

COMMITTEE AGENDA

Audit Committee

Notice is hereby given pursuant to the provisions of the Local Government Act, 1999, that the next Meeting of the Audit Committee will be held in the Council Chambers, 181 Unley Road Unley on

Tuesday 11 February 2020 6.30pm

for the purpose of considering the items included on the Agenda.

Chief Executive Officer

MEMBERS

Presiding Member D Powell (Presiding Member)
Councillor K. Anastassiadis
Councillor M. Broniecki
Independent Member N Handley
Independent Member A Martin

ACKNOWLEDGEMENT

We would like to acknowledge this land that we meet on today is the traditional lands for the Kaurna people and that we respect their spiritual relationship with their country.

We also acknowledge the Kaurna people as the custodians of the Adelaide region and that their cultural and heritage beliefs are still as important to the living Kaurna people today.

ORDER OF BUSINESS

ITEM

PAGE NO

1. ADMINISTRATIVE MATTERS

1.1 APOLOGIES

Nil

1.2 LEAVE OF ABSENCE

Nil

1.3 CONFLICT OF INTEREST

Members to advise if they have any material, actual or perceived conflict of interest in any Items in this Agenda and a Conflict of Interest Disclosure Form (attached) is to be submitted.

1.4 MINUTES

1.4.1 Minutes of the Ordinary Audit Committee Meeting held
Tuesday, 10 December 2019

1.5 DEFERRED / ADJOURNED ITEMS

Nil

2. REPORTS

2.1	Development of the Draft 2020-2030 Long Term Financial Plan	7
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3. OTHER BUSINESS

NEXT MEETING

Tuesday 12 May 2020 - 6.30pm

Council Chambers, 181 Unley Road Unley

INFORMATION REPORT

REPORT TITLE:	DEVELOPMENT OF THE DRAFT 2020-2030 LONG TERM FINANCIAL PLAN
ITEM NUMBER:	2.1
DATE OF MEETING:	11 FEBRUARY 2020
AUTHOR:	MICK WETHERALL
JOB TITLE:	ACTING MANAGER FINANCE & PROCUREMENT
ATTACHMENTS:	1. DRAFT LONG TERM FINANCIAL PLAN 2020-2030: ELECTED MEMBER PLANNING DAY 18 JANUARY 2020

1. **EXECUTIVE SUMMARY**

Council is obligated to develop and adopt a Long Term Financial Plan (LTFP) as a part of its suite of Strategic Management Plans in order to ensure its long term financial sustainability. The LTFP also provides the financial parameters to aid the compilation of Council's Draft 2020-2021 Annual Business Plan and Budget.

The administration have commenced work on Council's Draft 2020-2030 Long Term Financial Plan and is seeking the Audit Committee's views on the suitability of key assumptions and appropriate financial targets for use in developing the plan.

2. **RECOMMENDATION**

That:

1. The report be received.
-

3. **RELEVANT CORE STRATEGIES/POLICIES**

4. Civic Leadership

4.1 We have strong leadership and governance.

4. **BACKGROUND**

In accordance with Section 122 of the *Local Government Act 1999* Council must develop and adopt a suite of Strategic Management Plans including a Long Term Financial Plan (LTFP). The LTFP, which is to developed for at least a 10 year time frame, must be consistent with Council's other

strategic management plans, particularly the Infrastructure and Asset Management Plans.

In accordance with the Local Government (Financial Management) Regulations 2011, the LTFP must address the following items:

- Summary of proposed operating and capital investment activities;
- Estimates and target ranges for each year with respect to the operating ratio, net financial liabilities ratio and an asset renewal funding ratio
- Statement setting out the purpose of the LTFP, the basis upon which it has been prepared and the key conclusions which may be drawn from the estimates and proposals contained within the document.

The City of Unley's draft LTFP will be prepared based upon information available from a range of sources including;

- Community Plan
- 4 Year Delivery Plan
- Strategic Asset Management Plan
- Current and future levels of service
- Projected rating strategies
- Available indices such as CPI, LGPI etc
- CEO KPI's

5. DISCUSSION

The administration have commenced work on Council's Draft 2020-2030 Long Term Financial Plan in order to ensure long term financial sustainability and to provide the financial parameters for the drafting of Council's 2020-2021 Annual Business Plan and Budget.

The Audit Committee has a responsibility to review and make recommendations to the Council regarding the assumptions, financial indicators and targets in the LTFP, including financial sustainability of the Council and any risks in relation to the adoption of the LTFP and Annual Budget.

It is deemed appropriate to engage with the Committee at this early stage of preparation, particularly with respect to the establishment of key planning assumptions, targets and ratios.

The General Manager Business Support & Improvement presented to Elected Members a preliminary overview of the Draft LTFP and the financial capacity of Council over the next 10 years in a planning session as part of the review of the 4 Year Delivery Plan on 18 January 2020. A copy of the presentation is provided as Attachment 1 to this report.

The overview, amongst other things, presented information around current economic indicators, LTFP assumptions, new capital projects and proposed parameters for the development of the 2020-21 Budget. The

document has been provided to promote discussion around these matters to enable further development of the LTFP. The proposed key assumptions are scheduled below:

Item Description	Basis
Rates Income	CPI
User & Statutory Charges	CPI
Other Income	CPI
Employee Costs	EB then CPI
Contract & Materials Costs	CPI
Other Expenses	CPI
Finance Costs	LGFA Quotes and movement of CPI
Depreciation	Asset Management Plans
Asset Renewal Expenditure	Asset Management Plans
Operating Projects	\$1.0M
Operating Surplus Ratio	5%pa
Net Financial Liabilities Ratio	< 80%
Asset Sustainability Ratio	100% over 10-year period

In addition, the Council's LTFP is affected by several other external and internal factors for which assumptions will require further consideration, these include:

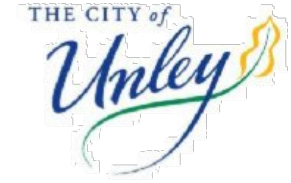
External Influences

- Local Government Price Index
- Natural Resources Management Levy
- Waste disposal costs
- Utility Costs
- Increased compliance costs through new/amending legislation
- State and Federal Government Policy
- Broader economic environment

Internal Influences

- Enterprise Bargaining Agreements (the current agreement includes the higher of CPI or 2%)
- Treasury Management Policy and borrowing decisions
- Service and Process Improvement Review projects
- Risk Management
- Asset Sustainability & service levels
- CEO KPI's

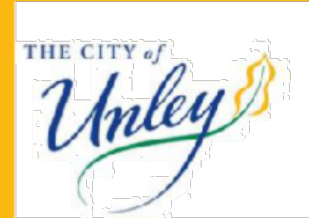
The CEO has a KPI set by Council, that the Draft 2020-21 Annual Business Plan and Budget be prepared in line with the CPI for the March Quarter with no reduction of services.



Draft Long Term Financial Plan 2020- 2030

Elected Member Planning Day 18 January 2020

Objective



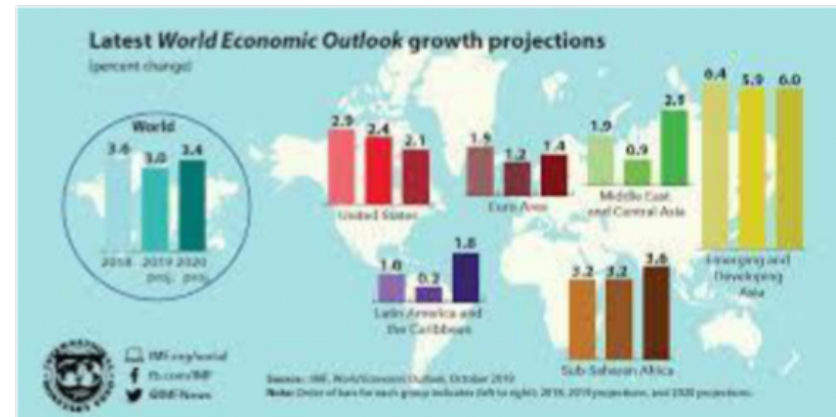
To provide an overview of the draft Long Term Financial Plan (LTFP) and the financial capacity of Council over the next 10 years.

- Will evolve with time
- Use the best available information
- Economic indicators have been updated
- The assumptions have been revised
- The LTFP will guide the development of the 2020-21 Budget

Economic Indicators



- CPI for Adelaide
- LGPI has been tracking close to CPI for the past few years, no forecast available
- EB increase for Employee Costs then CPI
- Debt servicing rates from the LGFA



LTFP Assumptions



Item	Basis
Rates income	CPI (CEO KPI)
User and Statutory Charges	CPI
Other Income	CPI
Employee costs	EB then CPI
Contract and material costs	CPI
Other expenses	CPI
Finance costs	Based upon LGFA rates
Depreciation	Asset Plans
Asset Renewals	Asset Plans
Operating Projects	\$1M
Financial Surplus Ratio	5%
Net Financial Liabilities	< 80% of annual general rates income
Asset Sustainability Ratio	100% over a 10 year period

New Capital Projects



The following projects have been included in Year 1:

- Millswood Croquet Club
- Acquisition of strategic properties
- Upgrade and extension to Cottages
- Ridge Park Masterplan
- Strategic property divestment



BHKC contributions for 10 years only

*Council may remove, amend or change the timing

*No other assumptions have been made

Summary draft LTFP 2020- 21



City of Unley

Long Term Financial Plan 2020/21-2029/30
4-Year Financial Summary

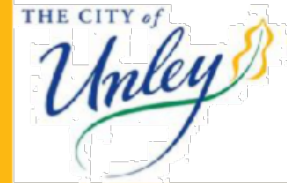
SUMMARY	2018-19 Audited	2019-20 Base Year	2020-21 Year 1	2021-22 Year 2	2022-23 Year 3	2023-24 Year 4	2024-25 Year 5	2025-26 Year 6	2026-27 Year 7	2027-28 Year 8	2028-29 Year 9	2029-30 Year 10
Prices Increase based on CPI	2.25%	2.00%	2.25%	2.25%	2.17%	2.22%	2.21%	2.20%	2.21%	2.21%	2.21%	2.40%
Prices Growth	0.72%	0.72%	0.72%	0.72%	0.72%	0.72%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Increase in Rates Revenue	2.97%	2.72%	2.97%	2.97%	2.89%	2.94%	2.71%	2.70%	2.71%	2.71%	2.71%	2.90%
General Rates Income	41,336,000	42,504,061	43,660,171	44,956,879	46,292,098	47,628,396	48,924,947	50,252,263	51,609,384	53,008,997	54,444,748	55,918,511
Other Income	9,542,000	6,841,270	6,620,826	6,717,842	6,817,038	6,914,712	7,017,058	7,121,240	7,227,134	7,335,912	7,446,923	7,560,301
Generating Projects	-	134,101	136,783	139,861	143,008	146,106	149,353	152,658	156,017	159,468	162,990	166,581
Total Income	50,878,000	49,479,432	50,417,781	51,814,581	53,252,144	54,689,215	56,091,358	57,526,161	58,992,535	60,504,377	62,054,661	63,645,411
Employee Costs	16,596,000	18,124,785	18,487,280	18,903,244	19,326,567	19,747,353	20,166,183	20,632,895	21,086,946	21,553,376	22,029,383	22,515,511
Materials, Contracts & Other Expenses	20,337,000	18,537,666	18,908,419	19,333,859	19,768,871	20,197,197	20,646,023	21,102,912	21,567,306	22,044,361	22,531,212	23,028,411
Depreciation, Amortisation & Impairment	9,038,000	8,012,500	9,012,300	9,124,954	9,239,016	9,354,503	9,471,435	9,589,828	9,709,700	9,831,072	9,953,960	10,078,311
Finance Costs	161,000	820,435	343,250	322,679	277,246	220,854	160,070	101,025	44,072	13,433	4,650	-
Generating Projects	-	1,154,101	1,177,183	1,203,670	1,230,752	1,257,419	1,285,361	1,313,806	1,342,718	1,372,418	1,402,727	1,433,681
Total Expenditure	46,132,000	46,649,486	47,928,433	48,888,406	49,844,452	50,777,325	51,749,071	52,740,466	53,750,742	54,814,659	55,921,933	57,056,112
Operating Surplus/(Deficit)	4,746,000	2,829,946	2,489,348	2,926,175	3,407,691	3,911,890	4,342,286	4,785,695	5,241,793	5,689,718	6,132,728	6,589,344
Principal Repayment of loans	218,225	227,041	236,214	245,757	255,685	266,015	276,762	285,035	2,908	-	-	-
Cash surplus/(deficiency) after principal repayments	4,527,775	2,602,905	2,253,134	2,680,418	3,152,006	3,645,875	4,065,524	4,500,660	5,238,885	5,689,718	6,132,728	6,589,344
Operating Surplus Ratio	9.33%	5.72%	4.94%	5.65%	6.40%	7.15%	7.74%	8.32%	8.89%	9.40%	9.88%	10.35%
Target 5%												
Asset Renewal Funding Ratio	139.05%	56.64%	86.96%	88.01%	88.98%	87.39%	89.85%	88.26%	86.88%	87.15%	88.06%	86.37%
Target 100% average over 10 years												
Capital Replacement less income to be received	12,567,000	4,398,234	7,637,000	8,031,000	8,221,000	2,175,000	8,510,000	8,464,000	8,436,000	8,568,000	8,765,000	8,705,000
Capital New less funding to be received	2,413,000	18,205,701	4,260,508	2,927,342	3,025,145	3,064,631	3,248,961	3,133,307	3,191,134	3,162,221	3,176,677	3,169,444
Shortfall / Improvement in cash position	(1,414,225)	(11,988,530)	(632,074)	847,030	1,144,876	7,760,747	1,777,998	2,493,180	3,321,451	3,790,568	4,145,011	4,793,222
Reduced Term Borrowings	1,568,376	1,568,376	1,332,163	1,086,406	830,721	564,706	287,944	2,909	0	0	0	0
Cash Advance Debenture (CAD Borrowings)	944,000	15,074,535	15,538,363	14,529,462	13,242,608	11,351,555	9,441,017	6,808,196	3,337,901	0	0	0
Net Financial Liabilities Ratio	28.00%	52.84%	53.04%	49.50%	45.53%	40.63%	35.95%	30.22%	23.84%	16.98%	9.87%	2.09%
Target <80%												

Proposed guidelines for the 2020-21 Budget



Item	Basis
Rates income	CPI
User and Statutory Charges	CPI
Other Income	CPI
Employee costs	EB then CPI
Contract and material costs	CPI
Other expenses	CPI
Finance costs	Loan register & CAD
Depreciation	Asset Plans
Asset Renewals	Asset Plans
Operating Projects	\$1M
Financial Surplus Ratio	5%
Debt	< 80% of annual general rates income
Asset Sustainability Ratio	100% over a 10 year period

Key dates



18 January	4 YR Delivery Plan review
11 February	Audit Committee meeting - views will be sought on the LTFP assumptions and current targets for the financial ratios
30 March	Budget Workshop – project proposals
27 April	Council Meeting – Adopt 2020-21 Draft Annual Business Plan for Consultation
May	Consultation period - Draft 2020-21 Annual Business Plan and LTFP
12 May	Audit Committee Meeting – Review of the 2020-21 Draft Annual Business Plan and LTFP
1 June	Budget Workshop – consultation feedback and review of rates data
22 June	Council Meeting – Adopt 2020-21 Annual Business Plan and LTFP

INFORMATION REPORT

REPORT TITLE: INTERNAL AND EXTERNAL AUDIT - AGREED ACTIONS STATUS UPDATE

ITEM NUMBER: 2.2

DATE OF MEETING: 11 FEBRUARY 2020

AUTHOR: MICK WETHERALL

JOB TITLE: ACTING MANAGER FINANCE & PROCUREMENT

ATTACHMENTS: 1. INTERNAL AND EXTERNAL AUDIT - AGREED ACTIONS FEB 2020

1. **EXECUTIVE SUMMARY**

Council must ensure that appropriate policies, practices and procedures of internal control are maintained in order to assist the Council to carry out its activities in an effective and efficient manner.

The internal controls are subject to annual audit and any opportunities for improvement are brought to the attention of Council, the Audit Committee and management through the auditors Audit Completion Report. The audit report identifies any internal control deficiencies, or findings, and offers recommendations for improvement.

This report serves to inform the Audit Committee on the progress being made by the administration in implementing the recommendations of the Auditors for its findings as identified during the 2018-2019 audit. It is proposed that an update report be presented to the Committee until all recommendations have been implemented.

2. **RECOMMENDATION**

That:

1. The report be received.
-

3. **RELEVANT CORE STRATEGIES/POLICIES**

4. Civic Leadership

4.3 Our business systems are effective and transparent.

4. **BACKGROUND**

In accordance with Section 125 of the *Local Government Act 1999*, council must ensure that appropriate policies, practices and procedures of internal control are implemented and maintained in order to assist the council to carry out its activities in an efficient and orderly manner to achieve its objectives, to ensure adherence to management policies, to safeguard assets and to secure the accuracy and reliability of council records.

The Audit Committee has a responsibility under the *Local Government Act 1999* and its Terms of Reference to review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.

As a part of council's 2018-2019 audit, the external auditors, Galpins, undertook an assessment of 100 internal financial controls and provided its findings in its Management Letter. This advice was presented to the Audit Committee at its meeting held on 11 November 2019 as a part of the Committee's considerations of the 2018-2019 General Purpose Financial Statements. The Committee resolved that the suite of financial statements, auditors reports and certifications be recommended for presentation to the Council for adoption.

Galpins reported that overall the Council demonstrated a high level of compliance with the internal control framework consistent with the principles within the Better Practice Model.

It was found that the majority of key internal controls reviewed were operating effectively. In all, 100 core controls were reviewed, 78 controls were operating effectively and 23 controls were identified where improvements could be made to further enhance their effectiveness. The less effective controls were risk rated as high, medium or low or could be improved as a matter of achieving best practice.

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

Business cycles	Controls Reviewed	Operating Effectively	2019 Findings			
		2019	H	M	L	BP
Purchasing & Procurement/Contracting	10	3	2	5	-	-
Fixed Assets	16	13	-	3	-	-
General Ledger	11	9	1	1	-	1
Accounts Payable	13	10	-	2	1	-
Rates / Rates Rebates	10	8	-	2	-	-
Payroll	19	15	-	2	2	-
Receipting	5	4	-	-	1	-
Credit Cards	5	5	-	-	-	-
Banking	5	5	-	-	-	-
Debtors	6	6	-	-	-	-
Total	100	78	3	15	4	1

5. **DISCUSSION**

This report has been prepared in order to keep the Audit Committee informed of progress with the recommended control improvements. A schedule of detailed audit findings classified by the Business Cycle can be found at Attachment 1.

Attachment 1

The schedule provides for each finding:

- the business cycle risk;
- the associated control for the risk;
- the audit finding;
- the audit recommendation;
- management's response to the finding, and
- management's update on progress to improve the control.

Work has progressed with initial focus on the high and moderate risk findings, and around improvements for procurement and payroll.

A summary of progress to date is provided in the table below:

Business cycles	Findings	Findings		
		WIP	NS	C
Purchasing & Procurement/Contracting	7	4	2	1
Fixed Assets	3	2	1	
General Ledger	3	2	1	
Accounts Payable	3	1	2	
Rates / Rates Rebates	2		2	
Payroll	4			4
Receipting	1		1	
Total	23	9	9	5

Legend: WIP – Work in Progress NS – Not Started C – Completed.

Internal and External Audit – Agreed Actions Status Update

1. SUMMARY of AUDIT FINDINGS

Business Cycle	Findings	Risk
Purchase, Procurement and Contracting	2.1.1 Evidence of procurement procedures undertaken were not retained on file for a sample of suppliers	H
	2.1.2 Absence of formal contracts and agreements for a sample of suppliers	H
	2.1.3 Instances where dispensations from procurement policy were not reported to the Audit and Governance Committee	M
	2.1.4 No declaration of conflict of interest documentation on file for the procurement of a sample of suppliers	M
	2.1.5 TechnologyOne electronic contract register is incomplete	M
	2.1.6 Incomplete purchase orders not followed up and actioned	M
	2.1.7 Instances of invoices paid without purchase orders	M
Fixed Assets	2.2.1 Asset management plans overdue for review	M
	2.2.2 Instances of assets which were not included in the financial asset register	M
	2.2.3 Assets included in TechnologyOne not linked and/or reconciled to the GIS system.	M
General Ledger	2.3.1 Absence of formal review of IT users' access	H
	2.3.2 Absence of formal review of balance sheet reconciliations	M
	2.3.3 Amendments to the structure of the General Ledger framework are not formally reviewed and approved	BP
Accounts Payable	2.4.1 Improvements are necessary in the process of uploading suppliers EFT files into the online banking system	M
	2.4.2 The audit trail of changes to the suppliers' master files are not formally reviewed by management.	M
	2.4.3 Suppliers with invalid or cancelled ABNs registrations included in the creditors' master file	L
Rates	2.5.1 A report containing rates adjustments performed during the financial year is not independently reviewed	M
	2.5.2 A list of rate rebates and non-rateable properties are not formally reviewed	M
Payroll	2.6.1 Absence of evidence that payroll reports are independently reviewed	M
	2.6.2 Employee records and information are recorded in a number of different locations	L
	2.6.3 Absence of appropriate segregation of duties in the processes of adding new employees to CHRIS	M
	2.6.4 Improvement opportunities in the process of reviewing changes to the payroll master file	L
Receipting	2.7.1 Absence of approval of reversal of receipts	L
Credit Cards	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act	N/A
Banking	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act	N/A
Debtors	Audit did not find any issue that would represent a risk of non-compliance with s125 of the Local Government Act	N/A
Control Self-Assessment	2.8.1 Improvements to the internal controls self-assessment process	N/A

2. DETAILED AUDIT FINDINGS

2.1 PURCHASING AND PROCUREMENT

2.1.1 Evidence of procurement procedures undertaken were not retained on file for a sample of suppliers		High
Control	Council has a Procurement Policy that provides direction on acceptable methods and the process for procurement activities to ensure transparency and value for money within a consistent framework.	
Risk	Council does not obtain value for money in its purchasing and procurement.	

Finding	Recommendations	Management Response	Management Update
<p>The Procurement Framework requires a tender process and a formal evaluation for purchases greater than \$100,000.</p> <p>Audit noted that evidence of the procurement procedures undertaken was not retained on file for 4 particular suppliers.</p>	<p>All documents evidencing procurement procedures undertaken (e.g. request for tender, tender responses and evaluation forms detailing the decision made) are retained on file.</p>	<p>The individual supplier circumstances were addressed in the response to the Auditors.</p> <p>Documentation usage and processing systems will be reviewed for a more consistent compliance</p>	<p>Complete</p> <p>Management is currently assessing an independent report regarding the service delivery model and staff resourcing requirements of the Procurement function and a proposal from a consultant to review and assess</p> <ul style="list-style-type: none"> • Council's Procurement Framework, Policy and associated templates to ensure leading practice • Current procurement strategy • Council's ERP/ECM/CMS systems • Spend and category analysis • Current training materials

2.1.2 Absence of formal contracts and agreements for a sample of suppliers		High
Control	Employees must ensure all purchases are in accordance with Council's Procurement Policy and approved in accordance with the Delegations of Authority and other relevant policies.	
Risk	Council does not obtain value for money in its purchasing and procurement.	

Finding	Recommendations	Management Response	Management Update
Audit selected suppliers for review based on cumulative spend. Council could not locate in its records a signed contract for 6 individual suppliers.	Council ensures that there are formal agreements in place with suppliers with significant cumulative spend, and that works are not commenced prior to signing contracts.	<p>The individual supplier circumstances were addressed in the response to the Auditors.</p> <p>Documentation usage and processing systems will be reviewed for a more consistent compliance.</p>	As above in 2.1.1

2.1.3 Instances where dispensations from procurement policy were not reported to the Audit and Governance Committee		Moderate
Control	Council has a Procurement Policy that provides direction on acceptable methods and the process for procurement activities to ensure transparency and value for money within a consistent framework.	
Risk	Council does not obtain value for money in its purchasing and procurement.	

Finding	Recommendations	Management Response	Management Update
<p>The procurement policy provides that when there is a dispensation from the policy for amounts over \$100,000, the purchase must be reported to the next available Audit and Governance Committee meeting.</p> <p>Audit performed a review of the Council's register for dispensation from procurement policy and noted that the following dispensations were not reported to the next available Audit and Governance Committee:</p> <ul style="list-style-type: none"> • Supplier 8 – value of purchase - \$580,000 • Supplier 9 – value of purchase - \$270,000 <p>Audit acknowledges that the above dispensations were approved by the CEO.</p>	<p>Ensure that dispensations from the procurement policy for purchases over \$100,000 are reported to the Audit and Governance Committee in accordance with policy requirements.</p>	<p>The recommendation is noted. As there were no savings to report for the period the Dispensation Report was subsequently omitted. It has since been included in the 1st quarter report for 2019/2020. Scheduled to be held 11 November 2020.</p>	<p>No further action required.</p>

2.1.4 No declaration of conflict of interest documentation on file for the procurement of a sample of suppliers		Moderate
Control	The selection panel is made up of appropriate personnel who have declared any relevant conflict of interest to ensure that informed and objective decision is made when selecting contractors.	
Risk	Council is not able to demonstrate that all probity issues have been addressed in the Contracting process.	

Finding	Recommendations	Management Response	Management Update
Audit selected a sample of suppliers based on cumulative spend and found that there were no conflict of interest declarations signed by the members of the selection panel for 4 purchasing activities.	Panel members are required to provide conflict of interest declarations when assessing a procurement / tendering process, and records of these declarations are retained.	<p>The individual supplier circumstances were addressed in the response to the Auditors.</p> <p>Documentation usage and processing systems will be reviewed for a more consistent compliance.</p>	As above in 2.1.1

2.1.5 TechnologyOne electronic contract register is incomplete		Moderate
Control	Council maintains a current contract register.	
Risk	Council is not able to demonstrate that all probity issues have been addressed in the Contracting process.	

Finding	Recommendations	Management Response	Management Update
Historically, Council has maintained a manual spreadsheet containing information regarding contracts in place between Council and its suppliers. During the 2018/19 financial year, Council made a decision to replace this spreadsheet with an electronic contract register in TechnologyOne. Council is currently in the process of updating this new contract register and, as a result, not all current contract information has been entered in TechnologyOne yet.	Audit supports the use of electronic contract registers and recommends that Council continues to update the register to ensure that all current contracts are recorded.	Currently contracts are recorded in Technology One but there have been issues with the system so a backup spreadsheet is maintained until the problems with Technology One are resolved.	Complete The Contract Register in Technology One product has been re-established, staff have received training and the register is UpToDate. Standard reporting in the system is currently being assessed to determine the need for any customisation.

2.1.6 Incomplete purchase orders not followed up and actioned		Moderate
Control	There is a process in place to follow up and action incomplete purchase orders.	
Risk	Purchase orders are either recorded inaccurately or not recorded at all.	

Finding	Recommendations	Management Response	Management Update
<p>TechnologyOne generates reports containing a list of purchase orders not receipted (i.e. incomplete purchase orders).</p> <p>As at 29 May 2019, this report indicated a total of \$6,921,487 of purchase orders not receipted. Among these, more than \$4 million was aged over 12 months.</p>	Ensure that incomplete purchase orders are followed up and actioned.	A system will be established whereby purchasing officers are notified on a 4 monthly basis of any incomplete purchase orders for their attention/action.	

2.1.7 I Instances of invoices paid without purchase orders		Moderate
Control	Employees must ensure all purchases are in accordance with Council's Procurement Policy and approved in accordance with the Delegations of Authority and other relevant policies	
Risk	Council does not obtain value for money in its purchasing and procurement / Purchase of goods and services are made from non-preferred suppliers	

Finding	Recommendations	Management Response	Management Update
<p>The Procurement framework provides that purchase orders are required for all purchases over \$2,000, unless the purchase is related to an item described in the list of purchases exempted from purchase order.</p> <p>Audit selected a sample of purchases and noted three purchases that did not have a related purchase order or contract, and that did not fall into the list of purchases exempted from having a purchase order.</p>	<p>Management investigates non-compliance with purchase order usage. This could include reviewing system reports detailing purchase order usage (e.g. "AP Invoices Entered Without Purchase Orders"), analysing the nature of non-compliances and speaking to any repeat offenders to understand the reasons for non-compliance.</p> <p>Depending on the outcome of this review, Council may determine that:</p> <ul style="list-style-type: none"> • additional education and training in the Policy is warranted to improve compliance; and/or • there is an opportunity to amend the policy on purchase order use to better reflect the desired use of purchase orders. This could, for example, include: <ul style="list-style-type: none"> ○ reviewing the low-value item threshold, below which a purchase order is not required ○ updating the list of 	<p>The recommendation is noted.</p> <p>Management will investigate the compliance performance under the Procurement Policy and Procedures to determine appropriate actions.</p>	

Item 2.2 - Attachment 1 - Internal and External Audit - Agreed Actions Feb 2020

	exemptions for purchase order use detailed within the policy.		
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2.2 FIXED ASSETS

2.2.1 Asset management plans overdue for review		Moderate
Control	Asset Management Plans for all major asset classes are adopted and reviewed by Council as required by the Local Government Act 1999	
Risk	Fixed Asset maintenance and/or renewals are inadequately planned	

Finding	Recommendations	Management Response	Management Update
<p>Audit noted the following asset management plans overdue for review:</p> <ul style="list-style-type: none"> Bridges – last adopted in 2012 Footpath – last adopted in 2011 Open Space – last adopted in 2008 Drainage – last adopted in 2008 Kerb & Water – last adopted in 2008 Roads – last adopted in 2008 <p>At minimum, the Local Government Act 1999 requires that council undertakes a comprehensive review of its asset management plans within 2 years after each general election of the council.</p>	Asset management plans are updated and adopted by Council.	<p>Council has completed a review of the pre-existing Asset Management Plans during 2018/19 FY and have identified gaps in data quality & data integrity within the asset register and GIS system. These identified improvements are currently being addressed in order to improve confidence in the data to inform the asset management plans.</p> <p>We have employed an additional resource (1.0 FTE commenced in Feb 2019 as an Asset Management Officer) to ensure the delivery of the new asset management plans by Nov. 2020 (2 years after election). Our Asset condition data is current and we have purchased 'Assetic' software to undertake predictive modelling of our asset deterioration to assist with the development of the LTFP. These works have commenced.</p>	<p>Staff have undertaken predictive modelling on all asset classes and have produced first cut values to inform the draft LTFP, these models will be further refined as the asset management plans mature.</p> <p>The cleaning up of asset data and re-segmentation is well under way with many asset classes being reviewed and amended. Consultants have almost completed roads, footpaths, kerbs and protuberances associated with Traffic devices.</p> <p>Currently verifying, updating and sorting asset register classifications and asset categories to improve accuracy and integrity of data.</p>

2.2.2 Instances of assets which were not included in the financial asset register		Moderate
Control	Fixed assets are recorded on acquisition, creation or when provided free of charge to facilitate accurate identification of assets and recording of details with regards to the Asset Accounting Policy.	
Risk	Fixed asset acquisitions, disposals and write-offs are fictitious, inaccurately recorded or not recorded at all. Fixed Asset Register (FAR) does not remain pertinent.	

Finding	Recommendations	Management Response	Management Update
<p>When an asset is physically created the asset description, attributes and work details are included in TechnologyOne. After the asset is created the accounting team is responsible to allocate a financial reporting category (e.g. land, buildings, roads, etc) to the asset to enable the asset to be included in the financial asset register.</p> <p>Audit noted that a list of unallocated assets are not being generated and reviewed on a regular basis. Such a review would ensure that all relevant assets have been allocated a financial reporting category.</p> <p>Audit requested a list of unallocated assets and noted the following assets were not allocated to any financial reporting category at the time of our audit:</p> <ul style="list-style-type: none"> • Unley Oval – current asset cost - \$17,004,600 • Scammell Reserve – current asset cost - \$4,363,650 <p>As a result, these assets were not appearing in the land financial asset register.</p>	<p>A list of unallocated assets is reviewed on a regular basis.</p>	<p>The Unley Oval and Scammell Reserve assets have been allocated into the 'Land & Buildings' Financial category.</p> <p>The recommendation is noted. The Asset Register's report will be reviewed on a 6-monthly basis to ensure information captured under Financial categories is complete.</p>	<p>No further action required</p>

2.2.3 Assets included in TechnologyOne are not linked and/or reconciled to the GIS system.		Moderate
Control	There is a process in place for the verification of fixed assets which is reconciled to the FAR	
Risk	Fixed asset acquisitions, disposals and write-offs are fictitious, inaccurately recorded or not recorded at all. Fixed Asset Register (FAR) does not remain pertinent.	

Finding	Recommendations	Management Response	Management Update
<p>Assets included in TechnologyOne are not linked and/or reconciled to the GIS system.</p> <p>Councils are highly asset intensive in delivering services to rate payers. Councils' infrastructure assets are widespread and require a strong geographical inventory to manage and monitor effectively.</p> <p>A Geographic Information System (GIS software) is designed to store, retrieve, manage, display and analyse geographic and spatial data, including geographical features and their characteristics.</p> <p>To ensure accuracy and completeness of asset databases, it is important for Councils to perform a reconciliation between GIS systems and the asset register. The reconciliation ensures that all assets, components of assets and modifications to assets captured by the GIS system are reflected in the asset register.</p> <p>The standard TechnologyOne GIS reconciliation functionality can be used to update the physical features of assets in the asset register.</p>	<p>A process is introduced to ensure that all assets included in TechnologyOne are linked and/or reconciled to the GIS system.</p>	<p>As part of our recent review with regard to data management, the discrepancies between GIS and Asset Register data has been identified and currently being addressed.</p> <p>Comprehensive system training was undertaken by staff in October 2019 this includes staff from Finance, Assets and the Depot to ensure that assets are created & disposed of appropriately and all asset attribute data is accurate and maintained.</p> <p>A part of this process is to amend the segmentation of assets and uniquely identify individual assets to enable the ability to manage the assets appropriately.</p> <p>The appointment of a dedicated Asset Management Officer has enabled the ability to ensure that GIS and TechOne data are linked/reconciled.</p>	<p>The cleaning up of asset data and re-segmentation is well under way with many asset classes being reviewed and amended. Consultants have almost completed roads, footpaths, kerbs and protuberances associated with Traffic devices.</p> <p>Currently verifying, updating and sorting asset register classifications and asset categories to improve accuracy and integrity of data.</p> <p>The asset data is to be reconfigured so that there is a single point of truth, preferably within the Techone system, and therefore the GIS representation of the data will be sourced from the Asset system.</p> <p>Therefore, eliminating the need for reconciliation as data will be stored in one location.</p>

2.3 GENERAL LEDGER

2.3.1 Absence of formal review of IT users' access		High
Control	Access to General Ledger maintenance is restricted to appropriately authorised personnel.	
Risk	General Ledger does not contain accurate financial information / Data contained within the General Ledger is permanently lost.	

Finding	Recommendations	Management Response	Management Update
There are no current mechanisms to ensure a complete lists of users with access to finance functions in TechnologyOne, Pathway and CHRIS 21 are formally reviewed on a regular basis.	Management performs a formal review of a complete list of users' access rights to ensure adequate segregation of duties within the finance function in TechnologyOne, Pathway and CHRIS 21.	<p>The recommendation is noted.</p> <p>Technology One Access: Management will implement a formal review process of user's access to be performed on a regular basis.</p> <p>CHRIS 21 Access: Management will implement a formal review process of review of user's access to be performed on a regular basis.</p> <p>Pathway Access: permissions are regularly reviewed as a role function of the Business Systems Support Officer. A full audit of active accounts and group memberships was completed in August 2019 and a detailed group access review is scheduled to take place in January 2020.</p>	<p>Technology One Access; Reports have been designed to identify user access and role functionality. The report is under analysis, terminated staff access is being removed, and functionality amended as required. Work is 75% complete.</p> <p>Chris 21 Access; Complete Reports have been run, terminated staff have been removed and role functionality has been assessed.</p> <p>Pathway Access: Complete Another access review will be scheduled for August 2020 and will be conducted annually thereafter.</p>

2.3.2 Absence of formal review of balance sheet reconciliations		Moderate
Control	All balance sheet reconciliations are reviewed by a person other than the preparer at least annually	
Risk	General Ledger does not contain accurate financial information	

Finding	Recommendations	Management Response	Management Update
The finance department has begun adopting a paperless approach to record keeping since December 2018. The balance sheet reconciliations are electronically filed in the network. Since this paperless approach was introduced, no evidence of review of these files is maintained.	<p>Audit encourages Council to continue with its paperless approach.</p> <p>Provide evidence of the review of the reconciliations. Examples of this evidence could be password protected electronic signatures or an email from the reviewer advising that the reconciliations were reviewed.</p>	The recommendation is noted. An electronic solution to record evidence of review of the reconciliations will be researched and implemented as a matter of priority.	All but two reconciliations have been consolidated into two electronic files. It is proposed that all reconciliations will be transferred from the reconciling officer to a reviewing officer using Council's electronic content management system which will automatically record the transfer date and time and will collect any notations specific to the documents. The other two cannot be consolidated because they have dedicated and specialised software applications.

2.3.3 Amendments to the structure of the General Ledger framework are not formally reviewed and approved		Better Practice
Control	Amendments to the structure of the General Ledger framework and accounts are reviewed and approved by appropriately authorised personnel	
Risk	General Ledger does not contain accurate financial information	

Finding	Recommendations	Management Response	Management Update
<p>The process for amending the structure of the general ledger framework such as creating/modifying general ledger accounts, chart of accounts, costs centres, etc can be improved.</p> <p>Currently, there are no formal forms or procedures for requesting changes in the general ledger framework. Usually, changes are initiated via emails sent to the management accountant. It is better practice to implement forms to request changes to the general ledger framework and to ensure that these forms are approved by appropriately authorised personnel.</p>	<p>Change request forms are developed for use by staff when requesting amendments to the general ledger.</p> <p>These forms are approved by appropriately authorised personnel.</p>	<p>The recommendation is noted. An electronic solution to request, authorise and undertake amendments to the general ledger framework will be researched and implemented.</p>	

2.4 ACCOUNTS PAYABLE

2.4.1 Improvements are necessary in the process of uploading suppliers EFT files into the online banking system		Moderate
Control	Payments (Cheques and EFTs) are endorsed by authorised officers separate to the preparer who ensure that they are paid to the specified payee.	
Risk	Accounts payable amounts and disbursements are either inaccurately recorded or not recorded at all.	

Finding	Recommendations	Management Response	Management Update
<p>Audit reviewed the process of processing the accounts payable batch of payments and noted the following:</p> <p>Council's financial system generates an EFT file which is stored on council's internal drive prior to being manually uploaded into the online banking system. The EFT file can be opened as TXT (text format) file and potentially be manually manipulated prior to being uploaded. Currently, staff members from the finance department and system administrators have access to the folders where the EFT file is stored.</p>	<p>Council to investigate whether it is possible to implement a way to enable a direct interface between the finance system and the online banking system.</p> <p>Alternatively, Council can investigate ways to ensure that the file is generated as "read-only".</p> <p>If the direct interface cannot be implemented, Management should consider comparing the bank account details provided by the online banking system to a register of supplier's bank accounts provided by the finance system (supplier master file) before authorising each payment batch. This matching does not need to be a manual process as it can be automated, for example using an Excel spreadsheet.</p> <p>In addition, it is recommended that Finance Management review the</p>	<p>The EFT file is exported to a secure location within the TechnologyOne application folder structure. This is not a published share and is only made accessible to Finance staff.</p> <p>Council audits file shares and logs all file access and changes.</p> <p>Within the next 30 days the folder will be changed to "read-only" to prevent modifications to the file and a review of access permissions undertaken.</p> <p>Discussions are underway with our banking provider to implement a Direct Link module with our banking provider. Implementation timeframes is within the next 3 months.</p>	<p>Council IT staff made amendments to the server folder structure so that only authorised Finance officers have access to the export file locations.</p> <p>Council IT team have installed the bank provider "DirectLink" software onto local Finance staff PC's and have been liaising with the bank to setup the encryption channels.</p> <p>The bank is undergoing discovery and qualification of the DirectLink service and estimates implementation in 4 weeks (during February 2020).</p>

	appropriateness of the users with access to the folder where the EFT file is stored.		
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2.4.2 The audit trail of changes to the suppliers' master files are not formally reviewed by management.			Moderate
Control	Requested changes or additions to supplier master file are verified independently of source documentation.		
Risk	Supplier master file data does not remain pertinent and/or unauthorised changes are made to the supplier master file.		

Finding	Recommendations	Management Response	Management Update
There is no process in place to ensure a formal review of an audit trail of changes to the suppliers' master file.	Ensure that a review of the audit trail of changes to the suppliers' master file is independently reviewed on a regular basis.	A process of review is in place to review changes to the master files however improvements will be implemented to formalise the process.	

2.4.3 Suppliers with invalid or cancelled ABNs registrations included in the creditors' master file		Low
Control	There is a process in place to ensure the supplier master file is periodically reviewed for ongoing pertinence	
Risk	Supplier master file data does not remain pertinent and/or unauthorised changes are made to the supplier master file.	

Finding	Recommendations	Management Response	Management Update
<p>There is no process to ensure the supplier master file is periodically reviewed for ongoing pertinence.</p> <p>Audit performed a review of the Council's creditors master file and noted the following:</p> <ul style="list-style-type: none"> there were 205 suppliers with cancelled ABN registrations; and there were 69 suppliers with invalid ABN registrations. 	<p>Finance Management performs a regular (e.g. on an annual basis) review of the supplier master file to ensure that only current and valid suppliers are active in the system.</p>	<p>The recommendation is noted. A process will be implemented to ensure the supplier master files are reviewed periodically for ongoing pertinence.</p>	

2.5 RATES

2.5.1 A report containing rates adjustments performed during the financial year is not independently reviewed		Moderate
Control	Recorded changes to property master file data and any rate adjustments are compared to authorised source documents to ensure that they were input accurately. An audit trail is maintained for all changes.	
Risk	The property master file data does not remain pertinent.	

Finding	Recommendations	Management Response	Management Update
TechnologyOne does not generate an audit trail of changes to the property master file. Consequently, any audit trail report containing all changes in the property master file is not formally reviewed by an officer independent from the rates function.	<p>Audit acknowledges the system limitation. An alternative solution is to review the rates debtors controls general ledger transaction listing. This report provides all the adjustment in rates performed during the financial year.</p> <p>The debtors control general ledger transaction listing does not need to include all transactions resulting from the normal daily operations (e.g. receipting, fines, etc). Once the report is generated, it can be filtered by Management to only show adjustments in rates.</p>	<p>The recommendation is noted.</p> <p>A process will be developed to ensure that adjustments to rates are reviewed by an officer independent from the rates function.</p>	

2.5.2 A list of rate rebates and non rateable properties are not formally reviewed		Moderate
Control	All rate rebates and adjustments including write offs are appropriately authorised with reference to Delegation of Authority and source documents.	
Risk	Rates and rebates are either inaccurately recorded or not recorded at all.	

Finding	Recommendations	Management Response	Management Update
A list of rate rebates and non rateable properties were not formally reviewed by Finance Management for the 2018/19 financial year.	A list of rate rebates and non rateable properties is formally independently reviewed prior to rates generation occurring.	The recommendation is noted. Rate rebates and non rateable properties will be reviewed at least annually by Finance Management in the future.	Scheduled for attention in May 2020 prior to rates generation.

2.6 PAYROLL

2.6.1 Absence of evidence that payroll reports are independently reviewed		Moderate
Control	Managers periodically review listings of current employees and variances are investigated.	
Risk	Payments made to employees are inaccurate or fraudulent	

Finding	Recommendations	Management Response	Management Update
<p>Currently as part of the payroll process the Payroll Officer uses the PLD report generated from CHRIS for reviewing the accuracy of wages for individuals. This report lists all employees, hours worked by type, leave taken and payment details (Gross pay, net pay, deductions, superannuation etc).</p> <p>Audits review of a sample of PLD reports indicated that there was satisfactory review by the Payroll Officer of these reports. The review was evidenced by numerous comments that the Payroll Officer has recorded in the reports. There was no evidence that these reports have been reviewed by a person independent of the Payroll officer.</p> <p>There was evidence of peer-level review of other source documents filed for each pay run including manual timesheets, extra hours timesheets, overtime timesheets, TOIL banking timesheets, termination pays and employee update forms. These documents were generally marked as 'entered' by the Payroll Officer and 'checked' by a peer.</p> <p>A variance report comparing the current pay vs the prior period pay was being run as part of the payroll</p>	<p>Managerial review of payroll reports is performed and evidenced as part of the payroll process.</p> <p>Audit recommends the following reports be reviewed by Management prior to authorisation of payroll batch payment:</p> <ul style="list-style-type: none"> • PLD – Review reasonableness of rates and hours at employee level • PRD – Agree total net pay to the NAB EFT Payment Report • Variance Report – review the reasonableness of material variances in pay • NAB EFT Payment Report – Agree to PRD report and authorization of payment (note: this report is currently being reviewed and signed off) • Overtime report – review of reasonableness of overtime 	<p>The recommendation is noted.</p> <p>An electronic solution to recording evidence of managerial review of the listed reports prior to payroll authorisation will be researched and implemented as a matter of priority.</p>	<p>Completed</p> <p>A review of the PLD, PRD and Variance Reports is completed by a second officer. We have returned to printed reports so that the review and checking is physically signed off on the report.</p>

<p>process. Until recently, this report was prepared and reviewed by the Payroll Officer and peer reviewed. Whilst the report is still being prepared and filed, it no longer appears to be reviewed.</p> <p>There is a lack of evidence that management has reviewed payroll reports as part of the pay process each fortnight prior to authorisation of payment.</p>	<p>claimed (currently being supplied to depot, but no evidence of review)</p> <p>As part of a paperless philosophy, these reports are being saved electronically and not printed. There are a number of options for evidencing review in a digital environment, including:</p> <ul style="list-style-type: none"> • Use of a secure digital signature on the individual reports (not simply an image of a signature) • Use of a check list detailing the reviewed reports, with either an electronic signature or email confirmation of review (with a copy of the email filed with the reports). <p>Alternatively, a copy of the checklist could be filed physically printed and filed with the printed NAB EFT reports.</p>		<p>A copy is filed as part of the current process.</p>
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2.6.2 Employee records and information are recorded in a number of different locations		Low
Control	Employee records to include employment details and/or contract terms and conditions, authorisations for payroll deductions and leave entitlements.	
Risk	Inappropriate access to employee records	

Finding	Recommendations	Management Response	Management Update
Employee information is stored in multiple locations, including the finance drive, HR office, Payroll office, within CHRIS, email archive or the HR Portal. Whilst the finance drive is restricted to employees working within the finance department, not all finance staff require access to payroll information to perform their jobs.	Storage of employee records is reviewed to ensure that information is being stored in appropriate locations accessible only by staff requiring payroll information to perform their jobs.	All employee records will be transitioned from Finance and HR drives to ECM to ensure access is only available to appropriate staff. Explore options to limit finance staff access to payroll drives to only for purposes of checking.	We have identified that documents relating to pay can be electronically stored in Chris 21 payroll system. This relieves the need to use ECM and resolves any access issues.

2.6.3 Absence of appropriate segregation of duties in the processes of adding new employees to CHRIS		Moderate
Control	There is a segregation of duties from those preparing the payroll to those responsible for preparation of source documents (e.g. timesheets, leave requests etc).	
Risk	Payments made to employees are inaccurate or fraudulent	

Finding	Recommendations	Management Response	Management Update
The payroll officer is responsible for adding new employees to CHRIS upon commencement of employment. For segregation of duties reasons, it is preferable for this role to be performed by a person independent of payroll processing.	New employees are added to CHRIS by the HR department. The payroll officer's access to this functionality in CHRIS is restricted.	New employees are now added by an HR officer, not the payroll officer.	Completed.

2.6.4 Improvement opportunities in the process of reviewing changes to the payroll master file		Low
Control	Payroll system generates audit reports detailing all payroll changes and there is a process in place to ensure all changes are reviewed and verified against source documents.	
Risk	Errors in payments made to employees	

Finding	Recommendations	Management Response	Management Update
<p>The process of checking masterfile changes in CHRIS is performed by filing all relevant source documentation (change of detail forms etc) by pay period in a 'to be checked' folder on the finance drive. These documents are checked against CHRIS by a peer to confirm that the change details have been entered correctly.</p> <p>This process can be improved by also running a masterfile change report and ensuring that all changes made are supported by appropriate documentation. Using such a report may also streamline the review process, by referring to this one report to confirm both the accuracy of data and completeness of supporting documentation.</p>	<p>A masterfile changes report is run from CHRIS and used as the basis to ensure that Masterfile changes are supported with approved source documents and have been accurately reflected in CHRIS.</p>	<p>Currently individual changes to the Masterfile are checked by payroll team.</p> <p>Implementation of a Masterfile changes report to be automatically generated after every payrun, to be cross checked and signed off by HR manager or delegate will be undertaken. This work is to be completed by December 2019.</p>	<p>Completed</p> <p>AUD report has been added to the fortnightly pay checklist to be run at each pay.</p>

2.7 RECEIPTING

2.7.1 Absence of approval of reversal of receipts		Low
Control	There is a review process for the authorisation of the reversal of transactions.	
Risk	Receipts are either inaccurately recorded or not recorded at all.	

