

Notice of Audit & Risk Committee Meeting



MEMBERSHIP

Cr Irena Zagladov (*Presiding Member*)

Cr Rob Unger

Mr Ross Haslam

(*Independent Member*)

Mr Daniel Edgecombe
(*Independent Member*)

Ms Deanne Bear

(*Independent Member*)

NOTICE is given pursuant to Sections 87 and 88 of the Local Government Act 1999 that the next AUDIT & RISK COMMITTEE MEETING will be held in the Civic Centre, 571 Montague Road, Modbury on WEDNESDAY 20 MARCH 2024 commencing at 6.30pm

A copy of the Agenda for the above meeting is supplied.

Members of the community are welcome to attend the meeting or listen and observe minutes via [Council's website](#).

RYAN MCMAHON
CHIEF EXECUTIVE OFFICER

Dated: 15 March 2024

CITY OF TEA TREE GULLY

AUDIT & RISK COMMITTEE MEETING

20 MARCH 2024

AGENDA

1. Opening and Welcome

2. Attendance Record:

- 2.1 Present
- 2.2 Apologies
- 2.3 Record of Officers in Attendance
- 2.4 Record of Number of Persons in the Public Gallery

3. Confirmation of Minutes of the Previous Meeting

That the Minutes of the Audit & Risk Committee Meeting held on 6 December 2023 be confirmed as a true and accurate record of proceedings.

4. Public Forum

Available to the public to address the Committee on policy, strategic matters or items that are currently before the Committee. Total time 20 mins with maximum of 2 mins per speaker. For more information refer to Council's website www.cttg.sa.gov.au

5. Deputations

Requests from the public to address the meeting must be received in writing prior to the meeting and approved by the Presiding Member. For more information refer to Council's website www.cttg.sa.gov.au

6. Presentations

6.1 Presentation - Cyber Security (Internal and External) Scan Internal Audit

Mr Nathaniel Mason, Acting Manager IT Solutions, will present a security update and findings of the Cyber Security (Internal and External) Scan Internal Audit.

6.2 Presentation - Asset Management Plans - Update

Mr Rhyss Cook, Coordinator, Asset Management Planning, will present on the Asset Management Plan renewal process.

Requests to present to the meeting must be received in writing 5 days prior to the meeting and approved by the Presiding Member. For more information refer to Council's website www.cttg.sa.gov.au

7. Petitions - Nil

8. Adjourned Business - Nil

9. Motions Lying on the Table - Nil

10. Management Reports

Office of the Chief Executive Officer

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10.2 Review of Terms of Reference for the Audit and Risk Committee 34

City Operations

10.3 Asset Management Plans - Review Progress 43

Corporate Services - Nil

Community Services - Nil

Strategy & Finance

10.4 Internal Audit Report - Strategic Environmental Management 50

10.5 Tilley Recreation Park Phase 2 Redevelopment Section 48 Prudential
Report 58

11. Motion(s) on Notice - Nil

12.	Motion(s) without Notice	
13.	Question(s) on Notice - Nil	
14.	Questions without Notice	
15.	Information Reports	
15.1	Local Government Reform - Amendments to the Local Government Act 1999	93
15.2	Internal Audit Agreed Actions Update	98
15.3	Fire Prevention 2023-2024 update.....	113
15.4	Second Quarter Budget Review for Financial Year Ending 30 June 2024	117
15.5	Internal Audit Plan Status Update	142
16.	Status Report on Resolutions	
16.1	Status Report on Audit & Risk Committee Resolutions	144
17.	Other Business	
17.1	Key Emerging Risks	
	The Chief Executive Officer will lead an informal discussion regarding key emerging risks with the Audit & Risk Committee.	
18.	Confidential Items - Nil	
	<i>A record must be kept on the grounds that this decision is made.</i>	
19.	Date of Next Ordinary Meeting	
	19 June 2024	
20.	Closure	

Audit & Risk Committee Meeting - 20 March 2024

Internal Audit Report - Corporate Performance Reporting



Record No:	D24/17239
Report of:	Office of the Chief Executive Officer
Responsible Officer:	Alexandra Pukallus, Coordinator, Risk & Audit Ilona Cooper, Manager Corporate Governance Ryan McMahon, Chief Executive Officer

1. Purpose and Summary:

- 1.1 To consider the Corporate Performance Reporting internal audit undertaken by KPMG, including the report findings and agreed actions.

2. Recommendation:

That the Audit & Risk Committee notes the internal audit report for Corporate Performance Reporting and endorses the agreed actions, as detailed in Attachment 1.

3. Background

The Internal Audit Plan for 2023-24 was approved at the 19 July 2023 Audit & Risk Committee meeting. The internal audit plan included an audit of corporate **performance reporting to address the strategic risk ‘Failure to deliver the strategic and organisation plan objectives’**.

The City of Tea Tree Gully (Council) has a Corporate Reporting Framework, supporting Corporate Documents and Framework Procedure and Business Planning and Reporting process to assist with the delivery of our Strategic and Organisation Plans. The Council considers the following documents when undertaking corporate performance reporting:

- Strategic Plan
- Organisation Plan
- Long Term Financial Plan
- Departmental Business Plans and Metrics
- Annual Business Plan and Budget
- Asset Management Plans
- Community Survey
- Chief Executive Officer Key Performance Indicators

There is a large suite of various reporting mechanisms and systems in place to report to management with limited consistency across the organisation. These reporting mechanisms are primarily focused on operational performance and delivery of projects rather than alignment to the strategic plan, which introduces a potential risk of failing to deliver the strategic plan objectives. With the new strategic plan under development, it was considered an ideal opportunity to undertake an audit of this nature, in order to establish an improved approach going forward.

4. Report

4.1 Corporate Performance Reporting Internal Audit Scope

In accordance with the approved Internal Audit Plan 2023-24, Council engaged KPMG to conduct an internal audit of corporate performance reporting activities, processes and management systems, to determine if:

- there are adequate policies and procedures to govern corporate performance reporting including the development and reporting of strategic and departmental business plans
- appropriate systems are in place to capture and support strategic reporting information
- there are established reporting mechanisms to report Council performance against strategic plans and objectives
- reporting is effective, accurate, reliable and timely
- roles and responsibilities for corporate performance reporting are clearly defined and appropriately resourced

- the deliverables identified in the Strategic Plan 2025 cascade down to relevant departments, critical actions and corporate indicators, and are reflected within our corporate documents.

4.2 Summary of Outcomes

The outcome of the audit included a:

- summary of findings and prioritised recommendations aligned to best practice, including rationale
- roadmap and staged implementation plan of works that are aligned to the maturity of the organisation, including:
 - > executive and departmental reporting
 - > Council and community reporting
 - > resource requirements (people, process and platforms).

4.3 Summary of Findings

The six audit findings have been summarised and listed below:

Ref	Description	Risk rating
1	Limited definition of strategic targets and priorities to inform corporate reporting	High
2	Critical departmental measures have not yet been defined to inform reporting	Medium
3	Reports are not structured to enable management to absorb critical information and focus on key issues	Medium
4	Greater definition and understanding of 'what is corporate reporting' is required across the CTTG	Medium
5	Reporting is not coordinated or shared across the organisation	Low
6	Lack of cohesion and confidence in systems and data reporting	Low

5. Implications

Strategic Objectives	<u>Strategic Plan:</u> Aspiration: Leadership Objective 5.5: Decision making is informed, based on evidence and is consistent
	<u>Organisation Plan:</u> Sustainable Operations: We make consistent, informed decisions which are evidence based
	<u>Community Land Management Plan (CLMP):</u> Not applicable
	<u>Policies, strategies & plans:</u> <ul style="list-style-type: none"> Strategic Plan Organisation Plan Annual Business Plan Departmental Business Plans

Financials / Resourcing	The internal audit was undertaken in accordance with the annual budget allocated to ensure delivery of the Internal Audit Plan. The total cost of this audit was \$27,744 (excluding GST).
Legal	There are no legal implications in the consideration of this report.
Risk – Identification and Mitigation	This internal audit addresses strategic risk ‘Failure to deliver the strategic and organisation plan objectives’ and contributes to Council’s risk management process by identifying any potential gaps and improvement opportunities in our current approach to corporate performance reporting. Agreed actions from the findings will work toward mitigating the level of risk to Council in relation to this topic and will ensure our processes and systems are further refined.
Community and Stakeholder Impact and Engagement	Any actions and/or improvement opportunities arising from the internal audit have been agreed with the relevant internal stakeholders. No community engagement has been undertaken in relation to this report.
Access and Inclusion	There are no access or inclusion requirements considered as part of this report.
Environmental	There are no environmental implications in consideration of this report.

6. Internal Report Consultation

The following staff were consulted in preparation of this report:

Name	Position	Consulted about
Ryan McMahon	Chief Executive Officer	Internal Audit Report, Findings and Management Responses
Ilona Cooper	Manager Corporate Governance	Internal Audit Report, Findings and Management Responses
Justin Robbins	General Manager Strategy and Finance	Internal Audit Report, Findings and Management Responses

Attachments

1. [Corporate Performance Reporting - Internal Audit Report - KPMG - March 2024.....](#) 9



Corporate Performance Reporting

Internal Audit Report

City of Tea Tree Gully

—
March 2024

Acknowledgement of Country

KPMG acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia. We pay our respects to Elders past, present, and future as the Traditional Custodians of the land, water and skies of where we work.

At KPMG, our future is one where all Australians are united by a shared, honest, and complete understanding of our past, present, and future. We are committed to making this future a reality. Our story celebrates and acknowledges that the cultures, histories, rights, and voices of Aboriginal and Torres Strait Islander People are heard, understood, respected, and celebrated.

Australia's First Peoples continue to hold distinctive cultural, spiritual, physical and economical relationships with their land, water and skies. We take our obligations to the land and environments in which we operate seriously.

Guided by our purpose to 'Inspire Confidence. Empower Change', we are committed to placing truth-telling, self-determination and cultural safety at the centre of our approach. Driven by our commitment to achieving this, KPMG has implemented mandatory cultural awareness training for all staff as well as our Indigenous Peoples Policy. This sincere and sustained commitment has led to our 2021-2025 Reconciliation Action Plan being acknowledged by Reconciliation Australia as 'Elevate' – our third RAP to receive this highest level of recognition. We continually push ourselves to be more courageous in our actions particularly in advocating for the Uluru Statement from the Heart.

We look forward to making our contribution towards a new future for Aboriginal and Torres Strait Islander peoples so that they can chart a strong future for themselves, their families and communities. We believe we can achieve much more together than we can apart.

*This acknowledgement of country has been developed within KPMG Indigenous Network (KIN) should you wish to modify the wording please reach out for consultation of the KIN. The KIN is a culturally safe and supportive space for Aboriginal and Torres Strait Islander colleagues from all geographies, divisions, and levels of the firm and you can get in touch by emailing smoates@kpmg.com.au

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Executive Summary

As agreed with the City of Tea Tree Gully (CTTG), an internal audit focusing on the Council's corporate performance reporting was performed. The objective of this internal audit was to undertake a review of the CTTG's corporate reporting arrangements, including alignment with the CTTG's corporate strategy and the appropriateness and effectiveness of key processes.

The scope of this internal audit considered:

- Review of relevant documentation to understand and assess the policies and procedures in place that provide governance and direction over the CTTG's corporate performance reporting (including relevant roles & responsibilities).
- Development of a corporate roadmap and implementation plan of performance reporting (KPIs, business information topics). Please refer to page 9 for the detailed roadmap.
- A review of current corporate reporting activities, processes and management systems, including: *Strategy; KPIs; Analytical Techniques and Capabilities; Data, Dimensions and Hierarchies; Visualisations*.
- The accuracy, timeliness and efficiency of the CTTG's reporting processes including data collection and analysis.

Please refer to Appendix 2 for the detailed scope and approach of this engagement.

Overview of Current State

The CTTG Corporate Reporting Framework describes the overall corporate reporting structure at the Council. The Framework outlines the expected integration of the Council's 'Strategic Plan 2025', Organisation Plan and the Annual Business Plans (ABPs) produced by each department. However, the CTTG has not sufficiently defined its strategic objectives to enable clear and measurable targets and metrics to be reported against. This also provides a challenge with the departments themselves developing appropriate targets and measures and also in determining what information should be included within performance reports.

As per the framework, the key initiatives proposed in the ABPs (and supporting 90 day plans) should align with the CTTG's overarching Strategic and Organisational plans. While some alignment is documented in practice, the effectiveness of this is limited as the ABPs and 90 day plans contain a large number of initiatives that are more akin to a 'to do list' and therefore cannot necessarily be utilised to inform meaningful reporting.

As a result, although a large suite of reporting does occur at the CTTG and is reported up to management, most of the reporting is focused on operational performance and upcoming projects and initiatives. Further, it was observed that the reporting frequently lacks structure and visualisation which in turn provides a greater challenge in displaying key information.

Finally, issues with integrating the many systems and software at the Council, and a siloed approach between departments increases the challenge in the CTTG adopting a collaborative approach to corporate performance reporting.

Overall, the CTTG has a low maturity in regards to corporate performance reporting, with a number of areas for improvement identified to help uplift and evolve the effectiveness of reporting. A summary of our detailed findings has been provided on the following page.

Positive Observations: While recognising the need for improvements in relation to corporate performance reporting, it is worthwhile highlighting that:

- Progress is already being made to increase the quality and availability of data for reporting. There are already good examples of dashboards being used to communicate and display information, with plans for increased utilisation of TechOne as a more complete works management system.
- Detailed reporting occurs separately on the CTTG's important assets, such as Waterworld and the Golden Grove Recreation. Performance information is detailed through monthly summaries, dashboards and annual reports. The data is also highly reliable, with information sourced directly from the facilities' systems.
- There is a large amount of project reporting undertaken for each of the departments throughout the Council. There is a consistent approach to planning and reporting on the progress of the departments' projects and initiatives.



Internal Audit Findings

Through our discussions with the key stakeholders and documentation review performed, Internal Audit identified one (1) high risk, three (3) medium risk and two (2) low risks. The following table provides a summary of our risk rated findings, the responsible owner and target date for implementation. These findings and recommendations were discussed with CTTG Management. Management has accepted the findings and has agreed action plans to address the recommendations. The classifications of risk ratings in this report are based on the CTTG's risk ratings documented in Appendix 4.



Rating	Ref #	Description	Owner	Target Date
High	F1	Limited definition of strategic targets and priorities to inform corporate reporting The CTTG has limited clarity over organisational priorities to facilitate identification of well-defined strategic and departmental performance metrics to guide corporate reporting, particularly against its Strategic Plan. While the CTTG has a set of CEO KPIs that are endorsed by the Council, clearly defined measures against the CTTG's Strategic Plan and associated objectives have not yet been defined. This creates difficulties with driving formal and regular reporting, with no systematic reporting by the CTTG on how it is tracking against the Strategic Plan and objectives.	1. General Manager Strategy & Finance 2. Manager Corporate Governance	31 October 2024
Medium	F2	Critical departmental measures have not yet been defined to inform reporting While the CTTG has developed business plans for each department, meaningful targets and goals to measure critical success factors for each department have not been clearly defined to assist in guiding the development of corporate reports. In particular there are a significant number of items in the various Annual Business Plans (ABPs) and 90 Day Plans, which are more akin to a 'to do list' of future initiatives rather than being aligned to defined business unit objectives and measures.	Manager Corporate Governance	30 June 2025
Medium	F3	Reports are not structured to enable management to absorb critical information and focus on key issues As the scope and structure of corporate reports are not well defined, the departmental Quarterly Reports are inconsistent and not clearly set out to be able to be clearly understood without greater explanation and context to support decision making. Specifically: <ul style="list-style-type: none">There is limited consistency in how information is presented quarter-to-quarter, with information instead selected by the relevant Manager each month.Reports are largely designed to be presented in various meetings and therefore tend to be missing supporting information and analysis to provide context on what is being displayed. This makes the reports difficult to read and interpret without supporting information.	Manager Corporate Governance	31 December 2025



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Rating	Ref #	Description	Owner	Target Date
Medium	F4	Greater definition and understanding of 'what is corporate reporting' is required across the CTTG There is a gap in the current understanding of corporate performance reporting across the Council by Management and Executive. In particular, 'what is corporate reporting?' has not been defined by the CTTG, meaning there are varying levels of understanding and approaches. Whilst there is a <i>Corporate Reporting Framework</i> , key detail to support reporting effectiveness is not included and this framework is not strictly followed.	Manager Corporate Governance	31 December 2025
Low	F5	Reporting is not coordinated or shared across the organisation Currently, a coordinated approach to reporting is not in place, and reporting is not shared across departments to assist in communicating information. This includes a siloed approach to corporate reporting, as each department has their own separate monthly and quarterly reporting formats presented to the respective department Executive and Management. Furthermore, other than key papers provided to the Council, formalised reporting is not provided to the ELT except through ad-hoc presentations.	Manager Corporate Governance	31 December 2025
Low	F6	Lack of cohesion and confidence in systems and data reporting Gaps were identified with the CTTG's current systems and use of data in the monitoring and reporting of corporate information. In particular: <ul style="list-style-type: none"> • There is often a need to manually manipulate and restructure data, with data often extracted from systems and manipulated within Microsoft Excel for reporting purposes. • Access to real-time information to inform decisions is not always available. • Reports are often screenshots of the relevant spreadsheet and dashboards and therefore it is difficult to 'deep-dive' into any of the information presented. • In some areas, Management expressed low confidence in the accuracy and integrity of data. 	Manager Corporate Governance	31 December 2026



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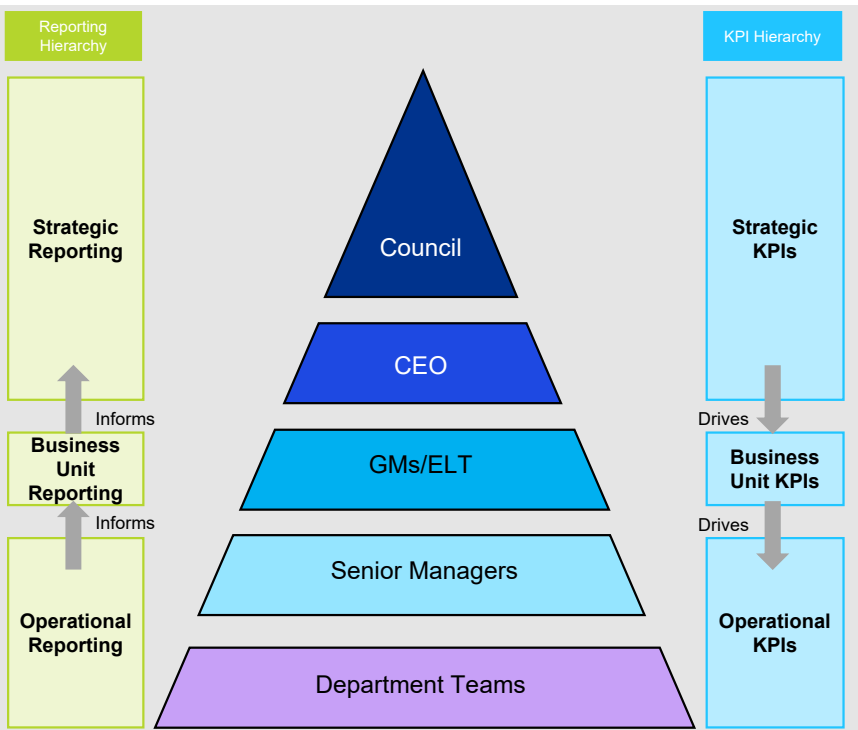
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Corporate reporting is a key organisational activity to ensure the regular provision of information to decision makers within the organisation. The provision of complete, accurate and timely reporting is fundamental to a business, to ensure that performance is monitored, actions are tracked against plans and business decisions are made based on relevant information.

Within an organisation, a clear 'reporting hierarchy' should be established to facilitate Strategic, Business Unit and Operational Reporting. This ensures that the right information is provided at the right levels across the organisation. An overview of how this works in practice is illustrated below:

Diagram 1: Reporting Framework Hierarchy



Importantly the use of key performance indicators (KPIs), being measurable values that demonstrate how effectively an organisation is achieving key business objectives, should be used to drive reporting. In defining and operationalising KPIs, it is crucial that KPIs are cascaded throughout all levels of the organisation. This should consider:

Level 1 Strategic Success Measures	<ul style="list-style-type: none">- Typically 5 to 10 success measures- Considers 'How is the CTTG judged by stakeholders?'
Level 2 Performance and Strategic Intent Measures	<ul style="list-style-type: none">- Typically 10 – 20 key performance indicators- Considers 'How does the CTTG monitor performance and achievement of strategic intent?'
Level 3 Operational Measures	<ul style="list-style-type: none">- No more than 100- Considers 'How the CTTG functions and business departments monitor their contribution to the strategy?'

Key characteristics of KPIs include:

- **Focused** – Aligned to strategic objectives, focused on key management issues.
- **Right Metrics** – Balanced, use targets and forecasts, both leading and lagging.
- **Generate Insight** – Clearly defined, utilise data, able to be measured frequently.
- **Inform decision-making** – Drive fact based decision making, focused on end to end processes, encourages discussion and challenge.
- **Drive Actions** - Responsibility is tied to a team or individual, can be influenced by direct or indirect actions of staff.

Furthermore, reports that are developed across all areas of the organisation should encapsulate the following key principles:

- Enables good governance and compliance, as reporting supports leadership to achieve governance outcomes and monitor key compliance requirements.
- Enables timely and effective decision making, as provides the right information, to make the right decisions, at the right time.
- Contains clear and understood measures.
- Personnel at all levels understand how they can contribute to performance (given KPIs are cascaded down to team and individual measures).
- Reports provide meaningful insight on the performance of the organisation.
- Valued by the end customer / user.



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Annual Business Plans (ABPs)

Each department develops an Annual Business Plan (ABP), which outlines the projects and activities to be conducted for the financial year. A new template for these has recently been developed to enhance consistency, with each department also asked to define what the Council's Purpose, Vision and Values means to them. Alongside each of these Plans, departments also develop '90 day plans' to enhance focus on certain tasks and initiatives for the quarter.

Currently, this process ultimately informs and drives the current corporate performance reporting that is occurring. Generally, monthly and/or quarterly updates are provided on the status of various initiatives and activities, with these provided by team leaders and managers to their departmental leadership

Reporting**ELT / MLT Performance Reports**

The CTTG's current reporting largely occurs through the ELT and MLT Performance Reports (Performance Scorecards) which are prepared by many of the Council's sub-departments. These reports contain a high-level view of the specific sub-department, and may consist of the following information:

- Key departmental highlights and challenges
- Success Measures
- Financial Performance (e.g. Progress against budget)
- Status against 90-day plans (Status on key projects/initiatives)
- Key focus areas for next quarter
- People & Culture information, such as team culture initiatives, wellbeing and safety, results from the pulse survey.
- Political Radar / Hot Topics
- Department-specific insights.

Nevertheless, these reports do not follow a specific template or structure, and the information included depends on what the manager deems to be topical or important. Notably, these reports are largely designed to be presented in meetings and therefore do not contain analysis or detailed information.

Other Reporting

Apart from the ABPs and ELT/MLT Performance Reports, other regular reports identified included:

- Regular Finance Presentations / Reports
- Service Review Committee Reports
- Key Asset / Event Reporting (E.g. Waterworld, Golden Grove Recreation Centre, Civic Park Carols)
- Community Wellbeing and Volunteer Programs Survey Reports
- 90 Day Planning
- CEO KPI Reporting
- Dashboard Reporting (City Strategy, IT Solutions, Customer and Communications)
- Steering Committee / Other Committee Reporting.

Challenges

Consultations with CTTG stakeholders revealed a number of challenges and pain points around the current state reporting framework. Some key challenges included:

- Varying levels of strategic and operational reporting.
- Undefined content requirements, relying on varied authored assessments of what needs to be reported, with limited guidance or clarity.
- Due to the CTTG being a complex organisation with diverse departments, there are challenges in the tiered reporting structure, with much of the current reporting remaining within the departments.
- Without specific metrics to reports against there is limited reporting that occurs across departments. A balanced scorecard approach would allow for reporting to be combined across a range of key metrics, such as finance, human capital, people/culture etc.
- There are many systems utilised by the Council and its departments, including TechOne, Salesforce and other online portals across government websites (e.g. PlanSA and Customer First Solution). In this space, the lack of integration between systems, and limited functionality provides a challenge for departments who often see this as a roadblock for gathering data/information and preparing reports.



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Recommendations Roadmap

The below table provides a snapshot of recommended actions that to be undertaken based on the findings identified during our internal audit services. These recommendations have been allocated across a three-year indicative timeframe with dependencies on implementation on other recommendations identified. It is noted that resourcing support including a Business Intelligence Unit/Resource with specialised skillsets, will need to be considered by the CTTG to support implementation of the recommendations below.

Finding	Recommendation	Year 1				Year 2				Year 3			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
1 – Limited definition of strategic targets and priorities to inform corporate reporting	1.1) Develop metrics/targets for the strategic objectives in Strategic Plan 2025.												
	1.2) Develop a 'balanced scorecard' to facilitate reporting and monitoring against the Strategic Plan.												
2 – Critical departmental measures have not yet been defined to inform reporting	2.1) Re-evaluate and refine the structure and content of the ABPs and 90 day plans.												
	2.2) Develop documented guidance and plans that outline reporting requirements and pathways.												
	2.3) Clearly define project reporting pathways, separate from standard corporate reporting.												
3 – Reports are not structured to enable management to absorb critical information and focus on key issues	3.1) Update the structure of reporting to include additional information, comparisons and visualisation.												
	3.2) Include requirements for information, comparisons and visualisations within the Framework.												
	3.3) Define targets or source benchmarks to report against for key performance metrics.												
4 – Greater definition and understanding of 'what is corporate reporting' is required across the CTTG	4.1) Update the current Framework to define corporate reporting at each level of the CTTG.												
	4.2) Develop standardised templates, particularly for departmental reporting.												
	4.3) Introduce training for key management personnel, on the framework and to uplift reporting.												
	4.4) Consider the centralisation of dedicated resources to ensure effective coordination.												
5 – Reporting is not coordinated or shared across the organisation	5.1) Facilitate greater collaboration and reassess how reporting is shared between departments.												
	5.2) Develop an overarching report (i.e. at ELT) detailing the performance of each area.												
	5.3) Investigate streamlining of reporting to the ELT, such as financial and project-related information.												
6 – Lack of cohesion and confidence in systems and data reporting	6.1) Investigate the use of both processes and enabling technology.												
	6.2) Define the data and associated tools to provide information for business intelligence / reporting.												



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The City of Tea Tree Gully's KPI Framework

The following structure provides an indicative overview of what the KPI framework might look like at the CTTG. This would be used to align the key performance indicators and operational success measures to the Council's visions and strategic objectives.



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Finding 1: Limited definition of strategic targets and priorities to inform corporate reporting

Rating: High

Observations

The CTTG has limited clarity over organisational priorities to facilitate identification of well-defined strategic performance metrics to guide corporate reporting, particularly against its Strategic Plan.

While the CTTG has a set of CEO KPIs that are endorsed by the Council, clearly defined measures against the CTTG's Strategic Plan and associated objectives have not yet been defined. In particular, the following observations were noted:

CTTG Reporting Hierarchy	Current issues and gaps observed
Strategic Plan: In 2020 the CTTG developed its five-year 'Strategic Plan 2025', which outlines its strategic objectives under 5 key pillars. The pillars consist of Community, Environment, Economy, Places and Leadership, and each have 5-6 objectives.	<i>The strategic objectives are quite vague and do not have any associated targets or metrics, creating difficulties with ensuring there is regular corporate reporting against the Strategy. Reporting is primarily undertaken via the Annual Report and State of the City reports.</i>
CEO KPIs: Additionally, the CEO has their own KPIs which are endorsed by the Council and used by the CEO Performance Review committee annually. The KPIs are defined by ten key topics in 2023/24: Financial Sustainability, Customer Experience, Community Wellbeing, Asset Management, Strategic Planning, Places, Project Delivery, Continuous Improvement, Staff Engagement and Leadership.	<i>These KPIs do not directly align with the CTTG's Strategic Objectives and are largely task-based (e.g. 'undertake a review of ...'), with no link to future aspirations of the Council (e.g. 3-5 year outlook).</i>

As a result, this creates difficulties with driving formal and regular reporting on progress against the CTTG's Strategic Plan. It was observed that:

- There is no systematic reporting by the CTTG on how it is tracking against its Strategic Plan and objectives, with reporting only currently occurring over the CEO KPIs through the CEO Performance Review Committee. While it is acknowledged that there has been some ad-hoc reporting against the strategic objectives (e.g. 'State of the City 2023' report), a clearly defined reporting mechanism is not in place (i.e. such as through the use of a balanced scorecard quarterly report).
- There is limited connectivity between the Strategic Plan and Performance and Operational reporting, which is currently derived from the departmental Annual Business Plans (ABPs). Currently, there is no formal and/or direct link between departmental initiatives and projects and the CTTG's overall objectives or key business performance indicators. While it is noted that some departments, such as City Operations, do detail the alignment between their ABPs and the CTTG's strategic objectives of the Council, this is not a standing requirement for departments to do. (refer to **Finding 2**)

Better Practice Principles: Current reporting practices and content should be informed and driven by corporate and departmental objectives that are aligned with the organisational strategy.

Risk(s): As a result, there is no clear articulation of what is critical to the success of the CTTG, leading to no clear measures being reported on for the CTTG Council and Executive to determine if the organisation is meeting its strategic objectives. Reporting is not directly aligned to the strategic objectives, therefore providing no holistic view of how the Council is performing.

Recommendation(s)

It is recommended that the CTTG:

1. Develop metrics/targets for the strategic objectives in the new Strategic Plan (approximately 5 – 10). These should be quantifiable and measurable. In conjunction, how these align and are reported on alongside the CEO KPIs should also be considered.
2. Develop a 'balanced scorecard' to facilitate quarterly reporting and monitoring of performance against the CTTG's Strategic Plan. This should utilise red, amber and green indicators to signify performance along with the provision of a succinct written update.

Agreed Management Actions

Management agrees with these actions and will:

1. Develop metrics/targets for the strategic objectives in the new Strategic Plan (approximately 5 – 10). These will be quantifiable and measurable. In conjunction, how these align and are reported on alongside the CEO KPIs will also be considered.

Responsibility: General Manager Strategy & Finance

Due: 31 October 2024

2. Develop a 'balanced scorecard' to facilitate quarterly reporting and monitoring of performance against the CTTG's Strategic Plan. This will utilise red, amber and green indicators to signify performance along with the provision of a succinct written update.

Responsibility: Manager Corporate Governance

Due: 31 October 2024



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Finding 2: Critical departmental measures have not yet been defined to inform reporting

Rating: Medium

Observations

While the CTTG has developed business plans for each department, meaningful targets and goals to measure critical success factors have not been clearly defined to assist in guiding the development of corporate reports.

Each department is required to develop an Annual Business Plan (ABP) which is expected to align with the CTTG's overarching strategy. ABPs are supported by 90 day plans that monitor the progress of key initiatives and projects. In theory, these documents inform the majority of reporting that occurs by the respective departments. However, the following limitations with utilising these documents to inform reporting was identified:

- There are a significant number of items in the various ABPs, which increases the difficulty in utilising these to inform meaningful corporate reporting. The following table outlines 13 key sub-departments and the number of initiatives within the Business Plans/90 Day Plans:

Department/Sub-Department	Plan	# Initiatives
City Strategy	90 Day Plan	118
Operations Support Services	90 Day Plan	20
City Development	90 Day Plan & Business Plan	11
Project and Contract Delivery	Projects Status Update	72
Health and Recreation Business Plan	Business Plan	18
Community Connections	Business/90 Day Plan	89
Community Safety	90 Day Plan	33
IT Solutions	Business Plan	53
Customer and Communications	Business Plan	54
P&C	Business Plan	29
Corporate Governance	Business Plan	66
Project Management Office	Business Plan	12
Finance and Rating Operations	Business Plan	30
Total		605

continued on the next page

Recommendation(s)

It is recommended that:

- Following the development of key metrics at the strategic level, the quality of objectives and metrics at the department level must also be further developed. To achieve this, the CTTG should re-evaluate and refine the structure and content of the ABPs and 90 day plans to:
 - Clearly define department objectives and performance measures (KPIs) aligned to these objectives. This should consider what 'success factors' are critical to the department, being areas that are essential for achieving the CTTG's goals. These should be well-defined, measurable and quantifiable.
 - Ensure there are clear linkages between the strategic level and Business Unit objectives and measures, resulting in a cascaded 'top-down' approach.
 - Scale back the number of KPIs/measures for each department to enable them to drive more standardised reporting content on a monthly or quarterly basis.
 - Segregate 'business as usual' from other ongoing business plan initiatives, whereby these are reported by exception as they are not KPIs.
- Develop clear documented guidance and plans that outline reporting requirements and pathways for each department, to ensure consistency.
- Clearly define project reporting pathways, to ensure this is separate from standard corporate reporting requirements.

Agreed Management Actions

Management agrees with the recommendations and will:

- Develop a project implementation plan to address the recommendations to re-evaluate and refine the Annual Business Plan and 90 Business Plans structure content to:
 - clearly define departmental objectives and key metrics
 - ensure clear linkages between strategic level and departmental objectives and measures
 - reduce the number of KPIs/measures for each department to enable standardised reporting
 - segregate 'business as usual' from business plan initiatives – report these by exception.
- Develop clear documented guidance and plans that outline reporting requirements and pathways for each department to ensure consistency.
- Clearly define project reporting pathways to ensure this is separate from standard corporate reporting requirements.

Responsibility: Manager Corporate Governance

Due: 30 June 2025



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Finding 2: Critical departmental measures have not yet been defined to inform reporting

Rating: Medium

Observations

continued from the previous page

- Further these initiatives are more akin to a 'to do list' and are largely high-level rather than being aligned to defined department objectives and measures. For example, some initiatives include: 'Staff Training with Leadership Focus', 'Contribute to positive workplace culture' and 'Reposition Council reputation as a new and dynamic organisation'. Whilst the intent behind these initiatives are clear, there is limited detail or defined targets provided within the plans.
- While departmental Business Plans each included a list of five or more success measures, these were often not clearly tied back to one of the many initiatives, were not clearly defined to facilitate measurement and/or were more focused on 'business as usual'. For example, some measures included 'increased collaborations within department', 'successful acquittals of all external grant agreements', and 'internal comms drive in P&C to promote awareness of proactive services'.
- There is a large amount of project reporting contained within the current corporate reporting undertaken by departments, such as the inclusion of projects' status and upcoming initiatives planned. As the CTTG has not defined how project reporting is to occur across the Council, this has led to the project reporting being combined with corporate reporting.

Better Practice Principles: The use of customised and integrated metrics and KPIs with clearly defined targets is crucial to measuring and reporting on business performance.

Risk(s): As measures and goals for departments have not been clearly defined, there is a risk that:

- Detail within reports is not targeted and/or information is provided that detracts from areas of focus, resulting in critical indicators of business performance being omitted or not clearly highlighted to Management.
- Content is not consistent in terms of what is reported month-to-month, reducing the opportunity to compare results between periods.
- This impacts the ability of Management to have a holistic view of the organisation and understand business performance to make decisions.



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Finding 3: Reports are not structured to enable management to absorb critical information and focus on key issues

Rating: Medium

Observations

As the scope and structure of corporate reports is not well defined, the departmental Quarterly Reports are not necessarily easy to navigate and are not always capable of being read and understood without greater explanation.

While it is acknowledged that there are various touchpoints within each department through internal discussions (e.g. fortnightly 1:1 meetings between management and team leaders; presentations by Senior Managers to ELT), the only 'formalised' and regular reporting occurs through each department's Quarterly Report. However, this report is not effective as a stand-alone report, with the following issues highlighted:

Scope and Structure:

- Current reports are primarily designed to be presented in various meetings, comprising largely of screenshots of dashboards and graphs. Therefore, they tend to be missing the full suite of information and may result in recipients struggling to interpret information presented as they do not have the entire picture. As an example, the Project Management Office's 'Q1 Presentation' included detail on the CEO KPI delivery of Capital Works (Greater than or equal to 85% of delivery of Council's planned capital works program). While a list of the Capital Works projects was provided, along with their budgets/commitments/actuals and the % current progress, it may not initially be clear how the % current progress was determined and how this aligns with the 85% requirement in the CEO KPI.
- As reporting content is largely determined on an ad-hoc basis, there is limited consistency in how information is presented each period. Departments can change their regular reports between reporting periods to show the information they feel is most valuable.
- There are minimal benchmarks and prior month/quarter/year results to compare against, therefore providing limited reference as to how the reported results compare with other organisations or previous periods for the department.
- There are no standard templates or guidance to assist departments, further increasing the manual process required to develop reporting and reducing the consistency between periods and reports.
- While there are regular touchpoints between Management and staff, completion of reports on a quarterly basis to document performance is not necessarily sufficient to ensure regular formal monitoring and discussion of business performance.
- In some sub-departments there is minimal or no reporting. For example, Technical and Engineering Services have minimal reporting, only providing key highlights, budget progress and priorities for the next quarter, as they advised that they are unaware of what information is going to be meaningful for the team and how to source that information.

continued on the next page.

Recommendation(s)

It is recommended that the CTTG:

1. Update the structure of the various corporate reports to include additional information, comparisons and visualisation. Refer to *Appendix 1* for examples of visualisations that could be utilised by the CTTG to increase the quality of its performance reporting.
2. Include requirements for specific information, comparisons and visualisations within the Corporate Reporting Framework, to ensure the appropriate reporting occurs.
3. Define targets or source benchmarks to report against for key performance metrics, to provide an appropriate reference for how the Council is performing against similar organisations, or the department in a previous period. This should be considered in conjunction with *Findings 2 and 6*.

Agreed Management Actions

Management agrees with the recommendations and will:

1. Identify and establish reporting requirements (including reviewing and updating the structure of the various corporate reports) to include additional information, comparisons and visualisation.
2. Include requirements for specific information, comparisons and visualisations within the Corporate Reporting Framework.
3. Determine whether there are benchmarks available to report against for key performance metrics, to provide an appropriate reference for how the Council is performing against similar organisations, or the department in a previous period.

Responsibility: Manager Corporate Governance

Due: 31 December 2025



EXECUTIVE SUMMARY	BACKGROUND	ROADMAP	OBSERVATIONS AND RECOMMENDATIONS	APPENDICES
Finding 3: Reports are not structured to enable management to absorb critical information and focus on key issues				Rating: Medium
Observations				
<i>Continued from previous page</i>				
<i>Use of Alerts and Visualisations:</i>				
<ul style="list-style-type: none">Limited visualisations are used by CTTG departments to assist readers in understanding the status of various metrics/projects. In reporting on past, present and future actions, such as progress against 90 day plans, some departments solely rely on text and do not highlight any key information. For example, the reporting against ABPs presented for City Operations, City Development and Project Management Office all just contain text, and it is therefore hard to distinguish between the highest priority items, or projects that have made greater progress.Current visuals provided in department reporting can be limited, as comparable data is not provided. For example, the Monthly Performance Scorecard (Q1) for City Development displays seven graphs relating to Operational Performance. Whilst the graphs outline several key statistics, the visuals provided only outline the 3 months of the reporting period and do not provide a greater length of time for a stronger comparison between periods (i.e. performance over 12 months, or comparable periods).				
Better Practice Principles: Reporting should allow Management and the Board to focus on key issues, risks and opportunities. This can be achieved through a structured report that employs use of trend analysis, exception reporting, analysis of internal and external environments and insightful commentaries.				
Risk(s): The lack of formal reports with appropriate structure and key visual aids/analysis could lead to:				
<ul style="list-style-type: none">Reporting not containing the full amount of information required to have a full understanding of the current situation, causing the reader to not fully understand the status of the Council or it's departments.Reports between departments or periods becoming inconsistent, cause an inability to make meaningful comparisons.Key information that is critical to the long-term outcomes and success of the CTTG being missed by the audience of the reporting, due to being harder to digest.Reports become greater in length due to a higher volume of text, where visualisations could replace this and provide a better form of communication.Value is lost in the reporting where additional information could be presented through increased graphical story-telling.Key trends and analysis conducted by individual departments are not reported up to the ELT.				



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Finding 4: Greater definition and understanding of 'what is corporate reporting' is required across the CTTG

Rating: Medium

Observations	Recommendation(s)	Agreed Management Actions
<p>There is a gap in the current understanding of corporate performance reporting across the Council by Management and Executive.</p> <p>It was identified through consultation with key stakeholders that while a large volume of reporting occurs:</p> <ul style="list-style-type: none"> Corporate reporting has not been defined by the CTTG, meaning there is a varying level of understanding from different levels of the organisation. Whilst there is a <i>Corporate Reporting Framework</i> in place, there is limited detail regarding the key definitions around what corporate performance reporting means to the Council, the specific reporting that should occur and when, and what key information should be detailed in the reports. It was also identified that the reporting framework is not strictly followed by the organisation, and rarely used as guidance for the various departments in developing their reporting. A consistent approach to reporting has not been adopted, with a number of previous reports that included monthly indicators and more structured information no longer being utilised following changes in staff. Due to the lack of understanding, the CTTG has not defined what metrics are critical to report on in order to meet its strategic and organisational goals (<i>see Finding 1</i>). Without defining these the departments do not have clarity over what they should be reporting, leading to a greater amount of reporting that does not provide value and may ultimately not be required. There is a lack of understanding about what metrics are reported on across the organisation, the value it adds and why it is reported up. Staff are also not trained in the corporate reporting process, including how to identify and define critical metrics to report on and also reporting required to provide insightful information to help inform decision making and actions required. Whilst there is supporting documentation at the CTTG through the Councils intranet page, such as the Performance Management 'Creating Key Objectives' worksheet, it does not appear that this is frequently utilised or mandated at the CTTG. <p>Best Practice Principles: Corporate reporting should be clearly defined from the top-down, such that each department is clear on what metrics are required and why.</p> <p>Risk(s): Without a consistent approach and understanding to defining corporate reporting across the organisation:</p> <ul style="list-style-type: none"> Reporting may consist of many metrics, statistics and information that do not address the CTTG's performance against key objectives and measures. Staff waste long periods of time gathering data and developing reports that do not provide the audience with a true reflection of how the CTTG is currently positioned. 	<p>It is recommended that the CTTG:</p> <ol style="list-style-type: none"> Update the current <i>Corporate Reporting Framework</i> to clearly define corporate reporting at the CTTG, across each level of the organisation (e.g Strategic, Operational). This should also include guidance for departments in developing their own metrics and provide clear standards on reporting content and expectations. Develop standardised templates, particularly for departmental reporting to ensure greater consistency. In addition, templates should also consider the use of dashboards and linkage to live data to facilitate 'drill down' functionalities (refer to Finding 6). Introduce training or sessions for key management personnel across the CTTG, to assist the implementation of the framework and to uplift reporting. As part of this, the CTTG should consider what roles and staff may also require training to improve report writing competences. In order to uplift reporting, including facilitating data capability (see Finding 6), the CTTG consider centralisation of dedicated resources to ensure effective coordination. In particular, in our experience working with similar organisations, dedicated resources with the right capabilities is often required. 	<p>Management agrees with the recommendations and will:</p> <ol style="list-style-type: none"> Review and update the current <i>Corporate Reporting Framework</i> to clearly define corporate reporting at the CTTG, across each level of the organisation. This will also include guidance for departments in developing their own metrics and provide clear standards on reporting content and expectations. Develop standardised report templates, particularly for departmental reporting to ensure consistency. The templates will also consider the use of dashboards and linkage to live data (where available) to facilitate 'drill down' functionalities. Introduce training or sessions for key management personnel across the CTTG, to assist the implementation of the framework and to uplift reporting. As part of this, the CTTG will consider what roles and staff may also require training to improve report writing competences. Consider centralisation of dedicated resources to ensure effective coordination. In particular, in the CTTG's experience working with similar organisations, dedicated resources with the right capabilities is often required. <p>Responsibility: Manager Corporate Governance</p> <p>Due: 31 December 2025</p>



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Finding 5: Reporting is not coordinated or shared across the organisation

Rating: Low

Observations	Recommendation(s)	Agreed Management Actions
<p>Currently, there is not a coordinated approach to reporting, and the CTTG's reporting is consistently not shared between departments to assist in communicating information, beyond quarterly reports prepared for a specific MLT session.</p> <p>The CTTG has a siloed approach to corporate reporting, as each of the departments have their own separate monthly and quarterly reporting formats presented to the respective department Executive and management. In some cases, this would only consist of a verbal update or walkthrough of the respective ABPs on screen. Furthermore, other than key papers provided to the Council, there is no further reporting conducted to the ELT except through ad-hoc presentations, and no overarching report on Council performance is distributed.</p> <p>The lack of inter-departmental coordination can be further identified through the following:</p> <ul style="list-style-type: none">Currently each department reports in a highly independent fashion, increasing the number of reports received at the Executive level and providing limited comparability between departments. Some reporting even includes identical titles for different items – for example Capital Works is reported on in ELT/MLT reports by both IT Solutions and Project Management Office. <p>Better Practice Principles: Corporate reporting should provide a holistic view across the whole organisation regarding organisational performance and key success measures and ensure departments do not operate in silos.</p> <p>Risk(s):</p> <p>Without an overarching structure to allow the Council's departments to work collaboratively on reporting, this may lead to:</p> <ul style="list-style-type: none">Duplication of efforts by departments in the collation, analysis and reporting of key statistics/metrics.Readers of the various reports not having all the required information in one report – instead having to view multiple reports to compare across departments.Poor decisions are made by Council leadership due limits in the reporting of the organisation's performance across all areas of the Council.	<p>It is recommended that the CTTG:</p> <ol style="list-style-type: none">Consider how greater collaboration between departments can be facilitated and reassess how reporting is shared between departments, through the new Corporate Reporting Framework as recommended in <i>Finding 4</i>.Develop an overarching report (i.e. at ELT) detailing the performance of each area. This could be presented in a balanced scorecard format.Investigate the potential for greater streamlining of reporting up to the ELT, particularly on key metrics that are shared between departments, such as financial and project-related information.	<p>Management agrees with the recommendations and will:</p> <ol style="list-style-type: none">Investigate opportunities for greater collaboration between departments and reassess how reporting is shared between departments, through the new Corporate Reporting Framework.Develop an overarching report (i.e. at ELT) detailing the performance of each area of the Council, presented in a balanced scorecard format.Investigate the potential for greater streamlining of reporting to the ELT, particularly on key metrics that are shared between departments, such as financial and project-related information. <p>Responsibility: Manager Corporate Governance</p> <p>Due: 31 December 2025</p>



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Finding 6: Lack of cohesion and confidence in systems and data reporting

Rating: Low

Observations	Recommendation(s)	Agreed Management Actions
<p>Gaps were identified with the CTTG's current systems and data use in monitoring and reporting of information. Currently, there are a range of various systems utilised by each department to capture and analyse their data, which form the basis of information that is presented in reporting. While this includes some systems that enable live dashboard reporting (e.g. Operations Assessment Dashboard, PlanSA Power BI reporting), most areas of the CTTG have issues with the ability to access, analyse and interrogate data. Specifically:</p> <ol style="list-style-type: none"> There is often a need to manually manipulate and restructure data, with data often extracted from systems and manipulated within Microsoft Excel for reporting purposes. Examples include: <ol style="list-style-type: none"> The property maintenance workorders dashboard, as information in TechOne is also entered into an Excel worksheet to assist in tracking cost forecasts, which is difficult to analyse in TechOne. Data sourced from the PlanSA Planning and Land Divisions portal is deemed to contain a high amount of key information, and therefore information is often altered to assist in focusing on key requirements. Access to real-time information to inform decisions is not always available. For example: <ol style="list-style-type: none"> In some cases, especially where third parties / contractors are used, the CTTG will only receive information on a monthly basis (e.g. the Waste & Resource Recovery Dashboard is provided by the CTTG's waste provider). The Operations Assessment Dashboard, driven through Salesforce, only displays key data at a single point in time and cannot be reviewed retrospectively. Current systems limit the structure and content of reports, as graphs and dashboards are often screenshots from the system and then pasted into the report presentation. This limits the ability to interrogate and 'deep-dive' into the information presented, such as where there may be a need to analyse the data further or assess driving factors behind the information. In some areas, Management expressed low confidence in the availability, accuracy and integrity of data. For example, workforce data does not exist to the extent required by the People & Culture team to assist with reporting, with information on phone calls and email enquiries also required to be manually logged by customer service. <p>In addition, as highlighted in Findings 1 and 2 as KPIs have not been clearly defined, data requirements to support reporting have not yet been defined.</p> <p>Best Practice Principles: Reporting should be supported by enabling technology to limit the use of manual processes and manipulation of information in collating reports. It is also crucial that data is accurate, with data definitions documented and a system that supports users to drill down from summary to detailed information.</p> <p>Risk(s): As a result, there is an increased risk of issues with the accuracy of information presented in reports along with additional staff time required to review data and source further material for reports.</p>	<p>It is recommended that the CTTG investigate the use of both processes and enabling technology. However to achieve this the CTTG must first define what information is required for reporting. This will be informed as part of the development of KPIs (refer to Findings 1 and 2).</p> <p>Subsequently, the CTTG should further define and develop its data and associated tools to provide meaningful and useful information for business intelligence and reporting purposes. This should include:</p> <ul style="list-style-type: none"> Definition of data sources and collection measures required for information. Consideration of approaches to analyse and display data in a more efficient and effective format to assist with reporting. This should consider the use of platforms, such as Power BI, that provide an integrated data and reporting platform to support businesses in analysing and visualising data. Use of a repository of standard reports on demand, enabling staff to access specific information directly and removing the need for manual creation. Consideration of dedicated resource capabilities, particularly around business intelligence and data analytic skillsets to assist in structuring data and associated reports. 	<p>Management agrees with the recommendations and will:</p> <ol style="list-style-type: none"> Data Identify initial focus areas; review the data sources/sets (including analysis of quality, risks and value) of the focus areas, including definition of data sources; identify priority areas to establish a road map/action plan on areas for improvement; and implement the action plan. Systems and processes Evaluate existing systems (prioritised by tier) and tools to determine reporting/dashboard capabilities (based on priorities identified); undertake a gap analysis on each of the improvement recommendations and determine if further system/tool capability is needed; prioritise work plan for future road map; and determine ongoing resource allocation and participation requirements to incorporate into business as usual. Reporting Investigate approaches to analyse and display data in a more efficient and effective format to assist with reporting. This should consider use of platforms such as Power BI, that provide an integrated data/reporting platform to support analysis and visualisation of data. <p>Responsibility: Manager Corporate Governance</p> <p>Due: 31 December 2026</p>



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Item 10.1

Attachment 1

Appendices

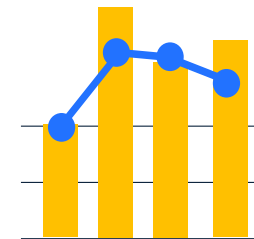
Appendix 1 – Visualisations and Data Analysis

As per *Finding 3*, it is recommended that the CTTG increase the level of visualisations in its corporate reporting. The following examples have been selected to display examples of how content currently within the CTTG corporate reports could be improved or changed to be communicated through better use of traffic lights and visualisations.

Opportunity to use **traffic lights** to display the performance of a KPI with a comparison to the target.

KPI Performance	Prior Month	Year to Date	KPI
● X	● X	● X	X

Opportunity to provide further analysis through a bar graph displaying a rolling monthly average or performance target for each category/area.



Opportunity to provide status of projects for all departments through a combined visual.

Dept.	# Total Projects	# In Progress	% Completed
City Operations	X	X	X%
Community Services	X	X	X%
Corporate Services	X	X	X%
OCE	X	X	X%
Strategy & Finance	X	X	X%

Opportunity to visually represent the amount of a specific tasks vs how many completed. *Example: Survey Responses.*



% Complete	70.1%	●
% Target Completion	85%	

Appendix 2 – Engagement Scope and Approach

Scope

The objective of this internal audit was to undertake a review of corporate performance reporting arrangements, including alignment with the CTTG's corporate strategy and the appropriateness and effectiveness of key processes.

The scope of this internal audit included the following:

- Undertook a review of relevant documentation to understand and assess the policies and procedures in place that provide governance and direction over the CTTG's corporate performance reporting (including relevant roles & responsibilities).
- Assisted the CTTG with development of a corporate roadmap and implementation plan of performance reporting (KPIs, business information topics) to the CTTG's Strategic Plan and objectives, departmental Business Plans and Metrics to assist with assessing the suitability and adequacy of current reporting.
- Undertook a review of current corporate reporting activities, processes and management systems, including the following key areas:
 - Strategy
 - KPIs
 - Analytical Techniques and Capabilities
 - Data, Dimensions & Hierarchies
 - Visualisations
- Assessed the accuracy, timeliness and efficiency of the CTTG's reporting processes including data collection and analysis.

Approach

1. Project Initiation

- a) Met with the audit sponsor to confirm the Internal Audit Scope and agreed on the approach and timing.
- b) Confirmed the key stakeholders and scheduled meetings with the key stakeholders and personnel within the CTTG who are engaged in corporate performance reporting process.
- c) Issued a documentation request list.

2. Risk Assessment, Desktop Review and Stakeholder Consultations

- a) Conducted stakeholder consultations to gather information and gain an understanding of the CTTG's over-arching Corporate Reporting Framework and Business Plan and Reporting.

- b) Conducted a high-level desktop review of the CTTG's strategies, policies, frameworks, and procedures in place that provide governance and direction over corporate performance reporting (including roles and responsibilities).
- c) Undertook mapping of performance reporting (KPIs, business information topics) to the CTTG's Strategic Plan and objectives, Departmental Business Plans and Metrics to assist with assessing the suitability and adequacy of current reporting.

3. Analysis

- a) Leveraged the information and risk assessments completed in Phase 2, to evaluate the CTTG's approach relating to corporate performance reporting to identify potential gaps and opportunities for improvement by conducting a high-level peer benchmarking of the CTTG against better practices.
- b) Assessed the objectives or targets in alignment with the CTTG's Strategic Plan 2025. Additionally, identified key gaps between the performance and outputs of the corporate performance reporting to the objectives within the CTTG's Strategic Plan.
- c) Identified improvement opportunities and additional procedures, policies and strategies required for effective performance reporting.

4. Closing and Reporting

- a) Discussed observations and gaps from stakeholder consultation and document analysis with relevant staff to clarify potential findings.
- b) Prepared initial findings and observations and discussed with Management.
- c) Held an exit meeting with Management to validate observations and recommendations.
- d) Prepared an internal audit report including identified control gaps, and recommendations for strengthening the reporting practices.
- e) Conducted closing meeting to be held with Audit Sponsor and key audit stakeholders to finalise report and agreed actions.
- f) Updated internal audit report for submission to the Audit Committee.

Deliverables

The deliverable for the Engagement consisted of a KPMG branded report, detailing the objectives, scope and approach of the engagements, and the findings from the procedures performed. Each finding was rated using the CTTG's risk rating framework.

The draft internal audit report was provided to identified key stakeholders for review, comment, and approval, prior to final delivery to the Audit Committee.



Appendix 3 – Stakeholders Consulted

The table below outlines all personnel who were involved in discussions and contributed to the observations in this report.

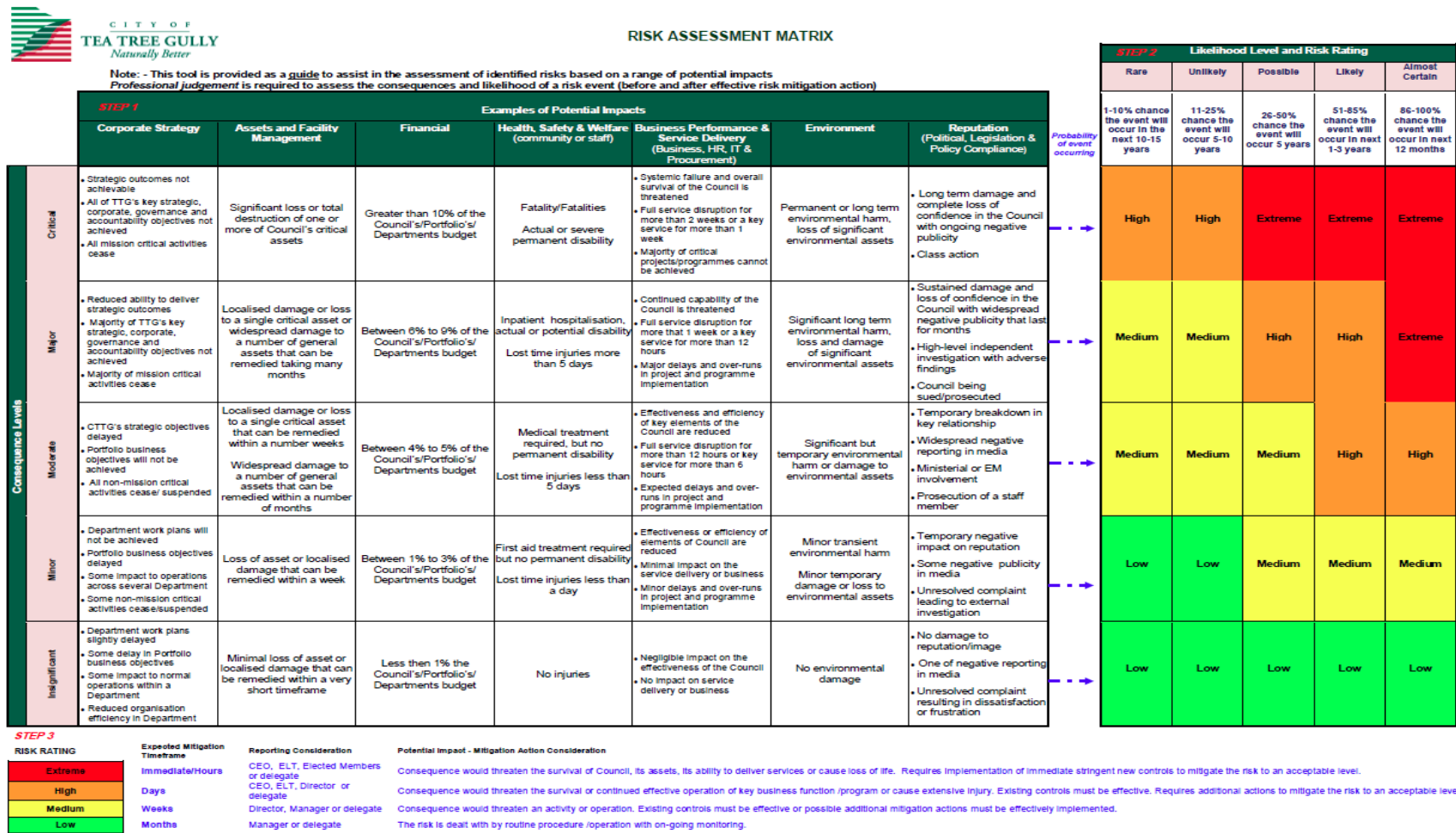
Name	Role
Ryan McMahon	Chief Executive Officer
Leisha Bond	General Manager Corporate Services
Felicity Birch	General Manager City Operations
Michael Pereira	General Manager Community Services
Justin Robbins	General Manager Strategy & Finance
Ingrid Wilkshire	Manager City Strategy
Greg Salmon	Manager Project Management Office
Rebecca Baines	Manager Finance and Rating Services
Ilona Cooper	Manager Corporate Governance (OCE)

Name	Role
Nathan Grainger	Manager City Development
Rick Gower	Manager Health and Recreation Services
Nathaniel Mason	A/Manager IT Solutions
Shannon Hockley	Manager People & Culture
Olivia Harvey	Manager Customer & Communications
Adam Kelly	Manager Field Services
Dewald Hartzenberg	Manager Operations Support Services
Eloise Penna	Manager Project & Contract Management
Gabby D'Aloia	Manager Technical & Engineering Services



Appendix 4 – Classification of Findings

The following framework for internal audit ratings is based on the City of Tea Tree Gully's risk assessment matrix.



Disclaimers

Inherent Limitations

This report has been prepared as outlined in the Scope Section. The services provided in connection with this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and, consequently no opinions or conclusions intended to convey assurance have been expressed.

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Audit & Risk Committee Meeting - 20 March 2024



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Review of Terms of Reference for the Audit and Risk Committee

Record No:	D24/14888
Report of:	Office of the Chief Executive Officer
Responsible Officer:	Deana Taglierini, Coordinator, Governance Alexandra Pukallus, Coordinator, Risk & Audit Ilona Cooper, Manager Corporate Governance Ryan McMahon, Chief Executive Officer

1. Purpose and Summary:

1.1 Provide the Committee with an opportunity to review its Terms of Reference.

2. Recommendation:

That the Audit & Risk Committee recommends to Council:

That Council adopts the review Terms of Reference for the Audit and Risk Committee as provided in Attachment 1 of the report, noting that the Committee will now meet once a quarter on a third Tuesday of a month.

3. Background

The Audit and Risk Committee (ARC) was re-established by Council on [29 November 2023](#). The purpose of the ARC is to oversee, provide independent assurance and advice to the Council and contribute to evaluating and improving the effectiveness of accounting, financial management, internal controls, risk management and corporate governance matters. The roles and functions of the Committee are included within the Terms of Reference (TOR) provided in Attachment 1.

4. Report

It is considered good governance to provide the Committee an opportunity to review **it's TOR, given it has been in operation for a year**. The following changes are proposed to the TOR:

Section 3 - Meetings

In reviewing the Council and Committee meetings schedule, it has been suggested that section 41 Committees which currently meet once a quarter on Wednesday could be changed to meet once a quarter on a Tuesday. It is proposed that this will replace the Elected Member workshop on the third Tuesday of the month.

This change has already occurred for:

- Service Review Committee (adopted by Council on 27 February 2024)
- Governance and Policy Committee (adopted by Council on 12 March 2024)

The current meeting schedule is:

- Elected Member Workshops (first and third Tuesday of the month)
- Council Meetings (second and fourth Tuesday of the month)
- Section 41 Committee Meetings, excluding CEO Performance Review Committee (Tuesdays once a quarter excluding ARC)

Section 7 – Reporting

The inclusion of “*Chief Executive Officer will provide an annual report to the Committee on the Council's internal audit processes*”. This change was proclaimed as part of the LGA Reform and is listed under section 99 of the Local Government Act 1999.

5. Implications

Strategic Objectives	Strategic Plan: Nil
	Organisational Plan: Nil
	Community Land Management Plan (CLMP): Nil
	Policies, strategies & plans: Nil
Financials / Resourcing	No changes to financial or resourcing implications.

Legal	Legislative requirements in relation to establishment of Council Committees. These are included in TOR.
Risk – Identification and Mitigation	Nil
Community and Stakeholder Engagement and Impact	Any changes to TOR, including meeting schedules will be reflected on Council's website.
Access and Inclusion	Nil
Environmental	Nil

6. Internal Report Consultation

Due to the nature of the report, the only internal consultation was undertaken with the Presiding Member.

Attachments

1. [Audit and Risk Committee - Terms of Reference - Reviewed Version March 2024...](#) 37

Audit & Risk Committee

Terms of Reference

Record number	D24/14874
Committee Members	Elected Member(s): Cr Irena Zagladov (<i>Presiding Member</i>) Cr Rob Unger Independent Member(s): Mr Daniel Edgecombe Ms Deanne Bear Mr Ross Haslam
Last reviewed	
Adoption reference	
Resolution number	
Previous review dates	29 November 2022

1. Purpose

The purpose of the Audit and Risk Committee is to oversee, provide independent assurance and advice to the Council and contribute to evaluating and improving the effectiveness of accounting, financial management, internal controls, risk management and corporate governance matters.

The Committee is established under sections 126 and 41 of the Local Government Act 1999 (the Act).

2. Roles and Functions

The Committee performs the following legislative functions:

1. Review annual financial statements to ensure they present fairly the state of affairs of the Council.
2. Propose, and provide information relevant to, a review of the Council's strategic management plans and annual business plan.
3. Monitor the responsiveness of the Council to recommendations for improvement based on previous audits and risk assessments, including those raised by Council's auditor.
4. Propose and review the exercise of powers under section 130A – Other investigations.
5. Liaise with the Council's auditor in accordance with any requirements prescribed by the regulations.
6. Review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Council on a regular basis.
7. Provide oversight of planning, scoping, delivery of the internal audit work plan.
8. Review and comment on reports provided by the internal audit function at least on a quarterly basis
9. Review and evaluate the effectiveness of policies, systems and procedures established and maintained for identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis.
10. Review any Prudential Report obtained by the Council under section 48(1).
11. Make recommendations to Council on the appointment of the auditor pursuant to section 128.
12. Consider or perform any other function which may be referred to it by the Council, another Council Committee, or prescribed by the regulations.

Other functions performed by the Committee:

13. Consider new and review existing policies within the scope of the Committee's purpose, functions and duties.

3. Meetings

3.1 The Committee will meet at least once ~~every a~~ quarter on the third Tuesday of a month commencing at 6.30pm, with meeting dates and times set by Council or the Chief Executive Officer.

(Refer to Delegations Register under the Act (section 87) regarding who can call, reschedule and cancel meetings)

3.2 Meetings will be held at Council's Civic Centre, by electronic means or such other location as determined by the Committee or CEO. The CEO will maintain procedures for members that may attend by electronic means.

3.3 Meetings of the Committee will be held in accordance with:

- Local Government Act 1999
- Local Government (Procedures at Meetings) Regulations 2013, specifically Part 2 for key Committees.
- Council's Code of Practice for Meeting Procedures
- Council's Code of Practice – Access to Council and Committee Meetings and Documents

3.4 The Committee will terminate at the end of the Council term unless terminated earlier by resolution of the Council.

4. Membership

4.1 The Committee will comprise of five (5) members appointed by the Council, being three (3) independent members and two (2) elected members, with one elected member being the presiding member of the Committee.

4.2 Independent members will be appointed for four (4) years with the term of office commencing midpoint of the Council term. In the event that there is a casual vacancy in the position of independent member, the period of appointment of a new independent member may be for a period less than four (4) years.

4.2.1 At the time of a vacancy of an independent member, a selection panel comprising the Presiding Member of the Committee and the CEO or his or her delegate, will undertake a selection process and recommend independent candidate(s) to the Council for appointment as independent member(s).

4.2.2 The Independent Member will have the necessary skills, knowledge and experience to ensure the effective discharge of the duties of the Committee. The following skill sets should include:

- Financial management
- Information technology
- Risk management
- Governance
- Internal audit
- External audit

- Strategic management
- Asset management
- Work health and safety management

4.2.3 Sitting fees will be paid to the independent members at \$500 per meeting.

4.2.4 To ensure that the independent members of the Committee are provided with appropriate and timely training (at a cost to Council under delegation and approval of the CEO), both in the form of induction and ongoing training, a training fee in addition to sitting fees will be paid as follows:

- All training attendance associated with sessions of less than two hours duration are to be absorbed as part of the existing negotiated sitting fee for each independent member
- All training attendance associated with sessions greater than two hours duration are to be paid at 20% rate of the existing negotiated sitting fee for each independent member.
- Any required attendance by a member of the Committee at a Council meeting or other similar meeting will be absorbed as part of the existing negotiated sitting fee for each independent member.

4.3 An elected member on the Committee will hold office only while they are a member of the Council:

~~4.3.1 Elected members of the Committee will hold office,~~ until the conclusion of the Local Government periodic election or their appointment is revoked by the Council.

4.4 The Committee may co-opt, or make use of the services of any other person for the purpose of investigating or deliberating on any specific matter or on any other temporary basis subject to available funds for such purposes and with the approval of the CEO. A person invited to assist the Committee is not a member and does not have a right to vote.

5. Quorum

5.1 A quorum for the Committee will be ascertained by dividing the total number of members of the Committee by two (2), ignoring any fraction resulting from the division and adding one (*in accordance with the Local Government (Procedures at Meetings) Regulations 2013, regulation 26(a)*).

5.2 The quorum will comprise of at least one elected member and one independent member as resolved by the Council on 29 November 2022 (resolution number 11 in accordance with the *Local Government (Procedures at Meetings) Regulations 2013, regulation 26(b)*).

6. Voting

- 6.1 Each member of the Committee at a meeting will have one vote.
- 6.2 In accordance with regulation 27 of the *Local Government (Procedures at Meetings) Regulations 2013*, the Presiding Member will have a deliberative vote but does not, in the event of an equality of votes, have a casting vote.
- 6.3 In the event of a tied vote the matter will be referred to the Council for deliberation.

7. Reporting

- 7.1 At least once a every quarter, the Committee must provide a report to the Council after each meeting, summarising the work of the Committee during the period preceding the meeting and the outcomes of the meeting.
- 7.2 The Committee must provide an annual report to the Council on the work of the Committee during the period to which the report relates.
- 7.3 The Committee will evaluate its performance annually, which may occur as an informal discussion.
- 7.4 The Chief Executive Officer will provide an annual report to the Committee on the Council's internal audit processes.

8. Delegations

The Committee will have the delegated power to make decisions on matters relating to:

- a. Determine the date, times and places of its meetings pursuant to section 87(1) of the Act.
- b. Implement any delegated authority given to it by Council as set out in Council's Delegations Register.
- c. The functions defined as Committee delegation in the table below, subject to relevant conditions / limitations.

TOR	Roles & Function	Delegation	Conditions / Limitations
2.1	Review annual financial statements to ensure that they present fairly the state of affairs of the Council	Recommendation to Council	N/A
2.2	Propose, and provide information relevant to, a review of the Council's strategic management plans and annual business plan	Recommendation to Council	N/A
2.3	Monitor the responsiveness of the Council to recommendations for improvement based on previous audits and risk assessments, including those raise by Council's auditor	Committee delegation	Within allocated budget or resources
2.4	Propose and review the exercise of powers under section 130A (other investigations)	Recommendation to Council	N/A
2.5	Liaise with the Council's auditor in accordance with any requirements prescribed by the regulations	Committee delegation	N/A
26	Review the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Council on a regular basis	Committee delegation	Within allocated budget or resources
2.7	Provide oversight of planning, scoping and delivery of the internal audit work plan	Committee delegation	Within allocated budget or resources
2.8	Review and comment on reports provided by the internal audit function at least on a quarterly basis	Committee delegation	Within allocated budget or resources
2.9	Review and evaluate the effectiveness of policies, systems and procedures established and maintained for identifications, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis	Committee delegation – with exception of major policy changes	Policy changes limited to minor amendments, with major policy changes to be recommended to Council
2.10	Review any Prudential Report obtained by the Council under section 48(1)	Recommendation to Council	N/A
2.11	Make recommendations to Council on the appointment of the auditor pursuant to section 128.	Recommendation to Council	N/A
2.12	Consider or perform any other function which may be referred to it by the Council, another Council Committee, or prescribed by the regulations	Committee delegation	Within allocated budget or resources
2.13	Consider new and review existing policies within the scope of the Committee's purpose, functions and duties	Committee delegation – with exception of major policy changes	Policy changes limited to minor amendments, with major policy changes to be recommended to Council

Audit & Risk Committee Meeting - 20 March 2024

Asset Management Plans - Review Progress



Record No:	D24/18233
Report of:	City Operations
Responsible Officer:	Rhyss Cook, Coordinator, Asset Management Planning Gabby D'Aloia, Manager Technical & Engineering Services Felicity Birch, General Manager City Operations Ryan McMahon, Chief Executive Officer

1. Purpose and Summary:

1.1 To provide the Audit and Risk Committee with information, including proposed actions and timelines, pertaining to the review of Asset Management Plans.

2. Recommendation:

That the Audit and Risk Committee endorses the proposed program and timelines to **review Council's suite of Asset Management Plans, as detailed in the** report and presentation to the Committee, at the meeting held on the 20 March 2024.

3. Background

Asset Management Plans (AMPs) form part of Council's suite of strategic management plans.

The Local Government Act 1999 requires Council to undertake a comprehensive review of its strategic management plans within two years after each general election of the Council, which is November 2024.

Council must also adopt a process or processes to ensure that members of the public are given a reasonable opportunity to be involved in the development and review of its strategic management plans.

Further, at the Audit & Risk Committee meeting held 6 September 2023, the Strategic Asset Management Internal Audit highlighted seven key findings. Five findings were **rated as a 'high' risk. A number of the agreed actions of the audit will be addressed** through the AMP review as described within this report.

4. Report

The review will ensure internal stakeholders are consulted, that we build upon the major review of the AMP templates (undertaken in 2020) together with the data and information within each of the plans, and that the community are consulted as part of the process.

A presentation will be made to the Audit Committee on the approach of the review to be undertaken, the strategy for Community Engagement and the AMPs due for review (Transport, Buildings, Water, Open Space).

The Community Engagement process will be undertaken in accordance with **Council's [Community Engagement \(Public Consultation\) Policy](#)**, and feedback from the Audit & Risk Committee will be requested, with the relevant documents being sent under separate cover to members at the 19 June 2024 meeting.

The proposed timelines are:

TASK	DATE
Audit & Risk Committee – Progress update	20 March 2024
Audit & Risk Committee - AMP Drafts and Community Engagement Strategy (recommended to Council meeting on 24 June 2024)	19 June 2024
Community Engagement	July 2024
Council – Approval of AMPs	September 2024

The previous Transport, Buildings and Open Space AMPs are being reviewed, along with newly titled **“Water Asset Management Plan”, incorporating Stormwater and Recycled Water** (previously Stormwater Asset Management Plan). The previous Community Wastewater Management Scheme (CWMS) AMP (which was reviewed in 2020) was archived at the time of the system transfer to SA Water.

A new Plant and Fleet Asset Management Plan will also be drafted as part of this process.

This is the fifth AMP edition, having been initially developed in 2008. The revised AMPs represent a factual state of affairs in terms of asset condition and age, and provide a model for predicted life, estimated costs and service levels for the community.

Council has been advancing its asset management capability over a number of years through the work of the previous Strategic Assets Team in collaboration with other departments and internal stakeholders from the various asset function service areas. This capability advancement is now continued within the Technical & Engineering Services department, following the realignment of the City Operations portfolio structure.

Asset Management advancement includes, but is not limited to:

- Review (and creation) of Asset Management Plans – updated data, predictive modelling, internal engagement
- Implementation and training of staff in GIS/ESRI spatial mapping system
- Usage and integration of predictive modelling in council planning activities
- Support for staff in using in-field technology
- Developed tools and conducted in-field condition assessments and obtained comprehensive road condition audits by consultants
- Contribute to the integration and optimization of key council systems including TechOne, Salesforce (Customer First Solution) and GIS/Mapping.
- **Collaborate with the Finance team to continuously improve Council’s revaluation processes.**

The review of the AMPs will progress council’s performance in asset management in line with our overall plan for increased maturity and capability.

The process of engaging with the community at a high level for asset management is primarily to instill public confidence regarding the approach Council has to long-term financial planning, asset management, works programming and asset maintenance. Feedback received during the community engagement process relating to maintenance and/or asset service levels can be considered as part of annual budget and works programming processes.

Staff recognise the need for high-level asset management planning to develop clear direction that will maximise the long-term benefits of our assets and for improving

our asset management capability, aligned with our high-level Strategic Plan and Long-Term Financial Plan.

The existing AMPs form part of Council’s suite of strategic management documents and underpin the Long-Term Financial Plan and Strategic Plan.

Strategic Asset Management Internal Audit

Several findings were deduced from the Strategic Asset Management Internal Audit, which have agreed actions. The following actions of the Strategic Asset Management Internal Audit will be addressed through the AMP review:

Finding 1 - Agreed actions

1.5 Review and update existing Asset Management Plans in line with the:

- Strategic Asset Management Plan/Framework (new)
- Asset Management Policy (revised)
- Asset Management System (new)

1.

Asset Management Plans will identify:

- a horizon
- activities to address identified risks and opportunities for specific assets
- resources required to conduct the activities identified
- periodic reviews of Levels of Service
- the necessary roles and responsibilities to conduct the activities identified
- a timeframe for activities
- details of funding and other financial implications
- a priority (significance / criticality) based on their impact on the achievement of asset management objectives

Other agreed actions that will work in parallel with the AMP review:

1.1 Develop a Strategic Asset Management Plan/Framework (SAMP), to ensure

- alignment and integration with the asset management objectives and strategy
- recognition of the financial and physical aspects of assets

1.4 Develop a Plant and Fleet Asset Management Plan

5. Implications

Strategic Objectives	<u>Strategic Plan:</u> 1. