



AGENDA

FOR AUDIT AND RISK COMMITTEE MEETING TO BE HELD ON

16 FEBRUARY 2022 AT 6:30PM

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

MEMBERS

Cr G Reynolds (Chair)
Cr K Grenfell (Deputy Chair)
Ms P Davies
Mr N Ediriweera
Mr C Johnson

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
Manager Governance, Mr R Deco
Team Leader Corporate Governance, Mr B Kahland
Internal Auditor & Risk Coordinator, Mr H Rafeeu

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

REPORTS

Administration

- 7.0.1 Future Reports for the Audit Committee (please note there are no forward reports as a result of a Council resolution to be listed at this time)
- 7.0.2 Actions List.....7

For Decision

- 7.1.1 Audit & Risk Committee Annual Work Plan 2021/20229
- 7.1.2 3-Year Internal Audit Plan 2021/22-2023/24 17
- 7.1.3 Outstanding Actions Arising From Internal Audits..... 33
- 7.1.4 Risk Management and Internal Controls Activities.....63
- 7.1.5 Audit & Risk Committee Performance Self-Assessment 75

OTHER BUSINESS

- 7.4.1 Presentation on Business Transformation Project (*No Report - Verbal Presentation*)

QUESTIONS WITHOUT NOTICE

MOTIONS WITHOUT NOTICE

CLOSE



**MINUTES OF AUDIT & RISK COMMITTEE MEETING HELD IN LITTLE PARA
CONFERENCE ROOMS, SALISBURY COMMUNITY HUB, 34 CHURCH STREET,
SALISBURY ON**

9 NOVEMBER 2021

MEMBERS PRESENT

Cr G Reynolds (Chair)
Ms P Davies
Mr N Ediriweera
Cr K Grenfell (Deputy Chair)
Mr C Johnson

OBSERVERS

Nil

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
Team Leader Corporate Governance, Mr B Kahland
Internal Auditor & Risk Coordinator, Mr H Rafeeu

The meeting commenced at 6:34pm

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

APOLOGIES

Nil.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Mr C Johnson
Seconded Mr N Ediriweera

The Minutes of the Audit & Risk Committee Meeting held on 12 October 2021, be taken as read and confirmed.

CARRIED

Moved Mr C Johnson
Seconded Mr N Ediriweera

The Minutes of the Confidential Audit & Risk Committee Meeting held on 12 October 2021, be taken as read and confirmed.

CARRIED

REPORTS

Administration

7.0.1 Future Reports for the Audit & Risk Committee

Please note there are no future reports as a result of a Council resolution to be listed at this time.

7.0.2 Actions List

Moved Cr K Grenfell
Seconded Mr C Johnson

That Council:

1. Notes the report.

CARRIED

For Decision

7.1.1 Audit & Risk Committee Annual Work Plan 2021/2022

Moved Ms P Davies
Seconded Mr C Johnson

That Council:

1. Approves the revised Audit & Risk Committee Annual Work Plan for 2021/2022 as set out in Attachment 1 to this report (Audit & Risk Committee, 9 November 2021, Item No.7.1.1).

CARRIED

7.1.2 3-Year Internal Audit Plan 2021/22-2023/24

Moved Ms P Davies
Seconded Cr K Grenfell

That Council:

1. Approves the updates made to the 3-year Internal Audit Plan 2021/2022 to 2023/2024 as set out in Attachment 1 to this report (Audit & Risk Committee, 09/11/2021, Item No.7.1.2).
2. Approves the accompanying high-level indicative scope for pending audits as set out in Attachment 2 of this report (Audit & Risk Committee, 09/11/2021, Item No. 7.1.2).
3. Notes that the Manager Governance and Executive are reviewing the audit program to address the feedback in relation to capacity and focus on what are the core elements that need to be done in next financial year, to prioritise high risk critical areas and optimise resource availability and to bring an updated 3-year Internal Audit Plan to the next Audit & Risk Committee meeting.

CARRIED

7.1.3 Risk Management and Internal Controls Activities

Moved Cr K Grenfell
Seconded Mr C Johnson

That Council:

1. Notes the update on Risk Management and Internal Controls Activities for 2021/2022 since the 13th July 2021 Audit & Risk Committee meeting, as set out in Attachment 1 to this report (Audit & Risk Committee, 09/11/2021, Item No. 7.1.3).
2. Adopts the Enterprise Risk Management Policy, as set out in Attachment 2 to this report (Audit & Risk Committee, 09/11/2021, Item No. 7.1.3) incorporating editorial changes highlighted.
3. Notes the Enterprise Risk Management Program Roadmap, as set out in Attachment 3 to this report (Audit & Risk Committee, 09/11/2021, Item No. 7.1.3).
4. Notes the Updated Strategic Risk Register as set out in Attachment 4 to this report (Audit & Risk Committee, 09/11/2021, Item No. 7.1.3).

CARRIED

7.1.4 Outstanding Actions Arising From Internal Audits

Moved Mr C Johnson
Seconded Mr N Ediriweera

That Council:

1. Notes the update in this report and the full Internal Audit Log Actions Register in Attachment 1 to this report (Audit & Risk Committee, 09/11//2021, Item No.7.1.4).

CARRIED

7.1.5 Internal Audit Report on Volunteer Management Audit

Moved Mr C Johnson
Seconded Cr K Grenfell

That Council:

1. Notes the final audit report for the Volunteer Management audit with management comments as set out in Attachment 1 to this report (Audit & Risk Committee, 9 November 2021, Item No.7.1.5).

CARRIED

For Information

7.2.1 Work Health & Safety Audits

Moved Cr K Grenfell
Seconded Ms P Davies

That Council:

1. Notes the report.

CARRIED

OTHER BUSINESS

Nil

The meeting closed at 7:37pm.

CHAIRMAN.....

DATE.....

ITEM	7.0.2
	AUDIT AND RISK COMMITTEE
DATE	16 February 2022
HEADING	Actions List
AUTHOR	Hussain Rafeeu, Internal Auditor & Risk Coordinator, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	An action list has been developed to capture actions arising out of the Audit and Risk Committee meetings. These actions do not replace the minutes from the Audit and Risk Committee, or the recommendations of the Committee that were submitted to the Council for adoption. They are included in this report to support the Audit and Risk Committee.

RECOMMENDATION

That Council:

1. Notes the report.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 The Audit and Risk 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 and Risk Committee meetings.
- 1.2 The list of actions does not replace the minutes from the Audit and Risk Committee.

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 and Risk Committee meetings, which has been compiled for the purpose of supporting the Audit and Risk Committee.
- 2.3 Actions will remain on the action list until reported as completed. Once the action has been completed, and that completion has been reported to the Audit and Risk Committee, the item will be removed from the actions list.

No	Date	Action	Owner	Due Date	Status
24.	13/07/2021	Provide an assurance map for the City of Salisbury and include an intermediate update on the status of overall risk management practices and plans at the City of Salisbury.	Internal Auditor and Risk Coordinator	Mar 2022	In Progress
	09/11/2021	Prepare an Updated the 3-year Internal Audit Plan 2021/2022 - 2023/2024 with reduced audits, considering resource availability and risk prioritisation.	Manager Governance	February 2022	Completed. Reported to Audit & Risk Committee meeting on 16 th February 2022.

3. CONCLUSION / PROPOSAL

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

ITEM	7.1.1
	AUDIT AND RISK COMMITTEE
DATE	16 February 2022
HEADING	Audit & Risk Committee Annual Work Plan 2021/2022
AUTHOR	Hussain Rafeeu, Internal Auditor & Risk Coordinator, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	Subsequent changes to the Audit & Risk Committee Annual Work Plan for 2021/2022 are attached for further consideration by the Audit & Risk Committee.

RECOMMENDATION

That Council:

1. Approves the revised Audit & Risk Committee Annual Work Plan for 2021/2022 as set out in Attachment 1 to this report (Audit & Risk Committee, 16 February 2022, Item No.7.1.1).

ATTACHMENTS

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

1. Audit & Risk Committee Annual Work Plan 2021-22

1. BACKGROUND

- 1.1 The Annual Work Plan was last presented to the Audit & Risk Committee (formerly, Audit Committee) at its meeting held on 9 November 2021.
- 1.2 The purpose of the Audit & Risk Committee Annual Work Plan is to ensure that all essential areas are covered by the Audit & Risk Committee, in performing its roles and responsibilities mandated under the *Local Government Act 1999* (“the Act”).

2. REPORT

- 2.1 This report summarises the subsequent changes made to the Audit & Risk Committee Annual Work Plan 2021-22, since its submission to the Audit & Risk Committee in November 2021.
- 2.2 The key changes made to the Audit & Risk Committee Annual Work Plan are as follows:
 - 2.2.1 Items Rescheduled

- Review Internal Control Policies and Procedures – Administration is of the view that it may be more appropriate to incorporate this within the Enterprise Risk Management Framework instead of developing a separate policy and procedure document for Internal Controls. Hence this is rescheduled to be updated to Audit & Risk Committee in April 2022.
- The Capital Works Project Audit Report is now rescheduled to the next Audit & Risk Committee meeting to be held in April 2022. Administration has agreed on implementation timelines and action owners for the three findings identified on the audit report, and Administration is waiting for the final audit report to be issued by the Auditor.
- Fleet/Heavy Vehicle Management, High Value & Portable Asset Audit Report is rescheduled to April 2022, as the audit is progressing and fieldwork is not completed yet.
- Cybersecurity Improvement Program Pre-Implementation Audit Report originally scheduled to be presented to February 2022 Audit & Risk Committee meeting is rescheduled to April 2022, as the final audit report is yet to be issued by the Auditor.

2.2.2 Items Excluded or Removed from this Annual Work Plan

The following audit reports are excluded from the Audit & Risk Committee Annual Work Plan 2021-22 as these audits are not due for completion in the year 2021/2022 following the review of the 3-year Internal Audit Plan 2021/2022 to 2023/2024. The commencement of these audits is now scheduled to future years (see Audit & Risk Committee 15/02/2022, Agenda Item 7.1.2).

- Strategic Reporting Process Audit.
- IT Disaster Recovery Audit.
- Independent External Review of Internal Audit Function.
- Data Governance Audit.

3. CONCLUSION / PROPOSAL

- 3.1 This report outlines the revised Audit & Risk Committee Annual Work Plan for 2021/2022.






















Audit & Risk Committee- Annual Work Plan 2021/2022

(Updated for 15/02/2022)

No.	Activity	Relevant Touch points (LG Act / TOR)	FY 2021 / 2022					Comments
			Jul-21	Oct-21	Nov-21	Feb-22	Apr-22	
1.0	Financial Reporting	s126(4)(a)						
1.1	Review Annual Financial Statements for FY2020/21 - Review Asset Valuations 2020/21 - Review methodology and approach to Depreciation 2020/21	"		📅				
1.2	Reviewing significant accounting and reporting issues, recent changes in standards and industry updates 2020/21	"		📅				
1.3	Review Asset Valuations 2020/21	"	📅	📅				
1.4	Review methodology and approach to Depreciation 2020/21	"	📅	📅				
2.0	Internal Controls	s126(4)(c)						
2.1	Review Better Practice Model Self-Assessment (External Auditor reviews as part of Controls certification)	"	📅					
2.2	Annual Report - Internal Controls Framework and Audit Committee sections (draft in April / Final in July)	"	📅					
2.3	Review Internal Control Policies and Procedures	"				📅	📅	Rescheduled for April 2022, to include within Risk Management Framework, instead of preparing a separate document as an Internal Control Policy and Procedure.
3.0	Risk Management	s126(4)(c)						
3.1	Review of Strategic Risk Register	"	📅		📅	📅	📅	
3.2	Risk Management & Internal Control Activities	"	📅		📅	📅	📅	
3.3	LG Mutual Liability Scheme Risk Review 2021 Report	"					📅	

Audit & Risk Committee- Annual Work Plan 2021/2022

(Updated for 15/02/2022)

No.	Activity	Relevant Touch points (LG Act / TOR)	FY 2021 / 2022					Comments
			Jul-21	Oct-21	Nov-21	Feb-22	Apr-22	
3.4	Review Risk Mangement Policy/Framework - Enterprise Risk Management (ERM) Roadmap	"						
3.5	Assurance Map	"						
3.6	ERM Framework	"						
4.0	Internal Audit	s126(4)(c)						
4.1	Review Internal Audit Plan	"						
4.2	Review the status of Outstanding Audit Actions	"						
4.3	IA Report - Event Incident Management Framework	"						
4.4	IA Report - Volunteers Audit	"						
4.5	IA Report - Capital Works Project Audit	"						Management comments received on the audit report and final report to be issued by the Auditor. Final Audit Report presentation rescheduled to April 2022 Audit & Risk Committee Meeting.
4.6	IA Report - Fleet/Heavy Vehicle Management, High Value & Portable Asset Audit	"						Rescheduled - Audit in progress.
4.7	IA Report - Strategic Reporting Process Audit	"						Excluded from this year Annual Plan - following 3 year IA Plan review.
4.8	IA Report - Cybersecurity Improvement Program Pre-Implementation Audit	"						Rescheduled - Audit in progress.
4.9	IA Report - IT Disaster Recovery Audit	"						Excluded from this year Annual Plan - following 3 year IA Plan review.

Audit & Risk Committee- Annual Work Plan 2021/2022								
(Updated for 15/02/2022)								
No.	Activity	Relevant Touch points (LG Act / TOR)	FY 2021 / 2022					Comments
			Jul-21	Oct-21	Nov-21	Feb-22	Apr-22	
4.10	IA Report - Independent External Review of Internal Audit Function	"					📅	Excluded from this year Annual Plan - following 3 year IA Plan review.
4.11	IA Report - Data Governance Audit	"					📅	Excluded from this year Annual Plan - following 3 year IA Plan review.
4.12	In-confidence session with Internal Auditor	Better Practice		📅				
4.13	Update Report on Work Health & Safety Audits and Risks	s126(4)(c)			📅			
5.0	External Audit	s126(4)(b)						
5.1	Review Interim Audit Report	"	📅					
5.2	Review final External Audit Report	"		📅				
5.3	Review Management Representation Letters	"	📅	📅				
5.4	Assess the appropriateness of Council's response to the Auditor's findings and recommendations	"	📅	📅				
5.5	Oversee actions to follow up on matters raised by External Auditor	"	📅	📅				
5.6	Meet with External Auditor to: - invite presentation of audit methodology and risk assessments within the External Audit plan - discuss any qualifications and comments made in management letter - invite comments on financial management and internal controls, relative to other benchmarks - discuss any other relevant matters	TOR 3.2	📅	📅				
5.7	In-confidence session with External Auditor	Better Practice		📅				

Audit & Risk Committee- Annual Work Plan 2021/2022






(Updated for 15/02/2022)

No.	Activity	Relevant Touch points (LG Act / TOR)	FY 2021 / 2022					Comments
			Jul-21	Oct-21	Nov-21	Feb-22	Apr-22	
6.0	Reporting	s126(4)(c)						
6.1	Audit Committee Self-Assessment report	"					📅	
6.2	Report on Audit Committee Workprogram status and future proposals	"	📅	📅	📅	📅	📅	Standard Agenda Item, review on need arising basis.
7.0	Strategic, Financial and Management Planning	s126(4)(ab)						
7.1	Review Annual Plan 2022/23 & LTFP	"					📅	
7.2	Review Annual Budget, Fees & Charges 2022/23	"					📅	
8.0	Policy and Procedure Review	s126(4)(c)						
8.1	Review Fraud and Corruption Prevention Framework	"	📅					
8.2	Asset Review Policy	"	📅					
8.3	Treasury Policy	"		📅				Policy next review due date is Oct 2022, hence excluded from this year AC Annual Plan.
8.4	Enterprise Risk Management Policy	"			📅			
8.5	Business Continuity Policy / Plan	"				📅		
8.6	Internal Audit Manual	"					📅	
9.0	Other Matters	s126(4)(ac)						
9.1	Review/Approve Audit Committee Annual Work Program	"	📅	📅	📅	📅	📅	
9.2	Reports on other relevant matters	"	📅	📅	📅	📅	📅	
9.3	Proposing and reviewing the exercise of powers under s130A of the Act (if any)	s130A						
9.4	Public Interest Disclosures cases reported and investigations undertaken (if any)	"						

Audit & Risk Committee- Annual Work Plan 2021/2022

(Updated for 15/02/2022)

No.	Activity	Relevant Touch points (LG Act / TOR)	FY 2021 / 2022					Comments
			Jul-21	Oct-21	Nov-21	Feb-22	Apr-22	
9.5	Audit & Risk Committee Annual Report 2021/22	s126(8)(B) Statutes Amendment Act 2020					📅	

	Past Reporting / Review
	Current Month Reporting / Review
	Rescheduled / Deferred
	Future Reporting / Review
	Excluded / Removed

ITEM	7.1.2
	AUDIT AND RISK COMMITTEE
DATE	16 February 2022
HEADING	3-Year Internal Audit Plan 2021/22-2023/24
AUTHOR	Hussain Rafeeu, Internal Auditor & Risk Coordinator, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	Recommendations from the last Audit and Risk Committee meeting are incorporated in the 3-year Internal Audit Plan 2021/2022 to 2023/2024. Changes since it was last presented to the Audit and Risk Committee in November 2021 are highlighted.

RECOMMENDATION

That Council:

1. Approves the updates made to the 3-year Internal Audit Plan 2021/2022 to 2023/2024 as set out in Attachment 1 to this report (Audit and Risk Committee, 16/02/2022, Item No.7.1.2).
2. Approves the accompanying high-level indicative scope for pending audits as set out in Attachment 2 of this report (Audit and Risk Committee, 16/02/2022, Item No.7.1.2).

ATTACHMENTS

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

1. 3 Year Internal Audit Plan 2021-2022 to 2023-2024
2. Indicative Audits for Pending Audits

1. BACKGROUND

- 1.1 In November 2021, the Audit and Risk Committee raised the impact of the 3-year Internal Audit Plan on the Administration in terms of resources, capacity and implications to perform audits and resolve resultant audit recommendation actions.
- 1.2 The Audit and Risk Committee recommended in November 2021, that the Council notes that the Manager Governance and Executive are reviewing the audit program to address the feedback in relation to capacity, focus on the core elements that need to be done in next financial year, prioritisation on high risk critical areas, optimisation of resource availability and to bring an updated 3-year Internal Audit Plan to the next Audit and Risk Committee meeting.

In December 2021, the Manager Governance held a workshop session with the Executive team, attended by Team Leader Corporate Governance and Internal Auditor and Risk Coordinator, to rationalise the 3-year Internal Audit Plan.

2. REPORT

























Considering the Audit and Risk Committee's feedback and the current resource levels and organisational impact of implementing audit recommendations, Executive determined that Council should aim not to exceed 4 or 5 audits per year.

On this basis, the 3-year Internal Audit Plan was rationalised to spread existing planned audits across the years and prioritise audits on the basis of relative merits and risk implications.

2.1 Audit Plan Rationalisation

The outcome of rationalisation of the 3-year Internal Audit Plan is summarised below:

Original			Rescheduled									
STRATEGIC RISK			3 YEAR INTERNAL AUDIT PLAN - RATIONALISATION SUMMARY									
Strategic Risk Number	Inherent Risk	Residual Risk	Audit Ref	Audit Title	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	2025/ 2026	Comments on Rationalisation of Audits		
6	H	M	1	Volunteers Audit	🟢					N/A - Audit completed.		
6	H	M	2	Capital Works Projects Audit	🟢					N/A - Audit commenced and report finalisation in progress.		
5	H	M	3	Fleet, Heavy Vehicle, High Value & Portable Assets Audit	🟢					N/A - Audit fieldwork in progress.		
8	H	H	4	Cyber Security Improvement Program - Pre-implementation Audit	🟢					N/A - Audit fieldwork completed and report drafting in progress.		
N/A	H	H	5	Independent External Review of Internal Audit Function	🟢	→			🔴	The Internal Audit Charter suggests external review of the internal audit function for quality assurance every 5 years. Consider deferral to 24/25 and request Audit and Risk Committee note exception to Internal Audit Charter.		
6 & 8	H	M	6	Data Governance	🟢	→	🔴			Rescheduled to commence in 2022/2023.		
8	VH	H	7	IT Disaster Recovery Audit	🟢	→			🔴	Given IT Disaster Recovery Plan was endorsed just recently in January 2022, there is merit to give time post implementation prior to conducting an audit. Hence rescheduled to commence in 2024/2025.		