Finding	Recommendations	Management Response	Management Update
There is no process for the authorisation of the reversal of receipts.	<p>Establish mechanisms to ensure that reversal of receipts are independently approved.</p> <p>Ensure that a daily list of receipt reversals is independently approved. This can be achieved by reviewing the "Bank Deposit Receipt Dissection Report" which contains a list of reversals.</p>	<p>The recommendation is noted. A review of the daily process to independently approve reversals will be conducted.</p>	

2.8 INTERNAL CONTROLS SELF ASSESSMENT

2.8.1 Improvements to the internal controls self-assessment process

Control	Self-Assessment of the adequacy of internal controls
Risk	Inherent risks not appropriately assessed and mitigated / Controls not operating effectively

Finding	Recommendations	Management Response	Management Update
<p>The Better Practice Model requires a Council's internal controls framework includes a monitoring function to ensure the ongoing operating effectiveness of controls, and as mechanism for continuous improvement.</p> <p>Council conducted a risk assessment of the internal controls around Sept/Oct 2018. Shortly after this risk assessment was completed there were significant staff vacancies within the finance team, including the finance manager. The internal control self-assessment was put on hold during this time.</p> <p>Once the CFO position had been officially completed, the CFO and the Principal Risk Management Officer had a discussion on the controls to be included as part of the 2018/19 internal controls self-assessment.</p> <p>The following factors were considered:</p> <ul style="list-style-type: none"> ▪ Staffing levels within Finance ▪ Process improvements projects/consultation that were either under way or about to commence within certain areas in finance ▪ Current risk and control environment within finance 	<p>Audit supports Council adopting a risk-based approach to perform its internal controls self-assessment.</p> <p>Audit encourages ongoing refinement of the scope of controls to be reviewed, with a view to ensuring a good coverage of controls being reviewed to provide comfort that all significant financial risks are managed to an acceptable level.</p>	<p>The recommendation is noted and will be considered as a part of the next risk assessment process.</p>	

<ul style="list-style-type: none"> Controls selected by the external audit <p>The Council selected a total of 35 controls to be reviewed for the 2018/19 financial year.</p> <p>Audit understands that the current self-assessment will enable Council to establish a base level to build upon for future assessments.</p>			
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INFORMATION REPORT

REPORT TITLE:	INFRASTRUCTURE ASSET MANAGEMENT PLAN UPDATE
ITEM NUMBER:	2.3
DATE OF MEETING:	11 FEBRUARY 2020
AUTHOR:	AARON WOOD
JOB TITLE:	MANAGER ASSETS AND OPERATIONS
ATTACHMENTS:	1. ASSET MANAGEMENT PLAN SCHEDULE

1. **EXECUTIVE SUMMARY**

It is a legislative requirement for Council to develop, update and maintain infrastructure and asset management plans which set out how it proposes to manage its key built assets. Currently, the Administration is undertaking a review of all Council's infrastructure and asset management plans and it is proposed for Council to adopt new plans by November 2020.

This report provides a status update regarding the review being undertaken which will facilitate the development of new infrastructure and asset management plans (AMPs) encompassing all of Council's major assets. This report also contains a review schedule which seeks to ensure the new AMPs are developed and adopted by Council by November 2020.

The key elements of the review being undertaken falls into three categories:

- *Strategic Asset Management Framework*
- *Data Integrity/Needs*
- *Documentation/Training*

The review commenced in July 2019 and the key focus to date has been interrogating the existing asset register and data comprising approximately 25,000 entries. Staff within the Assets and Finance teams have made significant progress following the identification of various issues. A clear direction has been determined with all staff working towards a common goal. A plan has been set out with scheduled targets to ensure that the new AMPs are developed and adopted by Council by November 2020. However, it must be acknowledged that the AMPs will require continuous and ongoing review and improvement over a number of years.

2. **RECOMMENDATION**

That:

1. The report be received.
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3. RELEVANT CORE STRATEGIES/POLICIES

4. Civic Leadership

4.1 We have strong leadership and governance.

3.1 AMPs are a legislative requirement to ensure sustainable management of all Council's owned key built assets.

4. BACKGROUND

The Local Government Act requires Council to develop and adopt AMPs in order to enable the development of a long term financial plan for a minimum period of 10 years. The AMPs are also required to be reviewed within two years of a Council election.

It is acknowledged that Council's current AMPs are in much need of review and development, with the current plans formally adopted by Council in 2008.

Since the commencement of the formal review, many areas have been identified which require improvement and progressively, measures have been put in place to ensure the successful delivery of the new AMPs. This is to ensure Council's Long Term Financial Plan (LTFP) is well informed with reliable data to achieve financial sustainability whilst maintaining the assets to a service level which is acceptable to the community.

5. DISCUSSION

The detailed review being undertaken has identified various issues with the current AMPs that need addressing. In developing the new AMPs, the issues which have been identified are proposed to be addressed in three key categories:

- *Strategic Asset Management Framework*
- *Data Integrity/Needs*
- *Documentation/Training*

Strategic Asset Management Framework

The Framework needs to consist of the following elements:

- Goals and Policies
- Asset Inventory
- Condition Assessment and Performance Modelling
- Alternatives Evaluation and Program Optimisation
- Short and Long Range Plans
- Program Implementation
- Performance Monitoring

Actions to be undertaken

- Update and seek formal Council endorsement of new AMPs by November 2020
- Asset Management Framework clearly documented
- AMPs made available on Council website (once formally endorsed)

Data Integrity/Needs

Data is fundamental to an asset management system and must include the following as a minimum:

- Inventory data – location reference, geometric data, construction and material data
- Usage history – water uses, traffic loading etc
- Condition and performance data – current and historical data
- Costs data – construction, maintenance and rehabilitation cost data
- Maintenance and rehabilitation data – treatment types, extent and effectiveness
- Environmental data – temperature, rainfall (if necessary)

The key focus of the review to date has been interrogating the current data sets with respect to the categories above, to ensure the data is as accurate and reliable. It was previously identified that there is a significant amount of missing data and it is crucial that the data quality is improved in order to ensure the new AMPs are relevant.

The data structure and format are also being modified to improve the reporting ability and assist with various asset data collection methodologies.

Requirement

An essential part of Asset Management Planning (eg Renewal Planning, Condition Assessment, Depreciation, Asset Valuations etc) is an accurate Asset Register with accurate link to GIS display.

Actions to be undertaken

- All assets in TechOne to be sorted into Asset Class/Category (eg Type), Parks, Facility and Location to improve quality of data auditing and reporting
- Interrogate existing data, correcting errors across all asset classes
- TechOne to become the “single source of truth” and the ID used for all lists for identification
- All condition data, treatment and updates are kept in TechOne and linked to GIS via the TechOne ID - no data is stored in GIS but displayed via query to TechOne Data
- Audits created to allow simple ongoing checks
- Duplicates or inaccuracies in new sorting and existing “Financial Reporting” passed on to Finance for action

- Improve ease of access to data capture in the field eg hand held devices to report on condition, missing signs, trip hazards, traffic control etc

Documentation/Training

Actions to be undertaken

- Provide the necessary training to staff
- Agree and document TechOne operating rules between Finance and Asset management, improve classifications (as listed above) to improve accuracy of asset identification
- Prepare and make readily available reports to encourage TechOne as the “single source of truth”
- Prepare and run internal audits to identify inconsistencies and report to Finance
- Clear process documentation and TechOne templates provided for adding and disposing of assets.

Progress (to date)

Issue Identification

- In lieu of the lack of documentation of previous processes, staff from the Assets and Finance teams have been interrogating TechOne and comparing notes to identify what data is available, what is in TechOne, GIS and where additional data may be sourced.
- By the end of 2019, there was a much greater understanding of the issues and the improvements that should be made and how.

TechOne Training

- TechOne four-day training seminar in October 2019 for staff in the Finance, Assets and Depot Operations teams.
- Initial documentation captured as work progresses for Asset Class, Category, Ownership, Parks and AMPs classifications.
- Regular meetings have been held between staff from the Finance and Assets teams to clarify issues, eg capitalisation rules.

Data Integrity

- All 25,000 data entries contained in TechOne assessed for Asset Class, Ownership, Parks and Asset Management Plan classifications.
- Some initial improvement made to asset name/short descriptions in the process.
- Links made to GIS and old Asset IDs where possible.
- Work nearly finished to significantly improve accuracy of Road, Kerb, Traffic Facilities data and provide an accurate GIS plot. Final results expected in February 2020.
- Parent /Child links added to Buildings, Stormwater to improve reporting.
- Initial discussion with consultants Sprout (formerly Calibre) to revisit their previous work on Open Space asset condition assessments to

officially identify duplicate, redundant and new assets from their 2017 assessment.

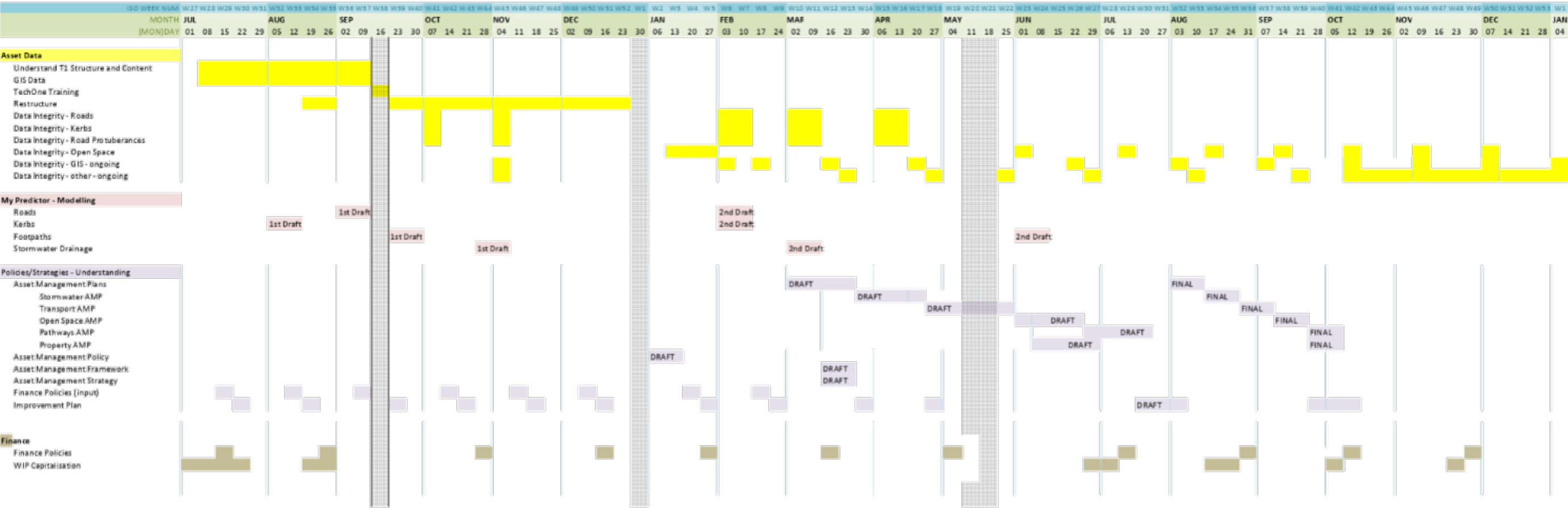
AMPs

- First cut forecast condition modelling has been completed across the major asset classes, with results feeding into the current LTFP. A second more refined run will be undertaken to inform each AMP.
- Initial agreement with staff to what documents will be prepared for the 2020 Asset Management Framework, and the five AMPs to be written, eg Transport, Stormwater, Open Spaces, Pathways and Property.

6. REPORT AUTHORISERS

Name	Title
Claude Malak	General Manager City Development

GANTT CHART WEEKLY



INFORMATION REPORT

REPORT TITLE: 2019 RISK EVALUATION SUMMARY REPORT
ITEM NUMBER: 2.4
DATE OF MEETING: 11 FEBRUARY 2020
AUTHOR: LIDA CATALDI
JOB TITLE: PRINCIPAL RISK MANAGEMENT OFFICER
ATTACHMENTS: 1. 2019 RISK EVALUATION SUMMARY REPORT - FINAL

1. **EXECUTIVE SUMMARY**

The report presents the findings and recommendations from the 2019 Risk Evaluation Summary Report, prepared by representatives of the Local Government Association Mutual Liability Scheme and Workers Compensation Scheme. The risk evaluation process incorporates an evaluation of Council's Risk Management, Work Health and Safety Management (WHS) and Injury Management (IM) processes.

The Risk Evaluation Summary Report identifies several areas that where Council is encouraged to develop an appropriate action plan to review, monitor and complete the recommendations over the next two years. Responding to the recommendations/considerations set out in the report will further enhance Council's overall effectiveness relating to Risk Management, WHS and IM Management systems.

2. **RECOMMENDATION**

That:

1. The report be received.
-

3. **RELEVANT CORE STRATEGIES/POLICIES**

4. Civic Leadership
- 4.1 We have strong leadership and governance.

4. **BACKGROUND**

Every two years, the Local Government Association Mutual Liability (LGA MLS) and Workers Compensation Schemes (LGA WCS) undertake a risk evaluation process across all member Councils in South Australia.

The purpose of the risk evaluation is to assess each Council's Risk Management systems against the Local Government sector established baselines and the level of conformance against Return To Work SA's Performance Standards for Self-Insurers for WHS and IM systems.

The City of Unley's Risk Evaluation was conducted on 16th, 17th and 20th September 2019 with the final report including recommendations issued on 25 November 2019.

5. DISCUSSION

The evaluation process included a review of existing documentation and meetings with relevant employees. Findings and recommendations provided as part of the Risk Evaluation Summary report are suggested ways to improve the topics that were reviewed, however it may also be appropriate to implement alternative actions and the option to do so is at the discretion of each council and their management team.

Risk Management

The Risk Evaluation of Council's Risk Management systems included three mandatory and two (out of five) elective categories. The three mandatory categories were:

- Risk Management Systems;
- Roads and Footpaths; and
- Procurement.

Council chose the following two elective categories because they had not previously been evaluated;

- Event Management; and
- Volunteers.

The sector baselines that the evaluation is measured against were developed by a consultative group with representation from across metropolitan and regional Councils, including representation from Local Government Risk Services (LGRS). These sector baselines are not legislatively required but act as an expected minimum within the Local Government sector. All the criteria within the defined sector baseline must be met in order for the sector baseline to be noted as 'Sector Baseline Met'.

It is important to note that this was a point in time evaluation and Council staff are developing action plans to address the recommendations noted within the report.

The summary of results for Risk Management systems are shown below:

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
MANDATORY AREAS			
Risk Management Systems	3	0	3
Roads and Footpaths	8	5	3
Procurement	7	5	2
ELECTIVES			
Playground	0	0	0
Event Management	6	6	0
Volunteers	4	2	2
Tree Management	0	0	0
Customer Requests & Complaints	0	0	0
Emergency Management	0	0	0
TOTALS	28	18	10
TOTAL %		64%	36%

The mandatory topic of Risk Management Systems was unable to meet any of the sector baselines mainly due to the review of the Risk Management Policy and Framework. At the time of the review the revised Policy and Framework were still in 'draft' mode even though Council was working with previously endorsed versions of the document until the revised versions were finalised.

The other two mandatory categories of Roads and Footpaths and Procurement met the majority of the sector baseline measures, with recommendations made in relation to succession planning, development of Asset Management Plan and DPTI – Rail Interface Agreements as well as review of the Procurement Policy and Framework and to ensure training requirements for the procurement area are defined and recorded.

The elective topic, Event Management received very positive feedback from the evaluation as it met all the requirements for the sector baseline for that topic. Volunteers also performed very well, however two areas, WHS training and the hazards register for volunteers, were identified as requiring action.

A two-year action plan will be developed to address the recommendations set out in the Risk Evaluation Summary Report. This action plan will be presented to the Executive Management Team for endorsement once it is finalised. The action plan will be monitored and reported to the Executive Management Team on a regular basis.

A full copy of the 2019 Risk Evaluation Summary Report is set out in Attachment 1 to this Report.

Attachment 1

Work Health and Safety

The LGA Workers Compensation Scheme holds the group self-insurance licence for all Councils and Prescribed Bodies in South Australia. Self-insured employees (Councils and Prescribed Bodies) are required to design, implement and maintain WHS systems that meet the self-insurance requirements.

The Work Health and Safety systems were evaluated against selected elements from Return to Work SA's Performance Standards for Self Insurers (PSSI). This applies to both WHS and IM management systems. These Performance Standards are designed to give organisations the ability to demonstrate the effectiveness of their business management systems. The model consists of five inter-related standards, 23 elements and 55 sub elements.

The 2017 evaluation results were used as the basis for developing the 2019 evaluation's scope with the inclusion of two elements from Standard 4 and 5 which are focussed on monitoring, reporting, reviewing and improvement relating to the WHS system.

The PSSI definitions for Conformance, Non-Conformance and Observation were utilised as part of this evaluation.

The evaluation process included the review of documented evidence as well as meetings with relevant staff relating to the standards being reviewed.

The summary of the WHS system are shown below, with details for the evaluation of each standard set out in Attachment 1.

STANDARDS	Total Sub-Elements Evaluated	Conformance	Observation	Non-Conformance
Standard One – Commitment and Policy	1			1
Standard 3 – Implementation	8		2	6
Standard 4 – Measurement and Evaluation	1		1	
Standard 5 – Management Systems Review and Improvement	1			1

Injury Management

The Injury Management evaluation was assessed against the Return to Work SA's Injury Management Standards. The 2019 evaluation scope was limited to the IM sub-elements that sit under the revised Code of Conduct for Self Insured Employers version 12 which is relevant to LGA WCS Members.

The evaluation for IM systems were the same as previous categories. LGRS examined documented evidence and held meetings with relevant staff to assess the standards included in the scope.

The summary of the Injury Management results are shown below, with details for the evaluation of each standard set out in Attachment 1:

SUB-ELEMENT	Total Sub-Elements Evaluated	Conformance	Observation	Non-Conformance
Standard 1.2 - Resources	5	4		1
Standard 1.6- Information provided to employees	2	1		1
Standard 2.8 – Early Intervention, recovery and RTW	2	2		
Standard 4 – Measurement, Monitoring Review	2	1	1	

For both WHS and IM evaluations, City of Unley couldn't provide the documented evidence to satisfy the standard on the day of the evaluation, hence there were eight non-conformances and three observations for WHS and two non-conformances and one observation for IM systems.

The WHS team are developing a two-year action plan to address the considerations set out within the 2019 Risk Evaluation Summary Report. Once the action plan has been finalised it will be presented to the Executive Management Team for approval. The WHS action plan will be monitored by LGA Workers Compensation Scheme on a monthly basis and reported to the Executive Management Team on a regular basis.

A full copy of the 2019 Risk Evaluation Summary Report is set out in Attachment 1 to this Report.

Attachment 1

6. REPORT AUTHORISERS

Name	Title
Tami Norman	Executive Manager, Office of the CEO



2019 Risk Evaluation Summary Report

City of Unley

Date of Evaluation:
16th, 17th & 20th September 2019

Date Report Issued:
FINAL - 25 Nov 2019

Name of Evaluators:
Sandy Munro and Deb Glasson
(Lead Evaluator/ WHS) (Risk)

1. Risk Evaluation Overview



The LGAWCS and LGMLS provide a Risk Evaluation service to their Members, every two years. The aim of the Risk Evaluation process is to review each Member's risk management systems (including WHS and IM) against both LG Industry agreed Sector Baselines and other external requirements (e.g. RTWSA Performance Standards for Self Insurer requirements and relevant legislation). The objective of the evaluation is to assist Members to recognise and share LG risk management excellence, identify where opportunities for system improvements exist and to work in partnership with them to implement identified improvements.

The Risk Evaluation in its current format was introduced in 2017. More information is available on the Members Centre regarding the structure and process.

This summary report is structured as follows:

- An Executive Summary, which is completed by the Lead Evaluator, for both Risk and WHS/IM system aspects and briefly outlines the overall results of the evaluation and potential focus areas and recommended actions. This includes a Results Table, which summarises the results for both Risk Management (RM) and Work, Health and Safety (WHS) and Injury Management (IM) components.
- The RM Evaluation Report, which includes the chosen evaluation scope, names of evaluators, summary of findings and specific recommendations for each evaluated question within the identified evaluation scope.
- The WHS and IM Evaluation Report, which includes the evaluation scope, names of evaluators, summary of findings and specific recommendations for each sub-element within the evaluation scope.
- A conclusion, which is completed by the Lead Evaluator. This aims to identify where overall system trends and issues are occurring and what may be of assistance to the Member to progress them forward.



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2. Executive Summary

Overview and Objective:

Every two years, the Local Government Mutual Liability and Workers Compensation Schemes conduct an evaluation of each Scheme Member's Risk Management, Work Health and Safety and Injury Management systems. The purpose of these evaluations are to test (within the scope of the evaluation):

- a) How well the organisation's Risk Management systems meet Local Government sector established baselines and
- b) The organisation's level of conformance with ReturnToWork SA's Performance Standards for Self-Insurers for Work Health and Safety and Injury Management systems.

Members should use this information in their management planning and review systems to drive further improvement to their Risk, Safety and Injury Management systems.

In addition to this, the evaluations allow for sector-wide results to be collated and analysed to enable the Schemes to further assist the Local Government industry, either via sector wide programs or individual programs of targeted support.

This executive summary provides a brief overview of the results of the risk evaluation of City of Unley on 16th, 17th and 20th September 2019. The participation of Member representatives in the evaluation is a critical part of the evaluation process, is integral to the quality of the evaluation and is always greatly appreciated.

Executive management are encouraged to review the evaluation summary report in its entirety for further detail and recommendations.

The completed risk evaluation, WHS and IM tools that support these findings are available from your allocated Risk Consultant, RRC or WHSC. The tools and reports are also available in your Member documents on the Members Centre.



2.1 SUMMARY OF FINDINGS:

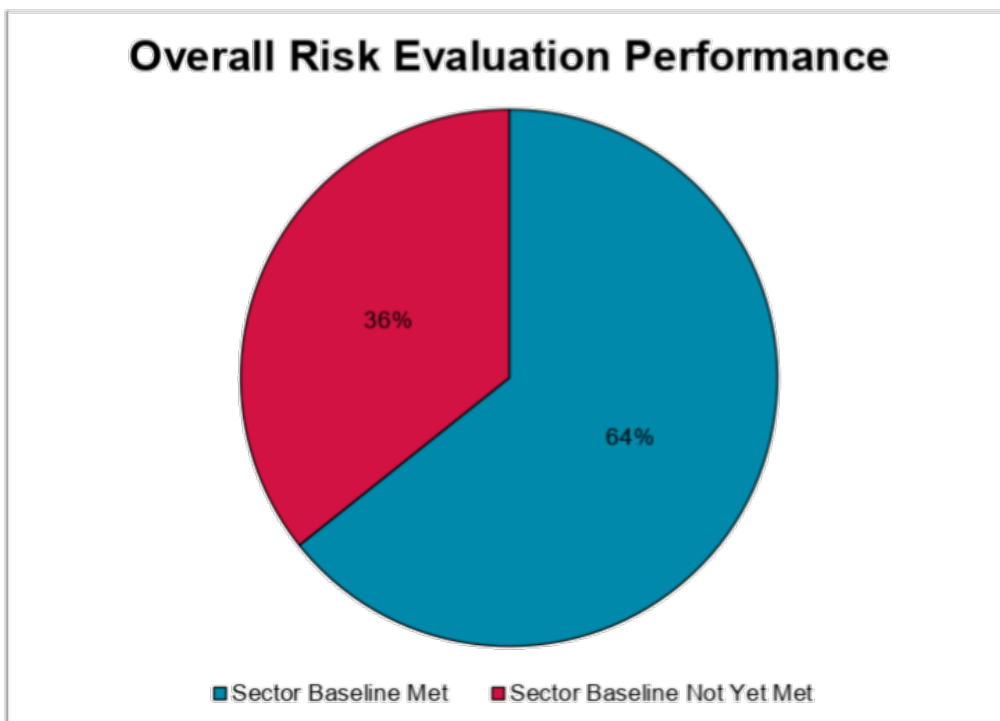
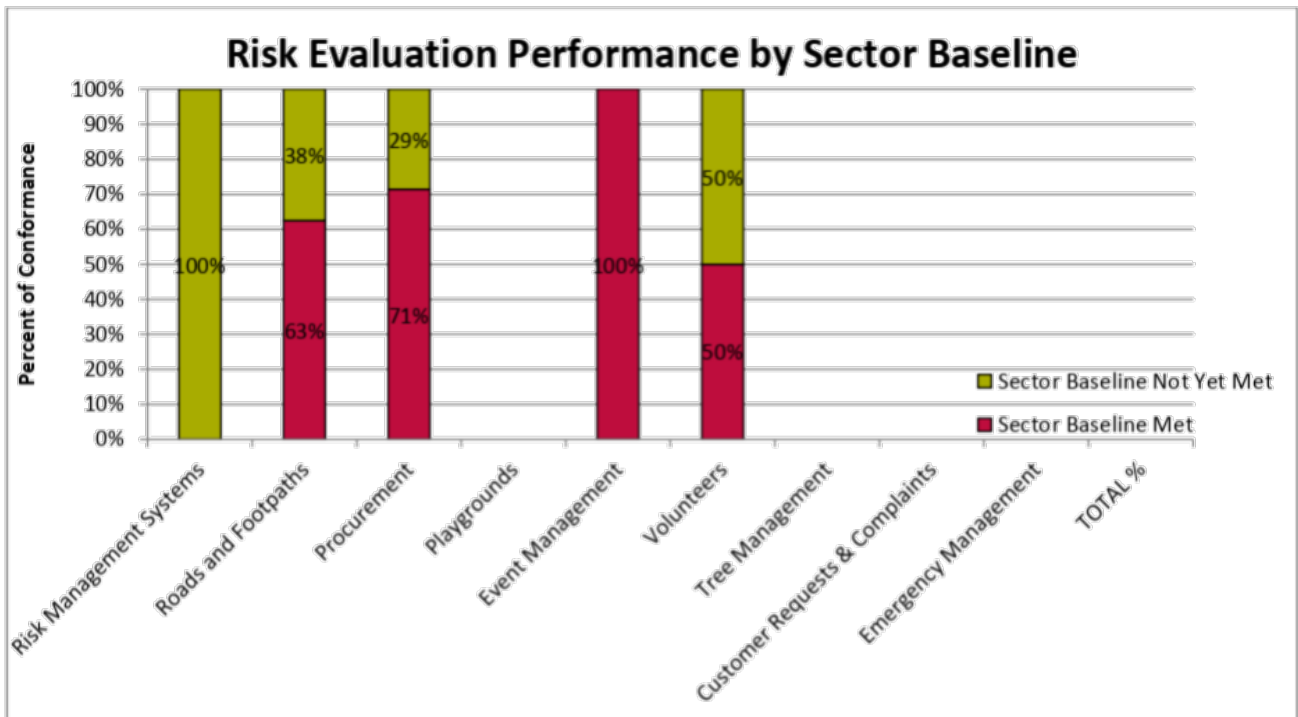
2.1.1 Risk Management

Within the risk management systems, there are three mandatory areas and five electives of which Scheme Members are required to choose two to be evaluated.

