



AGENDA

FOR AUDIT COMMITTEE MEETING TO BE HELD ON

15 APRIL 2020 AT 6.30 PM

**IN LITTLE PARA CONFERENCE ROOMS, SALISBURY COMMUNITY HUB,
34 CHURCH STREET, SALISBURY**

MEMBERS

Cr G Reynolds (Chairman)
Mr N Ediriweera
Mr C Johnson
Ms K Verrall
Cr K Grenfell (Deputy Chairman)

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
Manager Governance, Mr M Petrovski
Risk and Governance Program Manager, Ms J Crook

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Audit Committee Meeting held on 18 March 2020.

REPORTS

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Reports

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OTHER BUSINESS

CONFIDENTIAL ITEMS

4.4.1 Cyber Security Improvement Program

Recommendation

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on grounds that:

1. *Pursuant to Section 90(2) and (3)(e) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to matters affecting the security of the council, members or employees of the council, or council property; or the safety of any person.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *Non disclosure of this item at this time will protect information contained within the report which provides an assessment of the vulnerability of the City of Salisbury to a cyber-attack. This information would be of significant benefit to a third party attempting to access City of Salisbury business systems and solutions and the data held within them.*

*On that basis the public's interest is best served by not disclosing the **Cyber Security Improvement Program** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CLOSE



**MINUTES OF AUDIT COMMITTEE MEETING HELD IN WITTBER & DR RUBY DAVY
ROOMS, SALISBURY COMMUNITY HUB, 34 CHURCH STREET, SALISBURY ON**

18 MARCH 2020

MEMBERS PRESENT

Cr G Reynolds (Chairman)
Mr N Ediriweera
Mr C Johnson
Cr K Grenfell

OBSERVERS

Mr Tim Muhlhausler, Partner, Galpins

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
Acting General Manager City Infrastructure, Mr D Roy
Manager Governance, Mr M Petrovski
Risk and Governance Program Manager, Ms J Crook

The meeting commenced at 6:37pm

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

Apologies were received from Ms K Verrall.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Mr N Ediriweera
Seconded Mr C Johnson

The Minutes of the Audit Committee Meeting held on 12 November 2019, be taken and read as confirmed.

CARRIED

Moved Mr N Ediriweera
Seconded Mr C Johnson

The Minutes of the Confidential Audit Committee Meeting held on 12 November 2019, be taken and read as confirmed.

CARRIED

The Chairman advised members of the Committee that, subject to there being no objection, the meeting would proceed to consider those items on the agenda for which external parties were present for purposes on advising the Committee, namely item numbers 4.2.2, and 4.2.3.

REPORTS

Reports

4.2.2 Contract Management Audit Report

Moved Cr K Grenfell
Seconded Mr C Johnson

1. That the final audit report for the Contract Management audit as set out in Attachment 2 to this report (Item 4.2.2, Audit Committee, 18/03/2020) be noted.
2. That the responses of the Administration to the Contract Management audit as set out in Attachment 3 to this report (Item 4.2.2, Audit Committee, 18/03/2020) be endorsed for Council approval, subject to the management response for recommendation 9 being updated to reflect training and awareness for staff.
3. That the Administration prepare a report for the July 2021 Audit Committee meeting informing the Committee on management's progress on completion of the agreed actions.

CARRIED

4.2.3 Asset Management Audit Report

Moved Mr C Johnson

Seconded Mr N Ediriweera

1. That the final audit report for the Asset Management Audit as set out in Attachment 2 to this report (Item 4.2.3, Audit Committee, 18/03/2020) be noted.
2. That the responses of the Administration to the Asset Management audit as set out in Attachment 3 to this report (Item 4.2.3, Audit Committee, 18/03/2020) be reviewed and updated by the Administration, and the auditors be requested to extend the audit to verify the updated responses and a report be provided to the Audit Committee at its August 2020 meeting.

CARRIED

Mr C Johnson left the meeting at 8:04pm.

Administration

4.0.1 Future Reports for the Audit Committee of Council

Moved Cr K Grenfell

Seconded Mr N Ediriweera

1. The information be received.

CARRIED

Mr C Johnson returned to the meeting at 8:05pm

4.0.2 Actions List

Moved Mr N Ediriweera

Seconded Cr K Grenfell

1. The information be noted.

CARRIED

4.0.3 Alternate dates for Audit Committee meetings in 2020

Moved Cr K Grenfell
Seconded Mr C Johnson

1. That the information advising that Audit Committee meeting dates have been revised to 15 April and 4 August 2020, be noted.

CARRIED

4.0.4 Appointment of Deputy Chairman - Audit Committee

Moved Mr C Johnson
Seconded Mr N Ediriweera

1. Kylie Grenfell be appointed as Deputy Chairman of the Audit Committee for the period March 2020 up to and including November 2020.

CARRIED

BREAK

In accordance with the Code of Practice for Meeting Procedures, the presiding member provided a break to all present. The meeting was suspended at 8.12 pm.

The meeting reconvened at 8.21 pm.

PRESENTATIONS

PRES1 Operational Risk Registers presentation

The Risk and Governance Program Manager, Ms J Crook, gave a presentation on the process behind the development of the business unit based operational risk registers.

REPORTS

Reports

4.2.1 Audit Committee Self-Assessment

Moved Mr C Johnson
Seconded Cr K Grenfell

1. That the outcomes of the self-assessment questionnaire be accepted and noted.

CARRIED

4.2.4 Audit Committee Work Program for 2020

Moved Cr K Grenfell
Seconded Mr C Johnson

1. The information be noted.

CARRIED

4.2.5 Risk Management and Internal Controls Activities

Moved Mr C Johnson
Seconded Mr N Ediriweera

1. The information be received.
2. The Update on Risk Management and Internal Controls Activities, as set out in Attachment 1 to this report (Item 4.2.5, Audit Committee, 18/03/2020) be endorsed for approval by Council.
3. The Audit Committee notes the update on outstanding actions from completed Internal Audits, as set out in Attachment 6 to this report (Item 4.2.5, Audit Committee, 18/03/2020).

CARRIED

4.2.6 Update on Internal Audit Plan

Moved Mr N Ediriweera
Seconded Mr C Johnson

1. That the updates made to the 2018 - 2022 Internal Audit Plan as set out in Attachment 1 to this report (Item 4.2.6, Audit Committee, 18/03/2020) be endorsed and forwarded to Council for adoption.
2. That a report be brought back to the Audit Committee on a model for the appointment of contractors for conduct of internal audits.

CARRIED

OTHER BUSINESS

AC-OB1 Strategic Review

Moved Cr K Grenfell
Seconded Mr C Johnson

1. That a strategic review of the project management and contract management regarding the Salisbury Community Hub be performed.

CARRIED

The meeting closed at 9:33pm.

CHAIRMAN.....

DATE.....

ITEM	4.0.1
	AUDIT COMMITTEE
DATE	15 April 2020
HEADING	Future Reports for the Audit Committee of Council
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.4 To ensure informed and transparent decision-making that is accountable and legally compliant
SUMMARY	This item details reports to be presented to the Audit Committee of Council as a result of a previous Council resolution. If reports have been deferred to a subsequent meeting, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information is received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 A list of resolutions requiring a future report to Council (via the Audit Committee) is presented for noting at each meeting.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 Report authors and General Managers.

2.2 External

- 2.2.1 Nil.

3. REPORT

3.1 The following table outlines reports to be presented to the Audit Committee as a result of a previous Council resolution:

Meeting Item	Heading and Resolution	Officer
23/03/2020 4.2.2	Contract Management Audit Report 3. That the Administration prepare a report for the July 2021 Audit Committee meeting informing the Committee on management's progress on completion of the agreed actions. Due: July 2021	Janet Crook
23/03/2020 4.2.3	Asset Management Audit Report 2. That the responses of the Administration to the Asset Management audit as set out in Attachment 3 to this report (Item 4.2.3, Audit Committee, 18/03/2020) be reviewed and updated by the Administration, and the auditors be requested to extend the audit to verify the updated responses and a report be provided to the Audit Committee at its August 2020 meeting. Due: August 2020	Janet Crook
23/03/2020 4.2.6	Update on Internal Audit Plan 2. That a report be brought back to the Audit Committee on a model for the appointment of contractors for conduct of internal audits. Due: August 2020	Janet Crook
23/03/2020 AC-OB1	Strategic Review That a strategic review of the project management and contract management regarding the Salisbury Community Hub be performed. Due: June 2020 Comment: This will be incorporated into a project close out report planned to be presented through the Policy and Planning Committee by June 2020.	Terry Sutcliffe

4. CONCLUSION / PROPOSAL

4.1 Future reports for the Audit Committee of Council have been reviewed and at this point in time there are none that require a subsequent report to be presented.

CO-ORDINATION

Officer: Executive Group MG
Date: 07/04/2020 03/04/2020

ITEM	4.0.2
	AUDIT COMMITTEE
DATE	15 April 2020
HEADING	Actions List
AUTHOR	Janet Crook, Risk & Governance Program Manager, CEO and Governance
CITY PLAN LINKS	4.2 Develop strong capability and commitment to continually improve Council's performance. 4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	An action list has been developed to capture any actions arising out of the City of Salisbury Audit Committee meetings. These actions do not replace the minutes from the Audit Committee, or the recommendations of the Committee that were submitted to Council for endorsement. They are included in this report as an aid to the Audit Committee.

RECOMMENDATION

1. The information is noted.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 The Audit Committee has requested that an action list be maintained and included as an item on the agenda for each meeting. This report contains a list of actions identified at previous Audit Committee meetings.
- 1.2 The list of actions does not replace the minutes from the Audit Committee, nor has it been endorsed by Council, because it does not contain any recommendations to Council and as such is not part of the action tracking system for Council recommendations.

2. REPORT

- 2.1 The action list contains information regarding the date on which the action was identified, a description of the action, the action owner, the expected due date for completion of the action and the current status of the action.
- 2.2 Below is the list of actions arising out of the Audit Committee, which has been compiled for the purpose of aiding the Audit Committee.
- 2.3 Actions will remain on the action list until the meeting after they have been completed. Once the action has been completed, and that completion has been reported to the Audit Committee, the item will be removed from the actions list.

No	Date	Action	Owner	Due Date	Status
13.	12.11.19	Presentation to the Audit Committee on the progress of Business Systems and Solutions against the outstanding audit actions	Manager Business Systems and Solutions	August 2020	In progress
14.	18.03.20	Update the Management Response for recommendation 9 of the Contract Management Audit to reflect training and awareness for staff	GM Business Excellence	May 2020	In progress

3. CONCLUSION / PROPOSAL

- 3.1 An action list has been developed for the Audit Committee. The action list will be maintained and presented to each Audit Committee meeting with an update on status of the relevant items. Any additional actions identified by the Audit Committee will be included on the action list as they arise.

CO-ORDINATION

Officer:

Date:

ITEM	4.2.1
	AUDIT COMMITTEE
DATE	15 April 2020
HEADING	Food Safety Audit Report
AUTHOR	Janet Crook, Risk & Governance Program Manager, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making. 4.4 Embed long term thinking, planning and innovation across the organisation.
SUMMARY	<p>An audit on food safety was conducted to provide assurance on the strategic risk “Lack of management of public and environmental health risks”. BDO conducted the audit on behalf of the Governance Division.</p> <p>One (1) medium and three (3) low risk findings were identified by the audit. One improvement opportunity was identified. The medium risk finding related to email correspondence not being stored in Dataworks. The low risk findings related to complainants not being advised of customer request outcomes, food safety audit engagement letters not being signed by the business and food safety inspection checklists not being signed by the business. The improvement opportunity related to service procedures for environmental health improvements.</p>
RECOMMENDATION	<ol style="list-style-type: none">1. That the final audit report for the Food Safety audit as set out in Attachment 2 to this report (Item 4.2.1, Audit Committee, 15/04/2020) is noted and that the responses of the Administration to the Food Safety Audit contained therein is endorsed.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Food Safety Audit Scope
2. Food Safety Audit Report including Management Responses

1. BACKGROUND

- 1.1 The objective of this audit was to provide assurance that the City of Salisbury’s governance and risk management in place is sufficiently robust to mitigate the likelihood of public or environmental health risks in relation to food safety.

- 1.2 The audit relates to strategic risk number 3 – Lack of management of public and environmental health risks. This is articulated as – Community experiences illness or injury due to a failure to deliver public and environmental health and safety outcomes for the community.
- 1.3 Food regulation in South Australia is a partnership between State and Local Government. The food industry is an important business sector within the City of Salisbury.
- 1.4 The Environmental Health and Safety division is responsible for the management and administration of the City of Salisbury’s obligations under the Food Act 2001.
- 1.5 The Food Act is designed to provide for the safety and suitability of food. The specific objectives of the Act are to:
 - Ensure food for sale is both safe and suitable for human consumption;
 - Prevent misleading conduct in connection with the sale of food; and
 - Provide for the application in this jurisdiction of the Food Standards Code.
- 1.6 The risk that the City of Salisbury fails to comply with the correct management and administration of the regulatory components of the Food Act and Food Regulations exposes the City of Salisbury and the public to a number of Food Safety Regulation risks that include:
 - Food poisoning or contamination that may lead to a serious public health issue particularly with vulnerable populations;
 - Potential for Legal action where council may have failed to meet responsibilities under the Food Act; and
 - Negative media reporting causing reputation risk.
- 1.7 When conducting the audit consideration was given to:
 - 1.7.1 Review the implementation and actions of findings, recommendations and agreed actions from the December 2017 Public and Environmental Health Management Audit in relation to the implications on food safety.
 - 1.7.2 Appraise the governance structure and risk management in place for food safety;
 - 1.7.3 Review the established processes and controls used in relation to Food Safety Audits and Food Premises inspections;
 - 1.7.4 Review the process for recording, investigating, actioning and responding to food complaints; and
 - 1.7.5 Review the reporting requirements specific to the City of Salisbury’s obligations under the Food Act 2001.
- 1.8 A copy of the Audit Scope for this audit appears as Attachment 1 to this report.
- 1.9 Following a tendering process, BDO were engaged to conduct the audit on behalf of the Governance Division.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 General Manager City Development
- 2.1.2 Manager Environmental Health & Safety
- 2.1.3 Environmental Health & Safety Staff

3. REPORT

- 3.1 Attachment 2 to this report is the final audit report from BDO for the Food Safety audit. The report includes Management responses.
- 3.2 One medium risk finding was identified by BDO. It is as follows:
 - 3.2.1 *Email correspondence not stored in Dataworks.* BDO has recommended that CoS the Environmental Health team should ensure that all copies of all 'official business' emails are stored in Dataworks. The recommendation has been accepted by the Administration. The matter was reiterated with the Environmental Health team during a team meeting on 26 February 2020 and all team members were reminded of their obligations under the Information Management Policy and Procedures and were provided with copies of the policies. No further action is required.
- 3.3 Three low risk findings were identified by BDO. They are as follows:
 - 3.3.1 *Complainants not advised of customer request outcomes.* BDO has recommended that the Environmental Health team should continue to monitor performance against the 10-day Service Delivery Standard, and ensure compliance with the procedural requirement to advise complainants of customer request outcomes. BDO acknowledged that the 10-day Service Delivery Standard has addressed this finding. No further action is required.
 - 3.3.2 *Food Safety Audit Engagement Letter not signed by Business.* BDO has recommended that the Environmental Health team should ensure that the signed Terms of Engagement Acknowledgement is returned to CoS prior to / or on audit commencement. Further, the Service Procedures for Environmental Health should be updated to include a requirement to return the signed Terms of Engagement Acknowledgement prior to (or on) audit commencement. The recommendation has been accepted by the Administration. The audit report questionnaire has been amended to include questions at the start of the audit in order to ensure the business accepts the terms. No further action is required.
 - 3.3.3 *Food Safety Inspection Checklists not signed by Business.* BDO has recommended that EHOs should, at a minimum, record the name of the business representative on all electronic inspection checklists. Further, investigations should be revisited as to the possibility of enabling electronic signatures on the Pathways tablet software. This functionality is not possible with the current version of Pathways and not a foreseeable option in the next iteration of Pathways. It has been corrected with the

inclusion of questions to ensure that staff record the name of the business representative on all electronic inspection checklists, allowing staff to document who is present at the time of the inspection and will appear on the Inspection results. No further action is required.

- 3.4 One improvement opportunity was identified by BDO. It is as follows:
 - 3.4.1 *Service Procedures for Environmental Health Improvements.* Service Procedures for Environmental Health have been developed to include food premises inspections, audits and Food Act related customer requests. BDO’s review indicates that the Service Procedures appear adequate. Consideration could be given to integrating the procedure narrative with the process maps, including interactive functionality to access key documents on a digital platform.
- 3.5 As the outstanding agreed actions from this internal audit have already been completed there is no need to track and follow them up by the Governance Division.
- 3.6 Four areas of good practice were also identified and are set out in the Audit Report at Attachment 2. They relate to:
 - 3.6.1 An overall improvement in food safety processes;
 - 3.6.2 Implementation of recommendations from the 2017 internal audit
 - 3.6.3 EHO competency assessments; and
 - 3.6.4 Food safety performance statistics.

4. CONCLUSION / PROPOSAL

- 4.1 An audit on food safety was conducted to provide assurance on the strategic risk “Lack of management of public and environmental health risks”. Several actions were agreed and implemented in order to address the issues identified by the audit.

CO-ORDINATION

Officer:

Date:



Food Safety

Audit Scope

OVERALL OBJECTIVE

The overall objective of this audit is to provide assurance that the City of Salisbury's governance and risk management in place is sufficiently robust to mitigate the likelihood of public or environmental health risks in relation to food safety.

BACKGROUND AND RISKS

This audit relates to the City of Salisbury Strategic Risk number 3 – Lack of management of public and environmental health risks. This is articulated as - Community experiences illness or injury due to a failure to deliver public and environmental health and safety outcomes for the community.

Food regulation in South Australia is a partnership between State and Local Government. The food industry is an important business sector within the City of Salisbury.

City Development / Environmental Health & Safety (EH&S) is the Department / Division responsible for the management and administration of the City of Salisbury obligations under the Food Act 2001.

The Food Act is designed to provide for the safety and suitability of food. The specific objectives of the Act are to:

- ensure food for sale is both safe and suitable for human consumption;
- prevent misleading conduct in connection with the sale of food; and
- provide for the application in this jurisdiction of the Food Standards Code.

The risk that the City of Salisbury fails to comply with the correct management and administration of the regulatory components of the Food Act and Food Regulations exposes the City of Salisbury and the public to a number of Food Safety Regulation risks that include:

- Food poisoning or contamination that may lead to a serious public health issue particularly with vulnerable populations;
- Potential for Legal action where council may have failed to meet responsibilities under the Food Act; and
- Negative media reporting causing reputation risk.

SPECIFIC OBJECTIVES

In addressing the overall objective, the audit will include, but not necessarily be limited to, the consideration of the following issues:

- Review the implementation and actions of findings, recommendations and agreed actions from the December 2017 Public Health and Environmental Health Management Audit in relation to the implications on food safety.
- Appraise the governance structure and risk management in place for food safety.
- Review the established processes and controls used in relation to Food Safety Audits and Food Premises inspections.
- Review the process for recording, investigating, actioning and responding to food complaints.

- Review the reporting requirements specific to the City’s obligations under the Act.

BOUNDARIES

The audit scope relates solely to food safety.

CONDUCT OF THE REVIEW

The nature of audit will be a risk and compliance based audit, it should involve a review of the applicable policies and processes, sample testing of field audits, interviews with appropriate members of staff and an assessment of the management of relevant risks.

Any areas for process improvement should also be highlighted.

The audit should be conducted in line with the Institute of Internal Auditors International Standards for Professional Practice of Internal Auditing and their Code of Ethics.

LOCATION

The audit will be conducted predominantly at City of Salisbury offices (Church Street, Salisbury, SA 5108).

RESOURCING

Estimated Hours (TBA)	TBA hours in total, including quality assurance on the audit work and audit outputs.
Suggested Resourcing	The audit will be conducted by external consultants selected through a tendering process. The participation of managers and staff involved within Environmental Health & Safety division will be required.

TIMING

The audit will be conducted in February 2020 at a mutually agreed timescale.

AUDIT OUTPUT

The output of the audit will be a two stage process with the provision of a draft report and a final report with considered management comments and residual listed findings as agreed and accepted by the General Manager City Development and Manager Environmental Health & Safety containing:

- A one or two page Executive Summary;
- Detailed findings and recommendations, with a suitable audit trail evidencing the findings.

REVIEW OUTCOMES

The primary outcome of the audit will be an opinion(s) on the management of risks associated with Food Safety, using City of Salisbury risk management terminology.


APPROVED

Mick Petrovski
Manager Governance

APPROVED


John Darzanos
Manager Environmental Health and
Safety

APPROVED


Terry Sutcliffe
General Manager City
Development



City of Salisbury (CoS) Food Safety Audit 2020

April 2020





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EXECUTIVE SUMMARY

Project Objective

The objective of this project was to provide assurance that the City of Salisbury's (CoS) governance and risk management processes effectively mitigate the likelihood of public or environmental health risks in relation to food safety.

Scope

This project was undertaken in consultation with nominated key stakeholders from CoS. The scope included consideration of:

- ▶ Compliance with the Food Act 2001, Food Regulations 2002 and Food Safety Standards
- ▶ Food safety risk management and governance structure
- ▶ Food safety inspection and food safety audit processes and controls
- ▶ Food safety complaints management processes
- ▶ Implementation of recommendations from the 2017 Public Health and Environmental Health Management internal audit.

Disclaimer

BDO limited the procedures performed during this internal audit project to inquiries of relevant personnel, inspection of evidence and observation of, and enquiry about, the operation of the control procedures for a small number of transactions or events. Our procedures are designed to provide a limited level of assurance in relation to the areas included within the project brief. An internal audit project does not provide all of the evidence that would be required in an audit. An audit opinion was not expressed in this report.

The matters raised in this report are only those that come to our attention during the course of performing our procedures and may not necessarily be a comprehensive statement of all the weaknesses that may exist or improvements that might be made.

We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, comply with laws and regulations and avoid fraud. Accordingly, management should not rely on our report to identify all weaknesses that may exist in the systems and procedures reviewed, or potential instances of fraud that may exist.

Our report was prepared solely for the internal use of CoS. No responsibility to any third party shall be accepted, as our report has not been prepared, and is not intended, for any other purpose. The responsibility for determining the adequacy or otherwise of the procedures performed by BDO is that of CoS management and the procedures performed are solely to assist you in assessing the processes reviewed by BDO.

CoS should assess management actions for their full commercial impact before they are implemented.



Approach

Phase 1 - Process Analysis

The Process Analysis phase incorporated the following two (2) stages:

1a - Document Collation and Process Interviews

- ▶ Obtained the current CoS food safety policies, procedures and framework documentation including:
 - Food safety governance structure and risk management framework
 - Food safety audits and food premises inspections policies/procedures
 - Food safety complaints management policies/procedures
 - Food safety audit, inspection and complaints statistics
- ▶ Obtained current food safety legislation including Food Act 2001, Food Regulations 2002 and Food Safety Standards
- ▶ Obtained recommendations status report for the 2017 Public and Environmental Health Management internal audit
- ▶ Conducted interviews with nominated CoS management/staff from the Environmental Health & Safety division to update our understanding of the Council's:
 - Food safety governance structure and risk management framework
 - Food safety audits and food premises inspections processes
 - Food safety complaints management processes
 - Food safety regulation risks, including public health issues, potential for legal action and reputation damage
- ▶ Conducted interviews with nominated CoS management/staff to understand the status of recommendations from the 2017 Public and Environmental Health Management internal audit.

1b - Process and Documentation Review

- ▶ Reviewed the suite of documentation obtained at 1a
- ▶ Updated process maps of CoS's food safety audits and food premises inspections processes, and food safety complaints management processes
- ▶ Highlighted the key risk areas and internal controls.

Phase 2 - Process Assurance

The Process Assurance phase incorporated the following two (2) stages:

2a - Adequacy Assessment and Risk/Control Gap Analysis

- ▶ Assessed the alignment of CoS's suite of food safety related policies, procedures and governance/risk management frameworks with food safety legislation, wider CoS policies and industry best practice
- ▶ Conducted a control gap analysis and assessment of the design of CoS's food safety related processes, including food safety audits, food premises inspections and food complaints management, with particular focus on:
 - Compliance with food safety legislation, CoS policies, procedures and governance and risk management frameworks
 - The design and effectiveness of controls within the processes, with particular focus on mitigating food safety regulation risks
 - Alignment with better practice/benchmarking against other Councils (including our technical specialist's experiences)
- ▶ Based on the control gap analysis and assessment, identified areas requiring improvement from a control and/or process improvement perspective



- ▶ Assessed the status of recommendations from the 2017 Public and Environmental Health Management internal audit
- ▶ Agreed areas that require specific “walkthroughs” and/or “testing”.

2b - Walkthroughs and/or Testing

- ▶ Conducted “walkthroughs” and/or “testing” as agreed, to assess:
 - The design and effectiveness of controls within CoS’s food safety audits, food premises inspections and food complaints management
 - Effectiveness of food safety governance and risk management practices
 - Compliance with food safety legislation
- ▶ Reviewed CoS’s food safety audit, inspection and complaints statistics in comparison to 2017 results
- ▶ Obtained evidence of completed key recommendations from the 2017 Public and Environmental Health Management internal audit
- ▶ Based on the results of “testing”, identified areas requiring improvement from a control and/or process improvement perspective, including status of recommendations from the 2017 Public and Environmental Health Management internal audit.

Phase 3 - Process Improvement

In this phase we:

- ▶ Held preliminary discussions with CoS management to confirm accuracy of audit findings
- ▶ Worked with CoS management to develop tailored solutions to address any control gaps and/or process improvement and efficiency savings opportunities identified during Phases 1 and/or 2.

Phase 4 - Report Results

In the Report Results phase we:

- ▶ Prepared a summary of findings providing CoS with recommendations for enhancing food safety processes, policies and procedures
- ▶ Held closing meetings with CoS management including General Manager City Development and Manager Environmental Health & Safety regarding the audit outcomes
- ▶ Prepare draft report and provide to CoS management including General Manager City Development and Manager Environmental Health & Safety for management comments
- ▶ Finalised report.



Good Practices Observed

Good practices identified are summarised in the table below.

Observations	
<p>1. Overall improvement in food safety processes</p>	<p>Our review highlighted a general improvement across the CoS food safety inspection, audit and customer request processes, with recommendations from the 2017 Public and Environmental Health internal audit having been implemented by the Environmental Health team. Key initiatives include:</p> <ul style="list-style-type: none"> ▶ Environmental Health Officer (EHO) Competency Assessment (refer below for further information) ▶ Introduction of Service Procedures for Environmental Health ▶ Guidance on priority classification inspection frequencies and escalations ▶ Formalised weekly team meetings which include peer review in relation to enforcement decisions and changes in inspection frequency ▶ Dashboard reporting of Environmental Health activities. <p>Our testing shows that these initiatives have improved consistency of food inspection/audit decisions and application of the CoS Enforcement Policy. We noted consistent compliance with food safety legislation and management of food safety-related risks.</p> <p>Information recording and documentation retention has also generally improved, although some attention is still required with regards to location of email correspondence and signatures from inspected/audited business owners (refer Findings section).</p>
<p>2. Implementation of Recommendations from 2017 Internal Audit</p>	<p>Our scope included follow up of recommendations made in the 2017 Public and Environmental Health internal audit. Our discussion with the Manager, Environmental Health & Safety (MEHS) and review of evidence indicated that all key recommendations related to food safety have been implemented. As noted above, the prompt implementation of these recommendations has had a positive impact across the food safety processes, confirmed by our testing of 2018/19 inspections, audits and customer requests.</p>
<p>3. EHO Competency Assessments</p>	<p>All new and/or inexperienced EHOs are now subject to a competency assessment which determines which Environmental Health tasks they can perform. Competency assessments are conducted by a Senior EHO and are documented via the EHO Competency Checklist ('Checklist'). The Checklist covers all areas within Environmental Health, including food safety inspections, audits and customer requests.</p> <p>EHO competency assessments are conducted on commencement and every six months thereafter, until all competencies are achieved. The Checklist identifies the current competency of the EHO, and the required competency for each task, with higher risks activities requiring a higher competency level (e.g. Priority 1 and 2 food safety inspections require a higher competency level than Priority 3 and 4 inspections).</p>



Observations	
<p>4. Food Safety Performance Statistics</p>	<p>Our audit included review of food safety inspection, audit and customer request statistics. We compared statistics from 2017/18 and 2018/19 and noted a general improvement in food safety standards within the businesses inspected. The number of required follow up inspections over the two (2) years have decreased from 31% to 24% (as a percentage of total inspections) and enforcements (including improvement notices and prohibition orders) had also marginally decreased over the period.</p> <p>We consider there could be some relationship between food safety inspection outcomes and CoS Environmental Health’s food safety awareness initiatives, and the ‘inform and educate’ activities (including website, newsletters, training etc.) conducted by the Environmental Health team during the review period.</p> <p>With regards to food safety customer requests, the volume has increased from 64 in 2017/18 to 86 in 2018/19 we understand predominantly due to a bakery business’ salmonella outbreak. CoS’s Environmental Health team’s responsibility is primarily to action and investigate customer requests in a timely manner and with the implementation of the Council-wide 10-day Service Delivery Standard (since June 2019) it has had a positive impact in improving timeframes and communications with complainants.</p>

Item 4.2.1 - Attachment 2 - Food Safety Audit Report including Management Responses



Key Findings and Observations

The table below summarises the findings of this Internal Audit project (refer to the following section for detailed findings). Each finding has been classified using the Classification of Internal Audit Findings (refer Appendix 4).

Finding	Detailed Finding	Target Date	Rating
1.0	Complainants Not Advised of Customer Request Outcomes	Completed	Low
2.0	Food Safety Audit Engagement Letter Not Signed by Business	Completed	Low
3.0	Email Correspondence Not Stored in DataWorks	Completed	Medium
4.0	Food Safety Inspection Checklists Not Signed by Business	Completed	Low

An improvement opportunity (rather than any control gap) was identified during this Internal Audit project. Given the nature of the observation, this has not been prioritised using the framework outlined in Appendix 4 but is presented for CoS's consideration in the Improvement Opportunities section of this report.



DETAILED FINDINGS AND RECOMMENDED ACTIONS

1. Complainants Not Advised of Customer Request Outcomes

Low

Finding:

Our testing of food safety customer requests indicated that for two (2) of the six (6) customer requests tested, evidence that the complainant was advised of the outcome was not available in Pathways (CRM system). This is a requirement of the CoS Service Procedures for Environmental Health.

Both customer requests tested were within the 1 July 2018 - 30 June 2019 testing period (#317115 (dated 11 April 2019) and #303386 (dated 13/10/2018)), prior to the implementation of the Council-wide 10-day Service Delivery Standard, which commenced in June 2019.

Under the 10-day Service Delivery Standard, all customer requests (across the Council) are required to be concluded and communicated to the complainant within ten (10) days of the original request. If this is not possible, by day 10 the complainant must be advised of the anticipated timeframe for conclusion and be informed of the eventual outcome.

The 10-day Service Delivery Standard is monitored on a regular basis, via dashboard reporting. We were provided with the dashboard report for food safety customer requests since July 2019, which identified six (6) out of 69 non-complying customer requests (9%). We have been advised by the MEHS that the non-complying customer requests have since been closed out correctly. We have not tested these other customer requests as they fall outside the agreed scope period. The statistics do suggest, however, an improvement in customer request handling since the implementation of the Service Delivery Standard.

We also acknowledge that Council has established a web portal (City Watch) for residents to log customer requests online, which are then allocated to the appropriate business unit to action. The portal has restricted functionality at present, however, we understand plans are in place to allow residents to track their own customer requests (subject to software improvements and organisational compatibility).

Potential Implication:

Minor non-compliance with CoS Service Procedures for Environmental Health.

Recommended Action:

The Environmental Health (EH) team should continue to monitor performance against the 10-day Service Delivery Standard, and ensure compliance with the procedural requirement to advise complainants of customer request outcomes.

We acknowledge that the 10-day Service Delivery Standard has addressed this finding.

Management Comment:

The 10 day service standard has allowed for improved monitoring of our responsibilities to not only action customer requests but also respond to the community member requesting the service or lodging the request. The absence of documented evidence indicating a response to the complainant does not indicate this did not occur as in many cases the responses are made verbally via phone call. The absence of this documented reply is acknowledged as a gap in service procedures and risk to record management but not a risk associated with food safety.

Staff have been advised of their responsibilities to comply with service procedures and also records management procedures to send out standard letter and outcomes of complaint investigation to both complainant and offender, and or document in notes in cases of anonymous complaints or verbal feedback. Email responses are also to be included in notes and recorded in Dataworks as a corporate record.



Responsibility:	MEHS	Target Date:	Completed		
Risk Rating					
Consequence:	2	Likelihood:	B	Risk Rating:	Low

Item 4.2.1 - Attachment 2 - Food Safety Audit Report including Management Responses



2. Food Safety Audit Engagement Letter Not Signed by Business	Low
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Finding:

Our testing of two (2) food safety audits indicated that both did not have a signed audit engagement letter on file. In addition to the audit plan, the engagement letter includes a Terms of Engagement Acknowledgement which should be signed and returned to CoS prior to audit commencement.

We acknowledge that food safety audits are often repeat engagements, therefore, the risk of non-acceptance by the business is low. However, good business practice suggests that engagements with third parties should be formally acknowledged to ensure all terms are agreed.

The Service Procedures for Environmental Health include a step to send out the audit engagement letter, but there is no procedure to ensure return of the signed Terms of Engagement Acknowledgement prior to (or on) audit commencement.

Potential Implication:

Risk of potential disputes with audited business regarding the terms of food safety audit engagements.

Recommended Action:

The Environmental Health team should ensure that the signed Terms of Engagement Acknowledgement is returned to CoS prior to/or on audit commencement.

Further, the Service Procedures for Environmental Health should be updated to include a requirement to return of the signed Terms of Engagement Acknowledgement prior to (or on) audit commencement.

Management Comment:

The audit letter is often not returned by our repeat audit clients, however the audit is confirmed verbally when scheduling the appointment. To reduce the risk of potential disputes with audited business regarding the terms of food safety audit engagement, the audit report questionnaire has been amended to include the following questions at the start of the audit in order to ensure the business accepts our terms.

Q1 Letter of Engagement Acknowledgment Received? Yes/No

Q2 Business Accepts City of Salisbury Terms of Engagement? Yes/No/Not Applicable

These questions will require a Yes in both for the audit to proceed and the officer will request the signed copy of the engagement letter.

Responsibility:	MEHS	Target Date:	Completed
Risk Rating			
Consequence:	1	Likelihood:	C
Risk Rating:	Low		



3. Email Correspondence Not Stored in DataWorks Medium

Finding:

Our testing of food safety inspections, audits and customer requests highlighted that some email correspondence is not being stored in Council’s records management system, DataWorks, as required by the CoS Information Management Policy.

Examples noted include the following:

- ▶ Email evidence of food safety audit reports being sent to SA Health were sourced from an Environmental Health Officer’s (EHO) individual CoS email account and not on Council’s records management system
- ▶ Email evidence of one (1) food poisoning incident reported to SA Health could not be obtained through Council’s records management system as it was suspected to be in an individual email account of an EHO not currently working at CoS. This incident was part of a major salmonella outbreak involving a bakery business (76 cases). SA Health worked directly with CoS to manage the outbreak, and we understand that incidents were reported to SA Health in a variety of forms by a number of EHOs. We did sight evidence of other food poisoning notifications to SA Health related to this outbreak.

The CoS Information Management Policy and Information Management Procedure both require emails in relation to food safety audits (considered council ‘official business’) to be captured in DataWorks to ensure compliance with the *State Records Act 1997*. The Policy applies to ‘all records, electronic or hardcopy, including email in the conduct of ‘official business’’. The Service Procedures for Environmental Health also reiterate this requirement.

Potential Implication:

Non-compliance with CoS Information Management Policy and Procedure, and hence the State Records Act 1997.

Recommended Action:

The Environmental Health team should ensure that copies of all ‘official business’ emails are stored in DataWorks.

Management Comment:

The absence of emails in Dataworks is acknowledged as a gap in service procedures and records management policy and a risk to record management but not a risk associated with food safety.

This matter was reiterated with EH team during team meeting on the 26 February and all team members were reminded of their obligations under the Information Management Policy and Procedures and were provided copies of the policies.

Responsibility:	MEHS	Target Date:	Completed
Risk Rating			
Consequence:	2	Likelihood:	D
Risk Rating:	Medium		



4. Food Safety Inspection Checklists Not Signed by Business	Low
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Finding:

Food safety inspections are now conducted using tablet computers ('tablets') which allows EHOs to complete the inspection checklist electronically.

The Pathways software being used for this functionality does not allow for electronic signatures. As a result, the business representative signature section of the inspection checklist is left blank.

Our testing of 15 food safety inspections (during 1 July 2018 - 30 June 2019) confirmed that business representative signatures were not present on any of the electronic inspection checklists.

The lack of acknowledgement by a business representative of the inspection outcomes may result in accountability issues and/or acceptance of the inspection findings, and corrective actions.

We understand from the MEHS that a Pathways software solution may not be possible in the immediate future to enable electronic signature functionality on the tablets. In the meantime, including the name of the business representative present at the inspection on the checklist, could be considered as an alternative to provide some evidence of accountability from the business.

Potential Implication:

Potential non-acceptance of inspection findings/corrective actions and/or lack of accountability by business representatives.

Recommended Action:

EHOs should, at a minimum, record the name of the business representative on all electronic inspection checklists.

Further, investigations should be revisited as to the possibility of enabling electronic signatures on the Pathways tablet software.

Management Comment:

This functionality is not possible with the current version of Pathways and not a foreseeable option in the next iteration of Pathways. It has been corrected with the inclusion of the following questions to ensure staff record the name of the business representative on all electronic inspection checklists.

Q: Business representative (and position) present at the time of inspection?

This will allow staff to document who is present at the time of the inspection and will appear on the Inspection results.

Further control is all documentation is sent to the Licensee (Proprietor) of the business and as such owners have the opportunity to comment or ask questions about findings and or results of inspection.

Responsibility:	MEHS	Target Date:	Completed
Risk Rating			
Consequence:	2	Likelihood:	B
Risk Rating:	Low		



IMPROVEMENT OPPORTUNITIES

Our Internal Audit highlighted an improvement opportunity which is noted below:

Improvement Opportunities	
<p>1. Service Procedures for Environmental Health Improvements</p>	<p>As recommended in our 2017 Internal Audit, Service Procedures for Environmental Health 2018 (recently updated in 2020) have been developed including food premises inspections, audits and Food Act related customer requests. The procedures include process narrative, priority classification inspections frequencies/escalations and process maps. Our review indicates that the Service Procedures appear adequate, with high-level processes remaining largely unchanged since the process maps were developed by Healthy Environs in 2016.</p> <p>Discussion with the MEHS indicates a desire to improve usability of the Service Procedures. Consideration could be given to integrating the procedure narrative with the process maps, including interactive functionality to access key documents, on a digital platform. This would improve accessibility of the procedure documentation and enable flexibility to accommodate processes and/or legislation changes.</p>



APPENDIX 1 Documents Accessed & Stakeholders Consulted

Documents Accessed

Documents provided by CoS and accessed included:

- ▶ Legislation: Food Act 2001, Food Regulations 2017, Food Safety Standards
- ▶ Enforcement Policy
- ▶ Food Act Inspection Fees Policy
- ▶ Information Management Policy and Procedures
- ▶ Food Safety Rating inspection Template
- ▶ Market inspection Template
- ▶ Customer Request food 2018-2019 excel data file for sample selection
- ▶ Food inspection 2018-2019 excel data file for sample selection
- ▶ Process limits - EHO Reference Guide
- ▶ Food Safety Process maps (Healthy Environs - 2016)
- ▶ Determination of Food Business Risk Classification Form
- ▶ SA Food Business Risk Classification Guide - Nov 2018
- ▶ SA Health Guidelines for Auditors and EHO support kit
- ▶ City of Salisbury Delegation Register
- ▶ Risk Register extract
- ▶ Public and Environment Health BCP v1.0 document
- ▶ Various Environmental Health weekly meetings minutes
- ▶ Food premises - address list
- ▶ 2017-18 Food Act Questionnaire
- ▶ Service Procedures for Environmental Health 2018 Food (and 2020 update)
- ▶ City of Salisbury 2018-19 Council Food Act Questionnaire document
- ▶ Copies of various EHO ID cards and authorisations
- ▶ Various EHO Activity Records and Competency checklist register
- ▶ Various sample evidence for customer requests from Pathways
- ▶ Various sample evidence for Food Safety audits from Audit checklists, Plans and Letters
- ▶ Various sample evidence for Food Safety Rating Assessment Reports and letters
- ▶ Food safety Stat's annual Comparison file
- ▶ 10-day service Standard Report

Key Stakeholders Consulted

BDO completed this Internal Audit project through discussions held with the following CoS representatives:

- ▶ Janet Crook, Risk and Governance Program Manager
- ▶ John Darzanos, Manager Environmental Health & Safety
- ▶ James Story, Senior Environmental Health Officer



APPENDIX 2 Summary of Testing Results

Test Description	Work Performed	Sample Size	Test Results/Comments
FOOD SAFETY INSPECTIONS			
Food Safety inspections of Food Outlets classified as P1 or P2s are: Inspected within the prescribed timeframe	Obtained the Council's listing of P1 and P2 food outlets and reviewed inspection dates, and inspection frequency recorded on Pathways.	15 x Food Safety Inspections	No anomalies noted
Supported by a completed checklist and an inspection outcome letter sent to business.	Verified the existence of a completed checklist and verifiable outcome.	15 x Food Safety Inspections	One (1) anomaly noted - business representative signatures not present on any of the electronic inspection checklists (refer Finding #4)
Remedial action/rectification relating to non-compliance has been completed by the manager/proprietor. Council has completed a follow up inspection where required.	For food outlets requiring remedial action/rectification ensured evidence of a follow-up inspection/other remedial action has occurred.	15 x Food Safety Inspections	No anomalies noted
SA Health are provided with a copy of the food safety inspection documentation within 21 days of inspection (for premises participating in the SA Health Food Safety Rating Scheme)	Sought evidence of submission to SA Health.	15 x Food Safety Inspections	One (1) anomaly noted - email correspondence is not consistently being stored in Council's records management system, DataWorks (refer Finding #3)



FOOD SAFETY AUDITS			
Food Safety Audits of Aged Care and Child Care facilities are audited within the prescribed timeframe.	Examined food safety audits to ensure the key documentation and timeframes met SA Health requirements.	1 x Child Care Services 1 x Aged Care	Two (2) anomalies noted: - both food safety audits tested did not have a signed audit engagement letter on file (refer Finding #2) - email correspondence is not consistently being stored in Council's records management system, DataWorks (refer Finding #3)
CUSTOMER REQUESTS			
Customer requests are investigated within the timeframe prescribed by Council's procedure.	Ensured customer requests are investigated within a reasonable timeframe (no Procedure document available with prescribed timeframes).	6 x Customer Requests	No anomalies noted
Complainants are advised of investigation outcomes.	Sighted evidence on Pathways that complainants were advised out investigation outcomes.	6 x Customer Requests	Two (2) anomalies noted: - for two (2) of the six (6) customer requests tested, evidence that the complainant was advised of the outcome was not available in Pathways (refer Finding #1) - email correspondence is not consistently being stored in Council's records management system, DataWorks (refer Finding #3)

Item 4.2.1 - Attachment 2 - Food Safety Audit Report including Management Responses



APPENDIX 3 CoS Risk Management Guide

Findings have been rated in accordance with the CoS Risk Management Guide. Residual risk is measured in terms of the probability of the risk occurring (likelihood) and the impact on the Department of that risk occurring (consequence).

To assist in the analysis of residual risk consequence, Table 1 contains consequence severity ratings areas of impact with examples for each area. The likelihood analysis (Table 2) considers the frequency or probability of the risk occurring. Once the residual likelihood and consequence have been analysed, these can be charted on the Residual Risk Matrix (Table 3).

Table 1 – Consequence Ratings

RATING	AREA OF IMPACT					
	Environment/ Political/ Community	Reputation	Finance	Legal/ Regulatory	Injury/Operational Management	Service Interruption
1 Insignificant	Nil	Nil	Less than \$20,000	None	Nil	Minor interruption to service provision capability, e.g. less than 4 hours.
2 Minor	Minor short-term environment, conservation, political or community issue.	Minor media interest	\$20,000 - \$100,000	Minor legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> • Unexpected/unplanned absence of a staff member. • Potential for minor injury. • First aid treatment required. 	Limited disruption to service provision requiring altered operational arrangements for a short period, e.g. up to 1 day
3 Moderate	Environment, conservation, political or community incident requiring City intervention.	Moderate media interest	\$100,000 - \$500,000	Limited legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> • Unexpected/unplanned absence of a key staff member. • Medical treatment required. 	Some disruption to service provision capability requiring altered operational arrangements, e.g. between 1 day and 1 week.
4 Major	Medium-term issue with major environment, conservation, political or community impact.	High media interest	\$500,000 - \$1 million	Major legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> • Unexpected/unplanned absence of several key staff members from a single area. • Significant injury to staff disabling them/dangerous near miss. 	Significant impairment of service provision (capability or period), e.g. between 1 week and 1 month.
5 Catastrophic	Long-term issue with major environment, conservation, political or community impact.	Public censure or government inquiry	More than \$1 million	Critical legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> • Unexpected/unplanned absence of a significant number of staff, e.g. during a pandemic. • Death / critical injury to staff. 	Total loss of service provision capability for extended period, e.g. more than 1 month.