 Original			 Rescheduled							
STRATEGIC RISK			3 YEAR INTERNAL AUDIT PLAN - RATIONALISATION SUMMARY							
Strategic Risk Number	Inherent Risk	Residual Risk	Audit Ref	Audit Title	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	2025/ 2026	Comments on Rationalisation of Audits
6	H	M	8	Strategic reporting process Audit						Audit originally identified in 2018/2019 as part of the previous 3 year Internal Audit Plan. This has since been deferred. Commencement now rescheduled to 2022/2023.
5	H	M	9	Fraud and Corruption Prevention Control Audit						Given that the Fraud and Corruption Prevention and Management Framework was reviewed in July 2021, commencement of this audit is rescheduled to 2023/2024.
8	VH	H		IT Investment Strategy Audit						Rescheduled to commence in 2023/2024.
4	H	M	10	Tree Management Framework Audit						Retain as scheduled
5 & 6	H	M	11	Grants Management Audit						Retain as scheduled
5	H	M	12	Rates Setting Process, Revenue and Debtors Audit						Considered consolidating Revenue & Debtors Audit with the Rates Setting Process Audit, and retain as scheduled to commence in 2022/2023.
1-9	H	H	13	Risk Management Audit						Given that ERM framework is to be developed and implemented in 2022, the Risk Management Audit is rescheduled to commence in 2023/2024.
5	H	M	14	Budgetary Control Audit						Retain as scheduled.
5	H	M		Rates Setting Process Audit						Consolidated with Revenue and Debtors Audit.
1&8	VH	H	15	Business Continuity Audit						Retain as scheduled.
3	H	H	16	By-Laws Management and Enforcement Process Audit						Retain as scheduled.
10	H	M	17	Community Consultation Process, and Community Perception Survey Effectiveness Audit						Considered rescheduling to commence in 2024/2025.
10	H	M	18	Economic Development Initiatives Effectiveness Audit - Polaris Centre						Considered rescheduling to commence in 2025/2026.
4&9	H; VH	M; H	19	Environmental Sustainability & Climate Change Risk Management Audit						Considered rescheduling to commence in 2025/2026.
6	H	H	20	Independent Post Implementation Audit of Major Projects						Considered rescheduling to commence in 2025/2026.

After the above rationalisation, the audits falling within the first 3 years are considered as the revised 3-year Internal Audit Plan 2021/2022 to 2023/2024, as set out in

Attachment 1 to this report (Audit and Risk Committee, 16/02/2022, Item No.7.1.2), consisting of 4 audits for 2021/2022, 5 audits for 2022/2023 and 5 audits for 2023/2024.

Indicative scope for the remaining audits on the revised 3-year Internal Audit Plan is set out in Attachment 2 to this report (Audit and Risk Committee, 16/02/2022, Item No.7.1.2).

2.2 Update on Ongoing Audits

2.2.1 Capital Works Project Audit

This audit was undertaken by Galpins on a co-sourced model, and the draft audit report was issued by Galpins in August 2021. Clarifications and revisions on audit report findings were made since then, and Administration has now agreed on the findings reported on. Management actions are agreed with implementation deadlines, and a final report is to be issued by Galpins. This final report will be presented to the next Audit and Risk Committee meeting in April 2022.

2.2.2 Cybersecurity Improvement Program Pre-Implementation Audit

Operational Systems Pty Ltd (OpSys) was awarded to perform the Cybersecurity Improvement Program pre-implementation audit, and is currently in progress, with majority of fieldwork completed. The audit is expected to be completed and the report finalised for presentation at the April 2022 Audit and Risk Committee meeting.

2.2.3 Fleet, Heavy Vehicle, High Value and Portable Assets Audit

The Fleet, Heavy Vehicle, High Value and Portable Assets Audit is currently in progress, being undertaken internally by the Internal Auditor and Risk Coordinator. The audit is likely to be completed and the report finalised for presentation at the April 2022 Audit and Risk Committee meeting.

2.3 Pending Audits for the Current Year

Additional audits are not scheduled to commence in this financial year, as per the revised 3-year Internal Audit Plan.

3. CONCLUSION / PROPOSAL

This report outlines the progress made towards the completion of the 3-year Internal Audit Plan since it was last presented to the Audit Committee in November 2021 and seeks the Audit and Risk Committee's recommendation on the revised 3-year Internal Audit Plan 2021/2022 to 2023/2024 and indicative scopes for pending audits.

Strategic Risk				3 YEAR INTERNAL AUDIT PLAN - 2021/2022 to 2023/2024									
Risk	Risk Description	Inherent Risk	Residual Risk	Relevant Causes from Strategic Risk Register	Audit Ref	Audit Title	Audit Title and Summary Description	2021/2022	2022/2023	2023/2024	Rationale for Inclusion	Internal Key Stakeholder Divisions Impacted	Status Update (as at 15 February 2022)
6	Ineffective governance results in the provision of services which do not meet community expectations.	High	Medium		1	Volunteers Audit	Volunteers Audit is to provide assurance on the established processes in regard to the management of volunteers. (Area of focus will be recruitment, management, grievances, induction, acknowledgement).	■			Volunteers are a major personnel resource utilised by the City 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 is intended to provide assurance that the processes for managing volunteers are robust.	People & Culture ; Community Planning & Vitality; Community Capacity & Learning; Community Experience; Financial Services	Completed in October 2021 and presented to Audit Committee in November 2021.
6	Ineffective governance results in the provision of services which do not meet community expectations.	High	Medium	• Projects approved are not consistent with the strategic direction of CoS	2	Capital Works Projects Audit	Capital Works Projects Assurance on the effectiveness of the processes that are in place to manage risks on capital works projects.	■			The City undertakes approximately 700 capital works projects with a value exceeding \$40m each year, and this audit is aimed to provide assurance that risks are being managed effectively in the delivery of capital works projects.	Economic Development & Urban Policy; Infrastructure Delivery & Management; Strategic Development Projects; Financial Services; Property & Building	Management comments received on the audit report with action owners, and implementation deadlines, and a final report is to be issued by Galpins. Report will be presented to next Audit & Risk Committee meeting.
5	City of Salisbury financial sustainability is compromised by internal decisions and / or external events.	High	Medium	• Unplanned spending • Inadequate valuation of assets or inaccurate depreciation • Inadequate planning for infrastructure repairs or upgrades	3	Fleet, Heavy Vehicle, High Value & Portable Assets Audit	Fleet, Heavy Vehicle, High Value & Portable Assets This audit is to provide assurance that the established governance and risk management is sufficiently robust to protect and ensure the viability of the fleet, heavy vehicles, high value and portable assets.	■			The City 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.	People & Culture ; Community Experience; Economic Development & Urban Policy; Strategic Development Projects; Financial Services; Field Services; and Strategic Procurement .	Audit fieldwork in progress and the report is likely to get completed for April 2022 Audit & Risk Committee meeting.
8	Lack of alignment and integrity of IT systems and data to support service delivery	High	High	• Lack of plans and procedures to inform response strategies when a cybersecurity incident occurs • Cyber attack (Unauthorised access/network intrusion, denial of service, vulnerability exploitation, malware, social engineering, hacking, phishing, ransomware) • Mobile device management with the potential for a lost or stolen device being used to access Council systems • Lack of auditing and logging functions to capture events • 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	4	Cyber Security Improvement Program - Pre-implementation Audit	Cyber Security Improvement Program - Pre-implementation Audit To assist management in identifying any gaps or areas for improvements in the approach, design and implementation strategy of the Cybersecurity Improvement Program after reviewing the COS's current cybersecurity control environment.	■			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 City's information systems. The City acknowledges the need to strengthen cybersecurity controls and have initiated a 5 year Cybersecurity Improvement Program covering the elements of policy, awareness, defence, incident management and remediation, advisory, security solutions, and independent vulnerability assessments. A panel of contractors have been selected to provide services for this Cybersecurity Improvement Program, and given that the program has not commenced, Administration decided that there is less value add in undertaking a cybersecurity audit when a 5 year Cybersecurity Implementation Project is in pipeline to address cybersecurity. GM Business Excellence recommended to undertake a pre-implementation review of the Cybersecurity Implementation Project instead, to identify any gaps in the Program.	Business Systems and Solutions; and Financial Services	Audit in progress. Majority of the fieldwork is completed. Audit report is expected to be finalised for April 2022 Audit & Risk Committee meeting.

Item 7.1.2 - Attachment 1 - 3 Year Internal Audit Plan 2021-2022 to 2023-2024

Strategic Risk				3 YEAR INTERNAL AUDIT PLAN - 2021/2022 to 2023/2024									
Risk	Risk Description	Inherent Risk	Residual Risk	Relevant Causes from Strategic Risk Register	Audit Ref	Audit Title	Audit Title and Summary Description	2021/2022	2022/2023	2023/2024	Rationale for Inclusion	Internal Key Stakeholder Divisions Impacted	Status Update (as at 15 February 2022)
8	SR#6: Ineffective governance results in the provision of services which do not meet community expectations. (High / Medium). SR#8: Lack of alignment and integrity of IT systems and data to support service delivery (High / High)	High	Medium	<ul style="list-style-type: none"> Limited meaningful corporate performance indicators in place Inconsistent reporting and data collection Lack of business engagement and clarity of roles External pressure for changes to systems 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 	5	Data Governance	<p>Data Governance Audit</p> <p>Audit on data governance is to provide assurance that City of Salisbury data governance processes ensure adequate protection of information and effective data management required to meet business needs.</p> <p>Audit on IT investment strategy is to provide assurance that the strategy around IT investment is sufficiently robust to support the current business requirements and continuous improvement initiatives.</p>				<p>There is the risk that City's data management processes could result in loss of data or the inability to utilize the data. This review will provide assurance regarding the adequacy of protection of City of Salisbury information.</p> <p>The City 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 City of Salisbury with inefficient processes, legacy IT issues and lagging IT systems leading to inefficiencies, financial impost, service interruption and inability to maximize continued improvements. This review is to provide City of Salisbury with assurance that the IT Investment Strategy is sufficiently robust to support current and changing business requirements and continuous improvement initiatives.</p>	<p>People & Culture ; Community Experience; Economic Development & Urban Policy; Business Systems and Solutions; Financial Services; and Communications & Customer Relations. Governance; and Strategic Procurement</p>	Following Audit Plan rationalisation review, the Data Governance Audit commencement is now rescheduled from 2021/2022 to 2022/2023.
6	Ineffective governance results in the provision of services which do not meet community expectations.	High	Medium	<ul style="list-style-type: none"> Inadequate performance measures which are not linked to objectives or strategies 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 	6	Strategic reporting process Audit	<p>Strategic reporting process audit</p> <p>Assurance on the processes and controls in place, specifically in relation to the City Plan, Business Planning and Annual Planning.</p>				<p>City of Salisbury has established its strategic plan, City Plan 2035, covering its 4 strategic key directions, followed by critical actions and performance indicators for the medium to long term. The audit will review the strategic reporting processes including but not necessarily limited to reporting on; the City Plan 2035, and other relevant plans including Annual Plan and Business Plans.</p>	<p>People & Culture ; Governance; Business Systems and Solutions; Environmental Health & Safety; Financial Services; Communications & Customer Relations; and Strategic Procurement</p>	Commencement of this audit is rescheduled from 2021/2022 to 2022/2023.
4	Failure to manage the impact of environmental and social factors on Council infrastructure, assets and services	High	Medium	<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 	7	Tree Management Framework Audit	<p>Tree Management Framework Audit</p> <p>Provide assurance that COS has established a Tree Management Framework for the management of its urban forest, covering policy measures in the area of tree planting, tree protection, tree removal, tree asset management, community consultation and engagement, and risk management, and ensure that the framework is adequate and implemented effectively.</p>				<p>The City has a street tree population of over 76,000, made up of more than 70 different species, within its streetscapes, parks and open spaces including reserves and wetlands, which contribute to the Key Direction 2 'Sustaining Our Environment' and Key Direction 3 'The Living City' in our City Plan 2035. A replacement value of approximately \$3.4m for trees is included within asset class "Roads, Bridges and Footpaths" in the Audited Financial Statements for FY2019/20. COS has an ongoing Street Tree Renewal Program that aims to renew about 1,000 trees each year. To ensure the sustainability of this strategy, COS has established a Tree Management Framework for the management of its urban forest, covering policy measures in the area of tree planting, tree protection, tree removal, tree asset management, community consultation and engagement, and risk management. This review is to provide assurance that the City's Tree Management Framework is adequate and implemented effectively.</p>	<p>Community Planning & Vitality; Community Experience; Economic Development & Urban Policy; Environmental Health & Safety; Financial Services; Communications & Customer Relations; and Field Services .</p>	Retained to commence 2022 as per original plan.

Item 7.1.2 - Attachment 1 - 3 Year Internal Audit Plan 2021-2022 to 2023-2024

Strategic Risk				3 YEAR INTERNAL AUDIT PLAN - 2021/2022 to 2023/2024									
Risk	Risk Description	Inherent Risk	Residual Risk	Relevant Causes from Strategic Risk Register	Audit Ref	Audit Title	Audit Title and Summary Description	2021/2022	2022/2023	2023/2024	Rationale for Inclusion	Internal Key Stakeholder Divisions Impacted	Status Update (as at 15 February 2022)
5 & 6	SR#5: City of Salisbury financial sustainability is compromised by internal decisions and / or external events. SR#6 Ineffective governance results in the provision of services which do not meet community expectations.	High	Medium	<ul style="list-style-type: none"> Insufficient or reduction in grant funding 	8	Grants Management Audit	Grants Management Audit Provide assurance that the grants provide to City of Salisbury community and businesses are awarded to eligible recipients, and managed effectively as per approved policies and procedures and aligned to the City Plan 2035.		■		<p>The City offers many grants to encourage develop and support community projects.</p> <p>COS offers many different categories of grants available for a broad range of activities with a business or community focus, as listed on its website.</p> <p>This audit is to provide assurance that the grants provide to City of Salisbury community and businesses are awarded to eligible recipients, and managed effectively as per approved policies and procedures and aligned to the City Plan 2035.</p>	Community Planning & Vitality; Community Capacity & Learning; Community Experience; Infrastructure Delivery & Management; Economic Development & Urban Policy; Financial Services; and Communications & Customer Relations.	Retained to commence 2022 as per original plan.
5	City of Salisbury financial sustainability is compromised by internal decisions and / or external events.	High	Medium	<ul style="list-style-type: none"> Inadequate revenue and a failure to maximise revenue from all sources Short term revenue is maximised at the expense of longer term revenue Revenue from the sale of assets (land) is not invested for the longer term benefit of the community Introduction of draft legislation regarding rate capping Fraud, misconduct or maladministration Changes to legislation/obligations imposed by other levels of government Potential new revenue streams/opportunities are not fully investigated Council ultimately becomes financially unsustainable City revenue has to be raised increasingly through more traditional methods (rate rises) Financial cost associated with falling rates revenue or increasing bad or doubtful debts 	9	Rates Setting Process, Revenue and Debtors Audit	Rates Setting Process, Revenue and Debtors Audit Ensure that the Rates setting process comply with legislative requirements, and appropriately reviewed and validated for accuracy, impact on financial sustainability. Ensure that there are no revenue leakages, and that the revenue charged and collected are accurate and complete, and revenue and debtor management process is effective as per approved policies and procedures in accordance with relevant legislation.		■		<p>The City has recorded a total revenue of \$127.39m for FY2019/20 (\$125.75m for FY 2018/19), of which 80% is from Rates, 13% from Grants, Subsidies and Contributions, and remaining 7% from fees, and other charges/income. City of Salisbury has pre-agreed chargeable price amounts for Rates, Levies, Fees, Fines, concessions, rebates etc. used for invoicing purposes for the respective years.</p> <p>Debtors reflected on the Statement of Financial Position under Trade and Other Receivables amounts to \$8.07m for FY2019/20 (\$8.97m for FY2018/19).</p> <p>Although revenue and debtors testing is included within the external audit scope, the focus is more on true and fair view of revenue and debtors figure reflected on the financial statements; and the internal control assessment is often not reviewed in greater depth and breadth with expanded detailed testing of the revenue and collection process and controls as it is done in a typical internal audit. Therefore, it is recommended to cover this audit at least once in every 3 years as part of our internal audit program, as an industry best practice measure.</p> <p>The aim of this audit is to ensure that there are no revenue leakages, and that the revenue charged and collected are accurate and complete, and revenue and debtor management process is effective as per approved policies and procedures in accordance with relevant legislation.</p>	Business & Admin Support; and Financial Services	Retained to commence in 2022/2023 as per original plan, and consolidate Rate Setting Process Audit with Revenue and Debtors Audit.

Item 7.1.2 - Attachment 1 - 3 Year Internal Audit Plan 2021-2022 to 2023-2024

Strategic Risk				3 YEAR INTERNAL AUDIT PLAN - 2021/2022 to 2023/2024									
Risk	Risk Description	Inherent Risk	Residual Risk	Relevant Causes from Strategic Risk Register	Audit Ref	Audit Title	Audit Title and Summary Description	2021/2022	2022/2023	2023/2024	Rationale for Inclusion	Internal Key Stakeholder Divisions Impacted	Status Update (as at 15 February 2022)
5	City of Salisbury financial sustainability is compromised by internal decisions and / or external events.	High	Medium	<ul style="list-style-type: none"> • Fraud, misconduct or maladministration • Unplanned spending 	10	Fraud and Corruption Prevention Control Audit	Fraud and Corruption Prevention Control Audit Provide assurance that current practices are effective to prevent, detect, and manage risks related to fraud, corruption, misconduct and maladministration, and ensure that controls are implemented as per agreed policies and procedures.			■	The revised Fraud and Corruption Prevention and Management Policy states that the City has a zero-tolerance stance towards fraud, corruption, misconduct and maladministration. The City has various policies and procedures and internal control measures for prevention of fraud, corruption, maladministration and misconduct, and independent assessment of systems and processes takes place as part of the annual external audit and remains a part of many internal audits. Given that there are continuous changes happening within the control environment, systems, process, and stakeholders involved, the emergence of newer risk and failure of controls may occur and therefore an assessment of controls for fraud is essential. Hence, the objective of this audit is to determine the effectiveness of fraud prevention strategies. This audit aims to ensure that current practices are effective to prevent, detect, and manage risks related to fraud, corruption, misconduct and maladministration, and ensure that controls are implemented as per agreed policies and procedures.	All Divisions	Given that the Fraud and Corruption Prevention and Management Framework was reviewed in July 2021, commencement of this audit is rescheduled to 2023/2024.
8	Lack of alignment and integrity of IT systems and data to support service delivery	Very High	High	<ul style="list-style-type: none"> • Lack of business engagement and clarity of roles • External pressure for changes to systems • 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 	11	IT Investment Strategy Audit	IT Investment Strategy Audit is to provide assurance that the strategy around IT investment is sufficiently robust to support the current business requirements and continuous improvement initiatives.			■	The City 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 City of Salisbury with inefficient processes, legacy IT issues and lagging IT systems leading to inefficiencies, financial impost, service interruption and inability to maximize continued improvements. This review is to provide City of Salisbury with assurance that the IT Investment Strategy is sufficiently robust to support current and changing business requirements and continuous improvement initiatives.	Governance; Economic Development & Urban Policy; Business Systems and Solutions; Financial Services; and Strategic Procurement	Following Audit Plan rationalisation review, the IT Investment Strategy Audit commencement rescheduled from 2022/2023 to 2023/2024.
1-9	All Strategic Risks in the Strategic Risk Register	High	High	<ul style="list-style-type: none"> • Inadequate performance of risk assessments 	12	Risk Management Audit	Risk Management Audit Ensure that the City of Salisbury has robust policies, procedures and framework in place for risk management and controls are in place to manage risks effectively.			■	Risk Management being an integral part of our organizational process, this is one of the essential areas to incorporate in the Internal Audit Plan as a recurring audit at least every 3 years. The objective of risk management audit is to ensure that the City of Salisbury has robust policies and procedures and framework in place for risk management and controls in place to manage risks are operating effectively.	All Divisions	Given that ERM framework is to be developed and implemented in 2022, the Risk Management Audit commencement is rescheduled from 2022/2023 to 2023/2024.
5	City of Salisbury financial sustainability is compromised by internal decisions and / or external events.	High	Medium	<ul style="list-style-type: none"> • Insufficient or 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 	13	Budgetary Control Audit	Ensure that the City of Salisbury has robust policies and procedures covering the annual budget preparation process, and that budgetary control processes are implemented effectively and comply with any legislative requirements.			■	Strategic Risk Register Review lead to identification of Risk Causes and factors, that have not been assured through internal audit testing in the past. Although Budgetary controls are tested annually as part of the externally audit process testing of LGA Financial Best Practice Model, a full fledge, end-to-end audit has not been performed on the effectiveness of the budget preparation and control process in the past.	Primarily Financial Services Division and touch base with other divisions as required.	Retained to commence in 2022/2023 as per original plan, and consolidate Rate Setting Process Audit with Revenue and Debtors Audit.

Item 7.1.2 - Attachment 1 - 3 Year Internal Audit Plan 2021-2022 to 2023-2024

Strategic Risk				3 YEAR INTERNAL AUDIT PLAN - 2021/2022 to 2023/2024									
Risk	Risk Description	Inherent Risk	Residual Risk	Relevant Causes from Strategic Risk Register	Audit Ref	Audit Title	Audit Title and Summary Description	2021/2022	2022/2023	2023/2024	Rationale for Inclusion	Internal Key Stakeholder Divisions Impacted	Status Update (as at 15 February 2022)
3	Lack of management of public and environmental health risks	High	High	<ul style="list-style-type: none"> Inadequate management, monitoring or testing Animal/vermon infestation Noxious plants Failure of waste disposal contractor to meet contractual obligations. 	14	By-Laws Management and Enforcement Process Audit	Ensure that the City of Salisbury has appropriate policies and procedures for management and enforcement of by-laws, and ensure that the by-laws management and enforcement process is efficient, effective, and complies with relevant legislations.				Strategic Risk Register Review lead to identification of Risk Causes and factors, and no specific end-to-end audit has been undertaken on the effectiveness of by-law management and enforcement process in the past.	Primarily Environmental Health & Community Compliance Division and touch base with other divisions as required.	Retained to commence in 2022/2023 as per original plan, and consolidate Rate Setting Process Audit with Revenue and Debtors Audit.