In evaluating the organisation's Risk Management systems, reference was made to sector baselines, being a minimum standard expected to be in place. Sector baselines were established by a consultative group that included membership from both metropolitan and regional Scheme Members. It is to be noted that the baselines are not all legislative requirements, but a set of minimum requirements that is expected within the Local Government sector. All the criteria within the defined sector baseline must be met in order for the sector baseline to be deemed as being met.

The City of Unley's results against the mandatory and elective question sets are as follows:

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
MANDATORY AREAS			
Risk Management Systems	3	0	3
Roads and Footpaths	8	5	3
Procurement	7	5	2
ELECTIVES			
Playground	0	0	0
Event Management	6	6	0
Volunteers	4	2	2
Tree Management	0	0	0
Customer Requests & Complaints	0	0	0
Emergency Management	0	0	0
TOTALS	28	18	10
TOTAL %		64%	36%





2.1.1.1 Risk Management Systems

Overview of Results – Mandatory Areas - Risk Management Systems

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
MANDATORY AREAS			
Risk Management Systems	3	0	3

Specific Results and Improvement areas – Risk Management Systems

Q #	Risk Management Systems	Summary of Sector Baselines not met and any improvement required	Recommendation
1a	What does Council's Risk Management (RM) approach consist of?	<p>Baseline not yet met</p> <p>Council has a RM Policy currently in draft format - due for review May 2020. Evidence sighted included the reviewed document in draft and final copy. The final copy going to audit committee in October and therefore has not been endorsed at this stage. Current policy is due for review May 2020 so is current and appears to be on track to ensure it does not go out of date.</p> <p>New reviewed document waiting for endorsement includes objectives, high level roles and responsibilities of staff, council and audit committee.</p> <p>Evidence received and sighted has highlighted that CoU has a process in place to ensure the system is reviewed for currency and relevance.</p> <p>Framework document Endorsed May 2017 with review date May 2019 - currently in draft ready for audit committee endorsement.</p> <p>On reviewing evidence it is noted that the Policy and Framework documents were due for review at different times and council has brought the two documents for review together.</p> <p>CoU RM Policy and Framework currently undergoing review and in draft have been updated in line with ISO 31000. These documents clearly define authorisation/endorsement.</p>	<i>Recommendation- although the Policy and Framework are currently in draft - continue with the RM Policy and Framework work that is currently underway and ensure endorsement.</i>

1b	Does Council have a risk register or a tool/repository where risks are actively monitored and maintained on a periodic basis as per their documented approach?	<p>Baseline not yet met</p> <p>City of Unley (CoU) has a Strategic risk register in place but does not include operational risks.</p> <p>Evidence viewed highlighted that work is being undertaken to develop the operational risks register but not completed or in place. Strategic Register identifies 7 events which include</p> <ul style="list-style-type: none"> - Maintaining Financial sustainability - Delivering Services, programs, communications that meet customer/community needs and expectations - Effective and transparent decision making - Ability to continue to meet legislative and regulatory compliance - Having an appropriately skilled and engaged workforce - Having the capacity and capability to respond to change - maintaining our urban environment and strengthening resilience to climate change <p>Operation Risk template provided for evidence is a template which is still in development and not populated.</p> <p>Agenda and minutes provided as evidence highlights that the EMT review the Strategic Risk Register each quarter along with the Audit Committee. A review of the Register was undertaken in July 2019 with the next review to occur in September and then will go to the Audit committee in October 2019.</p> <p>CoU have "impacts" (risks) listed that are mostly consequences, which haven't actually defined/narrowed down what the risk is</p> <ul style="list-style-type: none"> - e.g. Event 6: having the capacity to respond to change – a risk could be unable to conform to new planning & development act requirements resulting in lost development opportunities – the consequences would potentially be lost development opportunities (economic impact), adverse stakeholder & media attention (reputation) & the mitigation strategies/controls should be targeted at that. - The strategic risks should be those risks that could happen that will affect councils ability to achieve their objectives, e.g. changed legislative 	<p><i>It is recommended that CoU continues the work on developing their risk registers (strategic and operational) as highlighted during the evaluation process through evidence and discussions held.</i></p>
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		requirements	
1c	Is Council's above risk management approach implemented and operational?	<p>Baseline not yet met</p> <p>City of Unley's evidence highlighted that work is being undertaken to develop a TNA as currently there is no TNA which identifies defined training. Basic risk management is included in induction. Additional training is currently provided as needed for example whilst assisting with risk assessments – through mentoring.</p> <p>Through discussions held with Lida council is aware of the work needed to develop a working TNA across all departments</p>	<i>Recommendation to continue the work currently occurring with the review and development of CoU's TNA and ensure that Risk Management is included.</i>

2.1.1.2 Roads and Footpaths

Overview of Results – Mandatory Areas - Roads and Footpaths

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
MANDATORY AREAS			
Roads and Footpaths	8	5	3

Specific Results and Improvement areas – Roads and Footpaths

Q #	Roads and Footpaths	Summary of Sector Baselines not met and any improvement required	Recommendation
2a	Does Council have systems in place to authorise or permit 3rd party alterations to a public road (non-business purposes) in relation to S221 of the LG Act?	<p>Baseline not yet met</p> <p>City of Unley website has a clear explanation on the building/development page which also has direct links to a range of applications required for permits under S221 of the LG Act.</p> <p>City of Unley has in place Procedure "Private Works Applications A&O-0012" which was revised in January 2019 and current. The procedure documents the process for the permit internally once received from resident.</p> <p>On receipt, all applications are</p>	<i>Recommendation to develop contingencies for succession/absence/change of staff going forward.</i>



		<p>assessed including a site visit and if required, consultation with development in relation to any development application. They are assessed against asset principles set out by DDA and reasonableness. If a quote from the Council has been requested to undertake the work, a quotation is generated. The approval letter (and quotation) are produced and provided to applicant. The application is valid for 90 days and most are standard letter responses. The letter of approval is the permit.</p> <p>Concern here is that over the past couple of years there has been 3 changes of positions in this area and through discussions with Aaron succession planning is not in place and a lot of knowledge may have already been lost through these changes. A documented process would assist going forward.</p>	
2b	Does the authorisation process or permit consider structures and installations for their safety and suitability?	<p>Baseline Met</p> <p>The permit application considers structures and installations for their safety and suitability to roads and is included under the conditions section of the permit. The permits are assessed against asset principles, DDA and other compliance and standards criteria. The permit processes are accessible on council's website and are clearly defined.</p>	
2c	Does the authorisation or permit include an indemnity from the applicant to the Council?	<p>Baseline Met</p> <p>The application process considers a number of general conditions included in section 10 that refers to indemnity for Council. These general considerations require applicant signature at the time of application.</p> <p>Whilst there is a clause in the general conditions in relation to negligence, Council does not request insurance as a condition or require to sight or have a copy of insurance. However applicants sign the form which includes clauses related to indemnity as a confirmation that they have insurance.</p>	

2d	Does Council have an Infrastructure and Asset Management Plan that covers the management and maintenance of roads and footpaths?	<p>Baseline not yet met</p> <p>Through interview and discussions with Lida it was highlighted that the Asset Management Plans are well outdated and council are currently developing the modelling and ensuring the asset data integrity. Once this has been completed council will be able to use the information to inform the asset management plan and begin draft.</p> <p>Evidence viewed showed that a condition audit for City of Unley roads was completed in 2017 and footpaths completed in 2018. Replacement programmes and schedules have been developed from this data with priorities to minimise risk. Gap analysis identified areas of improvement and identified that systems data integrity needed cleaning up including accuracy of data. Asset data and integrity review is being looked at currently by a consultant - Sprout.</p>	<i>It is recommended that although maintenance programs have been developed to ensure Asset Management Plan is developed and includes condition planning going forward.</i>
2e	Does Council have an inspection and maintenance regime (or schedule) to inspect roads and footpaths?	<p>Baseline met</p> <p>Council has an inspection schedule in place which identifies these are conducted every five years. Once completed the inspections are used to form the maintenance and capital replacement program/schedule. If council received any customer requests council will respond as required. This may also alter the maintenance schedule pending on the requested location.</p>	<i>It is recommended to ensure this is included in the Asset Management plan</i>
2f	How does Council prioritise roads during scheduling of maintenance/repair?	<p>Baseline met</p> <p>Hierarchy of roads in place and integrated transport plan is in place. GIS - road counters regularly placed on roadways to check monitor/volumes.</p> <p>Council has an inspection schedule in place which identifies these are conducted every five years. Once completed the inspections are used to form the maintenance and capital replacement program/schedule. When council receive any customer requests council responds as required. This may also alter the maintenance schedule pending on the requested location.</p>	<i>As above</i>

2g	How does Council prioritise footpaths during scheduling of maintenance/repair?	Baseline met Council has an inspection schedule in place which identifies these are conducted every five years. Once completed the inspections are used to form the maintenance and capital replacement program/schedule. When council receive any customer requests council responds as required. This may also alter the maintenance schedule pending on the requested location.	<i>Recommendation as per 2e</i>
2h	If Council has Railway Interface/s, does Council fulfil its duties as a Road Manager?	Baseline not yet met Council has railway / tram interfaces and through evidence sighted and discussions with Aaron this agreement is still in draft and has not progressed.	<i>Recommendation to follow up with the Railway Interface agreement and ensure that a signed agreement is place with DPTI which will ensure fulfilling councils duties as a Road Manager.</i>

2.1.1.3 Procurement and Contracts

Overview of Results – Procurement and Contracts

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
MANDATORY AREAS			
Procurement and Contracts	7	5	2

Specific Results and Improvement areas – Procurement and Contracts

Q #	Procurement and Contracts	Sector Baseline and Summary of any improvement required	Recommendation
3a	Are there policies, and procedures prepared and adopted for the procurement process, including approach to the market, evaluation of responses and selection of providers?	Baseline not yet met Procurement Policy and Framework- dated 28th Sept 2015 next review Sept 2018. City of Unley advised these documents are currently being reviewed. The policy demonstrates it includes circumstances where council will call for tenders for the supply of goods, provision of services or the sale or disposal of land. Prudential Management Policy is dated last review Sept 2016 with due date Sept 2019.	<i>Recommendation is review and update Procurement Policy and Framework including a process to ensure future reviews are undertaken and achieved in the review period ensuring the maintenance and currency.</i>
3b	Are there systems in place to identify risks as part of	Baseline met	<i>Recommendation as per above 3a.</i>



	the procurement/ purchasing process?	Council are currently reviewing policies and framework for procurement, these have consideration of risk included and defined. An acquisition plan is used and is part of the system in determining and identifying risk levels.	
3c	Is there evidence that the procurement process is transparent and in accordance with applicable organisation's procurement policy/operational guidance/procedures	<p>Baseline met</p> <p>Procurement policy is currently being reviewed and updated. The policy has included in the policy Section 3.</p> <p>All enquiries for certain quotations and for all tenders are through the Procurement Officer by email. This also applies during the evaluation process and includes setting up meetings and demonstrations with tenderers. This is recorded in Conditions of Tender template.</p>	
3d	Have staff who have delegated roles and/or are responsible for procurement and/or contracts been provided with appropriate training?	<p>Baseline not yet met</p> <p>The procurement and Contracts Co-ordinator has 19 years' experience in local government procurement and attends training and peer group meetings whenever possible.</p> <p>Relevant staff have been trained in procurement processes and in the use of Vendor Panel. Training requirements are currently being assessed due to an influx of new staff to the organisation over the past 12 months. New staff are included in the procurement induction program.</p> <p>Training examples evidenced included: Training Program: Procurement Overview Training, Full Procurement Training Tool Training, Vendor Panel Training, Procurement & Vendor Panel Training record Training.</p> <p>It was also highlighted through interviews with Lida that the Training program is not aligned with HR Training systems and is currently being reviewed and developed.</p>	<i>Recommendation is to ensure all training requirements for the procurement area are defined and included in the Training System.</i>
3e	Does Council have a process in place to justify the rationale behind, and approval of, variations from standard indemnity, insurance, legal liability and contractor incident notification clauses?	<p>Baseline met</p> <p>Standard Local Government Association contract templates are utilised for most contracts. Clauses relating to indemnity, insurance, liability, variations and incident notification are generally non-negotiable, if required council seek further advice from the</p>	



		Fund.	
3f	Is there evidence of the rationale in 3e being applied during the procurement process including when calling for tenders and developing/writing contracts?	Baseline met Council advised during the evaluation that they have no instances they are aware of over the past years and were unable to show any evidence. Council processes are in place if this was to occur in the future.	
3g	Are there processes in place to administer the contract and manage supplier performance during and after the contract? Note: The criteria in this section are checking to see that there is evidence that these things are actually occurring	Baseline met Council has processes in place to administer the contract and manage supplier performances during and after contracts. Discussions with Len Carter highlighted the current process which included project timeline schedules that are supplied and lists key milestones. Staff meet with contractors regularly onsite and talk through next steps. All meeting notes are recorded. Defect inspection/practical completion inspection where defects are identified and a maintenance period is also included. Once all steps have been completed the bank guarantee is returned to the contractor. All steps are recorded and checked. Tech One is used for contracts but council are still having a few issues running this program. The process is manually undertaken for checking purchase orders and matching to invoices at this stage with a view to go to a computerised system in the future. Council has in place a supplier scorecard which is completed after contractor/works are completed giving each a project a score and this assists with future contracts. It was also highlighted that council does not have a current pre-qualified register in place which could also be of assistance with tenders and contracts.	<i>Recommendation to develop a pre-qualified contractor's register to assist with the identification of pre-qual contractors who have performed to councils risk systems.</i>

2.1.1.4 Elective Topics

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
ELECTIVES			
Event Management	6	6	0

Specific Results and Improvement areas – E2 Event Management

Q #	Event Management	Summary of Sector Baselines not met and any improvement required	Recommendation
E2a	Does Council have systems in place for the management of <i>Council organised</i> events?	<p>Baseline met</p> <p>City of Unley has in place an Event Planning Tool Kit which is available on City of Unley website. This toolkit explains the event management processes including applying for event permits, checklists are also used by staff to check off and follow processes.</p> <p>Evidence viewed included tool kit, application form, Event coordinator checklist and Double Shot project plan. Emergency response plan and step by step procedure.</p> <p>Council has in place a documented step by step procedure – Event enquiry process – which is used for every event enquiry. All event management staff are trained in this document to ensure consistency of the processes involved with all event bookings. Pathways is the system used for recording and guiding through process - workflow of event. All information is saved on ECM.</p>	
E2b	Do these systems ensure consistent risk management, and compliance with legislative requirements, of <i>Council organised</i> events across all areas of Council?	<p>Baseline met</p> <p>The tool kit available on website includes legislative requirements along with local council requirements. Includes information about risk assessments and also a risk assessment template as part of the application process, Section on</p>	



		<p>Safework SA requirements and Electrical requirements along with emergency management requirements</p> <p>Marcia Mudge showed completed and partly completed documentation as examples of processes used.</p>	
E2c	As part of the risk management process, are all arrangements with other parties documented, including suitability of contractors, and responsibilities (indemnities and insurances) for the risks they manage?	<p>Baseline met</p> <p>Information available on councils' website and included in the event tool kits documenting responsibilities, indemnities and insurances required, site maps, emergency arrangements, licences that may be required. Each event pending on size is required to undertake a risk assessment which is also available and is requested to be submitted for council review.</p> <p>The area of concern is that the monitoring of the contractors, suitability of contractors could be improved once a prequalified contractor's register is developed.</p>	<p><i>Council has a very thorough process for event management but would recommend when council has developed a contractors register/prequalified register that the event management staff have access to this register to ensure the use of pre-qualified and approved contractors. This would also capture the monitoring of contractors to ensure what they say they are doing is what they are doing.</i></p>
E2d	Has Council assessed the number of, and skills required for, Council staff and Volunteers working at the event?	<p>Baseline met</p> <p>Any volunteer that is required for events is matched through the volunteer skills matching process - through volunteer coordinator. All volunteers are inducted and also site inducted, regular checks are undertaken on the volunteers. Volunteer PD's have been developed which are used in matching skills.</p>	
E2e	Has Council considered Emergency Management provisions for events?	<p>Baseline met</p> <p>Council has in place Emergency Response Plans which identifies a range of potential emergencies including: Malicious use of vehicle; Medical emergency; Major structural Collapse; Bomb threat; Fire or explosion; Suspicious article; Armed or dangerous intruder; Extreme weather; Abducted child</p> <p>Through evidence viewed this is highlighted as a requirement for any event through the event arrangement processes/permit processes.</p>	
E2f	Do Council's systems ensure consistent permitting of events by Council?	<p>Baseline met</p> <p>Permit evidence provided identifies a range of potential events along with liquor requirements, food safety,</p>	



		<p>electrical. Terms and conditions are highlighted through the permitting process.</p> <p>Checklists are used as part of the normal process, all event personnel are included in all emails, folders are accessed by all staff, Councils event management staff are employed part time and have ensured the system is transparent and simple to use.</p>	
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Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
ELECTIVES			
Volunteers	4	2	2

Specific Results and Improvement areas – E3 Volunteers

Q #	Volunteers	Summary of Sector Baselines not met and any improvement required	Recommendation
E3a	Does Council have systems in place for the management of volunteers? (Policy and Procedure)	<p>Baseline met</p> <p>City of Unley have systems in place for the management of Volunteers which includes the Volunteer Policy which was updated April 2019 and a code of conduct for volunteers, along with position descriptions, inductions, screening process for skill matching to roles.</p>	
E3b	Does Council have systems in place for the management of volunteers? (Implementation or requirements)	<p>Baseline met</p> <p>Online volunteer registration is required by council which is available on council website. All volunteers require DHS screening which is highlighted in Volunteer handbook along with other clearances/assessments that may be required to undertake certain duties. Agreements include statements that volunteer has a duty to take reasonable care of their own health and safety and ensure that they do not adversely affect the health and safety of others - (City of</p>	

		Unley Volunteer Agreement form) Better impact - computer system is used to communicate to volunteers and holds records of all communications - Note log was provided as evidence and highlighted that a number of instances of communication had occurred with records stored in computer system. Several emails sighted that had been sent to volunteers.	
E3c	Does Council identify training needs and provide training to volunteers?	Baseline not met Council does not have a working TNA at present and is currently being worked on. Although Volunteers have PD's in place for each role which identifies activities and Better Impact contains the training records of volunteers training undertaken and when renewals are due, feel that the overarching system has gaps to ensure this occurs - if staff undertaking the volunteer management were to leave the current system may not be followed.	<i>Although council is identifying some training for volunteers it is recommended council refer to their WHS 054 WHS Training and Induction Procedure and work through to ensure that training is identified and captured on the TNA.</i>
E3d	Are Volunteer activities or programs subject to existing risk management structures (approved activities with appropriate supervision)?	Baseline not yet met The hazard register identifies activities but the risk assessments are not recorded on this - on further review the hazard register is not complete and appears that is not regularly reviewed. Also advised by council this is an outdated Hazard register and requires review. For example Bus driver dropping off and collecting clients for shopping - hazard register identifies manual handling, inclement weather, UV, slip trips and falls but does not identify hazards of plant and equipment, driving on the road. Council has adequate provisions in place to ensure volunteers are appropriately supervised.	<i>Recommendation is to review and update hazard register with all volunteer activities and ensure all activities have been risk assessed.</i>

Specific details of the identified gaps are available in the risk evaluation tool and findings, which is attached to the Risk Management Report section of this summary report.

In order to further develop systems and processes in the sector baseline questions where there are baselines not yet met or observations made, it is suggested that City of Unley review the findings and recommendations and include relevant actions that address the root cause of system failures into their Risk Evaluation action plan going forward.



2.1.2 Work Health and Safety

Work Health and Safety Systems are evaluated against selected elements from ReturnToWork SA's Performance Standards for Self-Insurers (PSSI). The Performance Standards describe the WHS and IM management system requirements for self-insured organisations in South Australia. The Performance Standards are designed to provide organisations with the opportunity to demonstrate the presence of effective business management systems. The model consists of 5 inter-related standards, 23 elements and 55 sub elements.

The LGA is the group self-insurance licence holder for all Councils and Prescribed Bodies in South Australia. Self-insured employers (Councils and Prescribed Bodies) are required to design, implement and maintain WHS systems to meet the self-insurance requirements.

This year, the WHS evaluation scope continues to focus on areas identified as requiring improvement from the 2017 RTWSA evaluation and two elements from standard 4 and 5 that are focussed on monitoring, reporting, review and improvement of the WHS system.

RTWSA provides guidance in relation to the specific requirements of each sub-element and evaluators are trained in understanding and applying this guidance to determine if an organisation is conforming to the requirements. Assessment is provided in line with the published PSSI definitions for conformance, non-conformance and observation.