Table 2 - Likelihood Ratings

RATING	DESCRIPTION
A – Rare	The event may occur only in exceptional circumstances (i.e. probability of occurrence > 20 years)
B – Unlikely	The event could occur at some stage (i.e. probability of occurrence within 10 – 20 years)
C – Possible	The event might occur at some time (i.e. probability of occurrence within 3 – 5 years)
D – Likely	The event will probably occur at most times (i.e. probability of occurrence within 2 years)
E – Almost Certain	The event is expected to occur in most times (i.e. probability of occurrence within 1 year)

Item 4.2.1 - Attachment 2 - Food Safety Audit Report including Management Responses



Table 3 - Risk Matrix

Likelihood	E Almost Certain	Medium	High	High	Very High	Very High
	D Likely	Medium	Medium	High	High	Very High
	C Possible	Low	Medium	High	High	High
	B Unlikely	Low	Low	Medium	Medium	High
	A Rare	Low	Low	Medium	Medium	High
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
	Consequence					

ITEM	4.2.2
	AUDIT COMMITTEE
DATE	15 April 2020
HEADING	Draft 2020/21 Annual Plan and Budget
AUTHOR	Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	The draft Annual Plan and Long Term Financial Plan is presented to the Audit Committee for consideration prior to presentation to Council for endorsement in the April round of meetings for Public Consultation.

RECOMMENDATION

1. The information be received
2. Council notes that the Audit Committee have reviewed the Council's Annual Plan and Long Term Financial Plan in accordance with S126(4)(ab) Local Government Act 1999 and has provided part 3 for consideration.
3. Recognising the response that Council are wanting to take in relation to COVID-19 and the impact that will have on key financial indicators, Council endorses consideration of the following measures are taken:
 - Revision of the Financial Sustainability targets
 - Rate increases of more than CPI+0.6% from 2021/22 onwards
 - Ongoing Service/ Cost Reductions/ Income Gains incorporated into 2020/21and that these measures are incorporated into the Draft Annual Plan and Long Term Financial Plan for consultation, in a combination that results in financial sustainability targets being met over the 10 year period of the long term financial plan.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Special Council 1 April 2020 GB2 COVID-19 Finance Update
2. Long Term Financial Plan Scenario Graphs
3. Draft Annual Plan 2020/21

1. BACKGROUND

- 1.1 The Annual Budget process is in progress with Council, with workshops during February and March, and the utilisation of the Budget and Finance Committee Meetings. Unfortunately the third budget workshop was cancelled due to

COVID-19, and at this meeting the Long Term Financial Plan was to be presented, following initial discussions of the LTFP in February.

- 1.2 In response to COVID19 Council held a Special Council Meeting 1 April 2020, and LTFP scenarios was provided to the meeting through a General Business Item which is Attachment 1 to this report.
- 1.3 This Audit Committee report reflects the direction set by Council at this meeting, with the following being resolved (extract from full resolution) :
 3. *That Council endorse staff to prepare a draft 2020/21 Annual Plan and Budget with a 0% rate increase (excluding growth) and no increase to fees and charges (unless required by legislation) and in doing so:*
 - a. *Revise the Long Term Financial Plan to account for the COVID-19 Infrastructure Recovery Program in 2020/21 and 2021/22 up to \$100M over the 2 years; and*
 - b. *Identify the need for additional financing facilities to support a 0% rate increase and the delivery of the COVID-19 Infrastructure Recovery Program, in addition to our base 2020/21 borrowing requirements.*
 - c. *Provide a further report for Council's ordinary meeting in April 2020 discussing potential changes for further reductions in Council's current fee structure.*
 9. *That the administration bring back a report to Council before adoption of the 2020/21 budget covering the following matters:*
 - a. *Account for the impact of a 0% rate increase and no fees and charges increase in 2020/21 and strategies to manage the impact over the life of the LTFP; and*
 - b. *Identify opportunities to offset the impact of 3a & 3b by reviewing new initiative bids, in particular any increased service levels and other operating costs that can be reduced or deferred.*
- 1.4 The Draft Annual Plan attached has yet to be considered by Council, and the rate increase for consultation has also yet to be determined by Council, although direction was provided at the Special Council Meeting 1 April 2020.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 There has been engagement across the organisation in preparing the draft operating budget and budget bids. The Executive has extensively reviewed the draft budget to refine and endorse for presentation to Elected Members. There have been a series of workshops and meetings with Council to enable discussion and review of the draft budget, including budget bids and long term financial plan. The Special Council

Meeting 1 April 2020 set a clear direction and gave clarity regarding Councils planned response to COVID-19.

2.2 External

2.2.1 Nil to date, noting that community consultation will commence in May following endorsement by Council of a Draft Budget and Annual Plan.

Report

2.3 Budget Update and Long Term Financial Plan

2.3.1 Attached is the COVID-19 Financial Update that was considered by Council at the Special Council Meeting held on 1 April 2020. The document provides details of the Long Term Financial Plan updated for 4 scenarios:

	1. Rates at 0% in Year 1 and CPI+0.6% thereafter, with the capital program as endorsed by Council 23 March 2020 + COVID Infrastructure Recovery Program
	2. Rates at CPI+0.6% in 20/21 and ongoing, with the capital program as endorsed by Council 23 March 2020 + COVID Infrastructure Recovery Program
	3. Rates at CPI+0.6% in 20/21 and ongoing, with the capital program as endorsed by Council 23 March 2020
	4. Rates at 0% in Year 1 and CPI+0.9% thereafter, Service Reduction of \$1.3M in Year 1, Capital program as endorsed by Council 23 March 2020 + COVID Infrastructure Recovery Program

2.3.2 Council resolved at the Special Council Meeting that the annual plan for consideration at the April Budget and Finance Committee is to be based on scenario 1, which is reflected in the attached annual plan document.

2.3.3 Council also resolved that administration is to report back on strategies to manage the impact of Scenario 1. Scenario 4 is a hybrid between service reductions and a higher ongoing rate increase in years 2-10 of the plan. A further scenario has been developed:

	5. Rates at 0% in Year 1 and CPI+0.6% thereafter, Service Reduction of \$2.4M in Year 1 (ongoing), Capital program as endorsed by Council 23 March 2020 + COVID Infrastructure Recovery Program
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2.3.4 A presentation summarising the LTFP will also be provided to the Audit Committee as part of this agenda item. The table below summarises the outcome for financial sustainable indicators resulting from each of the scenarios, with graphs provided in Attachment 2:

	OSR		NFLR		AFR
	0.5%-5%	0%-5%	<40%	<70%	100%
1. Rates CPI+0.6%, YR1 0%, C19IRP \$24M	✗	✗	✗	✓	✓
2. Rates CPI+0.6%, C19IRP \$24M	▼	✓	✗	✓	✓
3. Rates CPI+0.6%, No C19IRP	▼	✓	✗	✓	✓
4. Rates CPI+0.9%, YR1 0% & Service Redn \$1.3M, C19IRP \$24M	▼	✓	✗	✓	✓
5. Rates CPI+0.6%, YR1 0% & Service Redn \$2.4M, C19IRP \$24M	▼	✓	✗	✓	✓

OSR ~ Operating Surplus Ratio

NFLR ~ Net Financial Liabilities Ratio

ASR ~ Asset Renewal Funding Ratio

2.3.5 The Summary table above demonstrates that should Council resolve to consult on a 0% rate increase in year 1 and an expanded capital program (i.e. including the COVID-19 Infrastructure Recovery Program), that council will not be in a sustainable position as illustrated by Scenario 1. As Scenarios 2 and 3 are not based on a 0% rate increase in year 1, these options are not aligned with Councils direction.

2.3.6 Actions are required to bring the LTFP and budget into a financial sustainable position, which is indicated by scenarios 4 and 5. Actions required are ongoing Service reductions / Cost Reductions / Income Gains built into 2020/21 of the plan (or a larger scale reduction factored in in a subsequent year), and/or a rate increase of greater than CPI+0.6% in years 2-10 of the plan. This is reflected in Recommendation.

2.3.7 It is appropriate to revise the current targets for Financial Sustainability Indicators. In relation to the Net Financial Liabilities Ratio, a target of 40% is very low for a Council with \$1.6bn in assets, and represents “net debt” of around \$40M. The LGA information paper recommends a target of no more than 100%, and an adjustment to this target to no more than 70% is appropriate given the financial strength of Council.

2.3.8 In relation to the Operating Surplus ratio, Council is encouraged to maintain the lower end of the ratio at 0.5% (a surplus of around \$500k), as this provides Council some capacity to respond to issues as they arise during the year.

2.4 Annual Plan Consultation

2.4.1 Public consultation will be conducted during May with the closing date for submissions being Wednesday 27 May 2020. Time will be made available at the commencement of the Council Meeting on the 25 May 2020 for verbal representations, dependent on any further restrictions related to COVID-19.

2.4.2 Advertising will be placed in the Messenger on Wednesday 6 May 2020, and the Annual Plan will be made available on the City of Salisbury website and social media platforms. Public comment is invited either by letter, email, phone or attendance at the May Council meeting (noting that alternate arrangements may need to be considered due to COVID-19). Additionally the website provides the option to make a submission

or to ask a question in relation to the Annual Plan by clicking on an embedded link.

3. CONCLUSION / PROPOSAL

- 3.1 Council's financial sustainability is adversely impacted should it resolve to consult on the draft annual plan at a rate increase of 0% in year 1 and the expanded infrastructure program which incorporates the COVID-19 Infrastructure Recovery Program, without any action to offset or reduce the impact.
- 3.2 Corrective actions are required to ensure Council remains in a sustainable financial position, with feedback sought from the Audit Committee prior to seeking this endorsement of Council, also noting that S126(4)(ab) includes the review of the annual plan and long term financial plan as part of the functions of the Audit Committee.

CO-ORDINATION

Officer:

Date:

ITEM GB2

ITEM	GB2
	SPECIAL COUNCIL
DATE	01 April 2020
HEADING	COVID-19 Financial Update
AUTHORS	Charles Mansueto, General Manager Business Excellence, Business Excellence Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making. 4.2 Develop strong capability and commitment to continually improve Council's performance.
SUMMARY	This report aims to provide information to Council on the financial implications of the proposed Motion of Notice and further strategies Council will need to consider to offset or reduce the financial impact in future budget considerations.

RECOMMENDATION

1. That Council notes and receives the information

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 This report provides Council with information to support its consideration of the Motion of Notice (MoN) on the Special Council Meeting agenda, in particular the three key elements of the MoN (parts 2, 3 and 9) that have a financial implication to Council.
- 1.2 It is noted that the proposed MoN is in support of the previous resolution in March 2020, which sought consideration of a number of actions and reports to identify measures and initiatives that can support the community during the COVID-19, namely:

1. Under Section 44 the Council Delegates authority to the Chief Executive Officer to waive late payment fines for non-payment of council rates where it is determined that payments have been delayed due to hardship caused by the effect of the COVID-19 in the community.

2. That staff report to Council in April 2020 as to how the Council can continue to minimise the financial impact of COVID-19 on the community and local businesses by considering all available measures available under the Local Government Act, and assistance options as outlined in the LGA Guidelines for Rates Hardship Policy. Report to also ensure that appropriate consideration to the financial implications of any measures is

ITEM GB2

considered to ensure the long-term viability of Council balanced against the hardship the COVID-19 has on the community.

3. In order to support our suppliers of goods and services and assist with cash flows, the administration implements a process for the payment of invoices within 14 days (from invoice).

(0441/2020)

And

1. That Council affirm its commitment to supporting our sporting and community clubs by assisting them with the anticipated financial loss due to forced closures and suspensions of competitions.

2. Council provide immediate assistance to all sporting and community clubs to assist with the anticipated financial loss, by waiving lease fees for the period of April to June and approving the necessary non – discretionary adjustments to the Council Budget at the Third Quarter Budget Review. That further consideration of waiving lease fees for sporting and community clubs for the remainder of year, be considered at the June Sport, Recreation and Grants Committee.

2.1 A report be prepared for the next Sport, Recreation and Grants Committee advising on whether other support could be provided to sporting and community clubs, and such report to identify other clubs in Salisbury that do not have a council facilities lease arrangement. Report to include the number of clubs that do not have a lease and the costs associated with waiving part or full amount of Council rates.

2.2 The report to include advice on Repurposing the Community Grants program, Youth Sponsorship program and Community event grants into recovery grants for affected clubs (recovery grants may be used for events).

(0443/2020)

2. CITY PLAN CRITICAL ACTION

2.1 Not Applicable

3. CONSULTATION / COMMUNICATION

3.1 Internal

3.1.1 Financial Services

3.2 External

3.2.1 Not Applicable

ITEM GB2

4. REPORT

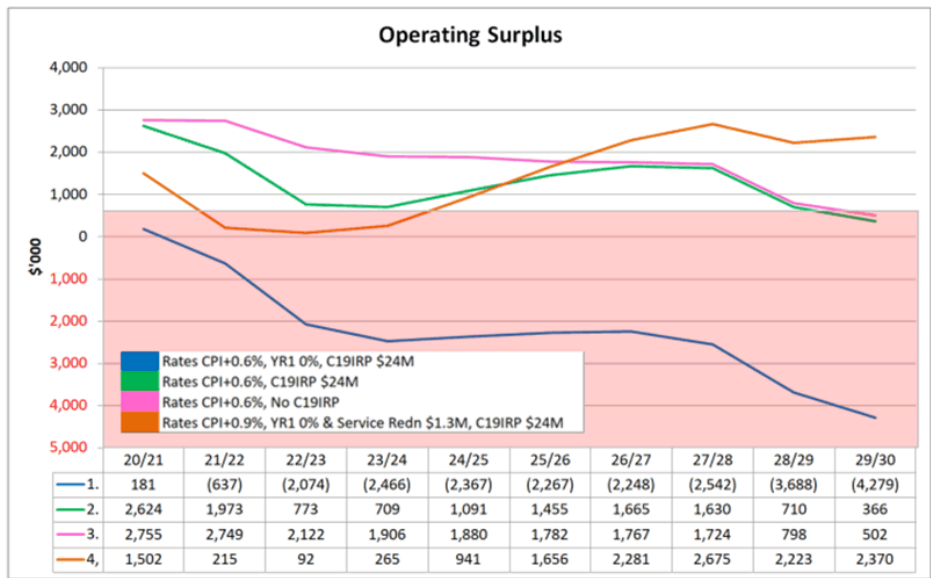
- 4.1 The current Long Term Financial Plan (LTFP) has been updated with four scenarios developed to support Council's understanding of the financial implications of the MoN. The scenarios are:

	1. Rates at 0% in Year 1 and CPI+0.6% thereafter, with the capital program as endorsed by Council 23 March 2020 + COVID Infrastructure Recovery Program
	2. Rates at CPI+0.6% in 20/21 and ongoing, with the capital program as endorsed by Council 23 March 2020 + COVID Infrastructure Recovery Program
	3. Rates at CPI+0.6% in 20/21 and ongoing, with the capital program as endorsed by Council 23 March 2020
	4. Rates at 0% in Year 1 and CPI+0.9% thereafter, Service Reduction of \$1.3M in Year 1, Capital program as endorsed by Council 23 March 2020 + COVID Infrastructure Recovery Program

- 4.2 The LTFP has been further updated to reflect a number of changes to the base operating budget since the Second Budget Workshop, with the main items being an increase in Waste \$1.1M including \$855k equity accounting adjustment and increased Hard Waste expenditure of \$379k, with further detail in the Budget Status Update Item at the April Budget and Finance Meeting.
- 4.3 The Operating Surplus is adversely impacted by a one off lower rate increase of 0% in 2020/2021 of the LTFP and the inclusion of the COVID19 Infrastructure Recovery Program, which is represented by the blue line, with an accumulated loss of surplus over the 10 year period of \$43M, when compared with the CPI+0.6% scenario (pink line). The predominant impact of a 0% rate increase is on the Operating Surplus over the LTFP. This results from the lower rate increase in 2020/2021 which then creates a lower rating base for the next year's rate increase to be applied to.
- 4.4 As indicated in part 9 of the MoN there will be a range of measures needing to be considered to offset or reduce the impact of a 0% rate increase.
- 4.5 If Council were to decide to fund the COVID Infrastructure Recovery Program, and maintain the rate increase in year 1 of CPI+0.6%, the operating surplus is reduced by \$5M over the 10 years of the LTFP, as indicated by the green line in the graph below.
- 4.6 Should council decide on a 0% rate increase in 2020/21 and the inclusion of COVID19 Infrastructure Recovery Program, then consideration of a higher rate in increase in future years of CPI+0.9% rather than CPI+0.6%, combined with service reductions of \$1.3M established in year 1 and carried through the life of the plan, will support the organisation to remain financially sustainable, noting that the level of Operating Surplus will be at lower levels than anticipated in pre-COVID19 scenarios. The orange line in the graphs below show the outcomes of this scenario.

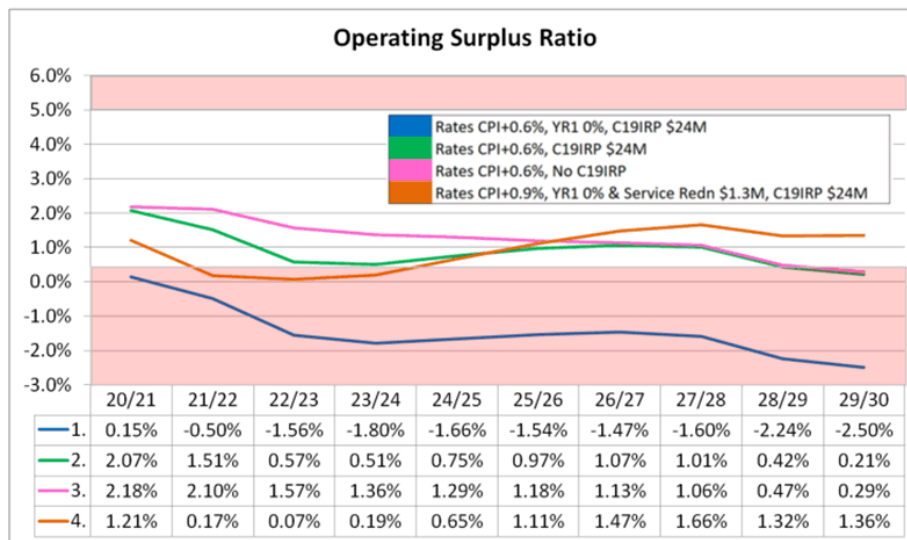
ITEM GB2

- 4.7 This is just one mix of service reductions and higher rate increases that support maintaining financial sustainability, for example, if Council want to continue with CPI+0.6% being the indicative ongoing rate increase for LTFP purposes from years 2-10, then service reductions of \$2.4M in year 1 will offset the financial impacts of the 0% rate increase, and result in the green line scenario being the LTFP forecast.
- 4.8 Examples of strategies and actions Council may consider as part of the budget process include:
 - 4.8.1 Putting on hold New Initiative Bids
 - 4.8.2 Review proposed new service level increase to either defer or remove
 - 4.8.3 Increase rates by a higher percentage than identified in the current LTFP (refer paragraph 4.6 as an example of this option)
 - 4.8.4 Reviewing existing service levels to either reduce or remove



- 4.9 The graph below shows the operating surplus ratio, and has the same shape as the graph above which is the operating surplus in dollar terms.

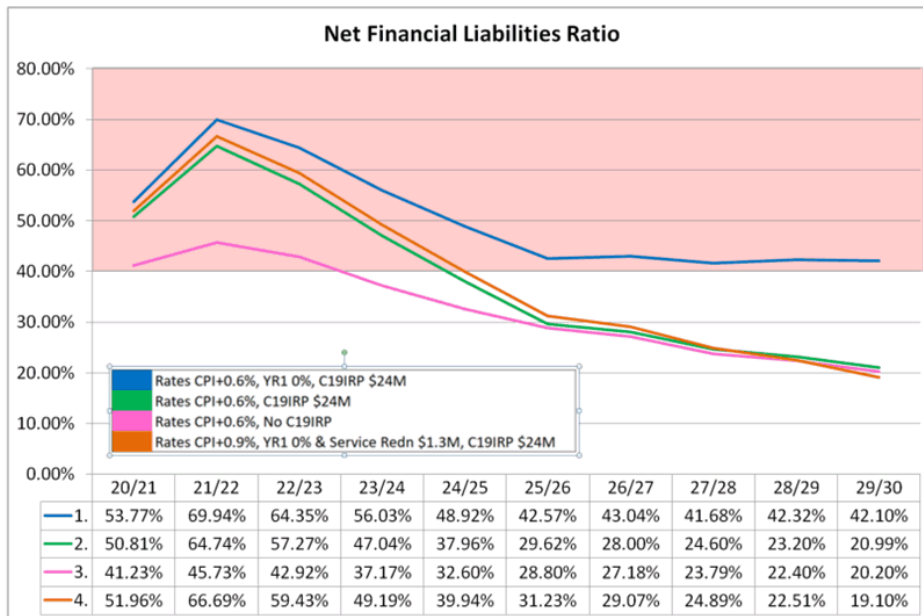
ITEM GB2



5.

- 5.1 The Net Financial Liability Ratio (NFL) is also impacted by the expansion of the capital program over the 2 years and this is reflected in the graph below. The NFL Ratio prior to consideration of COVID19 is represented by the pink line. The NFL Ratio graphed as the blue line represents a one-off 0% rate increase in year 1 and the COVID19 Infrastructure Recovery Program of an additional \$24M.
- 5.2 The green line shows the NFL Ratio if the rate increase is maintained at CPI+0.6% and also includes the COVID19 Infrastructure Recovery Program. The Orange Line represents taking some corrective actions over the life of the plan to bring the operating surplus back to a financial sustainability level. The blue, green and orange lines all sit well outside the current endorsed range. Council will consider target ranges for sustainability indicators as part of the budget process, and may determine to increase the target range from the current 40%, or choose to operate above this target in light of the extraordinary circumstances that we currently face.
- 5.3 It should be noted that the target of 40% is relatively low for a Council with our level of infrastructure, and Council may wish to note that the previous target was 70%.

ITEM GB2



Rate Payment Deferral Date MoN Parts 4, 5 and 7

- 5.4 Part 4 of the recommendations contained in City of Salisbury Budget Response to Covid-19 item tonight’s agenda contains the following wording:
 - 5.4.1 *That the due date for payment of rates for the Fourth Quarter 2019/20 and the First Quarter 2020/21 is deferred to 1 December 2020, with ratepayers encouraged to make payments where possible to minimise the outstanding level of rates payable by 1 December 2020.*
- 5.5 The Local Government Act 1999 S181(1) requires that rates declared or payable in the financial year will fall due in equal instalments in September, December, March and June, and part (5) requires that a rates instalment notice must be sent and part (7) requires the notice to be sent between 30 and 60 days before the instalment due date. Consequently the wording of part 4 of the recommendation is difficult to administer in accordance with the requirements of the Act.

ITEM GB2

- 5.6 Council are asked to consider an alternate wording of part 4 to:
- 5.6.1 *Rate Payment Deferral is to be implemented, so that the latest date for payment for the Fourth Quarter 2019/20 and the First Quarter 2020/21 is deferred to 1 December 2020, noting that the rates instalment notices will be issued with the relevant due dates as required by the legislation, but highlighting the relief being provided by Council. Fines are to be waived during this time, and no legal action is to be taken in relation to these rate arrears. Ratepayers are to be encouraged to make regular payments where possible.*
- 5.7 Extending the payment date for the Fourth Quarter 2019/20 and First Quarter 2020/21 rate instalments until 1 December 2020 will see \$50M in cash flows from rate revenue potentially being delayed until early December. During this extended period fines will not be applied to accounts.
- 5.8 The application of interest on rate arrears will remain in place noting that on an average residential rate account the interest costs for the period will be \$30, and \$23 for those rate payers paying minimum rates. Having interest charges does provide some incentive for ratepayers to pay their rates if possible, and to manage the debt down.
- 5.9 The risk is that if interest is waived those who can afford to pay their rates will not pay in June and September, which will then result in larger borrowing draw downs. Waiving interest charges as applied to rate accounts will increase the interest costs for Council and will need to be recovered through service reductions or passed through to the community in future years through higher rate increases.
- 5.10 Waiving interest charges will increase City of Salisbury's interest costs paid by \$375k as this will not be recovered through interest charged to ratepayers, and will result in a deficit position of \$190k in year 1 (compared to a surplus of \$181k).
- 5.11 It should be noted that the Hardship policy is in place for residential ratepayers and will be expanded to include Commercial and Industrial ratepayers, thereby providing a further avenue for financial circumstances to be considered where needed. It should also be noted that no legal action will be taken in relation to non-payment during this extended payment period.
- 5.12 The previous Council resolution in March 2020 also seeks further consideration of other measures Council may want to consider. This will be reported through the April round of Council meetings.
- Cash Advance Debenture MoN Part 6**
- 5.13 To ensure that the City of Salisbury has sufficient cash flow to meet its obligations an additional Cash Advance Debenture facility (CAD) of \$50M is required which will offset the reduced cash flow from rates revenue with the deferred payment date.
- 5.14 It is difficult to determine how much of this facility will be required to be drawn down as this will depend on the payment levels of any outstanding rates.

ITEM GB2

5.15 The NFL Ratio is not impacted by the increase in CAD facilities but rather by the level of draw down, and the level of draw down is difficult to predict, as such the NFL ratio has not been amended. Also, the NFL Ratio is measured at the end of financial year, and given the current MoN is an extension of 6 months, the CAD may largely be repaid by 30 June 2021, and if this proves to be the case, then this extension in payment of rates will not have an impact on the NFL Ratio reported in the End of Financial Year Statements.

6. CONCLUSION / PROPOSAL

6.1 The information is provided to assist Council in understanding the financial implications of the MoN that is aimed at supporting the community during a difficult period.

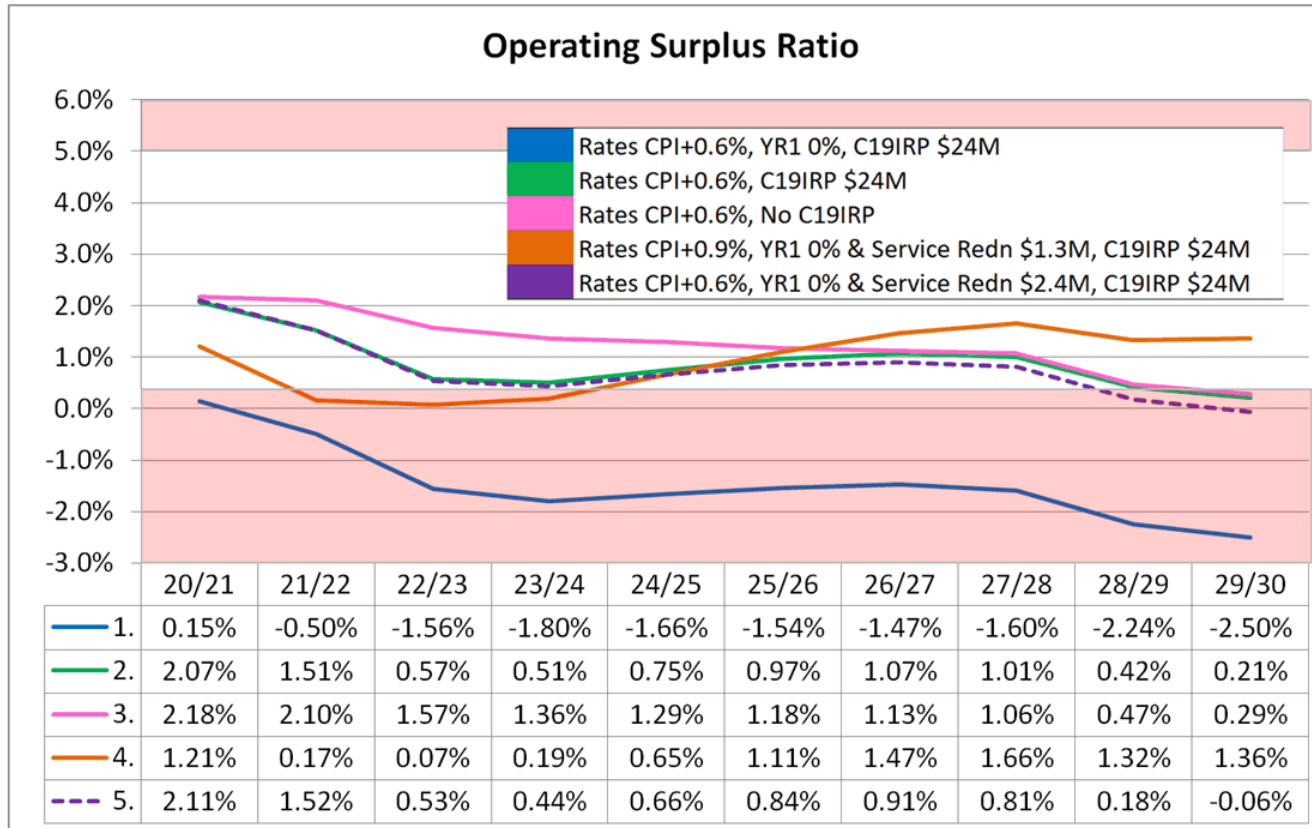
6.2 There are material financial impacts if the MoN is supported but with the appropriate strategies to address this impact in future budget considerations and reviewing existing and new services, Council is able to manage the financial implications.

6.3 These strategies will be considered in future reports and budget processes.

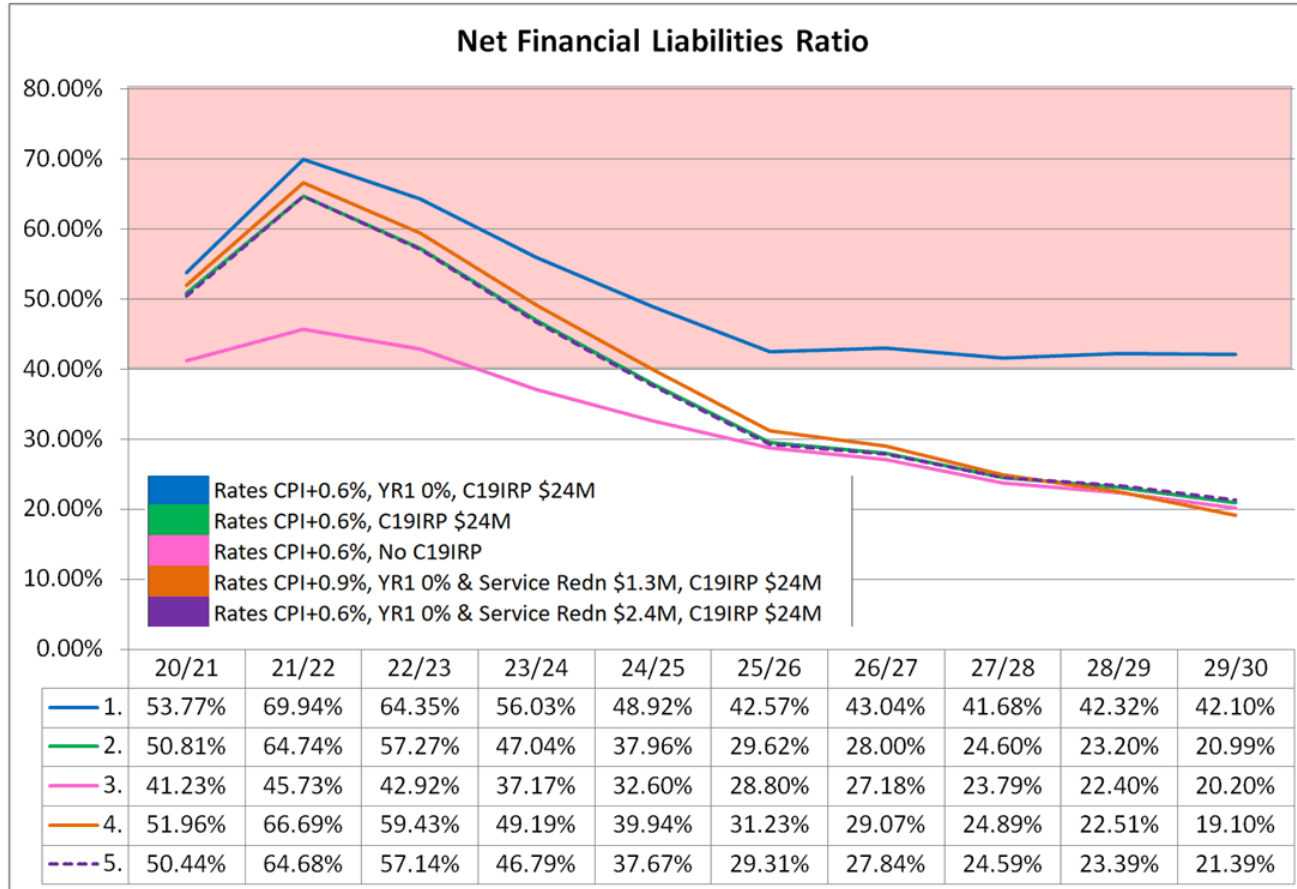
CO-ORDINATION

Officer:

Date:



Item 4.2.2 - Attachment 2 - Long Term Financial Plan Scenario Graphs



Item 4.2.2 - Attachment 2 - Long Term Financial Plan Scenario Graphs



Item 4.2.2 - Attachment 3 - Draft Annual Plan 2020/21

Public Consultation



To make a submission

If you wish to make a submission or comment on the Draft Annual Plan and Budget as currently presented, please send it to:

Financial.services@salisbury.sa.gov.au
or call Mechelle Potter on (08) 8406 8340

Alternatively please send to:

The General Manager Business Excellence
City of Salisbury
PO Box 8
SALISBURY SA 5108

All submissions or comments need to be received by no later than Wednesday 27 May 2020 in order for them to be given due consideration. Any submissions received after this date will not be considered as part of this current budget process. Submissions may influence decisions not only for this Annual Plan but also for future years as well.

Verbal Representation

The opportunity to make verbal representations may be impacted by COVID-19 requirements, however, at the time for preparing this document we are planning for verbal representations.

If you wish to make a verbal representation regarding the Draft Annual Plan, there will be an opportunity to do so at the commencement of the May Council meeting on Monday 25 May 2020 in the Council Chamber at 6.30pm.

If you would like to have a say on Council's plans, budget and rates please register your interest by contacting Mechelle Potter by phone or by using the above email. (see contact details above).

If the status of COVID-19 requires the discontinuation of verbal representations, parties who have registered will be contacted.

SALISBURY DRAFT ANNUAL PLAN 20/21 2

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EXECUTIVE Summary

Purpose

The Annual Plan details Council’s services, including new services and projects, together with financial impacts. The purpose is to provide all information so that the community can judge the budget and how it aligns to the City Plan 2030. The Executive Summary provides a snapshot of the Annual Plan, and provides guidance as to where more information is available.

COVID-19 Response

Council have determined a number of measures to support the community and look towards economic recovery. These measures include a 0% rate increase (except where rates have increased as a result of improvements, a change to the land use or zoning, a change in ownership, or a correction to the property value), no increase in fees and charges except as gazetted by State Government, and \$100M COVID-19 Infrastructure Recovery Program.

Rate Increase

The Annual Plan is based on a proposed 0% rate increase, with city growth estimated to be 1%. Further information about rates is in the Rating Strategy and Policy, pages 104 to 107.

	19/20 Actual	20/21 Budget
Rate Increase	2.9%	0%

Operating Surplus

This year, Council will make an Operating Surplus of \$181k or 0.1% Operating Surplus Ratio. Further information is in the Budgeted Financial Statements and Analysis on pages 37 to 40.

Financial Sustainability

Being financially sustainable means having:

- The ability to have consistent services into the future
- Infrastructure, like roads, continuing to be maintained at an appropriate level
- Current ratepayers pay the costs associated with the services consumed
- New infrastructure provided to meet community expectations, balanced against increases in costs

We measure financial sustainability through 3 indicators. The Long Term Financial Plan (pages 10 to 13) shows that the decisions taken to respond to COVID-19 have resulted in Council not achieving financial sustainability targets, with Council committed to reviewing services over the coming period and taking corrective action.

Ratio	Target	20/21 Budget	
Operating Surplus	0.5%-5%	0.1%	✗
Asset Renewal Funding	90%-110%	100%	✓
Net Financial Liabilities	<40%	53.8%	✗

EXECUTIVE summary cont'd

Service Provision

There are no reductions in services in the 2020/21 budget or the Long Term Financial Plan at this time. Council will be reviewing service provision with the view to achieving sufficient savings to move into a financially sustainable position once more. More information about Council's services are in Key Direction sections of the document, starting on page 46.

COVID-19 Infrastructure Recovery Program

In this challenging time, Council is looking to the future. In response to COVID-19 Council will be supporting local businesses and economic recovery by not only continuing to deliver the planned infrastructure program, but also accelerating the program and bringing forward projects from future years, that are shovel ready.

This will take our Infrastructure Program to \$100M over the next 2 years.

Only Council funds are identified at this time, however, Council will be working with both State and Federal Governments to further extend our infrastructure program through grant funds, to exceed the \$100M over two years.

This will help to stimulate recovery through having a pipeline of works for contractors used to deliver these projects. Our procurement policy preferences Northern Adelaide Region, and the intent is to support local employment as much as possible.

Projects and Additional Services

All of Council's projects and additional services (Budget Bids) are detailed in the Annual Plan by category of spending, and can be found on pages 17 to 36.

Funds of \$14.7M are provided for asset updates / renewal in line with our Asset Management Plans, with significant items being:

- Road Reseal and Kerb Replacement \$0.5M
- Paving Renewal \$1.2M
- Playspace/Playgrounds \$0.6M
- Watercourse Management works \$0.6M

Burton Community Hub will commence detailed concept design, community consultation and construction in 2020/21 to provide service offerings into one facility that caters for the western area of the city taking into consideration potential future growth within the area and impacts of the Northern Connector.

In accordance with the Salisbury City Centre Church and John Street Improvement Plan, community consultation and Salisbury City Centre Renewal Strategy, renewal and upgrade works for Church and John Streets will commence in 2020/21.

The Paddocks Masterplan has established a coordinated approach for infrastructure investment and ongoing renewal of infrastructure and facilities at The Paddocks which is one of the most significant recreation and open space precincts within the City of Salisbury.

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MAYOR'S message



TEXT TO BE ADDED

Text to be added

Text to be added

NOT YET SEEN BY COUNCIL

SALISBURY DRAFT ANNUAL PLAN 20/21 6

ELECTED members

WEST WARD

- Cr Beau Brug JP**
tbrug@salisbury.sa.gov.au
- Cr Lisa Braun**
lbraun@salisbury.sa.gov.au

NORTH WARD

- Cr David Hood**
dhood@salisbury.sa.gov.au
- Cr Graham Reynolds**
greynold@salisbury.sa.gov.au

MAYOR

- Gillian Aldridge OAM**
0411 703 706
galdridge@salisbury.sa.gov.au

CENTRAL WARD

- Cr Chad Buchanan JP**
0403 677 807
cbuchanan@salisbury.sa.gov.au
- Cr Donna Proleta**
0433 750 832
dproleta@salisbury.sa.gov.au

PARA WARD

- Cr Sarah Ouk**
soak@salisbury.sa.gov.au
- Cr Kylie Greenfell**
kgreenfell@salisbury.sa.gov.au

EAST WARD

- Cr Maria Blackmore**
0411 281 164
mblackmore@salisbury.sa.gov.au
- Cr Adam Duncan**
0429 662 933
aduncan@salisbury.sa.gov.au

SOUTH WARD

- Cr Natasha Henningsen**
0477 413 108
nhenningsen@salisbury.sa.gov.au
- Cr Julie Woodman JP Deputy Mayor**
0431 188 788
jwoodman@salisbury.sa.gov.au

HILLS WARD

- Cr Peter Jensen**
0437 987 990
pjensen@salisbury.sa.gov.au
- Cr Shikalee Reardon JP**
0427 095 566
sreardon@salisbury.sa.gov.au

Map Labels: West Ward, Central Ward, North Ward, East Ward, Para Ward, Hills Ward, South Ward.

Watermark: NOT YET OPEN BY COUNCIL

SALISBURY DRAFT ANNUAL PLAN 20/21 7

OUR vision

Our vision for Salisbury is simply:
'Salisbury - A flourishing City with opportunity for all'

If we are able to capture these opportunities, the community will see:

- Increased investment and a wider range of job opportunities
- Well designed and maintained neighbourhoods and places where people meet
- A strong economy consisting of well established businesses and innovative entrepreneurs
- A broader range of education options and more people engaged in learning
- More opportunities to use technology in the way they work, study, relax and interact with Council
- A healthy natural environment enjoyed by more people
- New communities and a regeneration of existing urban areas

A City that celebrates its diversity and provides opportunities for all to engage in community life; and

- A transport network that enables people to move easily around the City and supports freight movement.

Salisbury brands itself as the Living City. It has unique features that make it appealing for residents, visitors and businesses.

A Living City is a city that is flourishing and provides opportunity for our residents, businesses and visitors through investment in its future, by valuing our stunning natural environments, by providing a great lifestyle, encouraging and supporting a vibrant innovative culture, is a destination for business and is a diverse and proud community.

Salisbury is a Living City. A place we are proud to be part of. Salisbury is "a flourishing City with opportunity for all".

SALISBURY DRAFT ANNUAL PLAN 20/21 8

KEY directions

This Annual Plan contains four key directions. Each direction includes a statement of what we want to aspire to achieve during the life of the Annual Plan, how we will achieve it and the indicators that will tell us how our City is progressing.



The Prosperous City

Driving economic growth in South Australia, creating more jobs, providing people with the skills and knowledge to connect to those jobs and sustainably increasing our population.



The Sustainable City

A place where people actively experience and care for their natural environment, where green industries thrive and our urban and natural spaces are adaptive to future changes in climate.



The Liveable City

A welcoming community that celebrates its diversity, embraces change and where people are able to participate in community life. It is a City with interesting places and experiences.



Enabling Excellence

A Council where people work because they can make a difference, an organisation that anticipates, understands and meets community needs, a Council with a positive attitude.

Long Term Financial Plan 20/21 to 29/30

Long Term Financial Plan 20/21 to 29/30 Assumptions

YEAR ENDING 30 JUNE	Year 1 Budget 2020	Year 2 Plan 2021	Year 3 Plan 2022	Year 4 Plan 2023	Year 5 Plan 2024	Year 6 Plan 2025	Year 7 Plan 2026	Year 8 Plan 2027	Year 9 Plan 2028	Year 10 Plan 2029
Revenue Assumptions										
Rates - Growth	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Rates - Ave Increase	0.0%	2.6%	2.9%	3.0%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%
Expenditure Assumptions										
Inflation	1.8%	2.0%	2.3%	2.4%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Wages	2.5%	3.0%	3.0%	3.5%	3.5%	3.5%	3.0%	3.0%	3.0%	3.0%
Contractors & Materials	1.8%	2.0%	2.3%	2.4%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Overview

While seeking to achieve its corporate goals Council is mindful of its responsibilities to be financially sustainable. Being financially sustainable means having a financial position capable of meeting long term service and infrastructure levels and standards, acceptable to the community, without substantial increases in rates or disruptive cuts to services. It implies equity between generations. That is, each generation of ratepayers should pay for the services they consume. Future generations should not have to pay for the neglect of earlier generations to maintain and renew their assets appropriately, nor would they benefit at the expense of the current generation of ratepayers.

Maintaining services implies that infrastructure assets (roads, drains etc.) are also appropriately maintained and renewed, and that there is investment in new assets. Two significant costs associated with infrastructure assets are depreciation, which is the decline in value of assets through their use, and borrowing costs to fund new assets.

Council Asset Management Plans (AMPs) define the level of expenditure required to maintain and renew assets. The Long Term Financial Plan (LTFP) aligns to the AMPs, although in each budget year Council may vary its expenditure for a variety of reasons including updated asset information that indicates higher or lower levels of renewal expenditure are required.

Property development projects will continue to provide significant cash injections over the 10 year plan. Returns are based on the recently completed land feasibility and have been discounted reflecting that further detailed work is required to finalise financial returns on a project by project basis.

The Statement of Comprehensive Income (see next page) shows the Operating Surplus/(Deficit) before Infrastructure Amounts, and reflects lower operating costs through program review activities, and also low interest costs resulting from low levels of debt.

COVID-19 Response

Council have determined a number of measures to support the community, look towards economic recovery, and over the coming period will be recalibrating service delivery to ensure ongoing financial sustainability. These measures include a 0% rate increase (except where rates have increased as a result of improvements, a change to the land use or zoning, a change in ownership, or a correction to the property value), no increase in fees and charges except as gazetted by State Government, and \$100M COVID-19 Infrastructure Recovery Program. Following review of service provision the long term financial plan and future rate increases will be revisited to ensure that ongoing financial sustainability objectives are achieved.

Assumptions

The forecasts are based on a number of assumptions and as with all projections it is likely that actual events will turn out differently. These figures, however, represent our best estimates for planning purposes. Key assumptions are detailed in the table above, and commentary includes:

- Rates growth from new development in the city is projected at a low level reflecting primarily infill development.
- Strategic Property Developments financial returns average \$2.1m per annum over the 10 year plan, based on the recently completed land feasibility.
- The wages assumption includes superannuation guarantee which remains at 9.5% until 30 June 2021 and will increase to 12% by 30 June 2026.
- Inflation reflects Access Economic CPI forecasts.

Salisbury Water business returns are kept constant into the future, as our aim is to be financially sustainable without these returns.