Presented to Audit Committee Meetings
 Ongoing Audits
 Audit Commencement Planned for Future Period

INDICATIVE SCOPES FOR PENDING AUDITS ON THE 3 YEAR INTERNAL AUDIT PLAN 2021/2022-2023/2024

(PS. Scope is only indicative and actual scope may vary on Final Scoping document signed by CEO)

1. DATA GOVERNANCE AUDIT

The overall objective of the audit on data governance side is to provide assurance that City of Salisbury data governance processes ensure adequate protection of information and effective data management required to meet business needs.

The specific objectives for the audit will be to ensure that:

- The City has appropriate policies and procedures covering all aspects of data governance and the data management lifecycle, including collection, maintenance, usage and dissemination that are clearly defined and documented.
- Internal audit complies with necessary statutory and regulatory requirements related to data management and data governance.
- The City has an adequate governance structure and processes in place to support the management of data, including data privacy, confidentiality and Freedom of Information requests and disclosures.
- Data collection and retention levels are adequate and effective as per policies and procedures and industry best practice guidelines.
- Data and database structures are designed and developed in an efficient manner to ease data analytics and avoid data redundancies.
- Audit trails and history logs on master data changes are available for traceability and reviewed in a timely manner.
- Data inventories are maintained and managed with appropriate levels of data security level category classifications.
- Controls related to data content management, record management, data quality, data access, data sharing, data security and data risk management are adequate and implemented effectively.

2. STRATEGIC REPORTING PROCESS AUDIT

The overall objective of the audit is to provide assurance on the processes and controls in place, specifically in relation to the City Plan, Business Planning and Annual Planning.

The specific objectives for the audit will be to ensure that:

- The City has policies and procedures governing the strategic planning process.
- The City is in compliance with statutory and regulatory requirements in terms of strategic reporting.
- Strategic plan documents align to the City's approved 4 Strategic directions and goals.
- The deliverables identified in City Plan 2035 cascades down to goals, deliverables and performance indicators reflected on other strategic planning documents.
- All required departmental and/or divisional Business Plans are established as a 4-year rolling plan covering all the essential areas and are reviewed annually by end of June.
- Budgets and resources are planned for all critical action points under immediately noticeable impact areas.
- Appropriate systems are in place to capture the strategic reporting information.
- Established mechanism report performances against strategic plans.
- The strategic information reported is effective, accurate, reliable and timely.

3. TREE MANAGEMENT FRAMEWORK AUDIT

The overall objective of the audit is to provide assurance that COS has established a Tree Management Framework for the management of its urban forest, covering policy measures in the area of tree planting, tree protection, tree removal, tree asset management, community consultation and engagement, and risk management, and ensure that the framework is adequate and implemented effectively.

The specific objectives for the audit will be to ensure that:

- The City has formalised policies and procedures covering its Tree Management Framework that are adequately designed and established.
- The Tree Management Framework covers Environmental and Social factors including the trees in public open space and private sphere.
- The City's Tree Management Framework is implemented effectively.
- The City's tree management strategy is aligned to relevant deliverables in City Plan 2035.
- The City maintains appropriate level of traceability and verification and recording of Tree Assets reflected in the financial statements where relevant.
- Street Tree Renewal Program is implemented effectively.
- Public requests / complaints related to tree removal, tree planting, and other tree management related matters are resolved and reported effectively in accordance with clearly document policies and procedures.
- Any legislative compliance requirements related to tree management arising from Local Government Act 1999, Development Act 1993, Commonwealth Environmental Protection and Biodiversity Conservation Act 1999, Natural Resource Management Act 2004, Environmental Protection Act 1993, Electricity Act 1996, Heritage Places Act 1993, Road Traffic Act 1961, Aboriginal Heritage Act 1988 and Water Industry Act 2012, are identified and their level of compliance assessed at a high level.
- City of Salisbury has efficient processes in place to identify and manage potential tree hazards and is implemented effectively.

4. GRANTS MANAGEMENT AUDIT

The overall objective of the audit is to provide assurance that the grants provide to City of Salisbury community and businesses are awarded to eligible recipients, and managed effectively as per approved policies and procedures and aligned to the City Plan 2035.

The specific objectives for the audit will be to ensure that:

- The City's policies and procedures covering its grant management process are adequately developed for all categories of grants and communicated appropriately to the relevant stakeholders.
- The eligibility criteria and award process for all grant categories have been established and communicated, and have been complied with.
- Conflict of interest avoidance measures are incorporated in the grant awarding process.
- Grants schemes are aligned to City Plan 2035.
- All grants have terms and conditions or signed agreements specifying the expectations on usage and reporting requirements agreed by the Grant Recipient and COS.
- COS have a monitoring process in place to ascertain that Grant Recipients adhere to timely reporting requirements in the Grant Agreement.
- Any unused funding from the grant is dealt with appropriately as per the grant agreement or agreed terms and conditions.

- COS measures the effectiveness of the grant schemes, and use feedbacks for quality assurance purposes in future planning and grant scheme designing.

5. RATES SETTING PROCESS, REVENUE AND DEBTORS AUDIT

The overall objective of the audit on Rate setting process is to ensure that the Rates setting process comply with legislative compliance requirements, and is appropriately reviewed and validated for accuracy and impact on financial sustainability. The overall objective on review of debtors and revenue side is to ensure that there are no revenue leakages, and that the revenue charged and collected are accurate and complete, and revenue and debtor management process is effective as per approved policies and procedures in accordance with relevant legislation.

The specific objectives for the audit will be to ensure that:

- The City has formalised and adequately designed policies, procedures and framework covering the rate setting process and aligned to the legislative requirements.
- Applicable policies, procedures and legislative requirements are being followed in cases during the rate setting process.
- The cost of capital or other relevant assumptions factored into the rate setting process are representative of actual and necessary costs.
- The public consultation and feedback process are adequately administered and taken sufficient account of ratepayers' feedback on their proposals before finalising rates.
- Rates calculation and application of rates through the rate setting system is accurate.
- Local Government Financial Best Practice Model controls related to rates setting, revenue and debtors are implemented effectively.
- There are no revenue leakages.
- The City has formalised and adequately designed policies and procedures covering the revenue and debtor management process.
- The City's revenue and debtor management processes are implemented effectively as per agreed policies and procedures.

6. FRAUD AND CORRUPTION PREVENTION CONTROL AUDIT

The overall objective of the audit is to provide assurance that current practices are effective to prevent, detect, and manage risks related to fraud, corruption, misconduct and maladministration, and ensure that controls are implemented as per agreed policies and procedures.

The scope of the audit is to ensure that the City:

- has an effective fraud control framework, which is integrated with the City's organisation-wide risk management strategy.
- has appropriate, well understood and current fraud control plans, which address major risks
- has established effective fraud controls.
- has adequate internal systems, training and reporting processes to support effective implementation and monitoring of fraud control plans.
- regularly test, monitor and report on the effectiveness of the fraud control plan and associated practices.
- review the outcomes of testing and use the insights gained to inform continuous improvement in fraud prevention and to update fraud control plans to ensure their ongoing appropriateness.

7. IT INVESTMENT STRATEGY AUDIT

The overall objective of the audit is to provide assurance that the strategy around IT investment is sufficiently robust to support the current business requirements and continuous improvement initiatives.

The specific objectives for the audit will be to ensure that:

- The City has a formalised and appropriate IT Investment Strategy process document.
- The City's IT investment strategy is aligned to the deliverables in City Plan 2035.
- IT investment strategy is fully integrated with an overall IS/IT strategy.
- IT investment strategy facilitates the maintenance of critical IS/IT infrastructure.
- IT investment strategy is fully backed by business cases and feasible economically and operationally.

8. RISK MANAGEMENT AUDIT

The overall objective of the audit is to ensure that the City of Salisbury has robust policies, procedures and framework in place for risk management and controls are in place to manage risks effectively.

The specific objectives for the audit will be to ensure that:

- The City has formalised and adequately designed policies, procedures and framework covering its risk management process.
- The City's risk management processes are implemented effectively as per agreed policies and procedures.
- Risk tolerance limits and thresholds are defined along with corresponding action points on the risk management plan / framework for better transparency and avoidance of doubts.
- The City has up-to date registers for risk, including its strategic risk register and operational risk registers.
- Risk management is embedded within the whole organisational processes.
- Formalised and regular processes are implemented effectively for the identification of risks, assessment of risks, and treating risks.
- The status of risk treatment action plans (especially all the high-risk ones) is reported to senior management in a timely manner.
- The City has implemented any actions arising from LGA Mutual Liability Scheme review recommendations on risk management.

9. BUDGETARY CONTROL AUDIT

The overall objective of the audit is to ensure that the City of Salisbury has robust policies and procedures in place covering the annual budget preparation process, and that budgetary control processes are implemented effectively and comply with legislative requirements.

The specific objectives for the audit will be to ensure that:

- The City has formalised and adequately designed policies and procedures covering its budgetary control and management process and aligned to relevant legislations.
- The City's approved budget and budgetary control management processes are implemented effectively as per agreed policies and procedures and comply with relevant legislative requirements.
- Budget responsibility and accountability are clearly defined, appropriately allocated and regularly reviewed.
- Budget requirements are effectively reviewed and monitored on a regular basis.

- Budget variances are identified, properly reported and approved.
- Accurate, relevant and timely management information is produced and used effectively to inform decision making and reporting.

10. BY-LAWS MANAGEMENT AND ENFORCEMENT PROCESS AUDIT

The overall objective of the audit is to ensure that the City of Salisbury has appropriate policies and procedures for management and enforcement of by-laws, and ensure that the by-laws management and enforcement process is efficient, effective, and complies with relevant legislations.

The specific objectives for the audit will be to ensure that:

- The City has formalised and adequately designed policies and procedures covering the by-law management and enforcement process.
- The City has appropriate Structure and governance of by-law enforcement teams.
- Feedback from rate payers are appropriately incorporated and by-laws are reviewed and updated on a regular basis.
- Enforcement fines and penalties comply with relevant legislations and are charged accurately.
- The City's methods and approaches to enforcement are adequate and effective.
- There are clearly identified performance measures and metrics for by-law enforcement.
- Enforcement team is sufficiently staffed and appropriately trained.
- By-law related complaints are handled effectively.

ITEM	7.1.3
	AUDIT AND RISK COMMITTEE
DATE	16 February 2022
HEADING	Outstanding Actions Arising From Internal Audits
AUTHOR	Hussain Rafeeu, Internal Auditor & Risk Coordinator, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	This report provides an update on the status of outstanding actions arising from previously completed internal audits.

RECOMMENDATION

That Council:

1. Notes the update in this report and the full Internal Audit Log Actions Register in Attachment 1 to this report (Audit Committee, 16/02/2022, Item No.7.1.3) and the Contaminated Land and Water Integrated Risk Management Action Plan prepared to implement the recommendation in Audit Log Action Register item 35, as outlined in attachment 2 of this report (Audit Committee, 16/02/2022, Item No.7.1.3).

ATTACHMENTS

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

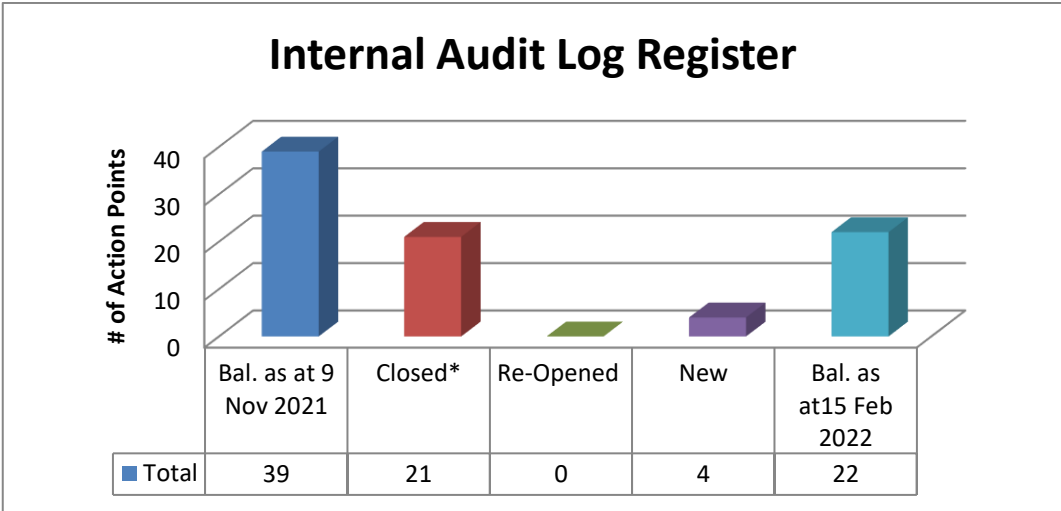
1. Audit Log Register 16 Feb 2022
2. Contaminated Land and Water Integrated Risk Management Action_Plan

BACKGROUND

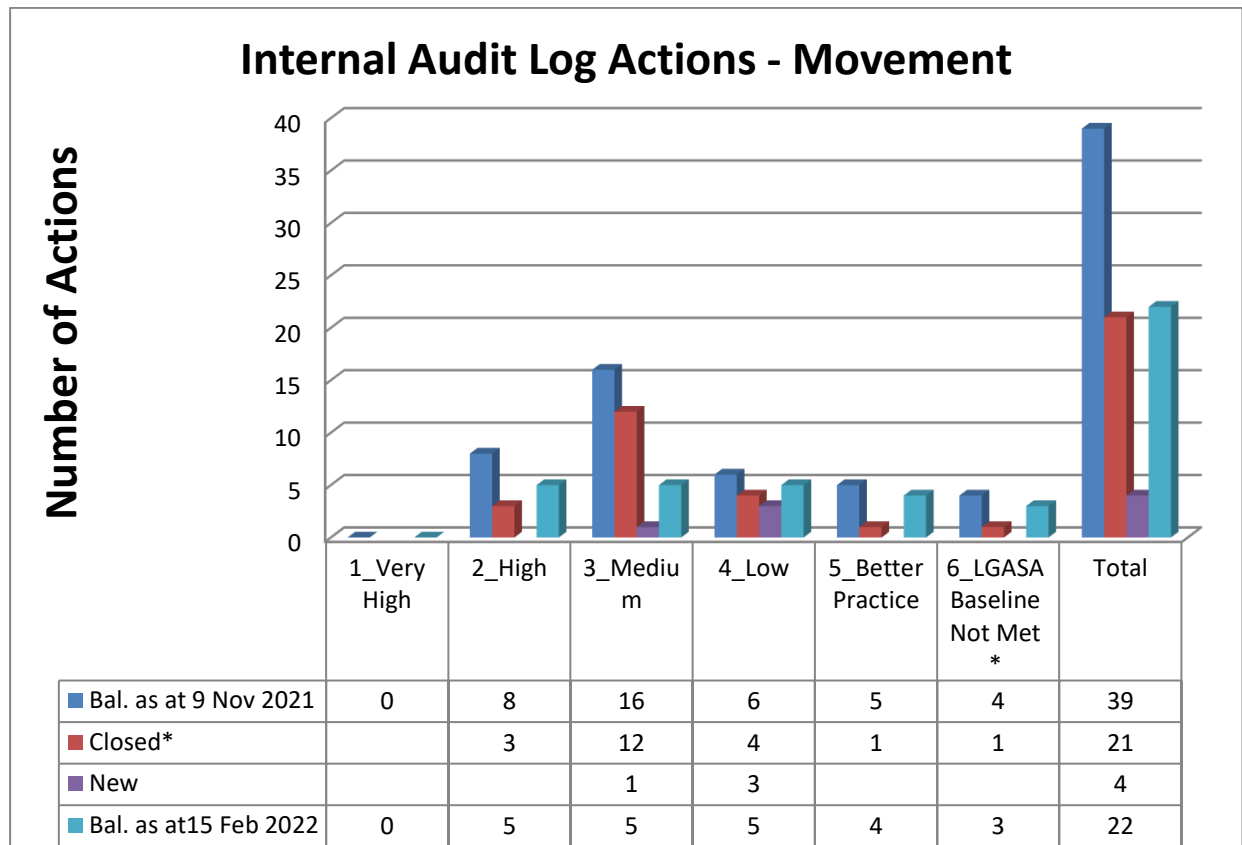
- 1.1 This report provides a status update on the outstanding actions from past internal audits, showing a summary position, number of actions by risk rating and the movement of actions since it was last presented to the November 2021 Audit & Risk Committee meeting.
- 1.2 Following the last Audit & Risk Committee meeting, the CEO organised an Executive Group workshop to further prioritise the completion of audit log actions and to allocate resources as required for completion of outstanding audit actions.
- 1.3 A total of 21 actions (54%) out of the 39 outstanding actions have since been closed.
- 1.4 An action plan on all longer-term audit actions and those requiring additional resources has been prepared. The action plan for action item 35 on the Audit Log actions register, related to the Management of Contaminated Sites audit report, is set out in Attachment 2 of this report (Executive Group, 02 February 2022, Item No.7.1.3).

2. REPORT

2.1 A high-level summary on the **movement of actions** from internal audits is shown below.



- 2.2 The total number of outstanding Audit actions reported to the November 2021 Audit & Risk Committee was 39, of which 21 (or 54% of the previous outstanding balance) actions were closed. With four new additions, the closing balance of total audit actions pending to be completed has reduced to 22.
- 2.3 The risk profile summary position is shown below.



- 2.4 The four new additions are from the Volunteers Management Audit report presented to Audit & Risk Committee in November 2021.
- 2.5 Out of the 21 closed Actions, there are three high risk, 12 medium risk, four low risk, one “LGASA Baseline Not Met”, and one better practice rated action.
- 2.6 There are no very high-risk actions pending.