City of Unley's results are as follows:

STANDARDS	Total Sub-Elements Evaluated	Conformance	Observation	Non-Conformance
Standard One – Commitment and Policy	1			1
Standard 3 – Implementation	8		2	6
Standard 4 – Measurement and Evaluation	1		1	
Standard 5 – Management Systems Review and Improvement	1			1

Specific Results and Improvement areas – WHS Management Systems

Q #	Sub-element requirements	Level of Conformance
1.2.1	<p>Policies and/or procedure to support the policy statement are in place</p> <p>The City of Unley has adopted from key policies and procedures from the One system (with several additional ones created by City of Unley). These are available to all staff via the Intranet – Central and are managed by a document register (excel). A number of key policies and procedures are currently out of review date and supporting documentation does not have systematic review management which has resulted in a non-conformance as reviews are critical to system maintenance (identifying updates and changes required).</p>	Non Conformance

	<p>Considerations:</p> <ul style="list-style-type: none"> • Continue current reviews of key policies and procedures that require review. • Undertake planned transfer of all key policies and procedures into Skytrust and use system to manage effective and timely reviews. • Review supporting documentation (RA's, SWP's) and transfer into Skytrust to enable systematic management and review. • Continue executive line of sight of currency status by way of quarterly reports. 	
3.2.1	<p>A relevant Training program is in place and being implemented (relating to the TNA and subsequent plan and effective delivery thereof)</p> <p>Good foundation work with the TNA (spreadsheet) has occurred over 2018/ 2019 to ensure this is current. Job mapping (with courses) is being done via Skytrust with training gaps identified and scheduled on the 2019 Training Plan. The transference of the current TNA to Skytrust is yet to be fully implemented and training planning and records management requires further implementation to be fully systematic which has resulted in a conforming with observation.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Continue transference of TNA into Skytrust • Review 2020 training plan in accordance with Induction and Training Procedure • Utilise PD's to further identify and cross reference training required • Ensure training records are reviewed against training undertaken to identify gaps • Implement training evaluation forms and include results in EMT Quarterly Reports 	Conforming with Observation
3.3.2	<p>Accountability mechanisms are being used where relevant</p> <p>The use of Skytrust to capture actions required following incidents and hazards is still not fully implemented and it was noted this is undertaken mostly at the local level and not yet systematically captured across the organisation. Both HR policies that support accountability (Counselling and Discipline and Complaint Handling Procedure) both were due for review Jul 2017). The CAPA (Corrective and Preventative Actions report) is not tabled at the (2) different safety committees and limited detail is provided to EMT on quarterly reports to enable informed directions or decisions, with EMT minutes not available for evidence during the evaluation. Consistent application of accountability mechanisms could not be evidenced which has resulted in a non-conformance.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Consider KPI's for safety to demonstrate accountability at various levels • Continued Skytrust implementation for recording of all actions required from incidents/ hazards etc. • Utilise Skytrust for recording of actions from various committee meetings • Consider tabling CAPA (de-identified as necessary) as committees and EMT to identify actions required and enable informed decision making. • Update HR policies that support accountability mechanisms (Counselling and Discipline Procedure and Complaint Handling Procedure). 	Non Conformance

3.7.1	<p>The organisation must ensure contingency plans are periodically tested and/or evaluated to ensure an adequate response, if required</p> <p>The City of Unley has undertaken good foundation work with updating WEEPS and conducting initial drills (with the assistance of LGRS services). Duress alarms have also been installed at council offices. At this stage City of Unley is not yet compliant with it's Emergency Management Procedure as the EPC is not functional and has not met and emergency management actions from drills/ reports to date are not listed in the CAPA Register (as required by the procedure which has resulted in a non-conformance. Work over the next 12 months should see this alter.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Formulate the EPC and ensure regular meeting schedule. • Compile regular drill schedule (Skytrust) and report overall results up line to EPC/ HSC and via quarterly EMT reporting. • Ensure drill and evacuation records are kept and actions required are transferred to the CAPA to enable capture and reporting. • Review WHS – 049A–Emergency Management Policy (review date Jul 2019). 	Non Conformance
3.8.1	<p>Hazard management systems including identification, evaluation and control are in place.</p> <p>Implementation of a CAR / CAPA system has not been completed as this has changed over the past couple of years and City of Unley has been working with an excel spreadsheet and some actions recorded in Skytrust. Decisions are yet to be made on a format/ system that City of Unley will use moving forward.</p> <p>In 2017/ 2018 the current hazard register was identified as being out of date, cumbersome and not well understood by key stakeholders so a review (new methodology for register) was conducted and applied. The revised hazard register (excel) still requires a drill down into risks for each component of the activity and EMT is yet to review (as per the Hazard Management Procedure). Supporting documentation (RA's, SWP's etc.) have not been fully assessed for relevancy or currency which has resulted in a non-conformance.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Transfer the current Hazard Register into Skytrust. • Review risk ratings for each of the components of the activity. • Ensure EMT review of the Hazard Register. • Review the Hazard Management Policy (review due Jun 2019). • Update the Hazard Management Procedure to reflect the processes and specific documentation of City of Unley. • Decide system/ format for CAPA or CAR for City of Unley and report to HSC Committees, EMT and roll out organisation wide. • Conduct Incident Investigation training (as part of further Skytrust roll out program). 	Non Conformance
3.8.3	<p>Control measures are based on the hierarchy of control process.</p> <p>The City of Unley appears to be using the hierarchy of control process in an informal way and it was difficult to evidence the informed use of hierarchy of controls when controlling / minimising risks.</p> <p>Some good initiatives have occurred such as the implementation of Safetcard (to reduce risks to isolated/ lone workers) and reduction of 'red' risk rated chemicals</p>	Non Conformance

	<p>(substitution) however the documentation for Safetcard (including the risk assessments for this project) did not include any mention of the hierarchy of controls and an inherent and residual risk rating for the overall activity could not be evidenced.</p> <p>Consistent, systematic application of hierarchy of controls could not be evidenced across the organisation a non-conformance has resulted.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Transfer hazard register to Skytrust to enable centralised system. • Consider methodology to be used to rate activities to ensure all risks are adequately captured, risk rated (inherent) and controls put in place to allow for (residual) risk rating. • Insert hierarchy of control tool into hazard identification and control forms where possible to enable documented application in selecting risk controls. • Undertake planned training for incident investigations to enable awareness and understanding of application of hierarchy of controls. 	
3.8.5	<p>Program(s) are in place to ensure an appropriate WHS consideration is given at the time of purchase, hire or lease of plant, equipment and substances.</p> <p>City of Unley has procedures (in date) for both Plant and Hazardous Substances which outline processes for the purchasing. Documentation for the most recent purchase of the Sweeper did not evidence consideration of WHS and no further documentation was provided during the evaluation. There are some inconsistencies with plant documentation which require review. Hazardous substances, whilst definitely progressing still requires work to ensure the newly developed registers stay current. Documented evidence of WHS consideration at the time of purchase could not be consistently demonstrated resulting in a non-conformance.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Review and update Plant Procedure to reflect relevant associated documents. • Add document control into the Plant Risk Assessment. • Review Procurement and Plant procedures to ensure alignment of WHS considerations when purchasing, hiring or leasing of plant. • Continue work on hazardous substances particularly restrictions on purchases and ensuring that WHS considerations are considered pre-purchase. 	Non Conformance
3.8.6	<p>Contractor and volunteer management systems are in place to meet the organisations duty of care to all persons.</p> <p>Contractor procurement and contractor management processes are in place however there appears to be systemic gaps in documentation control (no preferred contractor register), updated contract manager training and contractor monitoring processes in addition to both the WHS Contractor Policy and Procedure requiring review.</p> <p>Considerations - <u>Contractors</u>:</p> <ul style="list-style-type: none"> • Review and update the WHS Contractor Management Policy and Procedure • Confirm appointed contract managers and schedule and undertake relevant training • Consider preferred contactor / supplier register for City of Unley • Conduct review into currency of contractor licencing, documentation and determine process for managing to ensure currency is maintained. 	Non Conformance

	<p>Volunteer management is undertaken with dedication and commitment and there are PD's for roles, induction occurs and documentation is well kept and administered via the Better Impact system. Some relevant training has occurred however there is no current TNA and limited risk assessments for tasks.</p> <p>Considerations - <u>Volunteers</u>:</p> <ul style="list-style-type: none"> • Implement a TNA for Volunteers • Use the CoU Risk Assessment template (in addition to any others if need be) for all activities undertaken by volunteers • Include volunteer activity hazards into CoU hazard register (or separate register as determined appropriate) <p>Volunteers are well managed operationally but there is a need to ensure a TNA and activity risk assessments are undertaken to ensure legislative requirements are fully met Processes to support Contractor Management (document control including updated licencing, insurances etc.), a preferred contractor register and systematic contractor monitoring could not be evidenced. A non-conformance has resulted.</p>	
3.9.1	<p>That the implementation of relevant inspection and testing procedures are conducted by the relevant, competent person(s).</p> <p>There are processes for ensuring relevant inspections are conducted via EAM system and the WHS Maintenance Inspection Schedule and evidence to confirm inspections are being conducted by the relevant, competent person(s). There are opportunities for improvement with respect to the following: record keeping (last inspection and next inspection due clearly noted; ensuring a centralised process which will keep clear identification of licensing and insurance currencies and reporting mechanisms to executive that advise of inspection status (completed, overdue etc.) which has resulted in a conformance with observation.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Include last scheduled date (in addition to next scheduled date) on EAM WHS Maintenance Schedule Report to ensure consistency of maintenance inspections. • Ensure alignment with Contractor Management systems (refer 3.8.6 regarding preferred contractor register) to ensure identification of required licence, insurance and certification currency. • Consider documented reporting mechanisms to executive to ensure line of sight of inspection status quo. 	Conforming with Observation
4.1.1	<p>The organisation must ensure planned objectives, targets and performance indicators for key elements of program(s) are maintained, and monitored and reported.</p> <p>City of Unley has a Strategic WHS & RTW Plan 2018-2020 which has objectives, targets and performance indicators contained within the programs of the plan. Progress is reported to executive via WHS & RTW Performance Summary Reports. An endorsed, signed copy of the plan could not be confirmed during the evaluation and reporting of actions completed, not necessarily the performance indicators were shown. Reports to executive have occurred for the last 12 months but there was an identified gap for some time prior to this. Evidence of EMT receipt of the report and any discussion or direction could not be evidenced. Documentation inconsistencies have resulted in a conformance (with observation).</p> <p>Considerations:</p>	Conforming with Observation



	<ul style="list-style-type: none"> • Ensure all strategic plans are tabled at the Strategic Health & Safety Committee and EMT meetings & signed by the CEO and Chairperson as outlined on plan. • Ensure performance indicators are measured, monitored and reported on. • Ensure documented EMT minutes are kept for documented evidence & records. 	
5.3.1	<p>The organisation must ensure the system is reviewed and revised, if required, in line with current legislation, the workplace and work practices.</p> <p>The review and revision of workplace practices as a result of legislative and other changes appears to be done informally, via discussion and forwarding of relevant information from the WHS team to others in the organisation. Quarterly performance reports to EMT do not include a legislative update and no safety committee minutes supporting discussion on workplace changes could be evidenced. No systematic process could be demonstrated which has resulted in a non-conformance.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Implement a compliance register (an example is available on the LGRS members centre). • Add a legislative update agenda item to Safety Committee meetings and on the quarterly WHS & RTW report to EMT. • Ensure minutes of safety committee and EMT reflect relevant discussions on changes to the workplace as a result of legislation, incidents, hazards etc. 	Non Conformance

Specific details of the identified gaps are available in the WHS results table in the WHS/IM report section of this summary report.

In order to further develop systems and processes in the sub elements where observation/s and non-conformance/s have been identified, it is suggested that City of Unley review the findings and recommendations and include relevant actions that address the root cause of system failures into their Risk Evaluation action plan going forward.



2.1.3 Injury Management

The ReturnToWork SA's Injury Management Standards provide a framework from which a self-insured employer's exercise of its delegated powers and discretions can be evaluated. The Code of conduct for self-insured employers states the performance of the employer or self-insured employer will be measured against the Code and Injury management standards.

This year, the evaluation scope has been limited to only those IM sub-elements that sit under the revised Code of Conduct for Self Insured Employers version 12 relevant to LGAWCS Members.

Whilst the IM Standards are measured by RTWSA at the LGAWCS level, the following sub-elements have been scoped and amended for the 2017 Risk Evaluation specifically for Scheme Members to meet their requirements in supporting the LGAWCS.

City of Unley's results are as follows:

SUB-ELEMENT	Total Sub-Elements Evaluated	Conformance	Observation	Non-Conformance
Standard 1.2 - Resources	5	4		1
Standard 1.6- Information provided to employees	2	1		1
Standard 2.8 – Early Intervention, recovery and RTW	2	2		
Standard 4 – Measurement, Monitoring Review	2	1	1	

Specific Results and Improvement areas – IM Management Systems

Sub Element	Sub-element requirements	Conformance Observation Non Conformance
1.2.1	<p>Documented job descriptions for all injury management personnel and where relevant management, supervisors and employees.</p> <p>The City of Unley has 3 trained personnel who have assigned RTW responsibilities: Teresa Nilsson, Kate Ringwood and Di Edlington. The PD – Manager People and Culture has a reference to RTW responsibilities at a higher level however the PD – People and Culture Business Partner Final Draft for the other 2 personnel makes no reference to RTW specific responsibilities (other than the generic 'participate in the RTW process if injured at work – page 2) which is generic for all personnel.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Insert specific RTW responsibilities into PD's – People and Culture Business Partner role Consider document control requirements. Above PD says DRAFT however notes updated Jan 19 in document reference section. 	Non-Conformance



1.2.2	<p>Ensuring injury management personnel are competent to administer their role in a reasonable manner.</p> <p>3 personnel have undertaken and successfully completed the LGRS Return To Work training and certification was evidenced as current. Teresa Nilsson – completed June 2018 Kate Ringwood – completed July 2019 Dianne Edlington – completed August 2019</p> <p>Considerations:</p> <ul style="list-style-type: none"> Ensure RTW training is included in the organisations TNA for all 3 positions (if not already recognised). 	Conformance
1.2.3	<p>Ensuring the allocation of resources is appropriate for the organisations type, volume and complexity of the case load.</p> <p>The City of Unley has adequate coverage for their site and manageable case load for current trained personnel - currently only 4 claims (as noted on LGRS Members Centre site for Unley statistics)</p>	Conformance
1.2.4	<p>Suitability of facilities and accommodation to ensure restricted access to information, including maintaining confidentiality during interaction with injured workers and service providers</p> <p>All RTW and claim files are kept in a secure locked filing cabinet (sighted), which is separate from the employees personnel file. Access to this cabinet is only attainable by the 3 designated RTW personnel.</p>	Conformance
1.2.5	<p>A Scheme Member is required to appoint a return to work coordinator and ensure the person appointed to this role has successfully completed relevant LGAWCS training. Where this role becomes vacant, the Scheme Member is required to re-appoint an employee within 3 months and ensure the employee(s) appointed have received relevant LGAWCS training within 3 months of the appointment being made.</p> <p>Appointment of personnel in appropriate timeframes has been consistent and T Nilsson confirmed there has not been a gap of appointing and training personnel since the last evaluation (refer 1.2.2 for records).</p>	Conformance
1.6.1	<p>How to report a work related injury</p> <p>The City of Unley has 2 key procedures put into evidence which contain the information on reporting work related injuries. These are both currently out of date which has resulted in the non-conformance. (N.B. please note the non-conformance has been given only once although it relates to other sub-elements such as 1.6.2).</p> <p>The Workplace RTW (Work Injury) Procedure WHS-024 contains Section 1 on Injury Reporting. The procedure was due for review in June 2018. The WHS Incident Report and Investigation Procedure V4.0 contains Injury Reporting in Section 1.1 – 1.5). The procedure was due for review in June 2019.</p> <p>The City of Unley has WHS Inductions for Civic, Depot and Community Centres (sighted in evidence) which includes how to report a workplace injury which are both engaging and appropriate to the intended audiences.</p>	Non-Conformance



	<p>Considerations:</p> <ul style="list-style-type: none"> Update both key procedures for currency and maintenance. Capture future reviews by way of reports to Executive so tracking and progress can be monitored. 	
1.6.2	<p>The process for lodging a claim for compensation</p> <p>Refer 1.6.1. In addition the Service Standards outlining processes are displayed at both Civic and the Depot facility for staff information.</p>	Conformance
2.8.5	<p>Where a worker has not returned to pre-injury employment within 6 months from date of first incapacity and is not working to their full capacity, new or other employment options are considered for the worker by the Scheme Member in conjunction with the LGAWCS.</p> <p>It was confirmed with T Nilsson this has not occurred however the process would occur in consultation with Scheme in the first instance.</p>	Conformance
2.8.6	<p>Where a Scheme Member does not provide suitable employment to a former work injured employee the Scheme Member notifies and consults with the LGAWCS.</p> <p>As per 2.8.5.</p>	Conformance
4.1.1	<p>Processes are in place that monitor, measure and review the effective implementation of the injury management system and where relevant, strategies to improve performance of the injury management system are identified.</p> <p>The City of Unley provides quarterly reports (3 evidenced – Oct to Dec 2018, Jan to Mar 2019, Apr to Jun 2019) which provide statistics on Incidents and Injury claims reported. Summary notes provide good insight on recommendations, trending and any areas of concern.</p> <p>This sub element is conforming (with observation) as the review of the Injury Management System could not be evidenced which may lead to future strategies for improvement.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Review the Injury Management system (statistics, early intervention program if applicable) to see if there may be strategies identified as required or beneficial to City of Unley Incorporate any strategies into the WHS Strategic Plan (and potentially the WHS&IM Action Plan). 	Conforming with observation
4.1.3	<p>The Service Standards set out in Schedule 5, Part 2 of the Return to Work Act 2014 are in place.</p> <p>Sighted at both Civic Centre and Depot facilities.</p>	Conformance

In order to progress to conformance in the sub elements where observation/s and non-conformance/s have been identified, it suggested that City of Unley incorporates the recommendations into their Risk Evaluation action plan going forward.



2.2 EXECUTIVE SUMMARY: CONCLUSION

We would like to thank all those involved in the City of Unley Council's Risk Evaluation.

The risk evaluation process gave City of Unley the opportunity to showcase a number of risk management, work health and safety and injury management/return to work systems that you have in place.

Please note that evaluation findings can only be provided against the evidence presented at the time and within the evaluation scope. As part of the evaluation scope, we conducted a desktop review of evidence provided and requested additional records and information based on the initial evidence provided, followed by some testing of implementation via staff and management interviews. The timeframe provided for on-site and document review was three days and hence this can only be a sampling process.

The Injury Management System and processes are continuing to be well managed, with only a few minor amendments required for those areas receiving a non-conformance.

The Work Health and Safety Management System (WHSMS) has seen some rectification of some long standing issues such as the major review of the Training Needs Analysis (TNA) which has ensured improved transparency across the organisation for training needs. The work conducted in this area is commendable and it is anticipated this will transition into Skytrust in full to further advance efficiencies. There has also been chemical stocktakes done and reviewed information uploaded to the ChemAlert System which is assisting in the program of works that continues in the hazardous substances area.

There were areas recognised that required continued focus including: Hazard Management, Contractor Management, Emergency Management and documentation control and currency. Work has certainly continued in these areas and improvements are occurring since the last evaluation in 2017 and it was recognised that resourcing and system transition (i.e. into Skytrust) may have impacted the current results.

In relation to the risk management systems, it is suggested that City of Unley consider the recommendations provided in relation to the implementation of their Risk Management System as well as Roads and Footpaths, Procurement, Tenders, Contracts, and this should form the basis for City of Unley's risk action plan over the coming year and extended period.

Council should be congratulated on the great work being undertaken in the Volunteer and Event Management area and with minor improvements as discussed in the results section will see council further improve these areas.

Whilst it may appear that Council has a number of areas for improvement, we also recognise that significant system build and improvement is occurring, and providing that City of Unley continue to work on the building of this system and making improvements, the system should mature and progress to a compliant level.

It is recommended City of Unley review considerations with the WHS & Risk areas (and relevant stakeholders) noting these are considerations only and it is for the City of Unley to determine the processes it wishes to undertake in working towards full compliance the Performance Standards for Self Insurers. This should be considered in line with your internal processes and broader WHS and Risk Management Strategic Plans (which may be over several years) in order to determine actions required to address any gaps and enhance your WHS & Risk Management Systems accordingly.

It is recommended you continue working with your Strategic Risk Consultant (Adi Roy-Chowdhury) and WHS Consultant (Sandy Munro) moving forward to ensure that a program of works is undertaken for the upcoming 2020 Action that aligns to your broader strategic plans.



3. Risk Management Report

The evaluation of the City of Unley risk management (RM) system included a review of existing documentation and meeting with employees and other workers. Comments and recommendations, including action items will provide management with some suggested ways to improve their systems, however it may be appropriate to implement an alternative action and this is at the discretion of each individual organisation and their management team.

3.1 Summary of the evaluation scope

The Risk Management Evaluation considered the presence & degree of implementation of systems relating to:

- Risk Management Systems
- Roads & Footpaths
- Procurement
- Event Management
- Volunteer Management

3.2 Employees and other workers involved in the evaluation process included:

- Lida Cataldi – Principal Risk Management Officer
- Aaron Wood – Manager Strategic Assets
- Marcia Mudge – Events Management Specialist
- Len Carter – Coordinator Procurement & Contracts
- Bec Milner – Volunteer Coordinator

3.3 Documentation Review

The review included reviewing policies, procedures and supporting documentation within the Council's RM, and supporting organisational systems, as provided by the Auditee prior to and during the evaluation. Additional evidence provided after the evaluation will only be accepted as evidence for this evaluation if agreed by the evaluator or the Client (i.e. LGAWCS and LGAMLS management).

3.4 Physical Verification

The Risk Management section of this evaluation was conducted at City of Unley's office, however it involved the demonstration and interrogation of live systems to support the evidence provided prior to the evaluation.

3.5 Report Findings and Recommendations

Report findings and recommendations for each evaluation question are provided in the following table (in a summary format) and in the audit reports and tool (in more depth).

Further broader system recommendations are provided in the executive overview and conclusion.

It should be recognised that the findings and recommendations of this report should be used for:

- Planning and continuous improvement by Council of their RM Systems



3.6 RM Systems Evaluation Findings

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
MANDATORY AREAS			
Risk Management Systems	3	0	3
Roads and Footpaths	8	5	3
Procurement	7	5	2
ELECTIVES			
Playgrounds	0	0	0
Event Management	6	6	0
Volunteers	4	2	2
Tree Management	0	0	0
Customer Requests & Complaints	0	0	0
Emergency Management	0	0	0
TOTALS	28	18	10
TOTAL %		64%	36%

3.7 Risk Evaluation Tool and Findings

The Risk Evaluation Tool and Findings document provides the specific detail of the evaluation findings, results and recommendation. This has been attached in the email.



4. WHS/IM Management Report

4.1 Work Health and Safety

The evaluation of City of Unley's work, health and safety (WHS) management system and injury management (IM) processes included a review of existing documentation and meeting with employees and other workers. Comments and recommendations, including action items will provide management with some suggested ways to improve their systems, however it may be appropriate to implement an alternative action and this is at the discretion of each individual organisation and their management team.

4.1.1 Summary of the evaluation scope

The Work Health and Safety (WHS) and Injury Management (IM) component of the evaluation was conducted over two and a half days onsite, it involved a desktop review of evidence supplied prior. There were 11 sub elements for both the Work Health and Safety and Injury Management sections. Interviews were conducted with the WHS/HR Advisor and key personnel across the areas. A site visit was conducted to the Unley Swimming Pool for which the Pool Manager was in attendance.

4.1.2 Employees and other workers involved in the evaluation process included:

- Chris Fear – WHS Advisor (temporary)
- Hannah Eldridge – WHS Systems Support Advisor
- Teresa Nilsson - Manager People and Culture
- Nathan Byles – Pool Manager/ HSE Strategic Committee Chairperson
- Len Carter – Co-ordinator Procurement and Contracts
- Bec Milner – Volunteer Coordinator
- Alan Johns – Co-ordinator Property and Facilities

4.1.3 Documentation Review

The review included reviewing policies, procedures and supporting documentation within the Council's RM, WHS and IM systems as provided by the Auditee prior to and during the evaluation.

4.1.4 Physical Verification

Relevant Systems were reviewed onsite as verification of WHS Systems and a site visit was undertaken at City of Unley Swimming Pool (with Pool Manager in attendance).

4.1.5 Report Findings and Recommendations

Report findings and recommendations for each evaluation question are provided in the following table (in a summary format) and in the audit tool (in more depth).

Further broader system recommendations are provided in the executive overview and conclusion.

It should be recognised that the findings of this report should be used for:

- Planning and continuous improvement by Council of their WHS and IM Systems
- Reviewing potential conformance levels with the RTWSA Performance Standards for Self Insurers.