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Long Term Financial Plan 20/21 to 29/30

Estimated Statement of Comprehensive Income

YEAR ENDING 30 JUNE	2021 Budget Year 1 \$000's	2022 Plan Year 2 \$000's	2023 Plan Year 3 \$('000)	2025 Plan Year 5 \$('000)	2030 Plan Year 10 \$('000)
INCOME					
Rates Revenues	102,254	105,935	110,066	119,162	145,677
Statutory Charges	2,790	2,846	2,911	3,056	3,457
User Charges	5,115	5,217	5,337	5,602	6,333
Grants, Subsidies & Contributions	12,982	13,056	13,170	13,443	14,321
Investment Income	78	76	75	72	76
Reimbursements	193	197	201	211	39
Other Income	776	791	809	849	961
Total Income	124,188	128,118	132,569	142,190	170,971
EXPENSES					
Employee Costs	39,113	40,390	41,708	44,500	52,799
Materials, Contracts & Other Expenses	54,736	57,026	59,511	64,961	83,343
Depreciation, Amortisation & Impairment	28,377	29,809	31,217	32,984	37,701
Finance Costs	926	1,530	2,140	1,918	1,407
Net loss - Equity Accounted Council Businesses	855	0	0	0	0
Total Expenses	124,007	128,755	134,576	144,763	175,250
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	181	(637)	(2,077)	(2,368)	(4,279)
Asset Disposal & Fair Value Adjustments	2,529	1,304	3,060	5,269	3,970
Amounts Received Specifically for New or Upgraded Assets	1,323	1,356	1,390	1,461	1,612
Physical Resources Received Free of Charge	1,500	1,500	1,500	1,500	1,500
NET SURPLUS/(DEFICIT)	5,533	3,553	3,873	5,862	2,803
OTHER COMPREHENSIVE INCOME					
Changes in Revaluation Surplus - I,PP&E	23,226	26,417	27,499	29,560	39,225
Total Other Comprehensive Income	23,226	26,417	27,499	29,560	39,225
TOTAL COMPREHENSIVE INCOME	28,759	29,970	31,372	35,422	42,028

The full ten year Long Term Financial Plan Budgeted Financial Statements are contained within Appendix A.

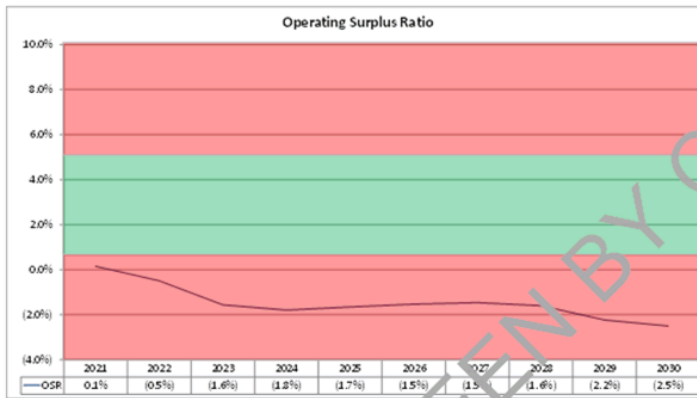
Long Term Financial Plan 20/21 to 29/30

Financial Indicators

As part of the emphasis for Councils to become financially sustainable standardised indicators have been developed. These indicators compliment the financial detail provided on the Long Term Financial Plan, and highlight our projected success at maintaining a financially sustainable Council.

- Within Endorsed Operating Range
- Outside Endorsed Operating Range

Operating Surplus Ratio



Calculation:
Operating Surplus divided by total operating revenue

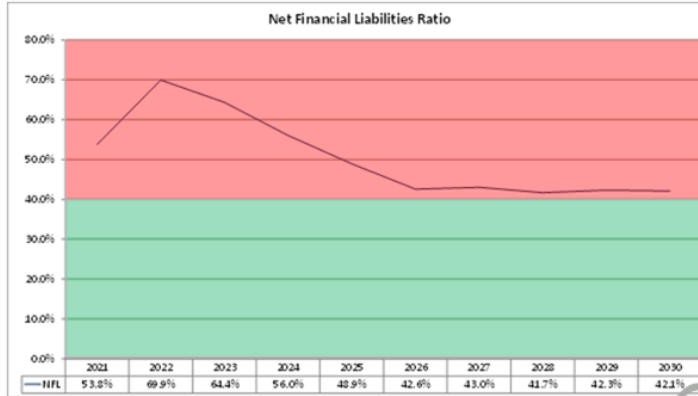
Endorsed Operating Range:
0.5%-5.0%

Councils with a positive Operating Surplus Ratio have current rate payers meeting the costs of the services that they are consuming. The larger the ratio the more rate revenue that is available to fund infrastructure expenditure, thereby reducing debt. This is the primary indicator of Financial Sustainability.

Council is currently outside the endorsed target range for the indicator over the life of the plan as a result of the one off lower rate increase of 0% in 20/21. Council will be reviewing service provision and future rate increases to return Council to a financial sustainable position.

Long Term Financial Plan 20/21 to 29/30

Net Financial Liabilities Ratio



Calculation:
 Net Financial Liabilities divided by Operating Revenue
 Endorsed Operating Range:
 <40%.

This ratio indicates the extent that Council can meet its net financial liabilities out of a single year's operating revenue. Council with a lower ratio are stronger in their capacity to meet their financial obligations.

City of Salisbury is outside the endorsed target range for this indicator over the life of the plan as a result of the \$100M COVID-19 Infrastructure Recovery Program and low operating surpluses due to the one off lower rate increase of 0%. Council will be reviewing service provision and future rate increases to return Council to a financial sustainable position. The target range for this indicator will also be reviewed, as 40% is a very low target for a Council with over 1.6bn in assets.

Asset Renewal Funding Ratio



Calculation:
 Asset Renewal Expenditure divided by Asset Management Plan Renewal Expenditure
 Endorsed Operating Range:
 90%-110%

This ratio indicates whether infrastructure assets are being renewed in line with the Strategic Asset Management Plan (SAMP). A ratio of 100% means that Council is budgeting to renew assets as initially planned, and as SAMP detail the optimum timing renewal and replacement of assets, a ratio of 100% means that infrastructure assets are maintained, as are service levels, at the lowest cost to the community.

However, given that SAMP is a long term plan, Councils will vary expenditure based on more up to date asset information, and also to time renewal works for projects that have new and renewal aspects to achieve better outcomes, and reduce cost to the community to achieve these outcomes. Over the life of the plan renewal expenditure is within the endorsed operating range.

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Overview of Our Annual Plan 2020/21

The City of Salisbury's Annual Plan is an important part of our planning; one that links our overarching long term City Plan with our budget, the services delivered and rate levels.

Key Directions

Sustainable Futures - Salisbury City Plan outlines four Key Directions which guide our objectives and strategies over the long term:

- The Prosperous City
- The Sustainable City
- The Liveable City
- Enabling Excellence

COVID-19 Response

Council have determined a number of measures to support the community, look towards economic recovery, and over the coming period will be recalibrating service delivery to ensure ongoing financial sustainability. These measures include a 0% rate increase (except where rates have increased as a result of improvements, a change to the land use or zoning, a change in ownership, or a correction to the property value), no increase in fees and charges except as gazetted by State Government, and \$100M COVID-19 Infrastructure Recovery Program. Following review of service provision the long term financial plan and future rate increases will be revisited to ensure that ongoing financial sustainability objectives are achieved.

Budget Pressures

In addition to the impacts of COVID-19 detailed above, City finances have been impacted by the Solid Waste Levy which increased from \$100 in 2018/19, to \$140 per tonne in January 2020. The impact is an increase of \$530,000 in 2020/21, which is equivalent to a 1.5% rate increase, which council are absorbing. This increase is in addition to the 2019/20 increase of \$771k, which was the equivalent of a 0.8% rate increase, with Council absorbing half of this increase in the 2019/20 budget.

Sound Financial Management

The budget delivers an operating surplus to ensure our financial position is sustainable and equitable between generations of ratepayers, and builds capacity for the future.

The 2020/21 budget delivers:

- An operating surplus of \$181k
- Gross infrastructure investment of \$52.6M (including \$14.7M of asset renewal) and a net cost of \$38.9M including grants and property proceeds.
- Moderate and sustainable levels of debt, with net financial liabilities of \$66.8M or 53.8% of total operating revenue.

Rate Increase

A 0% rate increase is proposed given the current economic landscape, and growth in rates is recognised as 1% for the 2020/21 year. The forecast Consumer Price Index for 2020/21 per Access Economics is 1.8%, and whilst some Local Government costs move in line with CPI, Councils purchase a different "basket of goods" to households, and consequently CPI is not fully reflective of Local Government cost increases.

More details are contained within the Rating Strategy and Policy section of this document.

Operating Budget Bids

Some of the projects included in the budget are:

Sportsfield Lighting Maintenance	\$150,000
Strategic Land Review Feasibilities	\$150,000
Development Assessment Resourcing	\$146,000
Potential Future Multi-sport Facility	\$75,000
Refresh Local Area Network Equipment	\$27,000
Housing Information Data	\$13,000

*offset by grant funding

Full details of Council's operating bids are provided from page 17.

The Sports field Lighting Maintenance seeks to extend Council's current program to resource the management and coordination of the replacement of sports field lighting globes. This is in addition to Council's existing lighting program.

The City of Salisbury plans to undertake detailed feasibility and business case investigations to identify opportunities within the existing Strategic Land Review program.

The Development Assessment Resourcing seeks to extend the existing service levels delivered by the Development Services division and meet the statutory obligations of Council under the Planning, Development and Infrastructure Act 2016.

Council seeks funding to further investigate the requirements and potential options for a regional indoor multi-sporting facility within the City of Salisbury area that would also incorporate the provision for an indoor or outdoor aquatic facility.

The City of Salisbury seeks to fund a programmed refresh of the local area network equipment at various operating locations within the Council area.

Council currently subscribes to various data resources to obtain relevant information to support Council initiatives and is seeking funding to increase this to subscribe to new resources that specifically focus on data that better enables planners to understand local housing and rental markets.

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Overview of Our Annual Plan 2020/21

Infrastructure Program

Asset Renewal

Council manages community assets valued at over \$1.9 billion in the form of roads, footpaths, drains, buildings, parks etc. Many were created as the city developed rapidly in the 1960's, '70's and '80's. Our Asset Management Plans set our forward plan for how to most economically manage, maintain and renew our assets.

In 2020/21 Council will spend \$14.7M on renewal, with major items being:

- Road reseal and reconstruction \$8.5M
- Buildings (220 Council owned buildings, most of which are community and sporting club buildings) \$1.2M
- Playspace/Playgrounds \$0.6M
- Watercourse Management works \$0.6M

Major Infrastructure Works

The infrastructure program includes a number of large scale projects, some of which are delivered over multiple years. 2020/21 expenditure details for these projects are detailed below:

COVID-19 Infrastructure Recovery Program	\$12,000,000
Burton Community Hub	\$3,060,000
John Street and Church Street Revitalisation	\$3,000,000
Building Upgrade Program	\$2,752,000
Major Flooding Mitigation Projects	\$1,800,000
Street Tree Program	\$1,143,000
The Paddocks Masterplan Implementation	\$1,250,000

Full details of Council's four year Infrastructure program is provided from page 23.

COVID-19 Infrastructure Recovery Program

In response to COVID-19 Council will be supporting local businesses and economic recovery by not only continuing to deliver the planned infrastructure program, but also accelerating the program and bring forward projects from future years, that are shovel ready.

Burton Community Hub

In 2020/21 Council seek funding to develop a detailed concept design, undertake community consultation and construct a Community Hub at Burton.

John Street and Church Street Revitalisation

In accordance with the Salisbury City Centre Church and John Street Improvement Plan, community consultation and Salisbury City Centre Renewal Strategy, Council seek funding to continue renewal and upgrade works of these key City Centre locations.

Building Upgrade Program

In 2020/21 the Building Upgrade Program will see works at the Operations Centre and Pooraka Farm Community Centre with \$2,598k Infrastructure expenditure and associated operating costs of \$154k.

Major Flooding Mitigation Projects

Council is maintaining our capability to respond to significant flooding events with funding providing for the design and construction for flood mitigation works.

Street Trees Program

This program is focused on improving the amenity of streetscapes through the programmed updating of streetscapes with appropriate species for the sometimes limited spaces available within our streets.

The Paddocks Masterplan Implementation

The Paddocks Masterplan has established a coordinated approach for infrastructure investment and ongoing renewal of infrastructure and facilities at The Paddocks which is one of the most significant recreation and open space precincts within the City of Salisbury. 2020/21 proposed works include a nature playground, lighting and CCTV, public toilets and a fitness loop.

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BUDGET BIDS

operating



Operating Budget Bids

	2020/21		2021/22	2022/23	2023/24	
	Exp	Funding	Net	Net	Net	
\$000's						
The Prosperous City						
Operating Bids						
Additional Resources for development assessment and building inspections						
The proposal seeks approval for 2.0 full time equivalent (FTE) to sustain service levels and the statutory obligations of Council under the Planning, Development and Infrastructure Act 2016 (PDI Act).	146	0	146	149	153	157
Housing Information Data						
Council subscribes to various data sources from information data consulting. Information data consulting has recently released a new resource specifically focused on data that better enables planners to understand local housing and rental markets.	13	0	13	13	13	13
Operating Components of Capital Bids						
Local Flooding Program	111	0	111	112	115	117
The Paddocks Masterplan Implementation Works	0	0	0	16	26	27
Irrigation - Technology Park, Mawson Lakes and Edinburgh Parks Industrial Precin	0	0	0	0	30	30
Digital Signage	0	0	0	10	10	10
TOTAL - The Prosperous City	270	0	270	301	347	355
The Sustainable City						
Operating Components of Capital Bids						
Jones Road - Bolivar - Site Rehabilitation for Future Clean Fill Disposal Site	31	0	31	31	32	32
Coleman Road Landfill - Waterloo Corner - Landfill Cap Improvements	10	0	10	10	11	11
Street Tree Program	31	0	31	32	33	34
Public Lighting Program	(30)	0	(30)	(100)	(170)	(240)
Salisbury Water - Solar PV (Salisbury Water Head Tanks)	0	0	0	(100)	(180)	(260)
Yard Loader	0	0	0	3	3	3
Salisbury Water - Gulfview Heights Booster Pump Station	0	0	0	(56)	(56)	(56)
Salisbury Water - Recycled Water Supply to Reactivated Reservoirs	(8)	38	(46)	(88)	(147)	(147)
Dam Renewal & Rectification Works	20	0	20	21	21	22
TOTAL - The Sustainable City	54	38	16	-247	-454	-602

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Operating Budget Bids

	2020/21		2021/22		2022/23		2023/24	
	Exp	Funding	Net	Net	Net	Net	Net	Net
The Living City								
Operating Bids								
The Ability Inclusion Strategic Plan - Accessible Formats								
The Ability Inclusion Strategic Plan (AISP) 2020–2024 is Council's latest Disability Access and Inclusion Plan and the first required by the SA Disability Inclusion Act 2018. The legislation also requires Council to have the AISP accessible by taking into account the diversity of abilities in the community	11	0	11	0	0	0	0	0
Sportsfield Lighting Maintenance								
In accordance with Item 2.5.2, Works and Services Committee, 16th September 2019, it was resolved that Council would manage and coordinate the replacement of sportsfield lighting globes. This is a new addition to the existing responsibility of Council to maintain structure, wiring and switch gear and ensure that the service supply and switch board to the building is capable of carrying the load and to replace due and expired serviceable life in accordance with Council's lighting program.	150	0	150	150	150	150	150	150
Potential Future Multi Sport Facility								
This bid is to build on the preliminary research findings regarding the future of indoor facilities in the City of Salisbury and to investigate the need and potential options for a regional indoor sporting facility (including provision for indoor or outdoor aquatics). A progress report is to be prepared for Council by December 2020.	75	0	75	0	0	0	0	0
Bins for Blokes								
Council's resolution was to implement "Bins for Blokes" solution for council buildings and public toilet facilities.	8	0	8	0	0	0	0	0
Operating Components of Capital Bids								
Building Upgrade Program	100	0	100	0	0	0	0	0
Community and Public Art Program	20	0	20	0	0	0	0	0
Kentish Green, Para Vista - New Toilet Facilities	13	0	13	13	14	14	14	14
Building Renewal Program	386	0	386	392	400	409	409	409
Information Signage Program (Parks and Reserves)	3	0	3	4	5	7	7	7
Outdoor Furniture Program	0	0	0	3	6	6	6	6
Reserve Upgrade Program	80	0	80	130	180	230	230	230
Dog Parks for Small Dogs	10	0	10	11	13	14	14	14
Fitness Equipment Program	17	0	17	28	35	38	38	38
Minor Traffic Improvements Program	55	0	55	56	57	58	58	58
School Zones and Pedestrian Crossings Program	8	0	8	9	4	2	2	2
Council Funded New Footpath Program	22	0	22	22	23	24	24	24
Louisa Road / Deal Court - Paralowie - Upgrade	0	0	0	0	10	10	10	10
Bus Shelter Renewal and Bus Stop Improvement Program	10	0	10	10	10	10	10	10
Waterloo Corner - Kings Road Safety & Amenity Improvements	20	0	20	21	21	22	22	22
TOTAL - The Living City	988	0	988	849	928	994	994	994

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Operating Budget Bids

	2020/21		2021/22		2022/23		2023/24	
	Exp	Funding	Net	Net	Net	Net	Net	Net
Achieving Excellence								
Operating Bids								
Continuous Improvement Fund								
To support the implementation of the Continuous Improvement Framework with funding to be used to assist improvement activities and projects that encounter relatively small financial hurdles.	20	0	20	20	20	0		
Dog and Cat Management Plan Consultation and Review								
The requirement to prepare a Dog and Cat Management Plan is prescribed under the provisions of the Dog and Cat Management Act. The current plan is due for review and given the diverse community and changing legislative framework it is recommended that Council staff engage a suitable consultant for the development of the Dog and Cat Management Plan.	15	0	15	0	0	0		
Performance Excellence Program - annual benchmarking								
To secure funding for the City of Salisbury's continued participation in the Australasian LG Professionals Performance Excellence Program.	25	0	25	0	0	0		
Strategic Land Review Feasibilities								
This funding provides for the engagement of consultants to undertake the feasibility and business case investigations for the Strategic Land Review 5 year program.	150	0	150	150	150	150		
Parking Technology Trials – License Plate Recognition								
License Plate Recognition (LPR) technology captures licence plate data through high definition cameras mounted on vehicles. The vehicle is driven through car parks and/or streets where there are parking restrictions and photos are taken of vehicles and their number plates. The LPR trial will be an extension of the previous trial to improve evidence gathering and also undertake enforcement action from the gathered data.	15	0	15	0	0	0		
IT Service Delivery Manager								
Enabling the next phase of the City of Salisbury's digital transformation program.	143	0	143	152	156	0		
Operating Components of Capital Bids								
Clubs/Sporting Facilities (Minor Infrastructure Grants Program)	36	0	36	37	38	39		
Developer Funded Program	4	0	4	4	4	4		
CCTV Renewal Program	8	0	8	8	8	8		
Road Reseal / Reconstruction Program	53	0	53	54	55	56		
Enterprise platform for local government and supporting business processes	300	0	300	0	0	0		
Strategic Development Projects - Capitalised Resourcing	31	0	31	31	31	0		
TOTAL - Achieving Excellence	799	0	799	455	461	257		

SALISBURY DRAFT ANNUAL PLAN 20/21 20

BUDGET BIDS *infrastructure*



COVID-19 Infrastructure Recovery Program

	2020/21			2021/22	2022/23	2023/24
	\$000's			\$000's	\$000's	\$000's
	Exp	Funding	Net	Net	Net	Net
Responding to COVID-19						
New						
COVID-19 Infrastructure Recovery Program						
In this challenging time, Council is looking to the future. In response to COVID-19 Council will be supporting local businesses and economic recovery by not only continuing to deliver the planned infrastructure program, but also accelerating the program and bringing forward projects from future years, that are shovel ready. This will take our Infrastructure Program to \$100M over the next 2 years, being \$50.9M in 2020/2021 and \$49.6M in 2021/22.	12,000	0	12,000	12,192	(6,922)	(6,366)
In these financials, only Council funds are identified at this time, however, we will be working with both State and Federal Governments to further extend our infrastructure program through grant funds, to exceed the \$100M over 2 years.						
This will help to stimulate recovery through having a pipeline of works for contractors used to delivery these projects. Our procurement policy preferences Northern Adelaide Region, and the intent is to support local employment as much as possible.						
Total New	12,000	0	12,000	12,192	(6,922)	(6,366)
TOTAL - COVID-19 Infrastructure Recovery Program	12,000	0	12,000	12,192	(6,922)	(6,366)
Total Infrastructure Program (detailed in the next section)	40,578	1,632	38,946	37,415	30,837	24,597
New Capital Adjustment per Long Term Financial Plan						4,411
Total Infrastructure Program + COVID-19 Infrastructure Recovery Program	52,578	1,632	50,946	49,607	23,915	22,642

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Infrastructure Program

	2020/21		2021/22		2022/23		2023/24	
	Exp	Funding	Net	Net	Net	Net	Net	Net
The Prosperous City								
New								
Local Flooding Program								
Design and construction of localised minor flood mitigation works mainly as a result of flooding reports in addition to miscellaneous minor drainage works not funded elsewhere.	283	0	283	205	362	108		
The Paddocks Masterplan Implementation Works								
The Paddocks Masterplan has established a coordinated approach for infrastructure investment and ongoing renewal of infrastructure and facilities at The Paddocks which is one of the most significant recreation and open space precincts within the City of Salisbury.	1,300	50	1,250	525	0	0		
Burton Community Hub								
This budget bid to fund the detailed concept design development, community consultation and construction for a Community Hub at Burton.	3,000	0	3,000	2,000	0	0		
Wellness Centre Ingle Farm								
This bid is to build on the preliminary research findings regarding the future of a wellness centre at Ingle Farm and to present a progress report to Council with the findings of the investigation by December 2020.	75	0	75	2,000	3,000	0		
Footpath Trading Pedestrian Protection								
The supply and installation of energy absorbing bollards for footpath trading areas that have been identified as requiring bollards as part of their applications and permit conditions.	76	35	41	41	41	45		
Irrigation - Technology Park, Mawson Lakes and Edinburgh Parks Industrial Precinct								
Verge irrigation in Technology/Industry Parks at Mawson Lakes and Edinburgh Parks to improve the local amenity for existing businesses and assist in enticing new industry to the precincts.	40	0	40	150	150	0		
John Street and Church Street Revitalisation Project								
Church and John Street Improvement Plan will continue to be implemented, seeing the upgrade and renewal of these key City Centre locations.	3,000	0	3,000	2,784	1,262	0		
Digital Signage								
The proposed renewal of the existing tower entry signage in key locations around the City will aim to capitalise on the significant investment and improvements we have made to our City in recent years.	179	0	179	0	0	0		
Total New	7,953	85	7,868	7,705	4,815	153		
TOTAL - The Prosperous City	7,953	85	7,868	7,705	4,815	153		

SALISBURY DRAFT ANNUAL PLAN 20/21 23

Infrastructure Program

	2020/21		2021/22		2022/23		2023/24	
	Exp	Funding	Net	Net	Net	Net	Net	Net
The Sustainable City								
Renewal								
Watercourse Management Works Program								
This is an ongoing Budget Bid to renew and upgrade Council's waterways infrastructure.	622	0	622	616	616	649		
Coleman Road Landfill - Waterloo Corner - Landfill Cap Improvements								
The Coleman Road Landfill closed in 1997 and ongoing management of the site requires groundwater monitoring, minimisation of landfill gas emissions, and improved onsite drainage.	71	0	71	72	74	75		
Irrigation Program								
This program is for the replacement of irrigation systems within the City's parks and reserves.	279	0	279	101	243	256		
Feature Landscapes Renewal Program								
This program is for the installation of both new and renewed plantings at nominated high profile locations across the City to enhance and promote the City of Salisbury through vibrant colours and contrasting vegetation.	96	0	96	99	99	162		
Tree Screen Renewal Program								
The Tree Screen Renewal Program is to rejuvenate and improve tree and shrub screens found within many road verges and around the perimeter of many parks and reserves.	237	0	237	132	117	129		
Reserve Fencing Program								
This bid is to install bollards, fencing and gates on reserves primarily to reduce the unauthorised access of motor vehicles which in the past have caused damage to turf with anti-social behaviour and illegally dumped rubbish. Also for public safety near watercourses and other hazards.	51	0	51	44	53	54		
Salisbury Water - Asset Renewal								
This bid is for the renewal of Water Business Unit assets in accordance with the Salisbury Water Asset Management Plan.	425	0	425	1,520	498	670		
St Kilda Channel Breakwaters - Renewal								
This bid is to further renew the St Kilda Breakwaters (sides of the Boat Channel).	0	0	0	0	0	215		
Dam Renewal & Rectification Works								
There are 21 dams within the City which each require civil, maintenance and rectification works as identified within a recent audit. It is proposed to stage these works over a 10 year period. The majority of the major works are planned from year 5 to year 10, which follows on from the major town water works.	150	0	150	151	152	153		
Total Renewal	1,930	0	1,930	2,735	1,851	2,363		

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Infrastructure Program

	2020/21		2021/22		2022/23		2023/24	
	Exp	Funding	Net	Net	Net	Net	Net	Net
New								
Major Flooding Mitigation Projects								
This program is generated from Council's Integrated Water Management Strategy which has identified some major flood mitigation projects.	1,830	0	1,830	2,216	1,292	1,185		
Jones Road - Bolivar - Site Rehabilitation for Future Clean Fill Disposal Site								
This bid is to provide funding to rehabilitate and maintain the clean fill site at Jones Road as an Environment Protection Authority (EPA) approved fill containment site to replace the previous Swan Alley site at Globe Derby Park.	51	0	51	52	53	54		
Street Tree Program								
This bid is focused on improving the amenity of streetscapes through the programmed renewal (selective removal and replanting) of street trees with more appropriate species for the sometimes limited spaces available within our streets.	1,543	0	1,543	1,618	1,635	1,674		
Public Lighting Program								
This program is for the installation of both new and renewed public lighting infrastructure on a priority/business case basis including both street lighting and reserve lighting but excluding sportsfield lighting.	709	0	709	719	731	746		
Salisbury Water - Water Licence Purchase								
This bid is for the purchase of permanent water licence locations as and when they become available on the open market.	100	0	100	100	100	100		
Salisbury Water Distribution Main Linkages								
Construct additional Salisbury Water distribution mains to improve operational functionality, to provide additional security of supply to existing customers and to secure connection of new customers.	640	0	640	0	0	0		
Salisbury Water Emergency Backup Power Supply								
Retrofit key Salisbury Water pumping stations to facilitate emergency backup power supply in the event of a major power outage. This will enable rented transportable generators to be connected rapidly (without electricians) in order to ensure ongoing water supply.	25	0	25	25	0	0		
Salisbury Water - Solar PV (Salisbury Water Head Tanks)								
Increase security of supply, optimise pumping infrastructure to utilise solar PV and improve distribution pressure within the Salisbury Water recycled water network through Para Hills, Salisbury East, Salisbury South, Salisbury Park and Salisbury Heights.	500	0	500	500	500	0		

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Infrastructure Program

	2020/21		2021/22		2022/23		2023/24	
	\$000's		\$000's		\$000's		\$000's	
	Exp	Funding	Net	Net	Net	Net	Net	Net
Groundwater Community Bores - Tank and Booster Pump System The Groundwater Community Bores - Tank & Booster Pump System has been implemented over the past 7 years and has been successfully completed. However due to operational issues at the Little Para Golf Course, it is proposed to add Myall Reserve/ Little Para Golf Course to the program for 2020/21.	120	0	120	0	0	0	0	0
Salisbury Water - Daniel Avenue Managed Aquifer Recharge (MAR) Expand the extraction capacity at the Daniel Avenue MAR (Managed Aquifer Recharge) scheme to maintain customer supply to the city-wide distribution network. This will provide security of supply for Salisbury Water customers in the western areas of the City.	190	0	190	0	0	0	0	0
Salisbury Water - Gulfview Heights Booster Pump Station Expansion of supply to service customers in the Gulfview Heights area.	150	0	150	0	0	0	0	0
Dry Creek - Greenfields MAR Upgrade Modify recycled water operations at Greenfields Wetlands from an 'injection-only' scheme to a Managed Aquifer Recharge (MAR) Scheme (ie. injection and extraction) in order to supplement customer supply.	200	0	200	200	200	200	200	200
Dry Creek - Weirs & Harvesting Optimisation Optimisation of existing stormwater harvesting infrastructure in Dry Creek to increase harvesting capacity from the Dry Creek catchment and provide long term security of supply for existing and future customers.	1,200	0	1,200	300	300	300	0	0
Salisbury Water - Recycled Water Supply to Reactivated Reserves This bid supports the extension of the Salisbury Water distribution network to supply recycled water to various reserves across the City of Salisbury.	380	0	380	180	385	0	0	0
Total New	7,637	0	7,637	5,909	5,195	3,959		
TOTAL - The Sustainable City	9,568	0	9,568	8,645	7,046	6,322		

SALISBURY DRAFT ANNUAL PLAN 20/21 26

Infrastructure Program

	2020/21		2021/22		2022/23		2023/24	
	\$000's		\$000's		\$000's		\$000's	
	Exp	Funding	Net	Net	Net	Net	Net	Net
The Living City								
Renewal								
Building Renewal Program								
This bid is for the renewal of various building elements for all buildings either owned or under the care and control of Council.	1,219	0	1,219	1,239	1,309	1,292		
Salisbury Swimming Pool - Structural Works to Pools								
To complete structural repair works to both the main pool and learning pool at the Salisbury Recreation Precinct.	0	0	0	403	201	0		
Playspace / Playground Program								
This bid is for playspace / playground renewal and upgrades including new shade structures where identified.	605	0	605	600	528	592		
Outdoor Sealed Sporting Court Surfaces Program								
This bid is for the reseal and/or minor upgrade of outdoor sealed sports playing surfaces.	78	0	78	77	78	92		
Carpark Renewal / Upgrade Program								
This bid is for the resealing and upgrade of carparks including unsealed carparks.	214	0	214	221	225	215		
Bridge Program								
This bid is to renew, upgrade or replace road bridges, footbridges and boardwalks as part of an ongoing program to ensure that these assets continue to be safe and fit for purpose.	355	0	355	779	368	377		
Kerb Ramp Construction / Upgrade Program								
This bid is for the proactive upgrading of kerb ramps (also known as pylon ramps) to provide a continuous accessible path of travel network in conjunction with the Road Reseal / Reconstruction Program and Council Funded New Footpath Program including consideration of any Disability Discrimination Act related requests.	425	0	425	431	434	452		
Bituminous Footpaths and Shared-Use Paths- Reseal / Upgrade Program								
This bid is for the programmed resealing and widening of existing asphalt footpaths and shared-use paths outside of the City Wide Trails Program.	203	0	203	206	210	215		
Bus Shelter Renewal and Bus Stop Improvement Program								
This bid is for the ongoing renewal of bus shelters owned by the City of Salisbury and also includes the upgrade of bus stop pads where required, particularly to ensure universal design criteria are met at the stops.	285	0	285	289	295	302		
Total Renewal	3,385	0	3,385	4,255	3,648	3,538		

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Infrastructure Program

	2020/21		2021/22		2022/23		2023/24	
	Exp	Funding	Net	Net	Net	Net	Net	Net
New								
Building Upgrade Program								
Upgrades to Council owned buildings other than those that are submitted as a separate bid or included in the Building Renewal Program.	2,598	0	2,598	1,000	1,000	1,000		
Priority Universal Design & Inclusive Upgrades - Buildings								
This bid is to implement universal design upgrades and ability inclusion items for Council buildings and facilities. The building condition audit assists to identify priorities and action items. This program assists people with disabilities that should, within reason, be able to gain access to and use all Council owned buildings and facilities.	119	0	119	120	121	129		
Community and Public Art Program								
Implementation of a community and public art program across the City of Salisbury.	29	0	29	0	0	0		
Kentish Green, Para Vista - New Toilet Facilities								
This bid is for the design and installation of new public toilet facilities at Kentish Green, Para Vista. Kentish Green has a District Level Playspace but currently there are no public toilet facilities in the reserve or the immediate surrounding area.	150	0	150	0	0	0		
Information Signage Program (Parks and Reserves)								
Installation of new information / interpretive signage for nominated parks and reserves.	88	0	88	92	95	97		
Outdoor Furniture Program								
This bid is for new outdoor furniture such as park benches, picnic settings, shelter, bike racks, drinking fountains and barbecues.	214	0	214	154	155	54		
Reserve Upgrade Program								
This bid is to increase the level of service and standard of reserves in alignment with the Parks and Streetscape Asset Management Operational Plan.	755	0	755	562	567	587		
Dog Parks for Small Dogs								
The establishment of dog parks for small dogs co-located with existing dog parks.	78	0	78	78	80	81		
Fitness Equipment Program								
Fitness equipment will provide additional value to various reserves across the City of Salisbury and appeal to those people wanting to increase their fitness.	134	0	134	141	59	0		
Minor Traffic Improvements Program								
This bid is for the implementation of minor traffic control improvement works such as local area traffic management, pedestrian facilities, parking improvements and minor traffic control devices. It is also to provide various proactive & reactive measures such as the installation of new pavement bar layouts, pavement markings and advance warning and regulator signage.	150	0	150	157	164	161		
Major Traffic Improvements Program								
This bid is the consolidated program to treat individual sites that require specific & significant traffic control measures e.g. the installation of Local Traffic Management Type Treatments.	1,196	554	642	540	1,326	503		

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Infrastructure Program

	2020/21		2021/22		2022/23		2023/24	
	\$000's		\$000's		\$000's		\$000's	
	Exp	Funding	Net	Net	Net	Net	Net	Net
School Zones and Pedestrian Crossings Program This bid is for the installation of new or upgraded school zones and pedestrian crossing facilities.	324	20	304	343	172	81		
Council Funded New Footpath Program This bid is for the construction of new footpaths in older suburbs where footpaths do not already exist or where there is a need for additional footpaths in existing streets or reserves. Also footpath reconstruction beyond routine footpath maintenance. The proposed locations are reviewed and prioritised by the Footpath Request Evaluation Team (FRET) in accordance with Council's Footpath Policy and the Transport Asset Management Plan.	325	0	325	329	334	296		
Bicycle Network Improvements Program This program is a collection of nominated projects responding to specific known bicycle network deficiencies including projects eligible for State Bicycle Funding or State Black Spot Program - Cycling Projects which both require a funding contribution from Council.	185	50	135	128	192	165		
City Wide Trails Program This bid is for the continued development and upgrade of the 'Green Trails' network that follows the City of Salisbury's Open Space corridors with various connections, mainly via reserves.	1 070	535	535	532	441	431		
Sportsfield Lighting Program This bid is to fund lighting renewals and upgrades for sporting ovals based on their condition and levels of service required. A condition audit and service level assessment of sportsfield lighting infrastructure will be used to formulate future proposed works.	279	0	279	180	180	180		
St Kilda Master Plan - Stage 2 Implementation This bid is for the implementation of the St Kilda Master Plan - Stage 2. Works proposed include Recreational Vehicle RV (Area), boat parking area, road upgrades and parking area upgrades over multiple years, however this is pending community engagement in 2020.	234	130	104	0	0	0		
Louisa Road / Deal Court - Paralowie - Upgrade Upgrade of Louisa Road and Deal Court in Paralowie. This project manages the upgrade of these roads after they were truncated by the realigned Kings Road as part of the Northern Connector project.	687	0	687	933	0	0		
Waterloo Corner & Kings Road Safety & Amenity Improvements Future program of works along Waterloo Corner Road, with the intent to improve road safety and provide new facilities for the community.	250	0	250	250	100	150		
Feature Artwork The Public Art Panel seeks the support in facilitating the development of a major feature artwork for 2020/21.	200	0	200	0	0	0		
Total New	9,064	1,289	7,775	5,538	4,984	3,915		
TOTAL - The Living City	12,449	1,289	11,160	9,793	8,632	7,454		

SALISBURY DRAFT ANNUAL PLAN 20/21 29

Infrastructure Program

	2020/21		2021/22		2022/23		2023/24	
	\$000's		\$000's		\$000's		\$000's	
	Exp	Funding	Net	Net	Net	Net	Net	Net
Achieving Excellence								
Renewal								
Drainage and Waterways Program Area - Planning Program								
This bid is to provide existing 'Drainage and Waterways' category programs with funds for planning and development of the subsequent years programs including asset condition audits.	241	0	241	168	172	345		
Property and Buildings Program Area - Planning Program								
This bid is to provide existing 'Property and Buildings' category with funds for planning and development of the subsequent years programs including various asset condition audits.	102	0	102	100	105	323		
Parks and Streetscape Program Area - Planning Program								
This bid is to provide existing 'Parks and Streetscapes' category programs with funds for planning and development of future years programs.	61	0	61	165	63	65		
Renewal of Sound Attenuation Walls								
This bid is for renewal of the sound attenuation walls adjacent to the railway corridors in Mawson Lakes and Edinburgh.	50	0	50	50	50	54		
Transportation Program Area - Planning Program								
This bid is to provide funding for the planning and development of the subsequent years 'Transportation' Category programs including various asset condition audits.	410	0	410	278	147	151		
Road Reseal / Reconstruction Program								
This bid is for the ongoing renewal of bituminous road surfaces and/or reconstruction of failed road pavements including preparatory works such as crack sealing.	8,535	0	8,535	9,471	8,759	9,170		
Total Renewal	9,398	0	9,398	10,235	9,296	10,107		

SALISBURY DRAFT ANNUAL PLAN 20/21 30

Infrastructure Program

	2020/21		2021/22	2022/23	2023/24	
	Exp	Funding	Net	Net	Net	
New						
Clubs/Sporting Facilities (Minor Infrastructure Grants Program)						
This bid is for the Minor Capital Works Grants Program to enable sporting and similar clubs to initiate minor improvements (buildings facilities and equipment).	288	0	288	334	340	345
Land Acquisition Program - Miscellaneous						
Provision for the unforeseen purchase of minor parcels of land to facilitate the construction of present and future infrastructure.	56	0	56	57	58	59
Building Furniture and Equipment Program						
Renewal of inside furniture and equipment across all Council facilities. This excludes IT related equipment, fixtures and fittings. Renewal of furniture associated with the newly completed Salisbury Community Hub is detailed within a separate bid.	30	0	30	73	78	101
Sportsfield Lighting Assistance Program						
This bid is for a nominal annual budget provision for Council matching funds to enable clubs to apply for State Government funding for sportsfield lighting projects.	100	50	50	48	48	58
Developer Funded Program						
This bid is to undertake a program of works including but not limited to planting of trees, building footpaths and parking bays in development areas where developers choose not to complete these works but provide a financial contribution to City of Salisbury in lieu to undertake the works post-initial development.	200	208	0	0	0	0
Diment Road Burton/Direk - Upgrade						
This bid is for further staged widening reconstruction and upgrading of Diment Road between Bolivar Road and Heaslip Road located predominantly in the commercial / industrial zone to cater for B-Double access. It should be noted that Heaslip Road is the responsibility of the Department of Planning Transport and Infrastructure (DPTI).	347	0	347	344	343	0
Strategic Development Projects - Capitalised Resourcing						
Strategic Development Projects has been established as a business unit within the City Development Department to oversee Council's Strategic Property portfolio which returns net revenue to Council.	182	0	182	182	182	0
Total New	1,210	258	952	1,038	1,048	562
TOTAL - Achieving Excellence	10,608	258	10,350	11,273	10,344	10,669
Capitalised Employer Expenses	639	0	639	0	0	0
Total Capitalised Employer Expenses Renewal	639	0	639	0	0	0
Capitalised Employee Expenses	955	0	955	0	0	0
Total Capitalised Employee Expenses New	955	0	955	0	0	0
Total Renewal	0	85	7,868	7,705	4,815	153
Total New	7,953	85	7,868	7,705	4,815	153
Total Infrastructure Program	40,578	1,632	38,946	37,415	30,837	24,597

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BUDGET BIDS

information technology



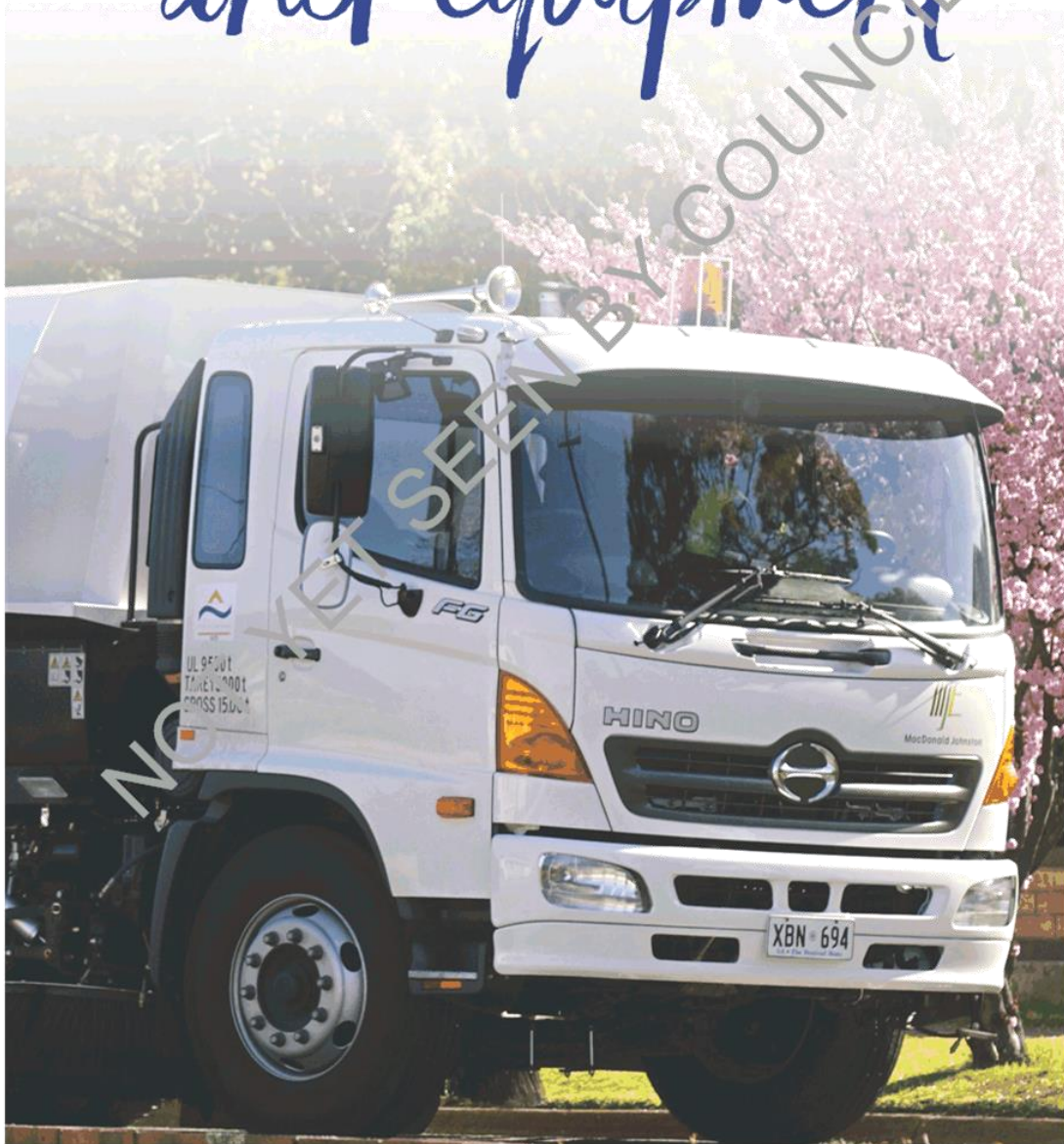
Information Technology Budget Bids

	2020/21			2021/22	2022/23	2023/24
	\$000's			\$000's	\$000's	\$000's
	Exp	Funding	Net	Net	Net	Net
Achieving Excellence						
Procurement Spend Dashboard						
Provision of an externally hosted Procurement Spend Dashboard that enables Strategic Procurement to identify strategic opportunities and to provide accurate reporting.	8	0	8	10	0	0
Pathway UX Change Management and Business Support						
Pathway is the main solution for council specific operations and is due for a significant user interface upgrade. Funds are sought to support the organisation to adapt their processes and manage the transition with minimal impact to the customer.	0	0	0	60	0	0
Design and implement network solution for SCADA sites						
To design and implement a network solution for SCADA sites to support new and	15	0	15	0	0	0
Programmed asset refresh of local area network equipment at a range of City of Salisbury operating locations.						
Programmed asset refresh of local area network equipment at a range of City of Salisbury operating locations.	27	0	27	27	27	27
Replacement solution for service desk ticketing system						
To replace the existing ticketing system used by Business Systems & Solutions to manage the technology related requests for service with a flexible, collaborative ITSM solution built for rapid service delivery.	11	0	11	11	11	11
To support process and technology changes for the State-led ePlanning portal						
Provide technology resources for the implementation of the ePlanning portal which is a State-led initiative, including integration with Pathway.	20	0	20	0	0	0
Total IT Budget Bids	81	0	81	113	38	38

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BUDGET BIDS

plant, furniture and equipment

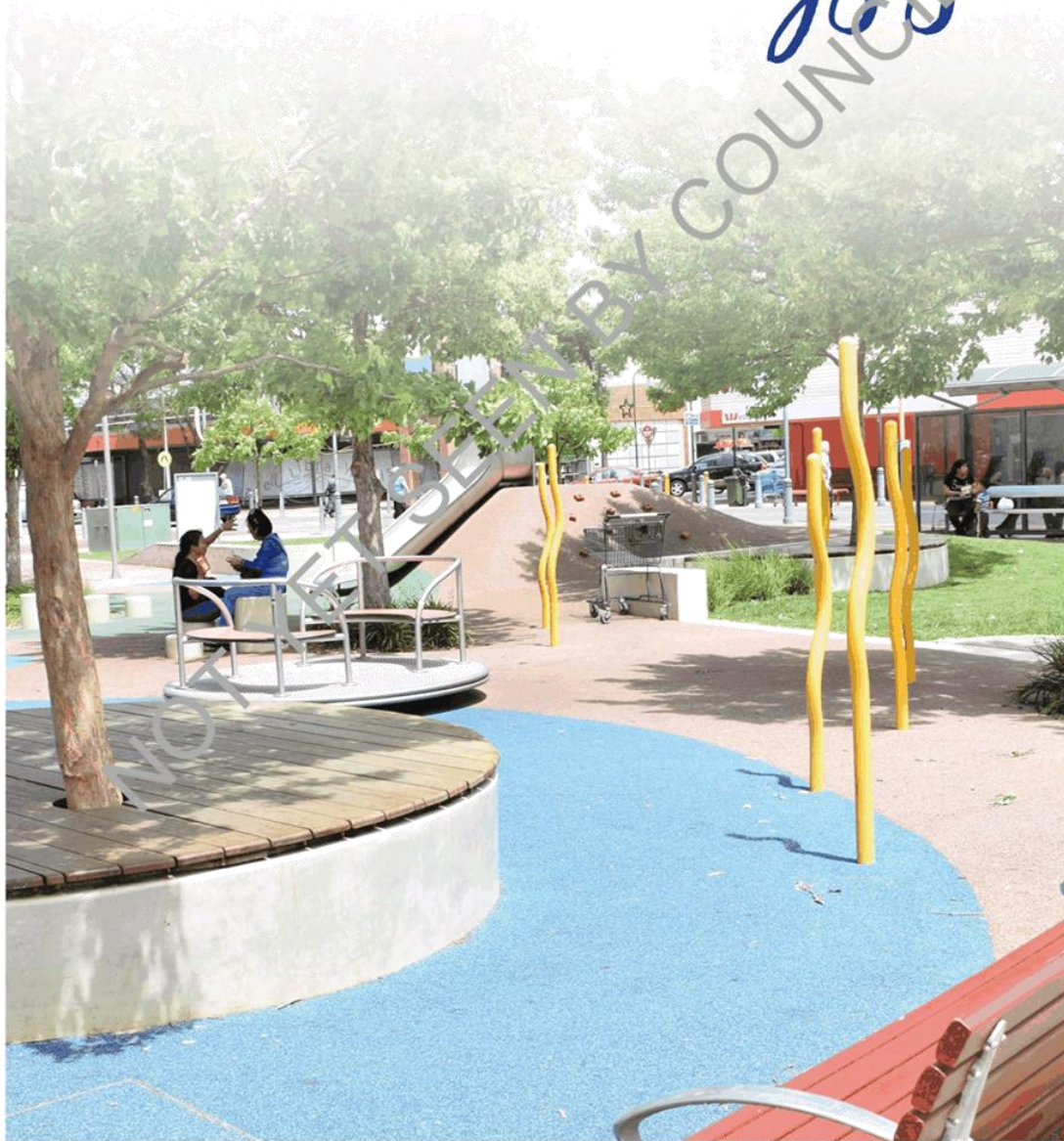


Plant, Furniture and Equipment Budget Bids

	2020/21			2021/22	2022/23	2023/24
	Exp	Funding	Net	Net	Net	Net
The Sustainable City						
Small Trucks for Wide Area Mowers						
The intent is to replace two utilities with two small trucks to tow trailers which will each carry two wide area mowers. This will provide the safest towing option and additional space and flexibility to enable reserve maintenance tasks to be completed as a 'one visit' service. This will deliver operational and public perception benefits along with a slight long term financial advantage.	50	0	50	0	0	0
Yard Loader						
Purchase of a yard loader to facilitate the loading of Field Services trucks and trailers and perform miscellaneous yard duties at the Operations Centre.	60	0	60	0	0	0
Total New	110	0	110	0	0	0
TOTAL - The Sustainable City	110	0	110	0	0	0
Achieving Excellence						
Security Systems Upgrade – Intruder Detection Systems						
The scope of this bid is to upgrade of alarm system hardware to a versatile and functional intruder detection system that allows established control systems to be on a single networked platform across the City of Salisbury. Works will ensure that locations will be monitored alarm sites which reduces the requirement for physical swipe cards and allows for Bluetooth mobile technology control solutions reducing time and costs to Council in managing access control.	150	0	150	155	0	0
CCTV Renewal Program						
This bid is to renew and upgrade current security cameras. Successful implementation of previous CCTV upgrades has led the city to an effective CCTV platform over the past 5 years for public safety and more recently with the community centre installation programme providing effective solutions to assist improving the security and safety of council assets and services.	30	0	30	30	30	30
Plant & Fleet Replacement Program						
This bid is to deliver on a program for major plant and fleet replacement based on the Asset Management Programs that have been developed.	1,078	242	836	1,326	1,499	1,533
Total New	1,258	242	1,017	1,511	1,529	1,563
TOTAL - Achieving Excellence	1,258	242	1,017	1,511	1,529	1,563
Total PFE Budget Bid	1,368	242	1,127	1,511	1,529	1,563

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BUDGETED financial statements and analysis



Budgeted Financial Statements & Analysis 2020/21

This section of the report analyses the changes in budgeted operating revenues and expenses for the 2020/21 year.

