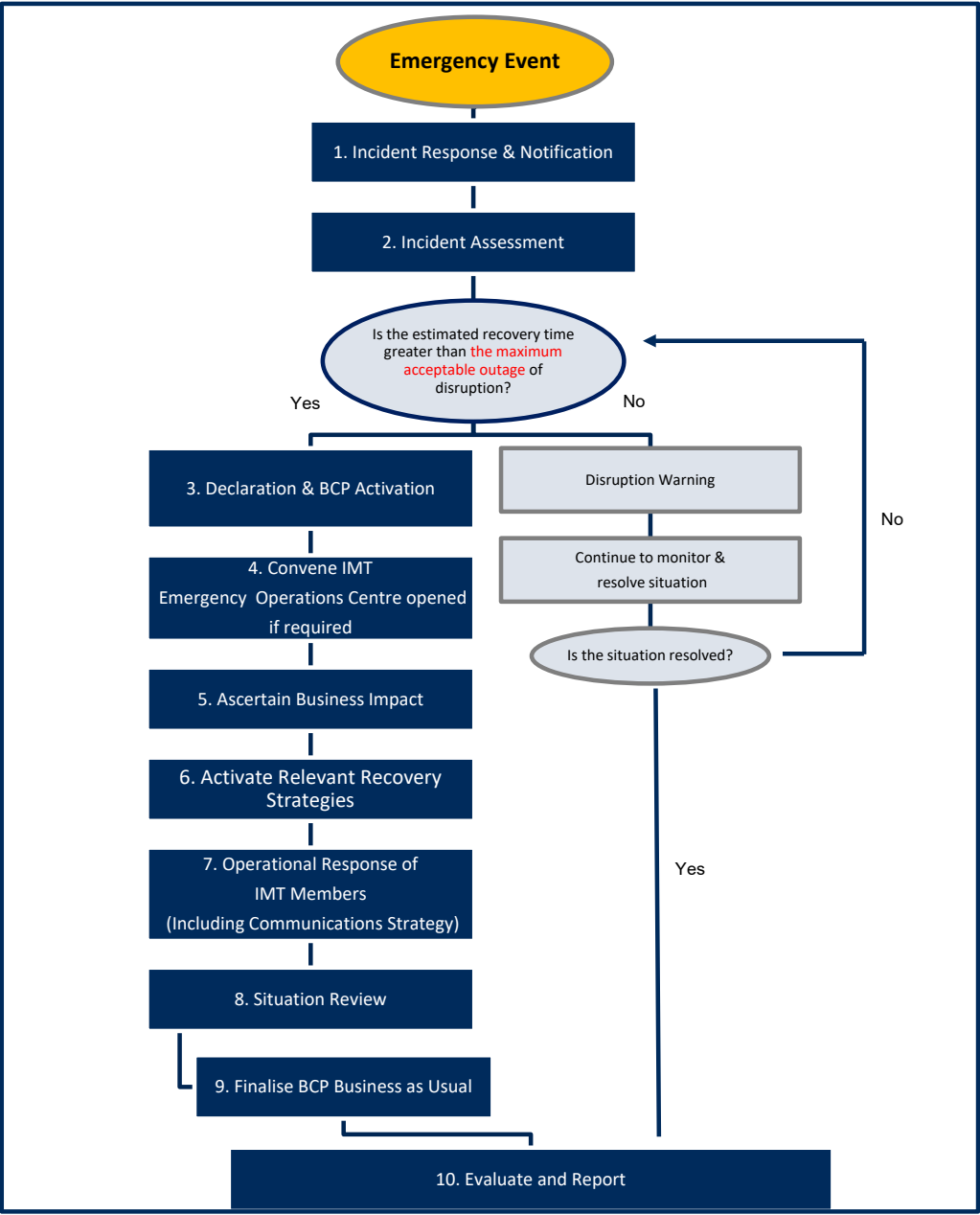
STAND DOWN:

SMS message: STAND DOWN – BCP FINALISED – PLEASE AVAIL YOURSELF FOR DEBRIEF AT <insert detail of debrief session>

The BCP Activation

The BCP Activation process is outlined below and further explained thereafter.

Diagram 7: Activation Flow Chart



1. Incident Response and Notification

When an incident occurs, it may be of such a nature that an emergency response is required. The person(s) involved should activate the Workplace Emergency Management Plan which may include the following where appropriate:

- Stop work and control any hazards to prevent harm to people if safe to do so
- Seek First Aid or Medical Treatment if required
- Call Emergency Services on 000 if required
- Report the incident to both their Manager and Unit Manager Risk
- Follow up with detailed report via Incident Reporting System
- Follow direction of the Emergency Control Officers

The incident may however be of such nature that it is an unresolved problem that escalates (or has the potential to escalate) to cause a significant disruption to business continuity e.g. industrial dispute.

On first becoming aware of a possible business continuity disruption event, the relevant function manager is required to assess the situation and if the event is likely to exceed the agreed “MAO timeframe”, then the Unit Manager Strategy and Risk and the IMT Commander should be notified immediately by phone and where possible, with a follow-up email or personal briefing detailing the key issues including:

- Nature of the incident – time informed etc
- Describe Critical Functions impacted
- Facility/ equipment impacted
- Staff affected
- Any response actions implemented (Critical Function Recovery Strategy)
- Any media involvement/interest
- Any immediate support requirements.

Elements of the BCP (Recovery Strategies) can be implemented at the local level, where appropriate to address an immediate response requirement even if the event is expected to be resolved within an acceptable period.

2. Assessment

On receipt of a notification of a disruption event, the IMT Commander (or delegate) will:

- Formally note details
- Liaise with other members of the Incident Management Team or key advisors
- Confirm the details of the incident and appropriate communication strategies
- Conduct preliminary impact assessment (facility and technology infrastructure)
- Determine if an Emergency Operations Centre needs to be opened
- Ensure that the Insurer has been formally notified (if appropriate)

3. Declaration & BCP Activation

The IMT Commander is to review the preliminary information and if considered necessary declare a Business Interruption Event.

The BCP may be activated based on the level of risk assessed in relation to the disruptive incident. Consideration will be given to a range of factors, predominantly: the validity of the information, the

critical services being affected or likely to be affected, the scale of the event, the impact on the community and any consultation that may be required.

Any one of the following situations (list is not exhaustive) is an appropriate trigger for the activation of the BCP:

- A CoM site is not available (inability to access or the destruction of a building).
- The unplanned cessation of one or more activities supporting key services.
- The loss of a critical resource (ie power) across one or more of City of Marion work sites.
- An event involving the loss of one or more CoM servers and/or loss of communication at the Administration Building or City Services Depot.

The following positions are authorised, in order, to activate the BCP:

1. IMT Commander (CEO)
2. General Manager
3. Manager Office of the CEO
4. Unit Manager Strategy & Risk
5. Senior Manager (only in the absence of ALL of the above)

The IMT Commander is to approve any communications, both internal and external, and table for discussion at the initial IMT meeting.

Upon declaration of an interruption event, the Business Continuity Management Tools required by the IMT to progress their response and recovery, have been included in this document to provide assistance. However, any restoration plan developed by the IMT will take precedence over the respective instruction.

4. Convene Incident Management Team - Emergency Operations Centre opened

On the declaration of a Business Interruption Event, and if deemed appropriate by the IMT Commander, an Emergency Operations Centre may be opened. The resourcing and opening of this centre is the responsibility of the IMT Coordinator with consideration to: vulnerability to hazards, access to appropriate communications and technology, sufficient space, security, access and proximity to required resources, including refreshments during 24 hour activations.

Emergency Operations Centre Location:

Given these factors and the variable nature of Business Continuity Events, the following sites have been identified and prioritised.

If the incident does not impact on the Primary Emergency Operations Centre Location:

1. Governance Area, Level 1 Administration Building, 245 Sturt Road Sturt SA or
2. Council Chambers, Ground Level Administration Building, 245 Sturt Road. Sturt, SA

If the Primary Emergency Operations Centre Location is uninhabitable then the back-up Secondary Emergency Operations Centre location will be:

3. City Services Depot, 935 Marion Road. Mitchell Park, SA.

Emergency Operations Centre Resources:

In order to host an EOC, an IMT Kit will be made available containing the following:

1. 2-way Radio Communication Handset
2. Hi-viz Vests x 10 (1 for each IMT role + a spare)
3. IMT Role Tabards x 9 (2 for each IMT role)
4. IMT Role Lanyards x 30 (3 for each IMT role + ITT)
5. IMT Role Name Frames x 12 (1 for each IMT role + ITT + advisor + spare)

6. Evidential record books x 10 (1 for each IMT role + ITT)
7. BCP Folder x 2
8. Back-up phone batteries x 2
9. Box Pens x 1
10. Box Textas x 1
11. Pack of Whiteboard markers x 1
12. Butchers Paper
13. Pack of Blu Tack x 1
14. Roll of Sellotape x 1
15. Post-it notes (small) x 4
16. Post-it notes (large) x 4
17. Box of pinup board pins x 1

Emergency Operations Centre Staff:

Personnel attending the ECO are required to attend with the following resources:

1. COM identification/security pass
2. Laptop (obtain one if not issued with one)
3. Phone and charger, if available/issued
4. BCP folder, including recovery strategies, and any other relevant information.

The IMT is led by the IMT Commander who is tasked with the responsibility of managing Council resources/responses during an emergency or business interruption incident. This includes the selection and location of alternative site(s) to be used in the event of a disruption scenario. The role of the IMT is initially to ensure safety whilst gaining an understanding of the situation, maintaining control and assessing and agreeing the way forward. The IMT also comprises a number of defined roles with the option to include additional relevant stakeholders as required.

The IMT Commander calls the initial IMT meeting and, to allow for a high-level risk assessment, the following information is sought from the relevant business areas impacted:

- Staff
- Any associated Emergency Services issues
- Building facilities
- Public relations/ media
- Damage/ security,
- Salvage of building and/or IT equipment, and
- Review and conformation of delegation of authorities for staff.

Reference should be made to any relevant recovery strategies and all communication is to be managed by the IMT Communications & Customer Contact.

In the event of a community emergency/disaster the IMT may also, in accordance with the CEMP/LGFSG, need to:

- Liaise with key personnel for the Southern Adelaide Zone Emergency Management Plan and determine cross-Council resource assistance
- Provide relief and recovery support during the emergency and work with recovery organisations to undertake recovery operations as directed

The Emergency Relief Functional Support Group (ERFSG) maintains a list of pre-identified sites that may be used as Emergency Relief Centres, so it can respond promptly when an emergency occurs. Any site that has been pre-identified as an ERC will only be activated if the site is needed and it is deemed safe and suitable during an emergency. Only the ERFSG State Manager, or their delegate, are authorised to activate an ERC.

[LGA - Joint Operating Guideline - Emergency Relief Centres](#)

5. Ascertain Business Impact

Central to ensuring the ongoing viability of the business in an interruption event is the identification of critical business functions, the processes and assets (people and property) that support the delivery of these critical functions and the impact of the loss of the functions on the business are analysed within a Business Impact Analysis. BIA's have been completed for each of the identified critical functions and are contained within the Critical Function Recovery Strategies.

The IMT will conduct a further assessment of 'business as usual' operations in consultation with all relevant stakeholders and in alignment with the Business Impact Analysis assessments referenced in all Recovery Strategies

During the meeting, information will have been gathered by the various IMT members to produce an evaluation of the incident. A formal record of the meeting to be collated by the IMT Admin Support with particular emphasis on items to be actioned. This record needs to be regularly reviewed and updated as additional information comes to hand.

The IMT Commander will manage the restoration of business activities in line with the responsibilities defined in the BCP.

6. Activate Relevant Recovery Strategies

The Business Impact assessments will inform which Recovery Strategies will need to be activated in order to enable 'business as usual' operations. The IMT will liaise with the Recovery Strategy owners to ensure successful activation of relevant Recovery Strategies.

7. Operational Response

At the point of the BCP being activated and the IMT convened, the IMT Members will undertake their operational responses outlined in their individual responsibility statements, these include the activation of relevant recovery strategies.

8. Fatigue Management

If an emergency or interruption event becomes protracted or has the potential to last over multiple shifts or multiple days, then fatigue management should be considered. Rostering should occur to manage the wellbeing of the IMT members with handovers occurring between each shift. This is a responsibility of the IMT Planning function.

The key risk factors which should be considered in shift schedule design are the workload, the work activity, shift timing and duration, direction of rotation and the number and length of breaks during and between shifts. Other features such as the physical environment can also contribute to the risks associated with shift work.

Further consideration should be made regarding:

- The duration or potential duration of the incident
- Signs of fatigue from IMT members.
- Current workloads in their substantive roles within the organisation

For guidelines on shift design to manage fatigue refer to:

Safe Work Australia - [Guide to managing the risk of fatigue at work](#)

Rostering templates are included in IMT Planning Templates.

9. Situation Review

During a disruptive event, updated information is being constantly received and collated centrally by the IMT Admin Support. The dynamics of this situation will require ongoing review, particularly in terms of further impact and additional Recovery Strategies needing activation. The IMT will provide regular updates to the ELT as required.

10. Finalise BCP / 'Business as Usual'

Once the situation has ended and services can return to 'business as usual', the BCP can be finalised, the IMT can stand down and an announcement to relevant stakeholders can occur as outlined in the Communication Strategy.

11. Evaluate and Report

In order to ensure continuous improvement of the BCP and associated processes, the event will be evaluated and reported to RWG and the Finance and Audit Committee with reference to the IMT Post Event Evaluation Form, provided within the Business Continuity templates at the end of this document. At this time, the BCP should be reviewed and amended as necessary.

Communications Strategy

The Communications Strategy provides guidance for how City of Marion will communicate emergency management information with its key stakeholders to create safer and more resilient communities within the Southern Adelaide Zone (Zone).

Aim

To address the responsibility of local government under the State Emergency Management Plan (SEMP), “to undertake public education and awareness to support community preparedness measures”.

Objectives

To build resilience among the communities of the City of Marion and its neighbouring councils within the Zone by building capacity and knowledge of emergency management through the following objectives:

- To educate staff and the community about where to go for correct information on relevant hazards in the Zone, their associated risks and what to do in specific types of emergency in alignment with our neighbouring Zone councils.
- To provide staff and the community with emergency management messaging in a consistent format in alignment with our neighbouring Zone councils.
- To provide reassurance that emergency management in the Zone is appropriately managed.

Target Audiences

This Plan recognises its key stakeholders and actively targets the following audiences:

Council Staff
 Council Members
 Media Agencies
 Residents and the broader Community
 Local Government Functional Support Group (LGFSG)
 Neighbouring Zone Councils;

- City of Mitcham,
- City of Holdfast Bay
- City of Onkaparinga

Management of and Activation of the Communications Strategy

The IMT Communications & Customer Contact, in consultation with the IMT, will oversee all communications undertaken to ensure alignment with the Communication Strategy in alignment with the Responsibility Statement - IMT Communications and Customer Contact, provided in **Appendix A**. At the point of the Business Continuity/Emergency Management/Crisis Response Plan being activated and the Incident Management Team (IMT) being convened, the IMT Communications & Customer Contact will invoke this Communication Strategy and undertake tasks outlined in the Communications Checklist **Appendix E1**.

Council Staff Communication

Internal communication to all staff in response to a Community Emergency Management / Business Continuity incident is to be directed by the IMT Communications & Customer Contact through the IMT Commander and the IMT. The initial communication to staff is to occur as soon as practically possible with regular updates in accordance with the severity of the disruption incident.

In most instances the IMT will provide information to staff via email however the Leadership Team, or their delegate in that area, will be responsible for communicating this information to staff who don't have access to email and also to other key stakeholders (contractors, consultants, etc.) within their work area. To enable this communication, it is also the responsibility of the Leadership Team to maintain current contact lists for all relevant third parties and record these within the Critical Function Recovery Strategy for their area of responsibility.

Leadership Team members are also responsible for confirming information regarding the incident's impact to their work area back to the IMT. They are required to report to IMT information related to the safety of their staff, contractors, the community and visitors to City of Marion sites and any adverse impacts to the service that their work area delivers. This information is to be communicated to the IMT via email to risk@marion.sa.gov.au.

The communication to staff from the IMT should also address information in relation to the Community Emergency Management / Business Continuity incident including what happened, when and where did it occur, who is affected, the impact on the organisation, how we are responding plus direction, where possible, with respect to implementation of Work Area Recovery Strategies. It should also remind staff about the protocol required if approached by the media to ensuring all communications are clear and consistent. The underlying key messages will be concern (for people and property), control (over the incident) and commitment (to resolving the incident, restoring services and reassuring the community).

Note: This information may not all be available at once and will be communicated as it becomes clear and available.

Council Member Engagement

Communication is to be provided without delay to Council Members with respect to a Community Emergency Management / Business Continuity incident. The IMT Council / Organisational Governance will act as the primary communication channel between the Council Members and the IMT. Regular communication will be maintained with Council Members as a group, and individual or ward-based where appropriate. Council Member communication will be supported by the IMT Communications and Customer Contact and staff in the Governance and Council Support Unit as required.

Media Communication

Communication with various media outlets may be required in certain circumstances as a response to a Community Emergency Management / Business Continuity incident. All media alerts, statements and other communication will be undertaken by the IMT Communications & Customer Contact, in consultation with the IMT. Templates have been provided as Appendices for Press Release Holding Statement, Media Release and Media Conference.

Early notification is crucial to ensure that the City of Marion is proactive in supplying relevant, timely and accurate information to the Community via media agencies, if deemed appropriate. All media communication and social media use will occur in alignment with City of Marion policies. In exceptional circumstances, the IMT Commander and/or the Mayor may liaise with the media directly in relation to the incident with a briefing provided by the IMT Communications & Customer Contact.

In the event of a major incident, particularly after-hours, there may be a period of time elapsed before the designated media spokesperson is in a position to respond to media enquiries. Should any staff

member be approached by media representatives for a comment they are only authorised to make the following statement:

"I am sorry, but I am not authorised to make any statement at this time. The appropriate personnel are currently being briefed on the situation and a spokesperson will be available to talk to you shortly."

There is no such thing as an "off the record" comment.

Refer the journalist to the IMT Communications & Customer Contact, but if you cannot immediately reach them, advise the journalist that someone will return their call promptly. Complete this Media Enquiry Record Form and provide the record to the IMT Commander as soon as possible. Also provide any background and relevant information that you have about the event, including how the journalist came to contact you.

Resident/Community Communications

Council recognises the importance of ensuring the community is aware of ways of mitigating the adverse effects of emergency events. Council's website provides the community with general information regarding emergency management and provides links to the websites of relevant hazard leaders and control agencies.

City of Marion, through its neighbourhood centres and libraries, provides both community engagement and community education programs. Where relevant and when funding is available, these courses and programs aim to build community resilience, through skill development, knowledge and confidence in community members to better support them during times of emergency and recovery.

In addition, the City of Marion Administration Building on Sturt Road carries a range of educational brochures and leaflets providing key community safety information relative to community emergency events including extreme heat, storm or flood.

Communication to the community in response to a Community Emergency Management and/or Business Continuity incident is to be directed by the IMT Communications & Customer Contact through the IMT Commander and the IMT. Scripts may be provided to the Customer Service Centre, template provided in **Appendix E6**. Communications may also include incident specific updates on the emergency management page through the use social media platforms, an example is provided in **Appendix E7**, or on City of Marion's website, an example is provided in **Appendix E8**. The messages will be aimed at promoting awareness of the incident and emergency management information to the community through the sharing of information and/or provision of links direct to the control agency responsible for managing the incident.

LGFSG Communications

Communication from the LGFSG is aimed at providing two way communication with regards to the severity of incidents, capturing the localised impacts to the City of Marion and requests for resources and equipment from or to other councils. All communication from and to the LGFSG will be through the IMT Commander with assistance from the IMT Coordinator, on the templates provided by the LGFSG State Duty Officer.

Neighbouring Zone Council Communications

Regular communication between the cities of Holdfast, Marion, Mitcham and Onkaparinga will be promoted with the aim to provide the broader community with emergency management messaging in a consistent format and to provide a coordinated approach to support provided. All formal communication from and to the neighbouring Zone councils will be through the IMT Commander with assistance from the IMT Communications & Customer Contact.

Appendices

Appendix A - Responsibility Statements

Local Government Responsibilities

Position	Council Responsibilities
Emergency Management Act 2004	1. Requires the preparation of the SEMP (which Council is required to give due weight to in plans, policies and activities)
Fire and Emergency Services Act 2005	2. For rural councils/councils with designated urban bushfire risk areas/ appoint Fire Prevention Officers 3. Contribute to Bushfire Management Area Plans 4. Prevent or inhibit the spread and outbreak of fire 5. Protect property from fire 6. Minimise threat to human life from fire
Local Government Act 1999	7. Protect its area from natural and other hazards and to mitigate from the effect of such hazards 8. Give due weight to regional, state and national objectives and strategies concerning the economic, social, physical and environmental development and management of the community 9. Flooding specific – if flooding in the area of a council has occurred/is imminent and the council is of the opinion that a situation of emergency has arisen in which there is danger to life or property, it may order that action be taken as it thinks fit to avert or reduce the danger

Incident Level	1	2	3	IMT Position	Roles	1 st Alternate	2 nd Alternate
x	x	x		IMT Commander	CEO	GM City Dev	GM Corporate Services / GM City Services
x	x	x		IMT Coordinator	UM Strategy & Risk	Risk Business Partner	Strategy Planner
x	x	x		IMT Admin Support	CEO EA	EO to GMGM	Governance Business Support Officer
x	x	x		IMT Council/ Org Governance	Manager Office of the CEO	UM Governance & Council Support	Governance Officer
	x	x		IMT Comms. & Customer Contact	Manager Customer Experience	UM Engagement and Media	Media & Engagement Advisor/Officer
	x	x		IMT Operations	GM City Services	Manager Operations	UM Operational Support
	x	x		IMT People	Manager P&C	UM P&C	UM Organisation Development
		x		IMT Planning	Manager Eng. Assets & Enviro.	Chief Financial Officer	Manager Development & Regulatory Services
		x		IMT Logistics & Facilities	Manager City Property	Manager Community & Cultural Services	Manager City Activation

IMT/ICTSRP	ITT Service Recovery Plan Liaison	GM Corporate Services	Manager IT Operations	Snr DTP IT Manager
<p><i>*In exceptional circumstances where IMT members and alternates are unavailable, the IMT will appoint appropriate alternates</i></p>				

IMT Commander Responsibilities

Position		Staff Position	
IMT Commander		Chief Executive Officer	
During absence this role will be assumed by		General Manager City Development / any General Manager	
Position Statement	<p>The IMT Commander encompasses leadership of the Incident Management Team (IMT) and management of emergency and business disruption events as they occur.</p> <p>The primary objective of this position is to declare a business continuity event and invoking the BCP, lead the IMT and oversee and manage all resumption activities.</p> <p>If an initial response has been activated through the Workplace Emergency Management Plan, the Chief Warden has authority until the workplace emergency is resolved and control is then returned to the CEO or in the event of BCP activation, the IMT Commander.</p>		
Knowledge Requirements	<ol style="list-style-type: none">1. Broad understanding of Business Continuity Plan and Critical Function Recovery Strategies2. Operational understanding of iResponda principles3. High level understanding of organisational activities and service delivery priorities4. Community, Business and Regulatory contacts		
Responsibilities	<p>The IMT Commander must make decisions, based on information received by other IMT Members, to ensure the best strategy is implemented for business resumption.</p> <p>Responsibilities include:</p> <ol style="list-style-type: none">a) Participate in awareness raising, training and testing activitiesb) Monitor any internal/external changes in the business environment for impact on business continuity <p>On Activation:</p> <ol style="list-style-type: none">c) Declare the IMT for Alert, Stand-by or Activation moded) Determine Incident Levele) Determine the IMT structure required based on the incident levelf) Determine the Emergency Operations Centre locationg) Determine which IMT advisors and Recovery Strategies need to be alerted or activatedh) Initiate and facilitate IMT briefing and planning meetingsi) Assess the situation, identify risks and determine prioritiesj) Activate and deactivate roles as required		

	<ul style="list-style-type: none"> k) Key Liaison with IMT Communications and Customer Contact to ensure the effective communication with key stakeholders including staff, media and the community l) Key Liaison with IMT Council/Organisational Governance to ensure the effective communication with and advice to the Mayor and Council Members m) Key Liaison with IMT Operations in management of requests from the LGFSG, Control Agencies and other Councils for the authorisation and deployment of Council support/resources n) Ensure the wellbeing and safety of all staff and the IMT members o) Oversee the financial records relating to emergency management p) Monitor the gathering of business interruption event information q) Activate transition to recovery efforts r) Lead the IMT debrief, stand-down and finalisation of BCP process s) Schedule and facilitate debriefing and evaluation processes
Key Advisors	IMT
Critical Recovery Strategies	Governance & Executive Support/WH&S & Risk / Communications/Customer Service Centre/Operational Support/Civil/Engineering/Open Space/P&C/Community Health & Safety/Development Services/Payroll/Asset Systems/Land & Property/ITT System Mgt.

IMT Coordinator Responsibilities

Position	IMT Coordinator	Staff Position	Unit Manager Strategy and Risk
During absence this role will be assumed by		Risk Business Partner / HSE Coordinator & Business Partner	
Position Statement	The IMT Coordinator fulfils a critical IMT coordination and BCP advisory role to the IMT Commander to ensure effective management of emergency and business disruption events as they occur. The primary objective of this position is to coordinate the initial meeting of the IMT Emergency Operations Centre and gather information to assist		
Knowledge Requirements	1. Detailed knowledge of Business Continuity Plan 2. Broad understanding of Critical Function Recovery Strategies 3. Operational understanding of iResponda principles		
Responsibilities	<p>The IMT Co-ordinator is required to assist the IMT Commander in coordination of the IMT and provide advice on the BCP, Recovery Strategies, CEMP, LGFSG, and other emergency management agencies and programs</p> <p>Responsibilities include:</p> <ul style="list-style-type: none">a) Participate in awareness raising, training and testing activitiesb) Monitor any internal/external changes in the business environment for impact on business continuity <p>On Activation:</p> <ul style="list-style-type: none">c) Operate as a member of the IMTd) Open Emergency Operations Centre on direction of IMT Commandere) Assist IMT Commander in coordination of the IMT and management of the emergency eventf) Be the primary source of contact for designated IMT members including notification of activation and meeting pointg) Gathering of business interruption event information in collaboration with the IMT Admin Support roleh) Provide specialist advice on the BCP, Recovery Strategies, CEMP, LGFSG, and other emergency management agencies and programs, as required		
Key Advisors	IMT		
Critical Recovery Strategies	Governance & Executive Support/WH&S & Risk / Communications/Customer Service Centre/Operational Support/Civil//Engineering/Open Space/P&C/Community Health & Safety/Development Services/Payroll/Asset Systems/Land & Property/ITT System Mgt.		

IMT Admin Support Responsibilities

Position	IMT Admin Support	Staff Position	CEO EA
During absence this role will be assumed by		Risk Business Partner / Governance Admin Officer	
Position Statement	The IMT Admin Support role is responsible for the smooth functioning of the Emergency Operations Centre (if established) and the administrative needs of the IMT.		
Knowledge Requirements	<div>1. Detailed knowledge of Business Continuity Plan</div> <div>2. Broad understanding of Critical Function Recovery Strategies</div> <div>3. Operational understanding of iResponda principles</div> <div>4. Detailed knowledge of IMT administrative functions and arrangements</div>		
Responsibilities	<div>Responsibilities include:</div> <div><div>a) Participate in awareness raising, training and testing activities</div><div>b) Monitor any internal/external changes in the business environment for impact on business continuity</div></div> <div>On Activation:</div> <div><div>c) Operate as a member of the IMT</div><div>d) If required, assist with the set-up of the Emergency Operations Centre including assisting with the provision of stationery, equipment and any other resource requirements</div><div>e) Make administrative arrangements for all IMT meetings</div><div>f) Provide administrative support to IMT Commander and other IMT members</div><div>g) Support the IMT Commander and IMT Coordinator</div><div>h) Create and maintain a chronological log of meetings and decisions made</div><div>i) Complete and maintain the IMT Incident Journal</div><div>j) Record all costs associated with resources and supplies required by the IMT during the event – allocate to finance code: 81088</div><div>k) Record details of incidents/events/claims that may need to be referred to the LGAMLS/AMF/WCS</div></div>		
Key Advisors	IMT		
Critical Recovery Strategies	Governance & Executive Support/WHs & Risk / Communications/Customer Service Centre/Operational Support/Civil//Engineering/Open Space/P&C/Community Health & Safety/Development Services/Payroll/Asset Systems/Land & Property/ITT System Mgt.		

IMT Council/Organisational Governance Responsibilities

Position	IMT Council /Organisational Governance	Staff Positions	Manager Office of the CEO
During absence this role will be assumed by		Unit Manager Governance & Records / Governance Officer	
Position Statement	The IMT Council/Organisational Governance role will be the primary liaison with the Mayor and Council Members and is responsible for the ensuring access to legal advice and provision of governance, compliance, WHS and insurance requirements.		
Knowledge Requirements	1. High level understanding of organisational activities and service delivery priorities 2. Broad understanding of Business Continuity Plan and Critical Function Recovery Strategies 3. Operational understanding of iResponda principles 4. Detailed understanding of the organisation’s governance, compliance, WHS and insurance arrangements		
Responsibilities	Responsibilities include: a) Participate in awareness raising, training and testing activities b) Monitor any internal/external changes in the business environment for impact on business continuity On Activation: c) Operate as a member of the IMT d) Ascertain the impact on required advisors and assigned Critical Functions and report to IMT e) Co-ordination of required advisors and assigned Critical Function Recovery Strategy implementation as required f) Key communication role between IMT and Council Members g) Provide support and advice to the Mayor and Council Members h) Provide updates to the IMT, through the IMT Commander, on Council Member activity and community issues i) Provides governance, compliance, and insurance advice to the IMT and Council Members j) Coordinate access to external professional advice including legal, , liability or insurance k) Notification to insurer and management of insurance requirements l) Reporting any incident related expenses to the IMT Admin Support role for recording and reporting purposes		
Key Advisors	Lawyers/ WHS/ SafeworkSA/ Insurance		
Critical Recovery Strategies	Governance & Executive Support/ WHS & Risk		

IMT Communications and Customer Contact Responsibilities

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Position	IMT Communications and Customer Contact	Staff Positions	Manager Customer Experience
During absence this role will be assumed by		UM Engagement & Media / Media and Engagement Officer	
Position Statement	The IMT Communication and Customer Contact role is responsible for corporate communications, including staff messaging and provision of information to our customers through email, media releases and social media updates		
Knowledge Requirements	1. A broad understanding of Business Continuity Plan including relevant Critical Function Recovery Strategies 2. A comprehensive understanding of Council’s communications strategy 3. A comprehensive understanding of Council’s customer experience strategy 4. A general understanding of iResponda principles		
Responsibilities	Responsibilities include: a) Participate in awareness raising, training and testing activities b) Monitor any internal/external changes in the business environment for impact on business continuity On Activation: c) Operate as a member of the IMT d) Ascertain the impact on required advisors and assigned Critical Functions and report to IMT e) Co-ordination of required advisors and assigned Critical Function Recovery Strategy implementation as required f) Invoke the IMT Communication Strategy and manage staff and community communication undertaken by the IMT, as directed by the IMT Commander. . g) Liaise with the IMT Council/Organisational Governance role with regards to communications with Council Members h) Ensure Council communication/media policies and procedures are followed i) Manage media communication needs and strategies j) Provide advice regarding corporate image matters k) Reporting any incident related expenses to the IMT Admin Support role for recording and reporting purposes		
Key Advisors	Manager Customer Experience / Unit Manager Communications / Communications Advisor / Coordinator Digital Content and Graphic Design / Unit Manager Customer Service Centre / Unit Manager Libraries / Unit Manager Neighbourhood Centres		
Critical Recovery Strategies	Communications/ Customer Service Centre/ Community Wellbeing Social Participation		

IMT Operations Responsibilities

Position	IMT Operations	Staff Positions	General Manager City Services
During absence this role will be assumed by		Manager Operations / UM Operational Support	
Position Statement	The IMT Operations role is responsible for an effective operational response to an emergency event and smooth transition into and implementation of recovery activities.		
Knowledge Requirements	<div>1. Broad understanding of Business Continuity Plan and Critical Function Recovery Strategies</div> <div>2. Operational understanding of iResponda principles</div> <div>3. Working knowledge of identified response staff, equipment and processes</div>		
Responsibilities	<div>Responsibilities include:</div> <div><div>a) Participate in awareness raising, training and testing activities</div><div>b) Monitor any internal/external changes in the business environment for impact on business continuity</div></div> <div>On Activation:</div> <div><div>c) Be the Local Government Emergency Centre Coordinator as outlined in the CEMP to ascertain the LGFSG or Control Agency requirements</div><div>d) Operate as a member of the IMT</div><div>e) Ascertain the impact on required advisors and assigned Critical Functions and report to IMT</div><div>f) Co-ordination of required advisors and assigned Critical Function Recovery Strategy implementation as required</div><div>g) Assess requests for resources from external agencies</div><div>h) Coordinate deployment of Council personnel/equipment in alignment with the iResponda registers</div><div>i) Determine need for additional personnel, equipment, resources, or support</div><div>j) Manage and supervise operational response</div><div>k) Monitor and maintain resources deployed</div><div>l) Manage the safety and welfare of staff responding to the incident</div><div>m) Ensure compliance with relevant legislation and Council's WHS policies/principles</div><div>n) Provide advice regarding WHS matters and the evaluation of risks/hazards</div><div>o) Maintain records on WHS matters including SOPs, SWPs, SWMS and Take 5s</div><div>p) Ensure staff have adequate PPE suited to the situation</div><div>q) Report hazards, near-misses or incidents in the field to the Incident Commander and record in SkyTrust</div><div>r) Manage and investigate hazards, near-misses or incidents in the field</div><div>s) Develop a program for clean-up and restoration of Council assets and services</div><div>t) Reporting any incident related expenses to the IMT Admin Support role for recording and reporting purposes</div></div>		
Key Advisors	AH Coordinator/ UM Civil/ UM Operational Support/ um Open Space/ UM Engineering		
Critical Recovery Strategies	Operational Support/ Civil/ /Engineering/ Open Space		

IMT People Responsibilities

Position	IMT People	Staff Positions	Manager People & Culture
During absence this role will be assumed by	Unit Manager P&C / P&C Partner		
Position Statement	The IMT People role is responsible for the welfare of staff (including WHS) when responding to incidents either in CoM locality and/or deployed to other Council areas		
Knowledge Requirements	<ol style="list-style-type: none"> 1. Broad understanding of Business Continuity Plan and Critical Function Recovery Strategies 2. Operational understanding of iResponda principles 3. Working knowledge of identified response staff, relevant job descriptions and the relevant industrial arrangements 4. Experience in arranging Employee Wellbeing Plan when required in response to incidents 		
Responsibilities	<p>Responsibilities include:</p> <ol style="list-style-type: none"> a) Participate in awareness raising, training and testing activities b) Monitor any internal/external changes in the business environment for impact on business continuity <p>On Activation:</p> <ol style="list-style-type: none"> c) Operate as a member of the IMT d) Ascertain the impact on required advisors and assigned Critical Functions and report to IMT e) Co-ordination of required advisors and assigned Critical Function Recovery Strategy implementation as required f) Collaborate with IMT Operations to implement process for briefing staff prior to deployment at required locations and establish reporting requirements g) Provide advice on industrial issues if they arise h) Provide advice of WHS risk and issues i) Recommend staff services/amenities required to foster staff wellbeing during the event j) Collaborate with IMT & people leaders regarding management of individual staff issues ie working from home, designated alternative locations and other workforce management issues k) Collaborate with IMT Communications and Customer Contact to liaise with people leaders at affected locations to provide status updates regarding staffing issues l) Maintaining information and report on costs to IMT m) Monitor the wellbeing of the IMT and associated support roles including the wellbeing of staff implementing the ITT Service Recovery Plan n) Reporting any incident related expenses to the IMT Admin Support role for recording and reporting purposes 		
Key Advisors	Lawyers/ Unions, SafeworkSA		
Critical Recovery Strategies	People & Culture		

IMT Planning Responsibilities

Position	IMT Planning	Staff Positions	Manager Eng. Assets & Environment
During absence this role will be assumed by	Chief Financial Officer / Manager Development & Regulatory Services		
Position Statement	The IMT Planning role is responsible for coordination of the immediate and future strategy and planning of the requirements of the IMT		
Knowledge Requirements	1. Broad understanding of Business Continuity Plan and Critical Function Recovery Strategies 2. Operational understanding of iResponda principles 3. Knowledge of planning and project management principles		
Responsibilities	Responsibilities include: <ul style="list-style-type: none"> a) Participate in awareness raising, training and testing activities b) Monitor any internal/external changes in the business environment for impact on business continuity On Activation: <ul style="list-style-type: none"> c) Operate as a member of the IMT d) Ascertain the impact on required advisors and assigned Critical Functions and report to IMT e) Co-ordination of required advisors and assigned Critical Function Recovery Strategy implementation as required f) Ascertain the impact on business unit activities and report to IMT g) Co-ordination of business unit Critical Function Recovery Strategies implementation as required h) Assess situation, identify risks and report to IMT Commander i) Plan and monitor IMT member availability, Shift Management and changeover of IMT members including record of staff hours and rosters j) Ensure handover occurs between IMT members using the handover template k) Ensure appropriate records are maintained in regard to expenditure relating to staffing the IMT l) Be chief researcher for the IMT and obtain geographical mapping, site maps and floor plans m) Lead the IMT in coordination and response when alternative office locations are required for affect critical function areas n) Facilitate medium and longer term planning discussion with the IMT o) Reporting any incident related expenses to the IMT Admin Support role for recording and reporting purposes 		
Key Advisors	UM Comm Health & Safety/ UM Finance/ EPA		
Critical Recovery Strategies	Community Health & Safety/ Development Services/ Payroll		

IMT Logistics & Facilities Responsibilities

Position	IMT Logistics & Facilities	Staff Positions	Manager City Property
During absence this role will be assumed by	Manager Community & Cultural Services / Manager City Activation		
Position Statement	The IMT Logistics & Facilities role is responsible for the logistics and facility management for the IMT.		
Knowledge Requirements	<ol style="list-style-type: none"> 1. Broad understanding of Business Continuity Plan and Critical Function Recovery Strategies 2. Operational understanding of iResponda principles 		
Responsibilities	<p>Responsibilities include:</p> <ol style="list-style-type: none"> a) Participate in awareness raising, training and testing activities b) Monitor any internal/external changes in the business environment for impact on business continuity <p>On Activation:</p> <ol style="list-style-type: none"> c) Operate as a member of the IMT d) Ascertain the impact on required advisors and assigned Critical Functions and report to IMT e) Co-ordination of required advisors and assigned Critical Function Recovery Strategy implementation as required f) Establish Emergency Operations Centre facility if the primary location is unavailable g) Ensure appropriate Information Technology and Communications resources are available to the IMT h) Ensure necessary equipment and consumables are available i) Arrange additional external human resources (ie: agency/other council staff) required by the IMT j) Obtain and maintain physical resources, facilities, services, and materials k) Coordinate provisions of food and water for the IMT and response staff l) Maintain information and report on costs to IMT Planning m) Estimate future services, consumable, material and support requirements n) Supply and acquisition of required resources and equipment in response to requests from the IMT ie waste receptacles, ITT, telephone and other equipment in the establishment of the IMT emergency operations centre o) Reporting any incident related expenses to the IMT Admin Support role for recording and reporting purposes 		
Key Advisors	UM ITT / UM Land & Property/ UM Op Support/ UM Libraries/ UM NHCs		
Critical Recovery Strategies	Asset Systems/ Land & Property/ ITT System Mgt.		