4.1.5 WHS System Evaluation Findings

City of Unley's results are as follows:

STANDARDS	Total Sub-Elements Evaluated	Conformance	Observation	Non-Conformance
Standard One – Commitment and Policy	1			1
Standard 3 – Implementation	8		2	6
Standard 4 – Measurement and Evaluation	1		1	
Standard 5 – Management Systems Review and Improvement	1			1

4.1.5.1 Specific Results and Improvement areas – WHS Management Systems

Q #	Sub-element requirements	Level of Conformance
1.2.1	<p>Policies and/or procedure to support the policy statement are in place</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> WS-067 – Document Review & Implementation Schedule May 2019 City of Unley WHS System – Document Map (on Intranet – Central) WHS – 014 PPE & Clothing Procedure Implementation Plan 22.02.19 City of Unley EMT Quarterly Report April – June 2019 <p>The City of Unley has adopted the One System suite of WHS documents and these are available for all staff to view on the City of Unley Intranet – Central by way of a document map (known as the framework). A WHS page houses all key information and ECM is used as the document control records management system.</p> <p>Currently reviews are managed via the WHS Document Review and Implementation Schedule (excel) which outlines review dates due,, ECM references, HSC committee consultation and EMT (Executive Management Team) endorsement.</p> <p>Key documents are out of review date include:</p> <ul style="list-style-type: none"> WHS – 024 Workplace Return to Work (Work Injury) Procedure (due Jun 2019) WHS – 039 Hazard Management Policy (review date Jun 2019) WHS – 005 Incident Reporting & Investigation Procedure (review date Jun 2019) WHS – 047 Administration of WHS Management System Policy (due Jun 2019) WHS – 036 Contractor Management Policy (review date Jul 2019) WHS – 036A Contactor management Procedure (review due Sep 2018) WHS – 049A–Emergency Management Policy (review date Jul 2019) 	Non Conformance

	<ul style="list-style-type: none"> • WHS – 026 Electrical Safety Procedure (review date Oct 2018) • WHS – 043 Excavation & Trenching Procedure (review date Sep 2014) (taken from Central) <p>It was acknowledged by City of Unley that changes in personnel (resource challenges) have delayed reviews that were scheduled this year which were also listed in the WHS&IM Action plan as an action to complete. Some of these are currently in the process of being reviewed. Review status of policies and procedures go to Executive via quarterly reports for awareness.</p> <p>Unley are planning to transfer all documentation into the Skytrust system to enable easier management of documentation control. It is also planned to roll out a new implementation plan for all revised policies and procedures (as used for the new PPE & Clothing procedure).</p> <p>It was advised high risk construction work tasks requiring SWMS (Safe Work Method Statements) have been identified and completed (3). Other supporting documentation includes RA's (Risk Assessments) and SWP's (Safework procedures). These are also all housed on the Intranet – Central and managed via the document register (excel). Discussion noted currency of the supporting documentation was unknown for the majority and it was acknowledged that transference into Skytrust will enable a systematic process for review and control.</p> <p>A number of key policies and procedures are currently out of review date and supporting documentation does not have systematic review management which which has resulted in a non-conformance as reviews are critical to system maintenance (identifying updates and changes required).</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Continue current reviews of key policies and procedures that require review. • Undertake planned transfer of all key policies and procedures into Skytrust and use system to manage effective and timely reviews. • Review supporting documentation (RA's, SWP's) and transfer into Skytrust to enable systematic management and review. • Continue executive line of sight of currency status by way of quarterly reports. 	
3.2.1	<p>A relevant Training program is in place and being implemented (relating to the TNA and subsequent plan and effective delivery thereof)</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> • WHS – 054 WHS Induction & Training Procedure (current but not) • City of Unley TNA Master (as at Aug 2019) • Training Calendar 2019 • Skytrust record of training undertaken • City of Unley EMT WHS & RTW Performance Summary Report 3rd Qtr 2019 • Example training awareness question (PPE) <p>A large program of work has been undertaken in the past 18 months in order to establish an organisational TNA (Training Needs Analysis).</p> <p>Discussions were held with the WHS Team and key departmental leaders over</p>	Conforming with Observation

	<p>2018/ 2019 to cross reference procedures and the training needs relating to the activities undertaken in order to review and update the TNA. Known training records/ certifications were identified on the TNA and loaded into the spreadsheet. A number of gaps were identified during this process.</p> <p>All job roles across the organisation are mapped against training requirements including: elected members, senior management, workers in all areas and roles such as wardens, first aiders and HRS's (Health and Safety Representatives). Volunteers are kept separate on the Better Impact system.</p> <p>There is a 2019 training plan (defined by calendar year in 2 plans Jan – Jun and July to Dec) and this evidences training undertaken and planned. This was derived from the gaps identified once the major body of work was completed on the TNA review. It was noted that the 2019 plan was a mixture of identified gaps and as needs training. It is anticipated once training is current it will be planned systematically in advance rather than reactive.</p> <p>Job roles are loaded into Skytrust with corresponding courses that require completion. This allows records to be kept that show when a course is completed, next expiry etc. There are engaging WHS on-line induction modules for all staff for which records are now being kept. City of Unley is commencing basic competency modules with questions being asked of the participant as part of the sign off and awareness process i.e. the new PPE & Clothing procedure.</p> <p>Attendance records for face to face training are completed and this is manually entered into Skytrust to record training completion and pick up non-attendances. It was noted there are gaps in this area that affect known training and hamper planning for future training. Reporting of training delivery is evidenced in the EMT WHS & IM Quarterly Report (Apr – June 2019) listing courses undertaken, deferred or not delivered, notes of relevance and recommendations. At this stage training evaluations are not undertaken or reported on however this is expected to be implemented shortly.</p> <p>Good foundation work with the TNA (spreadsheet) and job mapping (with courses) into Skytrust with training gaps identified and scheduled. A conformance (with observation) has been given as the transference of the current TNA to Skytrust is yet to be fully implemented and training planning and records management requires further implementation to be fully systematic which has resulted in a conforming with observation.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Continue transference of TNA into Skytrust • Review 2020 training plan in accordance with Induction and Training Procedure • Utilise PD's to further identify and cross reference training required • Ensure training records are reviewed against training undertaken to identify gaps • Implement training evaluation forms and include results in EMT Quarterly Reports 	
3.3.2	<p>Accountability mechanisms are being used where relevant</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> • PD General Manager and PD (no direct reports) • Counselling and Discipline Procedure HR013B (review due Jul 2017) 	Non Conformance

<ul style="list-style-type: none"> • Complaint Handling Procedure HR002 (review due Jul 2017) • Incident document 37640 (Incident ID 64) Hedge trimmer • Incident document 49533 (Incident ID 288) PPE • Minutes – Strategic Health & Safety Committee (May 2019) • Minutes – Operations health & Safety Committee (Jun 2019) • EMT WHS & RTW Performance Summary Report – Qtr 3 (Apr-June 2019) <p>PD's contain detailed WHS Responsibilities and Key accountabilities for differing levels (currently KPI's for safety performance are not yet being considered for Executive Management).</p> <p>There are 2 procedures that would cover accountability for WHS breaches being: Counselling and Discipline Procedure HR013B and Complaint Handling Procedure HR002, both of which were due for review Jul 2017. It was asked if a WHS breach had occurred for formal discipline which could be evidenced and none were provided in evidence or at the time of evaluation.</p> <p>An incident provided in evidence (ID 64 – Incident date 26/4/18) relates an incident where a lost time injury occurred as the worker tried to remove caught debris from a hedge trimmer while it was still turned on. As a follow up a toolbox meeting was held on 9/5/19 with the relevant group to highlight correct use of the procedure with an attendance record being signed (the injured party is missing from the attendance list for unknown reason however the Incident investigation report shows he was spoken re correct equipment usage). The incident report notes the reported date as being 4/6/18 which indicates a delay in reporting (for unknown reasons).</p> <p>A further example of accountability was provided (ID 288 – Incident date 18/9/18 – worker not wearing PPE) which was followed up by an email from the team leader to all staff. It was noted both 2018 examples provided were entered by the WHS team at the time as Skytrust was implemented and it was acknowledged by City of Unley that this has not been taken up across the organisation as yet (with resourcing issues hampering further inroads by WHS) with issues continuing to dealt with locally at the coalface and not always systematically recorded.</p> <p>The minutes of both the Strategic and Operations Health and Safety Committees do not evidence discussion of the CAPA (Corrective and Preventive Actions Report) or status quo of actions. There is no evidence of action items from the previous meeting being recorded or where actions are actually recorded (on the CAPA or elsewhere). There is a graph on the EMT Quarterly Report entitled Overdue Actions (for both Incident Investigations and the CAPA) however there is not enough information provided to assist executive in understanding what may be required in order to make informed decisions or provide directions. EMT minutes were not able to be produced at the time of evaluation.</p> <p>Consistent application of accountability mechanisms could not be evidenced which has resulted in a non-conformance.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Consider KPI's for safety to demonstrate accountability at various levels. • Continued Skytrust implementation for recording of all actions required from incidents/ hazards etc. • Utilise Skytrust for recording of actions from various committee meetings • Consider tabling CAPA (de-identified as necessary) as committees and EMT to 	
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	<p>identify actions required and enable informed decision making.</p> <ul style="list-style-type: none"> Update HR policies that support accountability mechanisms (Counselling and Discipline Procedure and Complaint Handling Procedure). 	
3.7.1	<p>The organisation must ensure contingency plans are periodically tested and/or evaluated to ensure an adequate response, if required</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> WEEPS – Workplace Emergency and Evacuation Plan – Works Depot (current) SWP – First Aid Notice – Works Depot (list of designated first aiders) current WEEP Maintenance Proposal – March 2019 (unsigned by City of Unley) WEEP Maintenance Schedule – 2018 WHS – 078 PEM (Programmable Events Matrix) 2018- 2019 WEEP Emergency Exercise Report v 2 March 2019 (LGRS) Meeting Minutes Strategic HSC 21.05.19 WHS – 049 Workplace Emergency Management Procedure (current) <p>Significant work has been undertaken the last 12 months with ensuring WEEPS (Workplace Emergency and Evacuation Plans) were reviewed and updated and are available on the intranet – Central. Actual conducting of the WEEP exercises did not occur in 2018 (as evidenced by the 2018-2019 PEM) however they were undertaken in March 2019 by service provider LGRS with a report compiled for each area). Duress alarms have also been installed in council offices.</p> <p>The Strategic HSC minutes note (10.1 10.4) the emergency exercises have taken place (conducted by LGRS) but it does state where actions resulting from this will go (CAPA or otherwise). It was noted that Terms of Reference have been attached for the Strategic HSC to consider taking on the responsibilities of the EPC. There is no further update on this and no previous EPC minutes were supplied at the time of evaluation.</p> <p>The City of Unley is currently considering a 2 year maintenance program which will include a yearly EPC (Emergency Planning Committee) and warden training for new ECO members. Warden and first aider lists were evidenced however currently these rely on a Manager advising the WHS team of changes rather than a systematic process via staff change notification or similar. The LGRS arrangement will also include an Emergency Response and Evacuation Exercise to be conducted in November (including report).</p> <p>The City of Unley has undertaken good foundation work with updating WEEPS and conducting initial drills however at this stage City of Unley is not yet compliant with it's Emergency Management Procedure as the EPC is not functional and has not met and emergency management actions from drills/ reports to date are not listed in the CAPA Register (as required by the procedure which has resulted in a non-conformance. Work over the next 12 months should see this alter.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Formulate the EPC and ensure regular meeting schedule. Compile regular drill schedule (Skytrust) and report overall results up line to EPC/ HSC and via quarterly EMT reporting. Ensure drill and evacuation records are kept and actions required are transferred to the CAPA to enable capture and reporting. Review WHS – 049A–Emergency Management Policy (review date Jul 2019). 	Non Conformance

3.8.1	<p>Hazard management systems including identification, evaluation and control are in place.</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> • WHS – 039 Hazard Management Policy (review due Jun 2019) • WHS – 0398 Hazard Management Procedure (current) • Hazard Register – Depot (not dated) • Hazard Register – Community Bus <p>The previous hazard register (circa 2018 in excel) was cumbersome and identified as being outdated and requiring major review. At that time a new Hazard Register was created based on task/ activity with the intent to be an 'inventory of activities'. It is noted on the register that it is not intended to be a risk assessment that employee/ volunteers etc. use to determine control that should be put in place but rather a 'snap shot of the general level of risk for the listed activities.</p> <p>The register outlines scheduling for 'priority review' and determines dates for high risk (2-3 years), medium risk (every 3-4 years) and low risk (4-5 years). It denotes the risk rating for an activity shall be the highest residual risk score given to any of the listed hazards associated with the task (i.e. if hazardous substances are used for the activity and the rating for use of the substances is High (H) then the whole activity will be rated as High and hence the TRA and SWI/ SWMS shall be reviewed annually. The intent of the hazard register was to simplify the process in order to engage areas and it was noted further hazard risk ratings may need to be fleshed out for each activity at a later point in time.</p> <p>This register was completed for areas including: Community Centres, Depot, Swimming Pool, Community Bus and Community Support and Wellbeing areas and good consultation processes were undertaken.</p> <p>This work undertaken was supported by document register (which lists associated hazard management documentation such as RA's, SWP's, SWMS, etc.) however much of this is requiring review for relevancy and currency. (N.B. it was noted that the activity of the community bus did not actually pick up the hazard of actually operating/ driving the bus itself which was noted as an oversight).</p> <p>It is anticipated the current hazard register (the most current source) will be transferred to Skytrust in order to be systematic and allow for organisational, committee and EMT review as per the Hazard Management procedure (last reviews unknown). Supporting documentation can then be reviewed and uploaded to allow the City of Unley to secure a current hazard register. This program of work is yet to be planned out.</p> <p>It was discussed and noted the CAR is a relatively new process and appears that corrective actions were not captured very well (overview as opposed to detail provided in HSC meetings and EMT quarterly reports). Discussions have been underway in the WHS team as to how to progress capturing all actions required (likely to be by Skytrust) but yet to formally planned (however the WHS team has been using since July 2017) but yet to be implemented organisation wide.</p> <p>Incident reporting goes into the Skytrust system. Currently the WHS team close out the incidents and notifications to other parties has only just been turned on. Incident investigation training is the next step to be considered. (currently the WHS team are entering all the data for close outs). It was advised the quality of incident investigations is poor and it is anticipated training will improve this as well assist in</p>	Non Conformance
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	<p>an improved reporting culture.</p> <p>The revised hazard register (excel) still requires a drill down into risks for each component of the activity and EMT is yet to review (as per the Hazard Management Procedure). Supporting documentation (RA's, SWP's etc.) have not been fully assessed for relevancy or currency which has resulted in a non-conformance.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Transfer the current Hazard Register into Skytrust. • Review the risk levels for each component of activities. • Ensure EMT review of the Hazard Register. • Review the Hazard Management Policy (review due Jun 2019). • Update the Hazard Management Procedure to reflect the processes and specific documentation of City of Unley. • Decide system/ format for CAPA or CAR for City of Unley and report to HSC Committees, EMT and roll out organisation wide. • Conduct Incident Investigation training (as part of further Skytrust roll out program). 	
3.8.3	<p>Control measures are based on the hierarchy of control process.</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> • WHS - 039B Hazard Management Procedure (current) • Hazard Register – Depot (not dated) • Lone worker safetcard – Memo from WHS Partner & Manager, Property Assets to EMT (not dated) • Managers Meeting Agenda 03.04.18 • Email – 24/10/18 – Chemical Register (de-ion Wash) <p>City of Unley's Hazard Management Procedure outlines the process for use of Hierarchy of Control that must be worked through when managing risks (p11 section 4.6). Due to the change in methodology on the hazard register activities are currently given an 'overall' risk rating so this makes it difficult to see the hierarchy of control used to lower risk for certain components of each task. To date this work has not been furthered as the risk register is again under review to see if this will remain in its current methodology once transferred to Skytrust.</p> <p>An example was placed into evidence and discussed regarding implementation of Safetcard. This was shown as an example of using the hierarchy of control to reduce risk. A memo (undated) was put to the Managers Meeting (Mar 2018) seeking support for the implementation of Safetcard across the organisation. Upon review the documentation it states <i>there is a requirement to establish and maintain 40 alarm services/pendants across the nominated CoU services areas</i> but does not outline the use of hierarchy of controls to reduce isolated and lone worker risks.</p> <p>The associated risk assessments (18 provided) have 2 different types of assessment form used (1. Working alone assessment 2. WHS Remote and Isolated Work Risk Assessment). These both contain a number of questions to assist with identifying risks but neither of them mention or contain the direct use of hierarchy of control to determine options for controlling the risk. It was asked if there is a hazard register activity/ risk exists for lone/ isolated workers to evidence the use of hierarchy of control to lower the risk rating (by implementing safetcard) but this</p>	Non Conformance

	<p>could not be evidenced.</p> <p>An example was provided into evidence regarding the substitution control for a chemical that was risk rated 'red' and required a hazmat suit when handling which was replaced with 'green' rated product. There appears to have been some good work undertaken recently in reducing chemical stocks and eliminating Red rated chemicals where possible.</p> <p>It was asked if there are incident investigations or hazards from the CAR/ CAPA that can evidence the use of hierarchy of controls however no examples could be provided at the time of evaluation. It was acknowledged reduction of risk by utilising controls is done 'informally' and it is hoped the Incident Investigation planned will assist in improving education and informed decision making on controls based on the hierarchy of controls.</p> <p>There are a number of mechanisms available to ensure the application of hierarchy of control to ensure risk controls are selected based on the highest order of controls possible (i.e. engineering out a risk where possible rather than using a lower order control such as administration or PPE). Unley's hazard register shows an overall risk rating for activities which is difficult to show the specific use of hierarchy of control. Consistent, documented application of the hierarchy of control clearly linked to risk control outcomes could not be evidenced resulting in a non-conformance.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Transfer hazard register to Skytrust to enable centralised system. • Consider methodology to be used to rate activities to ensure all risks are adequately captured, risk rated (inherent) and controls put in place to allow for (residual) risk rating. • Insert hierarchy of control tool into hazard identification and control forms where possible to enable documented application in selecting risk controls. • Undertake planned training for incident investigations to enable awareness and understanding of application of hierarchy of controls. 	
3.8.5	<p>Program(s) are in place to ensure an appropriate WHS consideration is given at the time of purchase, hire or lease of plant, equipment and substances.</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> • Plant Procedure Version V4.0 (in date) • Plant Procedure Checklist V1.0 (new Oct 2018) • Risk Assessment Template V2.0 (in date) • Plant Risk Assessment number XS26AK – Unley Council Sweeper • WHS&IM Action Plan 2018 (Hazardous Chemicals Actions) <p>The Plant Procedure (in date) outlines the introduction of plant to the workplace in section 4.2 with section 4.2.3 stating specific requirements before purchasing, leasing or hiring plant. The plant procedure states in section 4.2.1 b) and c) it must be checked if a current risk assessment exists for that particular item of plant before proceeding to purchase (if not or if outdated, one must be undertaken).</p> <p>Section 4.2.4 states a risk assessment must be completed once purchased or commissioned. There is no specific mention of any related risk assessment forms in Section 10 – Related Documents, however a Plant Risk Assessment Form was provided for the Unley Sweeper new purchase (dated 11/12/18). There are some</p>	Non Conformance

	<p>deficiencies in the form including:</p> <ul style="list-style-type: none"> - no plant description and/ or ID number - names listed but no signatures - no document control references including date review next due. <p>The documentation to support the Sweeper purchase was not supplied at the time of evaluation. It was noted a previous risk assessment may have existed (could not be confirmed) however a new form had been introduced for plant risk assessments late 2018 but done independently of the Plant Procedure review so not as yet, formally adopted. Discussions with the Co-ordinator – Procurement & Contracts noted he was not aware of specific requirements for consideration prior to pre-purchase as this process is decentralised to the various departments. Documentation to support the purchase of the sweeper (with consideration to WHS) was requested but not provided during the evaluation and it was advised this was the last major plant purchase.</p> <p>It was noted during discussion that Vendor Panel is currently used and training was undertaken some years ago however staff turnover has impacted the currency of knowledge and the Co-ordinator – Procurement & Contracts trains relevant staff where possible (one on one) but noted this is restricted to resources and time constraints.</p> <p>There is a Plant Checklist (newly implemented Oct 2018) however this is not referenced in section 10 – Relevant documents of the Plant Procedure and appears to be an internal audit document to review the entire plant procedure. A completed copy could not be produced at the time of evaluation.</p> <p>No evidence for WHS consideration when pre-purchasing substances was provided in prior evidence however it was noted City of Unley has undertaken good work in 2018 with ensuring registers were developed and training was provided to staff. There is still work to be undertaken with regards to limiting purchases and keeping consistency which is continuing. The site visit to the Unley Swimming Pool evidenced good substance control and purchase (via Procurement Australia).</p> <p>City of Unley has procedures (in date) for both Plant and Hazardous Substances which outline processes for the purchasing. Documentation for the most recent purchase of the Sweeper did not evidence consideration of WHS and no further documentation was provided during the evaluation. There are some inconsistencies with plant documentation which require review. Hazardous substances, whilst definitely progressing still requires work to ensure the newly developed registers stay current. Documented evidence of WHS consideration at the time of purchase could not be consistently demonstrated resulting in a non-conformance.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Review and update Plant Procedure to reflect relevant associated documents. • Add document control into the Plant Risk Assessment. • Review Procurement and Plant procedures to ensure alignment of WHS considerations when purchasing, hiring or leasing of plant. • Continue work on hazardous substances particularly restrictions on purchases and ensuring that WHS considerations are considered pre-purchase. 	
3.8.6	<p>Contractor and volunteer management systems are in place to meet the organisations duty of care to all persons.</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> • WHS Contractor Policy (review due Jul 19) 	Non Conformance

- WHS Contractor Procedure (review due Sep 18)
- WHS Contractor Induction Module V1.mp4

City of Unley has a WHS Contractor Policy and Procedure that both require review (Jul 19 and Sep 18 respectively). Contractor procurement is managed by the Co-ordinator Procurement and Contracts. No completed (actual examples) documentation to support contractor management was provided on the WHS side however the evaluator referred to documentation provided on the Risk side in addition to discussion with the Co-ordinator Procurement and Contracts.

There is currently no preferred suppliers/ contractors list and it was stated there has been system issues. Vendor panel is used however the Contractor Management module was not purchased (was found to be too difficult). Tech 1 was then trialled but this too, proved unsuccessful for Unley. Documentation for contractor records (verification of at least 3 current contractors) – SWMS, licences, registrations was requested to be forwarded to the evaluator (not provided).

Once the procurement process has ended appointed contract managers deal with the contractors. Training in Unley's Contractor Management Procedure is noted on the TNA however it was discussed that this was undertaken by the Co-ordinator Procurement and Contracts some years ago (from predominantly a procurement focus) and there are limited resources to engage in further training. This is reliant on the operational area.

Contractor Monitoring is done at the operational level and a copy of monitoring records was requested to be forwarded to the evaluator (not provided). The evaluator referred to an example provided in the Risk documentation from works being undertaken by Greenspace, however this documentation was from the contractor and there was no documentation provided by the contractor and there was no formal City of Unley contractor monitoring documentation was provided nor any determination of frequency of monitoring. It was unknown if any issues are referred to the CAPA and it was stated they are most likely kept with the contract manager but this could not be confirmed at time of evaluation. At contract end it was stated a KPI supplier performance scorecard is used to determine overall performance (including WHS). A copy of this was requested to be forwarded to the evaluator (not provided).

Contractor procurement and contractor management processes are in place however there appears to be systemic gaps in documentation control (no preferred contractor register), updated contract manager training and contractor monitoring processes in addition to both the WHS Contractor Policy and Procedure requiring review.

Considerations - Contractors:

- Review and update the WHS Contractor Management Policy and Procedure
- Confirm appointed contract managers and schedule and undertake relevant training
- Consider preferred contractor / supplier register for City of Unley
- Conduct review into currency of contractor licencing, documentation and determine process for managing to ensure currency is maintained.

Volunteers

Documents reviewed and discussed included the following:



	<ul style="list-style-type: none"> • Volunteer Management Policy (in date) • Volunteer Handbook (printed 2019)/ CoU Volunteer Agreement – Final 2018 • Volunteer Induction Part A (updated 14/06/19) • Volunteer Position Description – Community Bus Driver (Oct 2018) • Manual Handling Training – Community Bus Drivers & Attendance 08/08/19 • Community Bus Risk Assessment – Operating Bus (29/05/19) • Commonwealth Home Support Program WHS Assessment (4/9/19) <p>The Volunteer Management Policy has just recently had it's first review (April 2019) since the policy inception in 2007. There are over 250 volunteers (which outnumber staff). Management of volunteers is through the Better Impact system.</p> <p>Volunteers have position descriptions (which are signed) and volunteers are inducted which includes being taken through a Handbook and by signing a Volunteer Agreement by completing a Volunteer Induction form (several sighted during discussion) which includes Work Health and Safety, some procedures (i.e. PPE), responsibilities, and the reporting of incidents and hazards. At this stage they are not provided additional WHS procedures (i.e. manual tasks etc. which would be recommended as per their recognised activities).</p> <p>There is currently no TNA for Volunteers however volunteer training has been discussed and it was stated a training plan will be developed in 2020 to address this need and extensive consultation has been undertaken with volunteers (with respect to views on what should be offered). To date the focus has been on some training has been undertaken including manual handling for bus drivers in May 2019 which was conducted by a n Occupational Therapist. There was a risk assessment completed for the activity of driving the community bus (29/05/19) with the form identifying hazards such as fuel, slip-trip-fall and mechanical but not the actual operation of driving the bus. Controls were noted but all further columns on the right hand side of the form were left blank (which included identification of a SWP – Safe Work Procedure for the task).</p> <p>A friendly visitors program is conducted whereby visits to the residences of community members occur. It was not known if volunteer tasks are on the organisational hazard register however a risk assessment is undertaken. The Commonwealth Home Support Program WHS Assessment is completed for each residential site visited. This is a comprehensive checklist however it does not provide a full risk assessment process of noting what controls are in place. There were several areas completed with a question mark (e.g. <i>pets</i> ?). Recommend the City of Unley risk assessment template be used (in addition to nothing volunteer activities on a hazard register – even if separate from worker activities).</p> <p>Volunteers have periodic meetings and minutes are taken. A copy was asked for and received for from Oct 2018 for the Community Bus Program – Volunteer Meetings. It was noted the next meeting was due Feb 2019 (minutes not evidenced).</p> <p>Volunteer management is undertaken with dedication and commitment and there are PD's for roles, induction occurs and documentation is well keep and administered via the Better Impact system. Some relevant training has occurred however there is no current TNA and limited risk assessments for tasks.</p> <p>Considerations - Volunteers:</p> <ul style="list-style-type: none"> • Implement a TNA for Volunteers • Use the CoU Risk Assessment template (in addition to any others if need be) for 	
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	<p>all activities undertaken by volunteers</p> <ul style="list-style-type: none"> • Include volunteer activity hazards into CoU hazard register (or separate register as determined appropriate) <p>Summary for Contractors and Volunteers</p> <p>Volunteers are well managed operationally but there is a need to ensure a TNA and activity risk assessments are undertaken to ensure legislative requirements are fully met Processes to support Contractor Management (document control including updated licencing, insurances etc.), a preferred contractor register and systematic contractor monitoring could not be evidenced. A non-conformance has resulted.</p>	
3.9.1	<p>That the implementation of relevant inspection and testing procedures are conducted by the relevant, competent person(s).</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> • WHS 019 – Workplace Inspection Procedure (in date) • TNA – Master as at 2019 (3.2.1 evidence) • RTW File self audit report 3007.2019 • EAM - WHS maintenance schedule (March 2019) • WGA – Wallbridge Gilbert Aztec Invoice – Banner Inspection • Testel Email 23/05/19 • Bullivants Email 28/08/18 <p>Workplace inspections are conducted (scheduled, undertaken and recorded in Skytrust). Section 5.3 of the Workplace Inspection Procedure outlines the training requirements for staff with respect to general awareness of the procedure and specific training for those conducting inspections. The TNA reflects all staff are training in this and it was discussed this is for upskilling of staff in areas providing opportunity for different staff to undertake one.</p> <p>As part of Unley's internal auditing processes an internal Workers Compensation Claim File Review was undertaken and a report produced (dated 5 August 2019). The review team included Teresa Norman who has undertaken the required training to conduct this review (certification sighted in the Injury Management component of the evaluation).</p> <p>There is a centralised EAM system which holds all the records for maintenance including (but not limited to): fleet, asbestos registers, electrical test and tagging, lift inspection, emergency eyewashes, lifting equipment. There is also a WHS Schedule outlining the frequency of inspections required and the next scheduled date. <i>N.B. there were deficiencies noted (next scheduled dates missing for some areas including asbestos, emergency lights, roof anchor points, smoke detector tests).</i> It was noted the area responsible for the inspection places notes the work order narration section to provide reasons such as staggered inspections.) It was noted there are 2 entries for Press Vessel External Inspection (for item required every 2 years- ref line 16) was due at the depot 24/02/16 so appears not to have been undertaken.</p> <p>Inspections and testing conducted by the relevant, competent persons was sighted and confirmed for the following:</p> <ul style="list-style-type: none"> - Banner Inspection – WGA – Wallbridge Gilbert Aztec (engineers) - Electrical Testing & Tagging – Testel certified electrical personnel - Lifting equipment – Bullivants – lifting & rigging specialists to Aust Standards 	Conforming with Observation

	<p>There are processes for ensuring relevant inspections are conducted via EAM system and the WHS Maintenance Inspection Schedule and evidence to confirm inspections are being conducted by the relevant, competent person(s). There are opportunities for improvement with respect to the following: record keeping (last inspection and next inspection due clearly noted; ensuring a centralised process which will keep clear identification of licensing and insurance currencies and reporting mechanisms to executive that advise of inspection status (completed, overdue etc.) which has resulted in a conformance with observation.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Include last scheduled date (in addition to next scheduled date) on EAM WHS Maintenance Schedule Report to ensure consistency of maintenance inspections. • Ensure alignment with Contractor Management systems (refer 3.8.6 regarding preferred contractor register) to ensure identification of required licence, insurance and certification currency. • Consider documented reporting mechanisms to executive to ensure line of sight of inspection status quo. 	
4.1.1	<p>The organisation must ensure planned objectives, targets and performance indicators for key elements of program(s) are maintained, and monitored and reported.</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> • WHS & RTW Strategic Plan 2018-2020 (endorsed May 2018) • WHS&IM Risk Evaluation Action Plan 2019 • CoU EMT Quarterly Report Oct – Dec 2018 • CoU EMT Quarterly Report Jan – Mar 2019 • CoU EMT Quarterly Report Apr – Jun 2019 <p>The 2018-2020 WHS & RTW Plan was noted as endorsed by Executive in May 2018. It appears the LGRS conducted a PPR (Plan and Program Review in order to assist in developing the 2018-2020 plan. The Plan requires consultation and endorsement with Executive and the Strategic Health & Safety Committee. A signed copy and evidence of Committee and Executive minutes discussing and endorsing the document were not supplied during the evaluation.</p> <p>The Plan has the required Objectives, Targets and Performance Indicators as required by the PSSI (Performance Standards for Self Insurers). The Plan has 3 programs:</p> <ul style="list-style-type: none"> - Program 1.1 Remote Work - Program 1.2 Chemical Management - Program 1.3 WHS Training Systems <p>There are quarterly reports prepared for the Executive Management Team (the last 3 were evidenced and it was noted that reports prior to that were not undertaken for some time due to a change in resources). The WHS & RTW Performance Summary Reports include a section on progress towards the plan. There is a concern that each program has performance indicators but the reporting in the reports to executive do not clearly stipulate a measurement against the performance indicators merely a percentage of actions completed overall. Minutes of Executive Management Team meetings to confirm receipt and any discussion or direction on the plan could not be produced during the evaluation.</p>	Conforming with Observation

	<p>City of Unley has a Strategic WHS & RTW Plan 2018-2020 which has objectives, targets and performance indicators contained within the programs of the plan. Progress is reported to executive via WHS & RTW Performance Summary Reports. An endorsed, signed copy of the plan could not be confirmed during the evaluation and reporting of actions completed, not necessarily the performance indicators was shown. Reports to executive have occurred for the last 12 months but there was an identified gap for some time prior to this. Evidence of EMT receipt of the report and any discussion or direction could not be evidenced. Documentation inconsistencies have resulted in a conformance (with observation).</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Ensure all strategic plans are tabled at the Strategic Health & Safety Committee and EMT meetings & signed by the CEO and Chairperson as outlined on plan. • Ensure performance indicators are measured, monitored and reported on. • Ensure documented EMT minutes are kept for documented evidence & records. 	
5.3.1	<p>The organisation must ensure the system is reviewed and revised, if required, in line with current legislation, the workplace and work practices.</p> <p>Documents reviewed and discussed included the following:</p> <ul style="list-style-type: none"> • CoU EMT Quarterly Report Jan – Mar 2019 • CoU EMT Quarterly Report Apr – Jun 2019 <p>Information comes into the organisation via the WHS team (OHS Alert subscription, attendance at WPG – WHS Practitioner Group Forums and other online subscriptions to SafeWork SA, SafeWork Australia etc).</p> <p>Minutes of Strategic Health and Safety Committee and EMT meetings could not be provided during the evaluation. The WHS & RTW performance reports provided to EMT quarterly do not have a legislative update item so it could not be evidenced how changes such as the COR (Chain of Responsibility) and recent COP (Code of Practice) changes are disseminated from executive to workers.</p> <p>It was discussed that an informal approach appears to be taken as evidenced in the load restraint training that occurred circa late 2018 as a result of COR discussions in operations teams. It was noted this also occurs when changes may be required as a result of an incident however the quality of incident investigation documentation could not verify this.</p> <p>A compliance register was found during a directory search however the currency, ownership of the document could not be verified during the evaluation.</p> <p>The review and revision of workplace practices as a result of legislative and other changes appears to be done informally, via discussion and forwarding of relevant information from the WHS team to others in the organisation. Quarterly performance reports to EMT do not include a legislative update and no safety committee minutes supporting discussion on workplace changes could be evidenced. No systematic process could be demonstrated which has resulted in a non-conformance.</p> <p>Considerations:</p> <ul style="list-style-type: none"> • Implement a compliance register (an example is available on the LGRS members centre). • Add a legislative update agenda item to Safety Committee meetings and on the quarterly WHS & RTW report to EMT. • Ensure minutes of safety committee and EMT reflect relevant discussions on changes to the workplace as a result of legislation, incidents, hazards etc. 	Non Conformance



In order to further develop systems and processes in the sub elements where observation/s and non-conformance/s have been identified, it is suggested that City of Unley review the findings and recommendations and include relevant actions that address the root cause of system failures into their Risk Evaluation action plan going forward.



4.2 Injury Management

The ReturnToWork SA's Injury Management Standards provide a framework from which a self-insured employer's exercise of its delegated powers and discretions can be evaluated. The Code of conduct for self-insured employers states the performance of the employer or self-insured employer will be measured against the Code and Injury management standards.

This year, the evaluation scope has been limited to only those IM sub-elements that sit under the revised Code of Conduct for Self Insured Employers version 12 relevant to LGAWCS Members.

Whilst the IM Standards are measured by RTWSA at the LGAWCS level, the following sub-elements have been scoped and amended for the 2017 Risk Evaluation specifically for Scheme Members to meet their requirements in supporting the LGAWCS.

City of Unley's results are as follows:

SUB-ELEMENT	Total Sub-Elements Evaluated	Conformance	Observation	Non-Conformance
Standard 1.2 - Resources	5	4		1
Standard 1.6- Information provided to employees	2	1		1
Standard 2.8 – Early Intervention, recovery and RTW	2	2		
Standard 4 – Measurement, Monitoring Review	2	1	1	

4.2.1 Specific Results and Improvement areas – IM Management Systems

N.B. Please note this is the same as the executive summary on pages 22-24.

Sub Element	Sub-element requirements	Conformance Observation Non Conformance
1.2.1	<p>Documented job descriptions for all injury management personnel and where relevant management, supervisors and employees.</p> <p>The City of Unley has 3 trained personnel who have assigned RTW responsibilities: Teresa Nilsson, Kate Ringwood and Di Edlington. The PD – Manager People and Culture has a reference to RTW responsibilities at a higher level however the PD – People and Culture Business Partner Final Draft for the other 2 personnel makes no reference to RTW specific responsibilities (other than the generic 'participate in the RTW process if injured at work – page 2) which is generic for all personnel.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Insert specific RTW responsibilities into PD's – People and Culture Business Partner role Consider document control requirements. Above PD says DRAFT however notes updated Jan 19 in document reference section. 	Non-Conformance



1.2.2	<p>Ensuring injury management personnel are competent to administer their role in a reasonable manner.</p> <p>3 personnel have undertaken and successfully completed the LGRS Return To Work training and certification was evidenced as current. Teresa Nilsson – completed June 2018 Kate Ringwood – completed July 2019 Dianne Edlington – completed August 2019</p> <p>Considerations:</p> <ul style="list-style-type: none"> Ensure RTW training is included in the organisations TNA for all 3 positions (if not already recognised). 	Conformance
1.2.3	<p>Ensuring the allocation of resources is appropriate for the organisations type, volume and complexity of the case load.</p> <p>The City of Unley has adequate coverage for their site and manageable case load for current trained personnel - currently only 4 claims (as noted on LGRS Members Centre site for Unley statistics)</p>	Conformance
1.2.4	<p>Suitability of facilities and accommodation to ensure restricted access to information, including maintaining confidentiality during interaction with injured workers and service providers</p> <p>All RTW and claim files are kept in a secure locked filing cabinet (sighted), which is separate from the employees personnel file. Access to this cabinet is only attainable by the 3 designated RTW personnel.</p>	Conformance
1.2.5	<p>A Scheme Member is required to appoint a return to work coordinator and ensure the person appointed to this role has successfully completed relevant LGAWCS training. Where this role becomes vacant, the Scheme Member is required to re-appoint an employee within 3 months and ensure the employee(s) appointed have received relevant LGAWCS training within 3 months of the appointment being made.</p> <p>Appointment of personnel in appropriate timeframes has been consistent and T Nilsson confirmed there has not been a gap of appointing and training personnel since the last evaluation (refer 1.2.2 for records).</p>	Conformance
1.6.1	<p>How to report a work related injury</p> <p>The City of Unley has 2 key procedures put into evidence which contain the information on reporting work related injuries. These are both currently out of date which has resulted in the non-conformance. (N.B. please note the non-conformance has been given only once although it relates to other sub-elements such as 1.6.2).</p> <p>The Workplace RTW (Work Injury) Procedure WHS-024 contains Section 1 on Injury Reporting. The procedure was due for review in June 2018. The WHS Incident Report and Investigation Procedure V4.0 contains Injury Reporting in Section 1.1 – 1.5). The procedure was due for review in June 2019.</p> <p>The City of Unley has WHS Inductions for Civic, Depot and Community Centres (sighted in evidence) which includes how to report a workplace injury which are both engaging and appropriate to the intended audiences.</p>	Non-Conformance



	<p>Considerations:</p> <ul style="list-style-type: none"> Update both key procedures for currency and maintenance. Capture future reviews by way of reports to Executive so tracking and progress can be monitored. 	
1.6.2	<p>The process for lodging a claim for compensation</p> <p>Refer 1.6.1. In addition the Service Standards outlining processes are displayed at both Civic and the Depot facility for staff information.</p>	Conformance
2.8.5	<p>Where a worker has not returned to pre-injury employment within 6 months from date of first incapacity and is not working to their full capacity, new or other employment options are considered for the worker by the Scheme Member in conjunction with the LGAWCS.</p> <p>It was confirmed with T Nilsson this has not occurred however the process would occur in consultation with Scheme in the first instance.</p>	Conformance
2.8.6	<p>Where a Scheme Member does not provide suitable employment to a former work injured employee the Scheme Member notifies and consults with the LGAWCS.</p> <p>As per 2.8.5.</p>	Conformance
4.1.1	<p>Processes are in place that monitor, measure and review the effective implementation of the injury management system and where relevant, strategies to improve performance of the injury management system are identified.</p> <p>The City of Unley provides quarterly reports (3 evidenced – Oct to Dec 2018, Jan to Mar 2019, Apr to Jun 2019) which provide statistics on Incidents and Injury claims reported. Summary notes provide good insight on recommendations, trending and any areas of concern.</p> <p>This sub element is conforming (with observation) as the review of the Injury Management System could not be evidenced which may lead to future strategies for improvement.</p> <p>Considerations:</p> <ul style="list-style-type: none"> Review the Injury Management system (statistics, early intervention program if applicable) to see if there may be strategies identified as required or beneficial to City of Unley Incorporate any strategies into the WHS Strategic Plan (and potentially the WHS&IM Action Plan). 	Conforming with observation
4.1.3	<p>The Service Standards set out in Schedule 5, Part 2 of the Return to Work Act 2014 are in place.</p> <p>Sighted at both Civic Centre and Depot facilities.</p>	Conformance

In order to progress to conformance in the sub elements where observation/s and non-conformance/s have been identified, it suggested that City of Unley incorporates the recommendations into their Risk Evaluation action plan going forward.



5. Conclusion

We would like to thank all those involved in the City of Unley Council's Risk Evaluation.

The risk evaluation process gave City of Unley the opportunity to showcase a number of risk management, work health and safety and injury management/return to work systems that you have in place.

Please note that evaluation findings can only be provided against the evidence presented at the time and within the evaluation scope. As part of the evaluation scope, we conducted a desktop review of evidence provided and requested additional records and information based on the initial evidence provided, followed by some testing of implementation via staff and management interviews. The timeframe provided for on-site and document review was three days and hence this can only be a sampling process.

The Injury Management System and processes are continuing to be well managed, with only a few minor amendments required for those areas receiving a non-conformance.

The Work Health and Safety Management System (WHSMS) has seen some rectification of some long standing issues such as the major review of the Training Needs Analysis (TNA) which has ensured improved transparency across the organisation for training needs. The work conducted in this area is commendable and it is anticipated this will transition into Skytrust in full to further advance efficiencies. There has also been chemical stocktakes done and reviewed information uploaded to the ChemAlert System which is assisting in the program of works that continues in the hazardous substances area.

There were areas recognised that required continued focus including: Hazard Management, Contractor Management, Emergency Management and documentation control and currency. Work has certainly continued in these areas and improvements are occurring since the last evaluation in 2017 and it was recognised that resourcing and system transition (i.e. into Skytrust) may have impacted the current results.

In relation to the risk management systems, it is suggested that City of Unley consider the recommendations provided in relation to the implementation of their Risk Management System as well as Roads and Footpaths, Procurement, Tenders, Contracts, and this should form the basis for City of Unley's risk action plan over the coming year and extended period.

Council should be congratulated on the great work being undertaken in the Volunteer and Event Management area and with minor improvements as discussed in the results section will see council further improve these areas.

Whilst it may appear that Council has a number of areas for improvement, we also recognise that significant system build and improvement is occurring, and providing that City of Whyalla continue to work on the building of this system and making improvements, the system should mature and progress to a compliant level.

It is recommended City of Unley review considerations with the WHS & Risk areas (and relevant stakeholders) noting these are considerations only and it is for the City of Unley to determine the processes it wishes to undertake in working towards full compliance the Performance Standards for Self Insurers. This should be considered in line with your internal processes and broader WHS and Risk Management Strategic Plans (which may be over several years) in order to determine actions required to address any gaps and enhance your WHS & Risk Management Systems accordingly.

It is recommended you continue working with your Strategic Risk Consultant (Adi Roy-Chowdhury) and WHS Consultant (Sandy Munro) moving forward to ensure that a program of works is undertaken for the upcoming 2020 Action that aligns to your broader strategic plans.



Contact

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This information is not intended to be detailed advice on the operations of the Schemes. Each Scheme is covered by a set of Rules and Guidelines, which are available on the LGRS Member Centre.

If you have any questions on the operation of the Schemes please contact your LGRS client services manager.

www.lgrs.com.au

DECISION REPORT

REPORT TITLE: INTERNAL AUDIT PLAN 2020 - DRAFT
ITEM NUMBER: 2.5
DATE OF MEETING: 11 FEBRUARY 2020
AUTHOR: LIDA CATALDI
JOB TITLE: PRINCIPAL RISK MANAGEMENT OFFICER
ATTACHMENTS: 1. INTERNAL AUDIT PLAN 2020 - DRAFT

1. **EXECUTIVE SUMMARY**

The Draft Internal Audit Plan has been developed for the 2020 calendar year and will allow the Internal Audit Program to identify and address current risks within City of Unley work processes and practices. It will also enable the facilitation of relevant improvements to the control environment.

The development of the Draft Internal Audit Plan considered current structure, resources (and any changes to both) along with current and planned process improvement projects.

The Internal Audit Projects included within the Draft Internal Audit Plan will be delivered in-house by the Principal Risk Management Officer. The Executive Manager – Office of the CEO will monitor the progress of the internal audit projects and completed internal audit reports will be provided to the Audit Committee.

The Draft Plan was considered and approved for presentation to the Audit Committee by the Executive Management Team.

2. **RECOMMENDATION**

That:

1. The report be received.
2. The Internal Audit Plan as set out in Attachment 1 to this report (Item 2.5, Audit Committee Meeting, 11/02/2020) be endorsed.

3. **RELEVANT CORE STRATEGIES/POLICIES**

4. Civic Leadership
 - 4.1 We have strong leadership and governance
 - 4.3 Our business systems are effective and transparent.

4. BACKGROUND

The City of Unley's Internal Audit Plan has been established having regard to the Strategic Risk Register, the current internal controls environment, and taking into consideration structure and resourcing (and any planned or recent changes) within the organisation. The Internal Audit Plan seeks to provide a greater level of confidence with internal control practices and procedures for the areas included within the Internal Audit Plan.

5. DISCUSSION

The Internal Audit Plan was developed with initial consultation with the Acting Manager Finance and Procurement and the Executive Manager Office of the CEO.

During the process of establishing the Internal Audit Plan, the following elements were considered:

- Process improvement projects delivered internally or via consultation
- Current risk and controls environment within the City of Unley
- Agreed Actions from the External Auditor's control assessment from FY18/19
- Organisational change, such as; restructures, legislative change or system/process improvements that have recently occurred
- Internal financial controls that have been identified to be included as part of the self-assessment for FY19/20.

The draft Internal Audit Plan was communicated with the Executive Management Team during the meeting held to review the Strategic Risk Register on 14 January 2020.

The Internal Audit Plan will be monitored and reviewed on an ongoing basis with any changes presented to the Audit Committee for consideration.

The draft Internal Audit Plan is provided as Attachment 1 to this Report.

Attachment 1

6. ANALYSIS OF OPTIONS

Option 1 –

1. The Report be received.
2. The Internal Audit Plan as set out in Attachment 1 to this report (Item 2.5, Audit Committee, 11/02/2020) be adopted.

The proposed Internal Audit Plan has been developed to provide a greater level of confidence in relation to internal control practices and procedures relevant to the areas included.

Option 2 –

1. The Report be received
2. Subject to amendments set out below, the Internal Audit Plan as set out in Attachment 1 to this report (Item 2.5, Audit Committee, 11/02/2020) be adopted.

2.1 Insert amendments required

The Committee may wish to request amendments to the Internal Audit Plan and include these in the recommendations to Council for endorsement. If this is the case, the amendments should be articulated as part of the resolution. This Option provides the relevant wording to enable the Committee to articulate any changes required to the Internal Audit Plan, and to recommend these be incorporated by Council at the time it adopts the revised Internal Audit Plan.

Should the Committee wish to make amendments to the Internal Audit Plan, consideration should be given to resourcing necessary to deliver a modified Plan.

Option 3 –

1. The Report be received
2. The Internal Audit Plan as set out in Attachment 1 to this report (Item 2.5, Audit Committee, 11/02/2020) be further amended and returned to the Audit Committee for review.

The Committee may consider that further work is required to the Internal Audit Plan. This Option requests further development of the documents and that they be returned to the Audit Committee at the next meeting.

7. RECOMMENDED OPTION

Option 1 is the recommended option.

8. REPORT CONSULTATION

The Internal Audit Plan has been developed in consultation with relevant staff.

9. REPORT AUTHORISERS

Name	Title
Tami Norman	Executive Manager, Office of the CEO

CITY OF UNLEY

INTERNAL AUDIT PLAN – 2020

Recommended Internal Audit Projects for 2020

Internal Audit	Category	Linkage to Strategic Risk	Teams	Proposed Dates	Est. Timing
Cash Handling To assess that management of cash handling processes across a sample of venues is aligned with relevant policies and procedures including applicable Internal Financial Controls. The scope will also include the review of security controls, banking processes and extend to the bank reconciliation process.	Governance / Internal Financial Controls	4. Inability to manage legislative and regulatory compliance obligations	<ul style="list-style-type: none"> • Customer Experience • Libraries • Community Centres • Swim Centre 	April / May 2020	4-6 weeks
Staff Reimbursements/Petty Cash To assess that management of staff reimbursement, including petty cash, is aligned with relevant policies and procedures including applicable Internal Financial Controls	Governance / Internal Financial Controls	4. Inability to manage legislative and regulatory compliance obligations	<ul style="list-style-type: none"> • Finance • All staff 	June 2020	1-3 weeks
Credit Card To assess the credit card usage for FY19/20 is aligned with relevant policies and procedures – including applicable Internal Financial Controls.	Governance / Internal Financial Controls	4. Inability to manage legislative and regulatory compliance obligations	<ul style="list-style-type: none"> • Finance • Credit Card Holders 	July 2020	1-3 weeks
Infringement & Expiations review To assess the adequacy of the system, and procedures in place for the management of infringements & Expiations issued and waived.	Governance / Internal Financial Controls	4. Inability to manage legislative and regulatory compliance obligations	<ul style="list-style-type: none"> • Regulatory Services 	August / September 2020	4-6 weeks

February 2020

CITY OF UNLEY

INTERNAL AUDIT PLAN – 2020

Strategic Risks	Residual Risk Rating
1. Failure to maintain financial sustainability	MEDIUM
2. Inability to meet the needs and expectations of the community	MEDIUM
3. Ineffective decision making that lacks transparency	MEDIUM
4. Inability to manage legislative and regulatory compliance obligations	HIGH
5. Workforce not appropriately skilled or engaged	MEDIUM
6. Inability to respond to climate change	MEDIUM

February 2020

INFORMATION REPORT

REPORT TITLE: STRATEGIC RISK REVIEW
ITEM NUMBER: 2.6
DATE OF MEETING: 11 FEBRUARY 2020
AUTHOR: LIDA CATALDI
JOB TITLE: PRINCIPAL RISK MANAGEMENT OFFICER
ATTACHMENTS: 1. STRATEGIC RISK REGISTER

1. **EXECUTIVE SUMMARY**

The Executive Management Team (EMT) reviews the Strategic Risk Register on a quarterly basis, which includes the monitoring of progress of treatment plans implemented to mitigate each risk. The most recent review was conducted on 14 January 2020 and the revised document is now provided to the Audit Committee for information.

2. **RECOMMENDATION**

That:

1. The report be received.

3. **RELEVANT CORE STRATEGIES/POLICIES**

4. Civic Leadership
 - 4.1 We have strong leadership and governance.
 - 4.3 Our business systems are effective and transparent

4. **BACKGROUND**

The Executive Management Team reviewed the Strategic Risk Register on 14 January 2020. To enable the revised Strategic Risk Register to be presented to the February Audit Committee meeting this review was slightly brought forward and completed close to the previous review (completed on 29 November 2019). As a result, EMT reviewed the effectiveness of existing controls, residual risk rating and treatment plans that were included as part of November 2019's review.

5. **DISCUSSION**

The review undertaken by EMT included:

- Full assessment of Strategic Risk 6 – *Inability to respond to climate change*
- Review of the control effectiveness for each strategic risk
- Consideration of Residual Risk Ratings
- Simplification of items noted in the Treatment Plan section of each risk.
- Review of target completion dates for EMT Focus Areas and CEO KPIs under Treatment Plans for each Strategic Risk

The review determined that the level of detail relating to the EMT Focus areas in Treatment Plans was unnecessary and a decision was made to remove the sub level information. The overarching EMT Focus area description has been retained with associated responsibility and target completion dates.

A full copy of the current Strategic Risk Register is provided as Attachment 1.