1.0 Summary

Details	Adopted Budget 2019/20 \$000's	Proposed Budget 2020/21 \$000's	Variance Inc/(Dec) \$000's	Variance %
Operating Income	122,052	124,225	2,173	1.78%
Operating Expenditure	118,639	124,044	5,405	4.56%
Operating Surplus/(Deficit)	3,413	181	(3,232)	(94.70%)

1.1 Operating Income

Income Type	Reference	Adopted Budget 2019/20 \$000's	Proposed Budget 2020/21 \$000's	Variance Inc / (Dec) \$000's	Variance %
Rates Revenue	1.1.1	101,278	102,254	976	0.96%
Statutory Charges	1.1.2	2,819	2,790	(29)	(1.02%)
User Charges	1.1.3	5,014	5,152	138	2.75%
Operating Grants and Subsidies	1.1.4	11,871	12,982	1,111	9.36%
Investment Income	1.1.5	158	78	(79)	(50.36%)
Reimbursements	1.1.6	217	193	(24)	(10.85%)
Other Revenue	1.1.7	696	776	80	11.44%
Total Operating Revenue		122,052	124,225	2,173	1.78%

1.1.1 Rates Revenue (\$976k Increase)

The anticipated rates revenue in 2020/21 is \$102.2k which when compared to 2019/20 of \$101.3M represents an increase of \$976k or 1%. The proposed average rate increase is 0% and the anticipated increase in rate revenue from growth is 1%.

1.1.2 Statutory Charges (\$29k Decrease)

Statutory Charges relate to fees and fines levied in accordance with legislation and include Dog Registrations, Health Act Regulations, Development Act and Parking Expiations. Statutory Charges are forecast to decrease by 1.02% or \$29k compared to 2019/20.

This incorporates decreases in dog and cat expiation fees \$50k, and an increase in Development Services Income including Building Rules Certification Income \$53k and Planning Assessment \$15k.

1.1.3 User Charges (\$138k Increase)

User Charges are for the recovery of service delivery costs through the charging of fees to the users of the Council's services. These charges are forecast to be \$5.1M in 2020/21, which is an increase of 2.75% or \$138k compared to 2019/20, noting that this increase is volume related with all fees and charges set by council not increasing for 2020/21.

The increase incorporates the sale of commercial water increases of \$122k which is purely volume related.

Budgeted Financial Statements & Analysis 2020/21

1.1.4 Operating Grants & Subsidies (\$1,111k Increase)

Operating Grants and Subsidies for 2020/21 are forecast to be \$13M, which is an increase of \$1,111k or 9.36% as compared to the budgeted amount of \$11.9M in 2019/20.

The forecast increase in Operating Grants & Subsidies is the result of \$888k higher Commonwealth funding and \$223k State funding.

1.1.5 Investment Income (\$79k Decrease)

The Council earns investment income primarily in the form of interest from the investment of cash surpluses throughout the financial year.

Investment Income for 2020/21 is forecast to generate \$78k which is a decrease of \$79k compared to 2019/20.

1.1.6 Reimbursements (\$24k Decrease)

From time to time the Council enters into commercial arrangements under which it performs services on behalf of third parties, and seeks reimbursement for undertaking those services.

During 2020/21 it is estimated that the Council will receive \$24k less reimbursements for school immunisation services as a reduction in the participatory numbers associated with this service, which is 10.85% lower than 2019/20.

1.1.7 Other Revenue (\$30k Increase)

Other Revenue comprises all the miscellaneous items of revenue which do not fall into any of the aforementioned revenue categories.

During 2020/21 Other Revenue is forecast to increase to \$777k as compared to \$696k in 2019/20. This represents an increase of \$80k or 11.44% which is mainly associated with a \$60k higher estimated rebate for Worker's Compensation Scheme based on 2019/20 year actuals.



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Budgeted Financial Statements & Analysis 2020/21

1.2 Operating Expenditure

Expense Type	Reference	Adopted Budget 2019/20 \$000's	Proposed Budget 2020/21 \$000's	Variance Inc / (Dec) \$000's	Variance %
Employee Costs	1.2.1	38,375	39,143	768	2.00%
Materials, Contracts & Other Expenses	1.2.2	51,537	54,744	3,206	6.22%
Finance Costs	1.2.3	1,410	926	(484)	(34.34%)
Depreciation, Amortisation and Impairment	1.2.4	27,317	28,377	1,060	3.88%
Share of loss - joint ventures and associates	1.2.5	0	855	855	100.00%
Total Operating Expenses		118,639	124,044	5,405	4.56%

1.2.1 Employee Costs (\$768k Increase)

Employee costs include all associated labour related on-costs such as allowances, leave entitlements and the Superannuation Guarantee Charges. It also takes into account the effects of EB Agreements, general salary increments and the impact on employee costs resulting from increases and decreases in grant funding.

During 2020/21 employee costs are forecast to increase to \$39.1M as compared to \$38.3M in 2019/20, which is an overall increase of \$768k or 2%. In addition to enterprise agreement wage increases; this includes the transfer of positions from contractual services, the allocation from City Growth provision to employee costs, outcomes from organisational structural changes, changes in capitalisation levels of staff time, and adjustments to employee on-costs such as workers compensation.

1.2.2 Materials, Contracts & Other Expenses (\$3,206k Increase)

Materials, Contracts and Other Expenses includes purchases of consumables that are used throughout the Council for the provision of services. It includes utility costs, works and services which the Council sources externally, so as to allow the Council to perform its operations. It also includes a broad range of other expense items including contributions to community groups, advertising, insurance, legal advice, motor vehicle registrations and numerous other miscellaneous expenses.

The budgeted amount for materials, contracts and other expenses is forecast for 2020/21 at \$54.7M as compared to \$51.5M in 2019/20. This is an increase of \$3,206k or 6.22%. This includes operating components of infrastructure bids, which has increased from \$1.2M in 2019/20 to \$1.7M in 2020/21 which is associated within the infrastructure program and new operating bids totalling \$720k as detailed in the Operating Bids Schedule.

Budgeted Financial Statements & Analysis 2020/21

1.2.3 Finance Costs (\$484k Decrease)

Borrowing costs relate to interest charged by financial institutions on funds that have been borrowed by the Council.

The interest costs of \$926k forecast for 2020/21 is an decrease of \$484k or 34.34% as compared with \$1.4M in 2019/20 due to lower interest rates associated with loan borrowings.

1.2.4 Depreciation, Amortisation & Impairment (\$1,060k Increase)

Depreciation is an accounting measure which measures the usage of the Council's infrastructure (such as roads and drains), property, plant and equipment over the estimated effective useful life of the assets.

In 2020/21 the forecast amount of depreciation is \$28.3M compared to \$27.3M for 2019/20. This is an overall increase of \$1,060k or 3.88%, which reflects new assets coming on stream and the revaluation of existing assets.



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SALISBURY DRAFT ANNUAL PLAN 20/21 42

Functional Presentation of the Budget

In this section of the Annual Plan the Operating Budget has been presented using a Functional View.

Full Cost

The City of Salisbury has a legislative obligation, under the Local Government (Financial Management Regulations) 2011 that requires Councils to ensure that externally provided financial information is made available on a full cost basis.

Full cost attribution is effectively a system under which all costs, including indirect and overhead costs, are allocated to a function, activity or program on a reliable and consistent basis. In other words full cost attribution seeks to determine the true cost of any function of Council by allocating indirect costs, including administration and management costs, to Council services.

The most prevalent reason to provide financial information on a full cost basis is that knowing and understanding the full cost of a service is essential information required in order for Council to continue to effectively manage and administer the City of Salisbury's budget.

Functional Presentation of the Budget

The presentation of the Budget has been aligned with the City of Salisbury's Planning Framework; that is the City Plan 2030. This Planning Framework is structured around four Key Directions, Prosperous City, Sustainable City, Liveable City and Enabling Excellence.

The various Council services are presented in accordance with the Key Direction they are related to. This has the effect of demonstrating the contribution each service area will achieve in working towards the goals outlined under each direction, as well as presenting key service levels and costs associated with the performance of these services.



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Budget Summary by Full Cost 2019/20 Budget

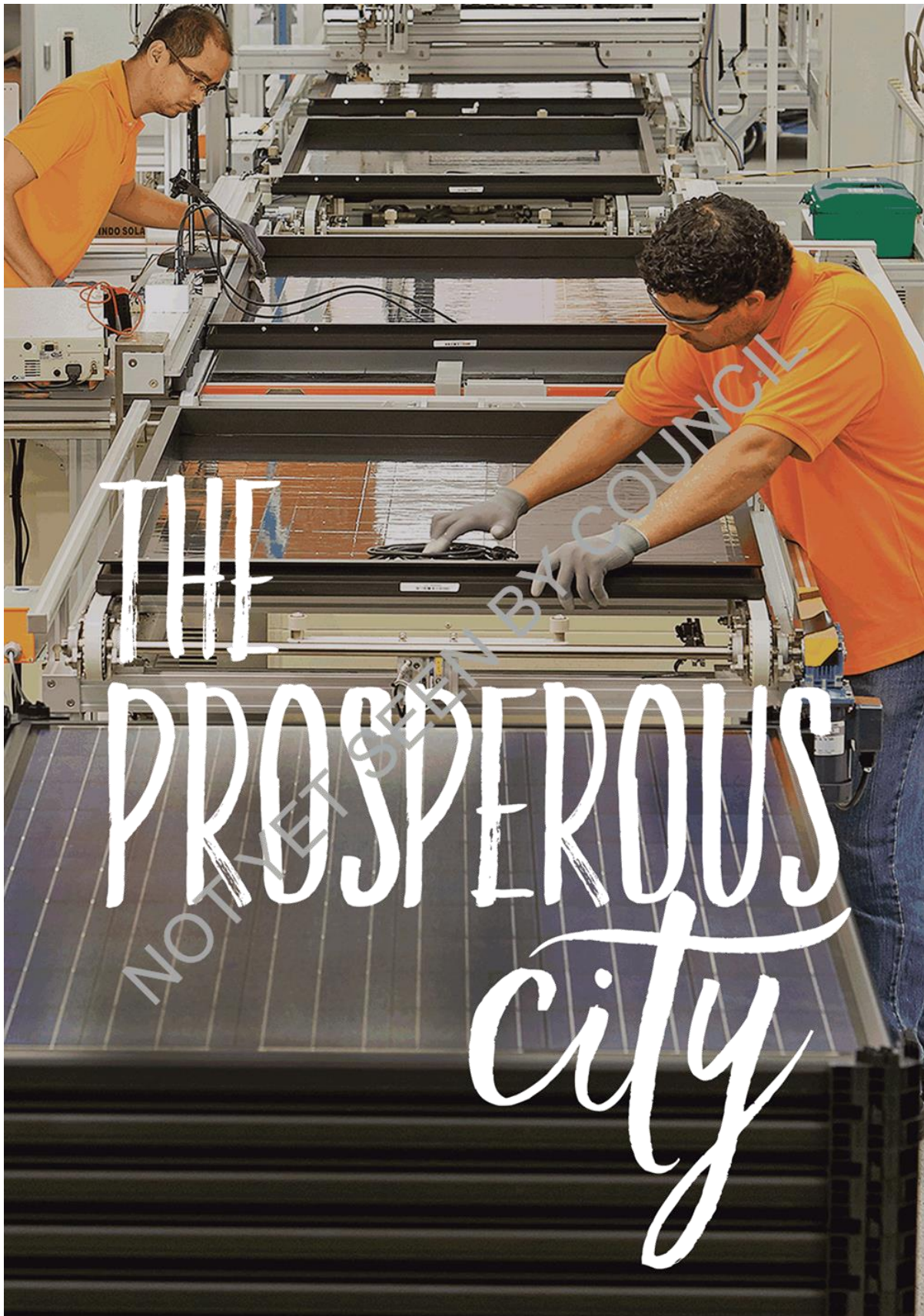
OPERATING BUDGET by KEY DIRECTION	2019/20				
	Direct Cost \$000's	Attributed Cost \$000's	Full Cost \$000's	Funding \$000's	Net \$000's
The Prosperous City					
Economic Development	1,105	383	1,488	177	1,311
Development Services	3,111	46	3,157	1,310	1,846
Urban Planning and Development	978	181	1,158	-	1,158
Roads	3,501	553	4,055	2,685	1,369
Footpaths	1,368	145	1,513	-	1,513
Total The Prosperous City	10,063	1,308	11,370	4,172	7,198
The Sustainable City					
Water Management	3,698	418	4,116	2,634	1,483
Waste Management	15,675	414	16,089	232	15,857
Parks & Landscapes	17,544	2,680	20,223	60	20,163
City Infrastructure	5,291	(5,291)	-	1,245	(1,245)
Total The Sustainable City	42,207	(1,779)	40,428	4,171	36,257
The Living City					
Community Development	2,316	306	2,622	18	2,605
Library Services	4,803	842	5,645	709	4,935
Community Centres	1,717	566	2,282	308	1,975
Recreation Services	1,636	229	1,866	-	1,866
Community Sport & Club Facilities	1,963	138	2,101	-	2,101
Community Health & Wellbeing	3,804	819	4,623	3,003	1,620
Cemetery	143	163	606	512	95
Food & Health Regulation	887	366	1,246	256	991
Inspectorate Services	582	201	782	388	394
Animal Control	1,177	491	1,668	1,059	609
Crime Prevention & Repair	605	190	795	-	795
Street Lighting	3,174	1	3,175	-	3,175
Total The Living City	23,100	4,313	27,413	6,252	21,160
Achieving Excellence					
Business Excellence	14,538	(14,499)	39	429	(390)
Council	2,459	(2,459)	-	2	(2)
Sundry *	26,273	(357)	25,917	6,466	19,450
Total Achieving Excellence	43,270	(17,314)	25,956	6,897	19,058
Infrastructure & Project Preparation		2,089	2,089	-	2,089
Corporate Unallocated		7,769	7,769	-	7,769
Corporate Governance Overhead		3,615	3,615	-	3,615
Rates Revenue				100,559	(100,559)
TOTAL OPERATING SURPLUSES / (DEFICIT)	118,639		118,639	122,052	3,413

* Sundry expenditure is primarily depreciation, with income being untied grant funding.

Budget Summary by Full Cost 2020/21 Budget

OPERATING BUDGET by KEY DIRECTION	2020/21				
	Direct Cost \$000's	Attributed Cost \$000's	Full Cost \$000's	Funding \$000's	Net \$000's
The Prosperous City					
Economic Development	1,163	-	1,163	193	970
Development Services	3,129	-	3,129	1,492	1,637
Urban Planning and Development	810	-	810	-	810
Roads	3,603	-	3,603	3,296	307
Footpaths	1,383	-	1,383	-	1,383
Total The Prosperous City	10,088	-	10,088	4,981	5,107
The Sustainable City					
Water Management	3,629	-	3,629	2,760	870
Waste Management	17,234	-	17,234	171	17,063
Parks & Landscapes	18,098	-	18,098	60	18,038
City Infrastructure	4,225	-	4,225	1,291	2,934
Total The Sustainable City	43,187	-	43,187	4,282	38,905
The Living City					
Community Development	2,276	-	2,276	15	2,262
Library Services	4,875	-	4,875	737	4,138
Community Centres	1,713	-	1,713	336	1,377
Recreation Services	1,741	-	1,741	-	1,741
Community Sport & Club Facilities	2,175	-	2,175	-	2,175
Community Health & Wellbeing	3,948	-	3,948	3,184	764
Cemetery	466	-	466	520	(54)
Food & Health Regulation	853	-	853	237	617
Inspectorate Services	590	-	590	395	195
Animal Control	1,197	-	1,197	964	233
Crime Prevention & Repair	599	-	599	-	599
Street Lighting	2,964	-	2,964	-	2,964
Total The Living City	23,398	-	23,398	6,387	17,011
Enabling Excellence					
Business Excellence	15,907	-	15,907	304	15,603
Council	2,477	-	2,477	2	2,475
Sundry *	26,243	-	26,243	6,667	19,576
Total Enabling Excellence	44,627	-	44,627	6,973	37,654
Infrastructure & Project Preparation		-	-		-
Corporate Unallocated		-	-		-
Corporate Governance Overhead		-	-		-
Rates Revenue				101,565	(101,565)
Operating Budget Bids	2,745		2,745	38	2,707
TOTAL OPERATING SURPLUS / (DEFICIT)	124,044	-	124,044	124,225	181

* Sundry expenditure is primarily depreciation, with income being untied grant funding.



Item 4.2.2 - Attachment 3 - Draft Annual Plan 2020/21

Our objectives are to:

1. Be an adaptive community that embraces change and opportunities
2. Have interesting places where people want to be
3. Be a connected city where all people have opportunities to participate
4. Be a proud, accessible and welcoming community



We will:

- Connect people to information, people and programs that support them to achieve their life goals
- Provide opportunities for the community to engage in learning
- Provide people with infrastructure, skills and knowledge to effectively participate in the digital age
- Foster a community that is adaptive to social and economic change
- Enhance our neighbourhoods, streets and public spaces so they are welcoming and connected
- Provide experiences that make our places livelier and more interesting
- Provide well maintained, clean and attractive places and facilities
- Work with key partners to ensure transport options efficiently link people to jobs, services, recreation and social activities
- Provide volunteering programs that harness the strength of our community's diversity and enable learning opportunities
- Encourage wellbeing through healthy lifestyles, sport, social and recreational opportunities
- Develop a community where peoples' culture, ideas and their capacity to achieve is supported and valued
- Build on our community's strong sense of spirit and purpose
- Provide for a range of housing options appropriate for our diverse community
- Develop a community where people feel safe

Our City's progress will be measured by:
Wellbeing
Socio-economics Indexes for Areas (SEIFA)
Percentage of residents who have participated in local community activities
Perception of quality of life and perceptions of Salisbury

Economic Development

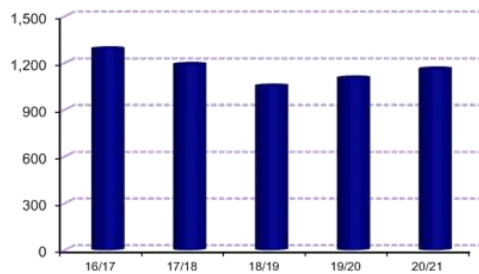


Economic Development contains the following Service Areas, Activities and Service Levels

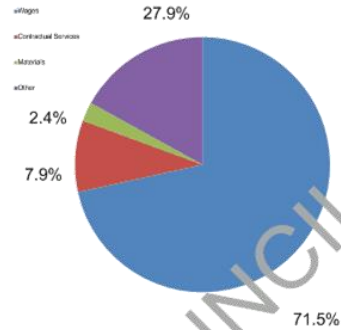
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Business Advisory Services (The Polaris Centre) Council supports people considering starting a business or who are already in business by providing information, advice, workshops and mentoring.</p>	<ul style="list-style-type: none"> • Provide support and training to businesses: over 500pa • Provide mentoring services to business owners: over 40pa • Increase the rate of new business formation in the region by providing start up programs • Provide digital support services to businesses including workshops (10), advisory (100 people) and roundtables (6) • Support firms to build their capacity to diversify into international markets: at least 10pa
<p>Economic Development</p> <p><i>Investment Attraction</i> Actively promote Salisbury as an investment location of choice through Invest Salisbury activity, and actively work with firms considering relocating to Salisbury or expanding their operations within our City. This includes progressing Council's approach to business growth.</p> <p>Actively promote and position the City of Salisbury as a location of choice for business investment and expansion</p> <p><i>Policy & Advice</i> Provide economic advice and input to Council and external bodies regarding economic issues and opportunities.</p> <p><i>Salisbury City Centre</i> Contribute to, and, where appropriate, drive initiatives to progress Council's objectives for Salisbury City Centre Structure Plan, place management and liaison with businesses.</p>	<ul style="list-style-type: none"> • Engage with at least 100 firms as part of Council's business engagement program. • Case management of at least 20 investment leads • Continual delivery of Invest in Salisbury and work with at least 3 partner organisations to raise Salisbury's economic profile in key sectors. • As required develop and commence implementation of a future economic strategy for Salisbury. • Implementation of Salisbury City Centre investment attraction initiatives.

Economic Development

Budgeted Economic Development Operating Expenditure (\$'000)



Economic Development (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Business Advisory Services	178	181
Economic Development	927	982
DIRECT EXPENDITURE	1,105	1,163
FULL COST ATTRIBUTION	383	
TOTAL EXPENDITURE	1,488	1,163
INCOME		
Business Advisory Services	65	68
Economic Development	112	124
TOTAL INCOME	177	193
NET IMPACT TO COUNCIL		
Business Advisory Services	113	113
Economic Development	815	857
FULL COST ATTRIBUTION	383	
TOTAL NET IMPACT TO COUNCIL	1,311	970

Development Services



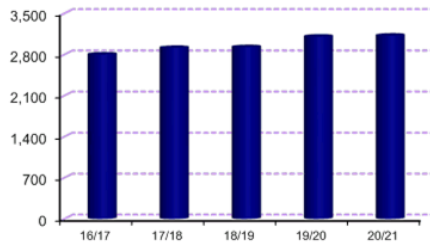
Development Services contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building</p> <p>Assessment of applications, provide general advice to community regarding building matters, respond to complaints, and inspect approved developments.</p>	<ul style="list-style-type: none"> • General Advice: 2,100pa • Applications: 2,800pa • Building Compliance: 600pa • Building Application Inspections: 600pa
<p>City Development Business Services</p> <p>Responsible for administration support services and the overall management and leadership of the City Development Department.</p>	<ul style="list-style-type: none"> • Section 7 Statements: 3,000pa • Rates Certificates: 3,100pa • Plan searches: 110pa • Register development applications and generate application decision notification forms: within 1 business day of registration/decision
<p>Corporate Signage</p> <p>Provide and promote corporate directional signage primarily on main roads, to assist visitors to find business locations. The program aim is to be self-funding.</p>	<ul style="list-style-type: none"> • 35 signs located across the City
<p>Development Engineering</p> <p>Processes applications and the provision of advice to ensure new roads, footpaths and stormwater drains meet Council standards and engineering for major developments (e.g. traffic and stormwater) meet relevant standards.</p>	<ul style="list-style-type: none"> • Engineering Assessment Approval and Bonding of land divisions: 8pa • Building Developments: 40pa • Construction Compliance Inspections: 50pa • Engineering advice: 520pa
<p>Planning</p> <p>Assessment of applications, provide general advice to community regarding planning matters and ensure compliance with legislative requirements.</p>	<ul style="list-style-type: none"> • Applications: 2,100pa • Planning Application Inspections: 650pa • Planning Compliance: 185pa • General Advice: 8,000pa

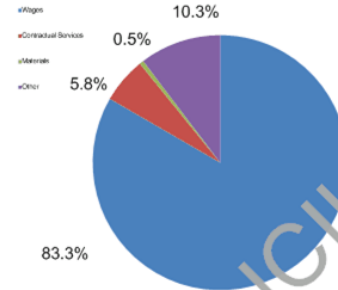
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Development Services

Budgeted Development Management Operating Expenditure (\$'000)



Development Management (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Building	798	837
City Development Administration	1,145	1,101
Corporate Signage	7	7
Development Engineering	210	213
Planning	951	970
DIRECT EXPENDITURE	3,111	3,129
FULL COST ATTRIBUTION	46	
TOTAL EXPENDITURE	3,157	3,129
INCOME		
Building	772	826
City Development Administration	101	237
Corporate Signage	23	29
Planning	415	400
TOTAL INCOME	1,310	1,492
NET IMPACT TO COUNCIL		
Building	27	11
City Development Administration	1,044	864
Corporate Signage	(16)	(22)
Development Engineering	210	213
Planning	535	570
FULL COST ATTRIBUTION	46	
	1,846	1,637

Urban Planning and Development

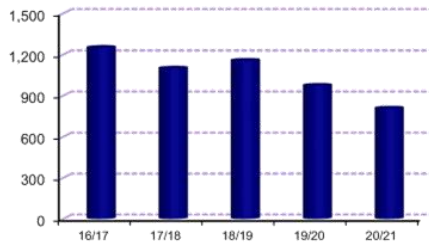


Urban Planning and Development contains the following Service Areas, Activities and Service Levels

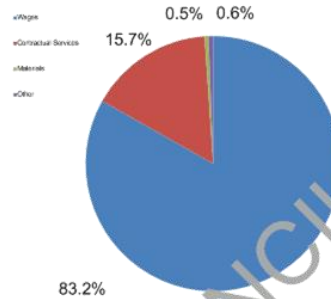
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Strategic Development Projects</p> <p>Oversees Council’s strategic development projects from inception through to completion including:</p> <ul style="list-style-type: none"> • Identification and development of surplus Council land • Preparation of project feasibilities and business cases for identified potential future developments. • Investigating opportunities and coordinating key development projects to contribute to the renewal of the Salisbury City Centre. 	<ul style="list-style-type: none"> • Complete sales of the Tranche 2 project Boardwalk at Greentree, which has included the delivery of 122 residential allotments including 15% affordable housing. • Finalise business cases and initiate delivery of Tranche 2 property development projects, subject to outcome of business case considerations. • Undertake the interim review of the Strategic Land Review Implementation Plan to identify and confirm the priority strategic property development actions for the next five years. • Complete civil construction and commence sale of residential allotments for the Hoyle Green Project. • Initiate and complete the development of an Affordable Housing Action Plan. <p>Continue site investigations at Lake Windemere including undertaking a builder Expression of Interest seeking housing product and partnership opportunities identified in the low cost housing market.</p> <ul style="list-style-type: none"> • Commence site investigation for the Walkley’s Road corridor land parcel to determine future development opportunities and constraints.
<p>Strategic Planning</p> <p>Research and develop policies in relation to land use planning, environmental sustainability and growth (industry and residential). Monitor and respond to opportunities arising from the introduction of the Planning and Design Code.</p>	<ul style="list-style-type: none"> • Develop a Structure Plan for the Northern Connector road corridor and identifying future development opportunities. • Continue neighbourhood planning for those areas likely to experience increases in population as identified in the Growth Action Plan, commencing with Ingle Farm. • Review changing housing needs within our community. • Collaborate with other councils to progress a regional climate adaptation agenda. • Monitor implementation of City Plan and reporting on city indicators • Monitor new technologies that have the potential to influence or shape how cities function with particular application to the City of Salisbury. • Continue to work closely with the State Government on the implementation of the Planning and Design Code. • Conclude Rural (aircraft noise) Direk Industry and Residential Interface DPA • Develop design guidelines to address specific urban policy issues if required • Review Council’s Growth Action Plan.

Urban Planning and Development

Budgeted Urban Planning and Development Operating Expenditure (\$'000)



Urban Planning and Development (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Strategic Development Projects	463	288
Urban Policy	514	523
DIRECT EXPENDITURE	978	810
FULL COST ATTRIBUTION	181	
TOTAL EXPENDITURE	1,158	810
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Strategic Development Projects	463	288
Urban Policy	514	523
FULL COST ATTRIBUTION	181	
TOTAL NET IMPACT TO COUNCIL	1,158	810

Roads



Key Partners:

- Department of Planning, Transport & Infrastructure (DPTI)
- Federal Government
- Developers
- SAPOL

Roads contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Road Maintenance</p> <p>Maintenance of kerb and gutter, road maintenance and repair damage due to storms. There is 1,750km of kerbing and 800km of road in the city.</p> <p>Service levels determined by Asset Management Plans and audit processes</p> <p><i>Road Safety Maintenance</i> Traffic signal/pedestrian and school crossing maintenance.</p> <p><i>Road Sweeping</i> Provision of clean and tidy streetscape and prevention of debris entering drainage system.</p> <p><i>Bridge Maintenance</i> There are 167 footbridges/boardwalks and 23 major road bridges within the Council area</p>	<ul style="list-style-type: none"> • Roads maintained to Road Pavement Condition Index rating of 8 • Council repairs road failures throughout the year as required • Council has an asset management program for road resealing and renewal that forms part of the Capital Works program • Line marking is carried out throughout the city over a 12-24 month interval • Pot holes are repaired on a responsive basis within 5 days of notification (high risk). • Maintenance of 13 pedestrian/school crossings, 13 Emu Crossings, 16 Koala Crossings and 5 Wombat Crossings • Six week cycle for nine months of the year meeting EPA guidelines cycle, reduced to 3-4 weeks during the summer months to manage additional leaf litter • A program of formal audits are undertaken every one to two years • Regular inspections and maintenance is undertaken six monthly and repairs completed as required
<p>Road Safety Engineering</p> <p>Project management of design and receipt of customer complaints regarding traffic design issues.</p>	<ul style="list-style-type: none"> • Council has completed the LATM's for the City, with traffic data showing the 50km/h speed limits are being adhered to by road users. However, hoon driving is an ongoing challenge with the Council's traffic staff liaising with SAPOL to address these issues
<p>Signs and Street Furniture Structure</p> <p><i>Street Signs:</i> Maintenance and replacement of 4,000 street signs and 37,000 other road signage including suburb, warning, regulatory and information signs.</p> <p><i>Street Furniture:</i> About 700 seats/benches and shelters maintained.</p> <p><i>Bus Shelter Maintenance:</i> Council has over 254 bus shelters. New stops are made compliant with DDA requirements.</p>	<ul style="list-style-type: none"> • All signage is repaired on an as needs basis • Maintenance of seats/benches and various shelters throughout the City including repainting/sealing, graffiti removal, vandalism and repairs • Program of inspection and condition auditing • Maintenance of bus shelters throughout the City including repainting/graffiti removal, vandalism and pavement repair.

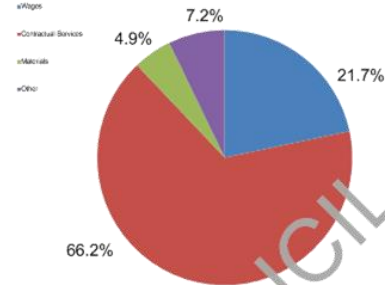
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Roads

Budgeted Roads Operating Expenditure (\$'000)



Roads (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Road Maintenance	2,668	2,766
Road Safety Engineering	505	510
Signs	328	327
DIRECT EXPENDITURE	3,501	3,603
FULL COST ATTRIBUTION	553	
TOTAL EXPENDITURE	4,055	3,603
INCOME		
Road Maintenance	2,685	3,296
TOTAL INCOME	2,685	3,296
NET IMPACT TO COUNCIL		
Road Maintenance	(17)	(530)
Road Safety Engineering	505	510
Signs	328	327
FULL COST ATTRIBUTION	553	
TOTAL NET IMPACT TO COUNCIL	1,369	307

Footpaths



Footpaths contains the following Service Areas, Activities and Service Levels

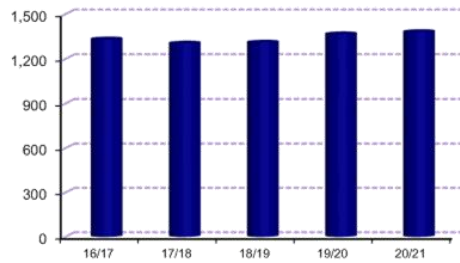
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Footpath Maintenance</p> <p>A program of footpath auditing is conducted every two years to gather data which is used to quantify the overall condition of the network. This data is also used to identify priority areas for maintenance works based on proximity to critical pedestrian generating activities.</p> <p>Customer requests not previously identified are investigated and considered along with the faults identified by the audit. Council also maintains footpaths and bicycle lanes through public reserves.</p>	<ul style="list-style-type: none"> • Provision of a footpath on one side of a road/street where appropriate as a minimum service standard. • To repair footpath faults > 25mm and according to identified risk factors. • Council repairs footpath failures throughout the year based on a program of priority works and on customer requests where appropriate.

NOT YET SEEN BY COUNCIL

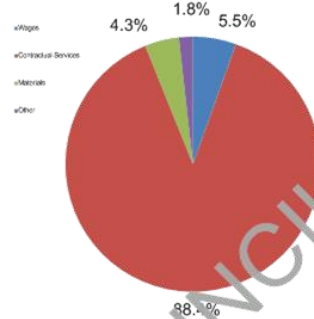
Item 4.2.2 - Attachment 3 - Draft Annual Plan 2020/21

Footpaths

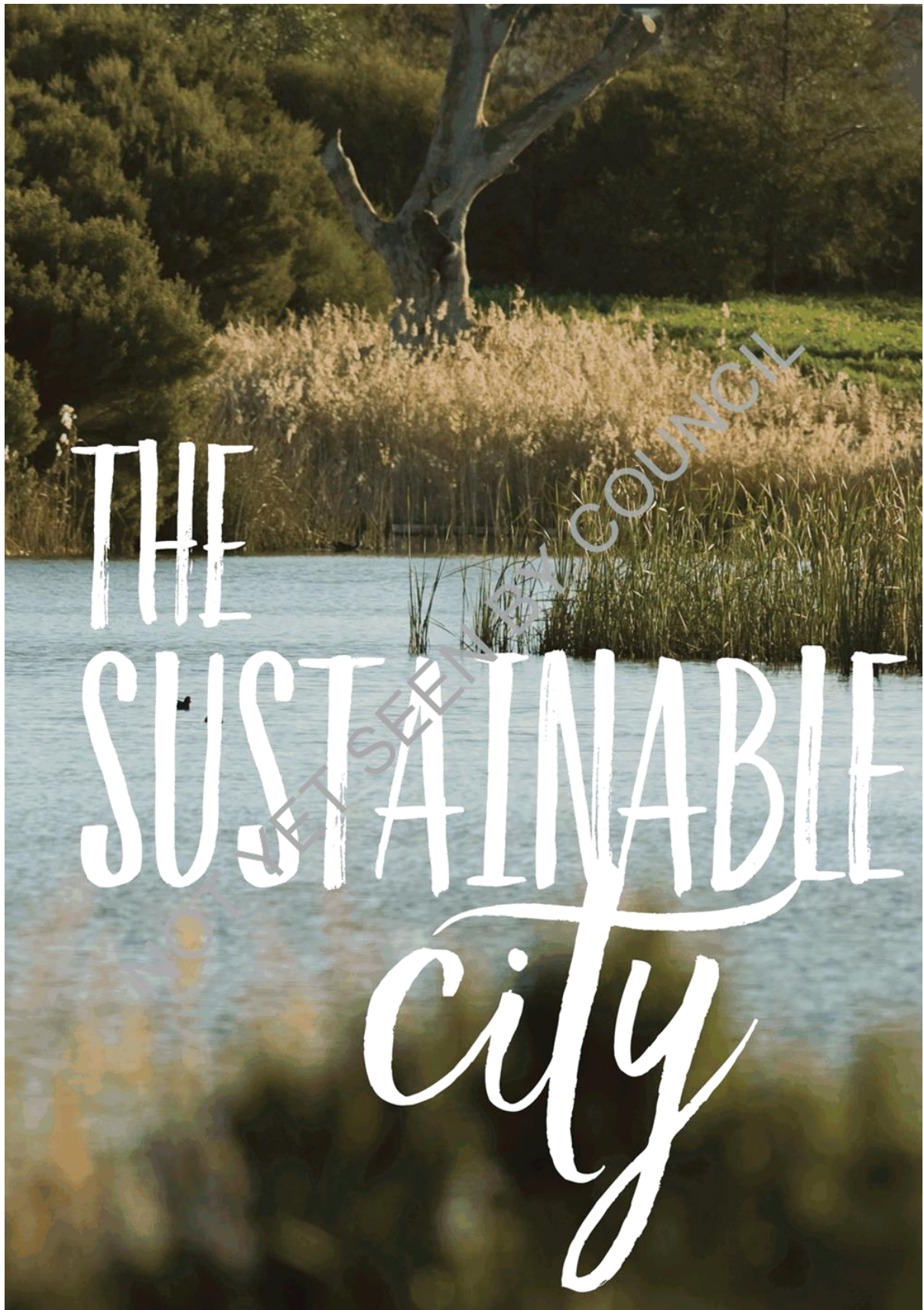
Budgeted Footpaths Operating Expenditure (\$'000)



Footpaths (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Footpath Maintenance	1,368	1,383
DIRECT EXPENDITURE	1,368	1,383
FULL COST ATTRIBUTION	145	
TOTAL EXPENDITURE	1,513	1,383
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Footpath Maintenance	1,368	1,383
FULL COST ATTRIBUTION	145	
TOTAL NET IMPACT TO COUNCIL	1,513	1,383



Item 4.2.2 - Attachment 3 - Draft Annual Plan 2020/21

Our objectives are to:

1. Capture economic opportunities arising from sustainable management of natural environmental resources, changing climate, emerging policy direction and consumer demands
2. Have a community that is knowledgeable about our natural environment and embraces a sustainable lifestyle
3. Have natural resources and landscapes that support biodiversity and community wellbeing
4. Have urban and natural spaces that are adaptive to future changes in climate

We will:

- Support businesses to minimise resource usage and waste production
- Develop a strong reputation as a location known for its green industries
- Assist the community to reduce cost of living pressures through the adoption of energy efficient technologies
- Provide information and events that enable people to better understand and care for their environment
- Work with our community to reduce waste
- Manage our natural spaces and landscapes to support the health of local habitats
- Improve our attractiveness as a visitor destination and a place to live through the management of our trees, parks and wetlands
- Manage coastal environments to ensure their future natural, economic and recreational value
- Recognise the importance of open space for community wellbeing and its importance to our community
- Ensure long term flexibility in the management of our urban spaces (assets and infrastructure) to adapt to a changing environment
- Proactively manage stormwater to reduce its impact on communities and the natural environment
- Moderate the impact of extreme heat events through Council’s approach to urban place management

Our City’s progress will be measured by:

Volume of storm water captured
Percentage of waste diverted from landfill
Community perceptions of open space
Percentage of Council area with tree canopy cover

Water Management



Key Partners:

- Australian Government Department of Agriculture, Water and the Environment
- SA Department for Environment and Water (DEW)
- Renewal SA
- SA Water
- Tea Tree Gully Council
- Playford Council
- Department of Defence
- CSIRO
- UniSA
- Flinders University

Water Management contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Drainage Systems</p> <p>The Drainage Asset Management Plan includes maintenance and cleaning rubbish collection devices, on a continual basis. The maintenance of drains includes the clearing of underground pipes from obstructions such as siltation and root penetration and the desilting, rubbish removal and repair of open drains. The servicing of flood retention dam penstocks, the cleaning of all road side entry pits, the desilting of blocked drains and the inspection and maintenance of the City's flood control dams are also included.</p>	<ul style="list-style-type: none"> • Maintain over 140 rubbish collection devices at less than 25% full of rubbish • Service 14,000 Side Entry Pits and Junction Boxes on a 5 year cycle • Ongoing inspection and cleanout of underground drains when necessary • Annual inspection of all open drains with desilting, root & tree removal and repair where necessary • Ongoing inspection of all flood control dams, including servicing and checking the operation of all penstocks
<p>Salisbury Water (Business Unit)</p> <p>Implementation of the Recycled Water Risk Based Management Plan and implementation of the Salisbury Water Business Plan to facilitate operation as a licenced water retailer under the Water Industry Act, harvesting, cleansing and reticulating recycled water across the city.</p>	<ul style="list-style-type: none"> • Operate 9 Managed Aquifer Recharge (MAR) schemes with 31 MAR wells • Operate 22 Groundwater bores • Licenced monitoring and reporting on all operational sites and associated groundwater monitoring points • Harvest, cleanse & store up to 5GL/year of stormwater • Retail, on average, 2.5GL/year of recycled water to over 1000 internal and external customers.
<p>Water Systems</p> <p>Preparation and implementation of Stormwater Management Plan and implementation of Watercourse Management Plans (SMP).</p>	<ul style="list-style-type: none"> • Drainage infrastructure planning and asset management • Coordination of all flood risk assessments and flood mitigation activities • Environmental Watercourse monitoring and reporting • Watercourse water quality improvement activities
<p>Wetlands and Biodiversity</p> <p>Planning and Asset Management of wetlands, watercourses and habitat reserves.</p>	<ul style="list-style-type: none"> • 46 wetlands, total area exceeding 290ha