IMT/ICT Service Recovery Plan Liaison Responsibilities

Position	IMT/ITT Service Recovery Plan Liaison	Staff Positions	GM Corporate Services
During absence this role will be assumed by		Manager IT Operations / Snr DTP IT Manager	
Position Statement	The IMT/ITT Service Recovery Plan Liaison role is responsible for the liaison between the ITT Team, the ITT Service Recovery Plan and the IMT		
Knowledge Requirements	1. Broad understanding of Business Continuity Plan and Critical Function Recovery Strategies 2. Operational understanding of ITT Service Recovery Plan (ICT SRP) principles		
Responsibilities	Responsibilities include: <div>a) Participate in awareness raising, training and testing activities b) Monitor any internal/external changes in the business environment for impact on business continuity</div> On Activation: <div>c) Operate as a liaison to the IMT d) Ensure activation of the ICT SRP when appropriate e) Ascertain the impact on required advisors and assigned Critical Functions and report to IMT f) Co-ordination of required advisors and assigned Critical Function Recovery Strategy implementation as required g) Liaise with IMT Logistics & Facilities to establish secondary Emergency Operations Centre facility if the primary location is unavailable h) Ensure appropriate Information Technology and Transformation resources are available to the IMT i) Assist with provision of necessary ITT equipment and ITT consumables j) Maintain information and report on ITT costs to IMT Logistics & Facilities k) Estimate future ITT services, and related consumables, materials and support requirements l) Supply and acquisition of required ITT resources and equipment in response to requests from the IMT m) Reporting any incident related expenses to the IMT Admin Support role for recording and reporting purposes</div>		
Key Advisors	ITT Vendors/ Vendor SLAs/ UM ITT & ITT Network/Service Team		
Critical Recovery Strategies	ITT Systems Management & ICT Service Recovery Plan		

Appendix B - Emergency Contacts

Incident Management Team

IMT Role	Position Contact Details	1 st Alternate Contact Details	2 nd Alternate Contact Details
IMT Commander	CEO Tony Harrison 8375 6604 0401 149 453	GM City Development Tony Lines 7420 6421/ 0466 505 926	GM City Services Ben Keen / 7420 6421 07420 6421
IMT Coordinator	UM Strategy & Risk Maddie Frew 8375 6822/ 0466 327 831	Risk Business Partner Tania Del Torre 8375 6885/	Strategy Planner Sherie Tebyanian 8375 6797
IMT Admin Support	CEO EA Dana Bartlett 8375 6612 0456 295 670	EA to GM City Services Mina Caruso 8375 6612	Governance Business Support Officer Cassidy Ryles 8375 6641
IMT Council/ Organisational Governance	Mgr Office of the CEO Kate McKenzie 8375 6625/ 0402 387 843	UM Gov. & Council Support Victoria Moritz 8375 6601	Gov. Officer Karrie McCann 8375 6641
IMT Communications & Customer Contact	Mgr Cust. Experience Megan Bradman 0435 378 721	UM Media Engagement & Nick Marwe 0476267542	Media and Engagement Advisor Gen
IMT Operations	GM City Services Ben Keen 7420 6421/ 074 206 421	Mgr. Operations Russell Troup 8375 6807 0498 174 407	UM Operational Support Roger Belding 7420 6407/ 0412 870 222
IMT People	Mgr. People & Culture Jessica Lynch 0498 518 938	UM People & Culture TGreg Candsadale 0421584058 74206412	<u>UM Organisational Development</u> Jo McCarthy
IMT Planning	Mgr Eng. Assets & Enviro Mat Allen 7420 6440/ 0412 071 501	Chief Financial Officer Ray Barnwell 8375 6770/ 0435 146 208	Mgr.Dev.& Reg Svs Warwick Deller-Coombs 8375 6665/ 0468 595 682
IMT Logistics & Facilities	Mgr. City Property Thuyen Vi-Alternetti 7420 6410/ 0434 854 284	Mgr. Comm. Connections Merran Fyfe 0417166935 83756640	Mgr.City Activation Charmaine Hughes 0459867085
IMT LINK: ICT Service Recovery Plan	GM Corporate Services VACANT 8375 6618	Mgr. IT Operations Michael Bowden 0499 866 061	Snr DTP IT Manager Marcel Althoff 0438811137

Executive Leadership Team

Staff Position	Contact Details	Staff Position	Contact Details
Chief Executive Officer	Tony Harrison 8375 6604/ 0401 149 453	General Manager Corporate Services	Vacant 8375 6618/
General Manager Operations	Ben Keen 7420 6421 07420 6421	General Manager City Development	Tony Lines 7420 6421/ 0466 505 926

Senior Leadership Team

Staff Position	Contact Details	Staff Position	Contact Details
Manager People & Culture	Jessica Lynch 0498 518 938	Manager Office of the CEO	Kate McKenzie 8375 6625/ 0402 387 843
Manager City Property	Thuyen Vi-Alternetti 7420 6410/ 0434 854 284	Chief Financial Officer Ray Barnwell 8375 6770/ 0435 146 208	Ray Barnwell 8375 6825/ 0435 146 208
Manager IT Operations	Michael Bowden 0499 866 061		
Manager City Activation	Charmaine Hughes 0459867085	Manager Eng, Assets & Environment	Mat Allen 7420 6440/ 0412 071 501
Manager Community Connections	Merran Fyfe 0417166935 83756640	Manager Operations	Russell Troup 8375 6807 0498 174 407
Manager Dev & Regulatory Services	Warwick Deller-Coombs 8375 6665/ 0469 595 682	Manager Customer Experience	Megan Bradman 0435 378 721

Site Locations

Site / Address / Contacts	Site / Address / Contacts	Site / Address / Contacts
Administration Building 245 Sturt Rd, Sturt 5047 Tel: 8375 6600 After Hrs 8375 6666	City Services 935 Marion Rd, Mitchell Park 5043 Tel: 8375 6600	Southern Depot Majors Road, O'Halloran Hill 5158 Depot Landline: Tel: Roger Belding 7420 6407/ 0412 870 222
Marion Heritage Research Centre 245 Sturt Rd, Sturt 5047 Tel: 7420 6455	Cooinda NC Cnr Sturt & Diagonal Rd, Sturt, 5043. Tel: 8375 6703	Mitchell Park NC 1 Cumbria Court, Mitchell Park, 5043 Tel: 8277 8435
Glandore Community Centre 25 Naldera Street Glandore 5037 Tel 8371 1139	Trott Park NC 34 Hessing Court, Trott Park, 5158 Tel: 8387 2074	Living Kaurna Cultural Centre Warriparinga Drv, Bedford Park 5042 Tel: 8357 5900
Marion Library 287 Diagonal Rd, Oaklands Park 5046 Tel: 8375 6785	Park Holme Library Duncan Ave, Park Holme 5043 Tel: 8375 6745	Hallett Cove Civic Centre 1 Ragamuffin Drive, Hallett Cove 5158 Tel: 8375 6755
Marion Cultural Centre 287 Diagonal Rd Oaklands Park 5046 Tel: 8375 6855	Marion Swimming Centre Oaklands Rd, Park Holme 5043 Tel: 8276 4939	
Cove Sports and Community Centre 2 Oval Road Hallett Cove 5158 Tel: 0416650425	Edwardstown Sports Complex 1a East Terrace, Sth Plympton.5038 Tel: Andy Sakkas 0416650425	

Key Contacts/Advisors

Contact Position	Service/Provision	Contact Details
Digital Communication Coordinator	Social Media content	0481456143
After Hours Coordinator:	After Hours Support – emergency, mechanical, electrical, security	0466 029 279
UM Operational Support	Operational Support – provision of storm/flooding clean-up/ fleet management – within business hours	7420 6407 0412 870 222
UM Civil	Storm Clean Up – within business hours	7420 6438 0412 200 249
UM Open Space	Reserve Clean Up/Tree Maintenance – within business hours	7420 6433 0432 750 506
Fleet – see Operational Support	Accidents/Fleet management – within business hours	7420 6407 0412 870 222
WHS	Incident Management – within business hours	8375 6659/6822 0497546142
CoM Stores	Provision of sand bags, spill kits, hazard clean up, PPE	7420 6476 0422 112 790
UM Land & Property	Property Maintenance and Security – provision of security, air conditioning, power, electrical, mechanical fixed plant etc	0427839309
Property Maintenance Officer	Provision of security, emergency call monitoring, duress alarms, air conditioning, electronic door repair	74206477 0402682916
UM Customer Service	Customer Service Centre function – information to general public via call centre/on line chat service, access to customer service frontline functions – payments/information/reception	8375 6825 0434 564 817
Customer Service Coordinator	Provision of telephone answering/after-hours call centre service – access to Knowledge Base & CES event /action logs	8375 6600

Advisors	Service/Provision	Contact Details
Kelley Jones,	Legal Services	<u>Offices:</u> 8113 7100 Level 6 Gilles Street, Adelaide South <u>Offices:</u> 8233 5555 Level 10, Grenfell Centre, 25 Grenfell Street, <u>Offices:</u> 8210 1200, Level 15/45 Pirie Street, Adelaide
Minter Ellison,	Legal Services	
Norman Waterhouse:	Legal Services	
EPA	Environmental Protection	Helpdesk: 8204 2004 Email notification to: epainfo@sa.gov.au
LGRS	Insurers	LGRS - Anthony Genovese 8235 6493 / 0421 610 282 LGAMLS - 8236427
LGAMLS	Insurers	
SafeWork SA	Escape of Hazardous Materials	24hr Hotline – 1800 777 209 Help Centre – 1300 365 255
Australian Services Union	Union - ASU	ASU: 8363 1322
Australian Workers' Union	Union - AWU	AWU: 0418 500 512

Service	Company	Contact Details
Emergency Services	SAPOL	000
	Ambulance	000
	CFS	000
	MFS	000
SA Police	Terrorism emergencies	Emergency – 000 Non-urgent Assistance – 131 444
State Emergency Services	Severe weather and/or flooding	Storm & flood response - 132 500 Regional Duty Officer – 0417 487 366
Country Fire Services	Rural Fire	Emergency – 000 Hotline – 1300 362 361
Metropolitan Fire Services	Urban Fire	Emergency – 000 Enquiries – 8204 3600
Primary Industries & Regions SA	Animal & Plant Disease	Emergency animal diseases - 1800 675 888 Emergency plant pest - 1800 084 881
Dept of Health	Human Disease	Emergency Management Enquiries – 8226 7115
Dept of Transport, Environment & Industry	Earthquake	Road hazards & emergency – 1800 018 313
Dept for Communities & Social Inclusion	Recovery Office	Enquiries – 8415 4302
Volunteering SA	Volunteer registration	Enquiries – 1300 782 322

Appendix C - Recovery Strategies

Summary of Critical and Non-Critical Recovery Strategies

Division/ Group	CEO		
Business Unit	Work Area	Function	Max Acc Outage
People & Culture	People & Culture	Critical	
Office of the CEO	Governance & Executive Support	Critical	
	WHS / Risk	Critical	
	Strategy	Non-Critical	
Division/ Group	CITY SERVICES		
Business Unit	Work Area	Function	Max Acc Outage
Engineering, Assets & Environment	Engineering	Critical	
	Asset Systems	Critical	
	Environmental Sustainability	Non-Critical	
Community & Cultural Services	Libraries	Non-Critical	
	Community Wellbeing/ Social Participation	Critical	
Operations	Civil Services	Critical	
	Open Space Operations	Critical	
	Operational Support	Critical	
Division/ Group	CITY DEVELOPMENT		
Business Unit	Work Area	Function	Max Acc Outage
City Property	Land & Property	Critical	
	Marion Swimming Centre	Non-Critical	
	Marion Cultural Centre	Non-Critical	
City Activation	Open Space & Recreation	Non -Critical	
	Business Growth & Investment	Non-Critical	
	Strategic Projects	Non-Critical	
	Arts & Cultural Development	Non-Critical	
	Living Kaurna Cultural Centre	Non-Critical	
Development & Regulatory Services	Development Services	Critical	
	Community Health & Safety	Critical	
Division/ Group	CORPORATE SERVICES		
Business Unit	Work Area	Function	Max Acc Outage
Finance	Finance/Payroll	Critical	
	Rates	Non-Critical	
Procurement/ Contracts	Contracts	Non-Critical	
ITT	ITT	Critical	
Customer Experience	Media and Engagement	Critical	
	Customer Service	Critical	
	Marketing & Communications	Critia	

Appendix D - IMT Coordinator Templates

xMatters Notification Guide

Purpose

This provision is designed as a practical reference for operating the Incident Management Team (IMT) internal messaging system, via SMS, email and phone, currently actioned via the LGA xMatters system.

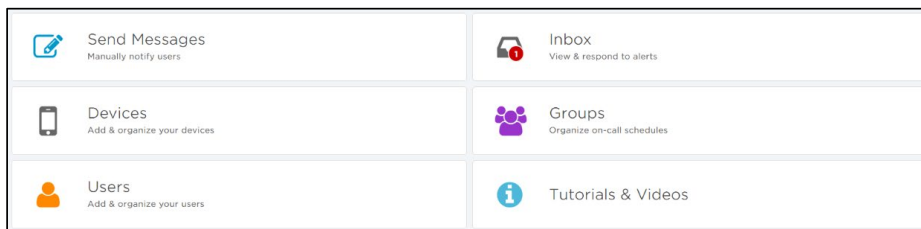
This is a controlled messaging service limited to a minimal number of key operators/system administrators, ie IMT Coordinator & IMT Admin Support and named alternates.

Emergency Related Risk

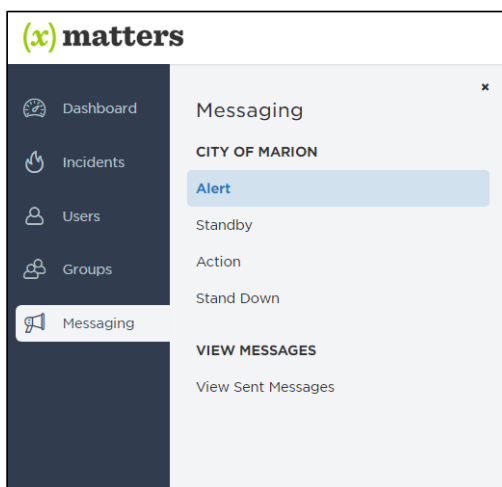
To communicate IMT activation levels during a Business Continuity event; ie: Alert, Standby, Action or Stand down,

Process

1. **Log onto xMatters** via <https://sacouncils.xmatters.com> using username & password
 - Username: is all lower case, first initial followed by last name eg: jbrown
 - Password: can be re-generated via 'forgot my password' option
2. **Select 'Send Messages' from initial home screen**



3. **Select level of message required from those under the City Of Marion options**



4. Edit the recipients

The recipient list is prepopulated with all CoM Groups.

To delete a name/group: - select the black cross aligned on the right-hand side next to 'Expand Group'.

Alert

Sending this form notifies targeted recipients and any subscribers.

Recipients

Type a name to add a recipient

Advanced

- COMA Admin Support Expand Group x
- COMA Gov Liaison Expand Group x
- COMA Planning Expand Group x
- COMA Comms & Customer Contact Expand Group x
- COMA Operations Expand Group x
- COMA Logistics & Facilities Expand Group x
- COMA Commander Expand Group x

10 recipients selected

5. Select Work Email to ensure notification is also sent to work email addresses for multiple notification methods in case mobile services are inactive.

Devices

All Devices

Mobile Text

Android Phone

Android Tablet

iPad

iPhone

SMS Phone

Email/Other

Home Email

Work Email

Preview Message Schedule Message Send Message Up to 28 people are targeted and may be notified.

6. To send the message – select the option at foot of the page as circled

matters

Alerts Darren Local Government

Alert

Sending this form notifies targeted recipients and any subscribers.

Recipients

Type a name to add a recipient

Advanced

- COMA Admin Support expand group x
- COMA Gov Liaison Expand Group x
- COMA Planning Expand Group x
- COMA Comms & Customer Contact Expand Group x
- COMA Operations Expand Group x
- COMA Logistics & Facilities Expand Group x
- COMA Commander Expand Group x

10 recipients selected

Devices

All Devices

Mobile Text

Android Phone

Android Tablet

iPad

iPhone

SMS Phone

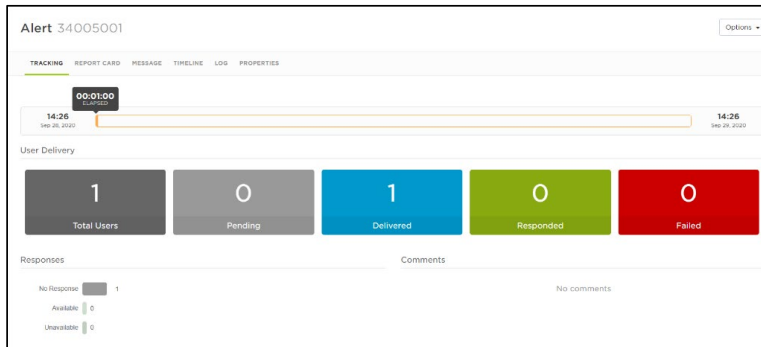
Email/Other

Home Email

Work Email

Preview Message Schedule Message Send Message Up to 28 people are targeted and may be notified.

- 7. Message status update screen** –the dashboard image below will show on the xMatters screen, allowing you to see how many recipients have (i) been sent the message, (ii) received the message (iii) not received the message.



- 8. The escalation process** - The City of Marion (COMA) IMT role descriptions set up within xMatters allow for an escalation process e.g.: "COMA IMT Planning" has the members Fiona, Ray and Dave.

Fiona is the first contact, the process will then escalate, if necessary, to Ray, then Dave. However, if Fiona responds to the Alert message, Ray and Dave will not receive a notification.

EXAMPLE OF MESSAGING: using the ALERT message:

SMS message received as follows:

COMA: ALERT - BCP MAY BE ACTIVATED – IMT MEMBERS PLEASE AWAIT FURTHER ADVICE
Reply 1 for Available, 2 for Unavailable

Email message received as follows:

From: COMA xmatters
To: Recipient
Subject: COMA: ALERT - BCP MAY BE ACTIVATED – IMT MEMBERS PLEASE AWAIT FURTHER ADVICE
COMA: ALERT - BCP MAY BE ACTIVATED – IMT MEMBERS PLEASE AWAIT FURTHER ADVICE
Please indicate your availability by clicking one of the links below:
Available - Acknowledged - I am available
Unavailable - Acknowledged - I am NOT available

- 9. Use of the xMatters App** - If using the xMatters app, you will receive the same message as the email option. The clickable "Available" and "Unavailable" links show as buttons in the app.

Please note that you can send a short written message with your response if you use the email or the xMatters app.

This is not available for the SMS messages as xMatters doesn't support it - you can only send a "1" or a "2" as a reply text.

- 10. Stand down messaging** – as for other message set ups, tick work email box and add debrief details:

11. Extract from BCP detailing text for IMT activation levels

ALERT:

SMS/email message: ALERT - BCP MAY BE ACTIVATED – IMT MEMBERS PLEASE AWAIT FURTHER ADVICE

Upon receipt of information that an incident may reasonably be expected to occur, some preliminary planning may occur, activities in this phase could include pre-rostering, determining availability of resources and preliminary communications with external agencies.

STANDBY:

SMS/email message: STANDBY – BCP – PLEASE BE READY TO ATTEND EOC AT ADMIN BUILDING

The IMT may be put on standby if there is reasonable warning or forecast of an incident occurring, for instance this may occur if a severe storm or extreme fire danger day is predicted. IMT staff will be notified of their expected attendance at the EOC if it is activated.

ACTION:

SMS/email message: ACTION – BCP ACTIVATED – PLEASE ATTEND EOC AT ADMIN BUILDING

The EOC is staffed, with operations coordinated and resources deployed in response to the incident. Communications are essential between internal staff, external agencies and the public.

STAND DOWN:

SMS/email message: STAND DOWN – BCP FINALISED – PLEASE AVAIL YOURSELF FOR DEBRIEF AT <insert detail of debrief session>

Training

For IMT Coordinator and IMT Admin Support Roles – given via BCP exercises/LGA xMatters support Video training links for xMatters are provided for the following: [xMatters tutorial videos](#)

Maintenance/System Administration

Updating xMatters contact data – to be undertaken by the Risk Business Partner

Actioning the xMatters IMT internal communications process – to be undertaken by the IMT Coordinator

EOC Activation Checklist

Incident Management Emergency Operations Centre			
Element	Actions	Resp. Role	Time
Primary Location: Governance Area, Level 1/Admin.Bldg, 245 Sturt Rd. Sturt, SA 5047 or Council Chambers Secondary Location: City Services, 935 Marion Rd. Mitchell Park, SA 5043			
Set-up /management information Floor Plan /provision of telecomms /internet/ facilities Emergency power requirements			
Management and Staffing See Responsibility Statements			
Security			
Media			
Information Displays: 1. <u>Current Operations Board</u> 2. <u>Contacts Display Board</u> 3. <u>Resource Allocations Board</u> 4. <u>Staff Rosters</u> 5. <u>Timing Details</u> 6. <u>Media Releases</u>			
Plans and Documents Hard & soft copies BCP/Critical Function Recovery Strategies			
Administration Stationery equipment /see BCP			
Extended Operations Staff roster – outlined in BCP/IMT Structure			
Briefing Sessions Identified by the IMT Briefings for – Mayor & Council Members/Staff/Media/Community			
Operation Stand down Detail of stages			
Forms IMT Admin Coordinator to identify suitable forms to collect/record information			

Incident Management Team - Action Log

Upon activation of the BCP the IMT Coordinator will ensure that the IMT Commander and the IMT Managers facilitate the following actions:

Activation of IMT	Role	Completed	Date/Time
Determine the IMT structure required, according to the nature and known scale of the disruption event	IMT Commander		
Determine meeting point for the IMT. Is it safe and appropriate to meet at the Governance Unit work area? If not, IMT to specify nearby facility to be used	IMT Commander		
Determine which, if any, IMT support roles or teams need to be activated or put on standby	IMT Commander		
Contact designated IMT members to notify them of activation and meeting point	IMT Coordinator		
Determine if the IMT kit is required	IMT Coordinator		
IMT kit contents to be checked and ready if required	IMT Admin Support		
IMT Actions	Role	Completed	Date/Time
Ensure staff and public safety	IMT Commander		
Contact: Control Agencies /SAPOL /LGFSG	IMT Operations		
Determine what information is required to clarify damage assessment or address information gaps	IMT Commander		
Determine specific action/s required for impact containment in line with IMT members roles and responsibilities	Relevant IMT Members		
Advise affected managers that the IMT, the BCP, and associated Recovery Strategies are being activated. If required, instruct affected managers to suspend normal business operations	Relevant IMT Members		
Determine what immediate communication is required to ensure staff and client/resident safety. Prepare a statement of what has occurred, for use in responding to internal or external as per the Press Release provided within the Business Continuity Management Tools.	IMT Communications & Customer Contact		
Stand Down of IMT	Role	Completed	Date/Time
Confirmation that disruption event has stabilised or finalised	IMT Commander		
Statement prepared for dissemination to staff	IMT Comms. & Customer Contact		
Transfer operations back to line managers (business as usual)	IMT Commander		
All documentation finalised and reviewed by the IMT	IMT Admin Support		
IMT conduct a debrief activity	IMT Commander		
Commencement of Post Event Evaluation Report	IMT Commander		

Appendix E – IMT Commander Templates

IMT Commander Checklist

Initial IMT Meeting	Details	Completed
The IMT Commander calls the initial IMT meeting and, to allow for a high level risk assessment, the following information is sought from the relevant business areas impacted:		
<ul style="list-style-type: none"> Damage/security/safety (ECO Teams (L1) / IMT Operations (L2) / IMT Log & Facs (L3)) 		
<ul style="list-style-type: none"> Staff/clarification of roles (Commander identifies Incident Level/Structure identifies roles) 		
<ul style="list-style-type: none"> Any associated Emergency Services issues (IMT Operations) 		
<ul style="list-style-type: none"> Building facilities (IMT Operations (L2) / IMT Log & Facs (L3)) 		
<ul style="list-style-type: none"> Public relations/media/communications (IMT Communications. & Customer.Contact) 		
<ul style="list-style-type: none"> Salvage of building and/ or IT equipment. (IMT Operations (L1/2)/IMT Log.& Facs. (L3)) 		
During the meeting information will have been gathered by the various IMT members to produce an evaluation of the incident. A formal record of the meeting to be collated by IMT Admin Support with particular emphasis on items to be actioned. This record needs to be regularly reviewed and updated as additional information comes to hand.		
Other Issues for consideration include	Details	Completed
<ul style="list-style-type: none"> Scheduling of site visit (IMT Commander) 		
<ul style="list-style-type: none"> Identification of affected departments (IMT Commander) 		
<ul style="list-style-type: none"> Public notification (IMT Communications. & Customer Contact) 		
<ul style="list-style-type: none"> Schedule of staff meetings (IMT Communicatons & Customer Contact/IMT People) 		
<ul style="list-style-type: none"> Development of initial plan for operations (short term) (IMT Operations) 		
<ul style="list-style-type: none"> Allocation of temporary work locations. (IMT Operations (L1/2)/IMT Log.& Facs. (L3)) 		
<ul style="list-style-type: none"> In the event of a community emergency the IMT may also, in accordance with the CEMP, need to: <ul style="list-style-type: none"> liaise with key personnel from the LGFSG determine cross-council resource assistance provide relief and recovery support during the emergency and work with recovery organisations to undertake recovery operations as directed 		
(IMT Operations)		

Situation Report (SITREP)

SITUATION REPORT – SITREP						
Incident/ Hazard name						
Date started				Time started		
Basic details						
From	Position:			Name:		
For the attention of:	State Duty Officer	<input type="checkbox"/>	LGFSG Manager	<input type="checkbox"/>	ZEST LGLO	<input type="checkbox"/>
	IMT Commander	<input type="checkbox"/>	Local Councils & Staff			<input type="checkbox"/>

Note: The SITREP is a cumulative report - past SITREPS should be included at the back for referral.

Time	Date	SITREP No.
Situation		
Impacts		
Tactics		
Resources		
External agencies		
Problems		
Safety		
Completed by	Position:	Name:
Approved by	Position:	Name:

Handover documents

Handover Event Details					
Event Name					
Day		Date	/	/	Time hrs
Prepared by			Position		
Key activities during the preceding shift					
Progress, activities and occurrences during the shift. Provide current SITREP					
Critical Issues					
Identify any issues/risks that may affect operations, organisation or performing the role or outcomes					
Key priorities					
Key priorities and tasks for incoming shift.					
Safety					
Safety considerations and issues					

Appendix F - IMT Planning Templates

Rostering template

City of Marion - IMT Rostering template								Date:	
Incident:	Day Number:								
IMT POSITION	Initial IN	SHIFT 1 (am/pm)	Initial OUT	Initial IN	SHIFT 2 (am/pm)	Initial OUT	Initial IN	SHIFT 3 (am/pm)	Initial OUT
Commander									
Council/Org'n Liaison									
Comms & Customer Contact									
Operations									
People									
Planning									
Logistics & Facilities									
Coordinator									
Admin Support									

Risk Assessment

Risk Assessment – identifies the Council as vulnerable to the following hazards (see risk matrix, likelihood & consequence criteria on following pages)										
Risk/ Hazard	Area of impact/ Causal Factor(s)	Additional Information	Controls	Current Risk Assessment			Further Actions	Forecast Risk Assessment		
				L	C	RR		L	C	RR

Risk Matrix, Likelihood & Consequence Criteria

Likelihood of Occurrence	Consequence of Occurrence				
	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	MEDIUM	MEDIUM	HIGH	EXTREME	EXTREME
Likely	LOW	MEDIUM	HIGH	HIGH	EXTREME
Possible	LOW	MEDIUM	MEDIUM	HIGH	HIGH
Unlikely	LOW	LOW	MEDIUM	MEDIUM	HIGH
Rare	LOW	LOW	LOW	MEDIUM	MEDIUM

Likelihood Criteria		Consequence Criteria	
Almost Certain	The event is occurring now or is almost certain to occur. (Probability >75%)	Insignificant	Physical or other injury requiring First Aid. No impact on wellbeing*. Minor local workforce disruption. Loss of continuity of staff knowledge.
Likely	The event is likely to occur. (Probability 50- <75%)	Minor	Physical or other injury resulting in time lost (1 day) or requiring medical attention. Minor temporary impact on wellbeing*. Local and temporary poor morale. Temporary loss of some staff of an individual Unit's workforce. Loss of staff continuity requiring recruitment.
Possible	The event may possibly occur. (Probability 25 - < 50%)	Moderate	Physical or other injury resulting in brief hospitalization / medical treatment (1 day). Significant/medium term wellbeing* impact or a whole CoM worksite affected. Widespread morale issues. Temporary loss of staff across a number of Units. Loss of key staff with specific knowledge and skills. Impact on recruitment capacity as an Employer of Choice.
Unlikely	The event is unlikely to occur. (Probability 1 - < 25%)	Major	Serious injury requiring hospitalisation (2 days or more or re-admission)/ extensive rehabilitation. Long term wellbeing* impact or more than one CoM worksite affected. Entrenched severe morale problems. Inability to recruit with necessary skills. High employee turnover.
Rare	The event will only occur in exceptional circumstances. (Probability close to 0)	Catastrophic	Death or critical injury. Wellbeing* of majority of workforce affected. Loss of a majority of the workforce. Inability to replace critical services.

[illegible]

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Appendix G - Operations Templates

Staff Timesheets

Staff timesheet			
Employee Name		Employee Number	
Department		Fortnight End Date	
Team Name		Cost Centre:	
(please circle staff type) Field OR Admin			

Start Day & Date	
Were you stood down to commence a shift at a later time / day? If Yes, please specify Time / Date of stand down	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is this day your RDO?	Yes <input type="checkbox"/> No <input type="checkbox"/>
What is your normal start time / working hours?	
Start Time	(am / pm)
Meal Break Start Time	(am / pm)
Meal Break Finish Time	(am / pm)
	(am / pm)
Total Hours Worked (excluding meal break)	

Employee Signature:		Date:	
Duty Manager Name:			
Duty Manager Signature:		Date:	

Payment Type (to be allocated by employee)

Note: Employees can only take TOIL for overtime worked for their home department.

- ☐ Pay
- ☐ Flexi / TOIL
- ☐ Half Flexi / TOIL and Half Pay

Post Event Evaluation

Upon deactivation of the BCP, the Incident Management Team Commander and the IMT, will evaluate the functions and effectiveness of the BCP relative to the disruption event that occurred.

Business Continuity Event – Post Event Evaluation Form			
Completed by:			
Disruption Event:			
Date of Event:		Time of Event:	
Further description of events that occurred	What:		
	Where:		
	When:		
	Who:		
Was WEMP and/or CEMP also invoked?			
Relevant Recovery Strategies invoked:			
What went well?			
What could be improved?			
Recommended Improvement Actions:		Action Owner:	

Council Provision of Resources

Description of Incident/Hazard						
A: REQUEST						
Date Received			Time Received			
Request received:	Email	<input type="checkbox"/>	Phone	<input type="checkbox"/>	In person	<input type="checkbox"/>
Requesting agency						
Agency contact name						
IMT role overseeing request						
Name			Date			
Insert Request Details						
Requirements including tasks to be undertaken						
Date Required			Time Required			
Where to report to						
Who to report to						
Is this a Declared Emergency? ie: identified as one of the following:-				Yes	<input type="checkbox"/>	No
- a major incident? – as declared by State Coordinator				<input type="checkbox"/>		
- a major emergency? – as declared by State Coordinator				<input type="checkbox"/>		
- a disaster? – as declared by State Governor				<input type="checkbox"/>		
B: ASSESS AND ARRANGE						

Will resources be deployed outside Council district?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Does the request involve carrying out works on private property?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Will the release of council resources impact normal service delivery?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
- If yes, can we accommodate this disruption?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Is an LGFSG Joint Operating Guideline/other MOU related to this activity?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
- Is the request in agreement with these agreements?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
External Requests: for 'Council Provision of Resources' –				
- Has the Control Agency/ Emergency Service requested support from the Council via Council CEO/IMT Commander? <i>(if no, then 'No Council Action')</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
- Is the request an 'ordinary operation' for Council? <i>(if no, advise Control Agency/Emergency Services that Council is unable to provide assistance)</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
- Is the plant /equipment requested, available & fit for purpose? <i>(if no, advise Control Agency/Emergency Services that Council is unable to provide assistance)</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
- Are the approved and trained workers available? <i>(if no, advise Control Agency/Emergency Services that Council is unable to provide assistance)</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
- Has CEO/IMT Commander undertaken a situational risk assessment & approved a response? <i>(if no, advise Control Agency/Emergency Services that Council is unable to provide assistance)</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
- Can Council's standard operating procedures & safe work practices be reasonably applied? <i>(if no, advise Control Agency/Emergency Services that Council is unable to provide assistance)</i>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
- Have all Workers identified for deployment completed the iResponda Worker Action Plan? (BCP Appendix 2)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Comments:				
Hazard/Risk Assessment: (Link to - Risk Matrix, Likelihood & Consequence Criteria)				
Internal Requests: for 'Resources' - Complete the checklist below:				

Are the tasks to be undertaken consistent with the Ordinary Operations of the employees?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Have the workers to be deployed been trained in iResponda Essentials* and got the necessary qualifications & competencies to safely carry out the Operation requested and the Situation they are operating within?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Have the workers to be deployed got the appropriate PPE?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Are the requested resources available, fit for purpose and listed in our Fleet Management System?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Are we able to reasonably apply existing WHS when undertaking the requested tasks?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Comments:				
Assessed by: Manager Operations		Name		
Date		Time		
C: ACTION				
Decision Approved	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Comments:				
Approved by: MT Commander		Name		
Date		Time		
D: REFERENCE DOCUMENTATION				
BCP				
- IMT Responsibility Statements / IMT Operations	BCP Appendix A			
- iResponda Register	BCP Appendix F			
- Council Provision of resources – Workers Action Plan	BCP Appendix D/ IMT Operations Templates			
<u>iResponda Field Guide</u>				

Situational Report - SITREP

E: SITUATION REPORT – SITREP						
Incident/ Hazard name						
Date started		Time started				
Basic details						
From	Position:		Name:			
For the attention of:	State Duty Officer	<input type="checkbox"/>	LGFSG Manager	<input type="checkbox"/>	ZEST LGLO	<input type="checkbox"/>
	IMT Commander	<input type="checkbox"/>	Local Councils & Staff			<input type="checkbox"/>

Note: The SITREP is a cumulative report - past SITREPS should be included at the back for referral.

Time		Date		SITREP No.	
Situation					
Impacts					
Tactics					
Resources					
External agencies					
Problems					
Safety					
Completed by	Position:		Name:		
Approved by	Position:		Name:		



iResponda Worker Action Plan

Name	Work Team				
Complete the i-Responda Worker Action Plan below:					
- Have I been requested by an authorised Council person/IMT Commander? (if no, then 'Refer request to authorised Council Person/IMT Commander')	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- Am I willing and able to assist as a City of Marion worker? (If no, advise City of Marion that you are unable to assist)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- Is this request an 'Ordinary Operation' for me? (If no, advise City of Marion that you are unable to assist)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- Am I trained and competent to operate the plant/resources? (If no, advise City of Marion that you are unable to assist)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- Have I completed the iResponda Essentials training? (If no, advise City of Marion that you are unable to assist)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- Have I completed specific hazard training for the 'Extraordinary Situation'? (If no, advise City of Marion that you are unable to assist)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- Am I prepared to respond to this incident? – consider illness, injury, medication, stress, alcohol & drugs, fatigue & expertise (If no, advise City of Marion that you are unable to assist)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
Once your supervisor has approved you for deployment, complete the following before leaving the depot:					
- have you got appropriate personal protective clothing eg: coveralls, hi-vis vest	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- have you got appropriate personal protective equipment (PPE) eg: head/eye/ respiratory/hand & footwear	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- have you collected an iResponda Emergency Response kit ? (Collect from Stores <insert location> & check for additional items specific to Bushfire/HazMat/Water & Storm)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- have you got an appropriate communications plan with your supervisors? eg: relevant contact no. for supervisor & frequency of calls etc...	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- have you got equipment appropriate for the task?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
- have you checked that your equipment is in good operational order?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
Signature:	Date:				
NOTE: Forward completed form to supervisor					
Points to consider - before entering the emergency ie: fire ground or flooded area - have you received a detailed briefing of your task? - have you planned your emergency actions? - have you an appropriate communications plan with your nominated agency officer? (ie: CFS/SES crew commander)					
Points to consider whilst in the Emergency Zone - are you remaining situationally aware & vigilant? - are you working as a team members? - are you staying in close communications with your supervisor(s)/agency officers? - are you monitoring the weather (ie: wind strength & direction, thunderstorms etc...) - do you have time & space to complete your task? - are you monitoring fatigue & ensuring regular rest, meal & hydration?					

City of Marion iResponda Registration

Emergency Contact 1

Name Ben Keen
Position General Manager City Services
Contact Number A 0400 345 687
Contact Number B 7420 6421
Email ben.keen@marion.sa.gov.au

Notes:

Emergency Contact 2

Name Russell Troup
Position Manager Operations
Contact Number A 0498 174 407
Contact Number B 8375 6807
Email Russell.troup@marion.sa.gov.au

Notes:

Emergency Contact 3

Name After Hours Coordinator/Roger Belding
Position Unit Manager Operational Support
Contact Number A 0466 029 279
Contact Number B 0412 870 222
Email roger.belding@marion.sa.gov.au

iResponda Framework at Council - '[ordinary operations in extra ordinary situations](#)'

Has this council implemented/follow the iResponda framework/program? YES

Restrictions and/or inclusions

Are there any specific inclusions/exclusions this council has under the program ie: will not supply resources to create fire breaks/control line, but will supply BWC Assist as approved and within capabilities

Arborists

Does Council have arborists (qualified) on staff? YES

Environmental Health Officers

Does Council have EHOs on staff? YES

Tree Crews

Does Council have tree crews (- chainsaw/clean up/road clearing capable?) YES

Structural NO

Sand bagging NO

Front end loader/Back hoe 4

Excavator/Up to 10 Tonnes 0

Excavator/Greater than 10 Tonnes 1

Front end loader/Rubber tyre 3

Front end loader/Tracked 0

Grader 0

Bob cats/skid steer loader 0

Tip trucks/Up to 10 Tonnes 21

Tip trucks/Greater than 10 Tonnes 6

Water tanker-truck/Less than 10,000 Litres/ 0

Water tanker-truck/Equal or greater than 10,000 Litres 2

High volume water pump/Capacity (>= 6 inch - 150mm outlet) 0

Bulldozers 0

City of Marion - iResponda Trained Personnel									
No.	IM3	L&LO	Essentials	Bushfire	Bushfire plant	Water	Name	Dept.	Work Area
1	✓		✓						IMT Commander (alt.)/GM City Development
2	✓		✓						IMT Commander (alt.)/GM Corporate Services
3							Tony Harrison	ELT	IMT Commander/CEO
4	✓		✓				Tony Lines	ELT	IMT Operations/IMT Commander (alt.) /GM City Serv.
5	✓	✓	✓				Kate McKenzie	Governance	IMT Council & Organisational Governance
6	✓	✓	✓	✓	✓				IMT Coordinator/UM Risk
7			✓	✓		✓	Glynn Ricketts	Operations	After Hours Coordinator
8			✓	✓	✓	✓			After Hours Coordinator
9			✓			✓	Roger Belding	Operations	IMT Operational Response (alt.)/ After Hours Manager
10			✓	✓	✓	✓	Darren Mason	Governance	IMT Admin Support / Risk Coordinator
11			✓	✓	✓	✓	Luke Adcock	Operations	Call Out Response Team/ Arboriculture
12			✓	✓	✓	✓	Geoff Huxtable	Operations	Call Out Response Team / Backhoe
13			✓	✓	✓	✓	David French	Operations	Call Out Response Team
14			✓	✓	✓	✓	David Hall	Operations	Call Out Response Team
15			✓	✓	✓	✓	Adam Bevear	Operations	Call Out Response Team
16			✓			✓	Warren Gurney	Operations	Call Out Response Team
17			✓	✓	✓	✓	Rick Trevillian	Operations	Call Out Response Team / Slop Mop
18			✓	✓	✓	✓	Chris Easton	Operations	Call Out Response Team/ Arboriculture
19			✓			✓	Paul Petrovic	Operations	Call Out Response Team / Road Maintenance
20			✓			✓			UM Civil Services
21			✓			✓	Andrew Spencely	Operations	Roads & Drain Construction Work Group Leader
22			✓			✓	Gordon Schmechel	Operations	EM Response -Roads & Drain Construction
23			✓			✓	Paul Ellul	Operations	Roads & Drain Construction
24			✓				Matthew Piro	Operations	Roads & Drain Construction
25			✓	✓	✓	✓	Mark Bainbridge	Operations	Roads & Drain Construction / Backhoe
26			✓			✓	Malcolm Burns	Operations	Roads & Drain Construction
27			✓			✓	Michael Gosling	Operations	Roads & Drain Construction
28			✓				Brett Jaggard	Operations	UM Open Space Ops
29						✓	Josh Shepherdson	Operations	UM Open Space Ops
City of Marion - iResponda Trained Personnel									

No.	IM3	LGL	Essentials	Bushfire	Bushfire plant	Water	Name	Dept.	Work Area
30			✓	✓	✓	✓	Iain Seccafien	Operations	Open Space - Arboriculture
31			✓	✓		✓	Luke Manuel	Operations	Coordinator Field Operations
32			✓	✓	✓	✓			Field Supervisor Horticulture
33			✓	✓	✓	✓	Craig Horne	Operations	Open Space Team/Arboriculture
34			✓	✓	✓	✓	Paul Turner	Operations	Open Space Team/Arboriculture
35			✓	✓	✓	✓	Shane Thomas	Operations	Open Space Team/Arboriculture
36			✓	✓	✓	✓	Jared Lock	Operations	Open Space Team/Arboriculture
37			✓	✓	✓	✓	Dayton Tahuri	Operations	Open Space Team/Arboriculture
38			✓			✓	Nigel Darlington	Operations	Civil - Footpath Maintenance (WGL)
39			✓				Brian Easton	Operations	Supervisor Ops Support / Stores
40			✓				Sharon Perin	Dev. & Reg. Serv.	UM Community Health & Safety
41			✓				Caroline Corston	Dev. & Reg. Serv.	Team Leader Community Safety
42			✓				Adrian Laverty	Dev. & Reg. Serv.	Community Safety inspector
43			✓				Steven Peterson	Dev. & Reg. Serv.	Community Safety Inspector
44			✓				Shane Redhead	Dev. & Reg. Serv.	Community Safety Inspector
45			✓				Hardip Garcia	Dev. & Reg. Serv.	Community Safety Inspector
46			✓				Jake Brown	Dev. & Reg. Serv.	Community Safety Inspector
47			✓				Ben Burdett	Dev. & Reg. Serv.	Environmental Health Officer
48			✓				Katrina Hogan	Dev. & Reg. Serv.	Environmental Health Officer
49			✓				Laura Both	Dev. & Reg. Serv.	Environmental Health Officer
50			✓				Amanda Speziali	Dev. & Reg. Serv.	Environmental Health Officer
51			✓				Kylie Hann	Dev. & Reg. Serv.	Environmental Health Officer
52			✓				Jaimie Thwaites	Governance	
53									

Appendix H – Communications Templates

Communications Checklist (E1)

IMT Communications & Customer Contact will:	Completed Y/N
Provide Internal Communication to all staff and specifically affected staff/sites.	
Liaise with IMT Council/Organisational Governance to advise the Mayor , and relevant Council Members , of the incident and the activation of the BCP.	
Provide Media Agencies appropriate communication, where appropriate.	
Provide the Community with information about the incident via the website and Social Media.	
Communicate with the neighbouring Zone councils ie Holdfast, Mitcham and Onkaparinga with the aim to provide the broader community with emergency management messaging in a consistent format.	