Attachment 1

6. REPORT AUTHORISERS

Name	Title
Tami Norman	Executive Manager, Office of the CEO

STRATEGIC RISK REGISTER

This Review - 14 January 2020 by:

- Megan Berghuis (*Acting CEO*) - General Manager City Services
- Tami Norman - Executive Manager – Office of the CEO
- Nicola Tinning - General Manager Business Support and Improvement
- Ben Willsmore (*Acting GM City Development*) - Manager City Design

Last Reviewed: **29 November 2019** by:
Megan Berghuis – *GM City Services*
Claude Malak – *GM City Development*
Tami Norman – *Executive Manager – Office of the CEO*
Nicola Tinning – *GM Business Support & Improvement*
Peter Tsokas – *Chief Executive Officer*

Strategic Risk Register

1	Event Description: Failure to maintain financial sustainability		
Responsible Managers: CEO, EMT, CFO		Community Plan Theme: CIVIC LEADERSHIP & ECONOMIC PROSPERITY	
Negative Contributory Factors: <ul style="list-style-type: none"> Forecasting tools are not relevant or out of date Long Term Financial Plan is not maintained or not appropriate for business needs Financial resources to deliver required services are inadequate Financial capacity to meet service delivery demands Financial resources are not managed in line with treasury management policy Debt levels and debt management strategies are not in line adopted targets or are not sustainable Inadequate project management practices 		Impacts (risks): <ul style="list-style-type: none"> Financial Maladministration & Corruption Inability to delivery community expectations into the future Financial sustainability is compromised Reputational Damage Legislative Compliance (Financial) are not met Inter-generational equity is not achieved insufficient project funding Failure to deliver on plans and strategies Limitations to service delivery options Service level reduction 	
Likelihood: Possible	Consequence: Major	Inherent Risk Rating:	HIGH
Existing Controls/Mitigating Practices: <ul style="list-style-type: none"> Endorsed Community Plan, Four Year Delivery Plan and Annual Operating Plans Comprehensive budget development process that meets legislative requirements (including cost estimates & consultation). Long Term Financial Plan in place with adopted financial targets; reviewed annually Adoption and application of the Better Practice Model – Internal Financial Controls Prudential Management Framework Treasury Management Plan Infrastructure & Asset Management Policy & Plans are linked to the long-term financial plan Quarterly budget review process Regular Financial reporting and budget monitoring Qualified and experience finance human resources Oversight from the Audit Committee External Audit Defined and agreed levels of service Continued corporate performance reporting on external grants to Council (CEO KPI) 			
Control Effectiveness:	Majority Effective	Risk Tolerance up to:	MEDIUM
Likelihood: Rare	Consequence: Major	Residual Risk Rating:	MEDIUM

Treatment Plan:		Responsibility:	Target Completion Date:
EMT Focus Area: Project Planning and Management – principles of project planning and management are used to effectively manage resources, risk and delivery			
1	Update and implement revised project management framework	• GMCD	• Jun 2020
2	Provide training on revised project management framework to relevant staff	• GMCD/GMBSI	• Aug 2020
3	EMT regularly review progress of approved projects (at various levels across the organisation)	• EMT	• Jun 2020
EMT Focus Area: Corporate Performance Reporting – promote council transparency, accountability and performance against service levels:			
1	Develop appropriate measures to report on corporate performance quarterly:	• EMT	• Jun 2021
2	Ensure quality and accuracy of data for corporate reporting purposes	• GMBSI/EMT	• Jun 2021
CEO KPI – Non-Rate Based Funding – Increasing the sourcing of non -rate based revenue			
• The review of Council Services to identify savings include the identification of additional income generation opportunities.		• GMBSI/CEO	• Jun 2020
• Report to Council identifying non rate based revenue streams that could be introduced.		• GMBSI/CEO	• Jun 2020
CEO KPI – Financial – Ensure the sustainability of the organisation through sound financial management principles and on-going reviews of its operations to realise efficiency gains			
• Draft Annual Business Plan for Elected Member review.		• GMBSI/CEO	• Apr 2020
• 2020/21 Annual Operating Plan include clear levels of service for each service area.		• GMBSI/CEO	• Jun 2020
Review of Long-Term Financial Plan		• GMBSI	• Jun 2020
Review of Infrastructure & Asset Management Plans		• GMCD	• Nov 2020

EMT reviewed – 14 January 2020

Strategic Risk Register

2	Event Description: Inability to meet the needs and expectations of the community		
Responsible Managers: CEO, EMT, Managers		Community Plan Theme: COMMUNITY LIVING & CIVIC LEADERSHIP	
Negative Contributory Factors: <ul style="list-style-type: none"> Community Plan is out of date or not relevant Annual Business Plan and Budget process is not aligned with Community Plan and 4 Year Delivery Plan Resourcing is not aligned to 4 Year Delivery Plan Long Term Financial Plan is inadequate Conduct is inconsistent with Code of Conduct/ Values Systems and processes don't appropriately capture information regarding community needs Infrastructure & Asset Management Plans are inadequate Legislative movement of responsibilities Disengaged Elected Members Expectations of Elected Members lack of alignment with the Council role Four-year election cycles 		Impacts (risks): <ul style="list-style-type: none"> Dissatisfied community (public outrage) Reputational damage (negative media) Instability of staff (people leaving a negative environment) Organisational culture is negatively affected Negative perception of performance of the Council (Elected Body) 	
Likelihood: Possible	Consequence: Major	Inherent Risk Rating:	HIGH
Existing Controls/Mitigating Practices: <ul style="list-style-type: none"> Community Plan 2033 Annual Business Plan and Budget 4-year Delivery Plan Annual Operating Plan Long Term Financial Plan Strategies, Policies and Procedures Infrastructure & Asset Management Plans Corporate Performance Report CEO KPIs Role Clarity Framework for service delivery Organisational culture and values Role clarity and Position Descriptions aligned to service delivery Consultation processes (YourSay, website, social media) Customer Experience Framework Customer satisfaction surveys Community Engagement Framework and Policy Service Reviews Communication Channels Business Continuity Plan & Emergency Management Plan Regular Elected Member briefings, workshops and training 			
Control Effectiveness:	Majority Effective	Risk Tolerance up to:	MEDIUM
Likelihood: Rare	Consequence: Major	Residual Risk Rating:	MEDIUM

Treatment Plan:	Responsibility:	Target Completion Date:
EMT Focus Area: Workforce Planning – we have the required number of people to deliver Council's 4-year Delivery Plan:		
1 Establish and implement the appropriate ratio of permanent vs contract roles and identify the workforce development strategies required to achieve the next 4-year Delivery Plan	• EMT	• Jun 2021
EMT Focus Area: Customer First Culture – The organisation has a consistent customer first approach in the delivery of service:		
1 Develop and implement external and internal Customer Service Standard	• GMCS	• Jun 2020
2 Include a Customer First KPI within the PDR process for all staff	• GMCS/GMBSI	• Jun 2020
3 Continue to undertake a program of customer surveys and feedback using a diverse range of methodologies	• GMCS	• Jun 2020
4 Design and implement training across the organisation to reinforce service culture and core competencies. (19/20, noting potential implementation over two years)	• GMCS/GMBSI	• Jun 2020
5 Improve the collation of complete customer service data, including services not currently reported	• GMCS	• Jun 2020
EMT Focus Area: Maximised Self-Help Options – Self-help options are made available to customers to improve their experience.		
1 Apply people centred design principles and new technologies to inform online improvements:	• GMBSI	• Jun 2020
2 Redesign Council's website to increase customer self-help options:	• GMBSI/EMOCEO	• Jun 2020
3 Develop and report on targets for online usage and satisfaction:	• GMBSI/EMOCEO	• Jun 2020
EMT Focus Area: Understanding our Purpose – Our people understand their role in 4-year Delivery Plan		
5 Assist Council to review the 4-year Delivery Plan and develop a corporate reporting framework to monitor progress:	• CEO	• Jun 2020
CEO KPI – Strategic Planning		
Undertake a number of Strategic Planning initiatives that will assist Council achieve the goals of the Community Plan	• CEO/EMT	• Jun 2020
CEO KPI – Digital Strategy – The City of Unley's Digital Strategy provides a practical framework to guide the Council's provision of digital services and use of digital and Smart City technologies, supporting Unley's 4-year Delivery Plan and Community Plan		
• Website 'go-live' (full)	• GMBSI	• Apr 2020
• Smart data platform implemented	• CEO/EMT	• Dec 2019 - COMPLETED
• Implementation of smart technology in Heywood Park	• GMCD	• Dec 2019 - COMPLETED
• Implementation of smart technology on King William Road	• GMCD	• Dec 2019 - COMPLETED
Review of Elected Member training plan	• EMOCEO	• June 2020
Review of Asset Management Plans	• GMCD	• Nov 2020

EMT reviewed – 14 January 2020

Strategic Risk Register

3	Event Description: Ineffective decision making that lacks transparency		
Responsible Managers: CEO, EMT, Managers		Community Plan Theme: CIVIC LEADERSHIP	
Negative Contributory Factors: <ul style="list-style-type: none"> Inappropriate conduct of staff/Elected Members Inaccurate information Ill-informed decision makers Lack of accountability Deficient policies and procedures Noncompliance with legislative obligations/requirements Internal control failures Inappropriate delegations Lack of governance framework Lack of plans to respond to events that impact service delivery (from Risk 6) 		Impacts (risks): <ul style="list-style-type: none"> Reputational damage /risk (from risk 6 – to be deleted) Scrutiny by regulatory bodies (ICAC/Ombudsman) Financial impact/cost Loss of confidence in council Staff attraction and retention 	
Likelihood: Likely	Consequence: Catastrophic (Reputation)	Inherent Risk Rating:	HIGH
Existing Controls/Mitigating Practices: <ul style="list-style-type: none"> Legislative obligations (eg. Code of Conduct, Policies etc) External regulatory framework in place Policies and Procedures Delegation of Authority (Legislative and Financial) Elected Members briefings and workshops Expert advice provided by skilled staff Elected Members training programs Independent Members selection and training processes in place Agreed and Endorsed Meeting procedures Risk Management Framework Internal Controls Framework Reporting Quality Control Quality and experienced governance human resources 			
Control Effectiveness:	Majority Effective	Risk Tolerance up to:	MEDIUM
Likelihood: Unlikely	Consequence: Catastrophic	Residual Risk Rating:	MEDIUM

Treatment Plan:		Responsibility:	Target Completion Date:
-	Delegation training (understanding roles, responsibilities and delegation of authority)	EMOCEO	• June 2020 (pending recruitment process)
-	Risk Management awareness training	EMOCEO	• March 2020 (pending endorsement of the Risk Management Policy)
EMT Focus Area – Understanding our Purpose – Our people understand their role in the 4-year Delivery Plan			
4	Confirm an accountability matrix that articulates decision making at each level of the organisation:	• GMBSI/EMOCEO	• Jun 2021

EMT reviewed – 14 January 2020

Strategic Risk Register

4	Event Description: Inability to manage legislative and regulatory compliance obligations		
Responsible Managers: CEO, EMT, Managers		Community Plan Theme: CIVIC LEADERSHIP	
Negative Contributory Factors: <ul style="list-style-type: none"> Other levels of government assigning new/different responsibilities Increasing compliance and reporting obligations Changing legislative obligations Local Government Reform agenda Not monitoring external environment and trends Reallocation of responsibilities via legislative changes Four Year election cycles 		Impacts (risks): <ul style="list-style-type: none"> Failure to meet compliance obligation Reputational damage Loss of confidence in Council ICAC investigation Unreasonable Customer expectations Negative Media exposure Financial Sustainability Negatively impact on service delivery & levels Negative impact on organisational culture 	
Likelihood: Possible	Consequence: Major	Inherent Risk Rating:	HIGH
Existing Controls/Mitigating Practices: <ul style="list-style-type: none"> Strategic Planning framework and documents (e.g. Community Plan, Annual Plan etc) Long Term Financial Plan/Annual Business Plan & Budget Policies and Procedures Internal Controls Risk management framework Delegations External liaison and relationship management Audit Committee External/Internal Audit Appropriately trained and experienced staff Access to suitably qualified service providers for support (e.g. legal advice) Access to LGA resources & opportunity to influence outcomes Collaboration between Councils ERA 			
Control Effectiveness:	Majority Effective	Risk Tolerance up to:	MEDIUM
Likelihood: Possible	Consequence: Major	Residual Risk Rating:	HIGH

Treatment Plan:	Responsibility:	Target Completion Date:
Preparation for LG Reform	• EMT	• Ongoing
Investigate development and implementation of Legislative Compliance register	• EMOCEO	• Dec 2021

EMT reviewed – 14 January 2020

Strategic Risk Register

5	Event Description: Workforce not appropriately skilled or engaged		
Responsible Managers: CEO, EMT, Managers		Community Plan Theme: CIVIC LEADERSHIP	
Negative Contributory Factors: <ul style="list-style-type: none"> • inability to attract appropriate staff • Inappropriately skilled staff • Negative organisational culture • Lack of contemporary working conditions • Limited access to ongoing training and development • No career progression opportunities • Lack of workforce planning • Job doesn't meet staff expectations • Unsatisfactory relationship with Elected Members • Poor recruitment practices • Ineffective knowledge management • Lack of appropriate staff turnover • Out-dated systems and processes 		Impacts (risks): <ul style="list-style-type: none"> • Unnecessary high staff turnover • Failure to deliver plans and strategies • Community expectations not met • Reputational damage • Inability to retain the right staff • Loss of corporate knowledge 	
Likelihood: Possible	Consequence: Major	Inherent Risk Rating:	HIGH
Existing Controls/Mitigating Practices: <ul style="list-style-type: none"> • Recruitment strategies and practices • Well established brand • Active management and development of organisational culture (OCI) • Appropriate employment conditions • Continuous Improvement • Documented job descriptions documented and reviewed • Corporate Values • Development planning process (PDR) • Relevant resources and tools • Digital Strategy and BS&S Capability 			
Control Effectiveness:	Majority Effective	Risk Tolerance up to:	MEDIUM
Likelihood: Unlikely	Consequence: Major	Residual Risk Rating:	MEDIUM

Treatment Plan:		Responsibility:	Target Completion Date:
EMT Focus Area – Workforce Planning – we have the required number of people to deliver Council's 4-year Delivery Plan			
1	Establish and implement the appropriate ratio of permanent vs contract roles and identify the workforce development strategies required to achieve the next 4-year Delivery Plan	• EMT	• Jun 2021
2	Align the labour budget to reflect the priority areas determined by Council	• EMT + GMBSI	• Jun 2020
3	Review and update organisation structure and succession plan	• EMT	• Jun 2021
EMT Focus Area – Employee Engagement – Our people collaborate for success and are valued, engaged and recognised for their achievement			
1	Establish and implement a communication framework and plan that conveys what will be communicated, to who, when and how	• GMBSI/EMOCEO	• Jun 2021
2	Implement an on-line climate survey tool to provide a regular interim measure between OCI surveys	• GMBSI	• Jun 2021
3	Develop a Reward & Recognition policy to provide a framework for recognition in the organisation	• GMBSI	• Jun 2020
4	Develop a calendar of key corporate processes and deadlines	• EMT	• Jun 2020
EMT Focus Areas – Understanding our Purpose – Our people understand their role in the 4-year Delivery Plan			
1	Develop purpose statements for work areas that are aligned to organisation's purpose	• EMT	• Dec 2020
2	Include clear purpose statements for all position descriptions	• GMBSI	• Dec 2020
3	Review the PDR process to ensure it is meaningful for our people (19/20 to take effect 20/21)	• GMBIS	• Jun 2021
EMT Focus Area – Digital Workplace – Enhance our performance through the introduction and integration of digital technologies			
1	Deliver the "Digital Workplace" (intranet) via a cross functional team	GMBSI/EMT	Sept 2020
2	Populate the Digital Workplace with appropriate content	• EMT	• Jun 2021
3	Provide a training program to enable delivery of Digital Workplace	• GMBSI	• Dec 2020
EMT Focus Area – Continuous Improvement and Innovation – Support our people to innovate and continuously improve			
1	Establish an 'innovation and red tape reduction register' to capture and implement ideas for productivity improvement	• GMBSI	• Sept 2020
2	Provide a training program on the application of continuous improvement tools	• GMBSI	• Jun 2020
3	Integrate continuous improvement as a 'business as usual activity' within each service area	• EMT	• Dec 2020

EMT reviewed – 14 January 2020

Strategic Risk Register

6	Event Description: Inability to respond to climate change		
Responsible Managers: CEO, EMT		Community Plan Theme: ENVIRONMENTAL STEWARDSHIP	
Negative Contributory Factors (‘‘root’’ causes / how and why the event arises): <ul style="list-style-type: none"> • Extreme weather events • Increased urban infill • State Government Planning Reforms • China Sword – lack of recyclables market • Increased waste production by the community 		Impacts (risks): <ul style="list-style-type: none"> • Canopy reduced – (out of Council’s control) • Reputational impact – as community has strong ‘green’ focus • Heat-Island effect • Public Health implications and risks • Reduction in quality of life now and future • Increased costs • Impacts to rate-payers • Impact to local flora and fauna • Loss of enviable amenities • Unley does not become a desirable place to live 	
Likelihood: Almost Certain	Consequence: Major	Inherent Risk Rating:	EXTREME
Existing Controls/Mitigating Practices: <ul style="list-style-type: none"> • Tree Canopy Action Plan • Budget allocation for 19/20 to target canopy cover has been established • Brown Hill Keswick Creek subsidiary • Strategic Plan and objects • Re-use water (dam and aquifer) • Water Sensitive Urban Design • Waste management plan • Public Health Plan • Alternative Energy initiatives • Cycling and walking network 			
Control Effectiveness:	Majority Effective	Risk Tolerance up to:	MEDIUM
Likelihood: Unlikely	Consequence: Major	Residual Risk Rating:	MEDIUM

Treatment Plan:	Responsibility:	Target Completion Date:
Develop new 4-year delivery plan	• EMT	• Jun 2020
Review long term financial plan	• GMBSI	• Jun 2020
Review Infrastructure & Asset Management Plans	• GMCD	• Nov 2020
CEO KPI 2019/2020 – Environment - Continue to implement policies, strategies and projects to drive improved environmental sustainability across the City The Council has established a number of policies and strategies to maintain and enhance our urban environment and strengthen the City’s resilience to climate change. The ongoing implementation of strategy through a diverse range of key projects will demonstrate the Council’s leadership to our community:		
-New waste management plan endorsed by Council	• GMCD	• Apr 2020
-New waste management contract	• GMCD	• Sep 2021
-Update and expand Tree Strategy – endorsed by Council for community consultation	• GMCD	• Feb 2020
-Implementation of year one – Canopy Action Plan	• GMCD	• Jun 2020

EMT reviewed – 14 January 2020

Strategic Risk Register	
Emerging Risks: <i>What keeps you awake at night??</i>	
<p>June 2019</p> <ol style="list-style-type: none">1. Business viability on King William Road2. Economic Activity within the City <p>November 2019</p> <ol style="list-style-type: none">1. Sustainable economic activity	

Appendix

Definitions of Control Effectiveness Ratings	
1. Ineffective	During the period, the control has not been implemented as described. Urgent management action is required to implement the described control processes.
2. Requires significant improvement	During the period, the control has been implemented as described, but with significant deficiencies in the consistency or effectiveness of implementation. Significant management action required to implement processes to improve the effectiveness of the control.
3. Partially effective	During the period, the control has been implemented as described, but with some deficiencies in the consistency and/or effectiveness in which it has been applied.
4. Majority effective	During the period, the control has been implemented as described and in the majority of cases has been consistently and/or effectively applied. There is potential to enhance the effectiveness of the control, but only with minor adjustments.

INFORMATION REPORT

REPORT TITLE: AUDIT COMMITTEE WORKPLAN - UPDATE
ITEM NUMBER: 2.7
DATE OF MEETING: 11 FEBRUARY 2020
AUTHOR: LIDA CATALDI
JOB TITLE: PRINCIPAL RISK MANAGEMENT OFFICER
ATTACHMENTS: 1. AUDIT COMMITTEE WORKPLAN

1. **EXECUTIVE SUMMARY**

This report provides the Audit Committee with the Workplan for the 2020 calendar year.

2. **RECOMMENDATION**

That:

1. The report be received.
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3. **RELEVANT CORE STRATEGIES/POLICIES**

4. Civic Leadership

4.1 We have strong leadership and governance

4.3 Our business systems are effective and transparent.

4. **BACKGROUND**

The Audit Committee Workplan was adopted at the 10 December 2019 Audit Committee Meeting. The Audit Committee Workplan will be monitored and updated as required, to ensure the Committee delivers its role as set out in the Audit Committee Terms of Reference.

5. **DISCUSSION**

The Audit Committee Workplan has been reviewed and a slight amendment has been made since being adopted in December 2019 as follows:

- Removal of *Progress report from Internal Control Assessment 2018-2019*. This item has been removed the 2019/2020 Internal Control Self-Assessment of the Internal Financial Controls has commenced.

The report from this self-assessment will be provided to the Audit Committee at its August 2020 meeting as noted on the Workplan.

- Postponement of consideration of the Procurement Policy - this policy has been added to the Workplan for the Audit Committee's May 2020 meeting.

The amended workplan is provided as Attachment 1 to this Report.

Attachment 1.

Audit Committee Work Plan - 2020

Meeting Dates	<u>CURRENT</u> Agenda Items
11 February 2020	<ul style="list-style-type: none"> • Strategic Risk Register (Quarterly Review update) • Review of the LTFP and Targets • Procurement Policy and (Framework) <i>postponed to 12 May 2020</i> • Asset Management Plan – (Work Plan/Schedule to address issues) • Local Government Risk Services (LGRS) Risk Evaluation (2019) • Internal Audit Plan 2020 • Progress report from Internal Control Assessment 2018-19 • Agreed actions status update – from internal and external audit • Audit Committee Work Plan • Quarterly Budget Review – <i>to be provided for information</i> • Quarterly Performance Review – <i>to be provided for information</i>
Meeting Dates	<u>FUTURE</u> Agenda Items
	March 2020 – Report from Chair of Audit Committee to Council
12 May 2020	<ul style="list-style-type: none"> • Strategic Risk Register (Quarterly Review update) • 2020-21 Annual Business Plan and Budget (consultation) • Audit Committee Work Plan • Organisational Risk Register • <i>Procurement Policy (and Framework)</i> • Any completed internal audit reports • Agreed actions status update – from internal and external audit • <i>Brown Hill Keswick Creeks subsidiary (Presentation) – to be confirmed</i> • <i>Centennial Park Cemetery Authority subsidiary (Presentation) – to be confirmed</i> • Quarterly Budget Review – <i>to be provided for information</i> • Quarterly Performance Review – <i>to be provided for information</i>
18 August 2020	<ul style="list-style-type: none"> • Internal Financial Controls – Self Assessment Report FY19/20 • Strategic Risk Register (Quarterly Review update) • External Audit – Interim Report • Agreed actions status update – from internal and external audit

	<ul style="list-style-type: none"> • Audit Committee Work Plan • Quarterly Budget Review – <i>to be provided for information</i> • Quarterly Performance Review – <i>to be provided for information</i>
13 October 2020	<ul style="list-style-type: none"> • Financial Statements FY19/20
8 December 2020	<ul style="list-style-type: none"> • Strategic Risk Register (Quarterly Review update) • Agreed actions status update – from internal and external audit • Organisational Risk Register • Any completed internal audit reports • Audit Committee Work Plan • Quarterly Budget Review – <i>to be provided for information</i> • Quarterly Performance Review – <i>to be provided for information</i>

Meeting Dates	<u>PAST</u> Agenda Items
2 July 2019	<ul style="list-style-type: none"> • Appointment of Deputy Presiding Member – Audit Committee (<i>Resolution No. AC0002/19</i>) • 2018-2019 External Audit Plan (<i>Resolution No. AC0003/19</i>) • Strategic Risk Register (<i>Resolution No. AC0004/19</i>) • Internal Financial Controls – Self Assessment 2018/2019 (<i>Resolution No. AC0005/19</i>) • Procurement Savings/Overruns – Q4 2018/2019 (<i>Resolution No. AC0006/19</i>)
11 November 2019	<ul style="list-style-type: none"> • Fraud and Corruption Prevention Policy Review (<i>Resolution No. AC0009/19</i>) • Revised Risk Management Policy (<i>Resolution No. AC0010/19</i>) • 2018-2019 General Purpose Financial Statements (<i>Resolution No. AC0008/19</i>) • Procurement Saving identified (<i>Resolution No. AC0011/19</i>)
10 December 2019	<ul style="list-style-type: none"> • Fraud and Corruption Prevention Policy Review (<i>Resolution No. AC0016/19</i>) • Revised Risk Management Policy (<i>Resolution No. AC0015/19</i>) • Strategic Risk Register (Review update) (<i>report received</i>) • Audit Committee meeting dates for 2020 (<i>Resolution No. AC0013/19</i>) • Audit Committee Work Plan (<i>Resolution No. AC0014/19</i>)