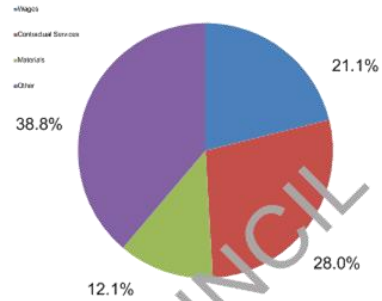
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Water Management

Budgeted Water Management Operating Expenditure (\$'000)



Water Management (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Drainage Systems	988	997
Salisbury Water	1,981	1,878
Water Systems	320	351
Wetland & Biodiversity	409	403
DIRECT EXPENDITURE	3,698	3,629
FULL COST ATTRIBUTION	418	
TOTAL EXPENDITURE	4,116	3,629
INCOME		
Salisbury Water	2,408	2,531
Water Systems	225	229
TOTAL INCOME	2,634	2,760
NET IMPACT TO COUNCIL		
Drainage Systems	988	997
Salisbury Water	(428)	(653)
Water Systems	95	123
Wetland & Biodiversity	409	403
FULL COST ATTRIBUTION	418	
TOTAL NET IMPACT TO COUNCIL	1,483	870

Waste Management



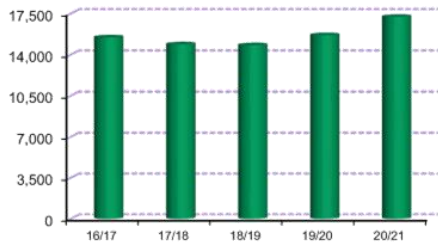
Waste Management contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Coleman Road Landfill</p> <p>Landfill operation closed in 1997. Ongoing monitoring of the site will continue for a 25 year period post closure.</p>	<ul style="list-style-type: none"> Monitoring of gas extracted from the landfill site Annual monitoring of groundwater within the site
<p>Domestic Hard Waste Collection</p> <p>Managed by NAWMA with all hard waste collection services provided through a booking arrangement. Residents may also receive a voucher for free disposal of prescribed materials at the Pooraka Transfer Station in lieu of property collection.</p>	<ul style="list-style-type: none"> Council provides the option of either two hard waste home collection services or two vouchers for use at the Waste Transfer Station or a combination of one of each. About 2,020 tonnes of waste are collected each year by the property collection service and the voucher service
<p>Domestic Refuse Collection</p> <p>Council provides a weekly domestic refuse collection service (operated by NAWMA) for residents using a 140 litre bin.</p>	<ul style="list-style-type: none"> Weekly to residential properties (140L bin) Domestic Refuse: 31,600 tonnes pa
<p>Green Waste Kerbside Service</p> <p>Council provides a collection service run by NAWMA for all residents who wish to participate and purchase a 240 litre bin for the purpose.</p>	<ul style="list-style-type: none"> Fortnightly to residential properties (240L bin) Green waste conversion: 13,500 tonnes pa
<p>Kerbside Recycling</p> <p>Council provides a 240 litre bin recycling collection service and all recyclables are processed at the NAWMA Materials Recovery Facility (MRF).</p>	<ul style="list-style-type: none"> Fortnightly to residential properties (240L bin) Kerbside recycling: 11,400 tonnes pa
<p>Loose Litter</p> <p>Provides for the collection and disposal of rubbish dumped on Council reserves and roads. Also the collection of waste from public rubbish bins. The Department of Correctional Services provide litter collection to arterial and collector roads.</p>	<ul style="list-style-type: none"> Programmed loose litter and litter bin collection 3 day cycle for high traffic locations Ad-hoc collection of dumped rubbish on verges/road reserves Cyclic collection of litter from collector/distributor for roads Removal of dead animals from public places
<p>Pooraka Waste Transfer Station</p> <p>The Transfer Station is available seven days per week except Christmas Day, New Year's Day, Good Friday & ANZAC day.</p>	<ul style="list-style-type: none"> Visits: 40,000 pa Annual disposal of: General waste 6,200t, Green waste 3,700t, Concrete 2,100t, Oil 42,000L, Tyres 2,300, Metals 500t and E-waste 400t

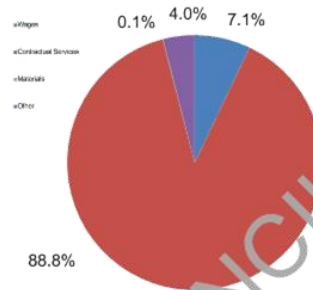
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Waste Management

Budgeted Waste Management Operating Expenditure (\$'000)



Waste Management (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Coleman Road Landfill	105	107
Domestic Hard Waste Collection	782	1,401
Domestic Refuse Collection	8,891	9,633
Green Waste Kerbside Service	1,523	1,525
Kerbside Recycling	1,783	2,071
Loose Litter	2,586	2,495
Pooraka Waste Transfer Station	5	2
DIRECT EXPENDITURE	15,675	17,234
FULL COST ATTRIBUTION	414	
TOTAL EXPENDITURE	16,088	17,234
INCOME		
Domestic Hard Waste Collection	4	
Domestic Refuse Collection	48	49
Pooraka Waste Transfer Station	180	123
TOTAL INCOME	232	171
NET IMPACT TO COUNCIL		
Coleman Road Landfill	105	107
Domestic Hard Waste Collection	778	1,401
Domestic Refuse Collection	8,843	9,585
Green Waste Kerbside Service	1,523	1,525
Kerbside Recycling	1,783	2,071
Loose Litter	2,586	2,495
Pooraka Waste Transfer Station	(175)	(121)
FULL COST ATTRIBUTION	414	
TOTAL NET IMPACT TO COUNCIL	15,857	17,063

Parks and Landscapes



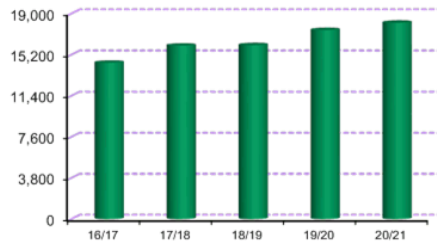
Parks and Landscapes contain the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Field Services Administration</p> <p>The Parks and Streetscapes Asset Management Plan provides direction to focus services and service levels across the division.</p>	<ul style="list-style-type: none"> Maintenance program ensures delivery of fit for purpose parks that are safe, functional and provide community amenity value
<p>Landscapes</p> <p>Consists of feature gardens and lawns which surround Council buildings, entry statements and roundabouts.</p>	<ul style="list-style-type: none"> Frequency based maintenance regimes to sites based upon profile and landscape type
<p>Mangrove Trail</p> <p>Provision and maintenance of St Kilda Mangrove Trail Interpretative Centre and Boardwalk.</p>	<ul style="list-style-type: none"> Maintenance of the Interpretative Centre, Boardwalk, toilet facilities and signage
<p>Pest</p> <p>Control of nuisance pests and weeds on Council reserves, verges and around buildings.</p>	<ul style="list-style-type: none"> Programmed and reactive pest and weed control services
<p>Public Toilets</p> <p>Maintenance and cleaning of public toilets throughout the City</p>	<ul style="list-style-type: none"> Daily cleaning of all public toilets within the City Sharps containers emptied fortnightly or more frequent if required
<p>Reserves and Playgrounds</p> <p>Maintenance of reserves and open space including grass cutting, litter removal, turf maintenance, irrigation maintenance, park furniture maintenance, fencing and reserve signage. Maintenance of play spaces, shade structures and fitness equipment throughout the City</p>	<ul style="list-style-type: none"> Total areas managed: 1,900ha of reserves Frequency based mowing and reserve maintenance depending on reserve classification 9 Dog parks and 6 BMX Tracks 143 Play Spaces have weekly, fortnightly and monthly audits of play equipment depending on classification Repairs as required
<p>Tree Management</p> <p>Tree planting and establishment, tree pruning, tree removal and tree inspections on verges and Council reserves.</p>	<ul style="list-style-type: none"> Replace 1,500 street trees pa Programmed street tree pruning on a 5 yearly cycle, reactive tree pruning, responsive tree assessment processes and risk based inspection regimes Reserve tree planting program
<p>Verges (Road Reserves)</p> <p>Council provides for grass mowing of un-maintained residential verges and collector road verges.</p>	<ul style="list-style-type: none"> Residential verges: 7 services pa Collector roads: 7 services pa Litter collection, blow down of paths and driveways, edging of paths, weed control, bush and tree debris Street sweeping within 24 hours Occur mostly in the growing season from February to December

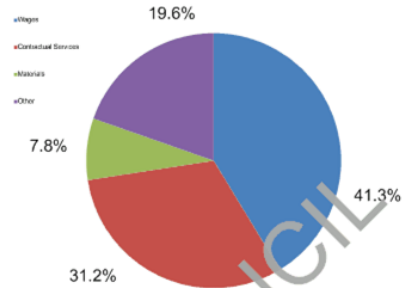
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Parks and Landscapes

Budgeted Parks and Landscapes Operating Expenditure (\$'000)



Parks and Landscapes (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Field Services Administration	2,694	3,619
Landscapes	1,218	1,060
Mangrove Trail	49	47
Pest	470	486
Public Toilets	319	350
Reserves and Playgrounds	7,750	7,629
Tree Management	3,244	3,106
Verges (Road Reserves)	1,800	1,800
DIRECT EXPENDITURE	17,544	18,098
FULL COST ATTRIBUTION	2,680	
TOTAL EXPENDITURE	20,223	18,098
INCOME		
Tree Management	60	60
TOTAL INCOME	60	60
NET IMPACT TO COUNCIL		
Field Services Administration	2,694	3,619
Landscapes	1,218	1,060
Mangrove Trail	49	47
Pest	470	486
Public Toilets	319	350
Reserves and Playgrounds	7,750	7,629
Tree Management	3,184	3,046
Verges (Road Reserves)	1,800	1,800
FULL COST ATTRIBUTION	2,680	
TOTAL NET IMPACT TO COUNCIL	20,163	18,038

City Infrastructure



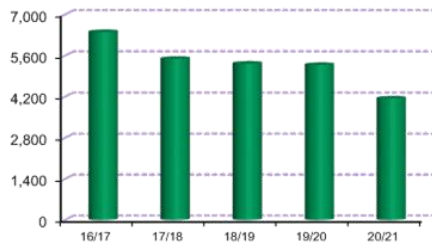
City Infrastructure contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Infrastructure Delivery</p> <p>Provides for building, civil and landscape infrastructure design and construction.</p>	<ul style="list-style-type: none"> • Complete building, civil and landscape projects within approved timelines and budgets • Deliver Council's annual Infrastructure program • Projects delivered in line with Project Management Framework
<p>City Infrastructure Administration</p> <p>Provides for the overall management and leadership of the City Infrastructure Department.</p>	<ul style="list-style-type: none"> • Deliver overall departmental support and governance in delivering Corporate objectives
<p>Infrastructure Management</p> <p>Provides for the strategic infrastructure management, including asset management, infrastructure planning and landscape / engineering program and project development.</p>	<ul style="list-style-type: none"> • Complete and manage seven asset management plans for the City's \$1.8 billion of physical assets including the development of KPIs, service levels and community consultation. • Planning and Program development for the City's infrastructure. • Traffic management planning and review • Deliver biodiversity programs • Deliver energy efficiency program • Planning and development of Stormwater Management Plans including major and minor flood mitigation programs. • Planning and development of Council's public realm, reserves and open spaces including reserve and playground upgrade and renewal programs.
<p>Property and Buildings</p> <p>Core functions include property acquisition and disposal, sporting and community club leasing, casual hire of Council's reserves, leasing of community land, negotiation of easements, property and building maintenance, graffiti removal and security services.</p>	<ul style="list-style-type: none"> • 50 Sporting & Community Club Rental Agreements • 116 Commercial Lease Agreements • 2 Residential Rental Agreements • Land acquisition and disposal as required • Asset management of Council's building infrastructure

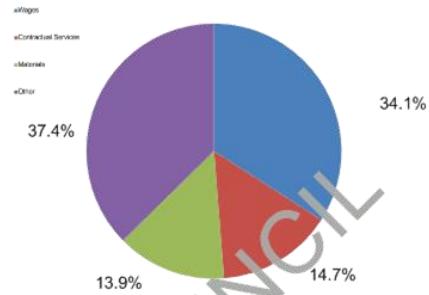
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City Infrastructure

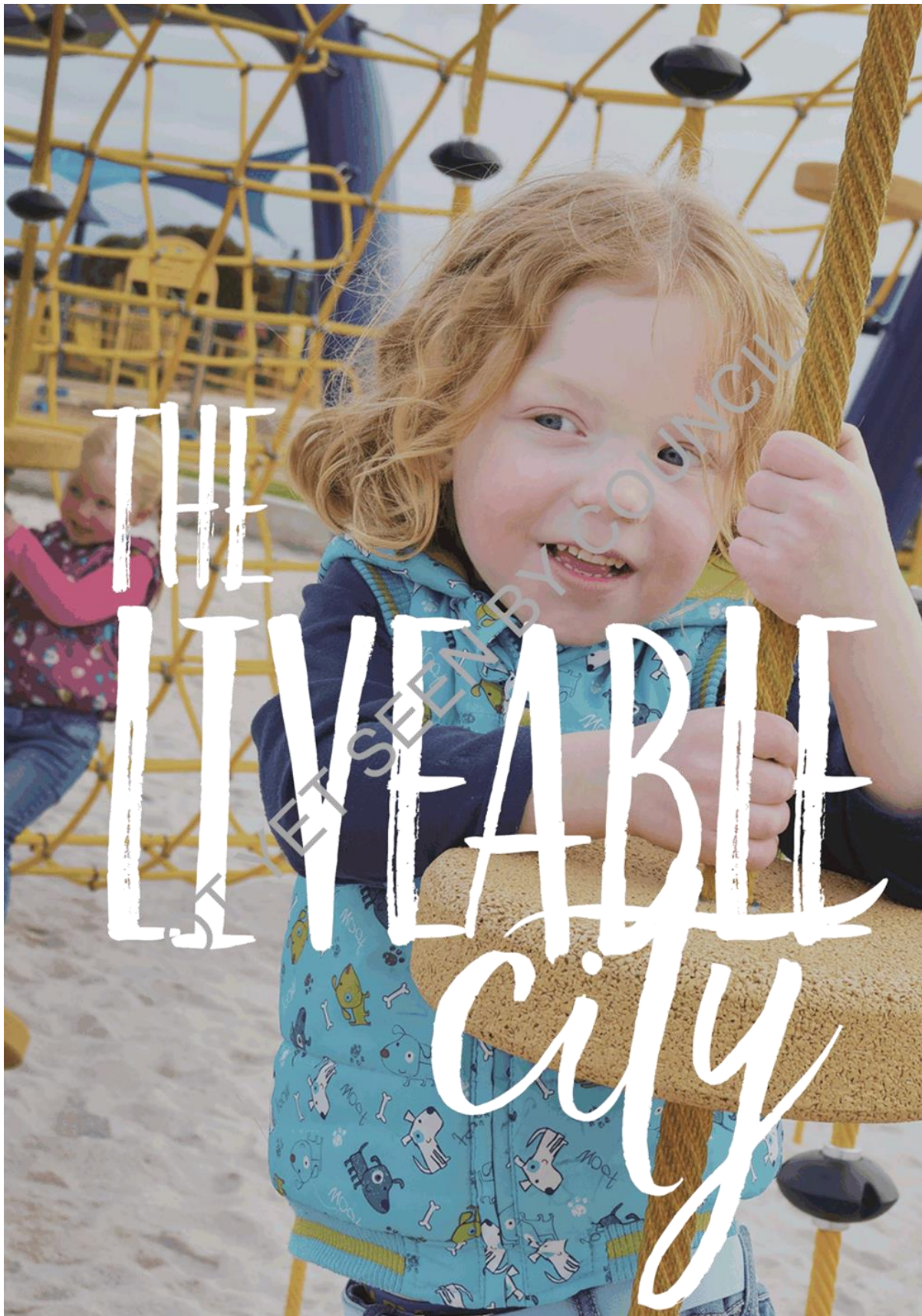
Budgeted City Infrastructure Operating Expenditure (\$'000)



City Infrastructure (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Business Support Administration	995	968
Infrastructure Delivery	1,394	333
City Infrastructure Administration	531	520
Infrastructure Management	476	479
Property and Building Services Admin	1,894	1,926
DIRECT EXPENDITURE	5,291	4,225
FULL COST ATTRIBUTION	(5,291)	
TOTAL EXPENDITURE		4,225
INCOME		
Business Support Administration	50	60
City Infrastructure Administration	196	220
Infrastructure Management	2	2
Property and Building Services Admin	997	1,009
TOTAL INCOME	1,245	1,291
NET IMPACT TO COUNCIL		
Business Support Administration	945	908
Infrastructure Delivery	1,394	333
City Infrastructure Administration	335	300
Infrastructure Management	474	477
Property and Building Services Admin	897	917
FULL COST ATTRIBUTION	(5,291)	
TOTAL NET IMPACT TO COUNCIL	(1,245)	2,934



Item 4.2.2 - Attachment 3 - Draft Annual Plan 2020/21

Our objectives are to:

1. Be an adaptive community that embraces change and opportunities
2. Have interesting places where people want to be
3. Be a connected city where all people have opportunities to participate
4. Be a proud, accessible and welcoming community



We will:

- Connect people to information, people and programs that support them to achieve their life goals
- Provide opportunities for the community to engage in learning
- Provide people with infrastructure, skills and knowledge to effectively participate in the digital age
- Foster a community that is adaptive to social and economic change
- Enhance our neighbourhoods, streets and public spaces so they are welcoming and connected
- Provide experiences that make our places livelier and more interesting
- Provide well maintained, clean and attractive places and facilities
- Work with key partners to ensure transport options efficiently link people to jobs, services, recreation and social activities
- Provide volunteering programs that harness the strength of our community's diversity and enable learning opportunities
- Encourage wellbeing through healthy lifestyles, sport, social and recreational opportunities
- Develop a community where peoples' culture, ideas and their capacity to achieve is supported and valued
- Build on our community's strong sense of spirit and purpose
- Provide for a range of housing options appropriate for our diverse community
- Develop a community where people feel safe

Our City's progress will be measured by:
Wellbeing
Socio-economics Indexes for Areas (SEIFA)
Percentage of residents who have participated in local community activities
Perception of quality of life and perceptions of Salisbury

Community Development



Key Partners:

- Belgravia Leisure Services
- Community Centres SA
- Community Centre Associations
- Department of Health
- Department of Education and Child Development
- Northern Adelaide State Secondary Schools Alliance
- Department of Communities and Social Inclusion Human Services (SA)
- Reconciliation Australia
- Public Library Service of South Australia
- University of SA
- Alcohol and Drug Foundation

Community Development contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES SERVICE LEVELS
<p>Community Development Administration Provides for executive management and associated support staff for the functions of the Community Development Department.</p>	<ul style="list-style-type: none"> • Manage 3 divisions and Social Policy, Strategic and International Partnerships
<p>Community Grants Management and allocation of the Community Grants Program which provides grants for community and sporting organisations undertaking projects of benefit to the local community.</p>	<ul style="list-style-type: none"> • Applications received: approx. average 55pa
<p>Community Planning & Vitality <i>Cultural Development</i> Researches, develops and implements policy and program delivery that responds to the cultural development needs of the community that lives, works and studies within the City.</p> <p><i>Sport and Recreation</i> Undertakes research and develops policy and program delivery in relation to open space, recreation, leisure and sports development for the City for community wellbeing. Programs focus on increasing the physical activity levels within the City.</p> <p><i>Social Policy</i> Undertakes research and develops policy, strategy, programs and partnerships in relation to Implementation of the Reconciliation Action Plan, Community Safety, Public Health, Homelessness, Suicide Prevention, Social Infrastructure and Strategic and International Partnerships.</p>	<ul style="list-style-type: none"> • Deliver a cultural program of events, exhibitions and celebrations • Collaborate with organisations and businesses to support cultural activities • Place curation to activate spaces • 10 exhibitions organised in the John Harvey Gallery • Administration of Watershed Art Prize, Staging of the Writers' Festival, Vietnam Veterans and Asbestos Victims ceremonies, other place activations and Salisbury Secret Garden • Review community recreation and open space needs • Provide leadership and support to sporting club development • Provide advice related to sport and recreation facility development • Review and implement the Game Plan • Contract management of the Leisure Services Contract for the operation of Council recreation facilities • Provide advice and lead stakeholder engagement for sport and recreation facility development • Develop management model for new athletics centre at Bridgstone Reserve • Policy and Maintenance Framework for Sister City and Friendship City • Liaise with SAPOL, agencies and businesses on Community Safety • Regional partnerships in suicide prevention, local drug action, homelessness, domestic violence, reconciliation development and coordination of Regional Public Health Plan • Provide statistical analysis to social service delivery and social infrastructure provision

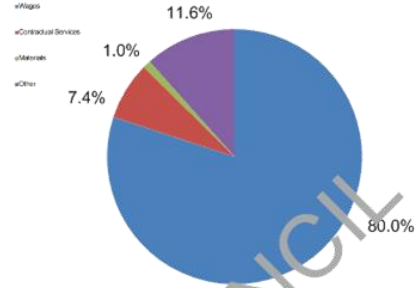
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Community Development

Budgeted Community Development Operating Expenditure (\$'000)



Community Development (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Community Development Administration	548	563
Community Grants	141	141
Community Planning & Vitality	1,627	1,572
DIRECT EXPENDITURE	2,316	2,276
FULL COST ATTRIBUTION	306	
TOTAL EXPENDITURE	2,622	2,276

	2019/20 Budget \$000's	2020/21 Forecast \$000's
INCOME		
Community Planning & Vitality	18	15
TOTAL INCOME	18	15

	2019/20 Budget \$000's	2020/21 Forecast \$000's
NET IMPACT TO COUNCIL		
Community Development Administration	548	563
Community Grants	141	141
Community Planning & Vitality	1,609	1,557
FULL COST ATTRIBUTION	306	
TOTAL NET IMPACT TO COUNCIL	2,605	2,262

Library Services



Key Partners:

- Public Library Services (PLS)
- State Library of South Australia
- Department of Industry and Skills (DSI)
- Public Libraries SA (PLSA)

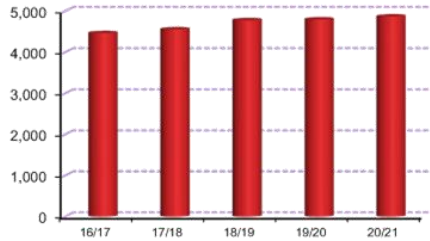
Library Services contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building Maintenance Libraries</p> <p>The maintenance of library buildings.</p>	
<p>Library Administration and Policy</p> <p>Provides for the Management and associated support staff for the function of the Library Services</p>	<ul style="list-style-type: none"> • Manage Library Branch Services, Library Information & Access, and Community Programs
<p>Library Branch Services</p> <p>Services are offered at five key locations at Ingle Farm, Para Hills Community Hub, Salisbury Community Hub, Mawson Lakes and Salisbury West. Services include access to collections, reference and community information, public Internet and Wi-Fi, sporting equipment and toys. Spaces for community use include quiet study areas, bookable meeting rooms, youth and children's areas. Home library service delivers items to those who cannot visit Salisbury library locations due to difficulties associated with disability, age, geographical isolation or frailty.</p>	<ul style="list-style-type: none"> • PC uses by the public: estimate 19/20 76,000 • Members: estimate 19/20 30,000 • Total number of visits for 19/20 estimate 590,000
<p>Library Information & Access</p> <p>Overseeing the strategic and operational management of library specific technologies including the Library Management System and online content to support Library services and programs. Manage and develop library collections, including e-resources, to ensure the provision of, and access to, resources in a variety of formats that meet the educational, information, recreational and cultural needs of the Community. Manage the local history collection which supports the Salisbury community to understand its local identity.</p>	<ul style="list-style-type: none"> • PC Website visits: estimate for 19/20 181,000pa • Facebook followers as at 04.02.2020: 2016 • Online tutorials: 1,116pa • New items: 27,000pa • Total collection: 140,000pa • Size collection per capita: 1.2 • Visits per capita: 4.00 • Expenditure per capita: \$31.00 • Loans: 19/20 estimate 570,000 • E-book and audio book loans: 30,000pa • E-magazine: 22,000pa
<p>Community Learning Programs</p> <p>Learning programs include literacy and reading, digital literacy, STEM, English as a second language and employment skills. Services include a range of formal and informal engagement opportunities for people of all ages and abilities including local schools and community groups. All programs and services are specifically designed to respond to the needs of the community with a wide range of social and learning opportunities for all. Strategic partnerships are actively initiated to attract and secure relevant grant funding.</p>	<ul style="list-style-type: none"> • Children's program visit total: 11,000pa • Early literacy: 7,000pa • STEM activities: 1,000pa • School holidays: 1,200pa • Other children's / youth programs: 1,800pa <p>Adult program visit total: 4,300pa</p> <ul style="list-style-type: none"> • ESL, literacy, numeracy programs: 1,000pa • Digital literacy: 600pa • Other adult programs: 1,100pa • JP visits: estimate for 19/20 26,500pa

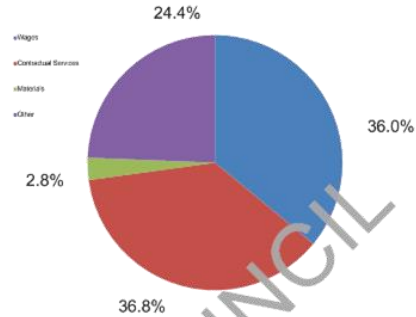
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Library Services

Budgeted Library Services Operating Expenditure (\$'000)



Library Services (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Building Maintenance Libraries	228	215
Library Administration and Policy	416	432
Library Branch Services	2,693	2,731
Library Information and Access	904	921
Community Learning and Program	561	575
DIRECT EXPENDITURE	4,803	4,875
FULL COST ATTRIBUTION	842	
TOTAL EXPENDITURE	5,645	4,875

	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
INCOME		
Library Administration and Policy	380	400
Library Branch Services	129	137
Library Information and Access	80	80
Community Learning and Program	120	120
TOTAL INCOME	709	737

	2019/20 Forecast \$'000's	2020/21 Forecast \$'000's
NET IMPACT TO COUNCIL		
Building Maintenance Libraries	228	215
Library Administration and Policy	36	32
Library Branch Services	2,564	2,595
Library Information and Access	824	841
Community Learning and Program	441	455
FULL COST ATTRIBUTION	842	
TOTAL NET IMPACT TO COUNCIL	4,935	4,138

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Community Centres



Key Funding Providers and Partners:

- Community Centres SA
- Non-Government Organisations
- Department of Human Services
- Department of Industry and Skills
- Department of Education and Child Development
- University of South Australia
- Flinders University

As part of Community Capacity and Learning Division Community Centres contain the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES SERVICE LEVELS
<p>Building Maintenance Community Centres</p> <p>The maintenance of Community Centre buildings.</p>	
<p>Community Centres</p> <p>Deliver learning and engagement activities for all ages across Bagster Road, Burton, Mawson Lakes, Morella, Pooraka Farm, Salisbury East, Para Hills Community Hub and Twelve25 Salisbury Youth Enterprise Centre.</p> <p>Services and programs foster wellbeing, promote health and fitness, enhance social connections, develop language and literacy skills and celebrate and entertain.</p> <p>Community learning is achieved through programs that support our community's educational and social needs. Various sessions of structured community adult education are offered, with average visitation of 140,000 Salisbury residents to the City's community centres.</p> <p>Funding from Government grants and volunteer contributions are key to the success of program delivery. Strategic partnerships and working collaboratively continue to be strong drivers for successful, responsive and cost effective service delivery.</p>	<ul style="list-style-type: none"> • Art & Graffiti visits total 11,000pa • Youth & Children visits total: 37,000pa • Computing & Technology visits total: 2,800pa • Enterprise Programs visits total: 2,600 • Health & Fitness visits total: 19,500pa • Language & Literacy visits total: 7,00pa • Personal Development/Interests visits total: 22,800pa • Professional Development visits total: 9,300pa • Social support visits total: 37,100pa <ul style="list-style-type: none"> • Total people visits – 150,000pa • Volunteers: 250 • Volunteers contribute approximately 20,000 hours pa to City of Salisbury via their participation across the centres

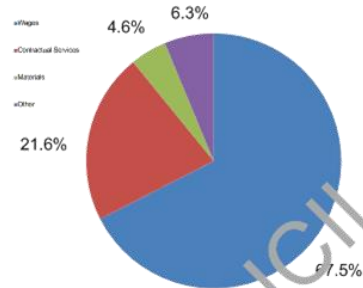
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Community Centres

Budgeted Community Centres Operating Expenditure (\$'000)



Community Centres (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Building Maintenance Community Centres	413	380
Community Centres	1,304	1,333
DIRECT EXPENDITURE	1,717	1,713
FULL COST ATTRIBUTION	566	
TOTAL EXPENDITURE	2,282	1,713
INCOME		
Community Centres	308	336
TOTAL INCOME	308	336
	2019/20 Forecast \$000's	2020/21 Forecast \$000's
NET IMPACT TO COUNCIL		
Building Maintenance Community Centres	413	380
Community Centres	996	997
FULL COST ATTRIBUTION	566	
TOTAL NET IMPACT TO COUNCIL	1,975	1,377

Recreation Services



Key Partners:

Service Delivery – Belgravia Leisure

Financially affiliated to:

- Netball SA; Squash SA; Tennis SA; Council of the Aging (COTA); Recreation SA; Recreation SA; AustSwim; Swimming Australia

Partnerships:

- Dept. Education & Children's Services; Office for Recreation & Sport; University of SA; Basketball Australia; Maxima Employment Services; 3 Ballin SA; Swimming Australia

Recreation Services contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building Maintenance The maintenance cost of recreation buildings.</p>	
<p>Recreation Services Contract City of Salisbury provides recreation services through an outsourced business model with Belgravia Leisure being the contract provider. Services are provided as follows: <i>Ingle Farm Recreation Centre</i> The Centre consists of 3 multi-sport courts, 4 squash courts, training rooms, offices and a function room with a fully equipped catering kitchen. The Centre offers a wide variety of recreational activities such as basketball, netball, roller skating, kindigym, archery, squash and birthday parties. The Centre also accepts payments for rates, fines and dog registration on behalf of Council. <i>Gardens Recreation Centre</i> Is a multi-purpose sporting complex providing opportunities for activities such as basketball, netball, kindigym, Futsal and community events such as the annual Craft Fair and Hobby Fair. Also providing access opportunities for organisations such as table tennis, martial arts, Comrec, Novita Children's Services and dance groups. The Centre also plays hosts to many national, state and local sporting events and shows. <i>Salisbury Recreation Precinct</i> Provides aquatic and tennis facilities in a parkland setting including 8 tennis courts (4 of which are Australian Open Standard), a 50m pool, 25m undercover pool, toddler's pool and large open space surrounds. The Precinct provides a range of aquatic and leisure opportunities including lap swimming, swimming lessons, pool parties and Tennis. <i>Little Para Golf Course</i> Is located at Martins Road, Paralowie. 9 hole, par 3 course winding through the Little Para River with a 300m driving range consisting of 8 bays, a clubhouse and pro-shop, BBQ alfresco area undercover.</p>	<ul style="list-style-type: none"> • Direct customer visits: approx. 175,000pa • Average teams registered: 116pa • Work in partnerships with the recreation services provider to oversee delivery of sport and recreation programs and services of Council's: <ul style="list-style-type: none"> - Ingle Farm Recreation Centre - Parafield Gardens Recreation Centre - Salisbury Recreation Precinct (including pool) - Little Para Golf Course • Customer visits: 121,000pa • Teams registered: 206pa • Customer visits: approx. 68,500pa • Rounds: approx. 11,000pa • Driving Range balls: approx. 366,000pa

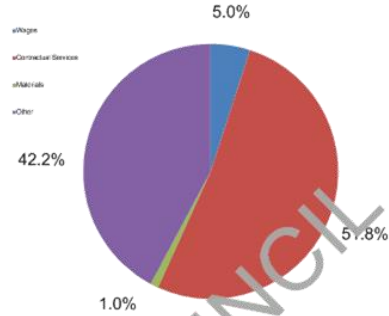
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Recreation Services

Budgeted Recreation Services Operating Expenditure (\$'000)



Recreation Services (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Building Maintenance	121	113
Recreation Services Contract Management	1,516	1,628
DIRECT EXPENDITURE	1,636	1,741
FULL COST ATTRIBUTION	229	
TOTAL EXPENDITURE	1,866	1,741
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Building Maintenance	121	113
Recreation Services Contract Management	1,516	1,628
FULL COST ATTRIBUTION	229	
TOTAL NET IMPACT TO COUNCIL	1,866	1,741

Community Sport and Club Facilities



Key Partners:

- Sporting & Community Clubs

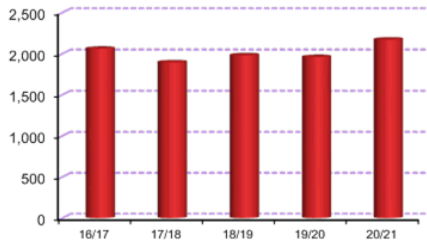
Community Sport and Club Facilities contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building Maintenance Sporting & Community Facilities</p> <p>Maintenance of the clubroom and change room structures including general repairs and programmed maintenance.</p>	<ul style="list-style-type: none"> • Electrical & Plumbing Service: <ul style="list-style-type: none"> - Priority 1 - Emergency within 2 hours - Priority 2 - within 24 hours - Priority 3 - General seven days (maximum)
<p>Turf & Irrigation</p> <p>Maintained to standards to ensure the grounds are 'fit for use' for the sport being played.</p>	<ul style="list-style-type: none"> • 30 sites comprising 54 fields • Turf renovation and mowing, turf cricket wicket preparation, covering and uncovering of concrete wickets, goal post installation, maintenance and removal

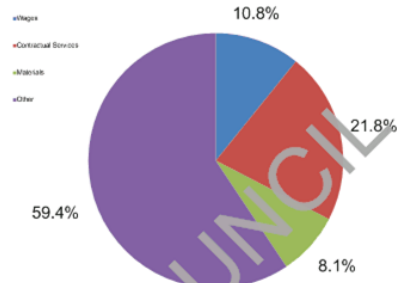
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Community Sport and Club Facilities

Budgeted Community Sport and Club Facilities Operating Expenditure (\$'000)



Community Sport and Club Facilities (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Building Maintenance Sport and Community Facilities	409	493
Sportsfield Cutting	1,554	1,682
DIRECT EXPENDITURE	1,963	2,175
FULL COST ATTRIBUTION	138	
TOTAL EXPENDITURE	2,101	2,175
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Building Maintenance Sport and Community Facilities	409	493
Sportsfield Cutting	1,554	1,682
FULL COST ATTRIBUTION	138	
TOTAL NET IMPACT TO COUNCIL	2,101	2,175

Community Health and Wellbeing



Key Partners:

- Commonwealth Department of Health; State Department for Communities and Social Inclusion
- COTA SA – Council on the Ageing; Volunteering SA; Northern Volunteering; Multicultural Aged Care; Multicultural SA; Ethnic Link; Active Ageing SA Inc; TAFE SA; Aged & Community Services (Australia), SAMRI Wellbeing and Resilience Centre, Flinders University, Bhutanese Australian Association of SA (BAASA), CO.AS.IT SA, Adelaide Festival Centre, Paralowie R-12

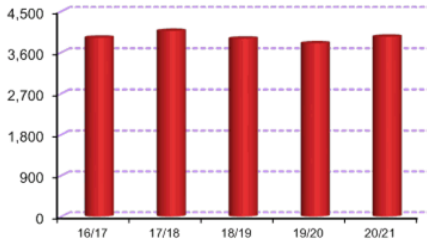
Community Health and Wellbeing contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Aged Care Policy, Planning & Co-ordination Service development, management of human & financial resources, co-ordination of consultation & collaborative processes & promotion of positive images of ageing. Promotion of an Age Friendly Salisbury where all have the opportunity to be involved in community life.</p>	<ul style="list-style-type: none"> • 170 volunteers • Panel of contractors: 40-50 • 3,000 Salisbury Seniors Magazines distributed (3 editions) • Monthly communication updates including a wellbeing newsletter, special and upcoming events publication, radio announcements and a bi-monthly wellbeing newsletter.
<p>Volunteer Development Services Responsible for the development and review of Council's volunteer management practices & systems to ensure they meet audit, legislative, funding and policy requirements & responsible for the recruitment, registration & recognition of Council's volunteers.</p>	<p>Data for 2018/19</p> <ul style="list-style-type: none"> • 702 enquiries (of which 237 were from people seeking pathway to employment) • 190 new volunteers • 617 active volunteers contributing 76,044 hours and \$3,101,781 economic value • Participants: 50-60 pa
<p>Disability programs The Shed; Fun on Friday; Salisbury Social Group; STARS (Skills, Training and Recreation Support)</p>	
<p>Health and Inclusion Undertakes research, community & stakeholder engagement, projects, policy & strategy development in relation to community health & wellbeing; access & inclusion; mental wellbeing & resilience; aged friendly cities & intercultural communities</p>	<ul style="list-style-type: none"> • Community needs, trends and expectations identified and translated into Council direction. • Strategic partnerships developed • Salisbury Seniors Alliance • Salisbury Intercultural Alliance • Salisbury Intercultural Strategic Alliance • Develop, implement, report and evaluate the City of Salisbury's Framework and Strategic Plans, i.e. Age-Friendly Salisbury Strategy 2015-2020, Intercultural Strategy 2017-2027, Ability and Inclusion Strategic Plan 2019-2023
<p>Salisbury Home and Community Services and Housing Support Program (CSHSP) Is funded by a mix of Commonwealth, State and Council to provide basic maintenance support services to frail older people, younger people with disability and carers to support independent living at home and in the community. It involves household maintenance and support with activities of daily living. Community based support includes social participation, meals, ongoing learning, wellbeing and physical activities and opportunities. Programs also cater for a range of culturally and linguistically diverse consumers.</p>	<ul style="list-style-type: none"> • Number of individual residents receiving support: 2,803pa • Domestic assistance: 9,211 hours pa • Social Support Groups (Centre Based Day Care): 86,949 hours pa • Social support individual: 1,391 hours pa • Number of meals: 22,344pa • Number of transport trips: 14,550pa • Home modifications: \$73,634pa • Hours of home maintenance: 3,384pa • Number of people assisted by the Housing Support program: 80-90pa

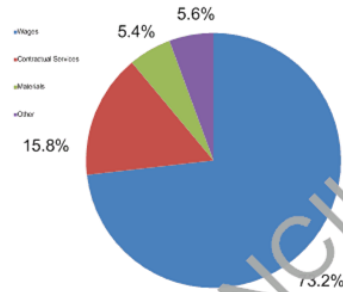
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Community Health and Wellbeing

Budgeted Community Health and Wellbeing Operating Expenditure (\$'000)



Community Health and Wellbeing (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Aged Care Policy Planning & Coordination	170	172
Volunteer Development Services	218	222
Disability Program	212	228
Health and Inclusion	114	120
Commonwealth Home Support Program	2,871	2,983
Aged Housing Support	114	115
Northern Collaborative Project (NCP)	105	108
DIRECT EXPENDITURE	3,804	3,948
FULL COST ATTRIBUTION	819	
TOTAL EXPENDITURE	4,623	3,948
INCOME		
Disability Program	245	369
Commonwealth Home Support Program	2,539	2,594
Aged Housing Support	114	115
Northern Collaborative Project (NCP)	105	106
TOTAL INCOME	3,003	3,184
NET IMPACT TO COUNCIL		
Aged Care Policy Planning & Coordination	170	172
Volunteer Development Services	218	222
Disability Program	(33)	(141)
Health and Inclusion	114	120
Commonwealth Home Support Program	331	389
Aged Housing Support		
Northern Collaborative Project (NCP)		1
FULL COST ATTRIBUTION	819	
TOTAL NET IMPACT TO COUNCIL	1,620	764

Cemetery



Key Partners:

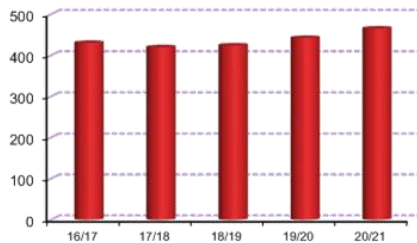
- Chapel of the Holy Family Mausoleum
- Cooke Concrete
- Garner Memorials
- Arrow Bronze
- Cemeteries Association of SA
- Mattiske Funerals
- Simplicity Funerals
- Australasian Cemeteries and Crematoria Association

Cemetery contains the following Service Areas, Activities and Service Levels

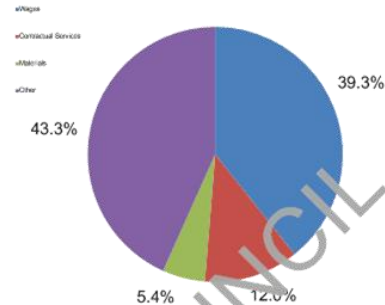
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Salisbury Memorial Park Cemetery Administer the Salisbury Memorial Park in accordance with the Cemeteries Act</p> <p><i>Lawn Burials</i> In ground burial services.</p> <p><i>Vault Burials</i> Below ground burial with concrete walls surrounding the burial plot preventing any contact with the earth.</p> <p><i>Inurnments</i> The burial of cremated remains within the Rose Garden, Rotunda, Water Feature or sealed in one of the cemetery's niche walls.</p> <p><i>Licences</i> Licences for burial/inurnment are required under the Local Government Act and can be purchased on an as needed or pre-need basis.</p>	<ul style="list-style-type: none"> • Provide exceptional and empathetic customer service to those requiring a final resting place for loved ones. • Oversee the lease of the Chapel of the Holy Family Mausoleum. • Standard burials: 70pa • Vault burials: 1pa • Inurnments: 70pa • Licence sales: 90pa

Cemetery

Budgeted Salisbury Memorial Park Operating Expenditure (\$'000)



Salisbury Memorial Park (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Salisbury Memorial Park Cemetery	443	466
DIRECT EXPENDITURE	443	466
FULL COST ATTRIBUTION	163	
TOTAL EXPENDITURE	606	466
INCOME		
Salisbury Memorial Park Cemetery	512	520
TOTAL INCOME	512	520
NET IMPACT TO COUNCIL		
Salisbury Memorial Park Cemetery	(68)	(54)
FULL COST ATTRIBUTION	163	
TOTAL NET IMPACT TO COUNCIL	95	(54)

Food and Health Regulation



Key Partners:

- Department of Health
- Environment Protection Authority
- Environmental Health Australia
- Local Government Association

Food and Health Regulations contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Health External Services</p> <p>Health Services are provided to Roxby Downs Council on a contractual basis.</p>	<ul style="list-style-type: none"> • Monthly visits to enforce the Food Act and Public Health Legislation Food complaint investigations: 100pa
<p>Food and Health Act Administration</p> <p>Council provides a range of services that aim to protect and promote a high standard of public and environmental health, through the administration and enforcement of provisions under the following legislation:</p> <ul style="list-style-type: none"> • Public Health Act • Food Act • Environment Protection Act • Local Nuisance and Litter Control Act 	<ul style="list-style-type: none"> • Food premises inspection: 840pa • Food safety audits: 72pa • Food complaint investigations: 80pa • Health premises inspections: 75pa • Enforcements under public and environmental health legislation and Local Nuisance and Litter Control Act: 600pa • High Risk Manufactured Water System Registrations: 60pa
<p>Immunisation</p> <p>Council provides an immunisation program services to prevent the occurrence and spread of notifiable diseases, as required under the Public Health Act.</p>	<ul style="list-style-type: none"> • Vaccines administered at free clinics: 1,600pa • Vaccines including Meningococcal B administered through schools program: 7,500pa • Target of 95% immunisation rate by 63 months old consistent with State/Federal aspirational targets.