Closed Actions

- 2.7 Out of the 21 actions reported as closed, 16 actions were tested by the Internal Audit and Risk Coordinator and confirmed as fully resolved. The other five reported closed actions are yet to be tested by the auditor for verification.
- 2.8 Closed Actions are as follows:

Log #	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Status	Audit Comment as at 15/02/2022	Resolved
1	30-Apr-18	1. Business Systems and Solutions	2_High	2. The current Disaster Recovery plans require updating to increase the likelihood of managing a disaster event	2.b) Create a DR testing regime for major systems, that supports the business's documented MAO, RPO and RTO.	Closed		Yes
2	30-Apr-18	1. Business Systems and Solutions	3_Medium	4. No Service Level Agreements, and/or Key Performance Indicator's for Business Systems and Solutions	<p>4.a) Develop a Service Catalogue.</p> <p>4.b) Define SLAs with vendors, where appropriate – agreed actions from Program Review will be implemented.</p> <p>4.c) Obtain business endorsement of the Helpdesk metrics to enable the business to view the service levels provided.</p> <p>4.d) Implement KPIs as documented in the Program Review, in consultation with key application owners, and other stakeholders in the business.</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, - Agreed. The document will be updated</p> <p>3.4 IT Metrics, - Agreed. The document will be updated as part of section 14 below.</p> <p>6.4 Governance Framework, - Noted. Will be considered as part of the action detailed in 1.a.</p> <p>4.f) Build the reporting of KPI's and other operational controls into the Terms of Reference of the Steering Committees</p> <p>4.g) Promote and display the level of service provided by the Helpdesk against the agreed business metrics</p> <p>4.h) Collate regular surveys as a standard measurement of Business Systems and Solutions performance, at least every 18 months</p> <p>4.i) Include checkpoint surveys periodically for Helpdesk calls to trace ongoing customer satisfaction.</p>	Closed		Yes
3	30-Apr-18	1. Business Systems and Solutions	3_Medium	5. Maintain an up to date application register to reduce security risk and upgrade costs	<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>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>	Closed		Yes

Log #	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Status	Audit Comment as at 15/02/2022	Resolved
4	30-Apr-18	1. Business Systems and Solutions	3_Medium	6. Continued focus is required on aligning business applications to business needs	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). 6.d) Develop a BSS Service Catalogue and promote throughout the organisation.	Closed		Yes
5	30-Apr-18	1. Business Systems and Solutions	3_Medium	8. Continued alignment of the Digital Strategy to the Business Strategy is required	8.a) Ensure that the Digital Strategy is able to achieve the City of Salisbury's City Plan 2030 overarching strategy and vision. 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. 8.c) Ensure the IT strategy contains roadmaps and an execution plan for each system within the City of Salisbury portfolio. 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; 8.e) Define a program of work to deliver the Digital Strategy.	Closed		Yes
8	19-Nov-19	8. LGASA 2019 Risk Evaluation Report	6_LGASA Baseline Not Met	Risk assessment specific to Railway Interfaces	One of the duties as a Road Manager is to have risk assessment process in place, if Council has Railway Interface(s). It is recommended to have a risk assessment in place.	Closed		Yes
19	24-Jan-20	3. Contract Management	2_High	2. There are a lack of framework / procedures to provide explicit guidance for contract management	3. Develop and document a clear policy outlining expectations for contract management across Council, including clearly identified roles and responsibilities 4. Develop a contract management framework to guide staff, incorporating: <input type="checkbox"/> procedures (mandatory) <input type="checkbox"/> guidelines, and <input type="checkbox"/> clarification of roles and responsibilities (for example where responsibilities start and end – including responsibility for obtaining ongoing 'due diligence' documentation) <input type="checkbox"/> better practice examples from across Council. There is opportunity to ensure that requirements align to the risk/value of different contracts.	Closed		To be tested by Auditor
23	24-Jan-20	3. Contract Management	3_Medium	6. There is opportunity to strengthen record-keeping in relation to contracts	9. To ensure that staff obtain and record quotations in relation to pieces of work conducted under contract: <input type="checkbox"/> remind staff of the importance of obtaining and recording quotations for individual pieces of work (where required), and <input type="checkbox"/> 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.	Closed		Yes
26	03-Aug-20	4. Management of Contaminated Sites	5_Better Practice	2. Review of 3rd Party contaminated Sites Using EPA SA's Site Contamination Index.	A review of third-party contaminated sites should be undertaken using the EPA SA's Site Contamination Index, with respect to the potential for these sites to impact Council land (including surface water, groundwater, soil and vapour risks) or the Recycled Water Systems. These sites should be included in Council's corporate GIS system for consideration during the planning / approvals process.	Closed		To be tested by Auditor
32	03-Aug-20	4. Management of Contaminated Sites	3_Medium	8. Policies and Procedures related to the intent, use and management of the Contaminated Sites Register.	Policies, procedures, or guidance documentation should be developed to outline the intent, use and management of the Contaminated Sites Register, along with any review or feedback mechanisms.	closed		Yes

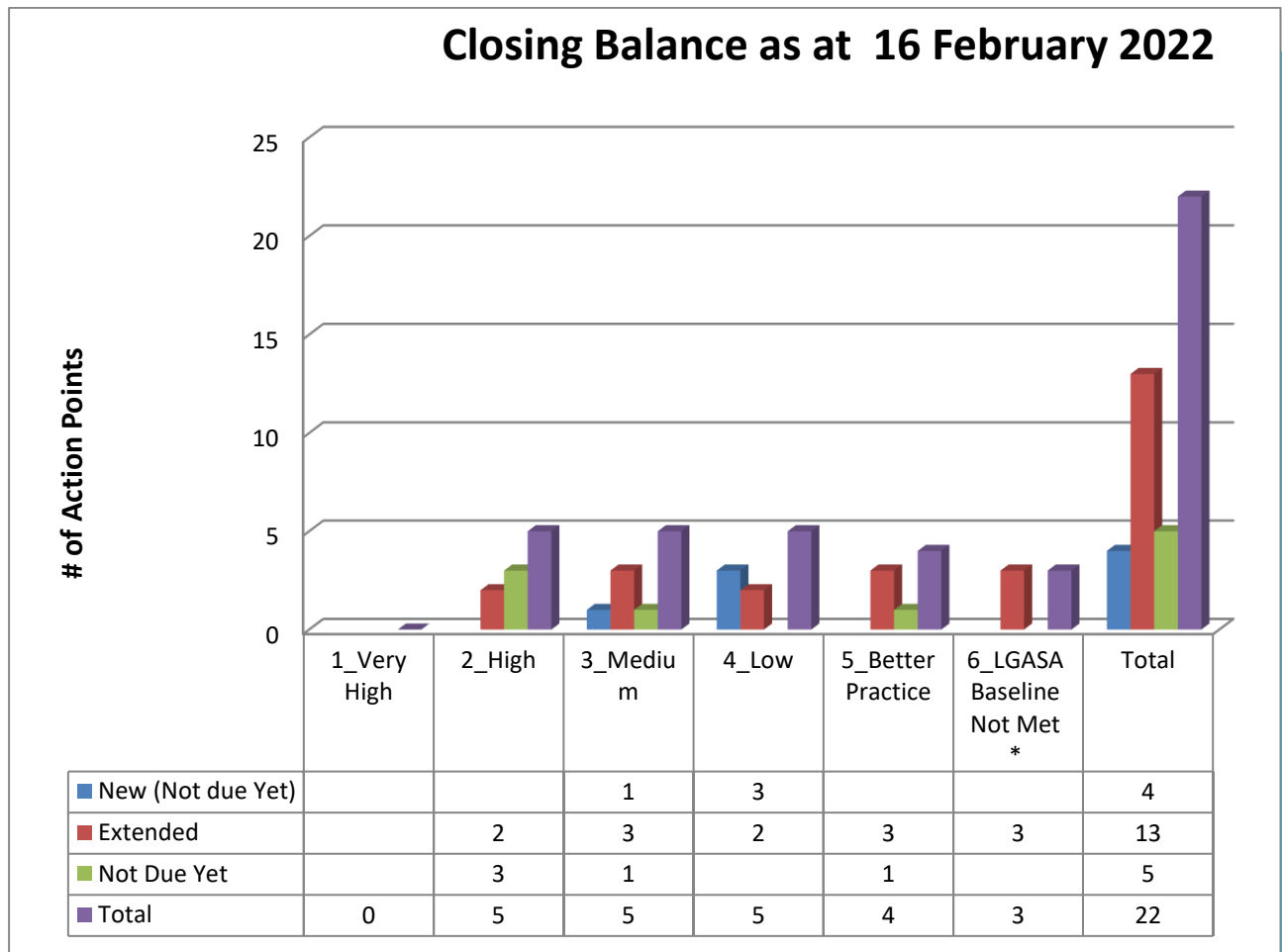
ITEM 7.1.3

Log #	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Status	Audit Comment as at 15/02/2022	Resolved
37	03-Aug-20	4. Management of Contaminated Sites	5_Better Practice	13. Consolidate Monitoring activities into a single document	All monitoring activities undertaken should be consolidated into a single document, outlining relevant sampling methodologies, limits or reporting, guidelines, criteria and trigger levels.	Closed		To be tested by Auditor
38	03-Aug-20	4. Management of Contaminated Sites	4_Low	14. Consideration of Environmental Aspects and Potential Changes in Quality Over Time, when performing Asset Inspections.	Routine and ad-hoc condition inspections of Council assets should include consideration of environmental aspects and potential changes in quality over time (such as the existence of odours, seeps, or sheens etc.).	Closed	A process for this has been included within the Site Contamination Register preamble.	To be tested by Auditor
42	30-Oct-20	5. Purchase Card	2_High	4. Review of Financial Delegations, cardholder Limits and Limits enabled by Bank for consistency	<p>a) That cardholders authorised spending limits should be regularly reviewed. The review should also ensure consistency of spending limits between the limits on cardholder register, limits enabled by the bank, and financial delegations authorised by management</p> <p>b) That the Financial Delegations set by the CEO detail general financial delegations and card delegations on the same list and that this list is signed and dated by the CEO.</p> <p>c) That financial delegations in Council's software systems are regularly reviewed against the Financial Delegation document.</p> <p>d) That card delegations are not set higher than general financial delegations.</p> <p>e) That card delegations are not provided where there are no financial delegations.</p> <p>f) That the transaction limit be discontinued as per report recommendation presented to Executive Group in June 2020.</p> <p>g) That Purchase Card Approval Forms be checked against Council's purchase card system and bank authorisations to ensure correct authorisation has occurred.</p>	Closed		Yes
44	30-Oct-20	5. Purchase Card	3_Medium	6. Training on effective use of Purchase Card	<p>a) That additional training be provided to ensure cardholders understand how misuse and fraudulent activity could occur with their cards without their knowledge if they provide their cards to other staff to use.</p> <p>b) That cardholders are required to sign a new declaration and acknowledgement form each time the card is renewed.</p>	Closed		Yes
50	02-Feb-21	7. Legislative Compliance	3_Medium	3. Partial compliance with s91(9)(a) - partially met the annual review requirement of Confidential Orders	<p>1. Ensure that Special Orders operating beyond 12 months are reviewed annually as per the requirement of section 91(9)(a) of the Local Government Act 1999.</p> <p>2. Update the Confidential Orders Register.</p> <p>3. Update the code of practice for Access to Meetings and Associated Documents covering internal process to be followed when Confidential Orders are lifted or revoked.</p>	Closed		Yes
52	02-Feb-21	7. Legislative Compliance	3_Medium	5. Partial compliance with s231 - Register of Public Roads not having information required under s26e of the LG General Regulation	Review the current Register of Public Roads and include information specified in section 26(e) of the Local Government General Regulation 2013 to comply with section 231 of the Local Government Act 1999.	Closed	Register uploaded on the website. Noaline provided supporting.	Yes
53	02-Feb-21	7. Legislative Compliance	3_Medium	6. Non-compliance with s28(2)(a) - not submitting NAWMA Audited Financial Statements to Council as required.	<p>City should consider:</p> <p>1. Ensuring that its Regional Subsidiary Audited Financial Statements are laid before the council as per the requirements of section 21(4) of the Financial Management Regulation 2011, to comply with section 28(2)(a) of the Local Government Act 1999.</p> <p>2. Reviewing the Delegations Register to include sub-delegations related to Financial Management Regulation 2011, including Section 21(4), in cases the CEO finds it necessary.</p>	Closed		To be tested by Auditor

Log #	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Status	Audit Comment as at 15/02/2022	Resolved
54	02-Feb-21	7. Legislative Compliance	4 Low	7. Non-compliance with s6(2) of LG (Procedures at Meetings) Regulation 2013 - by not having reviewed the Code of Practice for Meeting Procedures annually	Ensure that the Code of Practice for Meeting Procedures gets reviewed by the Council annually as required under section 6(2) of the Local Government (Procedures at Meetings) Regulations 2013.	Closed		Yes
55	02-Feb-21	7. Legislative Compliance	3 Medium	8. Establish a Legislative Compliance Monitoring System	That the process for ensuring legislative compliance is reviewed for completeness and to ensure it is comprehensive; monitoring legislative compliance obligations, assignment of tasks with deadlines, requiring supporting evidence, and established workflow process. It may be beneficial for the City to consider a software system that has a built-in legislation compliance checklist database, and functionality to alert on new legislation updates as well.	Closed		Yes
56	02-Feb-21	7. Legislative Compliance	4 Low	9. Review Informal Gathering Policy, Code of Practice for Meeting Procedures, and Privately Funded Development Plan Amendment Procedures, by its agreed next review dates.	Policy next review dates are followed up and ensure that all policies are reviewed in a timely manner.	Closed		Yes
61	22/03/2021	9. Complaints Handling Process	3 Medium	5. Ownership and Responsibility for Implementation of the CCC Procedure	Identify a responsible owner for implementation and monitoring of complaints and update that on the CCC Procedure accordingly.	Closed		Yes
62	22/03/2021	9. Complaints Handling Process	4 Low	6. Policies and Procedures	Ensure that COS's Internal Review of Council Decisions Policy and Procedure is reviewed and updated to reflect current practices as per the requirements of s270(1) of the Act.	Closed		Yes
64	29-Jun-21	10. Event Incident Management Framework	3 Medium	A need to ensure incidents and hazards have been appropriately 'closed off' in SkyTrust	6. Review the monitoring and escalation processes for incidents and hazards recorded in SkyTrust to ensure that hazards and incidents remain open until remedial actions have been confirmed as complete.	Closed		Yes
66	29-Jun-21	10. Event Incident Management Framework	5 Better Practice	Opportunity to involve risk staff in post-event evaluations	8. A WHS Team representative is invited to post-event evaluation meetings for all events	Closed		Yes

Outstanding Actions

2.9 There are 22 actions remaining on the Audit Log Register as at 16 February 2022 to be closed, and their status and risk ratings are illustrated below:



2.10 The 22 outstanding actions are made up of four new additions, 13 actions that have been further extended from its deadline agreed in November 2021 report, and five actions that are not yet due based on the previous agreed deadline in the November 2021 report.

2.11 The level of completion of actions relative to the total number for respective audits is shown in table below:

Audit	Total # Actions	Actions Completed	%	Actions Outstanding	%	Status of Outstanding Actions
1. Business Systems and Solutions - Apr 2018	10	10	100%	0	0%	
2. Asset Management - Jan 2020	8	5	63%	3	38%	1 not due, 2 extended.
3. Contract Management - Dec 2019	7	5	71%	2	29%	2 extended
4. Management of Contaminated Sites - Oct 2020	14	11	79%	3	21%	2 not due, 1 extended.
5. Purchase Card - Aug 2020	7	6	86%	1	14%	1 extended
6. Trade Card Review - Nov 2020	3	3	100%	0	0%	
7. Legislative Compliance - Feb 2021	9	9	100%	0	0%	
8. LGASA 2019 Risk Evaluation Report - Nov 2019	6	3	50%	3	50%	3 Extended
9. Complaints Handling Process - Mar 2021	6	2	33%	4	67%	1 not due, 3 extended
10. Event Incident Management Framework - Jun 2021	5	3	60%	2	40%	1 not due, 1 extended
11. Volunteer Management Audit - Sep 2021	4	0	0%	4	100%	4 not due yet.
TOTAL	79	57	72%	22	28%	

2.12 Actions outstanding from older audits have reduced as a greater number of actions closed were from these older audits.

2.13 Actions from the Business Systems Solutions Audit and Legislative Compliance Audit are fully completed now.

- 2.14 Three of the Business Systems Solutions audit actions (action item 3, 4 & 5 on the Audit Log actions register) are resolved through the ongoing Business Transformation Project. A brief verbal presentation on this project will be given to the Audit & Risk Committee focusing on the project scope, deliverables and how some of the audit actions are incorporated and resolved through the Business Transformation Project.
- 2.15 The number of actions remaining outstanding is a cumulative effect of past pending actions. Action owners are identified and followed up in a structured manner, with realistic deadlines agreed.
- 2.16 A full list of the Internal Audit Log Actions Register is included in Attachment 1, covering closed and outstanding actions.

3. CONCLUSION / PROPOSAL

- 3.1 This report provides a summary of the position on outstanding actions from past internal audits, since the last Audit & Risk Committee meeting.
- 3.2 A total of 21 actions have been closed out of which five remain to be tested by the Internal Auditor & Risk Coordinator to mark them as resolved, and will be updated to the next Audit & Risk Committee meeting.
- 3.3 There were 13 actions for which the November 2021 agreed deadlines have been extended during this reporting period.
- 3.4 A total of 22 actions remain to be closed.

0 #	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Administration's Further Comments	Status	Audit Comment as at 16/02/2022	Resolved
1	30-Apr-18	1. Business Systems and Solutions	2_High	2. The current Disaster Recovery plans require updating to increase the likelihood of managing a disaster event	2.b) Create a DR testing regime for major systems, that supports the business's documented MAO, RPO and RTO.	Noted and agreed as recommended. A draft Disaster Recovery Plan has been developed and is currently being reviewed by an external contractor. The DRP is due to be completed and approved by Exec in May 2021	Lynette Paltridge (Manager Business Systems and Solutions)	30/04/2019	30/09/2021 31/12/2021	<p>Update - 6 July 2021: External provider has identified some issues that require further development, especially in the testing of the proposed DR Plan. The revised completion date has been set to end of September 2021.</p> <p>Update 19/10/2021 The vendor has provided information back to the City of Salisbury, which is now under consideration. The extended time required to find a suitable Team Leader for the infrastructure area has created some delays. With this position filled and due to commence mid-November, the Manager Business Systems and Solution to work with the vendor to completion</p> <p>Update 24/01/2022: Action completed.</p>	Closed	Confirmed as resolved. DRP	Yes
2	30-Apr-18	1. Business Systems and Solutions	3_Medium	4. No Service Level Agreements, and/or Key Performance Indicator's for Business Systems and Solutions	<p>4.a) Develop a Service Catalogue.</p> <p>4.b) Define SLAs with vendors, where appropriate – agreed actions from Program Review will be implemented.</p> <p>4.c) Obtain business endorsement of the Helpdesk metrics to enable the business to view the service levels provided.</p> <p>4.d) Implement KPIs as documented in the Program Review, in consultation with key application owners, and other stakeholders in the business.</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</p> <p>3.1 IT Principles, - Agreed. The document will be updated</p> <p>3.4 IT Metrics, - Agreed. The document will be updated as part of section 14 below.</p> <p>6.4 Governance Framework, - Noted. Will be considered as part of the action detailed in 1. a.</p> <p>4.f) Build the reporting of KPI's and other operational controls into the Terms of Reference of the Steering Committees</p> <p>4.g) Promote and display the level of service provided by the Helpdesk against the agreed business metrics</p> <p>4.h) Collate regular surveys as a standard measurement of Business Systems and Solutions performance, at least every 18 months</p> <p>4.i) Include checkpoint surveys periodically for Helpdesk calls to trace ongoing customer satisfaction.</p>	<p>(a)Noted and agreed. Will be done as part of the work in 4. c.</p> <p>(b) Agreed actions from the Program Review will be implemented. Service levels with vendors are articulated in relevant contract documents.</p> <p>(c) Noted and agreed.</p> <p>(d) Noted and agreed. See response to recommendations in 1. a.</p> <p>(e) Noted. Will be considered as part of the action detailed in 1.a.</p> <p>(f) 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.</p> <p>(g) Noted and agreed. As above at 4.f.</p> <p>(h) Noted. As above at 4.f.</p> <p>(i) Noted and agreed. As above at 4.f.</p>	Lynette Paltridge (Manager Business Systems and Solutions)	4.a)-b) 30/11/2018 4.c)-i) 28/02/2019	30/11/2021	<p>Initial drafts of Service Catalogue have been developed. Lower-level details are being added during review and circulation, still on track. Other actions are addressed in item 8.</p> <p>A new ITSM Tool has not yet been implemented to enable a customer satisfaction survey. Work to procure and implement this is well underway.</p> <p>Update - 6 July 2021: The market scan has been completed and an acquisition plan for the ITSM tool will be submitted w/e 9 July 2021. Subject to approval of the proposed approach it is anticipated the new ITSM tool and service catalogue will be completed by the end of November 2021</p> <p>Update 19/10/2021 Work with the vendor has commenced, however the lack of a Team Leader for ITS has meant this has not been finalised. The new team member is due to commence mid November and this will enable the Manager Business Systems and Solution to work with the vendor to completion.</p> <p>Update 24/01/2022: Action completed.</p>	Closed		Yes

Item 7.1.3 - Attachment 1 - Audit Log Register 16 Feb 2022

#	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Administration's Further Comments	Status	Audit Comment as at 16/02/2022	Resolved
3	30-Apr-18	1. Business Systems and Solutions	3_Medium	5. Maintain an up to date application register to reduce security risk and upgrade costs	<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>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>b) A formal position on this will be articulated in the next iteration of the ICT strategy/replacement document.</p> <p>c) Noted and agreed. A formal position on this will be articulated in the next iteration of the ICT strategy/replacement document.</p>	Lynette Paltridge (Manager Business Systems and Solutions)	30/09/2018	<p>b) 30/04/2021</p> <p>c) 30/06/2022</p>	<p>(b) Policy is to keep all key applications at a version no later than n-1 without formal and documented reason. This will be formalised as part of the updated governance framework as discussed in part 8.</p> <p>Completed - as the requirement was to determine a position.</p> <p>(c) This work has been postponed as assigned budget has been reallocated to cyber security program, and a budget bid has been submitted as part of the 2021/22 budget setting process.</p> <p>This work has been postponed pending the work of the Business Transformation team who will be reviewing the system applications.</p> <p>Update 24/01/2022: This action is now undertaken under the Business Transformation project process to review all major systems and applications to determine potential upgrade projects. Consider closed.</p>	Closed		Yes
4	30-Apr-18	1. Business Systems and Solutions	3_Medium	6. Continued focus is required on aligning business applications to business needs	<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).</p> <p>6.d) Develop a BSS Service Catalogue and promote throughout the organisation.</p>	<p>c) Noted and agreed.</p> <p>d) Noted. Refer section 4. Service Catalogue will cover the information technology-related aspects of BSS</p>	Lynette Paltridge (Manager Business Systems and Solutions)	<p>6.c) 30/06/2018</p> <p>6.d) 30/11/2018</p>	30/11/2021	<p>(c) This is covered by item 8 as part of the governance framework</p> <p>Update 24/01/2022: Action complete. This is all incorporated now as part of the ongoing Business Transformation Project.</p> <p>(d) Covered by item 4 as part of the Service Catalogue</p> <p>Update 19/10/2021 See Update in item 3. Action Completed.</p>	Closed		Yes