Messages need to incorporate the following considerations:	Completed Y/N
What has happened... Known facts in relation to the event	
Where ... Locations affected by disruption	
Who is managing incident... IMT Commander, Incident Management Team members and location of the Emergency Operations Centre	
What to do – specific instructions on activation of the activation of Recovery Strategies for which disruption scenarios (ie Loss of Telecommunication etc). All services to continue or revert to Critical Activities only?	
How ... Communication will be issued and expectation of people managers with respect to communication to their teams.	
When ... Timing of updates expected to be provided – link to request for local feedback/update to Incident Management Team	

The underlying key messages will be concern (for people and property), control (over the incident) and commitment (to resolving the incident, restoring services and reassuring the community).

Basic principles:

- Express concern for any people killed or injured or property damaged.
- Be factual - focus on what you know is confirmed. Never speculate.
- Demonstrate how you are working with emergency services or authorities
- Do not admit any liability - and do not blame anyone (staff or members of the community).
- Never release names or images of people killed or injured.
- Don't be afraid to say some information may be incomplete at this point in time.
- Commit to releasing information to the public on a regular and timely basis.

Communications – Media Release – Holding Statement (E2)

<p>MEDIA RELEASE</p> <p>[DATE]</p> <p>A [INCIDENT] has occurred at [LOCATION] today</p> <p>The City of Marion can report that a [INCIDENT] that has occurred at [LOCATION] today.</p> <p>The primary priority of the City of Marion is to ensure the safety of the community and staff and is committed to working as quickly and safely as possible to manage the situation and resume normal services / operations.</p> <p>Emergency services have been/will be alerted and City of Marion staff are currently travelling to the incident / are on-site and are managing the incident / have the incident under control.</p> <p>Further details will be released once they become available.</p>	
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Notes to consider when issuing a media holding statement:


- Current situation - outline of incident
- Human situation - any information about deaths or injuries
- Council concern - our immediate response
- Next report - advice when further information will be available

The underlying key messages will be **Concern** (for people and property), **Control** (over the incident) and **Commitment** (to resolving the incident, restoring services and reassuring the community).

Basic principles:

- Express concern for any people killed or injured or property damaged.
- Be factual - focus on what you know is confirmed. Never speculate.
- Demonstrate how you are working with emergency services or authorities
- Do not admit any liability - and do not blame anyone (staff or members of the community).
- Never release names or images of people killed or injured.
- Don't be afraid to say some information may be incomplete at this point in time.
- Commit to releasing information to the public on a regular and timely basis.

Communications – Media Release (E3)

<p>MEDIA RELEASE</p> <p>[DATE]</p> <p>City of Marion responds to [INCIDENT]</p> <p>The incident [OCCURRED/BEGAN] in the [LOCATION] at [TIME] and damage has been confined to [THE AREA].</p> <p>Emergency Services responded to the incident and have confirmed [NUMBER OR NO] members of the community have been killed / injured.</p> <p>Council has responded to the incident by [DESCRIBE WHAT CoM IS DOING].</p> <p>The City of Marion is working with authorities who are investigating the incident to determine the cause of the incident and are working to minimise any disruption to the community.</p> <p>Further details will be released once they become available.</p>	
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Notes to consider when issuing a media release:

- What happened? - Describe the incident and its impact.
- When and where did it occur? – Time, date and precise location.
- Who is affected? - Members of the community, staff etc.
- How and why did it happen? - If known, and without admitting liability.
- What is Council doing to fix it? - Describe what action Council is taking.
- Next report - advice when further information will be available

The underlying key messages will be **Concern** (for people and property), **Control** (over the incident) and **Commitment** (to resolving the incident, restoring services and reassuring the community).

Basic principles:

- Express concern for any people killed or injured or property damaged.
- Be factual - focus on what you know is confirmed. Never speculate.
- Demonstrate how you are working with emergency services or authorities
- Do not admit any liability - and do not blame anyone (staff or members of the community).
- Never release names or images of people killed or injured.
- Don't be afraid to say some information may be incomplete at this point in time.
- Commit to releasing information to the public on a regular and timely basis.

Communications - Media Conference (E4)**ALERT - MEDIA CONFERENCE**

[DATE]

The [INCIDENT] which has occurred in the City of Marion

WHAT: [Briefly explain the purpose of the Media Conference]

WHO: [Name and Title of Speaker]

WHERE: [Location of the Media Conference]

WHEN: [Time and Date of the Media Conference]

Communications – Media Enquiry Record Form (E5)

Should any staff member be approached by media representatives for a comment they are only authorised to make the following statement:

"I am sorry, but I am not authorised to make any statement at this time. The appropriate personnel are currently being briefed on the situation and a spokesperson will be available to talk to you shortly."

There is no such thing as an "off the record" comment.

Refer the journalist to the IMT Communications & Customer Contact, but if you cannot immediately reach them, advise the journalist that someone will return their call promptly. Complete this Media Enquiry Record Form and provide the record to the IMT Commander as soon as possible. Also provide any background and relevant information that you have about the event, including how the journalist came to contact you.

Media Enquiry Taken by:			
Position in City of Marion:			
Incident:			
Date:		Time of call:	
Journalist name:			
Contact numbers:			
Media outlet:			
Deadline:			
Publication date:			
Question:			
Further Comments:			
Response by Date:		Time:	

Communications – Customer Service Centre Message Template (E6)

The City of Marion can confirm that we are currently experiencing [description of incident] in the [suburb name] area.

Emergency Services have been notified but we urge the community to take extra care when travelling in this area and follow any directions of police and other emergency services.

We can assist with trees down over council land or with localised street flooding, please provide me the details.

If your house is affected by trees down or flooding, call the SES on 132 500.

If you are reporting a life-threatening emergency, call 000.

For further emergency management information and updates on the incident, please visit City of Marion's emergency management website: <https://www.marion.sa.gov.au/services-we-offer/emergency-management>

Social Media Post example (E7)

Communications to the community may also include incident specific updates through the use social media platforms. The messages will be aimed at promoting awareness of the incident and emergency management information through the sharing of information and/or provision of links direct to the control agency responsible for managing the incident.

Incident Banner template

The template for the Incident Banner can be found here:

[City of Marion Incident Banner](#)

ALERT City of Marion responds to **[INCIDENT]**

The City of Marion can report that a **[INCIDENT]** that has occurred at **[LOCATION]** today.

The primary priority of the City of Marion is to ensure the safety of the community and staff and is committed to working as quickly and safely as possible to manage the situation and resume normal services / operations.

Emergency services have been/will be alerted and City of Marion staff are currently travelling to the incident / are on-site and are managing the incident / have the incident under control.

Further details will be released once they become available.

CITY OF MARION

City of Marion
September 12 at 9:11 AM · 🌐

Today is national R U Okay Day. Here are some tips to help those around you who might be struggling.

TRUST THE SIGNS

When you notice a change, no matter how small

Ask R U OK?

Learn how at ruok.org.au

WHAT ARE THEY SAYING?

Do they seem:

- Confused or irrational
- Moody
- Unable to switch off
- Concerned about the future
- Concerned they're a burden
- Lonely or lacking self-esteem
- Concerned they're trapped or in pain

Learn the signs and how to ask at ruok.org.au

WHAT'S GOING ON IN THEIR LIFE?

Are they experiencing:

- Relationship issues
- Major health issues
- Work pressure or constant stress
- Financial difficulty
- Loss of someone or something they care about

Learn the signs and how to ask at ruok.org.au

WHAT ARE THEY DOING?

Are they:

- Experiencing mood swings
- Becoming withdrawn
- Changing their online behaviour
- Losing interest in what they used to love
- Unable to concentrate
- Behaving recklessly
- Less interested in their appearance and personal hygiene
- Changing their sleep patterns

Learn the signs and how to ask at ruok.org.au

R U OK Day is with Sammy Healy and Manju Khadka.
September 12 at 8:45 AM · 🌐

👍 Like Page

Emergency Management Website example (E8)

Communications to the community may also include incident specific updates on the emergency management page of Council's website. City of Marion's website will include emergency management information and links to key agencies relative to emergency management.

Emergency management

Emergency events can occur at any time with little warning, rapidly spread over designated boundaries and cause diverse and widespread impacts across affected communities.

The City of Marion can help to minimise these threats and contribute to the safety and wellbeing of its community by participating in local emergency management alongside neighbouring councils. The City of Marion [Community Emergency Management Plan \(CEMP\)](#) forms part of Council's commitment to emergency management planning and ensures that Council has a coordinated and planned management of emergencies.

For the purpose of emergency management, South Australia is divided into 11 Emergency Management Zones. The City of Marion is part of the Southern Adelaide Zone together with our neighbouring councils, City of Onkaparinga, City of Mitcham and City of Holdfast Bay. Key Hazards and Risks relevant to the Southern Adelaide Zone have been assessed and summarised in the [Southern Adelaide Zone Emergency Management Plan](#).

Refer to the [SES Emergency Kit Checklist](#) or the following website links and emergency apps for contact details and emergency incident information.

The following website links and emergency apps provide contact details and useful emergency incident information:



TRIPLE ZERO

Stay focused, stay relevant, stay on the line ...

- Is someone seriously injured or in need of urgent medical help?
- Is your life or property being threatened?
- Have you just witnessed a serious accident or crime?

If you answered YES call Triple Zero (000). Triple Zero calls are free.



METROPOLITAN FIRE SERVICE

The South Australian Metropolitan Fire Service (MFS) is the primary provider of structural firefighting services to the State of South Australia.

If the matter is life threatening... Call Triple Zero (000).



COUNTRY FIRE SERVICE

The South Australian Country Fire Service (CFS) serves communities through dedicated volunteers delivering professional fire and rescue services to outer metropolitan, regional & rural South Australia.

If the matter is life threatening... Call Triple Zero (000).



STATE EMERGENCY SERVICE

The only way to request SES attendance for an emergency response OR non-emergency response is by calling 132 500.

If the matter is life threatening... Call Triple Zero (000).



DISASTERS: PREPARE AND STAY SAFE

Local Government Association link for Emergencies and Safety



PRIMARY INDUSTRIES & REGIONS SA

Report illegal activity or suspected sightings of pests or disease.

- Fishwatch hotline: 1800 065 522
- Fruit fly and quarantine: 1300 666 010
- Emergency animal diseases: 1800 675 888
- Emergency plant pest: 1800 084 881
- Agriculture & animal services: 1800 255 556



DISASTERS AND MENTAL HEALTH SUPPORT

A source of information on mental health support options to prepare, respond and recover from disasters such as bushfires, floods, storms, drought, pandemics, community violence and other major incidents that impact on the health and wellbeing of communities.



APP: EMERGENCY+

Australia's Triple Zero Awareness Working Group has developed a smartphone app for iOS, Android and Windows devices to:

- provide the caller with information about when to call Triple Zero
- provide the caller with information about who to call in various non-emergency situations



APP: RED CROSS

The Red Cross First Aid App is a comprehensive guide to first aid and CPR, giving you access to the most up to date first aid information anytime, anywhere.

- Use the interactive quizzes on the App to refresh your first aid knowledge learnt at a [Red Cross first aid training](#) course.
- Instructions are clear and easy to use with helpful videos and images.



APP: BUREAU OF METEOROLOGY

The Bureau of Meteorology's weather app, BOM Weather, gives you the most accurate weather information at your fingertips, including:

- Current conditions
- Forecasts
- Radar and Warnings



APP: VOLUNTEERING SA

'We Do' is an initiative of Volunteering SA/NT and the Government of South Australia. Create a profile to be notified of opportunities matched to skills and interests. Search hundreds of volunteer positions in South Australia, express interest and apply directly with organisations. Log and print a record of your volunteer hours.



APP: GET PREPARED

Get Prepared is an app that helps you connect with your key support people, accomplish simple tasks to make you and your loved ones safer, and protect the things that matter most to you.

Emergency Relief Centres

[Joint Operating Guideline - Emergency Relief Centres | LGA South Australia](#)

ERC Cove Civic Centre

Name of venue: Cove Civic Centre

Address: 1 Ragamuffin Drive/Ramrod Avenue, Hallett Cove 5158

Updated: January 2019

Feature		Facility details			
24 hour contact (people who can be contacted during & after business hours & who have access to keys for the facility)					
BUSINESS HOURS (9am – 5pm)					
First Contact:	Name: Russell Troup - Manager Operations Phone: 8375 6807 Mobile: 0498 174 407 Email: russell.troup@marion.sa.gov.au				
Second Contact	Name: Maddie Frew - Unit Manager Strategy & Risk Phone: 8375 6822 Mobile: 0476 676 393 Email: Maddie.Frew@marion.sa.gov.au				
AFTER HOURS					
First Contact:	Name: After Hours Coordinator Phone: n/a Mobile: 0466 029 279 Email: AHCoordinator@marion.sa.gov.au				
Second Contact	Name: Russell Troup Phone: Mobile: 0498 174 407 Email: Russell.troup@marion.sa.gov.au				
Access (car, bus) and parking capacity	Vehicle access comment: Ragamuffin Drive is a shared zone Number of car parks: 95 + 4 accessible car parks (this is including parking spaces at Baptist and Lutheran Churches where we have a shared space agreement)				
Facilities for people with disabilities	Access	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Toilets:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Parking: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Capacity number	Seating number: 160		Standing number: 200 main hall		
Is this building known to be in a safer place precinct?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Comment:	Metro Adelaide	
Availability and numbers of equipment (chairs, desk, etc.)	Describe: A number of small meeting rooms plus a large (separable) conference room				
Toilets, showers	Toilets:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Showers:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	x 10 & toddler toilet, 6 urinals, 2 feeding/change rooms, x 1 in staff work area
First aid room	On premises:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Fully stocked	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Food preparation facilities	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		Comment:	Small kitchen	
Telephone/fax lines	Telephone:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Number: 8375 6755 Number:		
Back-up power	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>				
Entertainment/news broadcast facilities	TV <input checked="" type="checkbox"/>	Video <input type="checkbox"/>	DVD <input checked="" type="checkbox"/>	Data Projector <input checked="" type="checkbox"/>	White Board <input checked="" type="checkbox"/>
Breakout rooms available	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>			
Regular services eg: cleaning etc	Daily cleaning service				

Cove Civic Centre Emergency Relief Centre – Handover to DHS Checklist 	
DHS Representative taking responsibility of site:	Name: Phone:
CoM Representative handing over:	IMT Operations, IMT Coordinator or AH Coordinator
Site Address:	1 Ragamuffin Drive, Hallett Cove, 5158
Site Manager:	Damian Garcia - 0481 917 368
Site Description:	Library: main library area plus office area & staff kitchen Civic Centre: main foyer, open kitchen, 5 meeting rooms, 4 small halls that can be 1 hall and storage / delivery area
Normal Operating Hours:	Monday, Wednesday and Friday 9.30am-5.00pm Tuesdays and Thursdays 9.30am – 7:00pm Saturday 10:00am - 4:00pm & Sunday 1:00pm - 4:00pm
Hazard / Incident Reports:	For all hazard or incident reports, log into: https://skytrust.co/ User name: risk@marion.sa.gov.au Password: DHS4relief
Access to Building	Handover access passes are held on site in a secure key box Contact worksite location or Operational Support for access code
Security Code:	Recorded on swipe card Activation/deactivation pin pad located in building foyer.
Disability Access:	via main entrance
Security Presence Required:	0433 103 954 – Titanium
Duress Alarms:	1 x Front Concierge Desk, 1 x returns room, 2 x pendants
Property Maintenance Issues:	0402 682 916 – Business hours 0466 029 279 – After Hours
Electrical Door Faults:	0448 801 829 – Australian Integrated Security
Fire Equipment:	Fire Extinguishers: various locations outlined on plan Fire Blankets: Located in public and staff kitchen Fire Hose: Located at front entrance and hall kitchen Fire Hydrant: 1 x front of building on LHS by roller doors, 1 x far right on street corner with Ramrod Street
Fire Indicator Panel:	08 8281 2288 – AlarmNet Monitoring Service No Fire Indicator Panel. A fire detection system is onsite, linked via security system. Alarm incorporates detection systems: smoke detectors/thermal detectors/VESDA detectors/sprinklers
Emergency Evacuation Plan:	See separate diagram
Emergency Evacuation Assembly Area	Shown on Emergency Evacuation Plan (as per above)
First Aid Kits:	Staff Resources Room & Open Kitchen
Automated External Defibrillator (AED):	Located behind concierge desk in main library
Nearest Medical Centre:	The Cove Medical Centre 121 The Cove Road, Hallett Cove Ph 8378 3000
Nearest Hospital:	Flinders Medical Centre Flinders Dr, Bedford Park SA 5042 Ph 8204 5511

Cove Civic Centre Emergency Relief Centre – Handover to DHS Checklist 	
Closed Circuit TV:	Yes, unmonitored cameras, but can be accessed if required
Spill Kits:	No – nil bulk hazardous chemicals stored on site
Torches:	1 x staff room
Air Conditioning:	Controlled remotely by Property Maintenance (see Page 1 for contact details)
Telephone systems:	Various - dial 0 for an outside line Public Telephone - in Hallett Cove shopping centre
Drinking Water:	Taps and filtered water in staff kitchen, open kitchen, 2 rooms in hall, clean up kitchen and kitchen at the back of the hall
Toilets:	Men's: 6 urinals & 2 cubicles Women's: 6 cubicles Disability access: 2 unisex 2 Parenting rooms with change table
Showers:	One in staff bathroom
Washing Facilities:	n/a
Safe Operating procedures:	<u>SOP Libraries 15</u> : Internal security gate/barrier – unlocked via swipe card/ key access.
Neighbour Contacts:	Hallett Cove Baptist Church: 8322 Hallett Cove Lutheran Church: 8322 2544 Hallett Cove Shopping Centre: 8210 7100

As at Jan.2019

I have received a site induction and understand all the facets of the facility outlined in this form. I hereby accept responsibility of the site for the purpose of providing the community an Emergency Relief Centre.

DHS Representative Signature	
Date of Handover	

ERC Marion Library and Cultural Centre**Name of venue:** Marion Cultural Centre**Address:** 287 Diagonal Road, Oaklands Park, 5046**Updated:** January 2019

Feature		Facility details									
24 hour contact <i>(people who can be contacted during & after business hours & who have access to keys for the facility)</i>											
BUSINESS HOURS (9am – 5pm)											
First Contact:	Name: Russell Troup – Manager Operations Phone: 8375 6807 Mobile: 0498174407 Email: Russell.troup@marion.sa.gov.au										
Second Contact	Name: Maddie Frew – Unit Manager Strategy & Risk Phone: 8375 6822 Mobile: 0467 676 393 Email: sherie.walczak@marion.sa.gov.au										
AFTER HOURS											
First Contact:	Name: After Hours Coordinator Phone: n/a Mobile: 0466 029 279 Email: AHCoordinator@marion.sa.gov.au										
Second Contact	Name: Russell Troup Phone: Mobile: 0498 174 407 Email: russell.troup@marion.sa.gov.au										
Access (car, bus) & parking capacity	Vehicle access comment: Access car park off Diagonal Road Number of car parks:										
Facilities for people with disabilities	Access:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Toilets:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Parking:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>					
Capacity number	Seating number:		Standing number:								
Is this building known to be in a safer place precinct?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Comment:		Metro Adelaide							
Availability and numbers of equipment (chairs, desk, etc.)	Describe: A number of small meeting rooms plus a large theatre										
Toilets, showers	Toilets:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Showers:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>							
First aid room	On premises:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Fully stocked	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>							
Food preparation facilities	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Comment:		Leased café on site							
Telephone/fax lines	Telephone:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Number: 8375 6855								
	Fax:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Number:								
Back-up power	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>										
Entertainment/news broadcast facilities	TV <input checked="" type="checkbox"/>	Video <input type="checkbox"/>	DVD <input checked="" type="checkbox"/>	Data Projector <input checked="" type="checkbox"/>	White Board <input checked="" type="checkbox"/>						
Breakout rooms available	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>										
Regular services eg: cleaning etc	Daily cleaning service										

Marion Cultural Centre Emergency Relief Centre – Handover to DHS Checklist	
DHS Representative taking responsibility of site:	Name: Phone:
CoM Representative handing over:	IMT Operations, IMT Coordinator or AH Coordinator.....
Site Address:	287 Diagonal Road, Oaklands Park SA 5046
Site Manager:	Unit Manager Cultural Facilities - 0466 027 167
Site Description:	Library: main library area plus office area & staff kitchen Cultural Centre: main foyer, box office plus office area, staff kitchen, 2 meeting rooms, theatre including storage area, dressing room (the Green Room), Gallery M: Art Gallery, serving counter and staff area Next Chapter café: kitchen, servery and seated café area (The Gallery & the Cafe are both privately operated businesses)
Normal Operating Hours:	Library: Monday, Tuesday & Thursday 9:30am - 7:00pm , Wednesday & Friday 9:30am - 5:00pm, Saturday 10:00am - 4:00pm & Sunday 1:00pm - 4:00pm Cultural Centre: 8am-11pm (depending on bookings) Gallery M: M-F 10am-4pm & Sat 1pm-4pm Next Chapter café: M-F 9am-4pm & Sat 9am-2.30pm
Hazard / Incident Reports:	For all hazard or incident reports, log into: https://skytrust.co/ User name: risk@marion.sa.gov.au Password: DHS4relief
Access to Building	Handover access passes are held on site in a secure key box Contact worksite location or Operational Support for access code
Security Code:	Recorded on swipe card Activation/deactivation pin pad located inside all external doors (press code, enter then 1,2,3&4) to deactivate all areas, a light will shine if you set it off however the alarm is silent)
Disability Access:	via main entrance located on the western side of the foyer
Security Presence Required:	0433 103 954 – Titanium
Duress Alarms:	Library: 1 x entrance to staff area, 1 x service desk Cultural Centre: 1 x ticket office desk, 3 x pendants Gallery: 1 x at reception counter
Property Maintenance Issues:	0402 682 916 – Business hours 0466 029 279 – After Hours
Fire Equipment:	Fire Extinguishers: various locations outlined on plan Fire Blankets: Located in staff kitchen Fire Hose: Located at front entrance Fire Hydrant: Located at front entrance
Fire Indicator Panel:	08 8281 2288 – AlarmNet Monitoring Service In main foyer, opposite ticket office to the side of entrance
Emergency Evacuation Plan:	See separate diagram
Emergency Evacuation Assembly Area:	Shown on Emergency Evacuation Plan (as per above)
First Aid Kits:	Located in Library, Cultural Centre & Gallery M staff rooms
Automated External Defibrillator (AED):	Located outside Ticket Office

Marion Cultural Centre Emergency Relief Centre – Handover to DHS Checklist	
Nearest Medical Centre:	Domain Medical Centre 453 Morphett Road, Oaklands Park SA 5046 Ph 8375 7000
Nearest Hospital:	Flinders Medical Centre Flinders Dr, Bedford Park SA 5042 Ph 8204 5511
Closed Circuit TV:	Yes, 25 cameras monitored via Cultural Centre staff office
Spill Kits:	No – nil bulk hazardous chemicals stored on site
Torches:	Within Cultural Centre office on top of filing cabinet along with first aid kit.
Air Conditioning:	Air conditioning is on timer for operational hours for library, office & Gallery. For other areas & times operation is manual via a switch that looks like a power point but labelled air conditioner. Press for 4 second until it kicks in & lasts for 4 hours.
Telephone systems:	Various – dial 0 for an outside line
Drinking Water:	PuraTap in both Library, Cultural Centre and Gallery M kitchens
Toilets:	Men's: 3 urinals & 2 cubicles + 1 child Women's: 7 cubicles Disability access: 1 unisex Parenting room with change table & unisex toilet Unisex: green room corridor, library staff area & Gallery M
Showers:	Green room corridor
Washing Facilities:	Clothes washing machine and dryer in MCC staff kitchen
Safe Operating procedures:	Theatre chair pack-up/pack-down – Contact site manager Elevated work platform SOP – Not authorised to use
Neighbour Contacts:	SA Aquatic Centre: 8198 0198 GP Plus Health Care Centre: 7425 8200 Centrelink: 13 24 68 Bunnings: 8375 7600 Westfield Marion: 8298 1188

As at: Jan 2019

I have received a site induction and understand all the facets of the facility outlined in this form. I hereby accept responsibility of the site for the purpose of providing the community an Emergency Relief Centre.

DHS Representative Signature	
Date of Handover	

7.7 Finance, Risk and Audit Committee Annual Report to Council 2021/22

Report Reference	FRAC221011R7.7
Originating Officer	Unit Manager Governance and Council Support – Victoria Moritz
Corporate Manager	Manager Office of the Chief Executive - Kate McKenzie
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

The purpose of this report is to seek feedback and endorsement from the Finance, Risk and Audit Committee (FRAC) on the attached draft annual report on the operations of the Committee for 2021/22.

EXECUTIVE SUMMARY

The draft report is prepared in accordance with the FRAC terms of reference which provides that the Committee shall report annually to the Council on its operation and activities during the previous financial year. This report provides an important communication tool with Council in addition to the minutes received after each meeting.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

- 1. Endorse the Annual Report to Council for 2021/22 provided in Attachment 1 to this report, subject to amendments as required, prior to being presented to the General Council Meeting on 25 October 2022.**

ATTACHMENTS

1. FRAC 2021 22 Annual Report to Council 002 [7.7.1 - 4 pages]



Annual Report to the City of Marion Council on the operations of the Finance, Risk and Audit Committee for 2021/22

INTRODUCTION

This report provides an overview of the City of Marion Finance, Risk and Audit Committee (the Committee) operations for the 2021/22 financial year. Clause 4.2.1 of the Committees Terms of Reference provides that the Committee shall report annually to the Council summarising the activities of the Committee during the previous year.

During the financial year ending June 30, 2022, the Committee met on six (6) occasions, including one special meeting to consider a range of matters within the functions of the Committee's Terms of Reference.

This report includes a summary on the following matters considered by the Committee:

- Financial Reporting
- Risk Management
- External Audit
- Internal Audit
- Prudential Reports
- Committee Membership and Attendance

Financial Reporting

End of Financial Year Reporting

The Committee received the Annual Financial Statements for the year ended 30 June 2021. The Annual Financial Statements demonstrate Council's financial performance, providing a basis for long-term objectives set out in the Strategic Plan.

The annual accounts show councils robust financial position with an Operating Surplus of \$256k (0.26%) within the targeted range of 0 - 10%. The operating result in 2020-21 reflects the impact of a zero-rate increase in 2020-21 and the significant contribution to developing our streetscapes and the progression of council's digital transformation projects.

Budget Reviews

The Committee reviewed the Quarterly Budget Review documents prepared by management and recommended them to Council for adoption. The Committee commented on the format of the reports and would like to see the actual year to date versus budget year to date and recommended a review of the format for future budget reviews.

Annual Business Plan and Long-Term Financial Plan

The Committee reviewed the Draft Annual Business Plan and Budget 2022-23 and Draft Long Term Financial Plan in February 2022 and again after public consultation in May 2022. The Committee provided comments and feedback on the reasonableness, fairness and equity of the potential rating approaches for 2022-23, including in the context of Council's LTFP and on-going financial sustainability. The Committee also tested some of the assumptions around the proposed KPI's and noted the new initiatives and service improvements incorporated into the Draft ABP 2022-23 and Draft LTFP since its February 2022 meeting.



Annual Report to the City of Marion Council on the operations of the Finance, Risk and Audit Committee for 2021/22

The Committee commended the Council achieving a 2% rate increase for its community and noting it was excellent to see the utilisation of cash reserves.

Risk Management

The Council's risk management program continues to be aligned to the ISO31000 Risk Management Standards and management have continued to make evident the ongoing leadership commitment to further embed the risk management systems and processes across the Council.

Quarterly Risk Reports

The Committee received quarterly risk review reports. The risk review is an internal process undertaken by engaging with the Senior Leadership Team. The review also includes an environmental scan outlining themes that are topical from a risk and opportunity perspective. Key changes to the identified risks included the supply chain risk being elevated to a high risk. The Committee noted the good work that has been done on new causes and drivers in relation to the risk for poor data quality and information governance relating to the DTP. It was also suggested to include the effectiveness of the control rather than the responsible officer.

Business Continuity Program

The Committee noted the Business Continuity Program Annual Report 2021-22 and provided feedback on the program. It was noted that recent turnover of staff had resulted in a gap in the program however new staff will be upskilled and brought up to speed on the Program. The Committee suggested considering the impact on the loss of access to systems as well as physical incidents.

Audit

External Audit

The Committee met with the External Auditors without management present. In response to questions, the Auditors commented that the audit process had been smooth and an improvement on last year as they were able to meet face to face with staff this year. The Committee noted the communication between both groups was of a high standard and the finance team responded appropriately to all discussions.

The Committee also received the outline of the Audit Plan for the financial year ending 30 June 2022. The Committee noted the scope of the audit to be carried out and noted the Chief Executive Officer has executed acknowledgement of the engagement letter on 20 April 2022.

Internal Audit

The Committee noted the completion of the previous year's internal audit program and monitored the progress of the audits scheduled for 2021/22 which included:

2021/2022

- Fraud Framework Review
- Collaborative Project(s) Health Check
- Contractor Management (Collaborative)
- Project Management (Collaborative)
- Desktop review of Stakeholder Management



Annual Report to the City of Marion Council on the operations of the Finance, Risk and Audit Committee for 2021/22

All audits were completed prior to the end of the financial year. The Committee noted this was an excellent achievement. Administration have committed to thoroughly reviewing outstanding items and ensuring these are closed out appropriately and in a timely manner.

The committee continues to monitor the Digital Transformation Project, the ever developing cyber risk environment and the current economic environment and the impact it may have on ratepayers and Council.

Prudential Reports

Cove Sports and Community Club

The Committee reviewed the S48 report relating to the Cove Sports and Community Club and recommended to Council the adoption of the Section 48 Prudential Report and confirms the report adequately addresses the identified issues in relation to the Cove Sports and Community Centre Stage 1 project.

Coastal Walkway

The Committee reviewed the S48 report relating to Coastal Walkway. The report was considered by the Committee in confidence given the tender was yet to be awarded, however has since been released. The Committee raised some concerns with the initial report and requested these be addressed by Administration. Subject to these concerns being addressed, the Committee recommended the S48 report be endorsed noting the project's support of Council's strategic objectives and the project's alignment with the objectives of the Council's Development Plan.

Policies

Reserve Funds Policy

The Committee provided feedback on the proposed changes to the Reserve Funds Policy including to consider amending the wording around increasing expenditure to aligning expenditure, otherwise it may appear this is continually increasing. Suggested aligning borrowings to the strategy, considering it is not appropriate to have no borrowings forever, rather to optimise these.

Other Items Considered Include:

- *HSE Program*
- *Insurance and Claims Annual Report*
- *Reserves Policy*
- *Implementation of Internal Audit Recommendations*
- *Independence of Council's Auditor*
- *Cyber Security*
- *Digital Transformation Program Updates*
- *Australian Service Excellence Standards – Audit Outcome*



Annual Report to the City of Marion Council on the operations of the Finance, Risk and Audit Committee for 2021/22

Committee Membership and Attendance

The committee comprises of three independent members and up to two Council Member Representatives. Members on the Committee include Councillor Maggie Duncan, Ms Nicolle Rantanen, Mr David Papa and Mrs Emma Hinchey (Chair).

Committee Member	Emma Hinchey (Chair) <i>Appointed 1 Jan 2017</i>	David Papa <i>Appointed 1 Dec 2019</i>	Nicolle Rantanen <i>Appointed 1 Dec 2020</i>	Councillor Maggie Duncan <i>Appointed 1 Dec 2021</i>
17 August '21	✓	✓	✓	✓
12 October '21	✓	✓	✓	✓
14 December '21	✓	✓	✓	✓
22 February '22	✓	✓	✓	✓
26 April '22 (special meeting)	✓	✓	✓	✓
17 May '22	✓	✓	✓	✓

In conclusion, this report indicates that the Committee has undertaken its principal functions as set out in Section 126(4) of the *Local Government Act 1999* which include:

- Reviewing annual financial statements to ensure that they present fairly the state of affairs of the Council
- Proposing, and providing information relevant to, a review of the Council's strategic management plans and annual business plan
- Liaising with the Council's auditor
- Reviewing risk management systems and processes across the Council

The body of work undertaken by the Committee is maturing and the Committee is striving to ensure that its work is beneficial in the context of contributing to the City of Marion's strategic objectives.

The Committee would like to thank members and management for their valuable contribution to the work of the Committee for this period. Council are invited to provide any comment or feedback for continuing development of the Committee's operations.

Emma Hinchey
Chair
City of Marion Finance, Risk and Audit Committee

7.8 Internal Audit Program - Implementation of Recommendations

Report Reference	FRAC221011R7.8
Originating Officer	Business Support Officer - Governance and Council Support – Cassidy Ryles
Corporate Manager	Manager Office of the Chief Executive – Kate McKenzie
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

To provide the Finance, Risk and Audit Committee (FRAC) with an update of the status of implementation of recommendations from the Internal Audit (IA) program.

EXECUTIVE SUMMARY

The Finance and Audit Committee is provided with a status report at its meeting on 11 October 2022 regarding the City of Marion's Internal Audit Program.

The implementation of recommendations from these reports continues to be monitored by the FRAC. A short summary of the status of recommendations for each audit is provided in Attachment 1. The relevant outstanding recommendations and agreed actions for items that have been commented on are included in the summary to give context to the comments made against each project.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

- 1. Notes the status of the Internal Audit Program (Attachment 1).**

ATTACHMENTS

1. FRAC221011 - Internal Audit - Implementation of Recommendations - Appendix 1 [7.8.1 - 19 pages]

Overall Summary

Project	Findings/PIO	On Track	Overdue	Completed	Not Commenced	General Comments
Procure to Pay (2018/19)	9	2		7		The two Performance Improvement Opportunities captured through the Finance Transformation Project have commenced, the new finance system went live in July and further enhancements are scoped to commence as part of Phase 2 in October.
Customer Experience	Complete (June '20)					
Cyber Security 2019	6	0	3	3		New staff member recently commenced. Access to register is being generated with intent of IT linkages to business legislation.
Tendering 2019	Complete (March '20)					
BCP and Emergency Management	Complete (June '20)					
Payroll 2020/21	6	3		3		The new Payroll/HRIS system has now gone live, staff are working closely with the vendor to remediate any outstanding configuration issues. The remaining items have a revised due date to reflect this and are 95% complete. Financial Force is a priority for the DTP team.
ITT Governance	11	2		9		The BI Lead commenced at the end of August and the development of overall Data and Analytics Governance Framework has now commenced.
Metrics that Matter	3	2		1		Development of the overall Data and Analytics Governance Framework has commenced. PMO position is yet to be filled, regular meetings are occurring with PO to ensure risks are being considered and updated regularly.
Collaborative Leasing	Complete (Dec '21)					
Stores Management	5	2		3		There are only 2 remaining items incomplete, and the progress is linked to the digital transformation program and new Finance System. Staff will continue to work with the project group as some work is required here.
Business Continuity Plan and COVID-19 Response	7	3	1	3		1 item is overdue due to being put on hold until the business review is completed by the DTP team. A schedule of business needs analysis will be developed in the coming weeks.
Assurance Mapping	Complete (November '21)					
Asset Inspection Schedule	6	0	4	2		The outstanding actions are all on track and progressing well. With many due to see some significant progress during the month of October.
Project Carryovers	6	5		1		All have commenced or commenced in part and are on-track, some have been completed in part. Six items are now complete. Due dates have been revised for outstanding action items. These are delayed due to change in PMO resources.
Fraud Management Framework	6	2		3	1	3 items have now been completed – with two on track and the PIO not yet commenced.
Community Facilities Management Models	4	4	0			All items have commenced and are on track. Draft Guidelines have been amended and are ready to present to ELT in October.
Collaborative Model Health Check	1				1	A draft action plan has been developed between the three Councils with a progress report scheduled for the December FRAC

<i>Collaborative Contract Management</i>	2		1	1	<p>One action has been completed, the other is on track in part and part not yet commenced. Contract Management plans are in progress and is to be further progressed in Q4 of the calendar year.</p> <p>Due to recent staff changes and a change in resources these due dates have been amended until the end of November. The newly appointed PM will ensure these are actioned correctly.</p> <p>Stakeholder Relationship mapping is in the process of being finalised and will be presented to staff in late September or early October. Other projects will commence in the second half of the year and into 2023.</p>
<i>Project Management</i>	10	6	4		
<i>Stakeholder Management Review</i>	5	1		4	

Procure to pay

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
It is recommended that the CoM perform a business process review to investigate the transition to an online procure to pay system which would help to reduce the need for manual invoice approval processing. This process should include benchmarking of the procure-to-pay cycle times and the average cost of processing per invoice against other Government agencies.	PIO1.1	The CoM will investigate on-line invoice approval options that exist with Civica to reduce the level of manual processing that currently exists. The CoM will also investigate the software options available and implementation costs for automatic invoice validation.	N/A	31/12/2019 Revised due date 31/12/2022	On Track	90%	New finance system went live on schedule at start of July 2022 - which includes online procure to pay processes. When the new system and new processes are embedded further enhancements are scheduled to include OCR invoice validation processes. There will be further development once the new system is embedded and all the minor new system issues are sorted.	On Track	95%	Online approval workflows are in place for purchase order related invoices. Purchase order exempt invoice workflow has been built and tested and will be deployed into production environment in October.
It is further noted that a number of other Councils in South Australia have transitioned the invoice validation process to a third-party vendor. These services include the use of machine learning technologies to match purchase orders to invoice payments and contract, and automating invoice approvals within a defined set of business rules. It is recommended that this option is also considered as part of the business process review.	PIO1.2	as above	N/A	31/12/2019 Revised due date 31/12/2022	On Track	90%	New finance system went live on schedule at start of July 2022 - which includes online procure to pay processes. When the new system and new processes are embedded further enhancements are scheduled to include OCR processes.	On Track	90%	Online approval workflows are in place for purchase order related invoices. Purchase order exempt invoice workflow has been built and tested and will be deployed into production environment in October. Further enhancements to automation are to be scoped as part of Phase 2.

Cyber Security 2019

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
The following should be considered as recommendations for increasing maturity in the Information Risk Management domain, particularly when implementing, operationalising, and embedding the Cyber Security Assurance Framework and Cyber Security Operating Manual: 1. Clearly define and communicate the requirements for sharing of information both internally and externally. Consideration should be also given to implementing controls for removable and portable media control as part of a data loss prevention strategy, such as storage, handling, whitelisting allowed USB devices, encryption and destruction.	3.1	Implement Data Governance Framework to classify CoM's information and define appropriate resources to manage this function to communicate requirement for information sharing.	Moderate	31/03/2020 Revised Due Date 30/06/2021	Not on Track	45%	LGA Security Toolkit released, including a 3-tier data labelling structure for data classification. Engagement with Records Management team to review labels and assure that these are usable for CoM We are working with the business units around implementing these changes but they are changes to process, so they are taking a long time. We have also only received the data governance framework from the LGA in the last 2 months.	Not on Track	45%	New staff member recently commenced. Reviewing work that has progressed on Data Governance Framework with this schedule to be endorsed by December 2022
1. Ensure that defined recovery objectives have been communicate and validated with IT to ensure that these are achievable.	4.1	1. Review validity of departmental recovery objectives and in conjunction with Risk Department run BCP workshops where recovery objectives are unrealistic or unachievable.	Low	30/06/2020 Revised Due Date 31/10/2021	Not on Track	80%	On hold. Risk team has been in discussions with IT for BCP physical recovery systems, SLA agreements outstanding for analysis of achievable recovery objectives and outcomes. We are working with the business units around implementing these changes but they are changes to process, so they are taking a long time. We have also only received the data governance framework from the LGA in the last 2 months.	Not on Track	80%	Recovery strategies have been completed. Meeting scheduled to progress consultation with IT to validate recovery priority and times.

The following were identified as areas for improvement in the 2017 report which have not been fully addressed by the CoM through the activities undertaken since 2017: 1. Whilst an informal compliance assessment has been undertaken by Corporate Governance, this has not been formalised or communicated. There is also no central register maintained to ensure that all areas of CoM are aware of and comply with all relevant statutory, regulatory or contractual requirements, industry based requirements (such as PCI-DSS) or industry better practice relating to cyber security where deemed relevant (such as ISO/IEC 27001).	PIO6.1	1.IT will, in conjunction with Corporate Governance, review processes identifying legislative change to cyber security to be incorporated into future policy governance frameworks.	Low	31/10/2021	Not on Track	30%	An incomplete legislation is held by Governance, and a review of each item for information technology requirements is to be completed. This review informs changes to the IT Governance Framework and ongoing cybersecurity directions We are working with the business units around implementing these changes but they are changes to process, so they are taking a long time. We have also only received the data governance framework from the LGA in the last 2 months.	Not on Track	30%	Access to register is being generated with intent of IT linkages to business legislation.
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Payroll 2020/21

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
Investigate system opportunities with specific focus on increased functionality, reporting, elimination of manual processes, and systems integration.	1.1	The findings and relevant recommendations identified across this review, and specifically from Finding 1, will be addressed through the CoM's Digital Transformation Program. It is further noted that a number of separate projects are also currently in progress.	Moderate	30/06/2021 31/08/2021 31/07/22 Revised Due Date 31/10/2022	On Track	95%	The City of Marion engaged an external party to undertake a post implementation review (PIR) of the project - this is to further advise on future decision making relating to the Payroll and HR modules and the future direction of technology supporting payroll and HR processes. While there has been considerable automation of processes in payroll (timesheets, interpretation, leave forms etc.,) - next steps for further integration with HRIS and Finance systems will be further considered following the PIR. There is a post project implementation review which has occurred and the DTP team are looking at options around the implementation of HRIS and future system integrations	On Track	95%	Following the outcome of the PIR - Staff are working closely with our vendor to remediate any outstanding configuration issues and address gaps in current processes to better manage the payroll service, which remains outsourced to our vendor Aurion. Many issues have been resolved with completion of these issues expected end of October 2022. In addition, the DTP team are working to implement part of the HRIS modules which will further integrate Payroll and HRIS processes.
Work to ensure that all internal audit recommendations are actioned and implemented as soon as practicable to ensure identified risks are mitigated, and issues are resolved. This should apply for all findings listed in this report, and previous internal audit findings that are not completely addressed.	3.1	Since the 2016 Payroll internal audit, CoM has increased the frequency of reconciliations, particularly around accruals, from annually/quarterly to monthly to improve its financial reporting against budget and enable better variance analysis. Through the Digital Transformation process, CoM will be aiming for these accruals to be built into the new system, removing the need for manual calculations to be performed. Before this is implemented we will focus on improving the timeliness of reconciliations. Capability around one source for record keeping relating to employee recruitment and	Moderate	30/06/2021 31/08/2021 31/07/22 Revised Due Date 31/12/2022	On Track	95%	The City of Marion engaged an external party to undertake a PIR of the project - this is to further advise on future decision making relating to the Payroll and HR modules and the future direction of technology supporting payroll and HR processes. Next steps for further integration with HRIS and Finance systems will be further considered following the PIR. There is a post project implementation review which has occurred and the DTP team are looking at options around the	On Track	95%	In addition to the above comment further system integration will be a focus of the DTP team - integration of payroll data from Aurion (Payroll outsourced system) to Financial Force is a priority.

		retention will also be included as a key requirement for the new system.					implementation of HRIS and future system integrations			
Ensure that reconciliation activities are undertaken in a timely manner (i.e. within one to two weeks) at the defined intervals.	4.1	Since the 2016 Payroll internal audit, CoM has increased the frequency of reconciliations, particularly around accruals, from annually / quarterly to monthly to improve its financial reporting against budget and enable better variance analysis. Through the Digital Transformation process, the CoM will be aiming for these accruals to be built into the new system, removing the need for manual calculations to be performed. Before this is implemented we will focus on improving the timeliness of reconciliations. Capability around one source for record keeping relating to employee recruitment and retention will also be included as a key requirement for the new system.	Low	30/06/2021 31/08/2021 31/07/22 Revised Due Date 31/12/2022	On Track	95%	Monthly and quarterly reconciliations will continue to be performed and with the implementation of Financial Force in July further integration with finance system is anticipated following the outcome of the PIR. There is a post project implementation review which has occurred and the DTP team are looking at options around the implementation of HRIS and future system integrations	On Track	95%	Monthly and quarterly reconciliations will continue to be performed and with the integration of payroll data from Aurion (Payroll outsourced system) and HRIS data to Financial Force being a priority for the DTP team.

ITT Governance

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
Update and finalise the Data / Information Governance Framework and receive approval from the Finance and Audit Committee.	9.1	CoM is working with its partner councils PAE and CCS on developing a joint framework across the three, following the recruitment of a joint CDO. Following this, the associated policies and procedures will also be developed.	Low	30/06/2021 Revised Due Date 31/12/2022	Not on Track	50%	After several attempts to recruit for a BI Lead, CoM has finally secured someone for the role who will be commencing on the 31st August 2022. The Development of a data governance framework will be progressed once they start.	On Track	50%	The new BI Lead commenced on 31st August, 2022. The development of the overall Data and Analytics Governance Framework has commenced.
Implement the Framework and develop any further policies and procedures required to embed and operationalise data management processes within the organisation.	9.2		Low	30/06/2021 Revised Due Date 31/12/2022	Not on Track	10%	After several attempts to recruit for a BI Lead, CoM has finally secured someone for the role who will be commencing on the 31st August 2022. The Development of a data governance framework will be progressed once they start.	On Track	50%	The new BI Lead commenced on 31st August, 2022. The development of the overall Data and Analytics Governance Framework has commenced. Further discussions are required to determine implementation plan

Metrics that Matter

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
It is recommended that the CoM ensures that as the use of Power BI for KPI reporting increases, so the complete implementation of the Data Governance and Management Framework should be undertaken in parallel. This should include: <ul style="list-style-type: none">Ensuring it is up to date and formally approvedKey roles are formally assigned, andThe necessary policies and procedures are developed and operationalised in order to embed the framework across the organisation. This will be fundamental to helping build and maintain confidence in the data and the resultant reporting.	1.1	Aligned to the Internal Audit finding 9 in the ITT Governance Review, CoM is working with its partner councils PAE and CCS on developing a joint framework across the three, following the recruitment of a joint Chief Data Officer. Following this, the associated policies and procedures will be finalised.	Low	30/06/2021 Revised Due Date 31/12/2022	On Track	15%	After a long recruitment process, a Business Intelligence lead is commencing on the 31st august. The position has been vacant for 6 months meaning that work has stalled. This work will progress between now and the end of the year.	On Track	15%	A Business Intelligence Lead has been recruited, commenced on 31st of August. Whilst the strategy is being develop, a hold will be placed on the recruitment of the Business Intelligence Analyst role until the role is further defined and clarified. The development of the overall Data and Analytics Governance Framework has commenced.
Future projects should ensure full identification, documentation and management of risks to the project. These should be monitored and reported to the Steering Group on a regular basis such that potential problems are identified and managed early. Typically risks, as they arise, flow into 'issues' where active management and action tracking ensures their resolution in a timely manner. The CoM should ensure that these requirements are part of the new Solution Delivery Framework.	PIO2.1	Agree – this action will be included within the Risk Management 3 Year Strategic Plan (currently under development) and work in partnership with the ITT Manager and the new Change Manager to embed better risk management practices with the CoM Project Management Framework.	N/A	30/06/2021 Revised Due Date 31/12/2022	On Track	80%	The PMO position has left CoM. This project has been delayed as a result. Risk met with the PMO prior to his departure to ensure that the project management framework was picking up multiple points for a check-in on risks. Risk will continue to engage on this project once the new PMO is onboard. In the meantime, the Risk team are setting up regular meetings with the relevant project areas, to ensure risks are being discussed and managed.	On Track	80%	The PMO position has not yet been filled and the PMO project is still on hold. IN the meantime, 6 weekly meetings with major project owners have been establishes to ensure risks are being considered and updated regularly and for improved oversight by the risk team. The first meeting has occurred.

Stores Management

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
Review the current manual practices and determine if any manual processes can be reduced though automation (e.g. barcodes and scanners, or PPE vendors – see Benchmarking page 5).	J3.1	Digitising processes is part of the broader digital transformation program, and will be considered as part of the Asset Management and Financial Management System replacements.	Low	30/06/2023	On Track	35%	Working with IT Implementation Team and Agilyxgroup to implement Finance Force. It is anticipated that this new program will meet our needs in this space.	On Track	35%	Working with IT Implementation Team and Agilyx group to amend Finance Force to meet our needs. Some elements to resolve prior to moving forward with this item. I have been assured that we will meet the timeframe of June 2023.

Internal Audit recommends that the Councils investigate further system opportunities to implement or modify their inventory management systems to better support their needs. This includes improved stock ordering, monitoring and reporting capabilities.	JPIO1.1	Improving elements of the inventory management process is part of the broader digital transformation program, and will be considered as part of the Asset Management and Financial Management System replacements.	Low	30/06/2023	On Track	35%	Working with IT Implementation Team and Agilyxgroup to implement Finance Force. It is anticipated that this new program will meet our needs in this space.	On Track	35%	Working with IT Implementation Team and Agilyx group to amend Finance Force to meet our needs. Some elements to resolve prior to moving forward with this item. I have been assured that we will meet the timeframe of June 2023.
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Business Continuity Planning and COVID-19 Response

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
Long-term remote working solutions, such as call centre technologies that meet business requirements.	3.3	Implement long-term remote working solutions, such as call centre technologies that meet business requirements by January 2021.	Moderate	31/01/2021	Not on Track	85%	Teams calling is being prepared for go-live in August 2022. Salesforce calling will follow. Implementation of both will close out this item. Due to supply issues, we have been having issues sourcing the equipment and skills to implement the new phone system. We have resources lined up to implementing this system in August if the handsets arrive.	Not on Track	85%	MS teams change over date has been put on hold till the business review is completed by the DTP Team.
Training needs and/or capability requirements for the workforce.	3.4	Identify new technologies, update these in the TNA & offer identified training by December 2022.	Moderate	31/12/2022	On Track	85%	Lisa Jones now leading the project. RTO Navitas delivering Foundation Skills Federal Funding - Assessments of X 30 Pax in Operations completed and training program to commence 29th August.	On Track	85%	Digital Literacy Foundation training underway in Operations. Meeting with local training providers to continue assessment and training more broadly throughout the business.
What tool is most appropriate for the creation and communication of Recovery Action Plans to avoid duplication of effort and enhance ease of use.	PIO2.2	Risk Team to incorporate the IMT risk assessments in the system specifications of the Enterprise Risk Management Software business case by June 2021.	Low	30/06/2021 revised due date 31/03/2022 30/09/22	On Track	20%	New UM Strategy and Risk has now started. Initial meeting with DTP Manager to seek BA assistance. Another meeting has been set up to commence business requirements piece for a multi-purpose software solution for risk, strategy with integration with asset management and project management.	On Track	25%	Met with DTP to scope procurement documentation. Looking to schedule a business needs analysis in the coming weeks.
Formats of risk assessments moving forward and consider how this information integrates into and interacts with other BCP activities and assessments.	PIO2.3	Risk Team to incorporate the IMT risk assessments in the system specifications of the Enterprise Risk Management Software business case by June 2021.	Low	30/06/2021 revised due date 31/03/2022 30/09/22	On Track	20%	This is reliant on commencement of PIO2.2 and will commence when this project gets up and running (August 2022). In the meantime, risk are exploring use of SharePoint to improve usability of the risk registers.	On Track	25%	Met with DTP to scope procurement documentation. Looking to schedule a business needs analysis in the coming weeks.

Asset Inspection Schedule										
RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
Due to the diverse asset categories under the CoM’s management, each asset class should be considered, and specific functionality investigated to ensure all necessary requirements are met.	3.2	These recommendations are in progress as part of the digital transformation Project and AIMS procurement process.	Moderate	30/06/2022 Revised Due Date 30/10/2022	On Track	50%	As part of the Asset Management Project referred to in RECO 2.2, Asset classes and their requirements are worked through to ensure suitability. Data has now been uploaded into Assetic. Outstanding Assets for plant and Fleet and Building and Property are being worked through to ensure each asset class functions as required. Training has taken place so CoM key staff can now see how the data sits together in the system. Full UAT will be undertaken once all data has been loaded into Assetic	On Track	70%	Work continues to upload our complete in scope asset date to Assetic. Functionality will be tested in End to End testing which will be carried out in October
See Finding 1 for recommendations regarding a fit for-purpose asset management system which would track key inspection data to enable other staff to conduct inspections in lieu of the Technical Officer.	5.1	This item is progressing as part of the DTP – AMIS	Moderate	31/12/2021 Revised Due Date 31/3/2022 30/09/2022	On Track	50%	As Part of the Asset Management Project, Asset Data will be LIVE for use from early October. The first milestone for the project is to have all asset data in Assetic and for CoM identified staff to create and maintain asset data.	On Track	50%	Asset Data will be managed in Assetic in October. Managing inspections will occur in the Major Maintenance phase of the project which commences in 2023. Asset Data will be created, maintained and disposed in Assetic from October
While performing the data cleanse, special consideration should be taken to update any assets with multiple functions (e.g. culverts that act as bridges). This should be reflected in the system to ensure that both the culvert and the bridge would be inspected at the same time (where applicable).	PIO1.1	Consider adding a notation in the Asset Data clarifying asset dual function however ensure there isn’t duplication within the system.	Moderate	31/12/2021 Revised Due Date 30/09/2022	Not on Track	50%	As part of data workshops and User Acceptance testing (UAT) in August and September, this requirement will be tested and reviewed. Once satisfied, this will be accepted through the UAT process.	On Track	70%	As part of further workshops and subsequent end to end testing before October, these requirements will be checked and stakeholders have been engaged throughout the data collection and training process.
In some cases, assets should be considered on a location basis rather than an asset class basis. This will reduce duplication of efforts and allow for a more streamlined approach to some inspections (particularly inspections that take place on reserves, parks, beaches, etc).	PIO1.2	This recommendation requires discussion on the structure and responsibilities for asset inspections.	Moderate	31/12/2021 Revised Due Date 31/3/2022 30/09/2022	Not on Track	50%	Location and asset class are considered as part of the Asset Management system. The set up has been considered and structure has been applied in the schema. This will be tested through UAT in August and September.	On Track	70%	Assets can be searched using spacial data. There is a GIS integration, It has been deemed by stakeholders that grouping by functional location has no additional benefit to the maps available within the system. Searching or locating an asset or assets near a location can be executed by running a simple search. This will be covered in training. A GIS integration has also been completed to create new assets.

Project Carryovers

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
The CoM has recently hired a new Senior Project Manager reporting to the CFO and the Senior Leadership Team (SLT). Based on better practice, consideration for this role could include: 1. Working directly with project managers/ relevant staff to coordinate and plan project timelines and milestones to ensure bottlenecks do not occur.	1.1	The PMO will work together with the Project Managers during the project planning period (Sept –April) and ensure the information is accurately captured in CAMMS.	Moderate	31/12/2021 30/09/2022 Revised Due Date 31/10/2022	On Track	95%	Set up of FY 22/23 projects in CAMMS will commence in May 2022 For ongoing current projects - Monthly meetings with PMs have been set up to discuss: - 1. Program schedule and progress 2. Budget forecast 3. Program risks and issues 4. Any other business	On Track	96%	"Set up of FY 22/23 projects in CAMMS will commence in May 2022. New PM appointed will action For ongoing current projects - Monthly meetings with PMs have been set up to discuss: - 1. Program schedule and progress 2. Budget forecast 3. Program risks and issues 4. Any other business"
Refresh and re-distribute standardised project templates.	1.5	The PMO will review the existing project templates and improve/redistribute as necessary	Moderate	31/12/2021 30/09/2022 Revised Due Date 30/11/2022	On Track	80%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO	On Track	85%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO. New PM appointed will action
See Finding 1 and 2 for recommendations regarding the re-distribution of the PMF and templates.	3.2	See responses in Findings 1 and 2	Low	30/06/2022 30/09/2022 Revised Due Date 30/11/2022	On Track	80%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO	On Track	85%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO. New PM appointed will action
Consideration of actual project scopes and delivery methodology to inform the appropriate project delivery cycle.	4.2	The PMO will review the PMF to consider the suitability of its project life cycle for use by all projects.	Low	30/06/2022 30/09/2022 Revised Due Date 30/11/2022	On Track	45%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO	On Track	50%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO. New PM appointed will action
Further consideration to be provided to allow for resourcing requirements to ensure program planning is performed.	4.3	The PMO will support the Project Managers with past implementation resource data for resource planning use.	Low	30/06/2022 30/09/2022 Revised Due Date 30/11/2022	On Track	90%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO	On Track	91%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO. New PM appointed will action
A process to be put in place requiring Project Managers to flag multi-year projects to the PMO, Finance and Procurement.	4.4	PMO, Finance and Procurement will review the internal process to address tracking and reporting of multi year projects.	Low	30/06/2022 30/09/2022 Revised Due Date 30/11/2022	Not Commenced	0%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO	Not Commenced	0%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO. New PM appointed will action
Currently, the lessons learned section is in the last phase of CAMMS (and therefore cannot be updated until this phase is unlocked). The CoM should investigate system opportunities to have the lessons learned section permanently unlocked. This would allow for: •Lessons to be identified at any point in time during the project. •Learnings to be recorded as soon as practical, to ensure factual accuracy and that all project management staff are notified as early as possible.	PIO2.2	The PMO will consider the feasibility of implementing this improvement opportunity in CAMMS given its cost implications.	Low	30/06/2022 30/09/2022 Revised Due Date 30/11/2022	Not Commenced	N/A	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO	Not Commenced	0%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO. New PM appointed will action

Fraud Management Framework

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
The CoM prioritise conducting three FRA workshops with the following Business Units: •City Services •City Development •Corporate Services (Finance, IT and Procurement)	2.1	Unit Manager Risk & Strategy will conduct FRA workshops with business units.	Low	28/02/2022 Revised Due Date 30/10/2022	Not on Track	50%	New UM Strategy and Risk has begun. There is a fraud induction PowerPoint presentation available. The content is correct but needs looking at for better engagement. The Risk team will work with Learning and Development Partner, once the induction PowerPoint is polished, we will book meetings with teams to go over the essentials. New Due date required for 30 October 2022.	Completed	100%	Fraud risk assessments have been completed with each division and signed off by the department ELT. Information is being presented to the FRAC October meeting.
Refresh the current Fraud Risk Register, with specific consideration to the following: •Including targeted risks that may impact each business unit. •Leveraging the Fraud Control Self Assessment checklists to highlight current risks and controls in place. •Consider digital fraud related risks and their potential impacts on the organisation and each business unit.	2.2	Unit Manager Risk & Strategy will refresh the current Fraud Risk Register including targeted risks, those issues highlighted through the self assessment process and in consideration of digital fraud risks	Low	31/03/2022 Revised Due Date 30/10/2022	Not on Track	60%	(Risk Business Partner has had meetings with relevant SLT on the fraud risk register. And questionnaire will go out shortly. Through this process, the register will be updated when next reported to FRAC in October 2022.	Completed	100%	Fraud and Corruption Questionnaire has been completed. Results of the survey are being analysed and will be reported to FRAC 11 October 2022, along with the Fraud Risk register.
As part of the CoM Fraud & Corruption Framework, there is an opportunity for the CoM to reference the results of the consolidated fraud risk assessments to help further identify the key areas of internal controls which should be reviewed. As an example, the output of these reviews could help to inform potential internal audit projects.	2.3	Unit Manager Risk & Strategy will update the Fraud & Corruption Framework to reflect the FRA outcomes.	Low	30/04/2022 31/10/2022 Revised Due Date 31/01/2023	Not Commenced	0%	This action requires 2.1 and 2.2 being completed. It will take place after these. Change due date to 31 December 2022.	On Track	10%	This is being looked in to against results of fraud and corruption questionnaire and the fraud risk register. The Management Policy and Framework will be updated accordingly and reported to FRAC. Changes to Policy will require Council endorsement, which will have to wait until the new Council is elected, therefore finalising any updates will be delayed until early 2023, when the new Council has completed inductions etc.
Formally document and communicate these fraud reporting mechanisms to staff.	4.2	Unit Manager Risk & Strategy will communicate any fraud reporting changes to staff.	Low	31/12/2022	Not Commenced	90%	Awaiting approval on the Stopline webpage. Once this page is approved and launched, comms will go out to staff.	On Track	50%	Stopline has been granted approval by Manager of Office of CEO and is being rolled out to Council Intranet and external website. Comms are currently being prepared to go to staff.
Internal Audit recommends the CoM amend the investigation procedural document to include the following: •Established check in points between the two Responsible Officers. •Further rigour around sharing of investigation status and relevant information between the two Responsible Officers.	4.3	Manager Office of the CEO will work with Manager, P&C regarding process for Responsible Officers.	Low	31/12/2022	On Track	90%	Manager People & Culture and A/UM People and Culture have been able to access and complete ICAC Responsible Officers training on 7 July 2022. Whistle-blower hotline engaged for COM staff. Further work to commence to finalise internal investigations procedural document and promotion of Whistle-blower hotline.	Completed	100%	The Procedure has been amended to cover off on these points.
Internal Audit recommends the CoM consider implementing data mining/analytics fraud detection programs as part of the Digital Transformation Program.	PIO1.1	The Chief Financial Officer will explore the opportunity with the Business Intelligence Lead of implementing data analytics fraud detection programs in the future. The CoM is developing its data analytics capability recently employing a data analytics lead with further resourcing to support the function being addressed. Following the completion of FRA as noted in finding 2, options will be explored regarding the introduction of data analytics for fraud detection purposes.	Low	30/06/2022 31/12/2022 Revised Due Date 30/06/2023	Not Commenced	0%	The Business intelligence team are currently being recruited with the lead set to commence in late August. Will seek to prioritise work in this space when the team is onboard.	Not Commenced	0%	The new BI Lead commenced on 31st August, 2022. The development of the overall Data and Analytics Governance Framework has commenced. The use of DnA for fraud detection purposes will be considered.

Community Facilities Management Models

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
It is recommended that if the CoM continues to implement the current subsidy rebate, that supporting guidelines are developed which details: Guidance on the documentation allowable to evidence the meeting of each criteria item. Review the documentation requirements for the subsidy and consider developing weighted criteria base on the importance of each item. Clarify compliance requirements for ongoing annual assurance checks. Develop annual reporting to be provided to the CoM which outlines the current status of compliance of community facilities leasing tenants.	1.2	The future fee model will include a supporting procedure that will provide guidance to support the Policy which will include the following items: Associated documentation requirements; and On-going compliance requirements.	Moderate	31/04/2022 Revised Due Date 31/07/2023	On Track	80%	Draft guidelines have been finalised and will be presented to ELT in August for endorsement.	Not on Track	90%	Draft Guidelines have been further amended and are now due to be presented to ELT in October
	1.3	Further reporting methods will be investigated following the implementation of a supporting system. In the interim, annual compliance spot checks will be performed by CoM Management.	Moderate	31/04/2022 31/12/2022 Revised Due Date 31/07/2023	On Track	80%	Majority of annual inspections have occurred over the past 6 months. Spot checks will continue to be undertaken every quarter. The Digital transformation team have advised the PMS is 12 months away.	On Track	80%	Majority of annual inspections have occurred over the past 6 months. Spot checks will continue to be undertaken . Annual inspections are ongoing.
To address the inadequate and inconsistent monitoring processes, it is recommended that the CoM: •Review the current monitoring processes in place and evaluate the ineffectiveness with consideration to the frequency, thoroughness, tenant compliance, and resource requirements required to undertake these processes. •Consider standardising the monitoring and reporting periods across the community facility portfolio. •Consider the implementation of a supporting system with functionality to automate monitoring of compliance requirements, such as reminders for key actions and non-compliance flags, as well as integration into other systems, such as records management.	2.1	As noted in the Finding 1 Management Actions, pending the implementation of a supporting system, further reporting will be investigated.	Moderate	31/04/2022 31/12/2022 Revised Due Date 31/07/2023	On Track	20%	Business requirements have been developed and finalised for the Property Management System (PMS). The Digital transformation team have advised the PMS is 12 months away.	On Track	20%	Business requirements have been developed for the Property Management System (PMS). The Digital transformation team have advised the PMS is due middle of next year.
It is recommended that the CoM developed a procedural document or guidelines to include at a minimum the following: •Guidance for the practical application of the areas covered in the Policy. •Procedure for conducting risk ratings of tenants, including the basis for the rating. •Frequency of inspections, including ongoing monitoring and follow up procedures. •Defined roles and responsibilities performed by supporting CoM teams. •Key definitions to ensure consistency. •Re-enforce the requirements, principles and objectives stated within the Policy.	3.1	Refer to Finding 1 Management Actions.	Moderate	31/07/2023	On Track	80%	Refer to Action Progress Comments in Management Action 1.	On Track	80%	Refer to Action Progress Comments in Management Action 1.
	3.2	Subsequent to the development of procedure documents, staff will be made aware of the updated procedure to ensure a clear understanding of expectations required to comply with Council policy and procedures and provide high levels of customer service.	Moderate	31/04/2022 Revised Due Date 31/07/2023	Not Commenced	80%	Refer to Action Progress Comments in Management Action 1.	On Track	80%	Refer to Action Progress Comments in Management Action 1.
As noted on p. 13, the CoM may improve the efficiency of the current processes with the following recommendations:	PIO1.1	Refer to Finding 1 Management Actions.	Low	31/07/2023	On Track	80%	Refer to Action Progress Comments in Management Action 1.		80%	Refer to Action Progress Comments in Management Action 1.

<ul style="list-style-type: none"> •Review the administrative processes involved with the current fee revenue model with consideration to streamlining processes that have a no/negative financial benefits, such as the yearly CPI rental increase calculation. •Review the annual tenant documentation requirements with consideration to the necessity of items and removing non-value adding items. •Consider standardising the monitoring and reporting periods to increase process efficiency, as well as, reduce the resource burdens. •Implementation of a supporting system that will remove highly manual processes, such as those include within the Microsoft Excel Governance and Compliance master document sheet, as well as the integration into other key system. 	PIO1.5	Management will also further explore the clear need for the implementation of the effective supporting system at the earliest opportunity.	Low	31/04/2022 Revised Due Date 31/07/2023	On Track	20%	Business requirements have been developed and finalised for the Property Management System (PMS), the Digital transformation team have advised the PMS is 12 months away.	On Track	20%	Business requirements have been developed for the Property Management System (PMS). The Digital transformation team have advised the PMS is due middle of next year.
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Collaborative Model Health Check

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
An action plan with timeframes and resources will be developed for implementation of the recommendations from the internal audit and reported through to the Audit Committees of the three Councils.	1.1	An action plan with timeframes and resources will be developed for implementation of the recommendations from the internal audit and reported through to the Audit Committees of the three Councils.	High	22/05/2022 31/12/2022	Not Commenced	15%	Initial planning has occurred between the three councils. The action plan will be developed soon.	On Track	15%	A draft action plan has been developed. Looking to report back to the FRAC in December 2022

Collaborative Contract Management

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
Ensure that risk assessments are conducted for all contracts and form part of the contract profiling process. Further, ensure that contract risk profiles are dynamically managed, reported and used for informed decision making, throughout the lifecycle of the contract.	2.1.1	Procurement procedures have been endorsed December 2021, which detail the mandatory inclusion of Risk Assessments, as part of the Tender Initiation process. Strategic procurement to ensure risk assessments are completed for each tender, inclusive of recommendations.	High	30/09/2022 Revised Due Date 31/12/2022	On Track	75%	TIF being updated to include more guidance on Risk Assessments. TIF completion will occur by 31/8/22	On Track	75%	TIF has now been updated. Awaiting outcomes from the Project Management review, whereby risk assessments will be linked to the online tool (system) to be utilised moving forward.
Develop and implement a robust contract profiling tool to help inform contract governance requirements. The tool should have defined methodology criteria and is used for all contracts in the pre-award phase. All priority/higher risk contracts should require a contract management plan, steering/governance committee and reporting whilst routine contracts could be streamlined to only require a contract management checklist.	2.1.2	Implementation of contract profiling tool to be included as part of Tender Initiation form process.	High	30/09/2022 Revised Due Date 31/12/2022	Not Commenced	0%	Nil	Not Commenced	0%	TIF has now been updated. Awaiting outcomes from the Project Management review, whereby the contract profiling tool will be linked to the online tool (system) to be utilised moving forward.
Implement a Contract Management Plan template and mandate the use for all priority/higher risk contracts, which should be developed in the pre-award phase. This document should be used as an active management tool throughout the lifecycle of the contract.	2.1.3	Implementation of Contract Management Plans to be completed for each tender and handed over to Contract Administrator at exaction of contract. To be recorded in the contract handover form.	High	30/09/2022 Revised Due Date 31/12/2022	Not Commenced	0%	Nil	Not Commenced	0%	Contract Management plans are in progress, will be implemented as part of the Project Management framework update.

Contracts with multiple sites or materially different portions of work should have separate risk profiles and risk treatments.	2.1.4	Strategic Procurement to work collaboratively with Risk team to update processes to include risk assessments for each site.	High	30/09/2022 Revised Due Date	Not Commenced	0%	Task not commenced yet, to be completed by 30/9/2022	On Track	50%	TIF has now been updated. Awaiting outcomes from the Project Management review, whereby risk assessments will be linked to the online tool (system) to be utilised moving forward.
Consider the opportunity for the procurement and risk teams to leverage their skill sets, on a risk based approach, beyond their initial input into risk identification as part of the pre-award process, to supporting Contract Administrators within ongoing dynamic risk management across the contract life cycle for priority/higher risk contracts.	2.1.5	Investigation of ability to resource contract management support within Council.	High	30/09/2022 Revised Due Date 31/12/2022	Not Commenced	Nil	Nil	Not Commenced	0%	Contract Management resource justification to be presented to ELT in the Q4 of calendar year 2022, as the Project Management updates provide more clarity on the requirement of this function.
Implement financial management reporting to monitor contract spend profiles against the contract commitment value (original contract and variations) and POs to ensure compliance with procurement thresholds over the contract lifecycle. Further, consider providing this reporting to relevant Committee or governing body, as required.	2.2.1	Ensure implementation of Contracts Module within new Finance System includes elements relating to spend versus contract sum. (implementation due September – November 2021).	Moderate	30/09/2022 Revised Due Date 31/12/2022	Not Commenced	Nil	Nil	Not Commenced	0%	The contract module is yet to go live in the new Finance System, await further updates from the DTP project team around the expected go live date.
Consider implementing an additional requirement for contract variations to consider the percentage to overall contract spend and require an additional approver where this threshold is reached (e.g. for total variations exceed 10% of overall contract value).	2.2.2	Undertake review of variation management procedures and frameworks.	Moderate	30/09/2022 Revised Due Date 31/12/2022	Not Commenced	Nil	Nil	Not Commenced	0%	Awaiting further outcomes from the Project Management review, whereby variation management will be linked to the online tool (system) to be utilised moving forward.
Councils to explore the feasibility of developing a centralised Contractor Management Team. Benefits of this model include:•Effectively managing the capacity, skills and experience of the team. •Ensuring consistency with the application of the new contract management framework. •Managing performance and continuous improvement.	2.3.2	Feasibility study to be undertaken to explore central Contract Management Team.	Moderate	31/12/2022	Not Commenced	Nil	Nil	Not Commenced	0%	Contract Management resource justification to be presented to ELT in the Q4 of calendar year 2022, as the Project Management updates provide more clarity on the requirement of this function.
For the Contract Management Plans and Checklists implemented (based on contract profile per Finding 2.1), ensure the contract specific performance management details (e.g. contractual metrics and reporting required) are documented and maintained.	2.4.1	KPIs and metrics to be included in contract profiling and contract management plans when implemented.	Moderate	30/09/2022 Revised Due Date 31/12/2022	Not Commenced	Nil	Nil	Not Commenced	0%	Awaiting further outcomes from the Project Management review, whereby variation management will be linked to the online tool (system) to be utilised moving forward.
Revise relevant policy or procedure(s) to define and implement responsibility for identifying and reporting any relevant declared conflicts of interests, including required mitigating controls, to ensure that Contract Administrators are aware of all declared conflicts for the contracts they are administering.	2.5.1	Undertake review of conflict of interest process and end to end recognition (pre tender and post tender).	Low	30/09/2022 Revised Due Date 31/12/2022	Not Commenced	Nil	Nil	Not Commenced	0%	Conflict of Interest process review has commenced. The process will be updated to include a two-step approach to the COI for tendering and contract delivery phases
Further to the development of the robust training and awareness program (see Finding 2.2), implement a process to monitor and report on attendance and completion of modules for all Contract Administrators.	2.5.2	All training to be recorded in the training register with People and Culture.	Low	31/12/2022	Not Commenced	Nil	Nil	On Track	75%	Online training modules have been procured. Currently in the process of implementing these in the online training system. On track for completion by 31/10/22
Ensure that there are robust contract extension controls in place to identify contracts up for renewal in a timely manner and ensure adequate governance over delegated approval.	2.5.4	Contracts module within the new finance system to be implemented with alerts around expiring contracts and anniversaries.	Low	31/12/2022	Not Commenced	Nil	Nil	Not Commenced	0%	The contract module is yet to go live in the new Finance System, await further updates from the DTP project team around the expected go live date.
Consider implementing, on a risk based approach as part of the contract profiling process, a governing body or committee for operational and strategic contracts where there is a significant risk profile to the Councils. Furthermore, ensure regular key contract activity reporting (contract value, number and cost of variations, spend, claims/disputes, etc.) is conducted as required.	2.6.1	Review the potential to create a Contracts Governance Committee to review ongoing contracts and their performance that meet periodically throughout the year.	Low	31/12/2022	Not Commenced	Nil	Nil	Not Commenced	0%	

Project Management

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
1.The development (CCS) and further embedding (CoM) of a Council wide PMF, with consideration given to the following areas: a. Use of a scalable approach as referenced in Appendix 1, allowing flexibility in the processes and governance required based on the project's perceived risk or cost. b. Stage gates/hold points should be outlined. Each hold point should list the required approvals for the project to proceed. c. Reference the use of standard templates, such as the PMP template. d. The use of standardised project management tools, i.e. CAMMS (CoM) to track project budgets and variations. e. Clearly outline the governance structures including relevant roles and responsibilities. A template Responsible, Accountable, Consulted and Informed (RACI) matrix should also be developed for use in project planning to clearly outline the roles and responsibilities for significant project tasks should be completed. For reference, an example Project Close Phase RACI has been provided to Management. f. Throughout the development of the PMF, consideration should also be given to aligning the PMF to the current ICT Solution Delivery Framework (SDF) and leveraging existing tools and resources where possible.	1.1	The CoM's PMO is currently in the progress of updating the existing PMF to include more detailed project management guidelines and instructions for Project Managers. The recommendations will be included in the updated PMF. Upon completion and approval of the revised PMF, the CoM's PMO will roll out the revised framework to the ELT, SLT and Capital Works Delivery Team.	High	30 June 2022 (for approval of revised framework) Due to staff change revised date 31 Sept 2022 Revised Due Date 30/11/2022	Nil	95%	Set up of FY 22/23 projects in CAMMS will commence in May 2022 For ongoing current projects - Monthly meetings with PMs have been set up to discuss: - 1. Program schedule and progress 2. Budget forecast 3. Program risks and issues 4. Any other business	On Track	95%	Set up of FY 22/23 projects in CAMMS will commence in May 2022 For ongoing current projects - Monthly meetings with PMs have been set up to discuss: - 1. Program schedule and progress 2. Budget forecast 3. Program risks and issues 4. Any other business
Once developed the PMF should be formally implemented through communications to the Project Managers and training on the application of the PMF.	1.2	The CoM's PMO is currently in the progress of updating the existing PMF to include more detailed project management guidelines and instructions for Project Managers. The recommendations will be included in the updated PMF. Upon completion and approval of the revised PMF, the CoM's PMO will roll out the revised framework to the ELT, SLT and Capital Works Delivery Team.	High	30 June 2022 (for approval of revised framework) Due to staff change revised date 31 Sept 2022 Revised Due Date 30/11/2022	Nil	80%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations, and structure of the PMO	On Track	85%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO. New PM has been appointed and will action
The organisational wide PMF (see Joint Finding 1) provides guidelines for requirements for risk management throughout the project lifecycle.	2.1	The CoM's PMO will include the recommendation in the updated Project Management Framework. This work will progress in partnership with the Strategy and Risk Team and compliment the CoM Risk Management Framework.	Moderate	30 June 2022 (for approval of revised framework); From 31 July 2022 (for briefing/training of revised framework to CoM stakeholders); Reviewed date due to	Nil	80%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO	On Track	85%	Due to change in PMO resources we will be reviewing the makeup, roles, responsibilities, expectations and structure of the PMO. New PM has been appointed and will action

				staff changes 31 Sept 2022 Revised Due Date 30/11/2022						
All defects and omissions recorded are stored in a central register, including the person responsible and the timeframe for completion. This register should note defects which are past due, with these defects to be reported to Executive meetings for escalation.	3.3	CoM PMO will work together with CoM Records Management Team to implement a centralised defect register to track defects and omissions from capital works projects completed.	Moderate	30/08/2022 Revised Due Date 30/11/2022	Nil	On Track	80%	On Track	80%	Due to a change in resources, we need to ensure these processes are being action correctly. New PM has been appointed and will action
CCS/CoM Management review the outstanding observations and recommendations outlined within the 2019 Capital Project Delivery Review and the FY16/17 Capital Works Review and prioritise the completion of outstanding recommendations.	6.1	The CoM's PMO will review and coordinate the completion of outstanding actions from the FY16/17 Capital Works Review with previous and current action owners.	Low	May 2022 (extended to 30 Sept) Revised Due Date 30/11/2022	Nil	On Track	50%	On Track	55%	Due to a change in resources, we need to ensure these processes are being action correctly. New PM has been appointed and will action
Moving forward, the continuation of Executive Leadership Team and Audit Committee monitoring and reporting of past due Internal Audit recommendations should be a strong focus.	6.2	The CoM's PMO will review and coordinate the completion of outstanding actions from the FY16/17 Capital Works Review with previous and current action owners.	Low	May 2022 (extended to 30 Sept) Revised Due Date 30/11/2022	Nil	On Track	50%	On Track	55%	Due to a change in resources, we need to ensure these processes are being action correctly. New PM has been appointed and will action
Include a standardised document retention process as part of the Framework being developed for Joint Finding 1. This should outline documents which should be retained on SharePoint.	1.1	The CoM's PMO will include the recommendations in the updated PMF with guidance from the CoM's Records Management Team	Moderate	30 June 2022 (for approval of revised framework); From 31 July 2022 (for briefing-/ training of revised framework to CoM stakeholders); Extend date 30/09/2022 Revised Due Date 30/11/2022	Nil	On Track	5%	On Track	5%	Due to change in PMO staff this has not been completed and will now be followed up by newly appointed PM
Prescribing consistent folder structures and naming conventions for project documents, i.e. use of project reference numbers.	1.2	The CoM's PMO will include the recommendations in the updated PMF with guidance from the CoM's Records Management Team	Moderate	30 June 2022 (for approval of revised framework); From 31 July 2022 (for briefing-/ training of revised framework to CoM stakeholders); Extend date 30/09/2022	Nil	On Track	10%	On Track	15%	Discussion have been underway and will be implemented shortly. New PM will assess and action

				Revised Due Date 30/11/2022						
Implementing a document retention checklist into the close process: a. Checklist which lists key documentation to be retained in Sharepoint. b. Internal Audit identified an opportunity for the CoM to explore the capability of CAMMS to link to documentation within Sharepoint.	1.3	The CoM's PMO will include the recommendations in the updated PMF with guidance from the CoM's Records Management Team	Moderate	30 June 2022 (for approval of revised framework); From 31 July 2022 (for briefing/ training of revised framework to CoM stakeholders); Extend date 30/09/2022 Revised Due Date 30/11/2022	Nil	On Track	10%	On Track	15%	Discussion have been underway and will be implemented shortly. New PM will assess and action
Refer to ISO 9001 for document retention periods. ISO 9001 is particularly critical for project quality documentation.	1.4	The CoM's PMO will include the recommendations in the updated PMF with guidance from the CoM's Records Management Team	Moderate	30 June 2022 (for approval of revised framework); From 31 July 2022 (for briefing/ training of revised framework to CoM stakeholders); Revised Due Date 30/11/2022	Nil	10%	Discussion have been underway and will be implemented shortly	On Track	15%	Discussion have been underway and will be implemented shortly. New PM will assess and action
Continue to roll out CAMMS training to Project Managers. On a periodic basis, the use of CAMMS by Project Managers should be spot checked by PMO.	2.1	The CoM's PMO currently provides ad-hoc CAMMS training upon request by staff and the management team. Feedback on the PM's experience with the use of CAMMS is currently obtained through monthly engagements between the PMO and PMs	Low	31/07/2022 Due to staff change revised date 31-Sept-2022 Revised Due Date 30/11/2022	Nil	50%	Currently over 15 PM have been retrained	On Track	55%	Currently over 15 PM have been retrained
CAMMS processes are reviewed for opportunities to: a. Streamline questions for different project types. b. Enable items included in the Project Schedule to be adjusted as the project evolves. c. Provide read-only access to closed projects to leverage previous learnings, including through the review of risk assessments and the completion of the Project Schedule.	2.2	The CoM's PMO will consider these CAMMS recommendations and prioritise its implementation based on priority and the needs of the Council.	Low	31/07/2022 Due to staff change revised date 31-Sept-2022 Revised Due Date 30/11/2022	Nil	10%	Discussion have been underway and will be implemented shortly	On Track	15%	Discussion have been underway and will be implemented shortly. New PM will assess and action
Consider reviewing the capability of CAMMS to automate workflows for approvals	2.3	The CoM's PMO will consider these CAMMS recommendations and prioritise its implementation based on priority and the needs of the Council.	Low	31/07/2022 Due to staff change revised date 31 Sept 2022	Nil	10%	Discussion have been underway and will be implemented shortly	On Track	15%	Discussion have been underway and will be implemented shortly. New PM will assess and action

Stakeholder Management Review

RECOMMENDATION	ACTION #	AGREED MANAGEMENT ACTION	AUDITOR RISK RATING	ACTION DUE DATE	PREVIOUS QUARTER ACTION PROGRESS	PREVIOUS QUARTER ACTION PROGRESS %	PREVIOUS QUARTER ACTION PROGRESS (COMMENTS)	ACTION PROGRESS	ACTION PROGRESS %	ACTION PROGRESS (COMMENTS)
Due to the diverse nature of the CoM's stakeholders, holistic guidance on stakeholder management should be developed at an organisation level. Specific consideration should be given to the following: •Define roles & responsibilities for staff regarding stakeholder management. •Protocols for addressing specific high-level stakeholders. •Holistic principles-based guidance to all staff-levels, specifying methods and approaches for interacting with stakeholders. •Stakeholder assessment tools/criteria (See Finding 3).	1.1	Agreed that the development of a framework to provide organisational guidance would be useful. This work will progress in the second part of 2022.	Moderate	30/06/2022 Revised due date 31/12/22	Nil	0%	Stakeholder Relationship mapping is about to commence. The SLT will be asked to engage their areas to document current stakeholder relationships	On Track	50%	The relationship map draft is being finalised and will be presented at a SLT meeting late September or early October as a training piece for the SLT and to explain where the work is coming from and the importance of it. The SLT will be provided with 4 weeks to complete the spreadsheet.
See Finding 2 for recommendations relating to training and onboarding to embed a stakeholder-centric mindset and culture within the CoM.	1.2	Agreed that the development of a framework to provide organisational guidance would be useful. This work will progress in the second part of 2022.	Moderate	31/12/2022	Nil	0%	Stakeholder Relationship mapping is about to commence. The SLT will be asked to engage their areas to document current stakeholder relationships. On track to meet deadline.	On Track	20%	The relationship map draft is being finalised and will be presented at a SLT meeting late September or early October as a training piece for the SLT and to explain where the work is coming from and the importance of it. The SLT will be provided with 4 weeks to complete the spreadsheet.
Consideration should be given to the level of resourcing required to implement the recommendations of this report and drive continuous improvement of stakeholder management.	1.3	Agreed that the development of a framework to provide organisational guidance would be useful. This work will progress in the second part of 2022.	Moderate	31/12/2022	Nil	0%	Stakeholder Relationship mapping is about to commence. The SLT will be asked to engage their areas to document current stakeholder relationships. On track to meet deadline.	On Track	20%	The relationship map draft is being finalised and will be presented at a SLT meeting late September or early October as a training piece for the SLT and to explain where the work is coming from and the importance of it. The SLT will be provided with 4 weeks to complete the spreadsheet.
Apply sufficient resources to implement appropriate onboarding/training for stakeholder management.	2.1	Agreed that onboarding and training regarding the management of key stakeholders is critical. This will be progressed but also requires recommendation 1 to be fully implemented first. This will also be completed in partnership with People and Culture.	Low	31/03/2023	Nil	0%	This will be a later stage in this project and will require the completion of Action 1 first.	Not Commenced	0%	This will be a later stage in this project, and will require the completion of Action 1 first.
Conduct training and onboarding sessions specifically for staff in stakeholder facing roles, with specific consideration of the following: •The importance of stakeholder management, benefits and examples of poor management. •Key stakeholders of the CoM. •Situations where stakeholder management is required (including tailored and relevant examples for each business unit). •Who is best positioned in the CoM to consult on stakeholder management issues.	2.2	Agreed that onboarding and training regarding the management of key stakeholders is critical. This will be progressed but also requires recommendation 1 to be fully implemented first. This will also be completed in partnership with People and Culture.	Low	31/03/2023	Nil	0%	This will be a later stage in this project and will require the completion of Action 1 first.	Not Commenced	0%	This will be a later stage in this project, and will require the completion of Action 1 first.

It would also be recommended that the CoM consider additional communication and high-level guidance to all levels of staff, to identify why stakeholder management is important.	2.3	Agreed that onboarding and training regarding the management of key stakeholders is critical. This will be progressed but also requires recommendation 1 to be fully implemented first. This will also be completed in partnership with People and Culture.	Low	31/03/2023	Nil	0%	This will be a later stage in this project and will require the completion of Action 1 first.	Not Commenced	0%	This will be a later stage in this project, and will require the completion of Action 1 first.
Implement an organisation-wide campaign to foster a stakeholder-centric mindset and culture within the CoM. As part of this, the CoM could designate a network of 2-4 internal 'champions' to oversee stakeholder management within the CoM and act as a point of contact for all stakeholder-facing staff.	2.4	Agreed that onboarding and training regarding the management of key stakeholders is critical. This will be progressed but also requires recommendation 1 to be fully implemented first. This will also be completed in partnership with People and Culture.	Low	31/03/2023	Nil	0%	This will be a later stage in this project and will require the completion of Action 1 first.	Not Commenced	0%	This will be a later stage in this project, and will require the completion of Action 1 first.
Implement a policy to ensure that SEPs are developed for all CoM projects and plans.	3.1	This recommendation needs to feed into the review of the Project Management Framework. The Strategy and Risk team will work with the Project Management Office (PMO) regarding the information to be included during development of the SEPs.	Low	31/12/2022	Nil	10%	This item may need to be delayed due to the departure of the PMO. Strategy and Risk did meet with the person in the PMO position prior to their departure to have an early discussion on this point. A stakeholder policy will be developed concurrently with the relationship map.	On Track	10%	Still awaiting PMO work to get back up and running. Strategy and Risk have been involved in stakeholder management workshops relating to major projects, being led by the City Activation SLT.
Review the current methodology for developing SEPs and adapt to include further detail, with specific consideration of the following: •Additional detail in the plan for engaging with each stakeholder. •Include whether the stakeholder supports or opposes the plan. •Assessment of the stakeholders to identify areas of risk or potential issues arising. •Frequency and level of detail delivered to the stakeholder. •Prioritisation of each stakeholder due to Influence/importance.	3.2	This recommendation needs to feed into the review of the Project Management Framework. The Strategy and Risk team will work with the Project Management Office (PMO) regarding the information to be included during development of the SEPs.	Low	31/12/2022	Nil	0%	Strategy and Risk have had some early discussion with the community engagement team to discuss this action.	Not Commenced	0%	Still awaiting PMO work to get back up and running. Strategy and Risk have been involved in stakeholder management workshops relating to major projects, being led by the City Activation SLT.
Using the current register as an initial base, continue to populate for the key stakeholders in the organisation. The register could then be used in the future to assist with the implementation of a digital CRM system.	PIO1.1	Further work needs to progress regarding the opportunities to use Salesforce as a stakeholder management tool. In the interim, the top 20 key stakeholder map will be produced but this is only a short term measure with a long term approach required.		31/12/2022	Nil	0%	The 'current' register is not an accurate representation of our stakeholder relationships. We need this list to be refreshed and then it will be taken to ELT to determine the top 20 of high interest/influence stakeholders that they have a key role in maintaining relationships with.	Not Commenced	0%	Once the SLT complete the register, this will be taken to ELT to determine the 'top 20'. Investigations will also commence about using Salesforce as the source of truth for stakeholder management. Work will commence this quarter on this.
Utilise the register as a 'safety net' for leadership staff to periodically assess and ensure the critical stakeholders are recorded and overlaps between business units are identified.	PIO1.2	Further work needs to progress regarding the opportunities to use Salesforce as a stakeholder management tool. In the interim, the top 20 key stakeholder map will be produced but this is only a short term measure with a long term approach required.		31/12/2022	Nil	0%	Salesforce will be investigated as the software solution to maintain relationships. Work commencing on this investigation within second half of 2022.	Not Commenced	0%	Once the SLT complete the register, this will be taken to ELT to determine the 'top 20'. Investigations will also commence about using Salesforce as the source of truth for stakeholder management. Work will commence this quarter on this.
In the interim, the top 20 key stakeholders could be identified across the CoM, including information such as: •Internal relationship owner •Stakeholder's strategic alignment •Strength of relationship	PIO1.3	Further work needs to progress regarding the opportunities to use Salesforce as a stakeholder management tool. In the interim, the top 20 key stakeholder map will be produced but this is only a short term measure with a long term approach required.		31/12/2022	Nil	0%	A high/low interest and high/low influence matrix will be used to assist in the ranking of stakeholder relationships.	Not Commenced	0%	Once the SLT complete the register, this will be taken to ELT to determine the 'top 20'. Investigations will also commence about using Salesforce as the source of truth for stakeholder management. Work will commence this quarter on this.

Internal Audit recommends the CoM review the current approach for engaging Indigenous communities, with specific consideration to the following: •Consider the re-allocation of RAP oversight, implementation and indigenous communities engagement tasks previously performed by the Team Leader – Community Cultural Development and the Living Kurna Cultural Centre Coordinator to existing roles within the organisation. •Continuation of the Warriparinga Advisory Team to assist with the current engagement challenges faced by the CoM. •Engage an ‘Indigenous employment specialist’ to achieve improved engagement and services purchased from Indigenous business.	PIO2.1	Agreed. The improvements listed within this PIO will be further considered.		31/12/2022	Nil	0%	Work will commence on this action in the second half of 2022. Early investigations definitely indicate that relationships with KYAC should be built as a priority, and better connections made with other groups such as Turkindi, Southern Cultural Immersions, SA Aboriginal Advisory Council and LKCC.	Not Commenced	0%	Draft outline in progress to develop next City of Marion Reconciliation Action plan (proposed to be finalised before end of this financial year). Social & Cultural Partner working with the new Talent Acquisition Partner to examine improved employment strategies to attract First Nations candidates.
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7.9 Internal Audit Plan 2022 - 2023

Report Reference	FRAC220816R7.9
Originating Officer	Manager Office of the Chief Executive – Kate McKenzie
Corporate Manager	Manager Office of the Chief Executive - Kate McKenzie
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

To provide a status report of the progress of the Internal Audit program for 2022 – 2023 and to seek the Finance, Risk and Audit Committee (FRAC) feedback on the attached scopes.

EXECUTIVE SUMMARY

The City of Marion (CoM) and City of Charles Sturt (CCS) tendered the Internal Audit (IA) Services as a joint tender. KPMG was the successful tenderer and was awarded a two-year contract. Both Councils have extended this contract for a further two years. The two Councils worked collaboratively (with KPMG) to develop a joint IA Plan.

The FRAC endorsed the IA Plan for 2022/23 at the May 2022 meeting. The IA Plan identifies five (5) projects for this financial year, with three (3) projects identified as collaborative projects with CCS. The Projects include:

- **Digital Transformation Health Check (Including Human Resources) Q1**
In progress. Finalised field work and currently working on draft findings in preparation for close out meeting. Will be presented to the Committee in December 2022
- **Volunteer Management – Q2** – Scope included as **Attachment 1**. Kick off meeting scheduled for mid October.
- **Community Consultation – Q2/3** – Close out meeting occurred. Report issued for management comments. Report will be presented to the Committee in December 2022
- **Customer Experience – Q3** – currently preparing draft scope.
- **Cyber Security – Q4** – Scoping meeting set up for the end of October 2022.

An additional IA has been added to review the implementation of recommendations. This is currently being scoped with KPMG.

Volunteer Management (Attachment 1)

The objective of this internal audit project will be to assess arrangements in place to manage and oversee volunteers working with the CoM. To address the overall objective above, the scope of this internal audit will include consideration of the following:

- Examine documented policies, procedures and plans intended to provide governance over the volunteer management processes, including the CoM's 2021-2024 Volunteer Strategy.
- Review volunteer coordinator roles and responsibilities, and consistency of volunteer management practices across different areas of the CoM.
- The end-to-end process for volunteer management, including attraction, selection/acceptance, induction, engagement, volunteering activities and cessation, with a focus on key risks, controls and any gaps.
- High-level consideration of better practice and improvement opportunities.
- Review of the effective implementation of recommendations related to the 2018 KPMG

Volunteer Management Report.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

- 1. Notes the progress of the Internal Audit Program.**
- 2. Considers and provides feedback on the:**
 - a. Volunteer Management Check scope (Attachment 1)**

ATTACHMENTS

1. Co M Volunteer Management Final Draft Scope [7.9.1 - 4 pages]



City of Marion

Internal audit project scope: Volunteer Management

DRAFT

September 2022



Internal Audit Program 2022/23: Volunteer Management

In accordance with the 2022/23 Internal Audit Plan for the City of Marion (CoM), an internal audit project focussing on the CoM's Volunteer Management is to be performed. The objective, scope and approach are outlined below.

Objective

The objective of this internal audit project will be to assess arrangements in place to manage and oversee volunteers working with the CoM.

Scope

To address the overall objective above, the scope of this internal audit will include consideration of the following:

- Examine documented policies, procedures and plans intended to provide governance over the volunteer management processes, including the CoM's 2021-2024 Volunteer Strategy.
- Review volunteer coordinator roles and responsibilities, and consistency of volunteer management practices across different areas of the CoM.
- The end-to-end process for volunteer management, including attraction, selection/acceptance, induction, engagement, volunteering activities and cessation, with a focus on key risks, controls and any gaps.
- High-level consideration of better practice and improvement opportunities.
- Review of the effective implementation of recommendations related to the 2018 KPMG Volunteer Management Report.

Approach

The approach to this engagement will include:

- Desktop review of the relevant CoM key documentation, including policies, procedures and the 2021-2024 Volunteer Strategy relevant to volunteer management.
- Consultation with a sample of Volunteer Coordinators and volunteers to obtain an understanding of the onboarding process, volunteer engagement and responsibilities.
- Sample testing over volunteer programs to determine the effectiveness of volunteer engagement.
- Reporting, including the identification of any performance improvement opportunities and better practice insights as they relate to volunteer management processes.
- Discussion of findings with Management and subsequent issuance of a draft internal audit report, outlining internal audit findings, recommendations and any performance improvement opportunities.



Stakeholders

The following stakeholders have been identified based on preliminary discussions with the CoM. Any additional stakeholders will be identified during the course of the internal audit.

Personnel	Position title
Kate McKenzie	Manager Office of the Chief Executive
Tim Sayer	Volunteer Development Officer
Jessica Lynch	Manager People and Culture
TBA	Volunteer Coordinators
TBA	Volunteers

Resources and Budget

The team members and proposed budget for the Volunteer Management internal audit project are listed in the following table:

Name	Position	Hourly rate (excl. GST)	Est. hours	Est. Days
Eric Beere	Partner	\$361	8	1
Heather Martens	Director	\$264	16	2
Danielle Hibbard	Senior Consultant	\$158	53	7
Hibra Qureshi	Consultant	\$112	72	10
Total Days				20

Timing

The proposed timing for the Volunteer Management internal audit project is for the project to commence in October 2022 with a draft report completed for consideration by late November 2022.



Approvals

We are in agreement with the scope document for the internal audit project focussing on the CoM's Volunteer Management.

CoM Internal Audit Project Sponsor: KPMG Internal Audit Partner:

Name: Kate McKenzie

Name: Eric Beere

Signed:

Signed:

Date:

Date:

Disclaimers

Inherent limitations

The services provided in connection with the engagement comprise an advisory engagement which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and consequently no opinions or conclusions intended to convey assurance will be expressed. Due to the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the control procedures that are to be subject to the procedures we perform, will not be reviewed in its entirety and, therefore, no opinion or view is to be expressed as to its effectiveness of the greater internal control structure. The procedures to be performed are not designed to detect all weaknesses in control procedures as they are not performed continuously throughout the period and the tests performed on the control procedures are on a sample basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

No warranty of completeness, accuracy or reliability can be given in relation to the statements and representations made by, and the information and documentation provided by, City of Marion's Management and personnel. We shall seek to independently verify those sources unless otherwise noted within the report. We are under no obligation in any circumstance to update the report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with City of Marion. The internal audit findings expressed in the report will be formed on the above basis.

Third party reliance

This scope is solely for the purpose set out above and City of Marion information, and is not to be used for any other purpose or distributed to any other party without KPMG's prior written consent. The internal audit report is to be prepared at the request of the City of Marion Audit Committee or its delegate in connection with our engagement to perform internal audit services as detailed in the engagement contract. Other than our responsibility to City of Marion, neither KPMG nor any member or employee of KPMG undertakes responsibility arising in any way from reliance placed by a third party, including but not limited to City of Marion's external auditor, on the internal audit report. Any reliance placed is that party's sole responsibility.

COVID-19

1. COVID-19 has the potential to materially and adversely affect our ability to provide the Services under the Agreement.
2. Each party will co-operate with the other in implementing reasonable mitigation measures to enable us to perform the Services in a way that seeks to limit the risk or potential impact related to COVID-19.
3. If the performance of the Services is delayed or otherwise adversely affected by COVID-19 or any circumstances related to COVID-19 (including, without limitation, unavailability of personnel), we will not be liable for any failure to perform the Services and the time for performance of the Services will be extended by any such reasonable period as is advised by us.
4. If COVID-19, or any circumstances related to COVID-19, result in the parties being unable to put in place service performance mitigation measures that we consider appropriate or we conclude that we are not able to perform the Services, either party may terminate the Agreement by providing 5 business days' notice in writing.

8 Reports for Noting

8.1 Annual HSE Report

Report Reference	FRAC221011R8.1
Originating Officer	Unit Manager WHS – Mark Jentsch
Corporate Manager	Manager People and Culture - Jessica Lynch
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

This report provides an annual overview of the Work Health & Safety (WHS) Management Systems performance with respect to legislative obligations under the WHS Act (SA) 2012, Return to Work (RTW) Performance Standards for Self-Insured (PSSI) employers and internal policies, procedures, plans and programs.

EXECUTIVE SUMMARY

An internal annual WHS Management Systems (WHSMS) review has been undertaken to monitor CoM WHS performance against the Performance Standards for Self-Insurers.

A summary report is provided and is supported by the following attached documents:

- HSE Plan 2019-23 Performance Summary
- Incident Analysis Report 2021-22
- Audit Program Report 2021-22.

These reports have been developed following analysis and review of the WHS Management System, incident statistics as reported through SkyTrust and internal audit reports.

While Council has progressed in making significant improvements in organisational safety practices and culture. It should be noted that this progress is now being restrained by complex and overlapping WHS management system processes.

Future continuous improvement in WHS performance will be contingent on improving workflow within our management system and focusing on the capacity of the end user to operate the system.

A considerable body of work remains to ensure we continue to meet legislative obligations, conform to the RTW PSSI and/or meet internal policy and objective commitments with respect to the improvement and implementation of our WHS Management System.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. **Notes this report and provides feedback on the priorities and organisational engagement**

ATTACHMENTS

1. HSE Annual Report 2022 [8.1.1 - 3 pages]
2. Appendices A & B WHSMS Review & HSE Plan Performance [8.1.2 - 6 pages]
3. Appendix C - Incident Analysis [8.1.3 - 7 pages]
4. Appendix D- WHSMS - Audit Program Summary [8.1.4 - 4 pages]

**CITY OF MARION
FINANCE AND RISK AUDIT COMMITTEE MEETING
11 October 2022**

Originating Officer: Mark Jentsch, Unit Manager WHS

Unit Manager: Mark Jentsch, Unit Manager WHS

ELT Manager: Jessica Lynch P&C Manager

Subject: Annual HSE Plan and WHS Management System Review 2021

REPORT OBJECTIVE

This report provides an annual overview of the Work Health & Safety Management System's (WHSMS) performance with respect to legislative obligations under the Work Health and Safety (WHS) Act (SA) 2012, Return to Work (RTW) Performance Standards for Self-Insured (PSSI) employers and internal policies, procedures, plans and programs.

BACKGROUND

The RTW WHS PSSI Standard 5 'WHS Management Systems Review and Improvement' requires the organisation to undertake regular reviews and to continually improve its systems. This supports the implementation of continuous improvement strategies within the organisation.

Furthermore, Section 27 (5) of WHS Act (SA) 2012 requires Officers to:

- a. Acquire and keep up-to-date knowledge of work health, and safety matters.*
- b. Gain an understanding of the nature of operations of the business or undertaking of the person conducting the business or undertaking, and generally of the hazards and risks associated with those operations.*
- c. Ensure that the person conducting the business or undertaking has available for use, and uses, appropriate resources and processes to eliminate or minimise risks to health and safety from work carried on as part of the conduct of the business or undertaking.*
- d. Ensure that the person conducting the business or undertaking has appropriate processes for receiving and considering information regarding incidents, hazards and risks and respond in a timely way to that information.*
- e. Ensure the person conducting the business or undertaking has, and implements, processes for complying with any duty or obligation of the person conducting the business or undertaking under the legislation.*
- f. Verify the provisions and use of specified resources and processes.*

OVERVIEW

To respond to the above requirements, an internal Annual WHS Management Systems (WHSMS) review (**Appendix A**) is undertaken and is supported by the following documents:

- HSE Plan 2019-23 Performance Summary, attached as **Appendix B**
- Incident Analysis Report 2021/22, attached as **Appendix C**
- Audit Program Report 2021/22, attached as **Appendix D**

These reports have been developed following detailed analysis and review of the WHS Management System, incident statistics as reported through SkyTrust and internal audit reports. They aim to inform the Finance and Risk Audit Committee of Work Health and Safety and Environment performance within CoM and advise of priority areas that will drive the core WHS and Environment activity to meet legislative obligations, conform to the RTW PSSI and/or meet internal policy and planning objectives.

DISCUSSION

WHS Management System:

The WHSMS review process (provided in **Appendix A**) is to provide assurance, at a high level, that policies and procedures meet legislative obligations, conform to the RTW PSSI and meet internal commitments with respect to WHS. The self-assessment resulted in 104 of 122 (85%) areas assessed as conforming with key priority areas outlined below to address the non-conforming areas.

Priority One – Currently assessed as non-conforming with no current improvement strategies resourced to assist in delivering conformance against the RTW PSSI:

- **WHS Training and Verification of Competency (VoC)**; This project has been resourced with a Training Needs Analysis and resultant Training Management Plan scheduled for finalisation in September 2022. Subsequent to this, a program for Verification of Competency will be developed and built into role specific training plans.

Priority Two – Currently assessed as non-conforming however there are current improvement strategies underway which will be progressed with additional resources committed to for 2021-22 however also require broader organisational input, focus and change:

- **Contractor Management**; Contractor WHS Management Processes will be reviewed with City Property and Strategic Procurement to establish a consistent and coherent approach to managing contractor WHS management systems and their conformance with those. Target February 2023.

Priority Three – Currently assessed as non-conforming. Requires broader organisational engagement, focus and change:

- **Corrective & Preventative Actions**; Greater focus on monitoring and reporting of corrective and preventative action status.
- **HSE Plan**: view and develop KPI's for HSE Plan 2023-26 to ensure targets are achievable to and performance focused.

ORGANISATIONAL SUPPORT, COMMITMENT AND ENGAGEMENT

It is not unreasonable to expect CoM to achieve conformance with the WHS components of the PSSI at the 2023 LGAWCS WHS Evaluation. This will rely on ongoing clear vision, commitment, effective performance measures and structured HSE Planning at the strategic and operational level.

Commitment at all levels of the CoM is very evident. This commitment needs to be supported with system improvements that enable effective reporting, rectification, and monitoring processes.

CONCLUSION

Council has progressed in making substantial improvements in organisational safety practices and culture. This progress is now being retarded by complex and overlapping WHS management system processes.

Future continuous improvement in WHS performance will be contingent on improving workflow within our management system and focusing on the capacity of the end user to navigate the system.

There still however remains a considerable body of work to meet legislative obligations, conform to the RTW PSSl and/or meet internal policy and objective commitments with respect to the implementation of our WHS Management System.

RECOMMENDATION**DUE DATES**

That FRAC:

- | | | |
|-----------|--|-----------------------|
| 1. | Notes this report and provides feedback on the priorities and organisational engagement | 22 August 2022 |
|-----------|--|-----------------------|

APPENDICES

Appendix A – WHS Management System Review 2020-21 (Combined)

Appendix B – HSE Plan 2019-23 Performance Report for 2020-21 (Combined)

Appendix C – Incident Analysis Report 2020-21

Appendix D – Audit Program Report 2020-21

APPENDIX A - WHS Management System Review

Document Name	RTW PSSI Ref	Current Status of Implementation	RTW PSSI Compliant	Priority	Recommended Action	Action Owner	Due Date
WHS-POL-001 - WHS & RTW	1.1	Implemented and last endorsed as at February 2021	Y	OFI	Make WHS Policy publicly available in line with 1.1.2	UM WHS	31/04/22
Return to Work Claims Administration	1.1	Implemented and last endorsed as at March 2019	Y	-	-	-	-
Workplace Return to Work	1.1	Implemented and last endorsed as at April 2019	Y	-	-	-	-
HSE-POL-002 - ADMINISTRATION	-	Implemented and endorsed as at June 2021	Y	-	-	-	-
HSE-PRO-2.01 - Document Management	1.1.6	Implemented and endorsed as at Dec 2018	Y	-	-	-	-
WHS Policies & Procedures	1.2.1	Procedures are developed from OneSystem docs, stored in SharePoint Corporate Governance Policy and Procedure Libraries & SkyTrust in line with 3.12.1.	Y	-	Continue reviewing policies and procedures into the Corporate templates structure as when due for review.	WHS Business Partners	30/06/22
WHSMS Document Register	1.2.1 / 3.12.1	Controlled documents remain in restricted editing location on Sharepoint with link in Skytrust which generates automated emails for document review. Authorisations and review through SkyTrust in line with 5.1.1.	Y	-	-	-	-
SWMS, SWP & SOP Document Register	1.2.1 / 3.12.1	Controlled documents in SharePoint linked in Skytrust to create records of review in line with 3.12.1.	Y	-	-	-	-
SWMS, SWPs & SOPs for tasks & plant	3.8.2	SWMS reviews were not done in timeframes and majority of SWP and SOP documents due for review in 2021 were not reviewed on time.	N	4	1. Develop and consult document owners on migration of MS Word documents into Skytrust Safety Module as part of digital transformation. 2. Train document owners and reviewers in use of Safety Module in Skytrust 3. Support migration and review for SOP, SWP, Plant Risk Assessments and SWMS	WHS Business Partners	31/06/2022
Delegations have been defined & documented	3.3.2	Delegations considered annually by Council	Y	-	-	-	-
WHS responsibilities are defined & documented	3.3.1	WHS Responsibilities Matrix is being integrated with environmental to become the HSE Responsibilities Matrix	Y	4	Review to ensure matrix covers all updated policies/procedures	WHS Business Partners	31/10/22
Workers are held accountable for WHS performance relevant to their defined responsibilities	3.3.2	Overarching WHS responsibilities held in job descriptions	N	4	Investigate options with Manager P&C to develop KPIs for varying levels/roles and monitored in PDPs and LDPs	UM WHS	30/06/22
WHS objectives & targets have been assigned to all relevant functions / levels within the organisation	2.2.1 / 5.2.1	HSE Plan is set by ELT/SLT with objectives and targets. Some improvement to positive performance indicators but targets are still not being met.	Y	3	Review and develop KPI's for HSE Plan 2023-26 to ensure targets are achievable to and performance focused.	UM WHS / Manager P&C	31/11/2022
Legislative Register and process for updating	2.1.1	Being revised to HSE Legislation Register - updated via Govt Gazette & Legislation Alert plus LGRS WHS Practitioners communications	Y	-	Explore opportunity for integration with Corporate Governance compliance register	WHS Business Partners	30/06/22
Process for implementation of required changes	3.8.4	SkyTrust Document Review & legislative monitoring	Y	-	-	-	-
A program for management & accessibility of health and safety records	3.11.1	SkyTrust and WHS & Risk process & function sites on SharePoint	Y	-	-	-	-
HSE-PRO-2.02 - Planning & Program Development	2.3	Implemented and endorsed as at Dec 2019	Y	-	-	-	-
WHS Plan	4.1.1	HSE Plan endorsed in July 2019 running through until June 2023. HSE Report to SLT each month.	Y	-	-	-	-
WHS Plan Objectives & Targets	4.1.1 / 2.2.1	HSE Plan contains Four Program Priorities which contain objects (success measures) and targets	Y	-	-	-	-
WHS Reporting	3.11.1	KPIs reported to Council monthly & FAC annually. HSE Report to SLT Monthly/Quarterly. WHS included in Annual Report.	Y	-	-	-	-
WHS Management System Review	5.2.1	Formally reviewed annually by Risk Working Group.	Y	-	-	-	-
Adequate resources to implement WHS	3.1.1	Realignment in June 2021 provides for 3.0 FTE increasing resources to implement WHS/HSE processes	Y	-	-	-	-
P&C 4.1 - Learning & Development Procedure	3.2.1	Implemented and endorsed as at May 2018	Y	-	-	-	-
WHS Due Diligence (Officers)	3.2.1	Training scheduled when required for new Officers and those due for 4 year review. Last held in February 2020.	Y	-	-	-	-
WHS Responsibilities	3.3.1	WHSMS Responsibilities & Leadership Parts 1, 2 and 3 Implemented and delivered via e3 Learning. Hazardous Work modules on e3 Learning and awaiting consultation feedback from ECC before rolling out with Operations.	N	4	a. Facilitate delivery of remaining Hazardous Work modules on e3 Learning with Operations team members. b. Review WHSMS Responsibilities & Leadership Parts 1, 2 and 3 to be more engaging and shorter training modules on alternative platform to Kineo	WHS Training and Assessment Officer	31/12/22
WHS Training Needs Analysis - WHSMS	2.3.1	WHS requirements provided to P&C to integrate into organisational TNA	N	1	Cement TNA into Skytrust functionality	WHS Training and Assessment	30/08/22
WHS Training Needs Analysis - SWP & SOP	2.3.1	Training Manager does not maintain SOP theory assessments. Skytrust being used for SOP theory competency assessments for Marion Outdoor Pool staff. Other departments saving completed SOP theory assessments 'somewhere in SharePoint'.	N	1	Cement TNA into Skytrust functionality	UM WHS HSE Coordinator	30/08/22
WHS Training Plan and Budget	3.2.1	Development of TNA and TMP to determine Training Plan and Budgetary requirements	N	1	Implement method endorsed by ELT from WHS training & verification report to develop systems for competency of plant operators and team members performing higher risk tasks	Manager P&C / UM WHS	30/08/22
HSE Committee and HSR Training	3.5.1	Committee meetings held bimonthly with training undertaken as required	Y	-	-	-	-
Licenses and qualifications		Skytrust now being utilised for monitoring of Heavy Vehicle licenses and qualifications. People leaders are notified via email and able to update licenses as they are renewed.	Y	-	-	-	-
P&C 4.2 - Induction Procedure	3.2.1	Implemented and endorsed as at May 2018	Y	-	-	-	-
WHS& SkyTrust Inductions completed by all staff	3.2.1	Incorporated into Corporate Induction & tracked by HR	Y	-	-	-	-
HSE-PRO-2.04 - Corrective & Preventative Action	3.9.2	Implemented and endorsed as at April 2018 in line with 1.2.1	Y	-	-	-	-

APPENDIX A - WHS Management System Review

Organisational WHS Corrective & Preventative Action (CAPA) Register	3.9.2 / 4.3.1	Corrective actions are not being completed within timeframes set out with HSE Plan targets.	N	3	Increase focus at ELT, SLT and Department Meetings for accountability	UM WHS & Manager P&C	Ongoing
HSE-PRO-2.05 - Internal Audit	4.2.1	Implemented and endorsed as at Dec 2016	Y	-	-	-	-
Internal Audit Schedule	4.2.1	Nine internal WHS Audits have been undertaken by Business SA Internal WHS Procedure Audit Schedule drafted for completion of 7 audits per financial year until June 2023 (end of HSE Plan)	Y	-	-	-	-
HSE-POL-003 - CONSULTATION & COMMUNICATION	3.5.1	Implemented and endorsed as at October 2018	Y	-	-	-	-
HSE-PRO-3.01 - Consultation & Communication	3.5.1	Implemented and endorsed as at October 2018	Y	-	-	-	-
HSE Committee (Agenda/Meeting/Minutes)	3.5.1	Functioning, well attended with HSE Committee training scheduled in August 2021 due to number of new members.	Y	OFI	a. Review and consult on HSE Committee TOR following realignment of HSE into P&C b. Explore opportunity for Docassembler or MS365 function to replace word documents.	WHS Business Partners	31/08/2022 30/06/2022
WHS Policy and Procedure Consultation	3.5.1	Primary methods include HSE Committee, emails, toolbox talks & meetings.	Y	OFI	-	-	-
Think Safe Live Well communications	3.6.1	Newsletter emails & slideshow at City Services	Y	OFI	-	-	-
Team meetings and Toolbox Talks	3.5.1	WHS toolbox talks provided for EFS/Admin regularly. Regular WHSC attendance at leadership and team meetings for Libraries, Open Space Ops, Civil Services, Operational Support. Template provided for regular team meeting minutes	N	4	Implement SharePoint or MS Teams or Skytrust workflow for completion of toolbox talks and other WHS consultation and communication.	WHS Business Partners	31/12/23
Health & Safety Representatives	3.5.1	Workgroups are identified, HSRs are nominated & encouraged to invest time	Y	-	-	-	-
Complaint handling received from external parties	3.5.1	CES is used to log customer enquiries related to safety issues	Y	-	-	-	-
Reporting	3.5.1	CES is used to log customer enquiries related to safety issues	Y	-	-	-	-
WHS-PRO-3.02 - HSE Observation	4.1.4	Implemented and endorsed as at October 2020.	Y	-	-	-	-
HSE Observations	4.1.4	Skytrust available for completing HSE observations on Apple and Android tablet or phone. Majority of leaders responsible for HSE observations are not meeting quantities agreed in procedure.	Y	OFI	Implement Skytrust Plus App integration plan with Digital Transformation Program	WHS Business Partners	31/03/23
HSE-POL-004 - HAZARD MANAGEMENT	3.8	Implemented and endorsed as at June 2021.	Y	-	-	-	-
HSE-PRO-4.01 - Hazard Management	3.8.1	Implemented and endorsed as at June 2021.	Y	-	-	-	-
HSE Hazard Register inc Risk Assessments	3.8.1	Skytrust Safety Risk Register not being reviewed on time. Is being reviewed in line with 3.8.1 & risk mitigation in line with 3.8.2 & 3.8.3	N	4	a. Develop proactive business partnering plan for review of HSE risks and other responsibilities of People Leaders	UM WHS	28/02/2023
Take 5	3.8.1 / 3.8.4	Skytrust Template created. Continue use of paper copy & monitor for when teams have hardware. Records of paper copy Take 5s difficult to location within SharePoint.	N	4	Implementation of Take 5 on tablets with Operational Support and Civil Services	WHS Business Partners	30/06/22
Noise Survey and Audiometric testing	3.9.1	Undertaken 5 & 2 yearly. Audiometrics last undertaken in October 2020.		OFI	Engage competent person for undertaking of plant noise survey	WHS Business Partners	30/11/22
HSE-PRO-4.02 - Incident Management	3.8.7	Implemented and endorsed as at September 2020.	Y	-	-	-	-
Hazard & Near Miss Reporting	3.6.1	Increase in hazard and near miss incident reporting since 30 June 2020.	Y	-	-	-	-
Incident Reporting	3.6.2	15% of incident reports aren't being completed within 1 day of incident.	Y	-	-	-	-
Incident Investigations	3.8.7	ICAM investigation training undertaken. Business partnering resource has started improved timing and quality of incident investigations	Y	-	-	-	-
LTIFR	2.2.3	LTIFR FY21/22 5.9 Lost Time Injuries per million hours worked. Exceeding target of 13 LTI per million hours worked.	Y	OFI	Develop HSE Business Partnering Plan to support Operations teams in WHS & RTW processes.	UM WHS	31/12/21
HSE-PRO-4.03 - Work Area Inspection Procedure	3.9.1	Implemented and endorsed as at October 2018	Y	-	-	-	-
Safe Work Areas; Low & High risk work areas	3.9.1	Successful transition to Skytrust customised for each site.	Y	OFI	-	-	-
HSE-PRO-4.04 - Plant Procedure	3.8.5	Implemented and endorsed as at December 2020.	Y	-	-	-	-
Pre-start checklists	3.10.19	Skytrust used by Open Space Operations. Positive feedback with occasional ITT issues (hardware related).	Y	4	Engage other Operations teams to develop pre-start inspections on Skytrust as hardware becomes available to facilitate.	WHS Business Partners	30/11/22
HSE Pre-Purchase Checklists	3.10.24	Still inconsistently applied, has gained further traction following Plant Management training in May 2017.	N	4	Engage Strategic Procurement on requirements for contracts and purchase orders to include pre-purchase documentation before orders can be raised as part of finance system procurement project.	WHS Business Partners	30/12/22
Plant Risk Assessments	3.10.1	Plant risk assessments in SkyTrust and now send automated emails to review.	Y	4	-	-	-
Monitoring / maintenance of plant	4.1	Plant is monitored for maintenance, testing and inspection through manual plant register. Legislative requirements under WHS Act are tracked using Skytrust Inspection module	N	4	Consider WHS requirements if organisation is piloting / testing asset management system	UM WHS	30/11/22
HSE-PRO-4.05 - Personal Protective Equipment & C	3.8.3	Implemented and endorsed as at February 2019.	Y	-	-	-	-
Training for fit and use of PPE&C	3.2.1	Scheduled in TNA to be undertaken bi-annually by HR in October.	Y	-	-	-	-
HSE-POL-005 - CONTRACTOR MANAGEMENT	3.8.6	Implemented and endorsed as at August 2018	Y	-	-	-	-
Contract & Procurement Procedure	3.8.6	Implemented and endorsed as at October 2016. Currently consulting revised version for implementation in August 2021.	Y	-	-	-	-
WHS Due Diligence & Hazard Management	3.8.1	Undertaken through the tendering and procurement processes	N		Provide ELT quarterly updates on implementation and ongoing use of Skytrust for HSE contractor management throughout FY.	UM WHS	30/06/23
Insurances & Licences	3.3.1	SharePoint and Excel in use for monitoring insurances inconsistently where contracts are in place. Contractors in purchasing system are not monitored for insurances and licences once activated. Pilot completed for use of Skytrust for managing workflows for contractor HSE management	N		1. Develop and implement consistent processes and accountabilities for monitoring of contractors in the current purchasing system for insurances and licensing. 2. Develop and implement consistent processes and accountabilities for monitoring of contractors in new purchasing system for insurances and licensing.	Strategic Procurement and Operational Support	31/10/22

APPENDIX A - WHS Management System Review

Induction	3.3.1	Internal Audit by KPMG recommended centralisation and automation of contractor management processes such as collecting insurance, induction, licence and surveillance records as well as recording of hazards and incidents	N	2	Engage all business units with responsibility for contractor management to commence completing inductions using Skytrust and ensuring records are retained in appropriate SharePoint location.	WHS Business Partners	30/06/23
Contractor Hazard and Incident Reporting	3.8.7	Skytrust now in use for recording hazards and incidents for contractors to self-report. Inductions being completed online by contractors with support from Strategic Procurement and Risk.	N		Engage all business units with responsibility for contractor management to commence completing hazard and incident reporting using Skytrust for contractor hazards and incidents.	WHS Business Partners	30/06/23
Surveillance	3.9.1	Skytrust now in use for recording surveillance of Open Space Rec & Planning contractors. Other business units will be engaged over FY2021. Concurrent projects needs further development to support accurate records.	N		Engage all business units with responsibility for contractor management to commence completing surveillance monitoring using Skytrust.	WHS Business Partners	30/06/23
Audits	4.2.1	2 HSE Contractor Audits conducted during FY20-21. This is programmed to be replicated during FY20-21 with 6 programmed.	Y	OFI	Increase to 6 audits for annum following increase to WHS resources.	WHS Business Partners	30/06/23
HSE-POL-006 - WORKPLACE EMERGENCY MANAG	3.7.1	Implemented and endorsed as at February 2019	Y	-	-	-	-
HSE-PRO-6.01 Workplace Emergency Management	3.7.1	Implemented and endorsed as at February 2019	Y	-	-	-	-
Workplace Emergency Management Procedures	3.7.1	Compliant and conforming to RTW PSSI	Y	-	-	-	-
Emergency personnel & responders appointed	3.7.1	Risk Team & Emergency Wardens	Y	-	-	-	-
Emergency Management training for ECOs	3.2.1	Wardens being trained in April & May. Drills in May. Minor changes and improvements being incorporated in drills. Use of internal templates for drill reports.	Y	-	-	-	-
Provision of EM equipment	3.7.1	Fire detection/suppression/fighting equipment and other EM response provisions as outlined in Site profiles	Y	-	-	-	-
Inspection of EM equipment	3.9.1	Inspections are undertaken & monitored by the contract owner. Recently added to SkyTrust to monitor. Gaps exist in the evidence recording of the monitoring and testing of emergency equipment.	Y	OFI	Partner with land & property to improve systems for recording and confirming completion of required inspections, testing and monitoring.	WHS Business Partners	30/06/23
System to ensure emergency authorities are informed of relevant hazards on-site when attending an emergency	3.7.1	WEMPS are available from the chief warden	Y	-	-	-	-
HSE-PRO-6.02 First Aid Procedure	3.7.1	Implemented and endorsed as at February 2019	Y	-	-	-	-
First Aid & Emergency Response resourcing	3.1.1	Compliant and conforming to RTW PSSI	Y	-	-	-	-
HSE-POL-007 - HAZARDOUS WORK	3.8.1	Implemented and endorsed as at June 2021.	Y	-	-	-	-
HSE-TOOL-7.01a - Hazardous Manual Tasks	3.8.1	Implemented and endorsed as at February 2020	Y	-	-	-	-
Hazardous manual task risk assessments	3.8.1	Register created for hazardous manual tasks requiring risk assessment. Eight risk assessments completed and remaining programmed to complete through FY21-22.	Y	-	-	-	-
HSE-TOOL-7.01b - Electrical Safety	3.8.1	Implemented and endorsed as at December 2020	Y	-	-	-	-
Thermal Imaging of Switchboards	3.9.1	Managed by Land & Property contract, added to SkyTrust for monitoring by WHS	Y	OFI	Implement spot audit program of legislative obligations for servicing and maintenance	UM WHS	30/06/23
RCD testing	3.9.1	Managed by Land & Property contract, added to SkyTrust for monitoring by WHS	Y	OFI	Implement spot audit program of legislative obligations for servicing and maintenance	UM WHS	30/06/23
Tagging & testing	3.9.1	Managed by Land & Property contract, added to SkyTrust for monitoring by WHS	Y	OFI	Implement spot audit program of legislative obligations for servicing and maintenance	UM WHS	30/06/23
HSE-TOOL-7.01c - Hazardous Chemicals	3.8.5	Implemented and endorsed as at August 2020.	Y	-	-	-	-
ChemAlert Chemical Register & Risk Assessments	3.8.1 / 3.9.1	Review of holdings, storage & risk assess for all chemical holdings across all sites annually	Y	-	-	-	-
HSE-TOOL-7.01d - Prevention of Falls	3.8.1	Implemented and endorsed as at June 2020.	Y	-	-	-	-
Roof access Risk Assessments plus Harness, Rope, Roof access ladders & anchor point Inspections	3.8.1	Completed	Y	-	-	-	-
HSE-TOOL-7.01e - Isolation and Lock Out/Tag Out	3.8.1	Implemented and endorsed as at April 2020.	Y	-	-	-	-
HSE-TOOL-7.01f - UVR & Inclement Weather	3.8.1	Implemented and endorsed as at February 2019.	Y	-	-	-	-
UVR & Inclement Weather Risk Assessments	3.8.1	UV and Inclement Weather documented in Skytrust Safety Risk Register. SharePoint folder & template created risk assessments to be recorded on days of inclement weather. Inconsistent completion of RAs.	Y	-	-	-	-
HSE-TOOL-7.01g - Hot Work Procedures	3.8.1	Implemented and endorsed as at October 2020.	Y	-	-	-	-
Designated Hot Work Areas	3.8.1	Workshop at City Services is designated and has hot work risk assessment. Hot work areas ID at NHC.	Y	-	-	-	-
Hot Work Permit	3.8.2	Hot work permit issuers nominated and training provided with register of issuers provided in SharePoint.	Y	-	-	-	-
HSE-TOOL-7.01h - Remote & Isolated Work	3.8.1	Implemented and endorsed as at December 2018.	Y	-	-	-	-
Communication devices for Isolated Workers	3.11.4	Man down lanyards provided for all identified roles, Internal WHS Audit conducted by Choose Safety June 2018	Y	-	-	-	-
HSE-TOOL-7.01i - Confined Space Management	3.8.1	Implemented and endorsed as at October 2019.	Y	-	-	-	-
Confined Space Register & Risk Assessments	3.9.2/3.9.3	Confined space risk register monitored by Skytrust Documents module.	Y	-	-	-	-
Confined Space Permit	3.10.14	Confined Space permit register created in SharePoint.	Y	-	-	-	-
HSE-TOOL-7.01j - Excavation & Trenching	3.8.1	Implemented and endorsed as at December 2020.	Y	-	-	-	-
Trench Inspection	3.9.2/3.9.3	Good level of Inspection undertaken and documented	Y	-	-	-	-
Dial Before You Dig and Underground Service Location	3.9.2/3.9.3	Underground service location guide implemented across relevant teams.	Y	-	Consider addition of 'Read the street' training from APA Gas or SAPN in Training Needs Analysis.	WHS Business Partners	31/12/23
HSE-TOOL-7.01k - Asbestos Management	3.8.1	Implemented and endorsed as at October 2020.	Y	-	-	-	-
Asbestos Register, Risk Assessments & Asbestos Management Plan	3.9.2/3.9.3	Contracted to Greencap, reduction program in place, annual review of registers and Asbestos Management Plan implemented	Y	-	-	-	-
HSE-TOOL-7.01l - Work Zone Traffic Management	3.8.1	Implemented and endorsed as at June 2020.	Y	-	Investigate options for moving Work Zone Traffic Management Plans to electronic platform	WHS Business Partners	30/12/23

APPENDIX A - WHS Management System Review

HSE-TOOL-7.01m - WHS Management Plan	3.8.1	Implemented and endorsed as at October 2019.	Y	-	-	-	-
HSE-TOOL-7.01n - Construction HSE Pre Works Check	3.8.1	Implemented and endorsed as at October 2019.	Y	-	-	-	-
HSE-POL-008 - WELLBEING	3.8	Implemented and endorsed as at December 2018.	Y	-	-	-	-
Procedure(s) to assist workers who are exposed to critical incidents at work.	3.7.1	Employee Wellbeing/Assistance Program, nominated Mental Health First Aiders across the business plus Advanced MH Response training offered to leadership team	Y	-	-	-	-
HSE-PRO- 8.01 Alcohol and Other Drug Procedure	3.8.1	Implemented and endorsed as at September 2020.	Y	-	-	-	-
Alcohol and Other Drug education and monitoring program	3.9.1	Training provided to all new employees , annual wellbeing refresher training offered to staff and quarterly random testing regime together with at cause or post incident	Y	-	-	-	-
HSE-PRO- 8.02 Smoke Free Workplace	3.8.1	Implemented and endorsed as at February 2019.	Y	-	-	-	-
Smoke Free Workplace education & program	3.2.1	Annual education provided but no monitoring program exists	N	4	Complete actions appropriate in response to recommendations from Internal WHS Audit Report completed in June 2021.	UM WHS	30/09/23
HSE-PRO- 8.01 Infectious Disease Prevention	3.8.1	Implemented and endorsed as at February 2019.	Y	-	-	-	-
Infectious Disease education and vaccination program	3.8.2	Important information provided through the TSLW newsletter plus annual vaccination program offered	Y	-	-	-	-
Environmental Policy	N/A	Last endorsed 25 November 2019. Next review date Nov 2023	Y	-	-	-	-

Appendix B - HSE Plan 2019-23 Performance Summary

	Commitment	Achieved by	Success Measure	Target	2019/20	2020/21	2021/22	2022/23	Result %	Commentary	Recommendations for consideration	Action Owner	Due Date
HSE LEADERSHIP	1.1 Exhibit & actively promote worker & environmentally safe behaviours	Setting an example through visible leadership	Percentage of leaders review their HSE Risks in the SkyTrust Safety Risk Register each year as scheduled	100% of leaders	70%	85%	100%	100%	9%	The Risk Register contains 1002 entries. 985 Entries are overdue for review. 92 entries were made in FY20/21. These are all overdue for annual review.	Review HSE Risk register content and action communication framework	WHS Business Partner	30/10/23
			WHS Committee meetings will have ELT representation	100% attendance	100%	100%	100%	100%	100%	HSE Committee well attended by ELT members.	Review HSE Committee TOR	UM WHS	30/10/22
			Leaders undertake their allocated Safety Observations each year.	100% occurrence	70%	85%	100%	100%	71%	Completed 135 HSE observations from a target of 191. In Q1 HSE observations numbers were impacted by Covid19.	1. Implement program focused on increase use of smartphones and tablets for completing HSE Observations and other functions as part of DTP. 2. Partner with teams and individuals to increase confidence and consistency of HSE Observations.	WHS Business Partner	Ongoing
		Actively promoting safety & the environment	General Staff, ELT and SLT meetings have safety on the agenda	100% of meetings	100%	100%	100%	100%	100%	Meetings have all started with or contained WHS topics.			
			Leadership visibility of HSE culture through new initiatives	2 initiatives each year	2 initiatives	2 initiatives	2 initiatives	2 initiatives	100%	Mental Health Month Influenza Vaccination 15 Minute Challenge			
			Promotion of HSE & wellbeing through the monthly TSLW newsletters	12 newsletters per year	100%	100%	100%	100%	100%	Monthly newsletters are being distributed through constant contact. Generally late in the month.			
	Acknowledging safe & environmentally sustainable behaviours	Green @ Work initiatives	Delivery & promotion of monthly Wellbeing themes based on annual Wellbeing Plan	12 themes per year	12 themes	12 themes	12 themes	12 themes	100%				
			Green @ Work initiatives	2 initiatives / year	2 activities	2 activities	2 activities	2 activities	100%	5 Activities conducted for FY21/22			
			STAR award nomination for HSE related behaviours	STAR Award introduced with 10% increase in nominations each year	HSE added to STAR Award program	HSE STAR Awards introduced	10% increase in HSE STAR Award nominations	10% increase in HSE STAR Award nominations	100%	3 Safety related STAR Awards presented			
	1.2 Empower people to understand their HSE responsibilities & processes as we build capacity, ownership & achieve safe outcomes	Training all leaders in WHS	Percentage of ELT, SLT & identified UMs undertake Due Diligence training every 4 years	100% of identified staff	100%	100%	100%	100%	Unable to confirm		Engage L&D to ensure Due Diligence training is captured on Learning Management System for identified roles (CEO, GMs and select SLT)	UM WHS	30/09/22
			Percentage of CoM leaders complete the WHS Leadership 1, 2 & 3 eLearning modules within the timeframe	100% of identified staff	100%	100%	100%	100%	13%	One staff member commencing in leadership roles in the last twelve months has completed all modules.	Follow up People Leaders with request to complete modules via online learning	WHS Business Partner	Ongoing
	1.3 Encourage those impacted by our operations to be included in discussions that may affect their health & safety or the environment	Training all relevant roles in Environmental Impacts	Competency based Environmental Impacts training (eLearning or face-to-face) for relevant staff included in Organisational TNA	100% of identified staff	Training developed	100%	100%	100%	74%	40 Staff trained. 14 outstanding	Online Environmental Awareness Training module to be completed by key project management staff in the organisation.	Environmental Officer	Ongoing
			Percentage of WHS / ERM Policy & Procedures, introduced or revised, include consultation and communication with all affected staff	100% of documents reviewed	70%	85%	100%	100%	84%	142 of 883 WHS Management System documents are currently identified as overdue for review.	These documents are all second tier management system documents. (Safe Operating Procedures, Safe Work Method Statements). The provision and review period of these documents will be revisited after the current hazard management process review as one of the raft of applicable hazard control measures. Note: The WHSMS contains 883 documents	UM WHS	30/10/23
		Consulting & communicating WHS matters with staff, volunteers & contractors	Options, including advantages / disadvantages, of merging the ERM and WHS Committees is considered with recommended approach approved to commence from July 2020	Identify and implement options					100%	HSE Committee continues to be effective, active and university supported.	Review HSE Committee Terms of Reference against legislated and regulated requirements of a WHS Committee.	UM WHS	31/10/22
			Percentage of staff, agency staff with a 36 month contract, contractor & volunteer inductions include environmental requirements	100% of staff	70%	85%	100%	100%	74%	40 Staff trained. 14 outstanding			
HAZARD MANAGEMENT	2.1 Take pride in delivering safe outcomes for our people, community & environment	Improving reporting as part of building an overall positive HSE culture	Increase in WHS hazard & near miss incident reports year on year for the life of the plan	5% increase per year	10 per month	5% increase per year	5% increase per year	5% increase per year	6%	Target 10.3 per month for FY21/22. Achieved 8.2 per month.			
			Increase in environmental incident reports year on year for the life of the plan	10% increase per year	10% increase per year	10% increase per year	10% increase per year	10% increase per year	-40%	6 incident reports in 2021/2022 compared to 10 in 2020/21 (Excluding CleanAway broken branches)			
			Percentage of plant that is risk assessed prior to entering service & reviewed at least 5 yearly	100%	80%	90%	100%	100%	82%	179 Plant Risk Assessments are recorded. 32 are overdue for review.	Pre-purchase risk assessments documentation improvements being implemented through LGAWCS Action Plan		
			Percentage of chemicals that are risk assessed prior to being used & reviewed at least 5 yearly	100%	80%	90%	100%	100%	100%	2 new chemical risk assessments conducted prior to purchase. 1 further pending approval.			
	2.2 Proactively undertake systematic identification, assessment, control, monitoring & review of hazards associated with our operations	Identifying, assessing & controlling all high priority hazards.	Percentage of SWMS, SWPs & SOPs that are reviewed as scheduled	100%	80%	90%	100%	100%	81%	Of 383 SOP/SWP 73 are overdue for review.	Review document management and notification system.	WHS Business Partner	30/09/22
			Spot audits of all relevant projects in CAMMS to ensure their pre-design environmental checklist was completed	Quarterly audits undertaken	4 audits completed	4 audits completed	4 audits completed	4 audits completed	0%	Staff resourcing limitations			
			TRIFR reduction of 10% or greater (on previous year)	10% reduction each year	10% reduction	10% reduction	10% reduction	10% reduction	23% increase	23% increase. TRIFR at 22 up from 17 at end of the previous period.			
			Percentage of corrective and preventative actions that are closed out within their scheduled timeframes	100% completed within timeframe	70%	80%	90%	100%	70%	70% of corrective and preventative actions were completed on time (98 of 140). Increase from 56% in previous financial year.	Review and implement hazard management system. Develop 12 month hazard management strategy	WHS Business Partner	30/10/2023
INCIDENT MANAGEMENT	2.3 Be accountable for continual improvement of risk reduction processes	Taking action to improve our risk controls	Percentage of corrective and preventative actions that are closed out within their scheduled timeframes	100% completed within timeframe	70%	80%	90%	100%	70%	70% of corrective and preventative actions were completed on time (98 of 140). Increase from 56% in previous financial year.	1. SLTs and HSE Business Partners to continue programming time to follow up and support action completion via SkyTrust 'Weekly Action Summary' to ensure people leaders are completing actions on time. 2. Consider specific WHS responsibilities including corrective and preventative action amongst other positive performance indicators incorporated within the Performance Development Plan and/or Learning Development Plan process.	UM WHS & Manager P&C	30/09/22
			Percentage of all incidents that are reported in SkyTrust within 1 working day of the incident occurring	100%	80%	90%	100%	100%	81%	81% of incidents (328 of 406) were reported within 1 day of occurrence.	Promote and increase use of SkyTrust app for recording incidents and hazards as part of digital transformation.	WHS Business Partner	20/02/23
			Comprehensive monthly & extended quarterly WHS report by the 10th day of the following month	Monthly Reports	12 reports	12 reports	12 reports	12 reports	100%	Reports compiled by UM WHS			
			Percentage of all medium or above risk rated incidents are investigated by the responsible person and corrective actions identified within 10 business days of the incident being reported	100%	80%	90%	100%	100%	31%	31% of incident investigations (26 of 84) were completed within 10 business days of incident reported date.	1. Support organisation in completion of incident investigations through HSE Business Partners. 2. SLT to monitor investigations and ensure time allocated to completing on time.	UM WHS	1/02/23
	3.2 Reduce or eliminate contributing factors to incidents to reduce risk of recurrence	Undertaking incident investigations to identify contributing factors	Recurring contractor incidents investigated by the contractor manager (with support from the Risk and/or Environmental Sustainability Teams) and corrective actions identified within 7 days of the incident being reported	100%	80%	90%	100%	100%	100%	All environmental incidents are documented in the HSE Committee Minutes. There were no contractor incidents minuted in the HSE Committee minutes			
			Percentage of all incidents risk rated as high or above reviewed by the Risk team	100%	80%	90%	100%	100%	100%	11 incidents rated as high have been reviewed by WHS as part of investigation team.			
			Improving the quality of incident investigation & reporting	Percentage of all incidents with an environmental impact is reviewed by the Environment team	100%	100%	100%	100%	0%	Staff resourcing limitations			
			LTIDR Reduction of 10% or greater on previous year	10% annually	10%	10%	10%	10%	54%	LTIDR is 12.3. A reduction from FY 20/21 at 22.6.			
	4.1 Provide a management system that complies with the requirements of the	Undertaking a RTW PSS compliance self-assessment as part of the management review reported to RWG	LTIFR Reduction equal to or greater than target set up council	Council a target	10%	10%	10%	10%	71%	LTIFR 5.9 at 30 June 2022			
			All Lost Time Injuries will have a 48 hour meeting scheduled by the people leader inviting the HR Business Partner and WHS Coordinator	48 hr meeting scheduled for all LTIs	100%	100%	100%	100%	100%	All LTIs included 48 hour meeting to discuss injury management and investigation actions to support return to work and risk reductions.			
	4.1 Provide a management system that complies with the requirements of the	Undertaking a RTW PSS compliance self-assessment as part of the management review reported to RWG	Increase of conformances from previous self-assessment	10% increase each assessment	10%	10%	10%	10%	12%	82% conforming increased 12% on the 73% self assessment in 2020.	Recommendations from the WHSMS Review Report 2021 if implemented will support increased conformances.	UM WHS	30/09/22
			Increase of conformances from previous LGAWCS audit	10% increase each audit	na	10%	na	10%	na	Results will be available every odd year for comparison.			

	Commitment	Achieved by	Success Measure	Target	2019/20	2020/21	2021/22	2022/23	Result %	Commentary	Recommendations for consideration	Action Owner	Due Date
CONTINUAL IMPROVEMENT	Return to Work SA's Performance Standards for Self Insurers (RTW PSSI)	Undertaking an annual ERM compliance self-assessment and report to RWG	Practical transition of ERM system elements to SkyTrust	100% of all agreed system elements	50% of all agreed system elements	75% of all agreed system elements	90% of all agreed system elements	100% of all agreed system elements	85%	Approximately 85% of ERM system elements are now incorporated into SkyTrust.			
	4.2 Be accountable for making positive differences to health, safety & environment	Undertaking a proactive schedule of audits	WHSMS audits being performed	At least 10% / year	10%	10%	10%	10%	20%	7 Procedural Audits conducted by 3rd parties			
			ERM process and sites/activities audits conducted per year	1 process audit & 1 site/activity audit / year	2 Audits	2 Audits	2 Audits	2 Audits	50%	Internal Waste Audit conducted.			
			Contractor HSE Audits conducted per year	At least 6 / year	6 audits	6 audits	6 audits	6 audits	Unable to verify		Engage organisation to schedule 6 Contractor HSE Audits and conduct per schedule.	UM WHS	31/08/22
	4.3 We will build a culture of performance excellence	Training and educating our workforce to ensure they have the key skills to deliver our services	An organisational TNA where worker training records are checked to ensure that all training identified has been delivered	100% of training delivered	70%	80%	90%	100%	0%	TNA in progress			
			Percentage of staff competency verified for operation of plant as per training needs analysis	100% of competencies verified	70%	80%	90%	100%	Pending	Pending TNA and TMP	TNA and TMP to be developed prior to VOC program roll out.	UM WHS	31/08/22
		Reviewing LGA Circulars & Government Gazettes	Legal Requirements is a mandatory agenda item in the WHS & ERM Committee agendas and reflected in the minutes	100% of meeting agendas	100%	100%	100%	100%	100%	Standard agenda item for HSE Committee. Minutes reflect regular and timely legislative updates.			
		Maintaining HSE compliance obligations ie monitoring, licences and permits	Scheduling of legislative inspection, testing and servicing requirements using the Inspection and Audit Module in SkyTrust	100% being tested when due	70%	80%	90%	100%	Unable to verify				

Appendix C – Incident Analysis Report FY2021-22

PURPOSE:

The purpose of this report is to provide the Finance and Risk Audit Committee (FRAC) with an overview of health and safety injury and hazard management data at the City of Marion (CoM) over the financial year 2021-22.

RECOMMENDATION:

It is recommended that FRAC note this report.

Hazard and Near Miss Reports (Internal HSE Skytrust reporting data)

The frequency of Hazard and Near Miss Reporting is an indicator of a proactive safety culture. It shows the willingness and ability of workers to report situations that have the potential to lead to injury.

The HSE Plan 2019-2023 targets a 5% increase on Hazard and Near Miss reporting on a year-to-year basis. CoM has failed to achieve this year's target of a reporting average of 10.3 reports per month in every month. This is a decline in performance from FY2020-21 as shown in Figures 1 and 2 below.

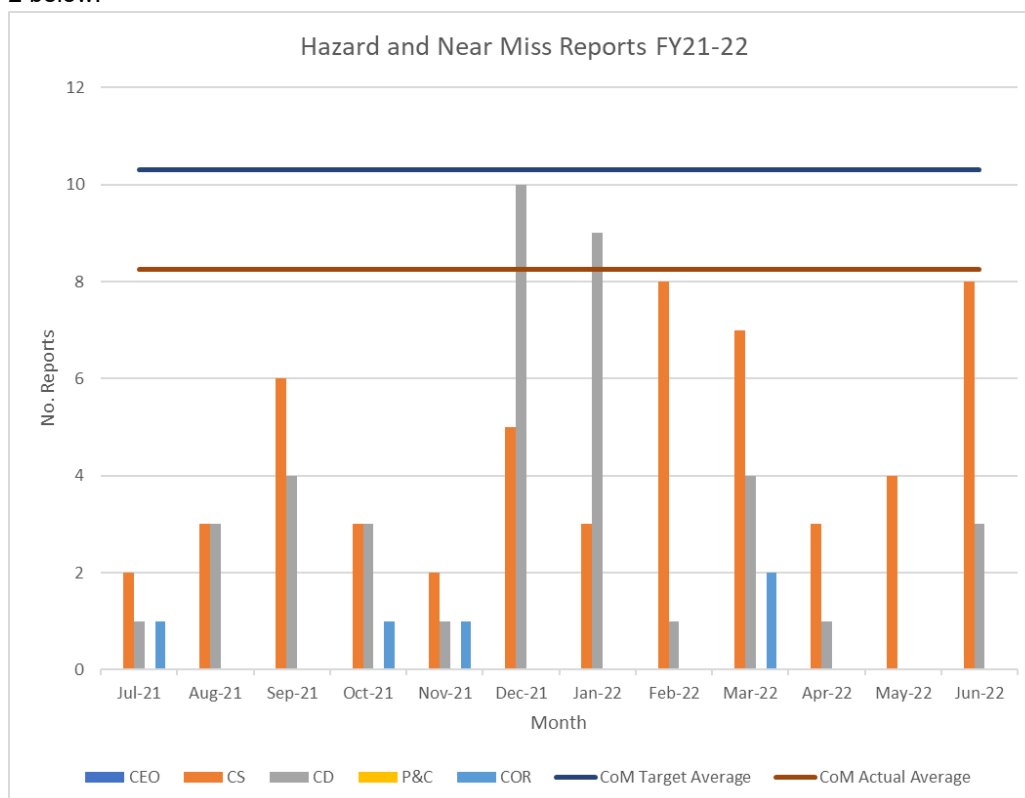


Figure 1 Hazard and Near Miss reports Financial Year 2021-22 (CoM Data)

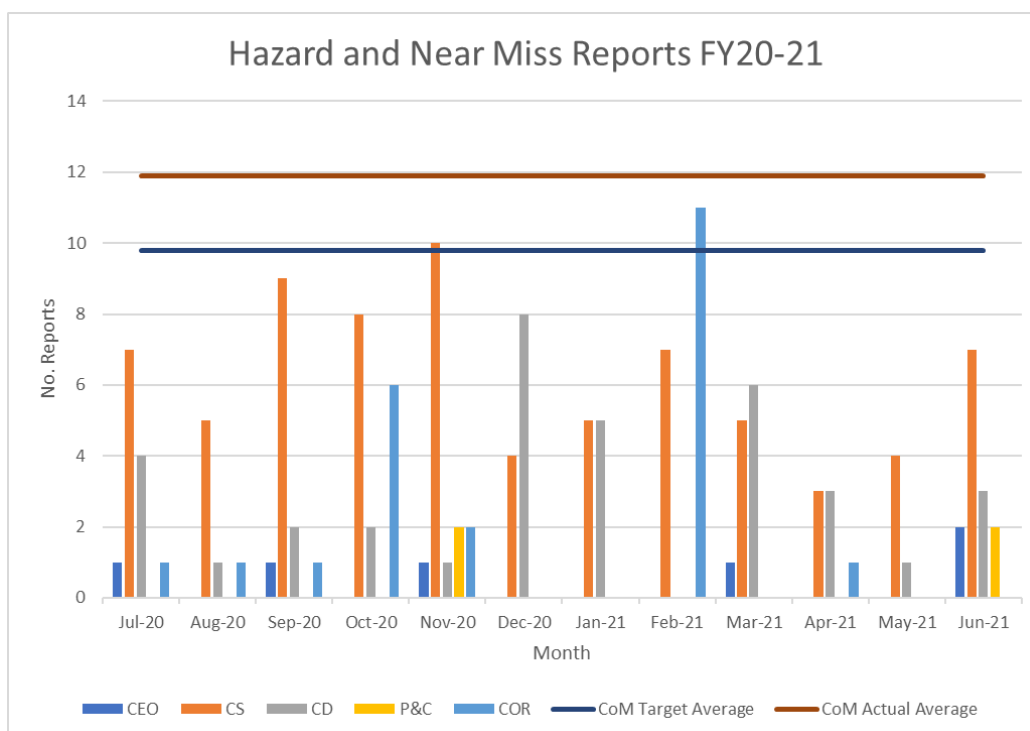


Figure 2 Hazard and Near Miss Reports Financial Year 2020-21 (CoM Data)

Lost Time Injuries & Total Recordable Injuries Reported (SkyTrust reporting data)

Lost Time Injuries (LTIs) are those injuries where a full workday or shift has been lost due to a workplace injury. Total Recordable Injuries (TRIs) are a summation of LTIs and incidents resulting in the employee receiving medical treatment resulting in a claim for Workers Compensation.

Whilst the HSE Plan 2019-2023 does not require the measurement of TRI, it is a more effective indicator of the severity of injury occurrences rather than LTI which is limited to measuring the loss of a full shift or day away. This can be shown in Figures 3 and 4. Whilst LTI's have dropped substantially from the previous financial year, the total number of Workers Compensation claims for medical treatment due to workplace injury (TRI) has remained static.

LTIs and TRIs reported to date for this financial year, outlined in Figure 3, can be compared against those reported last financial year which are outlined in Figure 4.

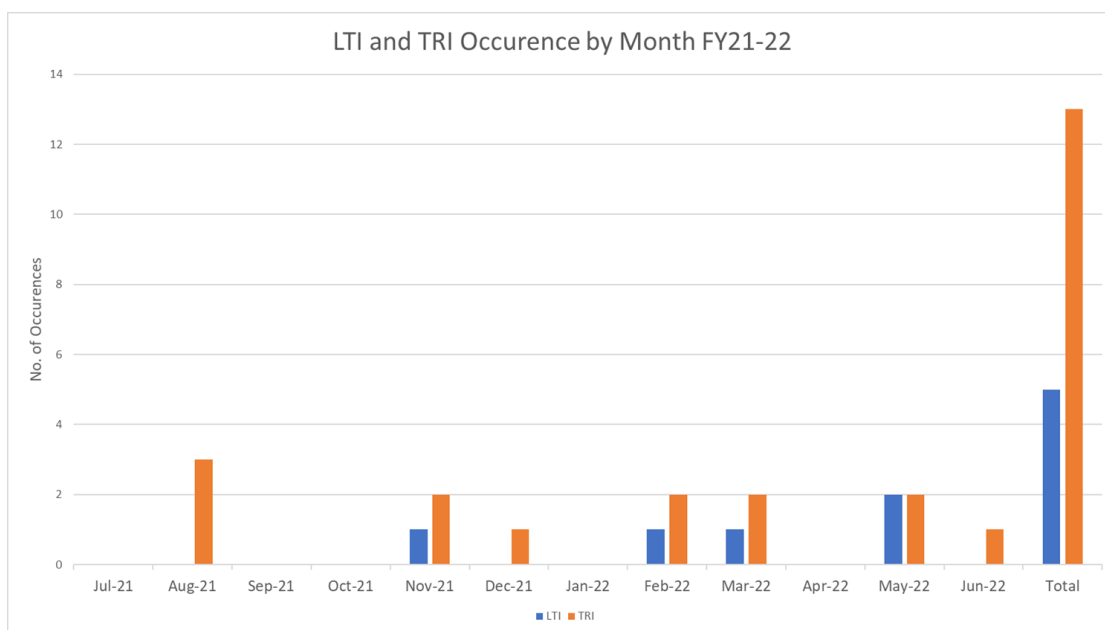


Figure 3 LTIs and TRIs per month - FY 2021-22 (LGRS Data)

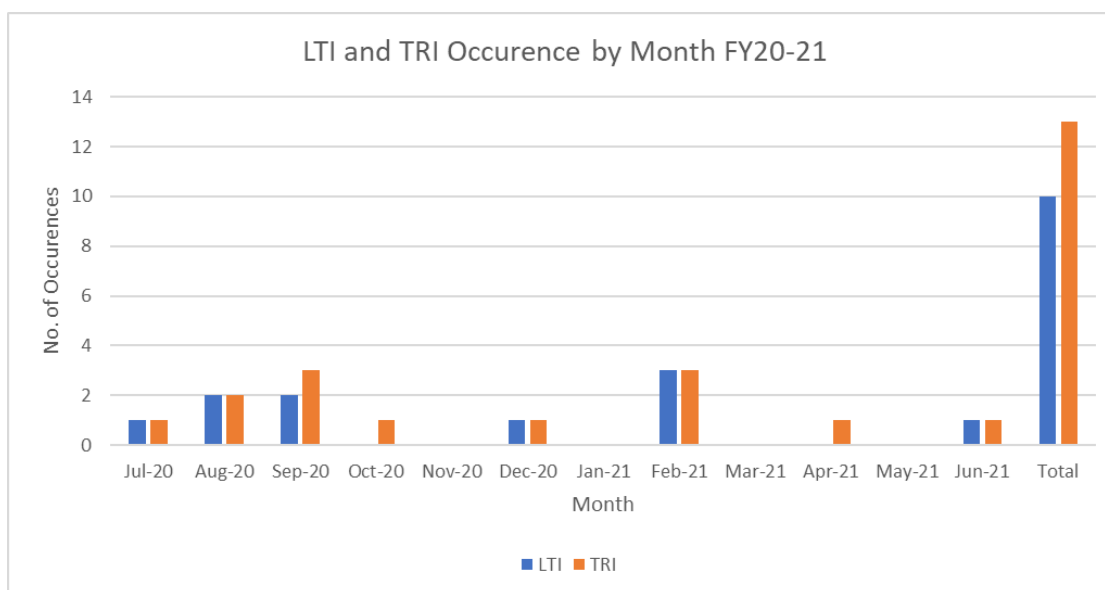


Figure 4 LTIs and TRIs per month - FY 2020-21 (LGRS Data)

Lost Time Injury Frequency Rate & Total Recordable Injury Frequency Rate (LGRS Data)

Lost Time Injury Frequency rate is an assessment of the occurrence of Lost Time Injuries per 1 million hours worked.

Total Recordable Injury Frequency rate is an assessment of all claims for Workers Compensation per 1 million hours worked.

In both measures Figures 5 & 6 show that CoM performed better than similar councils and managed to improve upon its own performance targets.

- *CoM Reduction target for the LTIFR is 10% from 20.3 (FY 2020-21) to 18.3 or below for FY 2021-22.*
- *CoM Reduction target for the TRIFR is 10% from 17.4 to 15.7 or below by 30 June 2022.*

CoM has achieved its LTIFR Reduction target for FY 2021-22; achieving an LTIFR of 7.4 Lost Time Injuries per million hours worked.

CoM has achieved its TRIFR reduction target for FY21/22; achieving a TRIFR of 13 Total Recordable Injuries per million hours worked.

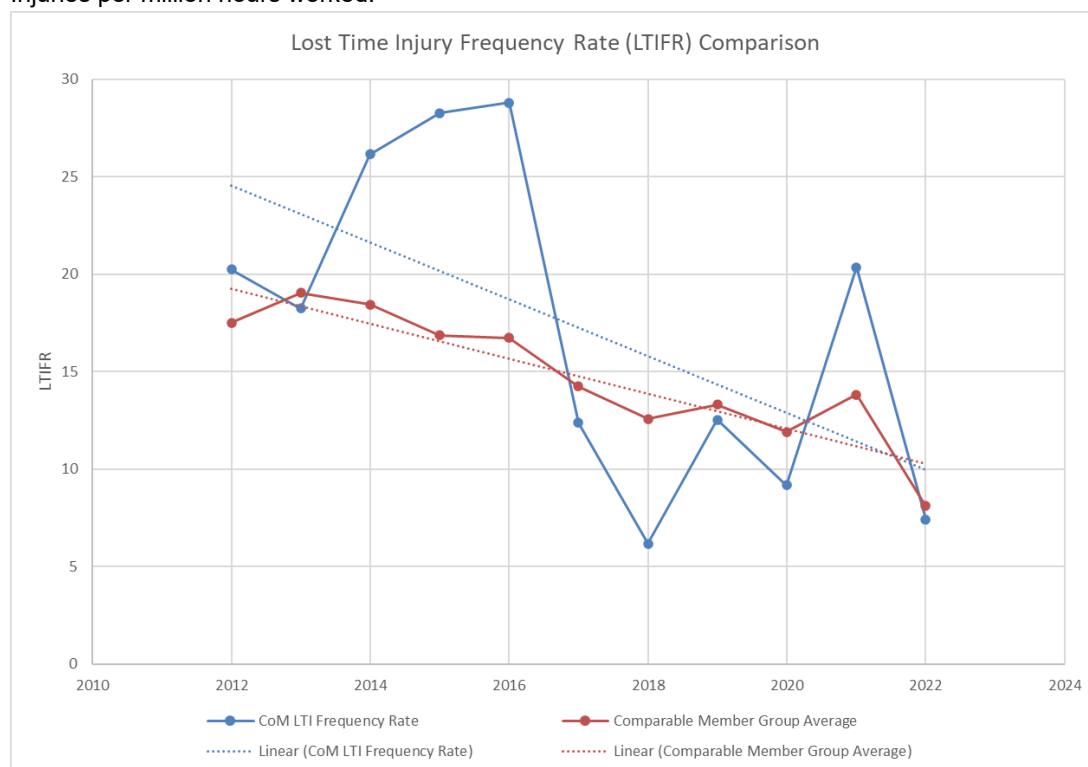


Figure 5 Historical LGAWCS LTIFR Comparison (LGRS Data)

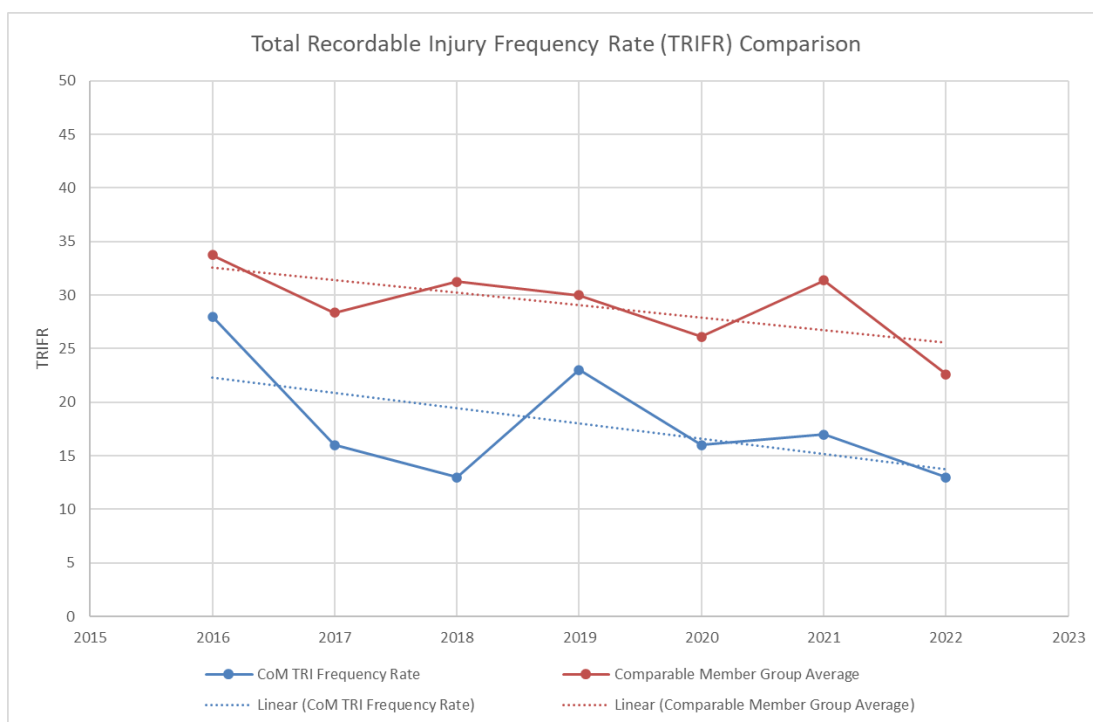


Figure 6 Historical LGAWCS TRIFR Comparison (LGRS Data)

Lost Time Injury Duration Rate (LGAWCS Claims Data)

The Lost Time Injury Duration Rate (LTIDR) is an industry standard tool for measuring the average days lost from LTI's within a reporting period (financial year) to enable comparison to other organisations.

- *Reduction target for the LTIDR is 10% from 23.4 to 17.5 or less.*

The current LTIDR, as shown in Figure 7, for the City of Marion is 12.3; a reduction from FY 2020-21 at 22.6. Whilst this may seem a substantial reduction, it should be noted that live claims may remain open for a considerable period.

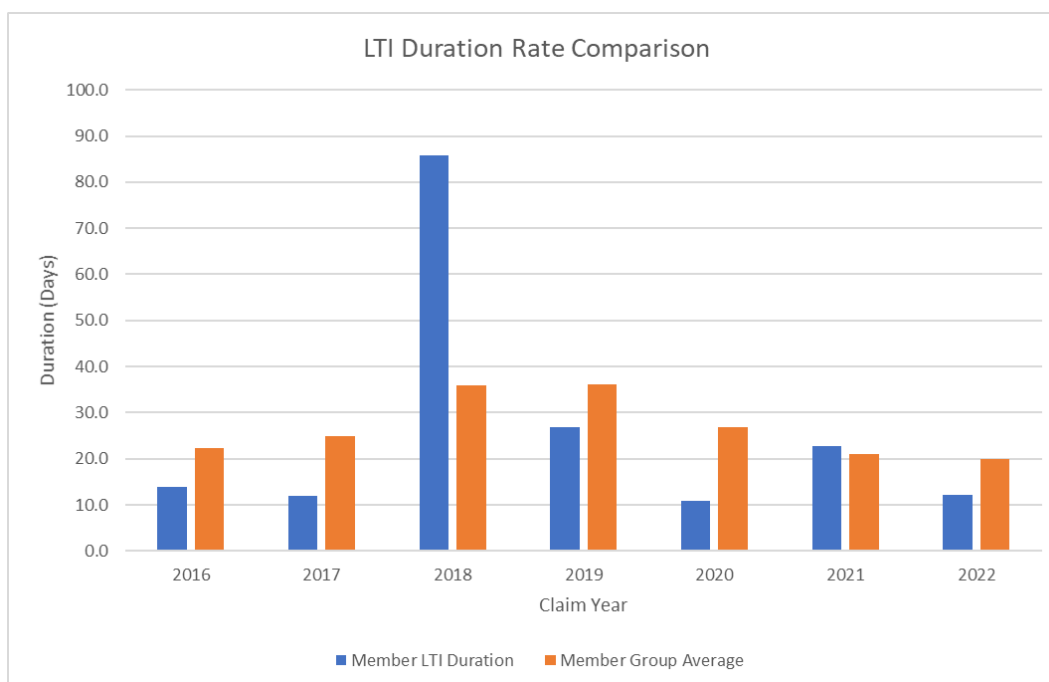


Figure 7 LTIDR compared against similar Group A Councils (LGRS Data)

Corrective & Preventative Action Status

SkyTrust records actions from a variety of sources including incident or hazard reports, audit findings, work area inspection, and risk assessments. The target is to complete 90% of actions on time by 30 June 2022. Figure 8 shows that 72% of actions were closed out for FY2021-22.

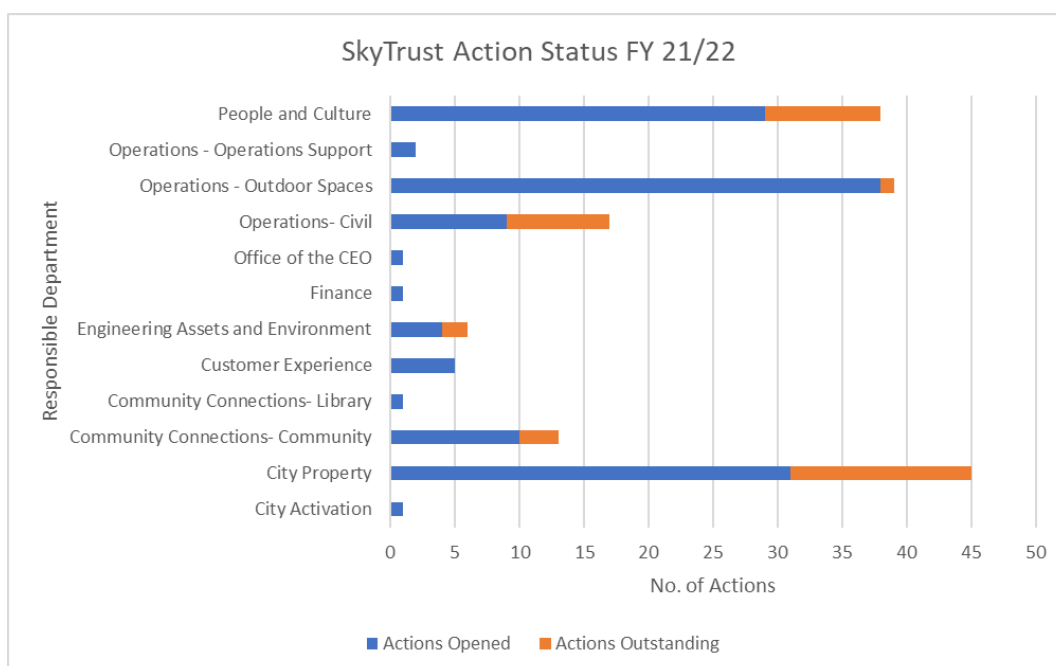


Figure 8 SkyTrust Action Status (CoM Data)

Incident Management

404 Incidents were recorded for FY 2021-22. 317 (78%) of these incidents were reported within 1 day of the incident occurring. The target for the year was 100%.

Environmental Hazard and Incident Reporting

Environmental hazard and incident reports are where an aspect of the environment may be at risk of impact or has been impacted. 53 Incidents were reported for FY 2021-22. Cleanaway trucks striking tree branches accounted for 52 of the 53 reports.

49 Environmental hazard and incident were reported for FY2020-21 – an increase of 6%. The Annual Target is a 10% increase in environmental hazard & incident reports to 11 by 30 June 2022.

APPENDIX D – Audit Program Report 2020-2021

REPORT OBJECTIVE

This report outlines the progress of the Work Health and Safety (WHS) Action Plan resulting from the Local Government Association Workers Compensation Scheme (LGAWCS) Risk Evaluation conducted in 2021.

BACKGROUND

Every two years, the LGAWCS and Local Government Association Mutual Liability Scheme undertake a combined WHS and Risk Management audit and evaluation process. Subsequently, Council is required to develop a WHS Action Plan which in part, goes towards addressing identified gaps in the evaluation and demonstrates council's commitment to conformance against the Return to Work SA Performance Standards for Self-Insurers (PSSI). This process is a condition of the overarching LGAWCS Self-Insurance License.

DISCUSSION

Risk Evaluation Report

CoM completed the evaluation of the CoM WHS System on 2 September 2021 and received the final report on 15 October 2021. In summary the report stated:

"The City of Marion are continuing to build upon their WHS management system, which includes a current suite of policies and procedures, and great analysis, reporting and review processes, supported by the Annual System review activities completed by the Senior Executive team. It was discussed that the City of Marion have recently had a re-structure within the Work Health and Safety team which has resulted in an increase of resources which demonstrates a commitment by the Executive to move the WHS system forward. There are, however, the following areas that require significant improvement, being:

- Hazard Management systems—identification, assessment and control, approach for tasks, plant, and chemicals for all workers (including volunteers)*
- Training systems –implementation of systems for identification and review of training needs, adequacy of training being delivered and mechanisms that allow for these to be kept current and relevant.."*

The WHS and Injury Management (IM) PSSI Sub-Elements Evaluation Overview (Table 1) outlines the level of WHS and IM compliance achieved for 2021. These results indicate that while robust WHS and IM systems are in place across the organisation, the application of these systems requires implementation of further strategies and commitment to achieve conformance, particularly in the key areas of training, hazard management and contractor management.

RTWSA PSSI Sub-Element	2021 Result	2022 Action Plan Items	Comment
1.2.1 Policies & Procedures	Conformance	0	Conforming in 2018
3.2.1 Training Programs	Non-conformance	7	WHS and VOC role
3.3.2 Accountability Mechanisms	Conformance	0	Conforming in 2018
3.7.1 Testing of Contingency Plans	Conformance	0	Conforming in 2018
3.8.1 Hazard Management	Non-conformance	12	Digitise HSE Program
3.8.3 Hierarchy of Control	Non-conformance	3	Digitise HSE Program
3.8.5 Purchase, Lease, Hire	Non-conformance	0	Addressing outside of LGA WHS Plan
3.8.6 Others in the Workplace	Non-conformance	7	Contractor Engagement Plan
3.9.1 Inspection and Testing	Observation	0	
4.1.1 Objectives, Targets and Performance Indicators	Conformance	0	Conforming in 2018
5.3.1 Reviewing, Revising the System	Conformance	0	Conforming in 2018
2.4.3 Injury Management	Non-conformance	5	Conforming in 2018

Table 1:
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LGAWCS WHS Action Plan contains actions which are either in direct response to non-conformances identified within the 2021 Risk Evaluation Report and/or from programs that are in progress, including:

- (a) the recruitment and embedding of the *WHS Training and VOC role*,
- (b) the *Digitising HSE for Operations* which will expand into other departments during 2022 and 2023 and
- (c) the *Contractor HSE Management Engagement Plan*.

Plan Review

Progress on the WHS Action Plan for 2022 was reviewed by an LGA Risk and Safety Advisor on 12 July 2022.

The reviewer summarised the outcomes from the review as follows:

31 - Total number of actions slated for completion by 30 September 2022

12 - Total number of actions verified as completed as of 12 July 2022

Completion rate 39% as of 12 August 2022. Completion rate as of 29 September 2022 estimated 65% (to be formally confirmed by LGRS).

An extension of the Audit Action Plan was granted by LGRS to 31 October 2022.

Additional commentary was provided. In summary:

The feedback provided on the original submitted plan was not taken on board at the time it was given in January / February this year. The plan was given provisional approval with several comments made by the peer process for the Council to consider against action items. These comments were not considered in the final plan.

It was agreed to remove 3 operational actions that should not have been included in a rebate action plan and, these actions if not completed should be placed in Councils Corrective and Preventative Actions register (see mark-up actions 8,9,10), which resulted in the total number of actions reduced from 34 to 31.

Positive outcomes have been achieved for modifications to Return to Work and Claims Administration, Safety in Design methodologies and appointment of a WHS Training and Assessment Officer.

Subsequent discussion with LGRS established that if commentary provided during the peer review had been adopted, it is likely far greater progress would have been made. It should be noted that during the development and initial delivery of the plan, the WHS function has undergone substantial structural upheaval with the appointment of 2 different Unit Managers, and engagement of a WHS Training and Assessment Officer. To add to this upheaval, the long term WHS Business Partner resigned from CoM on 26 July 2022.

Next Steps

It was made clear that CoM's approach to hazard management may be considered complex and does not conform with contemporary WHS management norms. To redress this Unit Manager WHS is directing a review of CoM hazard management processes with a view to functionality and alignment with contemporary hazard management systems.

Verification of Competency of plant and equipment operators was a major component of the plan. A dedicated role was developed to manage this process. The position is currently focused on developing a comprehensive Training Needs Analysis and supporting Training Management Plan.

The use of SkyTrust as a Contractor Management System has been discussed with City Property. Further discussion and testing will be required to determine if SkyTrust is suitable in managing contractor documentation, induction, and auditing.

Risk assessment of volunteer programs is an area requiring focused attention. Unit Manager WHS is working directly with the Volunteer Development Officer in aligning volunteer hazard management with the overall hazard management program.

CONCLUSION

Delivery of the WHS & IM Action Plan has not met expectations with 39% of actions completed to date.

This result has been influenced by a range of factors including staff turnover combined with ineffective plan development and review.

It is anticipated that the actions identified in "Next Steps" (above) will enable the CoM to meet a large portion of its agreed obligations prior to the end of the reporting period (September 2022). LGRS has recommended an application be made for an extension through to end October 2022.

INTERNAL AUDITS

The Internal Audit Procedure outlines the City of Marion's commitment to conducting WHS internal audits which assess how effectively the WHS Management System (WHSMS) elements combine to manage the risks associated with the City of Marion's business and its suitability in achieving the requirements of our WHS policy and objectives.

The Internal WHS and environmental audit program is scheduled through the HSE Plan 2019-23 and monitored through quarterly reporting. Records of these audits and any resulting agreed corrective & preventative actions are captured in SkyTrust for monitoring and review.

Internal WHS procedure audits have been conducted by Business SA with support from the WHS Team.

Internal Audits undertaken in 2020-21

Internal WHS Audit	Date	Key Recommendations
Excavation and Trenching	June 2022	<ul style="list-style-type: none"> - it is strongly recommended that an internal audit or team meetings should be carried out to ensure that all relevant workers and managers fully understand the processes and their responsibilities.
Contractor Management	June 2021	CoM following procedure. Opportunities for improvement identified included: <ul style="list-style-type: none"> - Training, induction, and regular refreshers for all staff in the procedure - Review consultation methods to ensure effective consultation is undertaken by those responsible for leading the process with respective teams - Further education in use of the 'PPE&C Fit for Use Assessment Tool'
Prevention of Falls	June 2022	<ul style="list-style-type: none"> - Ensure all relevant workers are familiar with and understand the requirements of the hazard management procedure. Ensure the procedure and practice are consistent. - Ensure all relevant area and department workers and managers are aware of the requirements and processes for consultation, coordination and cooperation when working with workers from other PCBU. - Ensure all relevant workers and managers are aware of the documentation required to be provided to contractors. - Ensure correct risk assessments are carried out.
Emergency Management	May 2022	<ul style="list-style-type: none"> - It is strongly recommended that emergency control and relevant high risk (e.g., chemical) management training for casual personnel working in venues hired or used by the public out of normal business hours be reviewed as a priority. - Ensure that the induction process does not lead to 'information overload' or lack of clarity, particularly regarding issues of high risk.
First Aid	May 2022	<ul style="list-style-type: none"> - Ensure scheduled emergency and 1st training is frequent enough to address issues of staff turnover and training expiry dates. Review how training is facilitated for areas with few staff to ensure minimal interruption to work processes. - Clarify whether there are situations when a record in the first aid book is adequate or whether a SkyTrust entry must be made for all first aid situations. Ensure the correct process is clearly communicated to all relevant personnel and consistently implemented.
Workplace Inspections	June 2022	<ul style="list-style-type: none"> - Most people do not review the previous work area inspection report before conducting the next one. - All respondents are familiar with SkyTrust, but approximately 1/3 found the system requires

		improvement and/or simplification.
Corrective Actions	June 2022	- In conjunction with Workplace Inspection Audit

8.2 Australian Service Excellence Standards - Update

Report Reference	FRAC221011R8.2
Originating Officer	Manager Community Connections – Merran Fyfe
Corporate Manager	Manager Community Connections - Merran Fyfe
General Manager	General Manager City Services - Ben Keen

REPORT HISTORY

Report Reference	Report Title
FAC210817R8.2	8.2 Australian Service Excellence Standards – Audit Update

REPORT OBJECTIVE

To update the Finance, Risk and Audit Committee (FRAC) about the Australian Service Excellence Standards (ASES) assessment recommendations and implemented actions.

EXECUTIVE SUMMARY

The City of Marion (CoM) undertook ASES assessment and accreditation in March 2021 and achieved 100% compliance against all requirements. These findings were presented to FRAC on 17 August 2021 (FRAC210817R8.2).

The Australian Service Excellence Standards (ASES) assessment and accreditation measures an organisation's commitment to quality through the lens of community development. This accreditation helps secure and/or maintain external funding for CoM in the Community Connections department, specifically the Community Hubs Program funding.

CoM currently receives \$285,308 (GST exclusive) per annum of funding from the State Government through the Department of Human Services (DHS) to run the Community Hubs Program. The Community Connections team through the Community Wellbeing business unit, manages the funding that delivers a variety of programs primarily through our Neighbourhood Centres. The Community Hubs funding agreement was recently extended for a further eight months, expiring 30 June 2023. There is no guarantee of continued funding.

On 17 August 2021 FRAC allocated the following action to staff:

Investigate the options for tracking the recommendations and provide a report back to the Committee in August 2022 with an update on the implementation of actions.

The ASES panel identified 19 recommendations for continuous quality improvements throughout the organisation. These actions are not required to meet future ASES accreditation. Staff have considered these recommendations and, where appropriate, been working to implement the actions in part or in full (see Attachment 2).

Note – This report was presented to FRAC on 16 August 2022. Due to time constraints of that meeting it was postponed to be presented to FRAC on 11 October 2022. Therefore, this report has had minor updates to reflect that postponement.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. Notes the report.

DISCUSSION

In March 2021 CoM hosted a three-day onsite assessment, including interviews with the Chief Executive Officer, Executive Leadership Team, Senior Leadership Team, Unit Managers, Program Managers, coordinators, staff, volunteers, external stakeholders, and clients. The assessment team also visited seven CoM sites to determine compliance with the required standards. For the second time the assessment panel found that CoM had 100% of the requirements 'Fully in Place' for the nationally recognised accreditation, which lasts for three years, refer Attachment 1.

Post the presentation of assessment outcomes to FRAC in August 2021, staff created a SharePoint file with the purpose of being able to track the implementation and/or consideration of recommendations (see Attachment 2). This is a singular tool for tracking all 19 continuous quality improvements that were recommended and shared across multiple departments throughout the organisation.

Resignation of several key staff within weeks of this project being reported to FRAC resulted in recommendations sitting inactive for several months, however it was readdressed early in 2022 following recruitment processes of those positions being completed. At this point, all actions were allocated and/or reassigned to relevant staff within CoM.

In some cases, it was noted that projects included in the recommendation had already commenced and were significant existing organisational wide projects separate to ASES recommendations (e.g., Digital Transformation Project as noted in recommendation C.2.3.4 in Attachment 2). In all cases, staff have reviewed the ASES recommendations and provided updates regarding these actions as of July 2022.

The current progress of the 19 recommended continuous quality improvements is summarised below:

	Ongoing / BAU	In Progress	Completed
Recommendations	10	3	6

Those noted above as ongoing / Business as Usual (BAU) have been considered by staff as not being a defined project and/or not having a time specific outcome. They are now incorporated into general business unit activities (e.g., exploring partnerships, cultural awareness, and improvements in community feedback). Those in progress have a defined end date set by the Manager of that area, who is responsible for pursuing the completion of that recommendation.

Progress on some actions has been affected by staffing changes and the effect of COVID-19 within the organisation, and others have been noted as not being adopted/not applicable with rationale for this decision and/or noting provided.

ATTACHMENTS

Attachment 1 - Summary results extracted from full report: City of Marion, ASES Certificate Level - External Assessment Report 2021. June 2021, Part 3, page 9.

Attachment 2 - Updates on implementation of actions.

Attachment 1

Extracted from the full report. Reference ASES Certificate Level – External Assessment Report 2021.
V.8 FINAL Report June 2021, Part 3, page 9

Australian Service Excellence Standards (ASES)					
External Assessment (EA) Report					
SUMMARY TABLE					
To be completed by External Assessor					
Certificate Level	Number of 'Essential' Requirements				
Category/Topic	Max. Achievable	Not in Place (NIP)	Partly in Place (PIP)	Fully in Place (FIP)	% Fully in Place
Leadership and Management					
1 Planning	9			9	100%
2 Governance	25			25	100%
3 Financial and Contract Management	12			12	100%
People, Partnership and Communication					
4 People	19			19	100%
5 Partnerships	6			6	100%
6 Communication	7			7	100%
Service Provision					
7 Service Outcomes	8			8	100%
8 Consumer Outcomes	13			13	100%
TOTAL	99			99	100%

Owner	Recommendation	Status	Due Date	FRAC Update	Applicable report/Supporting documents
Megan Bradman	C.1.1.1 CQI Recommendation: The Vision and Values could be consistently promoted at all sites so that they are visible to staff and the community.	Completed		The City of Marion Vision and Values are running in rotation on all public digital display screens including the Administration building, Libraries and Neighbourhood Centres, as well as staff screen savers. They have been added to the website, E-talk, City Limits, and other internal and external City of Marion Publications. They are also displayed at Council run facilities with location at each site determined on case by case basis.	
Victoria Moritz	C.2.2.2 CQI Recommendation: As policies and procedures come up for review, consider how user friendly and accessible they are for a broad audience. Consistency of language and reducing the text complexity could make the documents easier to follow.	Ongoing / BAU	N/A	A policy consultant has been engaged to undertake a review of public and legislative policies as part of the review process. The focus of the review is to consider consistency of language and ensure the context is easily understood by the end reader. This is an ongoing process as items come up for review.	
Victoria Moritz	C.2.2.4 CQI Recommendation: Continue with plans to review and update all Administration policies and procedures.	Ongoing / BAU	N/A	A new Governance Officer has been appointed and commenced June 2022. Prior to this the role had been vacant for some time. In collaboration with the policy consultant, one of the key responsibilities of the Governance Officer is to complete this recommendation as items come up for review.	
Marcel Althoff	C.2.3.4 CQI Recommendation: Continue with full implementation of the Digital Transformation Program.	In Progress	Ongoing	<p>The City of Marion is transforming our IT systems over the next three years to place our community at the centre of everything we do. There are 12 projects within the Digital Transformation Program, the progress of each can be viewed on the CoM Intranet. Regular updates and training are provided to staff as the project progresses.</p> <p>Some key milestones that have been achieved in the last 12 months are:</p> <ul style="list-style-type: none"> - Digital Literacy & Cyber Security Awareness - Targeted August 2023 - HRIS Phase 1 – Implemented October 2022 - CRM System Phase 1 – Implemented September 2022 - Asset Management System - Targeted June 2023 - Financial Transformation - Implemented June 2022 - Unified Communications – Targeting late November 2022 - Devices Fleet Management - Completed June 2022 	Examples FRAC220222R8.2 EMF220215R1.5
Sheree Tebyanian	C3.1.3 CQI Recommendation: monitoring financial requirements for funding bodies could be systemised utilising other compliance management systems.	Completed		<p>Grants are managed in two different ways, subject to the nature of the grant. All grant management regarding finance, reporting and acquittal are the responsibility of the budget/project owner. For grants of recurrent nature - they are part the Annual Business Plan process, subject to three budget reviews, and are reported on through monthly budget processes with ELT, SLT and budget/project owners.</p> <p>For grants of more 'ad hoc / one off' nature (e.g., BeConnected in Libraries, Open Space opportunities, DIT, etc) these are collated in a spreadsheet and is reported on monthly to ELT. The PowerBi capability for this report has been established and requires some further technical support prior to full implementation, which is considered additional to this ASES recommendation. ELT and Strategy teams are satisfied with the current process and outcome.</p>	Monthly reports to ELT

Ann Gibbons	C3.2.4 CQI Recommendation: A checklist or set of practice standards could be developed to guide the facilities in consistently implementing sustainability measures aligned to the environmental plan. Implementation could be checked as part of the site inspections. Leading practice examples shared across sites.	Ongoing / BAU	N/A	<p>All WHS site and process audits include environmental considerations. Funding was received from Green Industries SA to support an independent waste assessment, documenting waste management systems across all council facilities and identifying improvements for resource recovery. 15 sites have been reviewed and recommendations from these inspections will be implemented during 2022/23. Targeted and site specific staff awareness sessions are also being planned.</p> <p>Carbon Neutral Plan / Environmental Sustainable Design Guidelines: A key action in the CNP endorsed by Council last year was to develop some Environmental Sustainable Design Guidelines for New Buildings and Refurbishments (ESD Guidelines) and a Sustainable Buildings Maintenance Guideline (SBMG). The documents were endorsed by ELT in September 2021 along with an Implementation Plan to guide how they will be embedded across the organisation. Several activities to support this have been progressed this year including:</p> <ul style="list-style-type: none"> • Embedding in key documents such as the Buildings and Structures Asset Management Plan, the Procurement and Contractor Management Policy and the Facilities Design Specification. • Measurement of emissions benefits, benchmarking against the performance of Council partners and reporting on savings. <p>A key project outcome has been approval to replace some of the gas water boilers at the Marion Outdoor Pool with electric water heaters. A review of solar capacity at the site is also underway to identify the feasibility of increasing the size of the existing 17.1kW rooftop solar system to meet some of the increased demand.</p>	<p>ASC220802R Environmental Sustainability Update GC220222R11.2 12.1 Carbon Offset Project - Next Steps EMF211109R1.1 Carbon Offset Project ASC211102R7.1 Environmental Sustainability ESD Guidelines discussed with ELT on 9 September 2021</p> <p>An update on the Carbon Neutral Plan was provided to the 2 August ASC meeting as part of the Environmental Sustainability Update listed above and progress towards Council's carbon neutral by 2030 goal will be reported in the 4th Quarter Corporate KPI Report.</p>
Jessica Lynch	C.4.1.3a CQI Recommendation: Introduce a more consistent approach to reviewing job descriptions with evidence included in employee files.	In Progress	December 2022	In the 2021/22 PDP/LDP cycle People Leaders have worked to ensure staff have an up-to-date Position Description saved in their personnel file, or alternatively have notified P&C to assist in this omission. This will then be uploaded into each Aurion profile when the platform has the capability to do so, planned to be later in 2022.	
Jessica Lynch	C.4.1.3b CQI Recommendation: Continue with implementing a consistent approach to identifying which positions (outside of legislated or contractual requirements) require police checks taking into consideration risk and reputation.	Completed		All new positions require a police check, with some identified positions needing further checks/clearances as deemed appropriate, depending on duties.	
Merran Fyfe	C.4.1.9 CQI Recommendation: Consider a more consistent approach to maintaining supervision records.	Completed		Recommendation relates to PDs, Performance Plans and ongoing supervision. See notes in 4.1.3a and 4.1.3b. Additionally there has been a new PDP process developed during 2022 and launched July 2022 to be used for all 2022/23 PDPs.	
Jessica Lynch	C.4.3.1 CQI Recommendation: Consider the need to reinstate the Diversity and Inclusion Working Group.	Completed		<p>At this stage People & Culture have decided not to reinstate the Diversity and Inclusion working group. This group was formed for a specific purpose (the implementation of the Workplace Diversity and Inclusion Plan) and fulfilled this purpose. City of Marion has a group of Diversity and Inclusion Contact Officers who are employees of the organisation that receive training and become a safe space for all staff to speak with in relation to issues within the workplace.</p> <p>City of Marion does provide training around cultural diversity as part of the induction package for all staff and is working towards a specific cultural literacy program, which would further opportunities for staff.</p>	

Melissa Batt	C.4.3.2 CQI Recommendation: Consider potential to use the Living Kurna Cultural Centre (LKCC) to increase staff awareness of Aboriginal culture with a local focus.	Ongoing / BAU	N/A	At the time of the Audit the LKCC was managed by Council and toured by the Assessors as part of their visit. It is now managed by Southern Cultural Immersion (SCI) and opportunities for staff to engage at the LKCC have changed. Council still supports the SCI and staff are encouraged to participate in events and workshops there, wellness walks have been held at the site for staff and City of Marion recently supported (through funding) a large community event at the site. Future opportunities to use LKCC to increase staff awareness of Aboriginal culture will be investigated as the opportunities arise.	Refer CEO email (27/5/22) National Reconciliation Week and event support to SCI. SCI presented to Forum 30/8/22.
Melissa Batt	C.4.3.3 CQI Recommendation: Increase promotion of Aboriginal culture across sites – consider undertaking a cultural inclusion and engagement audit.	Ongoing / BAU	N/A	A Workplace Reconciliation Action Plan Barometer will be undertaken with all staff mid to late 2022. This will give baseline understanding of current First Nations Awareness within the organisation. This process is promoted by Reconciliation Australia as a tool to better understand cultural awareness and inclusion within an organisation. Developing Culturally Aware Perspectives was offered to staff and community in July 2022, as well as Kurna Language Workshops in June, the latter which were held at various sites and fully booked. 15 Acknowledgment of Country plaques are being located throughout main Council facilities (e.g., admin, pool, neighbourhood centres, etc.) to increase profile and awareness of Kurna culture at each site. A new Reconciliation Action Plan is being progressed and staff and stakeholder consultation commenced in August 2022, for implementation from July 2023.	
Jessica Lynch	C.4.3.4 CQI Recommendation: Consider strengthening the monitoring and reporting of workforce diversity data. Include the process in the Diversity and Inclusion Plan.	In Progress	June 2023	People and Culture is reviewing what diversity data can be captured under our workforce reporting (e.g., currently gender data is reported monthly; Aboriginal employment data is reported against the corresponding action in our Reconciliation Action Plan). People and Culture will review options for a revised Diversity & Inclusion Plan in 2022/2023.	
Megan Bradman	C.6.1.5 CQI Recommendation: Consider using technology (e tools and apps) to improve level of feedback from the community.	Ongoing / BAU	N/A	The Customer Relationship Management (CRM) platform has now been implemented and is accessible on the CoM website. The CRM allows us to capture and report on complaints organisationally and at the divisional level. At this stage any analysis for business improvements or common themes sits at the divisional level. Customer Satisfaction (CSAT) questions are being implemented to survey customers across a range of channels (CRM, email, phone and face-to-face).	

Victoria Moritz	C.6.1.7 CQI Recommendation: Consider increasing exposure to the Information Sharing Guidelines and Protocols by use of the ISG Audit Tool to ensure ongoing compliance. Provide online training for all frontline staff and managers as part of induction.	Completed		<p>ISG information shared to key / relevant staff, additional to the existing processes regarding the sharing of information that front line staff received through their specific role inductions. Ongoing support on this topic is also provided through records and governance departments to all staff.</p> <p>Council operates in accordance with relevant legislation which promotes honest, open and accountable government and encourages community participation in the business of Council. In particular, the Code of Practice – Access to Council Meeting and Documents sets out the policy framework for access to meetings and documents and provides guidance as to the application of provisions in the Local Government Act 1999.</p> <p>Council is also subject to the Freedom of Information Act 1991.</p> <p>The objects of the Freedom of Information Act 1991 are:</p> <ul style="list-style-type: none"> • To promote openness in government and accountability; and • To facilitate more effective participation by members of the public in the processes involved in making and administration of laws and policies. These objects are to be achieved as follows: • Ensuring that information concerning the operations of Council is readily available to members of the public and to Members of Parliament; • Promoting a legally enforceable right to be given access to documents held by government, subject to restrictions that are consistent with the public interest and the preservation of personal privacy; and • Enabling each member of the public to apply for the amendment of such government records concerning his or her personal affairs as are incomplete, incorrect, out-of-date or misleading. 	
Jessica Lynch	C.8.1.5 CQI Recommendation: Consider ways of measuring and promoting the impact of community connections and volunteering on employment pathways.	Ongoing / BAU	N/A	At this stage this is not formally measured or promoted, however pathways of volunteering, traineeships and placements within Community Connections are often used as 'testing' space for potential future workforce with CoM, including transition to casual employment if suitable opportunities arise within the organisation. Community Connections will also work specifically on expanding skills during volunteering to better employment opportunities external to City of Marion if this is identified through their onboarding as a reason for volunteering with CoM. Considerations are being given to future measurement and promotion tools.	
Damian Garcia	C.8.1.6 CQI Recommendation: Explore partnerships with Centrelink and Job Network Providers to support employment pathways through libraries and other facilities.	Ongoing / BAU	N/A	While there are no formal partnerships in place, there are a number of informal arrangements in place. For example, given the proximity of the Marion Cultural Centre Library to Centrelink, Library staff have ensured that Centerlink is aware of services offered at the library that may assist. Customers are regularly referred to the library to use resources, such as printing, PC's and WiFi as well as programs. There is an agreement between the Library and Sarina Rosso (employment agency) around use of meeting rooms to provide employment services from the library. Further partnerships will be explored through Neighbourhood Centres once full recruitment of new structure is complete, which includes a Grants and Partnerships role (expected mid 2023).	
Megan Bradman	C.8.2.1 CQI Recommendation: Improve the level of feedback from the community and the capacity to capture and analyse all feedback and complaints. Consider the use of technology, for example digital tools and apps.	Ongoing / BAU	N/A	Refer C.6.1.5	

Megan Bradman	C.8.2.5 CQI Recommendation: Consider capturing trends in community feedback and complaints. Ensure that all feedback and complaints are recorded for analysis.	Ongoing / BAU	N/A	Refer C.6.1.5	
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8.3 DTP - Quarterly Status Update

Report Reference	FRAC221011R8.3
Originating Officer	Senior DTP IT Manager – Marcel Althoff
Corporate Manager	- N/A
General Manager	General Manager Corporate Services – Vacant position

Report Reference	Report Title
FRAC220517R7.1	Digital Transformation Program Update
FAC211012R7.5	Digital Transformation Program Update

REPORT OBJECTIVE

The purpose of the report is to update the Committee members on the progress of the Digital Transformation Program (DTP).

RECOMMENDATION

That the Finance, Risk and Audit Committee:

1. Note the update on the Digital Transformation Program.

DISCUSSION

The City of Marion Digital Transformation Program (DTP) is supporting a wholesale change in approach for CoM, putting the community at the centre of our service delivery and responding to the strategic plan imperatives set by Council, through replacing and renewing major technology systems across twelve projects. It is an ambitious program that has delivered among others, a new finance system, a customer relationship system and cloud-based collaboration tools like Microsoft 365 and GIS ESRI. All projects are underpinned by a digital literacy and cybersecurity awareness project, aimed at our staff, our elected members, and our community.

The focus over the next twelve months will be the refinement and improvement of the foundational digital transformational projects which have been completed and the implementation of the Asset Management System, ongoing digital literacy and cybersecurity awareness and a series of projects to further enhance the CoM transformational journey.

Resourcing

Recruitment and retention of resources remains an ongoing challenge. Over the last quarter we have been able to recruit two Project Managers and a Business Analyst, however we are still struggling to find and fill the role of Salesforce Analyst that has been advertised for over two months.

Governance reviews & audits and project implementation reviews (PIR)

The EQI Consulting report has been reviewed and the recommendations are currently being actioned. The Payroll / HRIS Project review has now been completed and we are implementing its recommendations with the support of the vendor. The external review also recommended that we seek a different Payroll / HRIS solution due to changes in the company's products roadmap and deficiencies in the product that have resulted in additional operating costs. The business requirements and business case are currently in the early stages of development.

Additionally, we have been working with KPMG who are currently completing an audit of the Digital Transformation Program and we expect this report will be available end of October, early November.

OCTOBER 2022 UPDATE

CoM 1: DLCA (Digital Literacy and Cybersecurity Awareness)

Our initial pilot, run by Navitas with the Open Spaces area to assess, benchmark and train qualifying staff to raise skill levels to a digital literacy framework competency level of 2, has been completed by the 25 staff who attended the assessment. 22 people qualified, completing the 10 weeks of training, assessed at competency level 3 or below. This provided 20 hours of Digital Literacy training for each participant and the training was funded by a federal program.

Due to the success of the initial pilot, investigation is underway to increase the scope of this across the business.

CoM 2: HRIS (Human Resources Information System including Payroll Project)

While a review of the overall project was conducted, work has continued to deliver some of the objectives. The Recruitment and Onboarding Module has been implemented and is currently being piloted as teams initiate new recruitment.

CoM 3: CRM (Customer Relationship Management)

The CRM project has had future enhancements to improve the workflow and overall efficiency, plus a new Hard Rubbish module has been developed and will be going live in November. We will continue to work closely with the business to look for opportunities to leverage our new CRM solution for the betterment of the community and staff at the City of Marion.

CoM 4: Asset Management System

We have been doing a lot of work with our new Project Manager who has helped reset the project and complete a full due diligence, which has highlighted the need for better business requirements, journey mapping and better controls over data sharing.

The Original scope of delivery was for software implementation only, however, it has become clear that there is an increased need for process transformation and an uplift in data and process maturity for the City of Marion to realise the reporting benefits and predictive modelling required. The impact of the additional scope is currently being costed with an initial paper advising the senior stakeholders of this need. Once this scope is approved, a full schedule will be made available on future milestone delivery for this project.

CoM 5: Finance System

The Finance Project has been implemented and is operational throughout the business, we had some initial issues that are now under control. However, reporting is still very challenging, and we expect to resolve most of these reporting issues over the month of October, with a plan to further improve reports and workflows over the coming months.

CoM 6: Microsoft 365

This Project has been completed and will require ongoing support with administration now that the external contract has ended. Further options are being canvassed currently.

CoM 7 and 8: The SharePoint Project and GIS

These have transferred into ongoing maintenance, post completion.

CoM 9: Data and Analytics Project

With the recruitment of a Data Analyst and the support of a newly appointed Project Manager, we are seeing good initial progress being made on this project with some initial deliverables expected early 2023.

CoM 10: The Unified Communications Project

The Pilot Project has been rolled out to use Teams as our communication tool including phones.

The broader technical rollout is complete, we are now planning and actioning the change management activities over the month of October. The rollout was postponed allowing us more time to ensure we are fully covering off the communication needs for the wider community within the City of Marion.

CoM 11: The Devices Fleet Management Project

Stage 1 of the Project is complete with new devices purchased and allocated to staff by the Helpdesk Team.

CoM 12: AV Access in meeting rooms

All meeting rooms are now equipped with Meeting Owl Pros and TVs. Additionally, we are seeking a new splitter for the Chamber that will allow the TV screens to work more consistently.

Digital Transformation Update: August 2022												
Digital Transformation Program	Orig. End date	F/cast End date	Fortnightly Project Status - RAG Status					Last Period	This period	PM	Key Risks / Issues emerged this period	Comments
			Scope	Schedule	Cost	Benefits / outcome	Resource					
Overall Program	Oct-22	Oct-23	Amber	Amber	Amber	Amber	Amber	Amber	Amber	Marcel Althoff	Refer to project issues below.	Solid improvement on all projects over the last three months. Improved levels of Stakeholder engagement have occurred across all projects.
Dig. literacy & cyber sec. awareness	May-20	Aug-23	Green	Green	Green	Green	Amber	Amber	Amber	Lisa Jones	Scope: Short term plan drafted. Deliverables drafted and to be endorsed over the next 2 weeks. Schedule: Short term schedule on track to deliver navitas training pilot in July. Currently in Discovery Phase. Full Project schedule to be completed by the end of July. This will move the status to Green. Resources: Isabel and Llyod moved onto Finance Project.	Overall: Amber - Several indicators will revert to green when the draft Plan with the forward outlook for schedule, budget, and attainment of scope (delivered products) is approved. Scope: Initial scope drafted Schedule: Draft deliverables created. Cost: TBD Benefits: Measures are to be associated with the Objectives, and measurement method and process is to be defined. Resources: Training Coordinator back on the project. Change Manager engaged. BA to return next week. This will send the resource status to Green
HRIS 1 (HR modeules)	Jan-22	Sep-22	Green	Green	Green	Amber	Green	Green	Green	Rob McLean	Activities for resolving outstading tickets are continuing. business is being involved and dates are being communicated from Aurion as to when resolutions will occur.	Schedule: Recruitment/onboarding module Go Live August Scope: The scope of this project is looking to implement the recruitment and onboarding component. This will give us a good foundation for understanding of what we will need in this capability moving forwards and give additional benefit of informing IT and payroll through new staff coming into the org. This will also give P&C an understanding of their workforce levels and movement of staff around the organisation. The solution we are implementing should be viewed as a tactical solution and the learnings we find over the next few months will inform any future projects embarking on a more enterprise HRIS solution.
HRIS (Review)	Jan-22	Aug-22	Amber	Amber	Amber	Red	Amber	Amber	Amber	Rob McLean		External review completed, findings and recommendations outlined in DTP ELT July paper
CRM system (Hard-Rubbish)	Jul-22	Sep-22	Green	Amber	Green	Green	Green	Green	Green	Rob McLean	Risk: Business has been unavailable to conduct required tasks for the PDF generation. The project is now at risk to miss the current go live date. The business has indicated they will commence the task in the week commencing the 25th. External vendor integrations of Tip ticket and hard waste due to nothing agreed as yet. This is still being monitored and managed by the project.	Hard Waste project Sprint 3, Demo to key business stakeholders complete, and recieved very favourably, and practically signed off as acceptable. currently wating on business users to provide automated responses and provide PDF's required to go out to customers. This was to be done by internal resource hosevr the resource has left and we are in discussions with the vendor to casrny our this work. Meetings for the truck drivers for the App is being organised and will occure by the end of this week.
AMIS	Jul-22	Jan-23	Amber	Amber	Green	Amber	Red	Red	Red	Lisa Jones	Scope: Workshops in place to agree integration process scope Schedule: New Roadmap produced focusing on realising system value early. Roadmap endorsed. Detailed whole of project schedule to be complete for end of July. Resource: BA and GIS Specialist on leave. Only one BA to work with the PM for the month of July.	Overall: Red: Scope: Focusing on next 3 milestones. Workshops are in place to verify gap in requirements for integration for HRIS. Schedule: Roadmap Approved. Full schedule in progress. Resources: 2 additional BAs required. Change Manager coming up to speed Due to planned leave, 2 members of the project team will be on leave for the month of July.

Digital Transformation Update: August 2022

Financial transformation	Oct-22	Sep-22	Green	Amber	Amber	Green	Amber	Green	Amber	Dave Winfield	Risk: Potential audit issue with change in Requisitioning process (Agilyx are working on the solution)	Go live has gone very well to date, with numerous requisitions raised across the business. We are expecting issues to arise as more users engage in additional processing over the next weeks, and the project team will continue to work with the Business and Agilyx to resolve them. Work has now resumed on implementing the Vena Budgeting Tool. A Point of Sale (POS) solution is to be identified, and POS activities will continue to be maintained in Authority for the short term. We are targeting other operational items cosmetic changes to be addressed this week.
Data analytics	Apr-22	Nov-22	Green	Red	Green	Amber	Red	Red	Red	Kate McKenzie	Schedule: overdue since June 2021 Cost: we aren't spending the allocated budget and the draft strategy exceeds budget. Benefit: High level summary in scope doc. Resource: Project currently unresourced	Resource: Recruitment for two Business Intelligence Analysts is current in progress.
Unified comms	Jun-21	Aug-22	Amber	Amber	Amber	Green	Green	Amber	Green	Rob McLean	A plan for the next few weeks has been developed to assist go live. This is now out for review and waiting for approval to go ahead.	Finalisation of user groups, go live has been extended to the end of August to allow suitable time for appropriate Change Management activities.
Devices Fleet management	Jan-21	Jul-22	Green	Green	Amber	Green	Green	Green	Green	Carl Funk	No issues	Project complete - handed over to the business for the next refresh of laptop, lessons learnt and project close out report to be completed by the 20th of August
AV access in meeting rooms	Dec-20	Jul-22	Green	Green	Green	Green	Green	Green	Green	Carl Funk	No issues	Project complete now handed over to the business - lessons learnt and project close out report to be completed by the 20th of August
IMaaS Infringments & Fines	Jul-22	Sep-22	Green	Amber	Green	Green	Amber	Green	Green	Matt Kovarik	Schedule: There could be a delay in schedule due to payment gateway vendor not yet setup which is needed for Go-Live, talking with Finance to push along Resources: Monitor training/BA resource needed to assist with as in documentation & training in month of August	Overall: Green Vendor Building solution ready for UAT Key SME's identified for UAT and training Start developing user guides/FAQ for staff Identify financial process needed between IMaaS and FinForce
Property & Rates	Nov-22	Dec-22	Green	Green	Green	Green	Green	Green	Green	Dave Winfield	P&R Team will need to continue to work in Authority until new (Altitude) system is live.	Contract negotiations with Civica in final stages

Digital Transformation Program Status Update Discussion areas

Key Program Achievements this Period

Financial Transformation: Has now gone live on the 4th July
 HRIS recruitment module planned for a soft launch in mid August
 CRM hard rubbish module to go live end of early September
 Unified Comms on track for launch end of August
 DI&S training has started week of the 4th July

Program Decisions Required and outcomes

The loss of the CoM Change Manager resulted in the DTP team needing to find an alternative solution to help support the business during the upcoming Financial Transformation implementation date.

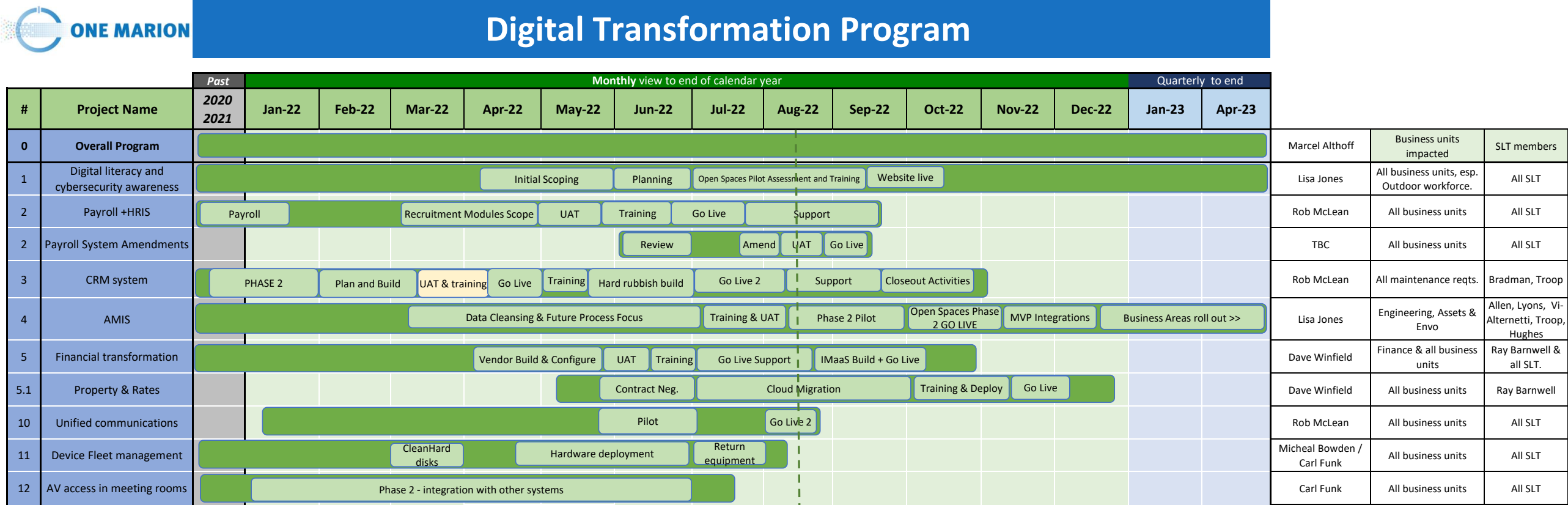
Key Program Focus areas for next period

Refer to comments to address Ambers and Reds at Program and Project Level
 Need to address the two PM and Change Manager resource shortfall
 Team is focussed to support the Financial Transformation implementation over the coming weeks

Key Program Actions

Refer to comments to address Ambers and Reds at Program and Project Level





8.4 Annual Investment Report 2021-22

Report Reference	FRAC221011R8.4
Originating Officer	Treasury Accountant – John Stewart
Corporate Manager	Chief Financial Officer - Ray Barnwell
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

Section 140 of the *Local Government Act 1999* requires Council to review the performance of its investments on an annual basis. This report reviewed by the Finance Risk and Audit Committee will be presented to Council for adoption at its General Council Meeting on 25 October 2022.

EXECUTIVE SUMMARY

A summary of the 2021-22 Investment Performance is provided at Appendix 1 for the Committee's information, showing that Council recorded a favourable result against the benchmark indicator. A favourable result has been experienced each financial year since 2007-08.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

- Notes the Investment Performance Report 2021-22.**

DISCUSSION

Decision making regarding investments are carried out under the guidance and parameters set within Council's Treasury Management Policy.

Compliance with Treasury Management Policy (Investments)

Council has complied with all elements of the Treasury Management Policy. Compliance has been achieved against the following major policy requirements:

Policy Requirement	Review
Council funds available for investment will be lodged 'at call' or having regard to differences in interest rates for fixed term investments of varying maturity dates, may be invested for a fixed term.	Investments in Fixed Term Deposits were made between a range of 30-365 days with an average maturity of 92 days and an average return of 0.90%. The average 'at call' rate of return was 0.87%. No Fixed Term Deposits were required to be broken during the year.
In the case of Fixed Term Investments, the term should not exceed a point in time where the funds could otherwise be applied to cost-effectively defer the need to raise a new borrowings or reduce the level of Council's variable interest rate borrowing facility.	The variable interest rate borrowing facility was not required to be accessed.
Council will select the investment type which delivers the best value, having regard to	The Council supports the Local Government Finance Authority of South Australia (LGFA) for

investment returns, transaction costs and other relevant and objectively quantifiable factors.	the placement of investment funds. The LGFA is a statutory authority established for the benefit of councils in South Australia. Utilising the services of the LGFA provides an efficient means of investing surplus funds and a source of highly competitive interest rates. All deposits made with the LGFA are also guaranteed by the Treasurer of South Australia. To ensure Council continues to receive competitive rates for investments, quotations are regularly obtained from authorised institutions on investments of \$1,000,000 or more where the period of investment exceeds 30 days. During 2021-22 all surplus funds were invested with the LGFA, who in the process of market testing, offered the most competitive interest rates.
Investments fixed for a period greater than 12 months to be approved by Council.	No Investments were placed for a period greater than 12 months.
The Policy indicates where surplus funds can be invested and that if they are invested in choices outside of the Policy, Council approval is required.	All surplus funds invested during the 2021-22 financial year were invested with the LGFA which is an allowable option under the Policy.
The Policy indicates investment activities that Council would not participate such as shares in private/public companies, listed or unlisted property trusts and derivatives.	No investments were placed in such options.

Performance against Benchmarks

Reserve Bank Cash Rate

Council earned \$364,649 of interest on its investments in 2021-22 at an average rate of return of 0.86%, a favourable outcome compared to the benchmark indicator (average Reserve Bank cash rate) of 0.17%.

Bank Bill Swap Rate (BBSW)

The Finance and Audit Committee commented, when reviewing the 2014-15 Investment Report, that it would also be useful to benchmark against commercial rates being offered.

The BBSW is the rate at which banks will lend to each other. It is a short term swap rate which reflects a compilation of average market rates supplied by domestic banks regarding specific maturities of bank bills. The BBSW is published daily and therefore an annual average index can be readily calculated for comparative purposes.

The most common index applied is the 90 Day BBSW which also closely aligns with Council's average maturity of 92 days. For the 2021-22 financial year, the 90 Day BBSW was 0.29%. Council's average rate of return of 0.86% is also favourable compared to the BBSW indicator, the seventh consecutive year that this has been achieved.

Interest on Investments Budget Performance

The performance of Interest on Investments is also monitored and managed against the Budgeted forecast. The actual value of investment interest of \$364,649 was a 4.0% favourable variance against a final revised budget forecast of \$350,450.

Finance Risk and Audit Committee Advice

Administration welcomes any Finance Risk and Audit Committee feedback prior to forwarding to Council the Investment Performance Result for 2021-22.

Conclusion

The investment performance for 2021-22 was satisfactory when compared to relevant benchmark indicators. Investments were placed exercising due care and diligence and in strict accordance with Council's Treasury Management Policy.

ATTACHMENTS

1. Investment Performance 2021 22 (1) [8.4.1 - 3 pages]

Appendix 1

Investment Performance 2021-22**Interest on Investments**

Interest on investments for 2021-22 was \$364,649. Recent interest on investment history reveals the following:

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total Interest (including LGFA Bonus)	\$929k	\$1,111k	\$1,214k	\$946k	\$503k	\$365k
LGFA Bonus	\$90k	\$132k	\$168k	\$174k	\$185k	\$199k

The decrease of interest on investments in 2021-22 can be mainly attributed to the significant reduction in the average amount invested per day, from \$56.5m in 2020-21 to \$42.7m in 2021-22. Funds were therefore not able to be kept on deposit for longer periods than was possible in 2020-21, prior to being required to meet payment obligations for creditors, payroll and progress payments for major capital projects. Last year's Investment Performance did highlight an expected significant reduction in interest on investment earnings with the planned drawdown of cash reserves funding several major projects in 2021-22.

Competitive quotes were sourced during the financial year for Term Deposits and all investments were placed with the Local Government Finance Authority (LGFA) who consistently provided the best competitive rates. For the majority of the 2021-22 Financial Year, "At Call" funds were only attracting an historic low rate of 0.10%. From October 2021, BankSA could no longer offer any interest earnings on transaction accounts. This is still the case and also consistent with other Finance Institutions at present.

Peak Value of Investments

Investments peaked in September 2021 at \$58.9m. The peak value of investments history reveals the following:

2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
\$47.1m	\$52.6m	\$53.3m	\$58.0m	\$62.5m	\$58.9m
Jun 2017	Mar 2018	Dec 2018	Sep 2019	Sep 2020	Sep 2021

Traditionally investments reach their peak in the first half of the financial year due to a portion of ratepayers paying their rates in full rather than paying quarterly. Large grant revenue receipts and the timing of significant Capital Expenditure projects also have an impact on investment balances.

Annual Rate of Return on Investments

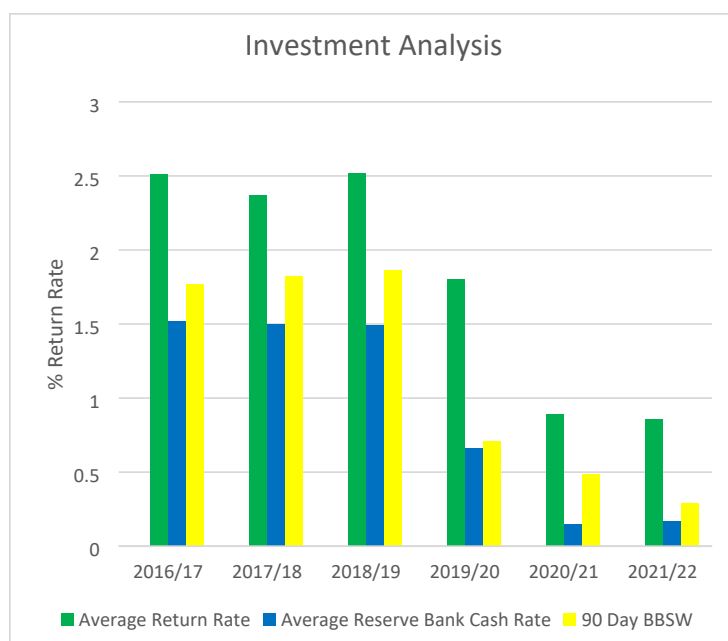
Council's Investment performance is measured against a recommended benchmark and submitted for consideration by Council on an annual basis. This is in accordance with guidelines contained in the "Investment Policy & Review of Investments" document published by the South Australian Local Government Financial Management Group.

The benchmark indicator referred to above that measures our investment performance is the average annual Reserve Bank cash rate. The cash rate was static at 0.10% for the majority of the 2021-22 financial year, however experienced two late upward movements as follows;

4 May 2022 From 0.10% to 0.35% (+0.25% movement)
8 June 2022 From 0.35% to 0.85% (+0.50% movement)

The average rate of return on investment for the City of Marion for 2021-22 was 0.86% compared to the annual average benchmark rate of 0.17%, providing reassurance that funds invested by City of Marion were well managed. The following table and graph summarise Council's history of annual rate of return on investments.

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Average Rate of Return	2.51%	2.37%	2.52%	1.80%	0.89%	0.86%
Average Reserve Bank Cash Rate	1.52%	1.50%	1.49%	0.66%	0.15%	0.17%
Benchmark Variation	+0.99%	+0.87%	+1.03%	+1.14%	+0.74%	+0.69%



FRAC221011R – Finance, Risk and Audit Committee – 11 October 2022

The Council's annual rate of return includes the annual bonus paid by Council's principal investment financial institution – LGFA. The bonus amount paid to Councils by LGFA is based on a combination of Council's investment and borrowing activity for the prior year.

The table indicates a positive variation in each financial year against the average Reserve Bank Cash Rate. The 2021-22 result is the fifteenth consecutive year of a favourable outcome against this benchmark. In addition, the 2021-22 annual rate of return of 0.86% also marks the seventh consecutive year that Council's investments outperformed the BBSW indicator.

As previously highlighted, Council's General Bank Account does not currently earn any interest which is factored into the benchmark result. The inclusion of the General Bank Account balances held in the overall investment performance does make it more challenging to achieve a positive benchmark performance. As a result, it is important that the Treasury Management function monitors and minimises any potential negative impact.

8.5 Debtors Report

Report Reference	FRAC221011R8.5
Originating Officer	Assistant Financial Accountant – Melissa Virgin
Corporate Manager	Chief Financial Officer - Ray Barnwell
General Manager	Chief Executive Officer - Tony Harrison

REPORT OBJECTIVE

The purpose of this report is to provide the Finance Risk and Audit Committee (FRAC) with an annual update in relation to the outstanding balances in Rates Debtors and Sundry Debtors in line with the year-end accounts.

RECOMMENDATION

That the Finance and Audit Committee:

1. **Note this Report**

DISCUSSION

Council Debtors

Council has two main types of debtor categories that it manages: -

1. Rates Debtors
2. Sundry Debtors

Rates Debtors

Rates Debtors and Sundry Debtors (shown as 'Debtors – General') are included under "Trade and Other Receivables" in the Financial Statements in Note 5(b), with Rates Postponed for State Seniors being separately identified.

Rates Debtors have reduced from a balance of \$2.064m (2.6% of total annual rates) at 30 June 2021 to \$1.884m (2.3% of total annual rates) at 30 June 2022 (**Attachment 2**). The decrease relates primarily to properties that have progressed to debt collection and probable legal process including Section 184 of the *Local Government Act 1999* (the Act) (S184). The cumulative effect of rates and associated fines and interest will increase the debt each year. To mitigate this, Council actively encourages ratepayers to commence payment plans to address arrears and bring accounts back into line.

The rates postponed amount has marginally increased from \$205k to \$215k in 2021-22. This amount refers to the accumulation of rates levied and the prescribed interest component for those who have applied and are eligible for the senior postponement scheme.

The amount of arrears greater than three years has reduced from \$416k (46% of all arrears) to \$368k (46%) in 2021-22. The Act provides under S.184 that a council may sell any land where the rates have been in arrears for three years or more.

While S184 is noted in Council's adopted Rating Policy under section (9) 'Sale of land for Non-Payment of Rates', this option was not pursued until April 2019 when Council endorsed Finance, under delegated authority of the General Manager Corporate Services, to initiate the sale of land for

non-payment of rates. Part of this included developing assessment criteria, the purpose being to assess individual circumstances for possible exemption to initiating S184 action should it be warranted.

Since May 2019 Council has commenced S184 action on 72 properties and to date, has recovered rates arrears from 64 properties totaling \$750,200. Most arrears have been recovered on receipt of a pre-section 184 letter from Council's lawyer advising of Council's intention to initiate proceedings.

Of the 64 properties that have been settled, only three escalated to sale:

- The first property sold above reserve, clearing arrears, fines and penalties of \$50,700. The recipients of the remaining funds from the sale were satisfied with the outcome of the auction.
- The second property sold October 2021 clearing all arrears, fines and penalties of \$16,000. The owner lives interstate and was the sole recipient of the remaining funds from the sale.
- The third and most recent property sold September 2022 clearing all arrears, fines and penalties of \$57,000. The surplus funds have been paid into Court pending probate.

Of the 8 properties still to be resolved, all are on track for payment in full using options such as mortgagee payout, reverse mortgage and agreed payment arrangements. The premise is to get ratepayers back onto regular payments once the debt is cleared.

The total arrears to be recovered from those still to be resolved is \$88,700.

There are a further 12 properties to be reviewed with total arrears of \$132,000. All will be evaluated using the assessment criteria. S184 action will be initiated on those where an exemption cannot be established.

Sundry Debtors

The total for 'Debtors – General' also includes fines (parking, animal and statutory) along with amounts receivable from Council's insurers (Workers Compensation and Income Protection reimbursements) in addition to amounts receivable from sundry debtors. The total combined amount reflected in the Financial Statements at 30 June 2022 is \$1.732m a reduction of \$1.583m from the balance at 30 June 2021 of \$3.315m.

Council's Sundry Debtors made up a total of \$699k (**Attachment 1**) with \$207k (30%) in the 90+ Days category. The overdue amounts in the 90+ Days category has increased from the prior year total of \$80k.

Of the total \$207k in 90+ Days outstanding, \$25k has subsequently been settled while two accounts totaling \$90k are on payment plans which are being met. After working through our follow-up actions, we are now reviewing a number of aged debts with our debt collection agency. A provision of \$84k is included in the 2021-22 Financial Statements.

Debt Collection Process

Sundry Debtors

A debt recovery procedure exists which includes the following key steps in regard to debt collection:

- Monthly statements sent out directly to debtors

- Reminder letters are sent to debtors once outstanding debt reach 60+ days
- Follow up phone calls, letters and emails are sent to debtor by Sundry Debtors Officer as required
- Outstanding debt 90+ days is referred to the originating officers for follow-up with the debtor
- Payment plans are put in place if appropriate to enable collection of outstanding debt
- If no payment is made a letter is issued to the debtor requesting payment within 48 hours to avoid recovery action being taken
- If no payment is received an assessment is made to send to council's debt collector where financially viable to do so
- Where the charge relates to a good or service incurred on the land (ie directly related to the property), amounts can be transferred to the landowner's Rates account

Rates Debtors

The following key steps are taken in regards to debt collection:

- Overdue Notice issued approximately one week after the last day to pay.
- If debt is not paid it will be assessed for referral to the Debt Collection Agency based on criteria including > \$600 and 2 instalments overdue, or no arrangement in place.
- Council will refer the debt to the Debt Collection Agency who then proceed with letters of demand requesting payment or a payment arrangement.
- If no payment or arrangement is made, Council will instruct the Debt Collection Agency to commence legal proceedings for recovery of the debt.

Note - payment plans can be put in place at any time.

Council's rating policy provides support and assistance to eligible ratepayers through a number of different options including:

- Payment plans
- Extensions to pay
- Remit fines and interest
- Postponement of rates for seniors
- Postponement of rates for hardship

Postponed rates debts are included as a component of "Trade and Other Receivables" in Current Assets and separately disclosed in Note 5(b) to the Financial Statements.

It should also be noted that legislation allows Council to be given high priority to recover any outstanding debts, including accumulated interest, from the proceeds on the disposal of a property.

ATTACHMENTS

1. Sundry Debtors Report 2022 [**8.5.1** - 1 page]
2. Rates Debtors Report 2022 [**8.5.2** - 1 page]

Sundry Debtors Report - Ageing report as at 30 June 2022

Attachment 1

Debtor	Total Balance	Current	30 Days	60 Days	90 Days	90+ Days	Percentage of total 90+ day balance	Comments for 90+ Day balances
General Total	24,164.43	22,882.25	.00	1,164.18	.00	118.00	0%	Made up of 1 out of 8 debtors.
Neighbourhood Centres Total	8,182.50	7,432.50	.00	.00	.00	750.00	0%	Made up of 1 out of 7 debtors. This account has subsequently been settled.
Regulatory Services Land Clearing Total	14,086.14	.00	3,950.00	.00	5,343.00	4,793.14	2%	Made up of 1 out of 3 debtors. This debtor is on a payment plan, payments of \$200.00 have subsequently been received.
City Property Facilities Total	186,349.66	40,023.97	11,476.78	4,985.09	.00	129,863.82	63%	Made up of 3 out of 20 debtors. One accounts totalling \$84,831.62 is on a payment plan, payments of \$8,771.81 have subsequently been received. Another account totalling \$43,000.62 is with the debt collector. The remaining account has subsequently been settled.
Civil Services Private Works Total	57,839.75	20,722.75	1,750.00	6,670.00	.00	28,697.00	14%	Made up of 15 out of 30 debtors in this category. Seven accounts totalling \$4,852.00 are on payment plans, payments of \$1,849.00 have subsequently been received. Two other accounts totalling \$10,300.00 have subsequently been settled.
Swim Centre Debtors Total	691.00	.00	.00	691.00	.00	.00	0%	
Grants & Subsidies Total	176,684.97	110,000.00	66,684.97	.00	.00	.00	0%	
Environmental Health Inspections Total	10,329.10	4,113.40	549.60	1,875.60	131.00	3,659.50	2%	Made up of 22 out of 65 debtors, with none individually significant. Six accounts totalling \$1,300.00 have subsequently been settled.
Regulatory Services Other Total	39,731.15	.00	.00	.00	.00	39,731.15	19%	Made up of 147 debtors, with none individually insignificant. One account totalling \$249.00 has subsequently been settled.
Marion Cultural Centre Total	3,287.99	3,160.99	127.00	.00	.00	.00	0%	
Local Government	165,592.25	131,609.88	33,982.27	.00	.00	.00	0%	
Economic Development Total	12,485.00	12,485.00	.00	.00	.00	.00	0%	
Total	699,423.94	352,430.74	118,520.62	15,385.87	5,474.00	207,612.61		
Total Aging Profile		50%	17%	2%	1%	30%		

Category	Description
Employees	Anything that relates to CoM employees.
General	Anything that does not fit into one of the below categories.
Neighbourhood Centres	For hire of rooms in Neighbourhood Centres, etc. - usually charged out at an hourly rate. Also includes cultural workshops and tours.
Regulatory Services Land Clearing	When council has had to clear land due to non-compliance of owner.
Sporting Clubs & Other Leases	Rent, electricity, water, maintenance, etc. charged out to lessees.
Civil Services Private Works	Repairs or modifications to infrastructure (footpaths, kerbs, driveway inverts). Can be at resident request.
Swim Centre Debtors	Outdoor Swimming Centre - used for lane hire, school visits, etc.
Grants & Subsidies	Government grants and subsidies.
Environmental Health Inspections	Food Inspection fees.
Regulatory Services Other	Vehicle Impoundment fees and other regulatory services.
Supplier Refunds	Where a supplier owes the City of Marion funds. This category is used to keep track to ensure we have received payment for credits.
Development Services	Includes contribution from residents and/or developers for the removal and/or replacement of Council Street Trees and significant trees.
Living Kauria Cultural Centre	Relates to programs run through the LKCC.
Environmental Health Testing	Environmental testing fees.
Local Government	Transactions with other Local Government corporations.
Communications	Anything related to communications.
Economic Development	Events, etc. relating to economic development within the City of Marion.
Marion Cultural Centre	Hiring of the Marion Cultural Centre.

*any category that does not have any outstanding invoices will not be displayed.

Attachment 2

Rates Report - Collection of Rates to 30 June 2022**ANALYSIS OF OUTSTANDING RATES AS AT 30 JUNE 2022**

	<u>Note</u>		<u>2022</u>	<u>% of Total Annual Rates</u>		<u>2021</u>	<u>% of Total Annual Rates</u>
CURRENT	1	-\$	1,260,039	-1.5%	-\$	1,086,488	-1.4%
OVERDUE	2	\$	2,020,238	2.5%	\$	1,968,549	2.5%
ARREARS	3	\$	801,016	1.0%	\$	899,677	1.1%
INTEREST	4	\$	45,445	0.1%	\$	41,441	0.1%
POSTPONED	5	\$	215,468	0.3%	\$	204,624	0.3%
LEGALS	6	\$	62,025	0.1%	\$	35,715	0.0%
			<u>\$ 1,884,153</u>	<u>2.3%</u>		<u>\$ 2,063,518</u>	<u>2.6%</u>
TOTAL ANNUAL RATES			<u>\$ 81,668,804</u>			<u>\$ 80,044,096</u>	

Note 1: Current

Current rates represent the total amount of rates levied in the current financial year that are not yet due for payment. For example at 1st January this represents Quarter 3 & Quarter 4 rates unpaid.

Note 2: Overdue

Overdue rates represent rates levied in the current financial year that remain unpaid past their due payment date. For example on 1st January, this represents rates from Quarter 1 and Quarter 2 that remain unpaid.

Note 3: Arrears

Rates in arrears represent rates and charges levied in previous financial years that remain unpaid.

Note 4: Interest

Interest represent the fines and interest applied to overdue rates and rates in arrears.

Note 5: Postponed

Postponed rates represent any rates amount due by seniors that have been granted a deferral, until the eventual sale of their property, as allowable under the Local Government Act. Interest is charged on these deferred rates and is recoverable when the property is sold.

Note 6: Legals

Legals represent any legal fees, court costs that have been incurred by Council in the collection of rates in the current financial year. These amounts represent costs that have been on-charged to the defaulting ratepayers and are currently outstanding.

9 Workshop / Presentation Items

9.1 City of Marion 2022 Asset Management Maturity Assessment Results

Report Reference	FRAC221011R9.1
Originating Officer	Acting Unit Manager Asset Solutions – Catrin Johnson
Corporate Manager	Manager Engineering, Assets and Environment - Mathew Allen
General Manager	General Manager City Services - Ben Keen

REPORT OBJECTIVE

To provide a summary of the City of Marion's 2022 Asset Management maturity assessment results.

EXECUTIVE SUMMARY

This report introduces a presentation by the University of Newcastle on the City of Marion's 2022 Asset Management maturity assessment results. Council has achieved Core Maturity in all assessment elements.

RECOMMENDATION

That the Finance, Risk and Audit Committee:

- 1. Notes the report and presentation, providing feedback to support the progress of Asset Management at the City of Marion.**

DISCUSSION

The City of Marion (Council) owns and manages a large and diverse asset portfolio with a current value of over \$1.3 billion. These assets represent infrastructure that enables the provision of services to the community. They are vital for the operation of Council's business, sustaining the local economy and to provide a high quality of life for our residents.

Council's Asset Management vision is: To maintain the City of Marion's assets to agreed levels of service, which maximise community value throughout an asset's life.

In the years 2017, 2019, 2020 and 2021, Council conducted asset management maturity assessments using the IPWEA NAMS+ structured on-line questionnaire, the National Asset Management Assessment Framework (NAMAF).

In the 2021 assessment, Council achieved Core Maturity in all assessment elements, except Data & Systems.

Council recently engaged the University of Newcastle to facilitate a further assessment of Council's asset management maturity using the NAMAF model. Council required the assessment to be conducted in a 'guided' and 'conservative' manner. A comparison of the results is shown in Attachment 1. Although the differences between the 2021 and 2022 assessments appear marginal, Council has achieved improvement in 'Levels of Service' and 'Data & Systems', achieving Core Maturity in all assessment elements.

Dr Trevor-Seymour-Jones from the University of Newcastle will present an overview of the 2022 assessment results.

ATTACHMENTS

1. Co M 2022 Asset Management Maturity Assessment Results - Final Executive Summary onepager (1) [**9.1.1** - 1 page]
2. Co M 2022 Asset Management Maturity Assessment Results Presen [**9.1.2** - 8 pages]



City of Marion
Asset Management Maturity Assessment
Summary of Results, Findings &
Recommendations
May 2022



1. The Assessment

The assessment was facilitated by The University of Newcastle (the University). It was conducted under the National Asset Management Assessment Framework (NAMAF) in six workshops between 15 and 28 February 2022. A draft report was presented to the Asset Steering Committee on 12 April 2022. The final report was approved and issued on 10 May 2022.

2. Council's Assessment Objectives

- a) Measure progress against previous assessments
- b) Achieve the 'core' maturity score of 3 in the *Data & Systems* and *Evaluation* categories
- c) Identify opportunities to build organisational capacity; initiate reform processes; and areas for learning and change management.

3. Assessment Results

Area	Assessment Element	2017 Baseline Score	2021 Score	2022 Score	Score Difference 2017: 2022
Financial Planning & Reporting	1.1 Strategic Longer-Term Planning	4.0	4.6	4.7	+0.7
	1.2 Annual Budget	4.0	4.4	4.8	+0.8
	1.3 Annual Report	4.2	4.5	4.6	+0.4
Asset Management & Planning	2.1 Asset Management Policy	3.1	4.8	5.0	+1.9
	2.2 Asset Management Strategy	0.0	4.4	4.4	+4.4
	2.3 Asset Management Plans	2.8	4.5	4.4	+1.6
	2.4 Governance & Management	1.0	4.0	4.2	+3.2
	2.5 Levels of Service	1.4	3.6	4.2	+2.8
	2.6 Data & Systems	1.4	2.7	3.3	+1.9
	2.7 Skills & Processes	1.8	3.8	3.9	+2.1
	2.8 Evaluation	0.8	4.2	4.0	+3.2
	Overall Maturity	1.9	4.1	4.3	+2.4

The table shows substantial progress since 2017. The Asset Solutions Team has developed a high level of asset management maturity for Council.

The overall score of 4.3 exceeds 'core' maturity. This is more than twice the average score of 89 councils for which the University holds assessment data.

This result achieves objectives a) and b). Council will continue to manage *Data & Systems* as a whole-of-organisation priority.

4. Principal Assessment Findings

The following relate to item c) of Council's Assessment Objectives. They represent risk to Council's business and service performance.

- Despite the high level of asset management maturity, the assessment showed that there is a lack of integration between, and effective governance and management of Council's Asset Management and Strategic Management Frameworks. This is essential to optimise service provision and maximise efficiency.
- Responsibility for the actual management of assets is spread across the directorates. There is no specific General Manager responsible for the Council-wide application of the Asset Management Framework (and its integration with the Strategic Management Framework), and oversight of Asset Management Policy and Strategy, Governance, systems and data, standards, processes and procedures, evaluation and performance, reporting, training, and improvement planning. This indicates that Council is not structured to take full advantage of its high level of asset management maturity to manage assets such that they deliver appropriate levels of service and efficiency that maximise community value.
- The Asset Solutions Team is essential and core to the management of Council's assets. It has the capacity and capability to assume overall authority for the management of the Asset Management Framework across Council.
- A fully integrated approach to service and resource planning would bring greater understanding of the interdependencies within the process, improve internal communications, re-define roles, responsibilities and accountabilities, and release the potential of the Asset Management and Strategic Management Frameworks. The *Community Strategic Plan* and *Levels of Service* are the foundations of this integration

5. Principal Recommendation

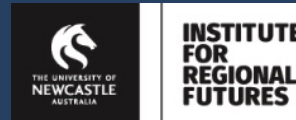
Council critically reviews its organisational structure to give effect to the following:

- Management of the Asset Management and Strategic Management Frameworks so that both are effectively integrated and managed throughout the organisation in line with leading practices, Community Vision, Council's Mission, Strategic Plan, and Vision for Asset Management.
- A structure for Strategic Asset Management that governs the management of assets through a central overarching entity (potentially the Asset Solutions Team) under a General Manager reporting to the CEO.



National Asset Management Assessment 2022 Presentation to Finance, Risk, and Audit Committee City of Marion

Presented by Trevor Seymour-Jones



11 October 2022

Assessment Context & Background

“Asset Management is government’s business fulcrum that connects community aspirations, corporate objectives, financial imperatives and service levels.” – Sir Michael Lyons (2004)

□ Your Asset Management Vision

To maintain the City of Marion’s assets to agreed levels of service, which maximise community value throughout an asset’s life.

□ The Assessment

- National Asset Management Assessment Framework (NAMAF)
- Facilitated by The University of Newcastle (15 - 28 February 2022)
- Council participants
- Report presented to the Asset Steering Committee on 12 April 2022; final report approved on 10 May 2022

□ Organisational Characteristics & Context

- Structure & strategic planning frameworks

□ Methodology

- Self-assessment: independence & ownership
- Conservative & guiding: facilitation
- Rigorous & forensic

□ Required Outcomes: two levels

- **Asset Management Maturity**
 - Achieve Core Maturity for Data & Systems and Evaluation
 - Core consolidated as BAU
 - Compare previous assessments (2017 - 2021)
- **Organisational - Identify opportunities to:**
 - Build organisational capacity
 - Initiate reform processes
 - Identify areas for learning & change management

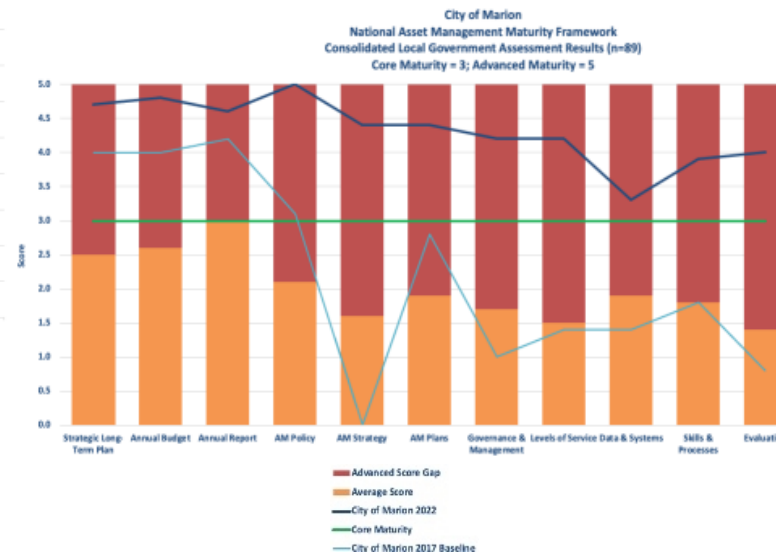
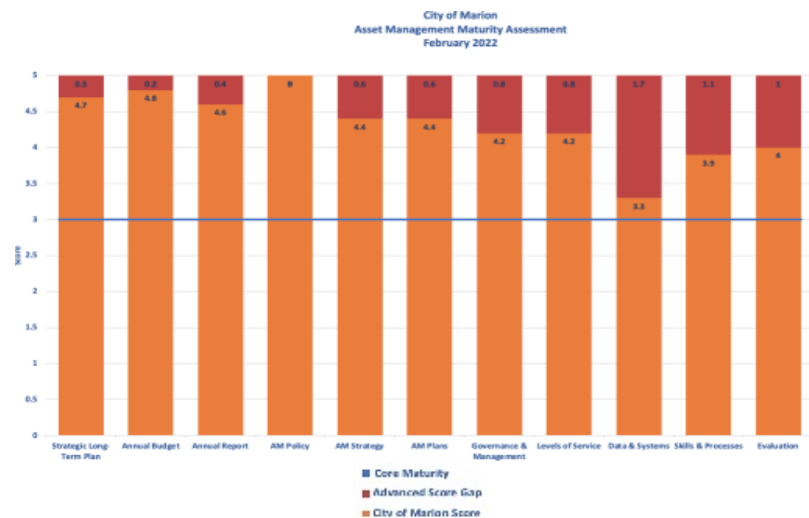
Level 1: Maturity Assessment Results - individual elements

“It is therefore crucial that local government be expert in financial and asset management” – Mervyn Carter (2013)

Area	Assessment Element		2017 Baseline Score	2021 Score	2022 Score	Score Difference 2017: 2022
Financial Planning & Reporting	1.1	Strategic Longer-Term Planning	4.0	4.6	4.7	+ 0.7
	1.2	Annual Budget	4.0	4.4	4.8	+ 0.8
	1.3	Annual Report	4.2	4.5	4.6	+ 0.4
Asset Management & Planning	2.1	Asset Management Policy	3.1	4.8	5.0	+ 1.9
	2.2	Asset Management Strategy	0.0	4.4	4.4	+ 4.4
	2.3	Asset Management Plans	2.8	4.5	4.4	+ 1.6
	2.4	Governance & Management	1.0	4.0	4.2	+ 3.2
	2.5	Levels of Service	1.4	3.6	4.2	+ 2.8
	2.6	Data & Systems	1.4	2.7	3.3	+ 1.9
	2.7	Skills & Processes	1.8	3.8	3.9	+ 2.1
	2.8	Evaluation	0.8	4.2	4.0	+ 3.2
Overall Maturity			1.9	4.1	4.3	+ 2.4

- ❑ Required outcomes achieved
- ❑ Core Maturity in all elements
- ❑ High scores: overall 2022 score = 86% Advanced Maturity
- ❑ High confidence in the assessment
- ❑ Overall maturity improved by 126% since 2017 – scoring methodology
- ❑ Recommendations for improvement by element

Level 1: Maturity Assessment Results Profile - individual elements



Level 1: Maturity Assessment Outputs - risk profile for individual elements

Area	Assessment Element	Current Risk 2022	Target Risk 2022
Financial Planning & Reporting	1.1 Strategic Longer-Term Planning	Low	Low
	1.2 Annual Budget	Low	Low
	1.3 Annual Report	Low	Low
Asset Management & Planning	2.1 Asset Management Policy	Low	Low
	2.2 Asset Management Strategy	Low	Low
	2.3 Asset Management Plans	Low	Low
	2.4 Governance & Management	Low	Low
	2.5 Levels of Service	Low	Low
	2.6 Data & Systems	High	Low
	2.7 Skills & Processes	Low	Low
	2.8 Evaluation	Medium	Low



Level 2: Principal Findings - financial, organisational, & service risks

“The whole is greater than the sum of its parts” – Aristotle (c.350 BC)

High NAMAF scores do not necessarily mean *best* practice asset management or a successfully integrated strategic planning regime

□ Council's Structure & Strategic Frameworks

- AM not managed as *whole-of-council* function; no over-arching high-level corporate responsibility for AM Framework: *ownership & accountability?*
- Managing assets, *no asset management*
- Lack of integration between Strategic & AM Frameworks – investment decision-making criteria & process?
- Work Area Plans/Service Plans: key area of integration
- Barriers to AM Vision: service & financial performance & community value
- ASU: *de facto* entity & Council's AM fulcrum; high understanding & expertise



□ Typical Asset Management Findings

- Lack of wider org strategic AM understanding
- No *real* integration into an AM Framework
- Fragmented AM responsibility across directorates – *ownership & accountability?*
- Management lacks strategic outlook
- Gaps in the AM Cycle & planning process
- Management processes/procedures mapped but not always followed
- Data management and performance measurement – spreadsheets only in one instance; no single source of truth
- Concentration on infrastructure, e.g., City Property, ICT.



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Level 2: Organisational Opportunities - capacity, reform, change & learning

“Asset Management is a key part of business planning, which connects, at a strategic level, decisions about business needs, the deployment of assets, and future investment needs.” – Sir Michael Lyons (2004)



- ❑ Assessment's *real value*: catalyst for org reform & change – shift emphasis (condition to service; managing assets to asset management)
- ❑ Review org culture & structure to integrate strategic frameworks to enable Community Vision, Council's Mission, and Vision for AM
- ❑ Assign the management/co-ordination of an IP&R Framework under a single Senior Executive, reporting to the CEO – whole-of-org culture
- ❑ Assign AM Framework (Policy & Governance, AM Strategy, Asset Data, Processes & Procedures, Planning Process, Performance & Reporting, Improvement) under a GM with org-wide authority (consider ASU)
- ❑ Manage to AM Cycle
- ❑ AM Processes & Procedures Manual
- ❑ Investment decision-making policy/process
- ❑ Reconsider roles of Asset Owners & Asset Users: *ownership & accountability*
- ❑ Raise IP&R & AM profile/awareness across the org & Council: inclusion, training & development

Asset Management Cycle

(Adapted from RICS Public Sector Asset Management Guidelines – A guide to best practice. Royal Institution of Chartered Surveyors, 2008)



Thank you



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10 Other Business**11 Meeting Closure**

The meeting shall conclude on or before 5.00pm unless there is a specific motion adopted at the meeting to continue beyond that time.