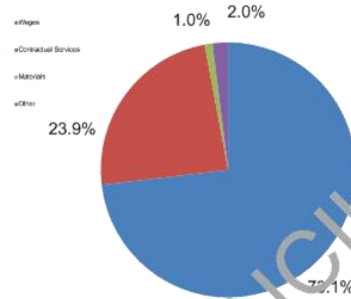
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Food and Health Regulation

Budgeted Food and Health Regulation Operating Expenditure (\$'000)



Food and Health Regulation (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Health External Services	9	6
Food and Health Act Administration	685	681
Immunisation	187	166
DIRECT EXPENDITURE	880	853
FULL COST ATTRIBUTION	366	
TOTAL EXPENDITURE	1,246	853
INCOME		
Health External Services	10	7
Food and Health Act Administration	104	111
Immunisation	141	118
TOTAL INCOME	256	237
NET IMPACT TO COUNCIL		
Health External Services	(1)	(1)
Food and Health Act Administration	581	570
Immunisation	45	48
FULL COST ATTRIBUTION	366	
TOTAL NET IMPACT TO COUNCIL	991	617

Inspectorate Services



Key Partners:

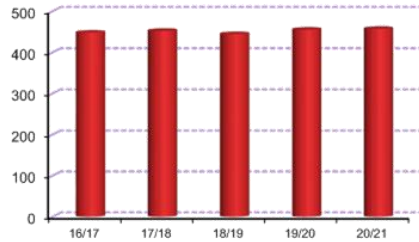
- Local Government Association
- Authorised Persons Association
- Bushfire Management Committee
- Country Fire Service

Inspectorate Services contains the following Service Areas, Activities and Service Levels

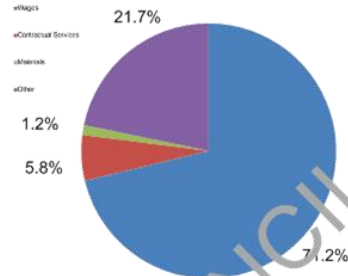
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Inspectorate Services</p> <p>Ensures that community members are complying with applicable parking and road rules legislation so as to enhance and protect the safety of pedestrians and road users</p> <p>Minimises traffic congestion and ensures adequate and equitable car parking is available for customers in shopping precincts by ensuring turnover of parking.</p> <p>Aims to improve the safety and amenity of the area through the effective enforcement of the relevant sections of the Local Government Act, Bylaws and Local Nuisance and Litter Control Act applicable to the section.</p> <p>Undertake activities required for the development and effective operations of the responsibilities for Bushfire Management and Planning.</p> <p>Improve the safety and amenity of the area through the effective enforcement and administration of the relevant sections of the Fire and Emergency Services Act required for the effective control and reduction of risks from fuel hazards on private properties.</p> <p>Issue burning and hot works permits and ensure all applicants take appropriate action to burn as per permit conditions.</p>	<ul style="list-style-type: none"> • Parking, expiations and warnings: 3,000pa • Abandoned vehicles: 500pa • Backyard burning: 100 pa • Footpath trading permits: 25pa • Other animal and bird nuisances: 150pa • Littering: 900pa • Fuel hazard inspections: 3,000pa • Burning permits: 50pa

Inspectorate Services

Budgeted Inspectorate Services Operating Expenditure (\$'000)



Inspectorate Services (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Inspectorate Services	582	590
DIRECT EXPENDITURE	582	590
FULL COST ATTRIBUTION	201	
TOTAL EXPENDITURE	782	590
INCOME		
Inspectorate Services	388	395
TOTAL INCOME	388	395
NET IMPACT TO COUNCIL		
Inspectorate Services	193	195
FULL COST ATTRIBUTION	201	
TOTAL NET IMPACT TO COUNCIL	394	195

Animal Control



Key Partners:

- Dog and Cat Management Board
- Animal Welfare League
- Local Government Association
- Authorised Persons Association

Animal Control contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Animal Control</p> <p>Administering the Dog and Cat Management Act to ensure that community members are complying with legislative requirements relating to responsible dog ownership, so as to protect and promote a high standard of public safety and environmental quality, striving for a better-informed community, and promotes effective and suitable dog management practices through information and education.</p>	<ul style="list-style-type: none"> • Registered dogs: 22,000pa • Dogs wandering at large: 1,200pa • Dog attack investigations: 50pa • Dog noise and nuisance complaints: 150pa • Property visits as part of a dog registration survey: 5,000pa • Inspections of premises with guard dogs: 30pa • Bylaw exemptions for keeping more than two dogs: 200pa • Provision of nine dog friendly parks and one small dog park • Cat nuisance and trapping: 80pa

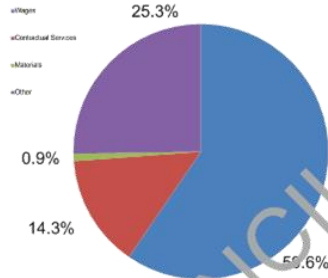
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Animal Control

Budgeted Animal Control Operating Expenditure (\$'000)



Animal Control (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Animal Control	1,177	1,197
DIRECT EXPENDITURE	1,177	1,197
FULL COST ATTRIBUTION	491	
TOTAL EXPENDITURE	1,668	1,197
INCOME		
Animal Control	1,059	964
TOTAL INCOME	1,059	964
NET IMPACT TO COUNCIL		
Animal Control	118	233
FULL COST ATTRIBUTION	491	
TOTAL NET IMPACT TO COUNCIL	609	233

Crime Prevention and Repair



Key Partners:

- Residents
- Police
- Volunteers

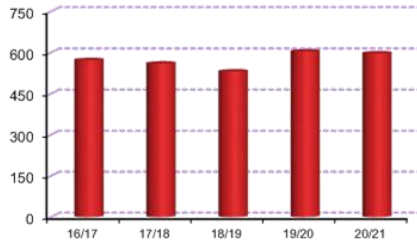
Crime Prevention and Repair contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building Maintenance Graffiti</p> <p>Provides for the removal of graffiti from all Council-owned buildings and other infrastructure. Graffiti is also removed from the frontages of residential properties. Council provides a volunteer service to assist with graffiti removal.</p>	<ul style="list-style-type: none"> • Priority 1 – Offensive: Removal within 24 hours • Priority 2 – Removal within 14 days • Priority 3 – 1-6 weeks

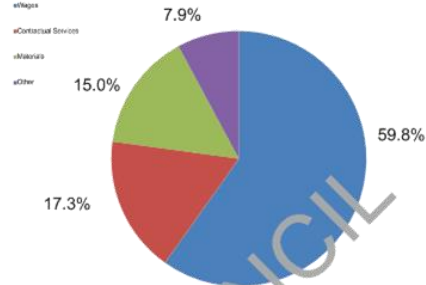
NOT YET SEEN BY COUNCIL

Crime Prevention and Repair

Budgeted Crime Prevention and Repair Operating Expenditure (\$'000)



Crime Prevention and Repair (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Building Maintenance Graffiti	605	599
DIRECT EXPENDITURE	605	599
FULL COST ATTRIBUTION	190	
TOTAL EXPENDITURE	795	599
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Building Maintenance Graffiti	605	599
FULL COST ATTRIBUTION	190	
TOTAL NET IMPACT TO COUNCIL	795	599

Street Lighting



Key Partners:

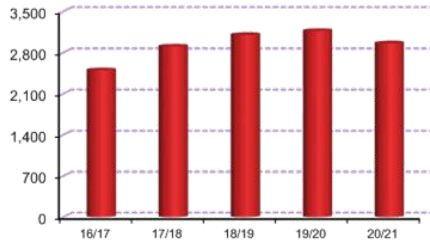
- SA Power Networks
- Local Government Association
- Department of Transport, Energy & Infrastructure

Street Lighting contains the following Service Areas, Activities and Service Levels

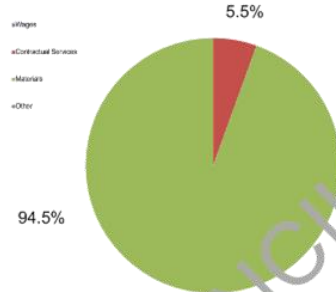
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Lighting</p> <p>There are over 16,000 street lights within the City that are maintained by SA Power Networks.</p> <p>There are 4,400 Council owned street lights in suburbs that include Mawson Lakes, Walkley Heights, Gulfview Heights, Spring Bank Waters and John Street Salisbury. Council is responsible for the maintenance of these lights. Council also owns and is responsible for the maintenance of 830 mains powered lights in total and a further 120 solar lights.</p> <p>Power for public lighting is purchased as part of a combined contract with State and other Local Government agencies.</p>	<ul style="list-style-type: none"> • Ongoing reviews occur on the adequacy of existing street lighting to identify needs for upgrading of infrastructure with respect to on ground lux levels and associated classification. • Replacement of defective lights and repairs of damaged infrastructure • Ensure Public Lighting is of suitable type (assessed against both energy efficiency and ease of maintenance/replacement)

Street Lighting

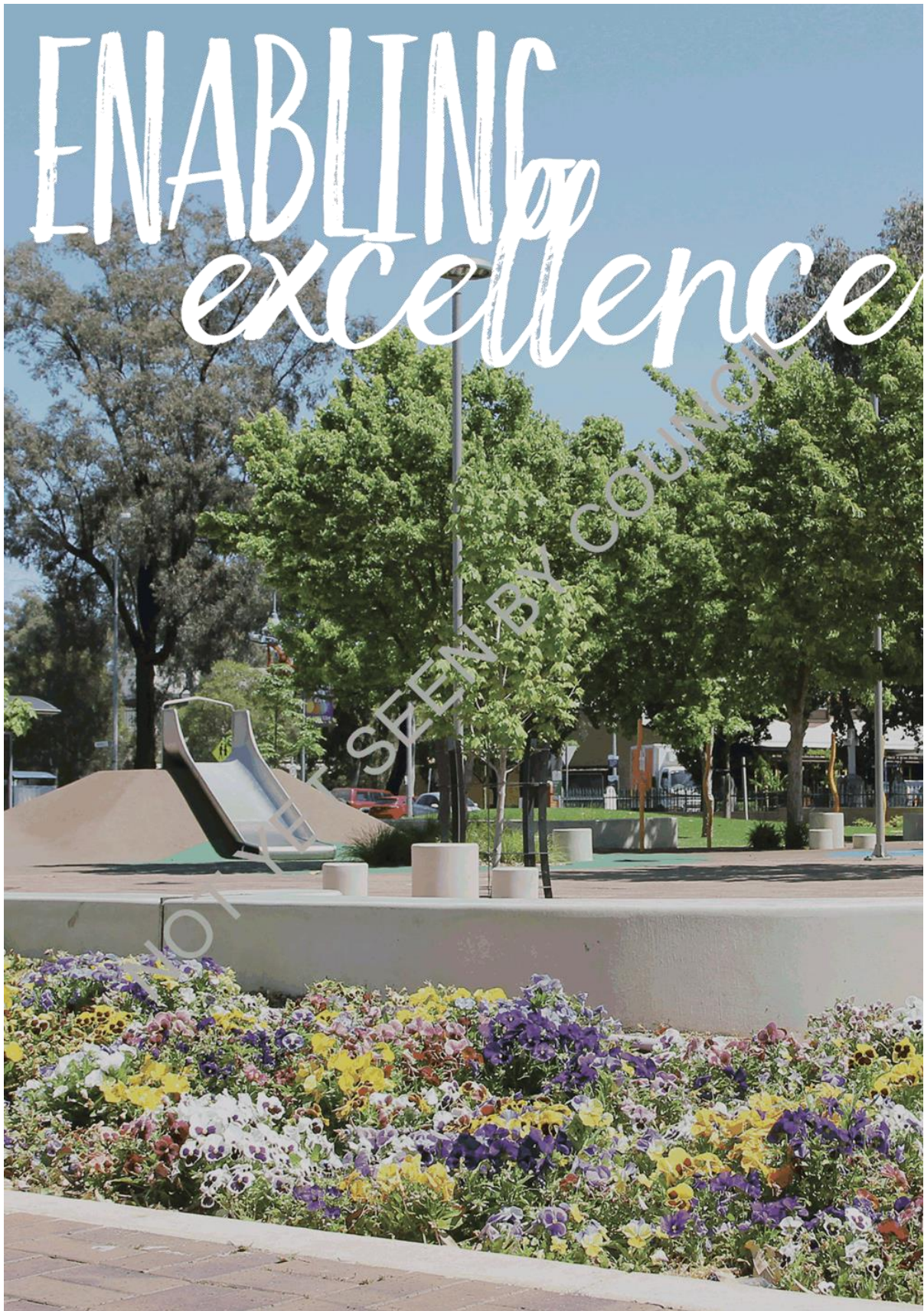
Budgeted Street Lighting Operating Expenditure (\$'000)



Street Lighting (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Lighting	3,174	2,964
DIRECT EXPENDITURE	3,174	2,964
FULL COST ATTRIBUTION	1	
TOTAL EXPENDITURE	3,175	2,964
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Lighting	3,174	2,964
FULL COST ATTRIBUTION	1	
TOTAL NET IMPACT TO COUNCIL	3,175	2,964



Item 4.2.2 - Attachment 3 - Draft Annual Plan 2020/21

Our objectives are to:

1. Strengthen partnerships that enable us to better address our community's priorities
2. Develop strong capability and commitment to continually improve Council's performance
3. Have robust processes that support consistent service delivery and informed decision making
4. Embed long term thinking, planning and innovation across the organisation

We will:

- Work with neighbouring councils to address issues of regional importance
- Work with State and Federal governments to influence policy and investment decisions
- Develop stronger partnerships with business and industry to address the challenges facing our region
- Collaborate with our community to ensure our services are relevant
- Build strong leadership capabilities within Council and the community
- Communicate well with our community and partners
- Apply learning and innovation to transform the way Council operates
- Develop a consistent customer first approach across Council
- Develop a flexible, capable and engaged workforce that can meet the changing needs of Council and our community
- Develop a shared focus on accountability and performance
- Provide a safe working environment
- Continually improve business practices to remove barriers and ensure appropriate levels of service that respond to emerging needs and opportunities
- Use technology to support transformation within Council and proactively address community needs
- Ensure Council decision making is well informed, inclusive, transparent and complies with legislative and policy requirements
- Ensure long term sustainability through good financial practices, sound business planning and asset management
- Introduce a structured approach to developing and resourcing longer term policies and strategies
- Design Council's strategic development projects so they can flexibly adapt to accommodate future opportunities
- Ensure Council's processes enable people to work across boundaries and with the community
- Collect and analyse information and data that enables Council to anticipate and respond to emerging needs and opportunities

Our City's progress will be measured by:

- Targeted survey of our partners
- Customer satisfaction survey
- Financial sustainability
- Benchmarking our performance through people, systems and processes

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Business Excellence



Business Excellence contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Accounting Services</p> <p>Provides for business support, management accounting, financial accounting, tax compliance, external and statutory reporting. Further, the team provides reporting services to all departments/divisions of the organisation, the Executive Management and Council, including the preparation of the Council Budget and Annual Plan.</p> <p>Assets & Projects Accounting also provides specialised accounting services for infrastructure and other assets, particularly with respect to valuation and depreciation. Also provides financial support to Council projects as required and delivers the Accounts Payable service.</p>	<ul style="list-style-type: none"> • Annual Plan and Budget • Annual Financial Statements • Long Term Financial Plan • Quarterly Budget Reviews and Monthly Reporting • Grant Acquittals • Divisional Planning support • Provide financial advice and support for Salisbury Water • Valuation and Depreciation for \$1.9 billion of Council assets • Invoices processed: 30,000pa
<p>Business Excellence Administration</p> <p>Provides for the Executive Management and associated support staff for the overall management and leadership of the Business Excellence Department.</p> <p>This also includes the transformational shift of the organisation to a digital and customer centric approach, with technology to better support service delivery, and greater community activation.</p>	<ul style="list-style-type: none"> • Leadership of the Business Excellence department and accountability for outcomes assigned to the department
<p>Business Systems and Solutions</p> <p>Information Technology Services are responsible for the delivery, management and enhancement of information technology solutions within the organisation.</p> <p>Continuous Improvement Services</p> <p>Advocate and promote the use of continuous improvement techniques and methodologies</p> <p>Planning and Business Engagement Services</p> <p>Responsible for the alignment of information technology solutions with organisational and Community needs</p> <p>Service Desk</p> <p>Responsible for the delivery and support of productivity, mobility and audio visual solutions</p>	<ul style="list-style-type: none"> • Solutions meet organisational availability and performance metrics • Agreed services and solutions are under relevant maintenance and support contracts • Organisational continuous improvement framework • Organisational reporting on continuous improvement initiatives • Digital and information technology related strategy, frameworks and standards • Responsive service ensuring community facing service availability as required • Provision and distribution of productivity tools and services

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SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Corporate Communications</p> <p>Drives strategic outcomes by strengthening Council's relationship with the community and other key audiences, through proactive media and communications.</p>	<p>Core responsibilities:</p> <ul style="list-style-type: none"> • Media liaison • Proactive communications • Digital communication (social media and online) • Corporate Publications
<p>Customer Centre</p> <p>Provides a central point of contact for the Community and aims to assist customers to conduct their business with the Council efficiently and, where appropriate, links them to other Government and community services.</p>	<ul style="list-style-type: none"> • Call volume: 83,500pa • Receipt numbers: 33,700pa • Counter enquiries: 18,500pa • Customer requests via Email/Website/post: 1,960pa
<p>Information Management</p> <p>Oversee the flow of corporate information in to and out of the organisation, ensuring information management legislation is complied with, including Freedom of Information responsibilities.</p>	<ul style="list-style-type: none"> • Compliance with organisational information management framework and South Australian Government information retention requirements • Response to Freedom of Information requests within legislative timeframes.
<p>Insurance</p> <p>This area provides for the management of corporate insurance policies and associated claims.</p>	<ul style="list-style-type: none"> • Administration of organisational insurance requirements including processing of insurance claims and liaison with Local Government Risk Services.
<p>People and Culture</p> <p>Provide a range of people management services including general Human Resources and Employment Relations services, payroll, wellbeing and Work Health and Safety, Organisational Development, Learning and Development and strategic workforce development and planning. This includes providing policies, systems and processes used to manage the employment life cycle, guide decision-making and manage risk.</p>	<ul style="list-style-type: none"> • Organisational development programs – change management, culture development, leadership development, team development, and individual capability and commitment programs. • Workforce planning and succession planning, HR Services including recruitment, induction, policy advice, payroll, workplace Health and Safety and wellbeing programs.
<p>Rate Collection & Property Data</p> <p>This area involves the maintenance of the property data for rating and electoral purposes and the collection of rate and other revenue.</p>	<ul style="list-style-type: none"> • Rateable Properties: 59,967pa • Total Rate Notices: 192,365pa, Overdue Notices: 42,853pa • Changes to Property Data: 11,447pa
<p>Strategic Procurement</p> <p>Management of contract and purchasing policies, procedures and delegations. Provision of support and advisory services as well as monitoring compliance.</p>	<ul style="list-style-type: none"> • Benefit Target: capture, measure and monitor the tangible value added by Strategic Procurement (value for money). • Northern Region Economic Benefit: Focus on supporting northern region business where it represents value for money.

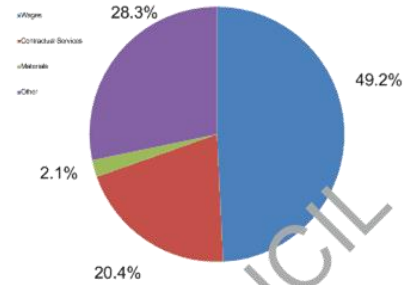
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Business Excellence

Budgeted Business Excellence Operating Expenditure (\$'000)



Business Excellence (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Accounting Services	1,768	1,791
Business Excellence Administration	1,490	2,315
Business Systems and Solutions	4,545	4,910
Strategic Procurement	400	379
Corporate Communications	937	922
Customer Centre	973	994
Information Management	728	804
Insurance	519	532
People & Culture	2,277	2,333
Rate Collection & Property Data	902	926
DIRECT EXPENDITURE	14,538	15,907
FULL COST ATTRIBUTION	(14,499)	
TOTAL EXPENDITURE	39	15,907
INCOME		
Business Excellence Administration	12	(31)
Corporate Communications	9	9
People & Culture	272	308
Rate Collection & Property Data	136	17
TOTAL INCOME	429	304

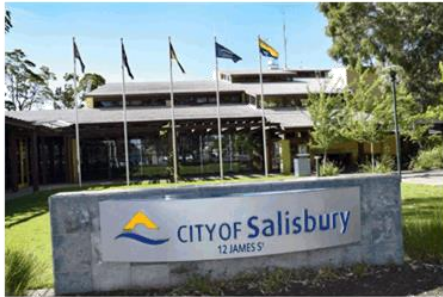
Business Excellence (continued)

	2019/20 Budget \$000's	2020/21 Forecast \$000's
NET IMPACT TO COUNCIL		
Accounting Services	1,768	1,791
Business Excellence Administration	1,478	2,346
Business Systems and Solutions	4,545	4,910
Strategic Procurement	400	379
Corporate Communications	925	957
Customer Centre	973	991
Information Management	728	804
Insurance	519	532
People & Culture	2,005	2,025
Rate Collection & Property Data	765	909
FULL COST ATTRIBUTION	(14,997)	
TOTAL NET IMPACT TO COUNCIL	(303)	15,643

NOT YET SEEN BY COUNCIL

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Council



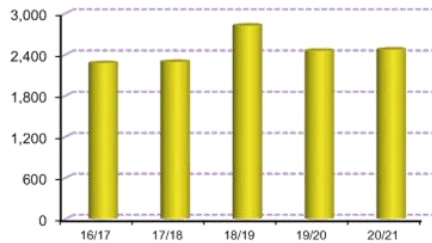
Council contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
Civic and Ceremonial Funds civic and ceremonial responsibilities of Council, including citizenship ceremonies.	<ul style="list-style-type: none"> • Organisation of civic events and citizenship ceremonies
Corporate Memberships Funds corporate memberships for required bodies.	<ul style="list-style-type: none"> • Local Government Association membership
Council Funds the management and administration of the Elected Member governance responsibilities.	<ul style="list-style-type: none"> • Production and distribution of business papers • Administrative support is provided to 7 standing committees, 6 sub-committees and Council • Monitor and review of the City's compliance with legislation • Elected Member training and development • Administration of Elected Member Allowances and Benefits
Elections Provides resources for elections within the City.	<ul style="list-style-type: none"> • Manage the Local Government election for over 90,000 eligible voters
Executive Management Funds the Chief Executive Officer and executive support function that is responsible for the management of the organisation, the support of and accountability to Council.	<ul style="list-style-type: none"> • Executive support for the Chief Executive Officer and Mayor
Governance Is a resource supporting Elected Members and staff in their decision making processes. The team provides information, advice and assistance to ensure obligations under legislation and policy frameworks are reflected in City of Salisbury work practices.	<ul style="list-style-type: none"> • Support Council and organisational Governance processes • Risk management, internal audit and insurance • Undertake annual risk review • Provide advice and support to ensure operational risks are minimised • Support the Audit Committee of Council • Facilitate the annual external audit • Undertake and co-ordinate internal audit • Application and monitoring of the Governance framework • Council meeting administration and support • Elected Member support & communications • Delegations • Application and monitoring - Policy and Procedure Framework • Coordination of legal advice and oversight of Council Solutions Legal Services contract

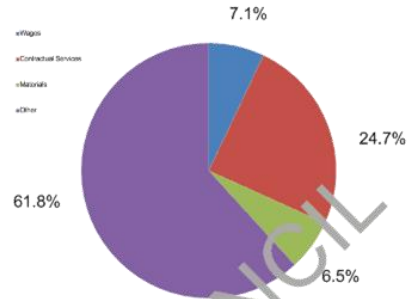
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Council

Budgeted Council Operating Expenditure
(\$'000)



Council (Expenditure)



	2019/20 Budget \$000's	2020/21 Forecast \$000's
EXPENDITURE		
Civic & Ceremonial	49	49
Corporate Memberships	95	95
Council	713	710
Elections	195	195
Executive Management	650	655
Governance	757	773
DIRECT EXPENDITURE	2,459	2,477
FULL COST ATTRIBUTION	(2,459)	
TOTAL EXPENDITURE		2,477
INCOME		
Council	2	2
TOTAL INCOME	2	2
NET IMPACT TO COUNCIL		
Civic & Ceremonial	49	49
Corporate Memberships	95	95
Council	711	708
Elections	195	195
Executive Management	650	655
Governance	757	773
FULL COST ATTRIBUTION	(2,459)	
TOTAL NET IMPACT TO COUNCIL	(2)	2,475

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Sundry



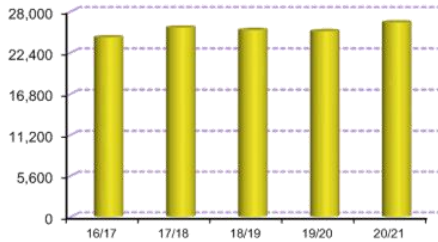
Sundry contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	
Accommodation	The operating costs of Council's municipal offices.
Grants Commission	Represents the general purpose Financial Assistance Grant provided by the Federal Government via the Grants Commission. The quantum is determined by population and "effort neutral" needs assessment.
Infrastructure Depreciation	Provides for depreciation of public infrastructure where not provided for within functional cost centres.
Rates	Provide for rates revenue, fines and penalties, rebates, concessions and discounts.
Treasury	Provides for the transactions associated with borrowing and lending funds and the associated interest received or paid.
Wages and Salary Provision	An allocation to provide for variations in remuneration as a result of agreements, contracts and reclassifications.

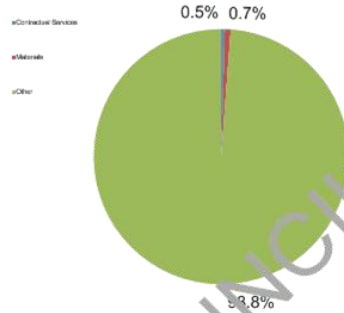
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Sundry

Budgeted Sundry Operating Expenditure (\$'000)



Sundry (Expenditure)



	2019/20 Budget \$'000's	2020/21 Forecast \$'000's
EXPENDITURE		
Accommodation	357	364
Infrastructure Depreciation	22,590	23,010
Rates	2,206	2,206
Treasury	955	662
Wages & Salaries Provision	165	
DIRECT EXPENDITURE	26,273	26,243
FULL COST ATTRIBUTION	(357)	
TOTAL EXPENDITURE	25,917	26,243
INCOME		
Grants Commission	5,590	5,900
Rates	719	689
Treasury	158	78
TOTAL INCOME	6,466	6,667
NET IMPACT TO COUNCIL		
Accommodation	357	364
Grants Commission	(5,590)	(5,900)
Infrastructure Depreciation	22,590	23,010
Rates	1,488	1,518
Treasury	798	584
Wages & Salaries Provision	165	
FULL COST ATTRIBUTION	(357)	
TOTAL NET IMPACT TO COUNCIL	19,450	19,576

Rating Strategy and Policy

What are Rates?

Rates are the principal source of funding for Council services representing approximately 82% of the total operating revenue. Rates are levied as a tax on property in accordance with the provisions of the Local Government Act. They are not a service or user charge. Consequently, some property owners may choose not to use various council services but nevertheless make a contribution through their rates. As rates are levied on the value of property as determined by the Valuer-General, those in higher valued properties pay more than those in lower valued properties, noting the higher value property adjustment detailed on page 107.

Capital Value as a basis for Rating

The Council has adopted the capital value method to value properties in its area, in common with most other Adelaide metropolitan Councils. This method values the land and all of the improvements on the land.

While no valuation method is considered perfect the capital value method was considered the most equitable because:

- It is the most appropriate measure of relative wealth in the community
- As a measure of wealth it most closely reflects the capacity to pay of property owners
- It accords with the taxation principle, that people should contribute to community social and physical infrastructure, in accord with their capacity to pay, as measured by property wealth

Other valuation methods available are site value (value of land only) and annual value (value of rental potential of property). These are not considered appropriate in Salisbury's situation.

Strategic Focus

In setting its rates for the 2020/21 financial year the Council considered its City Plan 2030, and other strategic planning documents including Asset Management Plans and the Long Term Financial Plan.

Setting Rates

Apart from the need to ensure sufficient revenue to meet its expenditure needs, Council is always mindful of the impact and affordability of rates to the community, both residential and business, and regularly makes comparison of its rates across Council areas.

In 2019/20 Salisbury's average residential rate was the 3rd lowest of the metropolitan Councils.

The first action in setting the new rates is to adjust for the impact of the average increase or decrease in market property values over the past year so that the rate increase is not compounded by property value increases.

This year the average 'market' increase for the key rating categories are:

Residential	1.6%
Commercial / Industrial	3.6%

Secondly, Council considers the appropriate average rate increase to apply taking into account a number of factors. Council have undertaken a comprehensive program review which has considered current service levels, and the communities current and future needs, and the methods by which services are provided. Council each year consider the budget in detail, and reviews requests for new expenditure and how it contributes to the delivery of the City Plan. Consideration is also given to having capacity to respond to community's changing needs.

Rating Strategy and Policy

In light of the economic impacts of COVID-19, Council are not proposing to increase residential rates in the 20/21 year, except where rates have increased as a result of improvements, a change to the land use or zoning, a change in ownership, or a correction to the property value.

The minimum rate will also not increase and will remain at \$1,016 for 2020/21.

Council has maintained surplus operating budgets since 2008/09 which is a significant achievement. This has resulted from maintaining existing assets and avoiding escalating costs that can result through neglect, by reviewing and refining service provision, and utilising property development proceeds to reduce debt levels resulting in lower interest costs.

Categories of Rates

General Rates

General rates are levied on capital values according to the differential rating system outlined below. Property valuations are performed independently by the Valuer-General on an annual basis and an owner has up to 60 days from notification in which to object.

A minimum rate applies to all properties where the value falls below a certain level. The minimum rate is imposed to ensure all properties make a fair contribution to general community facilities.

No more than 35% of properties can be subject to the minimum rate. The minimum rate is proposed to remain at \$1,016 for the 2020/21 year.

Differential Rating

Differential rates may be applied according to land use. A differential loading is applied to commercial and industrial properties and to vacant land. Residential and other properties pay the base rate.

a. The purpose of the differential on commercial and industrial properties is to:

- Recover from the business sector a greater share of costs relating to:
 - Economic development and promotion
 - City amenities which enhance retailing
 - More intensive road and traffic requirements
 - Extra capacity requirements for drainage
- Partially recognise the benefit of tax deductibility available to business
- Maintain the revenue contribution from this sector given inconsistent changes in property values as compared with residential properties

b. The purpose of the differential on vacant land is to:

- Provide a disincentive to withholding land from development
- Recognise the cost of surrounding infrastructure

The differential rate for vacant land is 30% higher than for residential properties. This is consistent with the previous year which was also 30%.

Rating Strategy and Policy

Separate Rates

Council uses its separate rating powers to collect rates for three existing purposes:

Salisbury Business Association

Rates are collected for the Salisbury Business Association, from commercial properties within the Salisbury City Centre to enable it to market and promote the centre. All funds collected are passed on to the association.

Globe Derby Community Club Inc.

Rates are collected for and passed on to the community club based on a fixed amount per share in common land, so that the club can maintain an area of common land.

Landscape Administration Fund

The Council acts as agent for the collection of rates for the Regional Landscape Levy, which replaces the Natural Resource Management Levy, and the level of increase is not determined by Council.

Residential Impact Statement

Council are proposing a 0% rate increase to residential rates in the 20/21 year, except where rates have increased as a result of improvements, a change to the land use or zoning, a change in ownership, or to a correction the property value.

The average valuation increase of 1.6% has been utilised to reduce the rate (cents in the \$) from 0.4270 to 0.4201.

An assessment of the resulting rate increases suggests the following impact on residential property owners:

Percentage Rate Increase	Number of Properties
< or = 0%	7,315
0.1 - 1.0%	768
TO BE UPDATED	22
3.1 - 4.0%	8,616
4.1 - 4.0%	11,830
5.1 - 6.0%	3,179
6.1 - 8.0%	128
8.1 - 10.0%	59
10.1 - 12.5%	30
>12.5%	113
Total Number of Properties	55,019

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Rating Strategy and Policy

Payment of Rates

Quarterly Billing

Rates are payable in quarterly instalments due in September, December, March and June each year. Rate notices will be issued prior to each quarterly instalment.

Payment methods are described on the reverse of the rate notice.

Advance Payments

Ratepayers may choose to make fortnightly or monthly payments in advance towards their rates if this suits their budgetary circumstances. No interest is paid on these amounts due to the additional transaction processing costs associated with this service.

Seniors Postponement of Rates

Residential property owners with a Seniors Card may apply to postpone payment of rates until the property is sold. Seniors who opt to postpone rates are required by the Local Government Act to pay \$500 in rates each year, with the balance being postponed. Postponed rates are a charge on the land and statutory interest continues to be charged on postponed rates and will be payable on sale of the property.

Adjustments and Rebates

High Value Property Adjustment

Council has recognised that higher value residential properties are subject to unreasonably high rates, due to the relatively low average value of properties in Salisbury, compared to some other Local Government areas. Council is also concerned to ensure there is a proper mix of development within the city.

To overcome this problem Council has provided an adjustment for residential properties with a value over \$465,000 in 2019/20 on the following basis:

\$465,000: To be updated
 rate of increase on the 2018/19 tier of \$465,000-\$515,000.
 \$515,000: To be updated
 rate of increase on the 2018/19 tier of \$500,000-\$605,000.

\$625,001+: a reduction of 35% of the normal rate on the amount above \$625,000, with the 2018/19 tier being \$605,001

The adjustment and its limits are determined annually by Council prior to the setting of rates

Discretionary Rebates

The Local Government Act 2011 enables Council to grant discretionary rebates up to 100% for land used for the purposes of a community benefit.

Council has adopted a policy concerning such rebates, a copy of which is available from our Rates Section (Telephone: 08 8406 8255).

Rate Capping

Council has a policy to cap rate increases in the following circumstance:

- **Rate Cap for All Rate Categories** - the maximum increase in the general rate will be 0% of that paid in the previous year where that increase provided the movement does not as a result from improvements, a change to the land use or zoning, a change in ownership, or a correction to the property value.

Disclaimer

A rate cannot be challenged on the basis of non-compliance with this policy and rates must be paid in accordance with the required payment provisions.

Appendix A: Long Term Financial Plan

ESTIMATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDING 30 JUNE	2021 Budget Year 1 \$000's	2022 Plan Year 2 \$000's	2023 Plan Year 3 \$('000)	2024 Plan Year 4 \$('000)	2025 Plan Year 5 \$('000)	2026 Plan Year 6 \$('000)	2027 Plan Year 7 \$('000)	2028 Plan Year 8 \$('000)	2029 Plan Year 9 \$('000)	2030 Plan Year 10 \$('000)
INCOME										
Rates Revenues	102,254	105,935	110,066	114,469	119,102	124,048	129,134	134,428	139,940	145,677
Statutory Charges	2,790	2,846	2,911	2,981	3,056	3,132	3,211	3,291	3,373	3,457
User Charges	5,115	5,217	5,337	5,465	5,602	5,742	5,885	6,032	6,183	6,338
Grants, Subsidies & Contributions	12,982	13,056	13,170	13,298	13,443	13,591	13,743	13,898	14,058	14,221
Investment Income	78	76	75	73	72	71	70	68	66	78
Reimbursements	193	197	201	206	211	217	222	228	233	239
Other Income	776	791	809	829	849	871	892	915	938	961
Total Income	124,188	128,118	132,569	137,211	142,395	147,672	153,157	158,860	164,791	170,971
EXPENSES										
Employee Costs	39,113	40,390	41,708	43,275	44,900	46,584	48,095	49,654	51,382	52,799
Materials, Contracts & Other Expenses	54,736	57,026	59,581	62,057	64,961	67,997	71,174	74,496	78,668	83,343
Depreciation, Amortisation & Impairment	28,377	29,809	31,217	32,120	32,984	33,884	34,824	35,927	37,082	37,701
Finance Costs	926	1,530	2,140	2,335	1,918	1,472	1,311	1,325	1,348	1,407
Total Expenses	124,007	128,755	134,646	139,787	144,763	149,937	155,404	161,402	168,480	175,250
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	181	(637)	(2,077)	(2,466)	(2,368)	(2,265)	(2,247)	(2,542)	(3,689)	(4,279)
Asset Disposal & Fair Value Adjustments	2,529	1,334	3,060	4,964	5,269	3,310	444	2,600	1,437	3,970
Amounts Received Specifically for New or Upgraded Assets	1,323	1,356	1,390	1,425	1,461	1,498	1,535	1,573	1,612	1,612
Physical Resources Received Free of Charge	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
NET SURPLUS/(DEFICIT)	5,533	3,553	3,873	5,423	5,862	4,043	1,232	3,131	860	2,803
OTHER COMPREHENSIVE INCOME										
Changes in Revaluation Surplus - I,PP&E	23,226	26,417	27,499	28,686	29,560	30,484	31,376	32,253	33,559	39,225
Total Other Comprehensive Income	23,226	26,417	27,499	28,686	29,560	30,484	31,376	32,253	33,559	39,225
TOTAL COMPREHENSIVE INCOME	28,759	29,970	31,372	34,109	35,422	34,527	32,608	35,384	34,419	42,028

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Appendix A: Long Term Financial Plan

ESTIMATED STATEMENT OF FINANCIAL POSITION

YEAR ENDING 30 JUNE	2021 Budget Year 1 \$000's	2022 Plan Year 2 \$000's	2023 Plan Year 3 \$('000)	2024 Plan Year 4 \$('000)	2025 Plan Year 5 \$('000)	2026 Plan Year 6 \$('000)	2027 Plan Year 7 \$('000)	2028 Plan Year 8 \$('000)	2029 Plan Year 9 \$('000)	2030 Plan Year 10 \$('000)
ASSETS										
Current Assets										
Trade & Other Receivables	6,194	6,358	6,547	6,748	6,904	7,188	7,422	7,664	7,924	8,196
Inventories	2,503	2,516	2,531	2,546	2,561	2,581	2,599	2,619	2,643	2,671
Total Current Assets	8,697	8,874	9,078	9,294	9,465	9,769	10,021	10,283	10,567	10,867
Non-Current Assets										
Financial Assets	365	334	303	270	236	201	163	125	85	43
Equity Accounted Investments in Council Businesses	3,036	3,036	3,036	3,036	3,036	3,036	3,036	3,036	3,036	3,036
Infrastructure, Property, Plant & Equipment	1,583,822	1,635,008	1,660,277	1,684,206	1,710,344	1,735,919	1,769,324	1,802,649	1,837,649	1,878,611
Other Non-Current Assets	39,622	41,231	43,026	44,767	46,808	48,942	51,174	53,509	56,438	59,720
Total Non-Current Assets	1,626,845	1,679,609	1,706,642	1,732,329	1,760,424	1,788,098	1,823,697	1,859,319	1,897,208	1,941,410
TOTAL ASSETS	1,635,542	1,688,483	1,715,720	1,741,623	1,769,951	1,797,867	1,833,718	1,869,602	1,907,775	1,952,277
LIABILITIES										
Current Liabilities										
Cash Advance Debentures	40,413	64,426	60,834	53,279	46,807	39,915	42,236	41,769	44,318	45,446
Trade & Other Payables	17,082	17,775	18,549	19,306	20,187	21,106	22,066	23,071	24,314	25,701
Borrowings	1,735	1,321	1,409	1,504	636	36	38	39	41	43
Provisions	7,352	7,352	7,352	7,352	7,352	7,352	7,352	7,352	7,352	7,352
Total Current Liabilities	66,582	90,874	88,144	81,441	74,982	68,409	71,692	72,231	76,025	78,542
Non-Current Liabilities										
Borrowings	5,090	3,769	2,360	856	220	184	146	107	66	24
Provisions	1,659	1,659	1,659	1,659	1,659	1,659	1,659	1,659	1,659	1,659
Total Non-Current Liabilities	6,749	5,428	4,019	2,515	1,879	1,843	1,805	1,766	1,725	1,683
TOTAL LIABILITIES	73,331	96,302	92,163	83,956	76,861	70,252	73,497	73,997	77,750	80,225
NET ASSETS	1,562,211	1,592,181	1,623,557	1,657,667	1,693,090	1,727,615	1,760,221	1,795,605	1,830,025	1,872,052
EQUITY										
Accumulated Surplus	390,051	393,604	397,480	402,903	408,766	412,807	414,038	417,168	418,029	420,832
Asset Revaluation Reserves	1,152,239	1,178,656	1,206,156	1,234,842	1,264,402	1,294,886	1,326,261	1,358,515	1,392,073	1,431,299
Other Reserves	19,921	19,921	19,921	19,922	19,922	19,922	19,922	19,922	19,923	19,921
TOTAL EQUITY	1,562,211	1,592,181	1,623,557	1,657,667	1,693,090	1,727,615	1,760,221	1,795,605	1,830,025	1,872,052

Appendix A: Long Term Financial Plan

ESTIMATED STATEMENT OF CASH FLOWS

YEAR ENDING 30 JUNE	2021 Budget Year 1 \$000's	2022 Plan Year 2 \$000's	2023 Plan Year 3 \$('000)	2024 Plan Year 4 \$('000)	2025 Plan Year 5 \$('000)	2026 Plan Year 6 \$('000)	2027 Plan Year 7 \$('000)	2028 Plan Year 8 \$('000)	2029 Plan Year 9 \$('000)	2030 Plan Year 10 \$('000)
CASH FLOWS FROM OPERATING ACTIVITIES										
Receipts										
Operating Receipts	124,043	127,952	132,390	137,133	142,202	147,473	152,955	158,656	164,585	170,750
Investment Receipts	84	76	75	74	71	71	70	68	67	77
Payments										
Operating Payments to Suppliers and Employees	(95,323)	(98,490)	(102,481)	(106,491)	(111,210)	(115,990)	(120,742)	(125,690)	(131,964)	(138,280)
Finance Payments	(926)	(1,530)	(2,140)	(2,435)	(1,918)	(1,472)	(1,311)	(1,325)	(1,348)	(1,407)
Net Cash provided by (or used in) Operating Activities	27,878	28,008	27,844	28,311	29,146	30,082	30,972	31,709	31,340	31,140
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Amounts Received Specifically for New /Upgraded Assets	1,323	1,356	1,390	1,425	1,461	1,498	1,535	1,573	1,612	1,612
Sale of Replaced Assets	242	461	398	407	422	433	444	455	466	466
Sale of Real Estate Developments	2,287	873	2,662	4,557	4,847	2,877	0	2,145	971	3,504
Repayments of Loans by Community Groups	34	30	31	32	34	35	36	38	39	41
Payments										
Expenditure on Renewal/Replacement of Assets	(18,230)	(20,758)	(18,296)	(19,054)	(20,980)	(20,270)	(21,110)	(20,900)	(22,060)	(22,600)
Expenditure on New /Upgraded Assets	(37,749)	(32,248)	(9,116)	(6,784)	(6,954)	(7,127)	(14,162)	(14,515)	(14,878)	(15,250)
Net Cash Provided by (or used in) Investing Activities	(52,092)	(50,286)	(22,931)	(19,417)	(21,170)	(22,554)	(33,257)	(31,204)	(33,850)	(32,227)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Proceeds from CAD	25,988	24,013	0	0	0	0	2,321	0	2,549	1,128
Payments										
Repayments of Borrowings	(1,773)	(1,735)	(1,321)	(1,409)	(1,504)	(636)	(36)	(38)	(39)	(41)
Net Cash provided by (or used in) Financing Activities	24,215	22,278	(4,913)	(8,964)	(7,976)	(7,528)	2,285	(505)	2,510	1,087
Net Increase/(Decrease) in Cash Held										
Cash & Cash Equivalents at Beginning of Period										
Cash & Cash Equivalents/Movements in Borrowings at End of Period										

Item 4.2.2 - Attachment 3 - Draft Annual Plan 2020/21

Appendix A: Long Term Financial Plan

SUMMARY STATEMENT OF CHANGES IN EQUITY

YEAR ENDING 30 JUNE	2021 Budget Year 1 \$000's	2022 Plan Year 2 \$000's	2023 Plan Year 3 \$('000)	2024 Plan Year 4 \$('000)	2025 Plan Year 5 \$('000)	2026 Plan Year 6 \$('000)	2027 Plan Year 7 \$('000)	2028 Plan Year 8 \$('000)	2029 Plan Year 9 \$('000)	2030 Plan Year 10 \$('000)
Opening Balance	1,533,452	1,562,211	1,592,182	1,623,558	1,657,667	1,693,090	1,727,614	1,760,221	1,795,605	1,830,024
Net Surplus / (Deficit) for Year	5,533	3,553	3,876	5,423	5,863	4,041	1,231	3,131	861	2,803
Other Comprehensive Income										
- Gain (Loss) on Revaluation of I,PP&E	23,226	26,417	27,499	28,686	29,509	30,484	31,376	32,253	33,559	39,225
Other Comprehensive Income	23,226	26,417	27,499	28,686	29,509	30,484	31,376	32,253	33,559	39,225
Total Comprehensive Income	28,759	29,970	31,375	34,109	35,423	34,525	32,607	35,384	34,420	42,028
Balance at end of period	1,562,211	1,592,181	1,623,557	1,657,667	1,693,090	1,727,615	1,760,221	1,795,605	1,830,025	1,872,052

NOT YET SEEN BY COUNCIL

Appendix A: Long Term Financial Plan

UNIFORM PRESENTATION OF FINANCES

YEAR ENDING 30 JUNE	2021 Budget Year 1 \$000's	2022 Plan Year 2 \$000's	2023 Plan Year 3 \$('000)	2024 Plan Year 4 \$('000)	2025 Plan Year 5 \$('000)	2026 Plan Year 6 \$('000)	2027 Plan Year 7 \$('000)	2028 Plan Year 8 \$('000)	2029 Plan Year 9 \$('000)	2030 Plan Year 10 \$('000)
Income	124,188	128,118	132,569	137,321	142,395	147,672	153,157	158,860	164,791	170,971
less Expenses	(124,007)	(128,755)	(134,646)	(139,787)	(144,763)	(149,937)	(155,404)	(161,402)	(168,480)	(175,250)
Operating Surplus / (Deficit)	181	(637)	(2,077)	(2,466)	(2,368)	(2,265)	(2,247)	(2,542)	(3,689)	(4,279)
Less: Net Outlays on Existing Assets										
Capital Expenditure on Renewal/Replacement of Existing Assets	(18,230)	(20,758)	(18,296)	(19,154)	(20,980)	(20,270)	(21,110)	(20,900)	(22,060)	(22,600)
less Depreciation, Amortisation & Impairment	28,377	29,809	31,217	32,200	32,984	33,884	34,824	35,927	37,082	37,701
less Proceeds from Sale of Replaced Assets	242	461	398	407	422	433	444	455	466	466
	10,389	9,512	13,319	13,473	12,426	14,047	14,158	15,482	15,488	15,567
Less: Net Outlays on New and Upgraded Assets										
Capital Expenditure on New /Upgraded Assets	(37,749)	(32,248)	(30,116)	(6,784)	(6,954)	(7,127)	(14,162)	(14,515)	(14,878)	(15,250)
less Amounts Specifically for New/Upgraded Assets	1,323	1,356	1,290	1,425	1,461	1,498	1,535	1,573	1,612	1,612
less Proceeds from Sale of Surplus Assets	2,287	873	2,662	4,557	4,847	2,877		2,145	971	3,504
	(34,139)	(30,019)	(7,064)	(802)	(646)	(2,752)	(12,627)	(10,797)	(12,295)	(10,134)
Net Lending / (Borrowing) for Financial Year	(23,569)	(21,144)	6,178	10,205	9,412	9,030	(716)	2,143	(496)	1,154

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City of Salisbury
34 Church Street
Salisbury 5108
South Australia
PO Box 8
Salisbury SA 5108

www.salisbury.sa.gov.au

Telephone 08 8406 8222
Facsimile 08 8406 5466

Email
city@salisbury.sa.gov.au

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ITEM	4.2.3
	AUDIT COMMITTEE
DATE	15 April 2020
HEADING	Risk Management and Internal Controls Activities
AUTHOR	Janet Crook, Risk & Governance Program Manager, CEO and Governance
CITY PLAN LINKS	4.2 Develop strong capability and commitment to continually improve Council's performance. 4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This report provides an update on the risk management and internal controls activities conducted in the 2019/2020 financial year. The report also includes an update on the outstanding actions from internal audits.

RECOMMENDATION

1. The information is received.
2. The Update on Risk Management and Internal Controls Activities, as set out in Attachment 1 to this report (Item 4.2.3, Audit Committee, 15/04/2020) is endorsed.
3. Council notes the update on outstanding actions from completed Internal Audits, as set out in Attachment 2 to this report (Item 4.2.3, Audit Committee, 15/04/2020).

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Update on Risk Management and Internal Controls Activities
2. Outstanding Actions from Completed Internal Audits

1. BACKGROUND

- 1.1 This report provides an update on risk management and internal controls activities in the 2019/2020 financial year. The report allows the Audit Committee to monitor and review the activities and the assurance they provide.

2. REPORT

- 2.1 Attachment 1 is a summary of the risk management and internal controls activities to be undertaken in the 2019/2020 financial year. The plan was endorsed at the July 2019 meeting of the Audit Committee.
- 2.2 The following activities in Attachment 1 have been updated since they were last reviewed by the Audit Committee in March 2020:

- 2.2.1 As a result of the considerable impact of City of Salisbury's response to the COVID-19 pandemic, some timeframes in Attachment 1 have been amended.
- 2.2.2 A presentation on the Operational Risk Registers was provided to the Audit Committee at its March 2020 meeting. Further development of operational risk registers within City of Salisbury will be ongoing.

Strategic Risk Register Workshop

- 2.3 The Strategic Risk Register Workshop with Elected Members, Audit Committee and the Executive Group was held on 17 March 2020.
- 2.4 The workshop was facilitated by David Powell and the Governance Division.
- 2.5 As a result of the workshop, changes and updates will be considered for the Strategic Risk Register and presented to the Executive Group for discussion and approval. The revised Register will then be presented to the Audit Committee.

COVID-19

- 2.6 The Governance Division has been heavily involved in City of Salisbury's response to the COVID-19 pandemic.
- 2.7 Response to the pandemic has included the commissioning of a COVID-19 Working Group with representation from many areas of the business including Environmental Health and Safety, People & Culture, Communications, and Governance. The Working Group has been meeting regularly in order to perform actions such as:
 - monitor the directions by State and Federal Government;
 - consider staff working and leave arrangements;
 - prepare staff and externally facing communications;
 - review the delivery of services to the community, especially our vulnerable community members; and
 - monitor the IT requirements for the staff.
- 2.8 The Governance Division has been involved in:
 - 2.8.1 Participating in the COVID-19 Working Group and Incident Management Team;
 - 2.8.2 Reviewing and updating the Incident Management Team Command Plan and critical business area Business Continuity Plans;
 - 2.8.3 Development of Pandemic Response Plan;
 - 2.8.4 Development of Pandemic Action Plans for every business unit within City of Salisbury;
 - 2.8.5 Development of COVID-19 risk assessments; and
 - 2.8.6 Provision of governance, risk management and business continuity advice to the City of Salisbury.

Outstanding actions from completed Internal Audits

- 2.9 Attachment 2 to this report provides an update on the status of all agreed action items arising from completed internal audits.
- 2.10 Progress against all outstanding actions is monitored with regular updates sought from the relevant divisional managers.
- 2.11 All action items from the recent audits performed on Contract Management and Asset Management have been included in Attachment 2. Some of those actions have not been accepted, or no further action is required to be performed. The actions have still been included for the purposes of this report, however will be removed for future reports.

3. CONCLUSION / PROPOSAL

- 3.1 This report has provided a summary of the risk management and internal controls work performed since the last Audit Committee meeting, including the outstanding actions from Internal Audits.

CO-ORDINATION

Officer:

Date:

Risk Management and Internal Controls Activities – July 2019 to June 2020

v1.3

Annual Plan - July 2019 to June 2020					
Activity	Type of Activity (Risk Management or Internal Controls)	Resourcing (Internal, External, Co-sourced)	Status: Completed, In progress, Not yet commenced	Rationale for piece of work	Update on progress
External Audit of financial internal controls	Internal Controls	External	Completed	This piece of work is legislatively mandated. Internal audit is heavily involved in facilitating the work.	The final report from the external auditors was delivered at the November 2019 meeting of the Audit Committee as a separate report.
Completion of Control Self-Assessments and Risk Assessments through the Control Track system, including external audit preparation	Internal Controls	Internal	Not yet commenced	The external auditor's expectations are that at least one control self-assessment will be conducted annually and a risk assessment should also be conducted on financial internal controls.	Control self-assessments are performed in preparation for the performance by the external auditors of their review of the financial internal controls. This task will be commenced in April 2020.
Cash Management	Internal Controls	Internal	Completed	This work needs to be completed annually as a part of the financial internal controls framework; it includes the end of year reconciliations of petty cash and till floats.	The petty cash and till float reconciliations were performed in July 2019 for the 2018/2019 period to substantiate the information to be contained within the Annual Financial Statements. A memo to the GM Business Excellence was prepared. No significant issues were identified.

Item 4.2.3 - Attachment 1 - Update on Risk Management and Internal Controls Activities

Risk Management and Internal Controls Activities – July 2019 to June 2020

v1.3

Annual Plan - July 2019 to June 2020					
Activity	Type of Activity (Risk Management or Internal Controls)	Resourcing (Internal, External, Co-sourced)	Status: Completed, In progress, Not yet commenced	Rationale for piece of work	Update on progress
Report on the findings of the Audit Committee self-assessments	Internal Controls	Internal	Completed	The annual self-assessment reviews the performance of the Audit Committee.	The self-assessment of the Audit Committee was performed following the November 2019 Audit Committee meeting. Self-assessment questionnaires were circulated to the Audit Committee members following the November 2019 meeting, and the results have been presented to the Committee in March 2020.

Risk Management and Internal Controls Activities – July 2019 to June 2020

v1.3

Annual Plan - July 2019 to June 2020					
Activity	Type of Activity (Risk Management or Internal Controls)	Resourcing (Internal, External, Co-sourced)	Status: Completed, In progress, Not yet commenced	Rationale for piece of work	Update on progress
Review the Fraud and Corruption Prevention Strategy	Internal Controls	Internal	In progress	The Fraud and Corruption Prevention Strategy needs to be reviewed because it has been some time since it was last reviewed and it needs to be updated to reflect changes in legislation.	The <i>Public Interest Disclosure Act 2018</i> (PID Act) came into effect on 1 July 2019 and establishes a scheme that encourages and supports the appropriate disclosure of public interest information, while also providing protections for those who make disclosures. CoS has developed the Public Interest Disclosure Act 2018 Policy to replace the Whistleblowers Protection Policy. The PID Act repealed the <i>Whistleblower Protection Act 1993</i> . The finalisation of the PID Act means that the Fraud and Corruption Strategy will now be reviewed with a view to the Strategy being provided to the Audit Committee at its August 2020 meeting.

Risk Management and Internal Controls Activities – July 2019 to June 2020

v1.3

Annual Plan - July 2019 to June 2020					
Activity	Type of Activity (Risk Management or Internal Controls)	Resourcing (Internal, External, Co-sourced)	Status: Completed, In progress, Not yet commenced	Rationale for piece of work	Update on progress
Assisting in the completion of the Local Government Association Mutual Liability Scheme (LGA MLS), biennial Risk Assessment on the City of Salisbury	Risk Management and Internal Controls	Internal	Completed	The LGA MLS conduct a biennial Risk Evaluation of Council's risk management frameworks and associated processes, procedures and controls. These evaluations are compulsory for all Councils in South Australia.	The LGA MLS Risk Evaluation has been completed. CoS provided answers to the Evaluation Tool and evidence in support of the answers. LGA representatives attended at CoS to meet with select staff on 1, 2 and 3 October. The final report has been issued and Management comments have been finalised.
Review of Business Continuity corporate documentation	Risk Management	External	In progress	Following the BCP Test conducted in May-June 2018 it has been determined that a comprehensive review of City of Salisbury's business continuity documentation should be conducted.	Copies of the current Business Continuity Policy, Procedure and Incident Management Plan were provided to the Local Government Risk Services in order to obtain an estimate of the time and cost associated with performing a review of the documents. A quote and information regarding resourcing to complete certain actions has been received and accepted by CoS. Contract terms are being finalised prior to the review commencing.

Risk Management and Internal Controls Activities – July 2019 to June 2020

v1.3

Annual Plan - July 2019 to June 2020					
Activity	Type of Activity (Risk Management or Internal Controls)	Resourcing (Internal, External, Co-sourced)	Status: Completed, In progress, Not yet commenced	Rationale for piece of work	Update on progress
Develop documented risk management framework	Risk Management	Internal	In progress	Contributes to the vision of having an organisation wide, consistent, usable risk management framework to encourage and inform risk management.	LGRS template documentation has been obtained for review and consideration.
Develop Operational Risk Register	Risk Management	Internal	Completed	The Operational Risk Register forms a part of the Risk Management Framework at the City of Salisbury.	A presentation on the Operational Risk Registers has been provided to the Audit Committee at its March 2020 meeting. Further development of operational risk registers within City of Salisbury will be ongoing.
Develop a consistent Policy Framework	Risk Management / Governance	Internal	Not yet commenced	Supports a consistent, whole of organisation approach to the documentation of policies and procedures	This task forms part of the Risk Management Program and will be progressed upon the commencement of the Internal Auditor and Risk Coordinator.
Risk maturity survey	Risk Management	Internal	In progress	Establishes a baseline of risk maturity at City of Salisbury to assist with the direction and development of the Risk Management Program.	CoS intends to utilise a tool provided by the LGRS to conduct the survey. The survey has been received and consideration of the questions has commenced prior to distribution to the General and Divisional Managers.

OUTSTANDING ACTIONS ARISING OUT OF COMPLETED INTERNAL AUDITS

<i>Audit: Business Systems and Solutions</i>				
Opportunity for Improvement	Responsible Officer	Target Date	Revised Date	Comments
<p>2. The current Disaster Recovery plans require updating to increase the likelihood of managing a disaster event</p> <p>2.a) Fully document the DR plans. Consider the use of an external party with experience in the development of technology DR plans if there are no in-house parties with this experience; <i>Action: Noted and agreed as recommended.</i></p> <p>2.b) Create a DR testing regime for major systems, that supports the business’s documented MAO, RPO and RTO; <i>Action: Noted and agreed as recommended.</i></p> <p>2.c) Align back-up regimes of all systems to Business Continuity plan MAO, RPO and RTO requirements. <i>Action: Back up regimes will be reviewed and modified, if required.</i></p>	<p>Team Leader, Information Technology Services</p>	<p>30/4/2019</p>	<p>30/09/2019</p>	<p>27/03/19 – Team Leader, Information Technology services was vacant between November 2018 and March 2019. New Team Leader started on 12 March. The IT Service Delivery Manager starts on 23/04/2019 and will oversee the delivery of this action. 1/7/2019 – Work commencing July 2019 and will be actioned by Team Leader, Information Technology Systems and IT Service Delivery Manager 5/11/2019 - DR plan has been created by the Team Leader Information Technology Services. This includes plans for testing in the 2020 calendar year. 04/02/2020 – Plan created to be scheduled for review and endorsement through the new governance model. 7/04/2020 – Review to be performed by Manager Business Systems and Solutions</p>

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Business Systems and Solutions</i>				
Opportunity for Improvement	Responsible Officer	Target Date	Revised Date	Comments
<p>3. Review of the use of generic admin accounts for applications</p> <p>3.a) Replace all generic admin accounts where they are used, with named admin accounts for all systems; <i>Action: Noted. A review will be performed and implemented where feasible to do so.</i></p>	Team Leader, Information Technology Services	30/11/2018	<p>30/06/2019</p> <p>30/07/2019</p> <p>31/03/2020</p> <p>30/06/2020</p>	<p>27/03/19 – The issue relating to the use of the generic account noted in the audit has been resolved and this information is summarised in a report to the Audit Committee for the 9/04/2019 meeting. Further work is required to review whether there are other generic admin accounts and this will be led by the Team Leader, Information Technology Services.</p> <p>1/7/2019 – 3.a) This process has started and is being led by the Team Leader Information Technology Services. Work has identified the generic accounts in key systems and work is now happening to determine usage and requirements of those accounts.</p> <p>5/11/2019 – 3a) Work is continuing however other priorities has resulted in delays to finalising.</p> <p>24/01/2020 – On plan for completion by 31/03/2020.</p> <p>7/04/2020 – date revised due to work required to be performed for COVID-19, however the aim will be to resolve before June 2020</p>

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

Audit: Business Systems and Solutions				
Opportunity for Improvement	Responsible Officer	Target Date	Revised Date	Comments
<p>4. No Service Level Agreements, and/or Key Performance Indicator's for Business Systems and Solutions</p> <p>4.a) Develop a Service Catalogue. <i>Action: Noted and agreed. Will be done as part of the work in 4.c.</i></p> <p>4.b) Define SLAs with vendors, where appropriate – agreed actions from Program Review will be implemented. <i>Action: Agreed actions from the Program Review will be implemented. Service levels with vendors are articulated in relevant contract documents.</i></p> <p>4.c) Obtain business endorsement of the Helpdesk metrics to enable the business to view the service levels provided. <i>Action: Noted and agreed.</i></p> <p>4.d) Implement KPIs as documented in the Program Review, in consultation with key application owners, and other stakeholders in the business. <i>Action: Noted and agreed. See response to recommendations in 1.a.</i></p> <p>4.e) Re-introduce the previously documented tools for control from the previous IT Strategy 2014-17 to provide a baseline to measure of the operational activities of the team – such as 3.1 IT Principles, - <i>Agreed. The document will be updated</i> 3.4 IT Metrics, - <i>Agreed. The document will be updated as part of section 14 below.</i> 6.4 Governance Framework, - <i>Noted. Will be considered as part of the action detailed in 1.a.</i></p>	<p>4.a) –c.) Team Leader Service Desk</p> <p>4.d) Manager Business Systems and Solutions</p> <p>4.e) Team Leader, Information Technology Services</p>	<p>30/11/2018</p> <p>28/2/2019</p> <p>28/2/2019</p> <p>30/11/2018</p> <p>30/6/2018</p>	<p>30/09/2019 30/06/2020</p> <p>30/09/2019 30/06/2020</p> <p>30/09/2019 30/06/2020</p> <p>30/09/2019 30/06/2020</p> <p>30/11/2018 30/09/2019 30/06/2020</p>	<p>27/03/2019 – The IT Service Delivery Manager starts on 23/04/2019 and will oversee the delivery of the actions in this section.</p> <p>1/7/2019 – Data capture work has commenced to be used in the resulting documentation prior to endorsement and implementation.</p> <p>5/11/2019 – Work on this action delayed to other priorities. This work will be completed following the completion of 1a.</p> <p>24/01/2020 – On plan to deliver these actions by 30/06/2020</p>

Audit: Business Systems and Solutions				
Opportunity for Improvement	Responsible Officer	Target Date	Revised Date	Comments
<p>4.f) Build the reporting of KPI's and other operational controls into the Terms of Reference of the Steering Committees <i>Action: Noted. Regular surveys of the performance of the IT functions will fall in line with program of Business Excellence surveys across the organisation. Refer action at 1.a.</i></p> <p>4.g) Promote and display the level of service provided by the Helpdesk against the agreed business metrics <i>Action. Noted and agreed. As above at 4.f.</i></p> <p>4.h) Collate regular surveys as a standard measurement of Business Systems and Solutions performance, at least every 18 months <i>Action: Noted. As above at 4.f.</i></p> <p>4.i) Include checkpoint surveys periodically for Helpdesk calls to trace ongoing customer satisfaction. <i>Action: Noted and agreed. As above at 4.f.</i></p>	<p>4.f) - .i) Team Leader Service Desk</p>	<p>4.f) - .i) 28/2/2019</p>	<p>30/09/2019 30/06/2020</p>	<p>5/11/2019 – Changing divisional structures have created delays. This work will become the primary focus once the permanent structure has been determined and in place.</p> <p>24/01/2020 – On plan to deliver majority of these actions by 30/06/2020</p>

Audit: Business Systems and Solutions				
Opportunity for Improvement	Responsible Officer	Target Date	Revised Date	Comments
<p>5. Maintain an up to date application register to reduce security risk and upgrade costs</p> <p>5.a) Re-instate the centralised application and technology support matrix / register, including the version number currently used, the latest version released by the vendor, timescales for the life of vendor support, issues and reasons for not upgrading to the latest version and any vendor arrangements.</p> <p><i>Action: Noted and agreed. These documents are in use and will be updated. This will form part of the information contained in the Service Catalogue</i></p>	5.a.) Team Leader Service Desk	30/6/2018	30/09/2018 30/11/2018 28/03/2019 28/06/2019 30/09/2019 30/03/2020 30/04/2020	<p>23/03/2019 – Work to identify the functional owners of applications has almost been completed and will be summarised in a report to the Executive in May 2019. BS&S will then work with application owners to agree the relevant version of each application, subject to business process needs.</p>
<p>5.b) Determine if a policy or position is necessary for keeping software current. (e.g. No system will be x versions behind the latest version) – A formal position on this will be articulated in the next iteration of the ICT strategy/replacement document.</p> <p><i>Action: A formal position on this will be articulated in the next iteration of the ICT strategy/replacement document.</i></p>	5.b) Manager Business Systems and Solutions	30/9/2018	30/11/2018 28/03/2019 28/06/2019 30/09/2019 30/03/2020 30/04/2020	<p>1/7/2019 – Work to identify the functional owners of applications has almost been completed and will be summarised in a report to the Executive in August 2019. BS&S will then work with application owners to agree the relevant version of each application, subject to business process needs.</p>
<p>5.c) Once the application and support matrix / register has been re-introduced, complete a review of all major systems to determine potential upgrade projects required.</p> <p><i>Action: Noted and agreed. A formal position on this will be articulated in the next iteration of the ICT strategy/replacement document.</i></p>	5.c) Manager Business Systems and Solutions	30/9/2018	30/11/2018 28/03/2019 28/06/2019 30/09/2019 30/06/2020	<p>25/01/2019 5.c) In progress see comment for 5.a) above</p> <p>5/11/2019 – All work delayed due to changing priorities. Due dates have been rebaselined.</p> <p>24/01/2020 – On plan for delivery by 30/03/2020 and 30/06/2020 as noted in the detail.</p>

Audit: Business Systems and Solutions				
Opportunity for Improvement	Responsible Officer	Target Date	Revised Date	Comments
<p>6. Continued focus is required on aligning business applications to business needs</p> <p>6.a) Improve resource management and the visibility of allocated BSS resources to manage business expectations. <i>Action: Resource planning and demand management framework under development by Team Leader, Planning and Business Engagement. Relevant to Planning and Business Engagement Services and Information Technology Services teams.</i></p> <p>6.b) Consider the use of a Business Impact Assessment as an objective method of assessing the requested changes to systems by the business to enable clear and agreed understanding by all parties. <i>Action: Noted. This will be reviewed and considered.</i></p> <p>6.c) Ensure a consistent structure and Terms of Reference are in place to support any Application Steering Committees, as required, including the process for documenting how a decision not to have a Committee was arrived at. (The decision and responsibility for forming and running Application Steering Committees rests with the relevant business areas). <i>Action: Noted and agreed.</i></p> <p>6.d) Develop a BSS Service Catalogue and promote throughout the organisation. <i>Action: Noted. Refer section 4. Service Catalogue will cover the information technology-related aspects of BSS</i></p> <p>6.e) Following the release of the digital strategy, ensure the BSS assessments from the Bid System include an assessment of the alignment of the proposal to the digital strategy. <i>Action: Noted and agreed. This will be discussed and agreed with the relevant divisional manager responsible for the bid system.</i></p>	<p>6a.)-c.) Team Leader, Planning and Business Engagement Services</p> <p>6d.) Team Leader Service Desk</p> <p>6.e) Manager Business Systems and Solutions</p>	<p>30/6/2018</p> <p>30/11/2018</p> <p>28/02/2019</p>	<p>30/11/2018</p> <p>30/05/2019</p> <p>31/12/2019</p> <p>30/06/2020</p> <p>28/02/2019</p> <p>30/09/2019</p> <p>30/06/2020</p> <p>30/09/2019</p> <p>30/06/2020</p>	<p>23/03/2019 – 6 (a): A process has been initiated to identify time spent by key resources with BS&S to understand what initiatives are being worked on and to align them with organisational projects and initiatives 1/7/2019 – 6.a): We have a better understanding of what key staff are focuses on and are now looking at which toolset would be best to share and manage this information. 1/7/2019 – 6.c): Proposing to change application steering committees, replacing with technology sub-committees under the new governance framework. These will be functional sub committees rather than specific applications 5/11/2019 – 6) All activities delayed due to conflicting priorities. Dates have been rebaselined.</p> <p>27/03/2019 – 6 (d): Information collated as part of the activity relating to the ownership of applications will be used as the base for the service catalogue. This work will be led by the IT Service Delivery Manager. 5/11/2019 – 6d) – Service Catalogue has not yet been developed due to conflicting priorities. Date has been rebaselined.</p> <p>04/02/2020 – On plan to deliver by 30/06/2020. Note some have been completed, eg governance structure and terms of reference.</p>

<i>Audit: Business Systems and Solutions</i>				
Opportunity for Improvement	Responsible Officer	Target Date	Revised Date	Comments
6.f) Review the success of the Business Engagement Group over time and realign the Terms of Reference, if required. <i>Action: Noted and agreed. An internal assessment will be performed with the independent assessment performed by the next external audit of the information technology areas of the BSS division.</i>	6f.) Team Leader Planning and Business Engagement	30/6/2018	30/06/2019 28/2/2020 30/09/2020	1/7/2019 – The engagement process for the organisation has been implemented since Nov 2018 and will be reviewed in Feb 2020. 5/11/2019 – Review still scheduled for Feb 2020 11/3/2020 –Deferred to September 2020.

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

Audit: Business Systems and Solutions				
Opportunity for Improvement	Responsible Officer	Target Date	Revised Date	Comments
<p>8. Continued alignment of the Digital Strategy to the Business Strategy is required</p> <p>8.a) Ensure that the Digital Strategy is able to achieve the City of Salisbury’s City Plan 2030 overarching strategy and vision. <i>Action: Noted and agreed. Action to be passed on to the digital strategy working group.</i></p> <p>8.b) Ensure that the Application Owners and members of the Applications Steering Committees continue to be involved in the development of the Digital Strategy. <i>Action: Noted and agreed.</i></p> <p>8.c) Ensure the IT strategy contains roadmaps and an execution plan for each system within the City of Salisbury portfolio. <i>Action: Noted and agreed. Information to be included in updated ICT Strategy.</i></p> <p>8.d) Consider changing the title of the IT strategy to an “Digital Execution Plan” or similar to reflect the outcome of the document being to define a program of work to deliver the Digital Strategy. This will assist in the measurement of goals and objectives of the strategies; <i>Action: Noted and agreed. Broader than responsibility of IT function within BSS.</i> and</p> <p>8.e) Define a program of work to deliver the Digital Strategy. <i>Action: Noted and agreed. Broader than responsibility of IT function within BSS.</i></p>	8.a)-.e) Manager Business Systems and Solutions	30/11/2018	30/03/2019 28/06/2019 30/11/2019 30/06/2020	<p>27/03/2018 – Community engagement relating to the draft digital strategy is scheduled for May 2019, with a report to the Executive on the proposed digital strategy scheduled for June 2019.</p> <p>27/03/2019 – The IT Implementation plan will be developed in parallel with the digital strategy and presented to the Executive in June 2019.</p> <p>1/7/2019 – Community engagement relating to the draft digital strategy is scheduled for Sept 2019, with a report to the Executive on the proposed digital strategy scheduled for Oct 2019. The IT Implementation plan will be developed in parallel with the digital strategy and presented to the Executive in Oct 2019.</p> <p>5/11/2019 - Community engagement work continues, the working group determined significant changes were required to community survey which has produced significant delays.</p> <p>04/02/2020 – on schedule to meet 30 June 2020 timeframe.</p>

<i>Audit: Business Systems and Solutions</i>				
Opportunity for Improvement	Responsible Officer	Target Date	Revised Date	Comments
<p>10. A formal change framework is required</p> <p>10.c) Provide awareness to the relevant business areas of the CAB processes and how the business outcomes are met – Subject to the outcome of 10a.</p> <p><i>Action: Noted. Subject to the outcome of 10.a)</i></p>	<p>10.a) - .c) IT Service Delivery Manager</p>	<p>30/11/2018</p>	<p>30/09/2019</p> <p>31/12/2019 31/05/2020</p>	<p>5/11/2019 10.c – Communication of CAB process commenced but not yet complete. This will be finalised in monthly engagement meetings for December 2019.</p> <p>04/02/2020 – : MBS&S to review the process that has been implemented in February 2020</p>

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>There is a need to assign central ownership and to establish governance over contract management within Council</p> <p>Recommendation 1 Establish a governance structure to oversee contract management at the CoS. Consideration should include: a leadership team forming a sub-committee to oversight contract management and/or adding contract management to the terms of reference of an existing committee.</p> <p>Actions: <i>Identify an Exec sponsor. Form a Group / Committee to oversight contract management and/or add contract management to the terms of reference of an existing Group / Committee. Obtain appropriate budget.</i></p>	GM Business Excellence & GM City Infrastructure	June 2020		This timing will need to be reconsidered due to resource constraints and focus on the COVID capital program

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>There is a need to assign central ownership and to establish governance over contract management within Council</p> <p>Recommendation 2 Allocate responsibility (and resourcing as required) for contract management oversight to a central team/position - for example the Strategic Procurement Team. This team would be responsible, for example, for:</p> <ul style="list-style-type: none"> ▪ developing high-level contract management guidance ▪ monitoring select indicators, for example contract performance, trends, risk management approaches, ▪ promoting/providing training across the organisation on contract management ▪ reporting to a governance committee ▪ sample-based monitoring of compliance with any established contract management guidelines. <p>Actions: <i>Identify central team / position.</i> <i>Undertake resourcing Gap analysis.</i> <i>Allocate responsibility.</i> <i>Monitoring and Reporting to outcome of Recommendation 1.</i> <i>Resource accordingly.</i></p>	Group / Committee identified in Recommendation 1 to allocate responsibility to an existing team / DM	Dec 2020		

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>There are a lack of procedures to provide explicit guidance for contract management</p> <p>Recommendation 3 Develop and document a clear policy outlining expectations for contract management across Council, including clearly identified roles and responsibilities.</p> <p>Actions: <i>Develop / or review an existing Policy</i> <i>Develop a RACI matrix</i></p>	Existing team / DM identified in Recommendation 2	March 2021		

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>There are a lack of procedures to provide explicit guidance for contract management</p> <p>Recommendation 4 Develop a contract management framework to guide staff, incorporating:</p> <ul style="list-style-type: none"> ▪ procedures (mandatory) ▪ guidelines, and ▪ clarification of roles and responsibilities (for example where responsibilities start and end – including responsibility for obtaining ongoing ‘due diligence’ documentation) ▪ better practice examples from across Council. <p>There is opportunity to ensure that requirements align to the risk/value of different contracts.</p> <p>Actions: <i>Develop framework, procedures.</i> <i>Develop / review templates, tools, etc...</i></p>	Existing team / DM identified in Recommendation 2	March 2021		

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>There is a need for standardised storage of policies, procedures and contract documentation</p> <p>Recommendation 5 Implement a process to ensure that policy, procedural and contract documentation is stored in one consistent location. Additional desirable features include:</p> <ul style="list-style-type: none"> ▪ approval processes before documentation can be uploaded into the location ▪ clear metadata/date information about each document ▪ standard naming conventions ▪ use of consistent document templates, and ▪ reviewing security/access levels for documentation, including providing transparency that a document exists even if the user does not have permission to view it. <p>This will assist in ensuring that staff are able to readily locate all information relevant to their roles and responsibilities.</p> <p>Actions: <i>Review existing policies, guidelines</i> <i>Review naming convention, security etc...</i> <i>Provide training etc...</i> <i>Audit</i></p>	<p>DM Community Experience & Relationships / Team Leader Business Intelligence & Data Management</p> <p>Group / Committee identified in Recommendation 1</p>	June 2021		

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>There is a need for a consistent approach to ensuring that ‘due diligence’ documentation is updated throughout the life of contracts</p> <p>Recommendation 6 Implement a consistent process/set of principles to ensure that up to date due diligence documentation from contractors is maintained – for example; insurance, licences etc. This will assist the CoS to be assured that contractors are qualified/suitable for ongoing engagement.</p> <p><i>Management has not accepted recommendation 6. CoS T&C’s obligate Contractors / Suppliers to obtain and maintain insurances and ensure contractors are qualified and suitable for the life of the contract. Ensuring compliance to CoS T&C’s has the greatest impact of risk mitigation for the organisation. Collecting, collating, monitoring Implementing systems / processes to administer this process is resource intensive and has little to no impact to risk mitigation.</i></p> <p>Action: <i>CoS staff to ensure that Contractors / Suppliers are engaged under CoS T&C’s (un amended). Where amendments are requested, staff engages with Strategic Procurement in the first instance. Legal firms may be utilised. Strategic Procurement continues to obtain ‘due diligence’ documentation during the procurement process for above \$150k procurement activities. Strategic Procurement in collaboration with Governance conducts internal training on the importance of adhering to CoS T&C’s</i></p>	<p>As per current</p> <p>Strategic Procurement & Governance</p>	<p>N/A</p> <p>Dec 2020</p>		

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>There is a need for a consistent approach to ensuring that ‘due diligence’ documentation is updated throughout the life of contracts</p> <p>Recommendation 7 Implement a consistent process to ensure that conflicts of interest in relation to ongoing contracts are regularly reviewed (for example, annually, when a new staff member is onboarded, when a contract is managed by a different contract superintendent, when a staff member undertakes higher duties in a role that requires CM), and that staff are asked to declare conflicts in relation to any contracts that they manage.</p> <p>Action: <i>Continue the CoI process built into the Strategic Procurement process for >\$150k procurement activities.</i> <i>Amend the current induction / acting process to include an action to obtain CoI’s for contracts the role is responsible for.</i> <i>Annual review for ‘strategic’ contracts only.</i></p> <p><i>Monitor conformance</i></p>	<p>Strategic Procurement</p> <p>People & Culture</p> <p>Strategic Procurement & Governance</p> <p>Governance</p>	<p>N/A</p> <p>June 2020</p> <p>Ongoing</p> <p>Ongoing</p>		

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>A need for clear staff training and awareness regarding their contract-related WHS responsibilities</p> <p>Recommendation 8 Ensure that WHS-related policies and procedures are up to date, stored in one location (see Recommendation 5) and that current applicable requirements are clearly communicated to internal staff</p> <p>Management Comment: a) The WHS&IM Business Plan (Program 1) specifies the policies and procedures to be updated. b) All policies and procedures are stored in Dataworks and made available on COSI Information on policy and procedure updates are rolled out via staff meetings with evidence retained in Dataworks and tracked through Empower.</p> <p>Actions: <i>a) Update policies and procedures as per due dates in policy and procedure</i> <i>b) Use CoSi as a primary interface with Dataworks</i></p>	<p>Team Leader Safety & Wellbeing</p>	N/A	N/A	

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>A need for clear staff training and awareness regarding their contract-related WHS responsibilities</p> <p>Recommendation 9 Ensure that Council's WHS-related policies and procedures clearly outline the WHS requirements applicable to all contractors, where relevant, across all contracts and risk levels.</p> <p>Management Comment: Not accepted All WHS policies and procedure (as applicable to Contractors) state to whom the policy/ procedure applies to provide a definition of a Worker that includes contractors.</p> <p>Actions: <i>No further action proposed</i></p>	N/A	N/A	N/A	

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>A need for clear staff training and awareness regarding their contract-related WHS responsibilities</p> <p>Recommendation 10 Review the WHS responsibilities placed on project officers and the Council in relation to WHS and Contractor engagement. Consider and confirm, at a strategic level, the level of responsibility Council wants to accept in managing contractor WHS compliance (<i>note – Audit found that Council currently accepts a high level of responsibility</i>). Confirm the intent of responsibilities for project officers in relation to WHS.</p> <p>Management Comment: Agreed – review with LGAWCS as we adopt their policies & procedures.</p> <p>Actions: <i>Group / committee identified in Rec 1 to provide decision forum</i></p>	GM Business Excellence / Manager People & Culture	September 2020		

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>A need for clear staff training and awareness regarding their contract-related WHS responsibilities</p> <p>Recommendation 11 Develop a targeted training program to assist staff to fulfil their responsibilities in relation to WHS. For example, training on how to conduct a WHS audit, how to induct contractors, how to determine a safe work environment and how to discharge their responsibilities appropriately.</p> <p>Management Comment: The organisational WHS Training Needs analysis covers Duty of Care for Workers, Duty of Care for Manager and Supervisors as well as WHS Responsible Officer training for Managers and Executive. A contractor management induction form is currently in place, however this will be progressively phased out following roll out of a comprehensive WHS Contractor Induction (has been developed and ready for roll out (via a portal to be accessed through the City of Salisbury web page). WHS audits are performed by competent WHS staff with a schedule in place set through the WHS&IM Business Plan. Operational leaders are assigned contractor work site inspections through Skytrust with Executive updated on completion status via the P&C quarterly report to Executive.</p> <p>Actions: <i>Facilitate creation of contractor induction portal with support from IT staff</i></p>	<p>Team Leader Safety & Wellbeing</p>	<p>September 2020</p>		

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>A need for clear staff training and awareness regarding their contract-related WHS responsibilities</p> <p>Recommendation 12 Develop a targeted training program to assist staff to fulfil their responsibilities in relation to WHS. For example, training on how to conduct a WHS audit, how to induct contractors, how to determine a safe work environment and how to discharge their responsibilities appropriately.</p> <p>Actions: <i>Finalise review of contract templates with support from Manager Strategic Procurement</i> <i>Refer Recommendation 4 – guidelines and policy & procedures to reflect this.</i></p>	Existing team / DM identified in Recommendation 2	December 2020		

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>There is opportunity to strengthen record-keeping in relation to contracts</p> <p>Recommendation 13 To ensure that staff obtain and record quotations in relation to pieces of work conducted under contract:</p> <ul style="list-style-type: none"> ▪ remind staff of the importance of obtaining and recording quotations for individual pieces of work (where required), and consider conducting periodic sample-based testing to ensure that key documentation, including quotations for work, is obtained and stored appropriately in the CoS records management system. <p>Actions: <i>Included in the Strategic Procurement transformation is an action to develop procedures and tools for below \$150k procurement activities. This recommendation will be addressed as part of these actions.</i></p>	Strategic Procurement	December 2020		

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Contract Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>There is a need to clarify expected processes in relation to contract closure</p> <p>Recommendation 14 Formalise a process for contract closure. This can be in the form of a template, and may include but not be limited to:</p> <ul style="list-style-type: none"> ▪ capturing learnings/feedback on contract performance from a contractor’s perspective ▪ reviewing whether goods/services have been received in full as paid for ▪ reviewing whether discounts/savings were applied appropriately as per some contract conditions ▪ identifying lessons learned and ensuring that these are communicated within the Council, to facilitate future contract management improvements. <p>Actions: Refer Recommendation 4.</p>	Existing team / DM identified in Recommendation 2	March 2021		

<i>Audit: Asset Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>2.1 Focusing on customer levels of service and enhancing processes for monitoring and reporting levels of service.</p> <p>Recommendation 2.1.1 Engage with key stakeholders to establish performance measures and desired levels of service based on customer consultation and assessments of satisfaction.</p> <p>Management Comment: Now Council has an Asset Management Sub Committee (AMSC) and will work through the levels of service progressively.</p> <p>Recommendation 2.1.2 Establish levels of service based on targets that are measurable, achievable, relevant and timely.</p> <p>Management Comment: Now Council has an Asset Management Sub Committee (AMSC) and will work through the levels of service progressively.</p> <p>Recommendation 2.1.3 Implement mechanisms to ensure that performance targets are compared to actual performance and reported to key stakeholders on a regular basis.</p> <p>Management Comment: This is in place generally through the AMSC and SAMG</p> <p>Action: <i>All Asset Managers to work with the AMSC and Council</i></p>	<p>General Manager City Infrastructure (GMCI), Manager Property & Buildings (MP&B), Manager Infrastructure Management (MIM)</p>	2023		

<i>Audit: Asset Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>2.2 Improving controls to ensure buildings condition assessment and ‘fit for purpose’ audits are performed on a regular basis.</p> <p>Recommendation 2.2.1 Ensure that building condition assessments and ‘fit for purpose’ audits are performed on a regular basis and used as part of buildings capital investment planning (including predicting expenditure for maintenance, renewals and new assets/upgrades).</p> <p>Management Comment: These are currently being undertaken. Working with Council on defining ‘fit for purpose’.</p> <p>Action: <i>Complete audit and present findings and recommendations to the AMSC.</i> <i>Prioritise 21/22 and beyond capital program in line with above.</i></p>	MP&B	March 2021		

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Asset Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>2.3 Formalising and documenting building maintenance plans and operational procedures.</p> <p>Recommendation 2.3.1 Implement formal building operational and maintenance plans including procedures of reactive maintenance, maintenance programs detailing the type of maintenance activity required for each asset and monitoring processes in place to ensure maintenance works are completed.</p> <p>Management Comment: Disagree with findings and recommendations. Asset Management Improvement Project (AMIP) implemented these changes. In place</p> <p>Recommendation 2.3.2 Implement a maintenance regime through the creation of work orders in the Confirm system based on the maintenance programmes determined by the formal maintenance plan.</p> <p>Management Comment: In place.</p> <p>Recommendation 2.3.3 Ensure that maintenance history is maintained in the asset register..</p> <p>Management Comment: In place</p> <p>Action: No action required apart from ongoing improvements.</p>		2023		

<i>Audit: Asset Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>2.4 Defining clear criteria for upgrades and renewal of buildings</p> <p>Recommendation 2.4.1 Review current capital investment planning for buildings and ensure that criteria for prioritising upgrades (including construction of new assets) and renewal of buildings are clearly defined, documented and based on relevant factors including defined levels of service, condition, fit for purpose audits and forecasted future demand.</p> <p>Management Comment: Generally in place however further improvements currently underway. Working with Council on defining 'fit for purpose' and future demand and priorities. Currently working the AMSC and developing a Place Activation Strategy to assist with this.</p> <p>Action: Ongoing formal presentations and reports to Council Committees.</p>	MP&B	Ongoing		

<i>Audit: Asset Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>2.5 Ensuring Asset Management Plans are ‘living documents’ fully integrated with the Long Term Financial Plan</p> <p>Recommendation 2.5.1 Asset Management Plans are updated on an annual basis to ensure that they are ‘living documents’ fully integrated with the Long Term Financial Plan and with Council’s operations and current asset management practices in place.</p> <p>Management Comment: This is currently in place. AMP’s are living documents and updated regularly. However the frequency of review will be improved.</p> <p>Action: <i>No action apart from ongoing reviews and improvement.</i></p>	MIM & MP&B	Ongoing		

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Asset Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>2.6 Improving Parks, Streetscapes and Street Trees Renewal processes and maintenance regime</p> <p>Recommendation 2.6.1 Review current capital investment planning in place for parks, streetscapes and street trees ensuring that renewals are planned not only on the age of the assets, but also on other relevant factors such as asset condition, asset hierarchy and asset criticality.</p> <p>Management Comment: Currently underway with the AMSC Street tree audit completed in January 2020 to enable a review to occur..</p> <p>Action: <i>Present process to the AMSC and Audit Committee.</i></p> <p>Recommendation 2.6.2 Establish formal maintenance and operational plans for parks, streetscapes and street trees assets.</p> <p>Management Comment: Has been implemented as part of the AMIP. Preventative, routine and reactive maintenance programs are in place.</p> <p>Action: <i>No action required except for ongoing improvement.</i></p>	MIM & MP&B	October 2020		

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

<i>Audit: Asset Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>2.7 Opportunity to review contents included in the Asset Management Plans as per IPWEA standards and the ISO55000 series</p> <p>Recommendation 2.7.1 Review the revised asset management plans against the IPWEA standards and ensure they address the required details regarding levels of service, asset condition, lifecycle management plan, asset criticality, risk management and processes for improvement.</p> <p>Management Comment: Review occurred in 2017 to do this and close alignment was identified. Some improvements to Level of Service as above.</p> <p>Recommendation 2.7.2 Review the revised asset management strategy and ensure it includes internal and external factors that may impact on asset management objectives as well as strategic risk issues and risks relating to these factors.</p> <p>Management Comment: Being considered as part of the (Strategic Asset Management Plan (SAMP) as presented to Council on 29 February 2020.</p> <p>Action: <i>See above.</i></p>	MIM & MP&B			

<i>Audit: Asset Management</i>				
Recommendation and Actions	Responsible Officer	Target Date	Revised Date	Comments
<p>2.8 Improving controls to ensure that capitalisations are processed on a more regular basis and based on ‘as constructed’ drawings</p> <p>Recommendation 2.8.1 Process capitalisations on a more regular basis (i.e. not concentrating capitalisations towards year end).</p> <p>Management Comment: Staff are working in line with finance policy and will adapt as required. Discussions to occur with Financial Services on appropriate frequency.</p> <p>Recommendation 2.8.2 Base asset capitalisations on ‘as constructed’ drawings.</p> <p>Management Comment: Base valuations on normal industry methodology.</p> <p>Action: <i>Continue discussions with Financial Services Division.</i></p>	MIM & MP&B	Ongoing		

Item 4.2.3 - Attachment 2 - Outstanding Actions from Completed Internal Audits

ITEM	4.2.4
	AUDIT COMMITTEE
DATE	15 April 2020
HEADING	Update on Internal Audit Plan
AUTHOR	Janet Crook, Risk & Governance Program Manager, CEO and Governance
CITY PLAN LINKS	4.2 Develop strong capability and commitment to continually improve Council's performance. 4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	The purpose of this report is to inform the Audit Committee of the Internal Audit Plan, and to highlight any changes made to it since it was last presented to the Audit Committee in April 2020.

RECOMMENDATION

1. That the updates made to the 2018 - 2022 Internal Audit Plan as set out in Attachment 1 to this report (Item 4.2.4, Audit Committee, 15/04/2020) are endorsed.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Internal Audit Plan 2018-2022
2. Strategic Risk Register

1. BACKGROUND

- 1.1 Attachment 1 to this report details the internal audit work to be undertaken for the period commencing 1 January 2018 up to, and including, 31 December 2022. The City of Salisbury operates a risk-based Internal Audit Plan, where audits are conducted in order to provide assurance on the risks identified in the Strategic Risk Register. Therefore, each of the audits outlined in the Internal Audit Plan is cross referenced to the relevant risk in the Strategic Risk Register on which it provides assurance. The Strategic Risk Register is provided as Attachment 2 to this report.
- 1.2 This report provides progress updates to the Internal Audit Plan since it was last presented to the Audit Committee in March 2020.

2. REPORT

2.1 The Internal Audit Plan Update

- 2.1.1 *Contaminated Sites* – BlueSphere Environmental Pty Ltd were successful with the tender for this audit program. The audit kick off meeting was

held on 13 December 2019 and documentation relevant to the program is being collated. Our aim is for the report to be presented to the Audit Committee in August 2020.

- 2.1.2 *Food Safety* – BDO Advisory (SA) Pty Ltd were successful with the tender for this audit program. A report has been provided to the Audit Committee at item 4.2.1 of this Audit Committee agenda.
- 2.1.3 *Strategic Reporting* – This audit program has commenced and is being undertaken internally. Due to the resignation of the Internal Auditor & Risk Coordinator, it is intended that this report will be presented later in 2020.
- 2.1.4 *Legislative Compliance* – This audit program has commenced and is being undertaken internally. Due to the resignation of the Internal Auditor & Risk Coordinator, it is intended that this report will be presented later in 2020.
- 2.1.5 *Data Governance* – The level of change in information and data management that is currently in implementation has meant that this audit program is best positioned to be undertaken during 2020 post the divisional re-structuring.
- 2.1.6 *Incident Management* – This audit program is to be postponed to the first half of 2020 given the current divisional restructure, implementation of the new booking system for community spaces, pending release of new Event Guidelines and Policy and newly created Site Emergency Plans for the Hub.
- 2.1.7 *Capital Works Project* – Preliminary Works and Scope document is being prepared.
- 2.1.8 The Internal Audit Plan at Attachment 1 has been updated to reflect the updated wording for strategic risks 7 and 9
- 2.1.9 Attachment 1 has also been updated to reflect the removal of the former risk 8 from the Register. That risk did read “Organisation suffers detriment as a result of fraud, misconduct or maladministration”. The internal audits continue to be listed on the Audit Plan, at this stage.

3. CONCLUSION / PROPOSAL

- 3.1 This report outlines the progress made towards the completion of the Internal Audit Plan since it was last presented to the Audit Committee in March 2020.
- 3.2 This report seeks Audit Committee endorsement of the proposed 2018 – 2022 Audit Plan.

CO-ORDINATION

Officer:

Date:

City of Salisbury Internal Audit Plan 2018 - 2021

Audit Ref	Strategic Risk Number	Risk Description	Inherent Risk	Residual Risk	Key Divisions impacted by the audit											Performance, compliance or risk-based audit?	2018	2019	2020	2021	2022	Areas of focus for the audit					
					People & Culture	Community Planning & Vitality	Community Capacity & Learning	Governance	Technical Services	Business Systems and Solution	Business Support	Environmental Health & Safety	Projects	Strategic Development Projects	Financial Services								Communications & Customer R	Salisbury Water			
1	7	Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.	High	Medium																	Risk-Based						Strategic reporting process Assurance on the processes and controls in place, specifically in relation to the City Plan, Business Planning and Annual Planning.
2	7	Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.	High	Medium																	Risk-Based						Contract Management Assurance on the efficiency and effectiveness of the current tools and processes that are used to manage contracts at the City of Salisbury, identifying any areas where outcomes could be improved.
3	2	Inadequate response to contamination of the recycled water systems	High	High																	Risk-Based					Management of contaminated sites Assurance that the controls in place to prevent and manage contamination incidents/sites are robust.	
	5	Failure to manage the impact of environmental and social factors on Council infrastructure, assets and services	High	Medium																							
4	6	City of Salisbury financial sustainability is compromised	High	High																	Risk-based						Financial sustainability Assurance on the financial sustainability of City of Salisbury, for example recognising the possibility of the introduction of rate capping
5	7	Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.	High	Medium																	Compliance and Risk-Based						Legislative compliance Assurance that the policies and processes in place ensure compliance with relevant legislation.
6	7	Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.	High	Medium																	Performance						Complaint Handling Assurance that processes provide for comprehensive, organisation wide handling of complaints
7	7	Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.	High	Medium																	Risk-Based						Data Governance Assurance that City of Salisbury data governance processes ensure adequate protection of information

Item 4.2.4 - Attachment 1 - Internal Audit Plan 2018-2022

Internal Audit Plan 2018

Audit Ref	Strategic Risk & Number	Internal Audit Project	Rationale for Audit	Internal / External or Co-sourced	2018				Current Status
					Q1	Q2	Q3	Q4	
1	# 7 - Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.	Strategic Reporting Process	This audit should provide assurance on the processes and controls in place in relation to the City Plan, Business Planning and Annual Planning.	Internal			●		Audit programme currently being performed internally.
2	# 7 - Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.	Contract Management	This audit aims to provide assurance on the efficiency and effectiveness of the current tools and processes that are used to manage contracts at the City of Salisbury, identifying any areas where outcomes could be improved.	Co-sourced				●	Complete
3	# 2 - Contamination of the recycled water systems; & # 5 - Failure to manage the impact of environmental and social factors on Council infrastructure, assets and services.	Management of Contaminated sites	This audit should provide assurance that the controls in place to prevent and manage contamination incidents/sites are robust.	Co-sourced				●	Audit program being undertaken by audit partner BlueSphere Environmental. Report to be provided to August 2020 Audit Committee meeting
4	# 6 - City of Salisbury financial sustainability is compromised.	Financial Sustainability	This audit should provide assurance on the financial sustainability of City of Salisbury, for example recognising the possibility of the introduction of rate capping.	Co-sourced			●		Complete

Internal Audit Plan 2019

Audit Ref	Strategic Risk Numbers	Internal Audit Project	Rationale for Audit	Internal / External or Co-sourced	2019				Current Status
					Q1	Q2	Q3	Q4	
5	# 7 Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.	Legislative Compliance	The City of Salisbury is governed by a broad range of legislative instruments which govern its daily operations. Failure to meet legislative compliance obligations may lead to financial penalties and/or government or regulatory intervention, as well as reputational damage. This review will provide assurance that selected relevant legislation obligations are being complied with and that the processes in place to maintain upto date legislation is robust.	Internal				●	Program currently being performed internally.
6	# 7 Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.	Complaint Handling	In terms of the Local Government Act 1999 the City of Salisbury has a mandatory requirement to have a Complaints Handling Procedure. This review will provide assurance that the City of Salisbury's procedure is providing comprehensive handling of complaints.	Internal			●		Deferred to Q2 2020
7	# 7 Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation; & # 9 Lack of alignment and integrity of IT Systems and data to support business needs.	Data Governance	There is the risk that the City of Salisbury data management processes could result in loss of data or the inability to utilise the data. This review will provide assurance regarding the adequacy of protection of City of Salisbury information. This review will provide assurance regarding the adequacy of protection of CoS information.	Co-sourced				●	The level of change in information and data management that is currently in implementation has meant that this audit program is best positioned to be undertaken during 2020 post the divisional restructuring.
8	# 4 Inadequate response to a major incident at a council run community event, that affects public and staff safety.	Incident Management Framework	City of Salisbury sponsors and runs community events which leads to a risk that inadequate response to a major incident could affect public and staff safety, injury or death. This review is to provide assurance on the adequacy of the City of Salisbury Incident Management Framework and the current processes, risk management and controls to mitigate the risks to staff and community.	Co-sourced		●			Deferred to Q2 2020
9	# 6 City of Salisbury financial sustainability is compromised.	Asset Management	The ability of City of Salisbury to effectively manage its assets and infrastructure is integral to the long term financial sustainability of the City of Salisbury and the objective of "The Prosperous City". This review should include the proposed processes and system changes that will be implemented as a part of the asset management operationalisation project.	Co-sourced				●	Complete

Internal Audit Plan 2020

Audit Ref	Strategic Risk Numbers	Internal Audit Project	Rationale for Audit	Internal / External or Co-sourced	2020				Current Status
					Q1	Q2	Q3	Q4	
6	# 7 Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation;	Complaint Handling	In terms of the Local Government Act 1999 the City of Salisbury has a mandatory requirement to have a Complaints Handling Procedure. This review will provide assurance that the City of Salisbury's procedure is providing comprehensive handling of complaints.	Internal		●			Deferred from Q3 2019 Work yet to commence
10	# 8 Failure to ensure a safe working environment.	WHS Deep Dive	Work Health Safety is heavily regulated by the Work Health & Safety Act 2012. This audit will be a Work Health Safety deep dive to provide assurance that the CoS can demonstrate sufficient governance and risk management to comply with legislative obligations and provide assurance that CoS is providing a safe workplace for staff, contractors and volunteers.	Co-Sourced			●		Scope being created
11	# 9 Lack of alignment and integrity of IT Systems and data to support business needs.	IT Disaster Recovery	The information contained within CoS critical core systems is significant. The ability to promptly recover data is crucial to prevent service interruption to those core CoS systems. This review is to provide assurance that, in the case of an unforeseen event, the established procedures in regard to IT Disaster Recovery is sufficiently robust to mitigate the potential of data loss and prevention of service interruption.	Co-Sourced		●			Work yet to commence
12	# 6 - City of Salisbury financial sustainability is compromised.	Post Implementation Review of the Hub	The new Salisbury Hub is a major investment and project undertaken by the Council. This post Hub implementation review is to provide assurance that full benefits have been realised.	Co-Sourced			●		Work yet to commence
13	# 7 Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation	Capital Works Projects	The City of Salisbury undertakes approximately 700 capital works projects with a value exceeding \$40m each year. This audit is to provide assurance that risks are being managed effectively and that the findings and recommendations of the April 2018 have been adopted or addressed to enhance the capital works processes.	Co-Sourced		●			Scope being created
18	# 3 Lack of Management of public and environmental health risks.	Food Safety	The overall objective of this audit is to provide assurance that the City of Salisbury's governance and risk management in place is sufficiently robust to mitigate the likelihood of public or environmental health risks in relation to food safety.	Co-Sourced	●				Complete
7	# 7 Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation; & # 9 Lack of alignment and integrity of IT Systems and data to support business needs.	Data Governance	There is the risk that the City of Salisbury data management processes could result in loss of data or the inability to utilise the data. This review would provide assurance regarding the adequacy of protection of City of Salisbury information. This review will provide assurance regarding the adequacy of protection of CoS information.	Co-sourced		●			The level of change in information and data management that is currently in implementation has meant that this audit program is best positioned to be undertaken during 2020 post the divisional restructuring.
8	# 4 Inadequate response to a major incident at a council run community event, that affects public and staff safety.	Incident Management Framework	City of Salisbury sponsors and runs community events which leads to a risk that inadequate response to a major incident could affect public and staff safety, injury or death. This review will provide assurance on the adequacy of the City of Salisbury Incident Management Framework and the current processes, risk management and controls to mitigate the risks to staff and community.	Co-sourced		●			Deferred from Q2 2019 Work yet to commence This audit program is to be postponed to the first half of 2020 given the current divisional restructure, implementation of the new booking system for community spaces, pending release of new Event Guidelines and Policy and newly created Site Emergency Plans for the Hub

Item 4.2.4 - Attachment 1 - Internal Audit Plan 2018-2022

Internal Audit Plan 2020

Internal Audit Plan 2021

Audit Ref	Strategic Risk Numbers	Internal Audit Project	Rationale for Audit	Internal / External or Co-sourced	2021				Current Status
					Q1	Q2	Q3	Q4	
14	# 6 City of Salisbury financial sustainability is compromised.	Procurement	CoS has obligations under section 49 of the Local Government Act 1999 to have policies for contracts and tenders incorporating contracting out services, competitive tenders to ensure services are delivered cost effectively, the use of local goods and services and the sale and disposal of land and other assets. This audit is to provide assurance that the procurement process has sufficiently robust governance and risk management in place to meeting legislative obligations and that the procurement processes are sufficiently robust to mitigate against any compromising strain on the Council financial sustainability.	Co-Sourced	●				Work yet to commence
15	# 9 Lack of alignment and integrity of IT Systems and data to support business needs.	Cyber Security	Cyber risk is recognised as an emerging and ever changing risk for organisations which may lead to financial loss, service interruption, data loss and/or reputation damage from an event impacting the CoS information and or information systems. This audit is to provide assurance that the established governance and risk management processes in place to reduce both the likelihood and consequence of a cyber-attack incident are sufficiently robust.	Co-Sourced	●				Work yet to commence
16	# 7 Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation;	Volunteers	Volunteers are a major personnel resource utilised by CoS to assist with the delivery of community programs and services. The failure to properly manage volunteers may result in service interruption, financial impost and reputation risk. This review will provide CoS with assurance that the processes for managing volunteers are robust.	Internal		●			Work yet to commence
17		Payroll	The payroll administration function has stringent legislative (including Payroll Tax Act 2009) requirements and is a potential target for fraud. Failure to correctly manage the payroll system has the potential consequences of financial loss and reputation damage. This review will provide assurance that there is sufficient governance and risk management established to meet compliance obligations and to prevent, identify and correct the potential for fraudulent activities associated with the payroll processes and associated systems.	Internal		●			Work yet to commence
18	# 3 Lack of Management of public and environmental health risks.	Food Safety	The CoS has obligations under the Food Act, failure to meet these obligations may result in death or injury to public, financial penalties and/or government or regulator intervention. This audit will provide assurance that there is sufficient governance and risk management in place to mitigate any public or environmental health risks relating to food safety.	Co-Sourced			●		Taken forward to Q1 2020

Internal Audit Plan 2022

Audit Ref	Strategic Risk Numbers	Internal Audit Project	Rationale for Audit	Internal / External or Co-sourced	2022				Current Status
					Q1	Q2	Q3	Q4	
19	# 6 City of Salisbury financial sustainability is compromised.	Fleet and Heavy Vehicle Management	The City of Salisbury owns and operates a significant fleet of vehicles, there is a risk that the mismanagement of this fleet causes inefficiencies in regard to productivity and negative cost impact. This review is to provide assurance that the established governance and risk management in regard to management of this fleet is sufficiently robust to protect the viability of these assets.	Co-Sourced	●				Work yet to commence
20	# 9 Lack of alignment and integrity of IT Systems and data to support business needs.	IT Investment Strategy	The City of Salisbury has significant reliance upon technology to maintain and drive business requirements and efficiency gains. Failure to correctly manage the future IT acquisitions and costings may impact the CoS with inefficient processes, legacy IT issues and lagging IT systems leading to inefficiencies, financial impost, service interruption and inability to maximise continued improvements. This review is to provide CoS with assurance that the IT Investment Strategy is sufficiently robust to support current and changing business requirements and continuous improvement initiatives.	Co-Sourced		●			Work yet to commence
21		High Value & Portable Asset review	The City of Salisbury owns and operates a significant portfolio of High Value and Portable assets, there is a risk that these assets may have the potential for theft, loss or misappropriation. Failure to correctly manage these assets may lead to financial impost and service interruption. This review is to provide CoS with assurance that the governance and risk management in place is sufficiently robust to manage these assets.	Internal		●			Work yet to commence

Item 4.2.4 - Attachment 1 - Internal Audit Plan 2018-2022

Strategic Risk Register

v2.19 September 2019

1	Event Description: Inadequate response to a business continuity or emergency event		
City Plan link: Enabling Excellence, The Liveable City			
Description: CoS' continued ability to support essential, critical business activities and access available key business resources is impacted as a result of failure to prepare for, respond to and recover from a disaster (e.g. fire, flood, explosion, earthquake, storm, aircraft crash).			
Responsible Managers: CEO, All General Managers, Manager Governance, Manager Business Systems and Solutions, Manager Communications & Customer Relations, Manager People and Culture			
Contributory Factors ("root" causes / how and why the event arises):		Impacts (risks):	
<ul style="list-style-type: none"> Lack of plans and procedures to inform response strategies when a business continuity or emergency event occurs Lack of communication/training for relevant staff required to respond to business continuity and emergency events Information to facilitate action during business continuity or emergency events is insufficient or not available Impact of climate change on weather patterns 		<ul style="list-style-type: none"> Service delivery to community severely compromised Reputational damage Loss of morale and resources Compromised regulatory decisions Death/critical injury of staff and/or public 	
Likelihood: Almost Certain	Consequence: Catastrophic	Inherent Risk Rating: Very High	
Existing Controls/Mitigating Practices (the number following each control is the overall control effectiveness rating, see Table 5 for further details):			
<ul style="list-style-type: none"> Current and maintained Business Continuity Framework (including Plans and testing regime), 3 Business Continuity staff identified and trained on roles and responsibilities, 3 Incident Management Team identified and trained, 4 		<ul style="list-style-type: none"> Current and maintained IT Disaster Recovery Plan (including testing regime), 4 Current and maintained Emergency Management Plan, 3 Participation in Zone Emergency Management Committees – Northern Area, 5 Participation in LG Council Ready Program, 4 	
Likelihood: Possible	Consequence: Catastrophic	Residual Risk Rating: High	Is the Residual Risk as low as reasonably practicable? No
Treatment Plan:		Responsibility:	Target Completion Date:
Completion of relevant agreed actions for the finding in the Business Systems and Solutions audit relating to updating of the Disaster Recovery plans.		Manager Business Systems & Solutions	Complete
Comprehensive review of CoS Business Continuity corporate documentation including identification of the roles which have the ability to operate remotely and locations where staff can operate from in a loss of building scenario		Manager Governance	30 June 2020
Determine the manner in which the Business Continuity corporate documentation will be stored and continually updated		Manager Governance	30 June 2020
Develop and deliver training on business continuity to relevant staff		Manager Governance	31 August 2020

Strategic Risk Register

v2.19 September 2019

2	Event Description: Contamination of the recycled water systems		
City Plan link: The Sustainable City			
Description: CoS experiences reduced environmental, economic and social benefits due to failure to prevent, prepare for and respond to contamination of the Salisbury Water recycled non-drinking water distributed to parks, reserves, schools, industry and some new residential sub-divisions.			
Responsible Managers: GM Business Excellence, GM City Infrastructure, Manager Salisbury Water, Manager Technical Services, Manager Field Services, Manager Communications and Customer Relations			
Contributory Factors ("root" causes / how and why the event arises):		Impacts (risks):	
<ul style="list-style-type: none"> • Inadequate monitoring plans and sample testing • Failure to respond appropriately in the event of contamination • Failure of controls within the Recycled Water Risk Based Management Plan • Wet weather could hamper clean-up operations or contribute to a contamination event • PFAS and PFOA infiltration. • Act of Terrorism • Illegal dumping 		<ul style="list-style-type: none"> • Financial cost of replacing supply with SA Water and clean-up costs • Financial impost of rectification • Failure to fulfil commercial contractual obligations • Reputational damage • Regulatory or government intervention and/or fines • Revenue reduction • Health risk to staff and community 	
Likelihood: Possible	Consequence: Catastrophic	Inherent Risk Rating: High	
Existing Controls/Mitigating Practices (the number following each control is the overall control effectiveness rating, see Table 5 for further details):			
<ul style="list-style-type: none"> • Salisbury Water Business Unit – Recycled Water Risk-Based Management Plan including sample testing before water injections are commenced, 4 includes: <ul style="list-style-type: none"> • Salisbury Water Business Unit – monitoring plan and monitoring matrix. All water sampling is carried out by National Association of Testing Authorities (NATA) accredited staff. Laboratories performing the testing are NATA accredited. • Supervisory Control and Data Acquisition system in place to detect faults and alert CoS staff. 24/7 remote access availability by laptop by CoS staff. • Supply contracts to customers contain Force Majeure clauses which limit liability to Council in the event that water cannot be supplied, 5 • Rapid Response Team and Call Out Officers through City Infrastructure (Council staff) in place to manage events that may lead to contamination of recycled water system (e.g. chemical spill) (24/7 support including after hours), 4 • Employee Media Policy and Procedure and Elected Member Media Policy, 4 • Implementation of the Water Course Management Plan including the renewal of Wetlands and desilting/removal of pollutants in waterways as required, 4 • Review of Risk Based Management Plan every five years, 4 • Maintenance of the CoS Contaminated Sites Register, 3 			
Likelihood: Possible	Consequence: Major	Residual Risk Rating: High	Is the Residual Risk as low as reasonably practicable? Yes
Treatment Plan:		Responsibility:	Target Completion Date:

Item 4.2.4 - Attachment 2 - Strategic Risk Register

Strategic Risk Register

v2.19 September 2019

3	Event Description: Lack of management of public and environmental health risks		
City Plan link: The Liveable City			
Description: Community experiences illness or injury due to a failure to deliver public and environmental health and safety outcomes for the community (includes food safety, dog and cat management, by-law enforcement and parking control).			
Responsible Managers: GM City Development, Manager Environmental Health and Safety			
Contributory Factors ("root" causes / how and why the event arises):		Impacts (risks):	
<ul style="list-style-type: none"> Inadequate management, monitoring or testing Failure to respond appropriately in the event of an incident Animal/vermon infestation Noctious plants Failure of waste disposal contractor to meet contractual obligations. 		<ul style="list-style-type: none"> Financial impost to rectify a health and safety incident Reputational damage Regulatory or Government intervention or censure/fines Health risk to staff and the public 	
Likelihood: Likely	Consequence: Major	Inherent Risk Rating: High	
Existing Controls/Mitigating Practices (the number following each control is the overall control effectiveness rating, see Table 5 for further details):			
<ul style="list-style-type: none"> Compliance with Public Health and Environmental Policies and Procedures, 4 Provision of Immunisation Services, 5 Current and maintained Animal Management Plan, 5 Activating the relevant initiatives within the CoS Regional Public Health Plan, 5 Performance of General Inspections, 5 Undertaking Dog Patrols, 5 		<ul style="list-style-type: none"> Administration and management of CoS' responsibilities under the Food Act, 4 Compliance with and training on Employee Media Policy and Procedure and Elected Member Media Policy, 4 Enforcement of the CoS' responsibilities under the SA Public Health Act, 5 Enforcement of the CoS' responsibilities under the Dog and Cat Management Act, 5 Performance of infrastructure maintenance activities, 5 Undertaking the Mosquito Control Program, 4 	
Likelihood: Possible	Consequence: Major	Residual Risk Rating: High	Is the Residual Risk as low as reasonably practicable? Yes
Treatment Plan:		Responsibility:	Target Completion Date:

Item 4.2.4 - Attachment 2 - Strategic Risk Register

Strategic Risk Register

4	Event Description: Inadequate response to a major incident at a Council run community event, that affects public and staff safety		
City Plan link: The Liveable City, Enabling Excellence			
Description: CoS experiences negative impacts to CoS' brand and image, legal and cost implications, and public & staff safety as a result of failure to prepare for and respond to a major incident at a Council run community event.*			
Responsible Managers: GM City Development, GM City Infrastructure, GM Community Development, GM Business Excellence, Manager Development Services, Manager Field Services, Manager Property & Buildings, Manager People and Culture			
Contributory Factors ("root" causes / how and why the event arises):		Impacts (risks):	
<ul style="list-style-type: none"> Inadequate procedures and plans in place to prevent incidents Failure to maintain staff training Inadequate performance of risk assessments Lack of asset management and maintenance Inadequate due diligence performed by CoS in order to identify relevant risks related to the management and delivery of community events 		<ul style="list-style-type: none"> Financial cost to rectify Legal cost of failure to prevent a health and safety incident Reputational damage Regulatory and or Government intervention or censure Injury or death of staff or member of the public Service Interruption 	
Likelihood: Likely	Consequence: Catastrophic		Inherent Risk Rating: Very High
Existing Controls/Mitigating Practices (the number following each control is the overall control effectiveness rating, see Table 5 for further details):			
<ul style="list-style-type: none"> Building Control and Inspections, 4 Evacuation procedures and testing, 4 Training of Incident Command Team Provision and maintenance of Building safety systems – e.g. exit signs, fire extinguishers, wardens etc., induction process, 4 Risk assessments performed for community events, 4 		<ul style="list-style-type: none"> Reviewed and maintained Asset management plans, 4 Maintaining and reviewing Business Continuity Framework, 4 Performance testing of BCP scenarios 4 Key ICT members actively participating within the Zone Emergency Management Committee – Northern Area, 5 Maintaining and reviewing Event Management Plans 4 Compliance with Event Management Guidelines, 4 	
Likelihood: Possible	Consequence: Catastrophic		Residual Risk Rating: High
		Is the Residual Risk as low as reasonably practicable? No	
Treatment Plan:		Responsibility:	Target Completion Date:
Identification of all potential event owners and the training of them on risk identification and due diligence assessment documentation.		GM Community Development / Manager Community Planning and Vitality	30 September 2020
Formalisation of information exchange between City Infrastructure bookings and Events team in order to identify community events involving CoS Assets		GM Business Excellence / Manager Community Experience and Relationships GM City Infrastructure / Manager Property and Buildings	30 June 2020

*It has been recognised that the risk relating to an incident occurring at an event sponsored or partnered by Council is still relevant however need not be recorded on the Strategic Risk Register

Strategic Risk Register

v2.19 September 2019

5	Event Description: Failure to manage the impact of environmental and social factors on Council infrastructure, assets and services	
City Plan link: The Sustainable City, The Liveable City		
Description: The detrimental effect on Council assets and infrastructure caused by environmental factors, including climate change, is not adequately addressed through Council planning. The detrimental effect on Council assets and infrastructure caused by social factors, such as changes in demographics, is not adequately addressed through Council planning.		
Responsible Managers: GM City Development, GM City Infrastructure, GM Community Development, Manager Economic Development & Urban Policy, Manager Infrastructure Management, Manager Field Services, Manager Communications & Customer Relations, Manager Community Capacity & Learning		
Contributory Factors (“root” causes / how and why the event arises):		Impacts (risks):
<ul style="list-style-type: none"> • Inadequate understanding and planning for factors impacting the environment • Failure to consider environmental consequences when planning and designing infrastructure • • Insufficient modelling of weather events used within Asset Management Planning • Inadequate infrastructure within the City to manage stormwater and sea level rises due to storm events • Inadequate understanding of and planning for the impact of climate change on City infrastructure and assets • Failure to monitor and forecast demographic changes in the City and adjust objectives and plans accordingly • City Plan becomes obsolete or fails to anticipate the financial impact of demographic changes • Failure to maintain a social infrastructure plan for the existing and future assets • Coastal inundation and impact on biodiversity • Failure to update Asset Management Plans 		<ul style="list-style-type: none"> • Financial cost of dealing with the consequences of frequent freak weather related events • Long term impact on infrastructure, its maintenance and replacement • Organisational plans and strategies are no longer valued or desired by the community • Failure to adapt to a changing external environment resulting in some services becoming irrelevant and others insufficient
Likelihood: Likely	Consequence: Major	Inherent Risk Rating: High
Existing Controls/Mitigating Practices (the number following each control is the overall control effectiveness rating, see Table 5 for further details):		
<ul style="list-style-type: none"> • Early warning system of text alerts based on Bureau of Meteorology data, implemented by DEWNR, 5 • Regular monitoring of risk sites e.g. land fill sites, dams, 5 • Extreme Heat response process (for residents), 4 • One in 100 year flood and Probable Maximum Flood modelling including tidal info. in place at individual house level, using digital terrain modelling, 4 • Reviewed and maintained City Plan/Strategic Plans/Business Plans, 4 • Bushfire Management Plan, 4 • Watercourse Management capital program, 4 • Reviewed and maintained Asset Management Policy and Plans, 4 • Reviewed and maintained Growth Management Plan, 5 • Asset Management Committee • Implementation of Youth Strategy and Intercultural Plan, 4 		<ul style="list-style-type: none"> • Effective undergrowth management procedures, 5 • Asset Management infrastructure audits, 5 • Adapting Northern Adelaide Plan, 4 • Reviewed and maintained Emergency Management Plan, 3 • Participation in Zone Emergency Management Committee – Northern Area, 5 • Compliance with grant funding applications process and reviews, 5 • Compliance with Home Care Common Standards – Operating Manual, 5 • Reviewed and maintained Learning Strategy, Wellbeing Strategy & Intercultural Strategy, 4 • Social Infrastructure Assessment Framework, 3 • Planning controls, 4 • Strategic Land Review, 5

Strategic Risk Register

v2.19 September 2019

Likelihood: Unlikely	Consequence: Major	Residual Risk Rating: Medium	Is the Residual Risk as low as reasonably practicable? No
Treatment Plan:		Responsibility:	Target Completion Date:
Update flood mapping periodically and communicate as necessary Updated flood modelling and mapping with risk indicators, and preparation of Community Engagement Strategy completed. Other strategies relating to Governance and Executive management responsibilities; floodplain mapping, management and risk mitigation; policy and planning; and provision of information have been initiated or are ongoing (refer Flood Planning Discussion Paper and Update of Council's Flood Management Strategy – Works and Services Committee 16/4/2018)		Manager Infrastructure Management / Manager Community Experience and Relationships	Ongoing
Incorporate flood mapping into the development planning process (this treatment plan is dependent upon the development and communication of the updated flood mapping)		Manager Economic Development & Urban Policy	31 July 2020
Updating and implementation of the Social Infrastructure Plan for the City which includes the: <ul style="list-style-type: none"> • Future Directions for Community Hubs; • Future Directions for Indoor Facilities; • Place Activation Strategy (draft to be presented to Council); and • Future Direction for Libraries and Community Centres 		GM Community Development	Complete Complete 30 June 2020 Complete
Development of a Sustainability Plan		GM City Development	TBC

Strategic Risk Register

v2.19 September 2019

6	Event Description: City of Salisbury financial sustainability is compromised		
City Plan link: Enabling Excellence			
Description: CoS fails to maintain service standards and invest in assets and infrastructure as a result of increased pressure on CoS operating surplus due to factors such as rate capping and cost shifting. Risk of CoS failing to appropriately manage cost and efficiency.			
Responsible Managers: GM Business Excellence, GM City Infrastructure, GM City Development			
Contributory Factors ("root" causes / how and why the event arises):			Impacts (risks):
<ul style="list-style-type: none"> Reduction in grant funding Inadequate revenue and a failure to maximise revenue from all sources Unplanned spending Inadequate valuation of assets or inaccurate depreciation Inadequate planning for infrastructure repairs or upgrades Introduction of draft legislation regarding rate capping Fraud, misconduct or maladministration 	<ul style="list-style-type: none"> Changes to legislation/obligations imposed by other levels of government Potential new revenue streams/opportunities are not fully investigated Changes to roles and responsibilities assigned to City of Salisbury by federal or state government Short term revenue is maximised at the expense of longer term revenue Poorly structured debt funding Poor investment decision making 	<ul style="list-style-type: none"> Unknown consequences of new infrastructure provision from other levels of government or private sector investment Failure to encourage investment in the City Increased expectations of the community in relation to the demand for and breadth of services and standards delivered by CoS 	<ul style="list-style-type: none"> Council ultimately becomes financially unsustainable City revenue has to be raised increasingly through more traditional methods (rate rises) Revenue from the sale of assets (land) is not invested for the longer term benefit of the community Financial cost associated with falling rates revenue or increasing bad or doubtful debts
Likelihood: Likely	Consequence: Major	Inherent Risk Rating: High	
Existing Controls/Mitigating Practices (the number following each control is the overall control effectiveness rating, see Table 5 for further details):			
<ul style="list-style-type: none"> Long term financial planning, by managing monitoring and reviewing 5 Managing monitoring and reviewing of Asset Management Plans, 4 Undertaking Quarterly Budget Review, 5 Annual Plan and Annual Report reviewed by Audit Committee, 5 Adhoc Prudential Reviews, 5 Regular reviews of rating system fairness and equity, 4 Appropriate execution of the Grant Management application Process, 3 Review of Financial information by the Budget & Finance Committee, 4 	<ul style="list-style-type: none"> Diversification of income (e.g. Water Business Unit, Strategic Property Development and Building Rules Certification Unit, NAWMA, Salisbury Memorial Park), 4 Compliance with Budget Policies and Procedures, 5 Business Case Modelling, 4 Growth Action Plan, 4 Business Support Agenda, 4 Annual external Audit activities Project Management Methodology, 3 		
Likelihood: Possible	Consequence: Major	Residual Risk Rating: High	Is the Residual Risk as low as reasonably practicable? Yes
Treatment Plan:		Responsibility:	Target Completion Date:
Completion of Asset Management Plans to "Mature Status", including function and capacity matrices to inform the LTFP and Sustainability Index		Manager Infrastructure Management	30 June 2020
Completion of the Strategic Procurement Objectives – Road to Excellence		GM Business Excellence, Manager Strategic Procurement	30 September 2020 (majority completed, pending review of remaining objectives)
Assess the impact of NDIS/Home Community Support funding changes and develop response strategy		GM Community Development	31 December 2019
Review Grant Management Process		GM Business Excellence	Complete
Undertake independent assessment of financial sustainability		Manager Governance	Complete

Strategic Risk Register

v2.19 September 2019

Project Management Improvement Project - Reviewing the link between the budget bid project brief and Project Management Methodology	GM City Infrastructure and GM Business Excellence	31 December 2019
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Item 4.2.4 - Attachment 2 - Strategic Risk Register

Strategic Risk Register

v2.19 September 2019

7	Event Description: Strategic objectives are not delivered due to inadequate monitoring and measuring of initiatives, poor planning, lack of or inappropriate resources, and lack of consultation.		
City Plan link: The Prosperous City, The Sustainable City, The Liveable City, Enabling Excellence			
Description: Governance frameworks, systems and business processes are inadequate to ensure robust decision making. Inadequate, or the failure to integrate, governance to enable the meeting of strategic objectives.			
Responsible Managers: CEO, All General Managers			
Contributory Factors (“root” causes / how and why the event arises):		Impacts (risks):	
<ul style="list-style-type: none"> Inadequate performance measures which are not linked to objectives or strategies Failure to monitor organisational performance against stakeholder expectations and to take action when necessary to correct it Failure to deliver what is expected by the local community due to a lack of alignment of strategic plans Limited meaningful corporate performance indicators in place Inconsistent reporting and data collection of corporate performance indicators Processes and systems fail to address customer needs Unforeseen failure of infrastructure Intense period of organisational change and transformation 		<ul style="list-style-type: none"> Inadequate capability and capacity (e.g. workforce plans, training and development, technology, systems etc.) Failure to engage with all stakeholders in developing the City Plan Customer service is neither monitored or managed Senior management and Elected Members fail to fully and appropriately demonstrate desired organisational values Actual organisational structure, vision, values, norms, systems, symbols, language, beliefs and habits are inconsistent with those desired. Insufficient prioritisation of projects and resource scoping Projects approved are not consistent with the strategic direction of CoS 	
Likelihood: Possible		Consequence: Major	Inherent Risk Rating: High
Existing Controls/Mitigating Practices (the number following each control is the overall control effectiveness rating, see Table 5 for further details):			
<ul style="list-style-type: none"> Compliance with Budget Process, 5 Review of Annual Plan and Annual Report by Audit Committee, 5 Review and approval of City Plan by elected members, 5 Established and embedded Customer Service Framework, 4 Monthly Strategic Executive Group meetings, 4 Alignment of New Initiative Bid documentation to the City Plan, 4 		<ul style="list-style-type: none"> Strategic Planning and Accountability, 4 Effective use of and compliance with Community Engagement Framework, 4 Project Management Methodology, 3 Conduct of bi-annual customer satisfaction survey, 4 Business case development for aged care schemes, 4 Change Management agenda, 4 	
		<ul style="list-style-type: none"> Regular performance of CEO Review via CEO Review Committee, 4 Annual setting of Performance and Development Plans (PDP's), 4 Governance Framework and Statement, 5 Delivery of IT support through BSS division, 4 Regularly reviewed and communicated Delegations Register, 5 	<ul style="list-style-type: none"> OCI/ABEF survey process, 4 Regular Strategic Project Reporting, 4 Skilled and experienced staff, 4 Performance of Contract Management, 4 Infrastructure Maintenance Activities, 5 Succession Planning, 4 LG Performance Excellence Program benchmarking activity, 4,

Strategic Risk Register

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Likelihood: Unlikely	Consequence: Major	Residual Risk Rating: Medium	Is the Residual Risk as low as reasonably practicable? No
Treatment Plan:		Responsibility:	Target Completion Date:
Complete Implementation of the Change Management Framework and Program		Manager People and Culture	31 December 2020
Completion of relevant agreed actions arising out of the Business Systems and Solutions audit		Manager, Business Systems and Solutions	Various
Monitoring and reporting of PDP completion		Manager People & Culture	Ongoing
Resourcing Plan Major Project (2 Year)		Manager People & Culture	30 June 2020

Strategic Risk Register

v2.19 September 2019

8	Event Description: Failure to ensure a safe working environment		
City Plan link: Enabling Excellence			
Description: CoS staff and volunteers experience illness or injury. Failure to meet WHS obligations which result in an unsafe workplace. CoS recognises that this risk is included on the Strategic Risk Register due to the seriousness with which CoS takes its obligations in relation to Work Health and Safety.			
Responsible Managers: GM Business Excellence, Manager People and Culture, CEO, GM City Infrastructure, GM Community Development, GM City Development, Elected Members			
Contributory Factors ("root" causes / how and why the event arises):		Impacts (risks):	
<ul style="list-style-type: none"> Inadequate controls in place to prevent incidents occurring Insufficient reporting of incidents and near misses Safe work practices not documented or communicated to employees Inadequate induction, training and supervision Inadequate hazard management system Organisational safety attitude does not recognise the importance of following WHS policies and procedures 		<ul style="list-style-type: none"> An employee, contractor, volunteer or elected member is injured or dies as a result of a preventable incident or accident Potential financial consequences for the City of an incident affecting a member of staff including; medical/rehabilitation expenses, injury compensation claim, legal expenses, fines Regulatory censure including a SafeWork SA Prohibition Notice, Improvement Notice or prosecution/conviction Legal consequences for senior management should policies and procedures be determined as inadequate by SafeWork SA. Organisational reputation is damaged through the failure to prevent an accident or injury occurring at work Scheme losing self-insured status and resultant lack of financial sustainability 	
Likelihood: Almost Certain	Consequence: Catastrophic	Inherent Risk Rating: Very High	
Existing Controls/Mitigating Practices (the number following each control is the overall control effectiveness rating, see Table 5 for further details):			
<ul style="list-style-type: none"> WHS training and e-learning (mandatorily required for all employees on commencement of employment and thereafter routinely), 5 Performance of Licensing qualifications checks, 5 Training in WHS Procedures, 3 Updated WHS IM Business Plan, 5 Performance WHS Reviews, 4 Principal WHS Committee, 5 City Infrastructure WHS Committee, 5 JSA, work instructions and plant risk assessments, 4 Staff training on and compliance with Code of Conduct, 4 		<ul style="list-style-type: none"> Compliance with Hazard and incident reporting and investigation procedures, 4 Members of the Local Government Workers Compensation Scheme, requiring annual external audits, 5 Work Health Safety representative team, 5 Support from LG Sector/other councils/private sector organisations with development/implementation of WHS policies/procedures (including benchmarking partners), 5 Contractual arrangements with external providers to assist compliance with WHS obligations, 4 Quarterly Executive Report highlighting trends, outstanding actions and high risk rating incidents or hazards, 4 Embedding of organisational values 	
Likelihood: Possible	Consequence: Catastrophic	Residual Risk Rating: High	Is the Residual Risk as low as reasonably practicable? No
Treatment Plan:		Responsibility:	Target Completion Date:

Strategic Risk Register

v2.19 September 2019

Completion of WHS and IM Business Plan Programs Includes: Program 1: Commitment & Policy - Program 3: Implementation (Hazard Management) – Program 4: Implementation (WHS Training)	Manager People and Culture	30 June 2020 30 June 2020 30 June 2020
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Item 4.2.4 - Attachment 2 - Strategic Risk Register

Strategic Risk Register

v2.19 September 2019

9	Event Description: Lack of alignment and integrity of IT systems and data to support business needs		
City Plan link: Enabling Excellence			
Description: Business and community needs are not met due to lack of, ineffective or outdated IT system and business processes			
Responsible Managers: GM Business Excellence, Manager Business Systems and Solutions			
Contributory Factors ("root" causes / how and why the event arises):		Impacts (risks):	
<ul style="list-style-type: none"> • Failure to adequately involve IT when developing plans, strategies and projects • Failure to consider all options when improving a system or process • Organisational change is not conducted in a structured and logical manner • Failure to support the skill set of individuals responsible for the delivery of business systems • Lack of business engagement and clarity of roles • External pressure for changes to systems • Lack of plans and procedures to inform response strategies when a cybersecurity incident occurs • Lack of monitoring of cybersecurity threats to organisational assets • Lack of communication/training for all staff regarding information security • Information to facilitate action during a cybersecurity incident is not available 		<ul style="list-style-type: none"> • Organisational plans and strategies are not achieved due to a lack of IT support or infrastructure • Council operations pause resulting in financial loss • Failure to adapt to a changing external environment • Inefficient and ineffective use of organisational resources • Poor service delivery • Reputational damage • Costs of litigation and restoration of services 	
Likelihood: Almost Certain	Consequence: Major	Inherent Risk Rating: Very High	
Existing Controls/Mitigating Practices (the number following each control is the overall control effectiveness rating, see Table 5 for further details):			
<ul style="list-style-type: none"> • IT Governance Framework, 3 • Programmed testing of systems for security and reliability, 4 • Compliance with Information Security Policies and Procedures, 4 • Continuous Improvement Framework, 4 		<ul style="list-style-type: none"> • IT Disaster Recovery Plan, 2 • Business Continuity Plans, 4 • Incident Management Team identified and trained, 4 • Building security and access controls, 4 • User access system controls, 4 • Patch management and software maintenance procedures, 4 • Performance of Cyber Security Risk Assessments, 4 	
Likelihood: Possible	Consequence: Major	Residual Risk Rating: High	Is the Residual Risk as low as reasonably practicable? No
Treatment Plan:		Responsibility:	Target Completion Date:
Delivery of IS Strategy 2014-17 and the projects that are a part of it		Manager Business Systems and Solutions	Complete
Develop digital strategy to enhance engagement with community and customer service		Manager Business Systems and Solutions	30 September 2020
Delivery of the IT component of the Community Hub		Manager Business Systems and Solutions	Complete
Delivery of relevant aspects of the Smart Salisbury governance structure		Manager Business Systems and Solutions	Progressive implementation

Strategic Risk Register

v2.19 September 2019

Table 1 – Consequence Ratings

RATING	AREA OF IMPACT					
	Environment/ Political/ Community	Reputation	Finance	Legal/ Regulatory	Injury/Operational Management	Service Interruption
1 Insignificant	Nil	Nil	Less than \$20,000	None	Nil	Minor interruption to service provision capability, e.g. less than 4 hours.
2 Minor	Minor short-term environment, conservation, political or community issue.	Minor media interest	\$20,000 - \$100,000	Minor legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> • Unexpected/unplanned absence of a staff member. • Potential for minor injury. • First aid treatment required. 	Limited disruption to service provision requiring altered operational arrangements for a short period, e.g. up to 1 day
3 Moderate	Environment, conservation, political or community incident requiring City intervention.	Moderate media interest	\$100,000 - \$500,000	Limited legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> • Unexpected/unplanned absence of a key staff member. • Medical treatment required. 	Some disruption to service provision capability requiring altered operational arrangements, e.g. between 1 day and 1 week.
4 Major	Medium-term issue with major environment, conservation, political or community impact.	High media interest	\$500,000 - \$1 million	Major legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> • Unexpected/unplanned absence of several key staff members from a single area. • Significant injury to staff disabling them/dangerous near miss. 	Significant impairment of service provision (capability or period), e.g. between 1 week and 1 month.
5 Catastrophic	Long-term issue with major environment, conservation, political or community impact.	Public censure or government inquiry	More than \$1 million	Critical legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> • Unexpected/unplanned absence of a significant number of staff, e.g. during a pandemic. • Death / critical injury to staff. 	Total loss of service provision capability for extended period, e.g. more than 1 month.

Strategic Risk Register

Table 2 – Likelihood Ratings

RATING	DESCRIPTION
A – Rare	The event may occur only in exceptional circumstances (i.e. probability of occurrence > 20 years)
B – Unlikely	The event could occur at some stage (i.e. probability of occurrence within 10 – 20 years)
C – Possible	The event might occur at some time (i.e. probability of occurrence within 3 – 5 years)
D – Likely	The event will probably occur at most times (i.e. probability of occurrence within 2 years)
E – Almost Certain	The event is expected to occur in most times (i.e. probability of occurrence within 1 year)

Table 3 - Risk Matrix

Likelihood	E Almost Certain	Medium	High	High	Very High	Very High
	D Likely	Medium	Medium	High	High	Very High
	C Possible	Low	Medium	High	High	High
	B Unlikely	Low	Low	Medium	Medium	High
	A Rare	Low	Low	Medium	Medium	High
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
	Consequence					

Strategic Risk Register

Table 4 - Residual Risk Descriptors

Very High	<ul style="list-style-type: none"> Risk mitigation plans required to immediately reduce current residual risk level (or where unable to reduce rating consider cessation of activity).
High	<ul style="list-style-type: none"> Relevant business area to undertake regular monitoring (e.g. on a quarterly basis) of the effectiveness of current controls and assessment of residual risk required. Consideration may be given to the development and implementation of additional risk mitigation strategies.
Medium	<ul style="list-style-type: none"> Periodic monitoring (e.g. at least annually) of the effectiveness of current controls and assessment of residual risk to ensure rating does not increase over time.
Low	<ul style="list-style-type: none"> Consideration given to streamlining of excessive or redundant controls.

Table 5 - Control Effectiveness Ratings

Each existing control/mitigating practice is assessed by the relevant General Manager(s) and the CEO each quarter. The rating given in the Strategic Risk Register for each existing control/mitigating practice is an overall average rating based on the rating given by each General Manager and the CEO.

The following defines the meaning of the control effectiveness ratings;

0 n/a or not rated: no rating, not relevant or not implemented.

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.

5 Effective: During the period, the control as described has been fully implemented and has in all cases has been consistently and/or effectively applied.

Source: Control Activity Owner Instruction Manual, ControlTrack®

Strategic Risk Register

v2.19 September 2019

Table 6 - Heat Map of the City of Salisbury Strategic Risks

Likelihood	E Almost Certain					
	D Likely			9		
	C Possible			2, 3, 5, 6,	1, 4, 8	
	B Unlikely				5, 7	
	A Rare					
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
		Consequence				

No.	Risk Description	Inherent Risk Rating	Residual Risk Rating	Rating as low as reasonably practicable	Treatment Plan/s
1	Inadequate response to a business continuity or emergency event	Very High	High	No	Yes
4	Inadequate response to a major incident at a Council run community event, that affects public and staff safety	Very High	High	No	Yes
8	Failure to ensure a safe working environment	Very High	High	No	Yes
9	Lack of alignment and integrity of IT systems and business processes for support of business needs	Very High	High	No	Yes
2	Contamination of the recycled water systems	High	High	Yes	Yes
3	Lack of management of public and environmental health risks	High	High	Yes	Yes
6	City of Salisbury financial sustainability is compromised	High	High	Yes	Yes
7	Governance frameworks, systems and processes are inadequate to ensure robust decision making	High	Medium	No	Yes
5	Failure to manage the impact of environmental and social factors on Council infrastructure, assets and services	High	Medium	No	Yes

Item 4.2.4 - Attachment 2 - Strategic Risk Register