Item 7.1.3 - Attachment 1 - Audit Log Register 16 Feb 2022

0 #	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Administration's Further Comments	Status	Audit Comment as at 16/02/2022	Resolved
5	30-Apr-18	1. Business Systems and Solutions	3_Medium	8. Continued alignment of the Digital Strategy to the Business Strategy is required	<p>8.a) Ensure that the Digital Strategy is able to achieve the City of Salisbury's City Plan 2030 overarching strategy and vision.</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.</p> <p>8.c) Ensure the IT strategy contains roadmaps and an execution plan for each system within the City of Salisbury portfolio.</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;</p> <p>8.e) Define a program of work to deliver the Digital Strategy.</p>	<p>a) Noted and agreed. Action to be passed on to the digital strategy working group.</p> <p>B) Noted and agreed.</p> <p>C) Noted and agreed. Information to be included in updated ICT Strategy.</p> <p>d) Noted and agreed. Broader than responsibility of IT function within BSS.</p> <p>e) Noted and agreed. Broader than responsibility of IT function within BSS.</p>	Lynette Paltridge (Manager Business Systems and Solutions)	30/11/2018	<p>30/09/2021 31/03/2022</p> <p>Update - 6 July 2021: Incorporating feedback from the Executive Group on the draft Smart Salisbury Strategic Plan and working through the planning for the community consultation phase.</p> <p>Update 19/10/2021 Draft Smart Salisbury Strategic Plan included in a report to the Innovation and Business Development Committee meeting in September. Report reviewed at Exec coordination and deferred pending further discussion/workshop, which is to be scheduled, via the Business Transformation Team.</p> <p>Update 24/01/2022: Complete. This is all incorporated now as part of the ongoing Business Transformation Project.</p>	Closed		Yes	
5	19-Nov-19	8. LGASA 2019 Risk Evaluation Report	6_LGASA Baseline Not Met	Risk Management Systems	It is recommended that City of Salisbury update their Risk Charter and Guide in line with the new ISO 31000:2018 Risk management guidelines and also put a process in place to ensure the documents are reviewed as per the Council's document management processes.	Risk Management Guide and Risk Management Charter are to be reviewed and updated. The document review requirements will be set out in the final documents and will reflect Council's document management processes. The ongoing review of the risk management corporate documentation will be included in the Audit Committee work plan.	Brett Kahland (Team Leader Corporate Governance)	30/09/2019	<p>31/12/2021 31/03/2022</p> <p>Governance has progressed the development of a model risk management policy and framework based on the LGA model template including alignment with ISO standard</p> <p>Update 9/11/2021: An Enterprise Risk Management Policy is developed in October 2021 and an ERM Roadmap was presented to Audit and Risk Committee covering an ERM Framework scheduled to complete by March 2022.</p>	Extended		No	
3	19-Nov-19	8. LGASA 2019 Risk Evaluation Report	6_LGASA Baseline Not Met	Risk assessment specific to Railway Interfaces	One of the duties as a Road Manager is to have risk assessment process in place, if Council has Railway Interface(s). It is recommended to have a risk assessment in place.	Team Leader Civil and Transport will take the process forward. They will overview the agreement to determine the outstanding actions and close the outstanding actions.	David Boothway (Team Leader Civil and Transport)	01/12/2020	31/12/2021	Actions to manage the risks are identified including site audit of railway crossings and an operational risk register will be updated covering these areas. Relevant forms will be filled in and communicated to relevant stakeholders.	Closed		Yes

Item 7.1.3 - Attachment 1 - Audit Log Register 16 Feb 2022

#	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Administration's Further Comments	Status	Audit Comment as at 16/02/2022	Resolved
0	19-Nov-19	8. LGASA 2019 Risk Evaluation Report	6_LGASA Baseline Not Met	Risk Assessment specific to Emergency Management Plan	CoS has documented risk assessments however it was noted that they were outdated and requires to be conducted again in line with current emergency scenarios. It is recommended that Council conduct risk assessments specific to emergency management and include all current emergency scenarios relevant to CoS.	CoS will work with the Council Ready Program to conduct risk assessments specific to emergency management and subsequently document those risk assessments	Brett Kahland (Team Leader Corporate Governance)	30/06/2021	31/12/2021 30/06/2022	Action is on track. Risk assessments have been commenced. 14/1/22: Emergency Mgt scenario risk assessment for flood and bushfire scenarios undertaken.	Extended		No
1	19-Nov-19	8. LGASA 2019 Risk Evaluation Report	6_LGASA Baseline Not Met	Trained staff on Emergency Management Procedure	Although selected staff have been trained on emergency operations, the details are not documented in the Emergency Management Plan as it's passed its review date and current relevant staff details have not been included in the plan. It is recommended that the list of current staff trained on emergency management procedures are updated during the review of the Emergency Management Plan.	Training on emergency management procedures will form part of the development of the revised Emergency Management Plan and will be conducted upon completion of the Council Ready Program.	Brett Kahland (Team Leader Corporate Governance)	30/06/2021	31/12/2021 30/06/2022	The development of the Incident Operations Manual has and will identify relevant staff with responsibilities during an emergency event. The Incident Operations Manual has been endorsed by executive (October 2021). Training for staff will occur as part of the roll out of the Incident Operations Manual. 14/1/22: Rollout of training to occur following presentation to Executive Group (rescheduled to scheduled for 19 Jan) Note: extend time to enable key staff to attend training in first half of 2022.	Extended		No
2	19-Dec-19	2. Asset Management	2_High	2.1 Focusing on customer levels of service and enhancing processes for monitoring and reporting levels of service.	1. Engage with key stakeholders to establish performance measures and desired levels of service based on customer consultation and assessments of satisfaction. 2. Establish levels of service based on targets that are measurable, achievable, relevant and timely. 3. Implement mechanisms to ensure that performance targets are compared to actual performance and reported to key stakeholders on a regular basis.	1. Now Council has an Asset Management Sub Committee (AMSC) and will work through the levels of service progressively for each asset category. 2. Existing levels of service in place but need to change to more community centric focus. 3. This is in place generally through the AMSC and SAMG	General Manager City Infrastructure, Karen Pepe, Manager Property & Buildings; Dameon Roy, Manager Infrastructure Management	31/12/2023	31/12/2022	1 & 2 addressed, as it is included in the SAMP to be approved by SAMG and Council, targeted to be completed by 20/05/2021. Draft SAMP to be presented for mid year budget review in Jan 2022. 3. LOS to be confirmed in the AMOP (Asset Management Operational Plan) for all classes of asset. AMOP is to be completed by 31/12/2022.	Not Due Yet		No

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4	19-Dec-19	2. Asset Management	2_High	2.4 Defining clear criteria for upgrades and renewal of buildings	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.	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. Current condition & fit for purpose audit addresses the current state with the Community Planning and Vitality Division preparing a report for ASMC regarding future demands and trends including specifications and gaps analysis with respect to Council's sporting facilities. Council's Community Hub model has been adopted with respect to the community facilities, with Burton and Ingle Farm Community Hubs being constructed over the next few years. Ongoing formal presentations and reports to Council Committees.	Karen Pepe, Manager Property & Buildings	Ongoing	31/12/2021 28/02/2022	See comments above. The Building Asset Management Plan (BAMP), which contributes to the Strategic Asset Management Plan and Long term Financial Plan, details the Levels of Service for buildings, and financial forecasts to deliver and maintain these Levels of Service. The BAMP also identifies the priority of building related works, which informs Council Budget Bids. The Community Planning & Vitality Division put a report to the Community Wellbeing & Sport Committee in May 2021, Item 5.1.3 - Place Activation Strategy - Formal Recreation. Building Condition audit completed in 2020 and this information is used to develop capital programs. Buildings Asset Management Plan to be redrafted and reported back to the AMSC by December 2021 Update 27/01/2022: BAMP scheduled to the next available AMSC meeting in Feb 2022.	Extended		No
6	19-Dec-19	2. Asset Management	5_Better Practice	2.7 Opportunity to review contents included in the Asset Management Plans as per IPWEA standards and the ISO5000 series	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. 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.	1. Review occurred in 2017 to do this and close alignment was identified. Some improvements to Level of Service as above. Council currently uses the IPWEA templates. This will be revised and improved as the AMSC completes the review of assets by asset management plan. 2. Being considered as part of the (Strategic Asset Management Plan (SAMP) as presented to Council on 29 February 2020. Asset Management Sub-committee is working through the Levels of Service for each Asset Management Plan. This will result in the upgrade of the Asset Management Plans late in 2020. Action: See above.	Dameon Roy, Manager Infrastructure Management; Karen Pepe, Manager Property & Buildings	31/12/2021	31/12/2021 28/02/2022	See comments above. The Buildings Asset Management Plan will be completed by December 2021 as reported to the AMSC. An improvement plan is being prepared to be endorsed by SAMG. This will continue the improvements being made to Asset Mgmt and AMP's covering the period to Dec 21. Update 27/01/2022: BAMP scheduled to the next available AMSC meeting in Feb 2022.	Extended		No

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9	24-Jan-20	3. Contract Management	2_High	2. There are a lack of framework / procedures to provide explicit guidance for contract management	<p>3. Develop and document a clear policy outlining expectations for contract management across Council, including clearly identified roles and responsibilities</p> <p>4. Develop a contract management framework to guide staff, incorporating:</p> <ul style="list-style-type: none"> <input type="checkbox"/> procedures (mandatory) <input type="checkbox"/> guidelines, and <input type="checkbox"/> clarification of roles and responsibilities (for example where responsibilities start and end – including responsibility for obtaining ongoing 'due diligence' documentation) <input type="checkbox"/> better practice examples from across Council. <p>There is opportunity to ensure that requirements align to the risk/value of different contracts.</p>	<p>1. Develop / or review an existing Policy Develop a RACI matrix (Responsible, Accountable, Consulted, Informed)</p> <p>2. Develop framework, procedures. Develop / review templates, tools, etc...</p>	Ben Kempster, Manager Strategic Procurement	31/03/2021	31/03/2022	<p>1. (on Item 2 of Management Response): CM Framework document and tools/templates draft is completed and ready for consultation. Manager Strategic Procurement has scheduled internal stakeholder consultation sessions for late October. Have had to revise end date of this item to end November.</p> <p>2.(on Item 1 of Management Response) Development of policy to follow completion of Contract Management Framework. Given council timing, there is a need to extend due date of this item to the end of March 2022 (as the latest date for completion). RACI will form part of Framework</p> <p>3. Policy document to be completed by Manager Strategic Procurement following finalisation of CM Framework (by end March 2022). Update 24/01/2022: Action complete. Contract Management Framework is developed.</p>	Closed		To be tested by Auditor
0	24-Jan-20	3. Contract Management	4_Low	3. There is a need for standardised storage of policies, procedures and contract documentation	<p>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"> <input type="checkbox"/> approval processes before documentation can be uploaded into the location <input type="checkbox"/> clear metadata/date information about each document <input type="checkbox"/> standard naming conventions <input type="checkbox"/> use of consistent document templates, and <input type="checkbox"/> reviewing security/access levels for documentation, including providing transparency that a document exists even if the user does not have permission to view it. This will assist in ensuring that staff are able to readily locate all information relevant to their roles and responsibilities. 	<p>Review existing policies, guidelines</p> <p>Review naming convention, security etc...</p> <p>Provide training etc...</p> <p>Audit</p>	DM Community Experience & Relationships / Laura Fischetti (Team Leader Business Intelligence and Data Management). Group / Committee identified in Rec 1	30/06/2021	30/03/2022	<p>Once CM Framework document, tools/templates, policy completed, Strategic Procurement will undertake internal training and awareness sessions for key internal stakeholder groups. This training will include awareness of existing processes for keeping of documents (Dataworks, Finance One and other supporting systems) - in accordance with current Procurement Framework.</p> <p>Update 20/01/2022: Requirements contained within Contract Management Framework. Implementation steps in progress, will be completed by end March 2022.</p>	Extended		No

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24-Jan-20	3. Contract Management	3_Medium	6. There is opportunity to strengthen record-keeping in relation to contracts	<p>9. To ensure that staff obtain and record quotations in relation to pieces of work conducted under contract:</p> <ul style="list-style-type: none"> <input type="checkbox"/> remind staff of the importance of obtaining and recording quotations for individual pieces of work (where required), and <input type="checkbox"/> 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. 	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.	Ben Kempster, Manager Strategic Procurement	31/12/2020	31/03/2022	<p>Once CM Framework document, tools/templates, policy completed, Strategic Procurement will undertake internal training and awareness sessions for key internal stakeholder groups. This training will include awareness of existing processes for keeping of documents (ECM/Dataworks, Finance One and other supporting systems) - in accordance with current Procurement Framework.</p> <p>Update 20/01/2022: Item is closed, this process has been implemented as part of business-as-usual requirement for contract administration under Contract Management, and day to day procurement support to the business.</p>	Closed		Yes
24-Jan-20	3. Contract Management	5_Better Practice	7. There is a need to clarify expected processes in relation to contract closure	<p>10. 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"> <input type="checkbox"/> capturing learnings/feedback on contract performance from a contractor's perspective <input type="checkbox"/> reviewing whether goods/services have been received in full as paid for <input type="checkbox"/> reviewing whether discounts/savings were applied appropriately as per some contract conditions <input type="checkbox"/> identifying lessons learned and ensuring that these are communicated within the Council, to facilitate future contract management improvements. 	Refer Recommendation 4.	Ben Kempster, Manager Strategic Procurement	31/03/2021	31/03/2022	<p>Process and documents used for formal contract closure will be part of Contract Management Framework. The tools and templates that will form part of the CM structure include formal closure templates (including Lessons Learned, provision of feedback, close out checklist).</p> <p>Update 20/01/2022: Requirements contained within Contract Management Framework. Implementation steps in progress, will be completed by end of March 2022.</p>	Extended		No
03-Aug-20	4. Management of Contaminated Sites	5_Better Practice	2. Review of 3rd Party contaminated Sites Using EPA SA's Site Contamination Index.	<p>A review of third-party contaminated sites should be undertaken using the EPA SA's Site Contamination Index, with respect to the potential for these sites to impact Council land (including surface water, groundwater, soil and vapour risks) or the Recycled Water Systems. These sites should be included in Council's corporate GIS system for consideration during the planning / approvals process.</p>	<p>a) Noted, bearing in mind the Planning Teams approve process for development sites in the City, is based on the EPA guidelines around these sites and the EPA SA's Site Contamination Index is used as the single source of truth.</p> <p>b) The EPA's Site Contamination Index is one of the databases consulted in the review of the Salisbury Water Risk Based Management Plan.</p> <p>c) However, raising the awareness of the EPA index is worthwhile and consideration of how to integrate with Council's information portal's should be undertaken.</p> <p>d) Legal advice to be sought on what other Councils do in regards to third party sites.</p>	Dameon Roy, Manager Infrastructure Management	31/01/2021	31/12/2021	<p>Details around how the Index will be referred to as part of the project process will be established.</p> <p>14/1/22: A review of the EPA Site Contamination Index has been undertaken.</p> <p>The EPA has been contacted to discuss options for sharing of datasets. At this stage there is no mapped dataset of the Site Contamination Index available from the EPA that could be imported into CoS GIS system.</p> <p>Sites are listed in the EPA's Site Contamination Index under one of 11 categories. Limited information is available through the index. Specific information regarding listed addresses can be obtained by contacting the EPA directly.</p> <p>A process for incorporation of the addresses included in the EPA Site Contamination Index into CoS' GIS system has been prepared.</p>	Closed		To be tested by Auditor

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0	03-Aug-20	4. Management of Contaminated Sites	3_Medium	6. Further work as per National Environmental Protection Measure (NEMP) Schedule B2 - Site Characterisation	Where potential risks cannot be adequately assessed from the existing information, further work may be required in accordance with the NEPM Schedule B2 (NEPC, 1999).	Agreed and noted	Dameon Roy, Manager Infrastructure Management	30/06/2023		Next review cycle is 2023. Budget bid to be put in 22/23, to do the Site Categorisation in accordance with NEPM Schedule B2. 14/2/22: Budget bids for existing sites (as included in report) have been included in 22/23 discussions. A prioritised list of sites requiring work in accordance with the NEPM will be prepared based on the updated risk ratings in the register.	Not Due Yet		No
2	03-Aug-20	4. Management of Contaminated Sites	3_Medium	8. Policies and Procedures related to the intent, use and management of the Contaminated Sites Register.	Policies, procedures, or guidance documentation should be developed to outline the intent, use and management of the Contaminated Sites Register, along with any review or feedback mechanisms.	Agreed.	Dameon Roy, Manager Infrastructure Management	31/12/2021		Budget bid to be raised. A Preamble to the Contaminated Sites Register is prepared as a guideline reflecting the intent, use and management of Contaminated sites register.	closed		Yes
3	03-Aug-20	4. Management of Contaminated Sites	5_Better Practice	9. Identification of Potential Sources and their Trends when assessing monitoring data related to Contaminated Sites.	When assessing monitoring data, consideration should be given to their potential sources and their trends (i.e. are concentrations stable, increasing or decreasing).	Best Practice	Bruce Naumann, Manager, Salisbury Water and Dameon Roy, Manager Infrastructure Management	31/12/2021	30/06/2022	This is already done for MAR systems in the annual data review and submission to EPA- example report provided. This will be expanded for future catchment monitoring.	Extended	Infrastructure Management staff will also work with Salisbury Water staff regarding monitoring data collection, management and assessment and come up with an action plan.	No
5	03-Aug-20	4. Management of Contaminated Sites	5_Better Practice	11. Management of Contaminated Sites Integrated into a Single Framework	The management of contaminated sites should be integrated into a single framework, providing documented feedback mechanisms, and ensuring the overall risk to the CoS and the Recycled Water Systems are appropriately managed.	a) Noted b) At this point in time the Contaminated Site Register sits in the Corporate GIS system and is managed by City Infrastructure, however there is no mechanism to provide ongoing reporting in this area, other than on an incident by incident basis. c) Also agree that a more integrated approach across Council Departments is required. This is proposed to be done by revising the Integrated Water Cycle Management Plan into a new Integrated Catchment Risk Management Plan and up-dating all Stormwater Management Plans (SMPs) to ensure they model and monitor water quality issues as well as water quantity (ie flood management).	Dameon Roy, Manager Infrastructure Management	2023/2024		The ICRMP is the first step in establishing an integrated framework.	Not Due Yet		No

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7	03-Aug-20	4. Management of Contaminated Sites	5_Better Practice	13. Consolidate Monitoring activities into a single document	All monitoring activities undertaken should be consolidated into a single document, outlining relevant sampling methodologies, limits or reporting, guidelines, criteria and trigger levels.	Methodologies, Limit of Reporting (LOR)'s etc are a function of the testing laboratory and their capabilities. Council only contracts with NATA accredited laboratories. However, it is agreed that the consolidation of monitoring work, data trending and evaluation, and subsequent management reporting should be a priority.	Dameon Roy, Manager Infrastructure Management; Manager, Salisbury Water	30/06/2022		Rather than an attachment to the Risk Management Plan, this should be a stand alone document – done CoS Water Quality Monitoring and Reporting Program (WQMRP) - COMPLETE When results are received, copies need to be circulated. Distribution lists, checking to see who needs to follow up on actions – new protocols being established with the award of a new Water Quality contract.	Closed		To be tested by Auditor
8	03-Aug-20	4. Management of Contaminated Sites	4_Low	14. Consideration of Environmental Aspects and Potential Changes in Quality Over Time, when performing Asset Inspections.	Routine and ad-hoc condition inspections of Council assets should include consideration of environmental aspects and potential changes in quality over time (such as the existence of odours, seeps, or sheens etc.).	The Salisbury Water Operations and Maintenance Manual incorporates SOP's that requires routine visual inspection and the use of portable instrumentation to supplement/validate permanently installed field instrumentation. However, Council will create a Standard Operating Procedure with respect to the Risk Based monitoring of potential contaminated sites including the development of an ongoing review program, with the frequency to be determined.	Dameon Roy, Manager Infrastructure Management	31/12/2021		Ad hoc reviews are performed of assets within the Contaminated Sites Register, however a process needs to be developed for future work to be performed. Update 20/01/2022: A process for this has been included within the Site Contamination Register preamble.	Closed		Yes

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1	30-Oct-20	5. Purchase Card	2_High	3. Purchase Card Policy not in place, and Procurement Framework not reviewed before the next review date.	<ul style="list-style-type: none"> a) That a Purchase Card Policy is developed and adopted by Council or included with Council's Procurement Policy. b) The Policy to cover expenditure using purchase cards and Council's direction on sensitive expenditure and the type and nature of expenditure that it deems appropriate for purchasing using purchasing cards. c) That the Procurement Framework is reviewed, and clarified to show the value beyond which a PO is required. d) That a Purchase Card Policy be developed which defines low cost and low value purchases and clarifies the type of expenditure that is suitable for purchase cards. e) That the Procurement Matrix be clarified to show the value beyond which a purchase order is required. f) That the use of Purchase Orders for purchase cards have the same parameters and requirements that are set for creditor invoices. 	Agree. This will be discussed with executives and policy will be developed ore revised accordingly.	Ben Kempster, Manager Strategic Procurement	30/06/2021	3-1/12/2021 31/03/2022	<p>Council Adopted on 24 May 2021, Resolution : 0954/2021</p> <p>Comments for 9/11/21: All actions resolved other than c & e can be closed. These remain open due to their link with updating the Procurement Framework which will be completed by end of Q1 2022.</p>	Extended		No
2	30-Oct-20	5. Purchase Card	2_High	4. Review of Financial Delegations, cardholder Limits and Limits enabled by Bank for consistency	<ul style="list-style-type: none"> a) That cardholders authorised spending limits should be regularly reviewed. The review should also ensure consistency of spending limits between the limits on cardholder register, limits enabled by the bank, and financial delegations authorised by management b) That the Financial Delegations set by the CEO detail general financial delegations and card delegations on the same list and that this list is signed and dated by the CEO. c) That financial delegations in Council's software systems are regularly reviewed against the Financial Delegation document. d) That card delegations are not set higher than general financial delegations. e) That card delegations are not provided where there are no financial delegations. f) That the transaction limit be discontinued as per report recommendation presented to Executive Group in June 2020. g) That Purchase Card Approval Forms be checked against Council's purchase card system and bank authorisations to ensure correct authorisation has occurred. 	Agree. Strategic Procurement has identified that limits across bank and CoS Systems need to be reviewed for consistency – will occur as part of implementing the June 2020 credit card report with its approved recommendations.	Ben Kempster, Manager Strategic Procurement	a) - e) 31/1/2021; f) - g) 30/06/2021	31/12/2021	<p>Manager Strategic Procurement to follow up what data has been provided by NAB regarding credit card limits per user and compare to internal card issued limits per user, to ensure consistency. Also MSP to verify that card delegations are not set higher than financial delegations. Summary report to be provided to Internal Audit so item can be closed out.</p> <p>An Annual review will be scheduled to test usage and limits</p>	Closed		Yes

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30-Oct-20	5. Purchase Card	3_Medium	6. Training on effective use of Purchase Card	a) That additional training be provided to ensure cardholders understand how misuse and fraudulent activity could occur with their cards without their knowledge if they provide their cards to other staff to use. b) That cardholders are required to sign a new declaration and acknowledgement form each time the card is renewed.	a) Agree that broad refresher training be provided to cardholders after implementation of the June 2020 review report recommendations, addressing changes implemented and risk of potential fraud relating to card use. b) Agree. As part of implementing the June 2020 credit card report with its approved recommendations, cardholders will be required to sign an updated Cardholder Declaration and Acknowledgement. When replacement cards are received and issued, the additional step of signing another Cardholder Declaration and Acknowledgement can be implemented.	Ben Kempster, Manager Strategic Procurement	a) 31/1/2021; b) 30/06/2021	30/09/2021 30/11/2021	a) Completed; b) Current cardholders will be issued with a new Declaration Form to be signed, once All Staff comms has gone out re new process. Revised completion date 30/11/2021 Update 20/01/2022: Action Completed.	Closed		Yes
02-Feb-21	7. Legislative Compliance	3_Medium	3. Partial compliance with s91(9)(a) - partially met the annual review requirement of Confidential Orders	1. Ensure that Special Orders operating beyond 12 months are reviewed annually as per the requirement of section 91(9)(a) of the Local Government Act 1999. 2. Update the Confidential Orders Register. 3. Update the code of practice for Access to Meetings and Associated Documents covering internal process to be followed when Confidential Orders are lifted or revoked.	Recommendations 1 and 2 Internal process requires a six monthly review of all confidentiality orders of Council. The process will be amended to require an update in April and October in each year with a report to Executive to inform the outcome. Recommendation 3 The recommendation will be implemented.	Rudi Deco (Manager Governance)	30/04/2021	30/10/2021; 30/03/2022	Administration considers recommendations 1 and 2 to be complete. The Target Date for completion of Recommendation 3 should not be before 30 October 2021, in order to allow for the LG Reforms to be passed by Parliament and an implementation plan for the required changes to be established. 14/1/22: Code of Practice updated conform LG Reform and adopted by Council Nov 2021.	Closed		Yes
02-Feb-21	7. Legislative Compliance	3_Medium	5. Partial compliance with s231 - Register of Public Roads not having information required under s26e of the LG General Regulation	Review the current Register of Public Roads and include information specified in section 26(e) of the Local Government General Regulation 2013 to comply with section 231 of the Local Government Act 1999.	The recommendation will be implemented.	Dameon Roy, Manager Infrastructure Management	31/12/2021			Closed	Register uploaded on the website. No online provided supporting.	Yes
02-Feb-21	7. Legislative Compliance	3_Medium	6. Non-compliance with s28(2)(a) - not submitting NAWMA Audited Financial Statements to Council as required.	City should consider: 1. Ensuring that its Regional Subsidiary Audited Financial Statements are laid before the council as per the requirements of section 21(4) of the Financial Management Regulation 2011, to comply with section 28(2)(a) of the Local Government Act 1999. 2. Reviewing the Delegations Register to include sub-delegations related to Financial Management Regulation 2011, including Section 21(4), in cases the CEO finds it necessary.	Recommendation 1. (a) Administration will include within the Annual Report council item, a specific recommendation to consider the audited financial statements of NAWMA; OR (b) If (a) cannot be implemented within the second meeting of the Council following receipt of NAWMA audited financial statements, then Administration will submit a separate report to the Council attaching the NAWMA audited financial statements for council consideration. Recommendation 2. The recommendation will be implemented.	1.(a) Julie Kushnir (Manager Community Experience & Relationships) (b) Kate George (Manager Finance) 2. Rudi Deco (Manager Governance)	1. Quarter 1 of the 2021/22 Financial Year. 2. 31 March 2021.		1. Awaiting receipt of NAWMA audited financial statement. Noted in COS Annual report checklist. 2. Review completed. Review outcome is that this section is not included as a delegable power in the instruments of delegations provided by LGA and Norman Waterhouse. Action not required,	Closed		To be tested by Auditor

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4	02-Feb-21	7. Legislative Compliance	4_Low	7. Non-compliance with s6(2) of LG (Procedures at Meetings) Regulation 2013 - by not having reviewed the Code of Practice for Meeting Procedures annually	Ensure that the Code of Practice for Meeting Procedures gets reviewed by the Council annually as required under section 6(2) of the Local Government (Procedures at Meetings) Regulations 2013.	The recommendation will be implemented.	Rudi Deco (Manager Governance)	28/02/2021	30/10/2021 31/01/2022	LG Reforms are yet to be finalised. Recommend that the Revised Date for this action be updated to 30 October 2021 in order to allow for the LG Reforms to be passed by Parliament and an implementation plan for the required changes to be established. 14/1/22: Code of Practice reviewed in context of LG Reform and adopted by Council Nov 2021.	Closed		Yes
5	02-Feb-21	7. Legislative Compliance	3_Medium	8. Establish a Legislative Compliance Monitoring System	That the process for ensuring legislative compliance is reviewed for completeness and to ensure it is comprehensive; monitoring legislative compliance obligations, assignment of tasks with deadlines, requiring supporting evidence, and established workflow process. It may be beneficial for the City to consider a software system that has a built-in legislation compliance checklist database, and functionality to alert on new legislation updates as well.	The recommendation will be implemented. We are in the process of purchasing RelianSys® Compliance system for this purpose.	Rudi Deco (Manager Governance)	30/06/2021	30/11/2021	Software purchased and system commissioned. Users to be assigned and trained for full-fledge implementation. 14/1/22: Process reviewed, software implemented and associated management processes being set up. Process ready for operational application. Audit and Risk Committee will receive regular reporting on compliance reviews and findings for ongoing monitoring and assurance.	Closed		Yes
6	02-Feb-21	7. Legislative Compliance	4_Low	9. Review Informal Gathering Policy, Code of Practice for Meeting Procedures, and Privately Funded Development Plan Amendment Procedures, by its agreed next review dates.	Policy next review dates are followed up and ensure that all policies are reviewed in a timely manner.	Policy 1&2: The recommendation will be implemented. Policy 3: The current policy will be reshaped to reflect the obligations on Council under the new planning system. In relation to the transition period, it is possible for a proponent to select a Development Plan Amendment pathway or a Code Amendment Pathway. It is likely that the report will recommend transitional arrangements until the Development Plan Amendment pathway is no longer an option.	1 & 2. Rudi Deco (Manager Governance) 3. Michelle English (General Manager City Development)	1. 28/02/2021 2. 31/03/2021	30/10/2021 31/01/2022	The Revised Date for the review of the Code of Practice for Meeting Procedures and Informal Gatherings Policy should be updated to 30 October 2021 to allow for the LG Reforms to be passed by Parliament and an implementation plan for the required changes to be established. 14/1/22: Code of Practice updated in context of LG Reform and adopted by Council November 2021. Informal Gatherings have been made redundant under LG Reform and have been superseded by CEO Briefing Sessions and Workshops. Associated policy adopted by Council and in place.	Closed		Yes
7	22/03/2021	9. Complaints Handling Process	2_High	1. Lack of a Complaints Handling & Management System	Establish a centralized system to capture information on complaints, and use the system for handling, managing and reporting on complaints received and resolved; either through an existing software solution or by introducing a dedicated complaints management system. Ensure that all complaints are recorded, and reported to the management on a regular basis, including complaints received via telephone calls, and from walk-in community members.	Investigation will need to be undertaken to find a suitable program to capture all complaints in the one place and identify funding requirements. This forms part of the scope of a current project undertaken called the Exceptional Community Experience Project.	Hannah Walters (Project Manager Community Experience)	30/06/2022		Update: 9/11/21: We are currently preparing an EOI for the technology solution to manage all Community Interactions.	Not Due Yet		No

Item 7.1.3 - Attachment 1 - Audit Log Register 16 Feb 2022

#	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Administration's Further Comments	Status	Audit Comment as at 16/02/2022	Resolved
8	22/03/2021	9. Complaints Handling Process	3_Medium	2. Performance Monitoring and Reporting on Management of Complaints	<p>1. Incorporate within the relevant policies and procedures, the reporting requirements and frequencies covering performance reporting on service standards.</p> <p>2. Establish a mechanism to record and measure actual performance against all service standards;</p> <p>3. Establish a monthly reporting process on actual performance against all agreed service standards for complaints and requests for services.</p> <p>4. Review the key performance indicators and service standards for complaints handling included within the Community Experience Charter and also the CCC Procedure, to ensure they are attainable and realistic.</p>	<p>1. The recommendation will be implemented.</p> <p>2. There is significant work required in developing a report on performance against all service standards. Unclear if reporting against service standards is undertaken within each business unit on a monthly basis. Investigation and scoping of the solution will be required.</p> <p>3. A customised monthly report will be developed to track the progress of the Operational Service Standards listed in the Community Service Framework.</p> <p>4. The key performance indicators listed in the Community Experience Charter will be reviewed to ensure they are relevant and realistic.</p>	Hannah Walters (Project Manager Community Experience)	31/12/2021	31/12/2022	<p>Update: 9/11/21: The Community Experience Framework is no longer an operational document.</p> <p>We currently report to Council monthly on all CRM data but this will be expanded when we introduce a Customer Relationship Management System that will capture all Community Interactions.</p> <p>Update 24/01/2022: New initiative bid submitted for funding and implementation for the CRM project</p>	Extended		No
9	22/03/2021	9. Complaints Handling Process	3_Medium	3. Escalation Process for Tier 1, Tier 2 and Tier 3 Complaints	<p>Ensure that escalation process implemented covers Tier 3 complaints as per the requirements of CCC Procedure, and/or revise the CCC Procedure accordingly.</p>	<p>This will get captured as part of the Exception Community Experience Project Implementation scope, and implement the Complaints handling Tier escalation process.</p>	<p>Business Process Owners: Hannah Walters (Project Manager Community Experience) / Amy Pokoney Cramey (General Manager Community Development)</p> <p>Owner for ECM System Support: Laura Fischetti (Team Leader Business Intelligence and Data Management).</p>	31/12/2021	31/12/2022	<p>Update: 9/11/21: Requirements for escalations will be built into the detailed business requirements document for the Customer Relationship Management Solution.</p> <p>Update 24/01/2022: New initiative bid submitted for funding and implementation for the CRM project</p>	Extended		No
10	22/03/2021	9. Complaints Handling Process	3_Medium	4. Trend Analysis on Complaints Data for Strategy Formulation	<p>COS should perform data analysis on complaints received and resolved to identify trends and lessons learned and appropriately apply as input within COS's strategy formulation process.</p>	<p>This will be incorporated as part of the Exceptional Community Experience Project scope and implemented.</p>	Hannah Walters (Project Manager Community Experience)	31/12/2021	31/12/2022	<p>Update: 9/11/21: Requirements for escalations will be built into the detailed business requirements document for the Customer Relationship Management Solution.</p> <p>Update 24/01/2022: New initiative bid submitted for funding and implementation for the CRM project</p>	Extended		No

Item 7.1.3 - Attachment 1 - Audit Log Register 16 Feb 2022

#	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Administration's Further Comments	Status	Audit Comment as at 16/02/2022	Resolved
1	22/03/2021	9. Complainers Handling Process	3_Medium	5. Ownership and Responsibility for Implementation of the CCC Procedure	Identify a responsible owner for implementation and monitoring of complaints and update that on the CCC Procedure accordingly.	Current structure and roles and responsibilities to be reviewed.	Amy Pokoney Cramey (General Manager Community Development)	30/06/2021		Executives decided that it is Hannah Walters to be the responsible owner.	Closed		Yes
2	22/03/2021	9. Complainers Handling Process	4_Low	6. Policies and Procedures	Ensure that COS's Internal Review of Council Decisions Policy and Procedure is reviewed and updated to reflect current practices as per the requirements of s270(1) of the Act.	Agree with recommendation.	Brett Kahland (Team Leader Corporate Governance)	31/05/2021	30/10/2021 31/12/2021	To allow for the commencement of the provisions for Section 270 in November 2021, due date extended.	Closed		Yes
3	29-Jun-21	10. Event Incident Management Framework	2_High	A need to clarify stakeholder responsibilities and engagement in the risk and hazard identification process	<ol style="list-style-type: none"> 1. Establish a definition of what constitutes a COS "Event" for the purposes of interpreting and enforcing event-specific policies and business rules. 2. Formally agree and document the roles and responsibilities of stakeholder groups across Council in providing expertise for the planning and delivery of events, including the level of involvement expected of the WHS team in the risk assessment process and to whom a copy of the risk assessment must be provided. These roles and responsibilities can be determined with reference to a risk-based event categorisation (see Recommendation 4), and/or linked to specific events identified in the events calendar. 3. Develop a business rule to determine when events are to be managed by the Events Team. This could be aligned to event risk categories (see Recommendation 4) and/or other criteria determined by the Events Team in consultation with other stakeholders. 4. Formalise Council's expectations regarding appropriate minimum lead times for consulting relevant stakeholders in relation to the risk assessment and risk treatment processes for events. 5. Define risk-based categories for the grouping of events, and assign each event to a category. These categories can then be used to determine the roles and responsibilities of stakeholders (including, for example, whether an event should be led by the Events Team), nature and extent of documentation and other requirements to support event management and risk assessments. 	<ol style="list-style-type: none"> 1. Identify the definition of COS "event". 2. Establish and document more formally, the roles and responsibilities related to event planning and delivery, including the identification of expected involvement by the WHS representative. 3. Adopt the above recommendation no. 3, clearly identifying the events that the Events Team shall be responsible for, including the definition of when it is required to separate infrastructure delivery from program/performance delivery. 4. Events team will provide the WHS team a copy of their risk assessment of the up and coming event two weeks prior to the event taking place. The day before the event, any changes to the assessment will be submitted to the WHS team for review. 5. Adopt recommendation no. 5 in addition to the preparation of an overarching Corporate Events and Public Relations plan. 	<ol style="list-style-type: none"> 1, 2, 3 & 5- Julie Kushnir (Manager Community Experience & Relationships) 4: Michelle Dagger (Team Leader Events, Place Activation and Curation) & Simon McGuinness (Team Leader Safety & Wellbeing) (in consultation with Security) 	<ol style="list-style-type: none"> 1: 01/12/2021; 2&3: 31/12/2021; 4: 30/06/2021 5: 31/04/2022 	4. 31/04/2022	Definitions complete. Roles and responsibility allocation complete. Business rule developed to identify when Events Team either manages event, or takes on responsibility for infrastructure, not content. 1 2 & 3 complete. 4 & 5 to be identified in consultation with WHS officer.	Not Due Yet		No

Item 7.1.3 - Attachment 1 - Audit Log Register 16 Feb 2022

0 #	Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Administration's Further Comments	Status	Audit Comment as at 16/02/2022	Resolved
4	29-Jun-21	10. Event Incident Management Framework	3_Medium	A need to ensure incidents and hazards have been appropriately 'closed off' in SkyTrust	6. Review the monitoring and escalation processes for incidents and hazards recorded in SkyTrust to ensure that hazards and incidents remain open until remedial actions have been confirmed as complete.	1. Review the PR014 – Hazard Management Procedure to ensure that hazard reports are not closed until the responsible manager or delegate has verified that the hazard has been effectively controlled. 2. Review the PR007 – Accident/Incident Investigation & Reporting Procedure to ensure that the following matters are explicitly addressed: • The purpose of an incident report (to notify relevant persons within the organisation of the occurrence of an incident and of the immediate actions taken to make the situation safe). • The purpose of an incident investigation (to evaluate evidence for the purpose of identifying causal factors and to identify suitable controls to prevent recurrence and/or mitigate risk to within acceptable tolerance (refer WHS risk score matrix and descriptors). • The close off of an incident investigation may occur regardless of whether all actions arising have been completed, provided that interim controls have been verified as effective in mitigating imminent or potential future risk to within acceptable tolerance (refer WHS risk score matrix and descriptors).	Simon McGuinness (Team Leader Safety & Wellbeing)	30/10/2021			Closed		Yes
5	29-Jun-21	10. Event Incident Management Framework	4_Low	Opportunity to review and refine the risk assessment template	7. Perform a review of the risk assessment template (involving key stakeholders from the WHS, operations, HUB security and events teams), with a view to simplifying the document. Specifically, the risk of insufficient resourcing should be addressed as part of the risk assessment process and be included in the template to prompt consideration. Following this review, determine and record a required next review date for the template.	Agreed. To address the recommendation, the following Action Plan will be implemented A - Complete the revision of the risk assessment template. B - Develop a 1-2 page risk assessment checklist. C - Develop a scalable risk assessment or other event source material that informs of relevant risk controls measures to support the risk assessment checklist.	Nick Cross (Senior WHS Advisor)	31/12/2021	28/02/2022	A. Completion of the Event Safety Handbook in lieu of revising the old risk assessment template is mostly complete. I anticipate having this finished by mid February. The handbook forms the basis of lookup for the event safety checklist. B. The 1-2 page checklist is created after the Handbook index is completed. It's a relatively simple exercise, however it intends to accurately reference the handbook – whereby both documents need to match. C. This is accomplished by virtue of the two items above. i.e. A person will tick against listed items on the checklist that relate to the event. In that manner its scalable. The person then refers to the ticked checklist requirements in order to manage the risk.	Extended		
6	29-Jun-21	10. Event Incident Management Framework	5_Better Practice	Opportunity to involve risk staff in post-event evaluations	8. A WHS Team representative is invited to post-event meetings for all events	Process established now for event lead to ask all staff/volunteers who have taken part in the event to provide their feedback of the event via email and include their issues faced and recommendations for future years. Some events, a conversation with the WHS team will be required if any issues have arisen.	Michelle Dagger (Team Leader Events, Place Activation and Curation) & Nick Cross (Senior WHS Advisor)	22/06/2021			Closed		Yes

Item 7.1.3 - Attachment 1 - Audit Log Register 16 Feb 2022

Report Date	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Administration's Further Comments	Status	Audit Comment as at 16/02/2022	Resolved
23-Sep-21	11. Volunteer Management Audit	3_Medium	Volunteer Safety Handbook	As a better practice control measure, it is advisable that COS prioritise the development of a comprehensive Volunteer Safety Handbook to meet the core components of the WHS Induction and Training Procedure detailed below: •Provide WHS information, training and instruction in a way that is readily understandable to any person whom it is provided •Provide workers with information, instruction and training that is necessary to protect persons from risk to health and safety having regard to their role	Actions proposed include sourcing funding and an external consultant to develop an accessible easy-English Volunteer Health and Safety Handbook that complies with WHS requirements	Vesna Harnic (Manager Community Health and Wellbeing) Michelle Hodshon (Volunteer Development Officer)	30/06/2022			New		No
23-Sep-21	11. Volunteer Management Audit	4_Low	Volunteer Interview Process & Recordkeeping	Given that interview process is an essential process to determine suitability of volunteers for the role, it is recommended that administration takes extra measures to ensure evidences of interview are provided by relevant Volunteer Coordinators in a timely manner and prior to volunteer registration in VMS, then stored in COS's record management system.	Management agrees that the interview is a critical element to volunteer onboarding. It notes all staff with volunteer management responsibilities are provided training in councils volunteer management requirements including the need to undertake an interview and that the supporting documentation be forwarded to Volunteer Services as a part of the registration process. Action proposed is that Volunteer Services staff must have received interview notes, that meet the required standard, to register a person as a volunteer with the organisation, and, the interviewing staff must provide the interview notes to Volunteer Services staff to store in Dataworks for record-keeping purposes.	Michelle Hodshon, (Volunteer Development Officer)	30/03/2022			New		No
23-Sep-21	11. Volunteer Management Audit	4_Low	Volunteer Exit Process & Recordkeeping	1 COS should review its current volunteer feedback process and ensure that exiting volunteers are reached through appropriate mechanisms to get timely feedback. 2.Ensure the reasons for volunteer exiting is determined and captured in a timely manner to ensure fairness in the volunteer exit process and that volunteer exiting occurs as per volunteer management policy.	Actions proposed are to update the Volunteer Management Guidelines noting timeframe and resignation reasons are factors attributable to determining the distribution of an exit survey, and, staff with volunteer management responsibilities are reminded to immediately communicate the resignation of a volunteer, and the reason, if known, so an exit survey can be forwarded to the volunteer in a timely manner and reason recorded in the Volunteer Management System and Dataworks.	Michelle Hodshon, (Volunteer Development Officer)	30/03/2022			New		No
23-Sep-21	11. Volunteer Management Audit	4_Low	Update Volunteer Management Corporate Guideline	It is recommended to develop a comprehensive Volunteer Management Manual or review and update the Volunteer Management Corporate Guideline with relevant version control details covering the full end to end volunteer management process, and ensure that the information held on intranet is consistent with the manual or guidelines.	Action proposed is the Volunteer Management Guidelines be reviewed, updated and version control requirements detailed.	Michelle Hodshon, (Volunteer Development Officer)	30/03/2022			New		No

Item 7.1.3 - Attachment 1 - Audit Log Register 16 Feb 2022

Background

In August 2020, BlueSphere Environmental completed an *Internal Audit of Systems and Controls Relating to Contaminated Sites* for the City of Salisbury. This report was provided as an attachment to a report to the Audit Committee on 10 November 2020. Since then, work in this area has been undertaken to address the recommendations provided in the report.

One of the key recommendations was to set out proposed steps for establishing *“An integrated approach across all Council departments to ensure appropriate management of risks with regard to contamination of land and water”*.

The majority of Council’s ‘risk’ responsibility related to contaminated sites is governed by the ‘General Duty of Care’ under the Environment Protection Act. This means Council is expected to take all reasonable (and defensible) actions with the resources available.

Salisbury Water follow a highly prescribed process in line with National Guidelines for a risk-based assessment, before incorporation into the Managed Aquifer Recharge (MAR) Risk Management Plan which is then consulted with the EPA. Key elements of the Risk Management Plan are then incorporated as Licence conditions and become part of the ongoing Compliance Monitoring and Reporting program.

Council also has a Contaminated Site Register with a site based Risk Register.

These two risk based approaches are to be merged into one Integrated Risk Assessment Plan for Contamination of Land and Water.

As Council already has suitable sampling stations in place, it is expected that the first phase sampling and risk assessment can be done relatively cheaply by utilising Salisbury Water’s Catchment Use - Risk Assessment and their comprehensive suite of possible pollutants and having all of these potential pollutants tested from samples taken from the existing sampling stations. This will provide the base-line data for determining further management actions.

Action Plan

The timing for the following tasks has been set out in order to allow the work to be undertaken to establish the new integrated approach/system within the 5 yearly timeframe and align with already established regular screening tests by Salisbury Water and Council’s stormwater monitoring sites.

Salisbury Water already has existing sampling sites in the middle of catchments that are regularly monitored. City Infrastructure has composite sampling equipment, top and bottom of the waterways of the catchments (Adam’s Creek, Little Para and Dry Creek). It is proposed that baseline sampling will be undertaken at the existing locations initially, therefore no additional hardware or sampling sites will be required. Following receipt and analysis of the sampling data, additional sampling locations may be required following discussion of the findings with the EPA.

Integrated Framework for Risk Management of Pollutants in Waterways and Associated Council Contaminated Sites

Task No	Task Description	Resources Required	Timing
1	Review historical land use within the catchments of City of Salisbury. A comprehensive report has been prepared previously by a consultant so an internal review to update this is proposed in order to reduce expenditure.	Reviewed internally – Estimated time – 0.2 FTE (from existing budget)	During 2022 (Feb to June)
2a	Investigate data management and analysis systems/software requirements and available suitable products	Internal	1 st Half 2022
2b	Purchase and set-up a suitable software package to store, analyse and present data from sampling across the City.	Approximately \$50K to purchase and \$40K per year for licensing and support	2 nd Half 2022
3	Sample and test water from waterways and Salisbury Water injection sites to screen for a wide variety of analytes to establish a baseline	Salisbury Water – already included in budget (no additional cost) City Infrastructure - \$50K	June – Nov. 2023
4	Review the baseline data collected to identify risks	Internal review and data analysis Estimated resourcing – 0.2 FTE (from existing budget)	Oct 2023 – June 2024
5	Revise and update the contaminated sites register. A review of the register was undertaken during 2021, however including new/additional information and sites to keep the register current is an ongoing task. This will also be an internal review, as part of the newly established review procedure for the register.	Undertaken internally – Estimated resourcing – 0.2 FTE (from existing budget)	2 nd half 2023
6	Discuss identified risks (determined from data obtained) with EPA to highlight priorities within the catchments and the City of Salisbury area.	Internal resources, within existing budgets	Mid 2024
7	Undertake additional sampling and analysis to refine data regarding identified key contaminants.	Will depend on findings. Allowance of up to \$100K	Late 2024 - 2025

Task No	Task Description	Resources Required	Timing
8	Prepare Integrated Framework document, based on catchment information and contaminant data obtained. Risk management plans, including monitoring programs/plans for key areas or sites to be prepared as outworkings of the integrated framework.	Consultants engaged to prepare Integrated Framework document and risk management plans - \$150K	Mid 2025 – early 2026
9	Assessment undertaken to determine required resources in the year 2025 and following to maintain the integrated contaminated management system.	Internal Report to Executive and subsequent update of Strategic Asset Management Plan	2025
10	Feedback and refinement prior to the next round of sampling and analysis.	Internal resources	Mid 2026

The integrated approach outlined above will also address another key recommendation from the audit, that being the need to move towards a contaminant-based approach rather than site-based, which will be an EPA requirement over the next 5 years.

The acquisition of a software package to enable the uploading of laboratory results as well as searching and analysis tools to support the easy production of graphs and GIS map layers will be key to understanding water quality risks and tracking movements of contaminants with the catchments.

The majority of the tasks outlined in this action plan will be undertaken or coordinated by the Senior Civil Environmental Engineer (Natural Assets, City Infrastructure), working closely with Salisbury Water Operations Coordinator. The work is estimated to require approximately 2 days per week (0.4 FTE) for the initial period 2022 – 2024, to be accommodated in existing budgets.

Salisbury Water currently undertakes a screening of surface waters across the City at five yearly intervals, for a suite of contaminants that are determined by the assessment of catchment current/historical usage. The action plan outlined above includes steps to expand the current monitoring, in terms of both analytes and sampling locations. This will provide additional data and improve the understanding of contamination issues across the City, to ensure a proactive, risk based approach to Contaminated Land and Water Management, particularly given the Major Historical Infrastructure works undertaken across the City, including St Kilda, Para Hills, Little Para, Dry Creek, sites, some of which continue to be active sites to monitor.

Through establishing the Integrated Risk Assessment Framework and the software to support the capture and analysis of data, additional water management data from other regular monitoring will be able to be incorporated into the same system to assist with the anticipation of potential operational and maintenance issues (ie algal blooms).

Contamination within the soil and waters (both groundwater and surface water) of the City of Salisbury will continue to require monitoring and management into the future, as well as investigation and remedial action at times. These ongoing actions are best managed by having a Risk Management Plan (RMP) with specific accountability assigned.

ITEM	7.1.4 AUDIT AND RISK COMMITTEE
DATE	16 February 2022
HEADING	Risk Management and Internal Controls Activities
AUTHOR	Hussain Rafeeu, Internal Auditor & Risk Coordinator, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	<p>This report provides an update on the risk management and internal controls activities undertaken (or planned) for 2021/2022.</p> <p>The Enterprise Risk Management (ERM) Roadmap with agreed timelines to accomplish key milestone deliverables was reported to Audit & Risk Committee in November 2021.</p> <p>The focus during this quarter has been primarily on ERM Roadmap deliverables. The ERP Roadmap deliverables are progressing within their agreed timelines.</p>

RECOMMENDATION

That Council:

1. Notes the update on Risk Management and Internal Controls Activities for 2021/2022 since the 9th November 2021 Audit & Risk Committee meeting, as set out in Attachment 1 to this report (Audit & Risk Committee, 16/02/2022, Item No.7.1.4).
2. Notes the Strategic Risk Register as set out in Attachment 2 to this report (Audit & Risk Committee, 16/02/2022, Item No.7.1.4).

ATTACHMENTS

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

1. Update on Risk Management and Internal Controls Activities for 2021/2022
2. Strategic Risk Register 2021/2022

1. BACKGROUND

- 1.1 This report provides an update on the risk management and internal controls activities undertaken (or planned) for 2021/2022. The report allows the Audit and Risk Committee to monitor and review the activities and assurance they provide.

2. REPORT

- 2.1 The risk management and internal control activities planned for the year 2021/2022 are summarised in Attachment 1, which is updated to the Audit and Risk Committee on an ongoing basis.
- 2.2 **Financial Internal Controls:** The Local Government Best Practice Financial Controls Model is used to ensure financial controls are adequately covered, and this is managed through Control Track. The self-assessment for this year is to commence in April 2022.
- 2.3 **Audit & Risk Committee Performance Assessment:** The self-assessment is scheduled to take place in February/March 2022 and the results will be reported to the Audit & Risk Committee in April 2022. The assessment survey questionnaire is included in the Audit & Risk Committee 16/02/2022, Item no. 7.1.5 for review and endorsement before being circulated for survey assessment.
- 2.4 **Emergency Management Project:** The City's Emergency Management Project Coordinator is undertaking the project, and so far, the Emergency Management Policy and Emergency Management Plan have been adopted, and the Incident Operations Manual has been drafted. These documentations cover the key processes to be followed in emergency management, and full-fledged implementation of emergency management is ongoing as per these policies and procedures.
- 2.5 **Enterprise Risk Management (ERM) Roadmap:** An ERM Roadmap was developed and approved by Council in November 2021, covering specific deliverables to ensure effective risk management. The project deliverables are progressing as per the roadmap timelines, and will be reported to the Audit and Risk Committee in April 2022.
- 2.6 The **Strategic Risk Register** is updated, highlighting all new additions in red text and striking through text that has become obsolete. The main areas of change are in the risk treatment owners and risk monitor and control timelines. There are no changes noted in the risk ratings, as no further risk assessments took place during this period.

3. CONCLUSION / PROPOSAL

- 3.1 This report has provided a summary of the risk management and internal controls activities undertaken and planned for 2021/2022, since the last Audit and Risk Committee meeting.

Risk Management and Internal Controls Activities – July 2021 to June 2022

v1.4

Annual Plan - July 2021 to June 2022					
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
1. 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 for FY2020/2021 was delivered at the October 2021 meeting of the Audit & Risk Committee.
2. 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.	The next round of control self-assessments is scheduled to commence in April 2022.
3. 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 2021 for the 2020/2021 period to substantiate the information to be contained within the Annual Financial Statements. A memo to the GM Business Excellence was prepared. No issues were identified.

Risk Management and Internal Controls Activities – July 2021 to June 2022

v1.4

Annual Plan - July 2021 to June 2022					
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
4. Report on the findings of the Audit & Risk Committee self-assessments	Internal Controls	Internal	Not yet commenced	The annual self-assessment reviews the performance of the Audit & Risk Committee.	Survey to commence in Feb/March 2022 and outcome to be reported to Audit & Risk Committee and Council in April 2022.
5. Review the Fraud and Corruption Prevention Strategy	Internal Controls	Internal	Completed	The Fraud and Corruption Prevention Strategy was reviewed and replaced with a Policy and a Framework.	The Fraud and Corruption Policy was adopted by Council in February 2021 and the Fraud and Corruption Prevention and Management Framework was approved by the Executive Group in July 2021.
6. Emergency Management Project	Risk Management	Internal	In progress	Develop, implement and review the Emergency Management Framework, including the development of tools, plans and instructional guides. Provide an integrated model of emergency management for City of Salisbury, with assigned roles & responsibilities	The Emergency Management Policy and Emergency Management Plan have been endorsed. The Incident Operations Framework has been drafted. The project has been substantially completed from a design and documentation point of view.

Risk Management and Internal Controls Activities – July 2021 to June 2022

v1.4

Annual Plan - July 2021 to June 2022					
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
7. 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.	Business Impact Assessments have been completed for all critical and non-critical functions. BCP will be finalised for all functions during the 2021/22 financial year.
8. 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.	An Enterprise Risk Management (ERM) Policy has been endorsed, and an update report on the ERM Program Roadmap was presented at the November 2021 meeting of the Audit & Risk Committee. The ERM Framework document is to be developed under this ERM Program Road Map and action owners and timelines have been agreed, to be completed by March 2022.
9. ERM Program Roadmap	Risk Management	Internal	In progress	Following the development of an ERM Policy, it was decided that a Road Map is developed to ensure effective implementation is monitored as per an agreed plan.	The ERM Program Road Map has been developed.

Risk Management and Internal Controls Activities – July 2021 to June 2022

v1.4

Annual Plan - July 2021 to June 2022					
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
10. ERM Roadmap Deliverable – Assurance Map	Risk Management	Internal	In progress	CEO asked to prepare an overall Assurance Map for the City of Salisbury to determine where we are in terms of assurance. Audit & Risk Committee has also asked for a brief on this as was agreed as an action item.	The Internal Auditor & Risk Coordinator has researched models or frameworks to use for this map and identified that IIA recommends to use their Three Lines Model as a better practice model for assurance mapping, which is also used in LGASA Financial Better Practice Model. In other local government councils, this model has been used. The Assurance Map is being developed using IIA Three Lines Model as the base model, with a target completion deadline by 30 Mar 2022.
11. ERM Roadmap Deliverable – Operational Risk Registers for all Divisions	Risk Management	Internal	In progress	As part of the ERM Program Road Map deliverable.	The Internal Auditor & Risk Coordinator has performed an operational risk register gap analysis for all divisions, as part of the ERM Road Map. The Operational Risk Register template is being reviewed as part of the operational register standardisation process and will be implemented within the ERM timelines.

CITY OF SALISBURY STRATEGIC RISK REGISTER																
Step 1: Risk Identification				Step 2: Risk Assessment			Step 3: Risk Response & Treatment - Mitigation Controls				Step 4: Control Evaluation			Step 5: Risk Monitor & Control (blank if none required)		
Risk Type	Risk Category	Risk Description	Risk Owner	Causes	Inherent Risk			Controls Description	Residual Risk			Current Status	Further treatment required (if residual risk rating is not acceptable)	Treatment Owner	Target Completion	
					Consequence	Likelihood	Inherent Risk		Consequence	Likelihood	Residual Risk					
Strategic	A welcoming and liveable City	<p>Inadequate response to a business continuity or emergency event, or major incident at a Council run Community event.</p> <p>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).</p> <p>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." "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.</p> <p>Impacts: Service delivery to community severely compromised, reputational damage, loss of morale and resources, compromised regulatory decisions, death/critical injury of staff and/or public, financial costs to rectify, legal cost of failure to prevent a health and safety incident, regulatory or Government censure.</p>	CEO, All General Managers	<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 COVID-19 pandemic 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 	Catastrophic	Almost Certain	Very High	<ul style="list-style-type: none"> Current and maintained Business Continuity Framework (including Plans and testing regime), 4 Business Continuity staff identified and trained on roles and responsibilities, 3 Incident Management Team identified and trained, 4 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, 5 Distribution and maintenance of effective VPN network access to all relevant staff, 5 Effective and regularly reviewed COVID action plans, 5 Building Control and Inspections, 4 Evacuation procedures and testing, 4 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 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 Training of all potential event owners on risk identification and due diligence assessment, 4 Formal information exchange between City Infrastructure bookings and Events Team to identify community events involving CoS assets, 4 	Moderate	Possible	High	At Tolerance	<ol style="list-style-type: none"> Develop and deliver training on business continuity to relevant staff. Delivery of Emergency Management Project 	Manager Governance	<p>1. 30 June 2021 - 30 Mar 2022</p> <p>2. 30 June 2021 - 30 June 2022, completed with exception of actions pending</p>	
Strategic	A sustainable City	<p>Contamination of the recycled water systems</p> <p>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.</p> <p>Impacts: 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.</p>	GM Business Excellence, GM City Infrastructure	<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 	Catastrophic	Possible	High	<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: 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 	Major	Unlikely	Medium	Below Tolerance	<ol style="list-style-type: none"> Implementation of relevant findings from the Management of Contaminated Sites Audit 	<p>Manager Salisbury Water</p> <p>Manager Infrastructure Management</p>	<p>1. Various. C within the Log Action timelir</p>	

CITY OF SALISBURY STRATEGIC RISK REGISTER																		
Step 1: Risk Identification					Step 2: Risk Assessment			Step 3: Risk Response & Treatment - Mitigation Controls				Step 4: Control Evaluation		Step 5: Risk Monitor & Control (blank if none required)				
Risk Type	Risk Category	Risk Description	Risk Owner	Causes	Inherent Risk			Controls				Residual Risk			Current Status	Further treatment required (if residual risk rating is not acceptable)	Treatment Owner	Target Completion
					Consequence	Likelihood	Inherent Risk	Description				Consequence	Likelihood	Residual Risk				
Strategic	A welcoming and liveable City	<p>Lack of management of public and environmental health risks</p> <p>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).</p> <p>Impacts: 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.</p>	GM City Development	<ul style="list-style-type: none"> Inadequate management, monitoring or testing Failure to respond appropriately in the event of an incident Animal/vermin infestation Noxious plants Failure of waste disposal contractor to meet contractual obligations. 	Major	Likely	High	<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 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 Accurate completion of Food Safety Audit Report Questionnaire, 4 Accurate completion of Food Safety Inspection Checklists, 4 Provision of all Food Safety Inspection documentation to relevant business Proprietors, 4 	Major	Possible	High	At Tolerance						
Strategic	A sustainable City	<p>Failure to manage the impact of environmental and social factors on Council infrastructure, assets and services</p> <p>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.</p> <p>Impact: 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.</p>	GM City Infrastructure, GM Community Development	<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 	Major	Possible	High	<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 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 & Intracultural Strategy, 4 Social Infrastructure Assessment Framework, 3 Planning controls, 4 Strategic Land Review, 5 Flood mapping is updated periodically and communicated as necessary and is incorporated into the development plan process, 4 	Moderate	Unlikely	Medium	Below Tolerance	<ol style="list-style-type: none"> Development of a Sustainability Plan. Delivery of Emergency Management Project (including review of Emergency Management Plan) 	GM City Development Manager Governance	<ol style="list-style-type: none"> 30-June-28 Feb 30-June-comple 			

CITY OF SALISBURY STRATEGIC RISK REGISTER															
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					Consequence	Likelihood	Inherent Risk		Consequence	Likelihood	Residual Risk				
Strategic	Innovation and Business Development	<p>City of Salisbury financial sustainability is compromised by internal decisions and / or external events.</p> <p>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. CoS fails to identify opportunities for alternative sources of revenue. Insufficient budgeting for the completion of the strategic plan.</p> <p>Impacts: 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</p>	GM Business Excellence, GM City Infrastructure, GM City Development	<ul style="list-style-type: none"> Insufficient or 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 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 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 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 	Major	Likely	High	<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 (subject of an internal audit in November 2022) Review of Financial information by the Budget & Finance Committee, 4 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 	Major	Unlikely	Medium	Below Tolerance	<ol style="list-style-type: none"> Implementation of relevant findings from the Asset Management audit report Implementation of the findings from the Grants Management Audit (scheduled for November 2022) Implementation of the Project Management Methodology 	<ol style="list-style-type: none"> 1. Manager Infrastructure Management and Manager Property & Buildings TBD GM City Infrastructure 	<ol style="list-style-type: none"> 1. Various - track, monitor separately the Audit Action Register N/A - At undertaking 31-May completed - implement new CA Delivery Framework
Strategic	All City Plan directions	<p>Ineffective governance results in the provision of services which do not meet community expectations.</p> <p>Inadequate decision making. Failure to integrate governance to enable the meeting of strategic objectives.</p> <p>Impacts: Organisational performance is not adequately measured and therefore cannot be managed, organisational plans and strategies are not achieved, organisational resources are not used effectively, organisational plans and strategies are not valued or desired by the community, organisational plans and strategies are not delivered in a way that is consistent with the organisational values, lack of customer / community engagement, lack of employee engagement and commitment to City objectives, poor customer service, council lacks a coherent direction, failure to meet legislative obligations, not meeting community needs, reputational damage, poor organisational performance, negative impact on staff health and wellbeing.</p>	CEO, All General Managers	<ul style="list-style-type: none"> Inadequate performance measures which are not linked to objectives or strategies Failure to consistently conduct Post Implementation Reviews and measure benefits realisation 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 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 Insufficient prioritisation of projects and resource scoping Projects approved are not consistent with the strategic direction of CoS 	Major	Likely	High	<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 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 Regular performance of CEO Review via CEO Review Committee, 4 Governance Framework and Statement, 3 Delivery of IT support through BSS division, 4 Regularly reviewed and communicated Delegations Register, 5 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 	Moderate	Unlikely	Medium	At Tolerance	<ol style="list-style-type: none"> Resourcing Plan Major Project (2 Year) Timely Completion of relevant agreed actions arising out of Internal Audits Implementation of the Project Management Methodology Review the Governance Framework and Statement 	<ol style="list-style-type: none"> General Managers Various GM City Infrastructure Manager Governance 	<ol style="list-style-type: none"> 30-June - Due to change Executive N deadline re 30 Jun 2022 Various - follow separately Audit Log Register 31-May completed - implement new CA Delivery Framework 31-July-28 to change staff & restructure deadline m 31 Mar 2022

CITY OF SALISBURY STRATEGIC RISK REGISTER															
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Risk Type	Risk Category	Risk Description	Risk Owner	Causes	Inherent Risk			Controls	Residual Risk			Current Status	Further treatment required (if residual risk rating is not acceptable)	Treatment Owner	Target Completion
					Consequence	Likelihood	Inherent Risk		Consequence	Likelihood	Residual Risk				
Strategic	Innovation and Business Development	<p>Immature and inadequate work health safety policies and procedures result in an unsafe working environment</p> <p>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.</p> <p>Impacts: 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.</p>	The Executive Group, Elected Members	<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 	Catastrophic	Likely	Very High	<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 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, 3 	Major	Unlikely	Medium	At Tolerance	<ul style="list-style-type: none"> 1. Training to be provided on WHS Procedures 2. Implementation of the DuPont Survey Completed: Replaced with COS Safety Survey 	Manager People & Culture	<ul style="list-style-type: none"> 1. Ongoing 2. 30 June 2022 (complete)
Strategic	Innovation and Business Development	<p>Lack of alignment and integrity of IT systems and data to support service delivery</p> <p>Information management systems are not integrated resulting in ineffective business processes. Ineffective data management results in poor reporting and decision making due to insufficient data collection and storage. Ineffective IT security leaves the organisation vulnerable to cyber attacks. Failure to keep pace with cyber changes.</p> <p>Impacts: Organisational plans and strategies are not achieved due to a lack of IT support or infrastructure; organisational disruption; financial loss; data theft; data fraud; breach of legislation; 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.</p>	GM Business Excellence	<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 Cyber attack (Unauthorised access/network intrusion, denial of service, vulnerability exploitation, malware, social engineering, hacking, phishing, ransomware) Business Continuity / Disaster Recovery Plans not tested or properly documented Mobile device management with the potential for a lost or stolen device being used to access Council systems Lack of auditing and logging functions to capture events 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 Staff fraud 	Major	Likely	High	<ul style="list-style-type: none"> IT Governance Framework, 3 Programmed testing of systems for security and reliability, 4 Penetration testing, 4 Compliance with Information Security Policies and Procedures, 4 Continuous Improvement Framework, 4 Documented and tested IT Disaster Recovery Plan, 3 Documented and tested 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 Audit logs for access to systems, 4 Documented and embedded Fraud & Corruption Prevention & Management Policy and Framework, 3 Documented and implemented Cyber Security Program, 3 	Moderate	Possible	High	Below Tolerance	<ul style="list-style-type: none"> 1. Delivery of relevant aspects of the Smart Salisbury governance structure 2. Implementation of Cyber Security Program 3. Development and implementation of the Smart Salisbury Framework, including the Digital Strategy 4. Implementation of IT roadmap 5. Council approval of Fraud & Corruption Prevention & Management Framework 6. Training provided on Fraud & Corruption Prevention and Management policy and framework 7. Executive Group approval of Disaster Recovery Plan 	1,3 - Director Business Transformation 5. & 6. Manager Governance 7. Manager Business Systems & Solutions 2,4&7 - Manager Business Systems & Solutions	<ul style="list-style-type: none"> 1. 7 May 2022 (in prog) 2. 30 June 2022 (in prog) 3. 28 May 2022 (in prog) 4. 30 June 2022 (in prog) 5. 31 July 2022 (complete) 6. 30 Sept 2022 (complete) 7. 31 May 2022 (complete)

CITY OF SALISBURY STRATEGIC RISK REGISTER															
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Risk Type	Risk Category	Risk Description	Risk Owner	Causes	Inherent Risk			Controls Description	Residual Risk			Current Status	Further treatment required (if residual risk rating is not acceptable)	Treatment Owner	Target Completion
					Consequence	Likelihood	Inherent Risk		Consequence	Likelihood	Residual Risk				
Strategic	A sustainable City	<p>Climate Change negatively impacts on City of Salisbury's operations, infrastructure, services and the community. Failure to adapt to climate change.</p> <p>Manifestations of climate change include higher temperatures, altered rainfall patterns, and more frequent or intense extreme events such as heatwaves, drought and storms.</p> <p>Impacts: increased demands for services, service delivery to community is compromised, reduced ability to raise income, financial cost of dealing with the consequences of frequent freak weather related events, long term impact on infrastructure, its maintenance and replacement, failure to adapt to a changing external environment resulting in some services becoming irrelevant or insufficient, organisational plans and strategies are not achieved or delivered in a way that is consistent with our values, not meeting community needs, reputational damage.</p> <p>Increased incidence of death and serious illness, especially the elderly.</p> <p>Decreased water quality, impacts on rivers and wetlands ecosystems.</p> <p>Increased damage to foundations.</p> <p>Increased fire danger.</p> <p>Increased flood damage</p> <p>Salt water intrusion into ground water and coastal wetlands, mangroves. Increased coastal flooding.</p>	All General Managers	<ul style="list-style-type: none"> Failure to keep pace with climate change Business plans fail to adequately address evolving impacts of climate change Lack of plans and procedures to inform response strategies when climate change related event occurs Information to facilitate action is insufficient or not available Lack of communication and/or training for relevant staff Impact of climate change on weather patterns (e.g. more heatwaves, decreased precipitation, increased severity of drought, more intense rain and storms, increased mean sea level) Inadequate monitoring plans and testing of recycled water systems Weather events contribute to a recycled water system contamination event Lack of asset management or maintenance Inadequate understanding of and planning for factors impacting the environment Inadequate understanding of and planning for the impact of climate change on infrastructure and assets Failure to consider environmental consequences when planning and designing infrastructure Insufficient modelling of weather events used within Asset Management Planning Inadequate infrastructure to manage stormwater and sea level rises Coastal inundation and impact on biodiversity Failure to update Asset Management Plans Lack of adequate resourcing for climate and environmental sustainability 	Major	Almost Certain	Very High	<ul style="list-style-type: none"> Current and maintained Business Continuity Framework (including Plans and testing regime), 4 Business Continuity staff identified and trained on roles and responsibilities, 3 Incident Management Team identified and trained, 4 Current and maintained IT Disaster Recovery Plan (including testing regime), 4 Current and maintained Emergency Management Plan, 4 Participation in Zone Emergency Management Committees - Northern Area, 5 Salisbury Water Business Unit - Recycled Water Risk-Based Management Plan including sample testing before water injections are commenced, 4 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 (24/7 support including after hours), 4 Implementation of the Water Course Management Plan including the renewal of Wetlands and desilting/removal of pollutants in waterways as required, 4 Building Control and Inspections, 4 Evacuation procedures and testing, 4 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 Effective undergrowth management procedures, 5 Asset Management infrastructure audits, 5 Adapting Northern Adelaide Adaptation Plan, 4 Compliance with Home Care Common Standards - Operating Manual, 5 Reviewed and maintained Learning Strategy, Wellbeing Strategy & Intracultural Strategy, 4 Adequate insurance, 5 	Moderate	Possible	High	Below Tolerance	<ol style="list-style-type: none"> Development of an Environmental and Sustainability Strategy Climate Change Governance and Physical Risk Assessment Implementation of Adaptation Plan - Adapting Northern Adelaide Develop and deliver training on business continuity to relevant staff. 	(1 - 3.) GM City Development 4. Manager Governance	<p>1-30 June</p> <p>2- Gov Asses 31-May; Physia Assesmt June-21</p> <p>1-2: 28 Feb</p> <p>3. Ongoing - reviewed two ye</p> <p>4. 30 June - 31 Mar ;</p>
Strategic	A growing City that creates new opportunities	<p>City of Salisbury reputation suffers due to services provided not meeting community needs and expectations, resulting in a reduction in business investment.</p> <p>Impacts: Loss of community trust in Council; Negative media reporting; increased customer complaints; negative impact on staff health and wellbeing; loss of investment opportunity; failure to attract investment from the private sector; negative impact on the City of Salisbury brand.</p>	All General Managers	<ul style="list-style-type: none"> Elected Member cohesion Lack of or ineffective community consultation and engagement Increased regulatory activity Failure to undertake legislative requirements Government inquiry Negative media interest Staff dissatisfaction Poor performance Failure to deliver successful projects Failure to deliver services expected by the community Customer service is not properly monitored or managed Not meeting strategic objectives Inadequate capability and capacity (e.g. workforce plans, training and development, technology, systems) Inadequate business advisory services Insufficient investment opportunities for business Infrastructure fails to support investment and business activity Poorly planned urban growth 	Moderate	Likely	High	<ul style="list-style-type: none"> Relevant training provided to Elected Members (e.g. Chairing meetings and Meeting Procedures), 4 Communicated and embedded Employee Code of Conduct, 5 Documented and embedded Employee Conduct Policy, 4 Media Policy, 4 Positive relationships fostered with media and Salisbury Business Association, 4 Embedded organisational values, 4 Documented People & Culture policies and procedures, 4 Employee induction procedures, 4 Documented and embedded Volunteers Policy, 4 Documented Community Consultation Policy, 4 Community Perception Survey, 4 Effective and comprehensive Community Consultation Process, 4 Comprehensive budget process, 4 Provision of general business information and expert advice at Polaris Business and Innovation Centre, 4 Cost effective business related workshops and seminars, 4 Small Business Mentoring Program, 4 Provision of online resources for starting a business, growing a business and developing digital in business, 4 Investment attraction via Invest in Salisbury website, 3 Salisbury Community Hub as a stimulus to investment, 5 Positive relationships fostered and maintained with local business leaders and relevant State Government teams, 5 Effective Small Business Friendly Council initiatives, 4 Polaris Centre Client Satisfaction Scorecard conducted by new focus, 4 	Moderate	Unlikely	Medium	At Tolerance	1. Salisbury City Centre / John Street upgrade	1. GM City Development	1. Late 2022 to be determ

Item 7.1.4 - Attachment 2 - Strategic Risk Register 2021/2022

ITEM	7.1.5
	AUDIT AND RISK COMMITTEE
DATE	16 February 2022
HEADING	Audit & Risk Committee Performance Self-Assessment
AUTHOR	Hussain Rafeeu, Internal Auditor & Risk Coordinator, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community 4.4 We plan effectively to address community needs and identify new opportunities

SUMMARY Best practice standards suggest that the performance of the Audit and Risk Committee should be reviewed on a regular basis. One method of doing this is through a self-assessment process. This report outlines the proposed methodology for self-assessment of the Audit and Risk Committee and seeks recommendation for Council approval of the assessment process.

RECOMMENDATION

That Council:

1. Approves the self-assessment survey questions, as set out in Attachment 1 to this report (Audit and Risk Committee, 16/02/2022, Item No. 7.1.5) for issuance to members of the Audit and Risk Committee for completion following the February 2022 Council meeting, with results to be collated and presented at the next Audit and Risk Committee meeting.

ATTACHMENTS

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

1. Audit & Risk Committee Survey Questionnaire for 2021

1. BACKGROUND

- 1.1 It is considered best practice to review the performance of an Audit and Risk Committee on a periodic basis. One method of conducting this performance review is through a self-assessment questionnaire, completed by the members of the Audit and Risk Committee.
- 1.2 Self-assessment surveys are an efficient method for conducting the performance review because they can be completed at the convenience of the Audit and Risk Committee members, without the need to arrange or attend any additional meetings or interviews.
- 1.3 It is proposed that the Audit and Risk Committee complete a self-assessment for the period 1 January 2021 to 31 December 2021. A copy of the proposed self-assessment survey questions is provided as Attachment 1 to this report.

- 1.4 The self-assessment was last completed for the period 1 January 2020 to 31 December 2020 following the Council meeting in February 2021, and the results were collated and presented at the April 2021 Audit Committee meeting.

2. REPORT

- 2.1 The focus of the self-assessment is primarily to drive continuous improvement in the performance and effectiveness of the Audit and Risk Committee.
- 2.2 The self-assessment survey questionnaire from last year is updated to reflect the changes as per the current Terms of Reference, and incorporate related industry assessment sample questions. The Audit and Risk Committee survey questionnaire for 2021 in attachment 1 shows the track changes made to the previous self-assessment survey.
- 2.3 It is proposed that the attached self-assessment questionnaire be circulated to members of the Audit and Risk Committee following the February 2022 Council meeting, for completion by 25 March 2022. The questionnaire will be circulated in the form of an online survey. A link to the survey will be provided to Committee members. The results of the survey will be collated and reported back to the Committee at its April 2022 meeting.

3. CONCLUSION / PROPOSAL

- 3.1 The attached self-assessment survey is a useful tool for assessing the performance of the Audit and Risk Committee and identifying areas for improvement.
- 3.2 On the basis that it is good practice to conduct a self-assessment annually, it is proposed that the Audit and Risk Committee recommends to Council approval of the self-assessment process.
- 3.3 The Audit and Risk Committee acknowledges that this self-assessment will be conducted by way of an online survey, with the results disseminated to the Audit and Risk Committee at the next meeting.

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The Audit & Risk Committee (“the Committee”) is established as a Standing Committee within the City of Salisbury Council’s governance framework, pursuant to section 41 of the *Local Government Act 1999*, to perform its functions as per its Terms of Reference (“TOR”). It is an industry best practice for Audit & Risk Committees to undertake a self-assessment on an annual basis.

Please complete this questionnaire based on your views as a member of the Committee. Where a “Strongly Disagree” or “Disagree” rating is provided please include comments/information to clarify your response. Results from the self-assessment questionnaire will be used to identify areas for development/improvement in the operations of the Committee.

Section A – Establishment of the Committee		Rating	Comments / Suggestions for Improvement
1.	The TOR of the Committee provide clear information on the role and functions of the Committee and its oversight responsibilities on behalf of Council.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
2.	The Committee members’ qualities (e.g. financial literacy and skills, understanding of City of Salisbury, <u>commercial and risk acumen</u> , industry and capital markets) as a whole, are <u>sufficient and</u> appropriate to discharge the Committee’s oversight responsibilities on behalf of Council.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
3.	The Committee members demonstrate the highest level of integrity (including maintaining the utmost confidentiality and identifying, disclosing and managing conflicts of interest and acting appropriately where conflicts or interests arise).	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree	

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Audit & Risk Committee Self-Assessment Questionnaire	

Section A – Establishment of the Committee		Rating	Comments / Suggestions for Improvement
		5. Strongly Agree	
4.	New members of the Committee are provided induction information and materials to educate them on City of Salisbury, their responsibilities, and Council’s financial reporting practices.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
<u>5</u>	<u>The Presiding Member of the Committee is well prepared for the meetings and conducts the meetings effectively as required under the legislation and the Committee’s current TOR.</u>	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
<u>6</u>	<u>The other members of the Committee are well prepared for the meetings and perform effectively in the fulfilling their role of the Committee as required under the legislation and the Committee’s current TOR.</u>	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree <u>5.</u> Strongly Agree	

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Audit & Risk Committee Self-Assessment Questionnaire	

Section B – Meetings		Rating	Comments / Suggestions for Improvement
7.	Arrangements for Committee meetings are appropriate (i.e. frequency, time of day, duration, venue, location and format).	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
8.	The Committee ensures that appropriate internal and external stakeholders attend meetings as necessary (e.g. CEO, GM Business Excellence, external audit representative, etc.)?	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
9.	All members of the Committee participate actively and constructively during meetings and work collaboratively with others attending the meeting.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
10.	The written materials (e.g. meeting agendas, reports, minutes and supporting documentation) provided to the Committee are appropriate, relevant, and concise.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Audit & Risk Committee Self-Assessment Questionnaire	

Section B – Meetings		Rating	Comments / Suggestions for Improvement
11.	The written materials provided to the Committee are circulated with sufficient time to allow Committee members to consider the information.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
12.	The meeting procedures and processes in place at the City of Salisbury ensure smooth operation of the Committee.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
13.	The Committee meetings are effective in providing independent assurance and advice to the Council on accounting, financial management, internal controls, risk management and governance matters.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Audit & Risk Committee Self-Assessment Questionnaire	

Section C – Internal Audit		Rating	Comments / Suggestions for Improvement
14.	The Committee appropriately considers internal audit reports, management’s responses, and actions for improvement, and monitors the responsiveness of the Council to recommendations based on previous audits and risk assessments, including those raised by the Council’s Internal Auditor and External Auditor.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
15.	I have direct and unrestricted access to the internal audit function.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
16.	The Committee provides oversight of planning and scoping of the internal audit work plan, and ensure that activities in the internal audit plan address areas of concern and provide assurance to Council.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
17.	The Committee regularly considers the audit plan and makes recommendations.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Section D – External Audit		Rating	Comments / Suggestions for Improvement
18.	I have direct and unrestricted access to the External Auditor.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
19.	I understand the information being presented to me by the External Auditor.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
20.	The Committee discusses significant findings from the financial and internal controls audits with the External Auditor.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
21.	The Committee monitors and oversees the process for appointment of the external auditor in accordance with the <i>Local Government Act 1999</i> .	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Audit & Risk Committee Self-Assessment Questionnaire	

Section E – Financial Oversight		Rating	Comments / Suggestions for Improvement
22.	The Committee assesses whether the annual financial statements reflect appropriate accounting principles.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
23.	The Committee reviews significant accounting and reporting issues, including complex or unusual transactions, highly subjective areas and significant changes in accounting policies and their corresponding impact on the financial statements.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
24.	The Committee reviews the annual financial statements and ensure they present fairly the state of affairs of the Council.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
25.	I am comfortable that the Committee is able to propose and review the exercise of powers under section 130A of the <i>Local Government Act 1999</i> . Namely, the examination of any matter relating to financial management, or the efficiency and economy with which the council management or uses its resources to achieve its objectives.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Audit & Risk Committee Self-Assessment Questionnaire	

Section E – Financial Oversight		Rating	Comments / Suggestions for Improvement
26.	The Committee reviews the City of Salisbury’s key accounting policy positions.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
27.	The Committee receives sufficient information to assess and understand the process for the evaluation of the City of Salisbury’s internal financial controls, and believes that the internal control testing supports its internal control assessment.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
28.	The Committee understands and considers the internal control testing process conducted by the Administration, the internal auditor, and the external auditor to assess the process for detecting internal control issues or fraud. The Committee addresses and monitors significant deficiencies or weaknesses.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
29.	The Committee oversees the action taken by the Administration to resolve repeat comments from auditors, especially when related to internal controls.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Audit & Risk Committee Self-Assessment Questionnaire	

Section E – Financial Oversight		Rating	Comments / Suggestions for Improvement
30.	The Committee reviews adjustments to the financial statements resulting from the external audit.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Section F – Risk Management and Internal Controls		Rating	Comments / Suggestions for Improvement
31.	The Committee is satisfied that there is an effective risk management framework in place at the City of Salisbury.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
32.	The Committee assures itself that the Chief Executive Officer and General Managers take personal responsibility for risk identification and control.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
33.	The Committee understands and discusses issues which present significant risks to the organisation.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
34.	The Committee ensures that the controls are appropriate for achieving the Council’s goals and objectives, safeguarding the Council’s assets and as far as possible maintaining the accuracy and reliability of Council records.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Section F – Risk Management and Internal Controls		Rating	Comments / Suggestions for Improvement
35.	The Committee is satisfied that Council implements and maintains appropriate policies, practices and procedures of internal control.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
36.	The Committee is comfortable that the Council and other committees take into account significant risks which may affect financial reporting.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
37.	The Committee understands and approves the process implemented by the Administration to identify, assess, and respond to risks.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
38.	The Committee understands the Administration’s fraud risk assessment and understands identified fraud risks.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Section G – Oversight of Other Activities		Rating	Comments / Suggestions for Improvement
39.	The system for reviewing outstanding items arising from external or internal audit reports is efficient and effective.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
40.	I am satisfied that the Committee is provided with the opportunity to propose, and provide information relevant to, a review of the Council's strategic management plans, long term financial plan and annual business plan.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
41.	I have satisfied myself that Council is meeting its fiduciary and legislative responsibilities.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	

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Section G – Oversight of Other Activities		Rating	Comments / Suggestions for Improvement
42.	An annual performance assessment of the Committee is conducted and any matters requiring follow-up are resolved.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
43	Reflecting on your level of comfort, how likely are you to offer an opinion different than other board members?	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree	
44	What do you consider the Committee’s greatest strength?		
45	Conversely, in your view what is the Committee’s greatest weakness?		
46.	Any further Comments or Suggestions for Improvement not already covered in the sections above?		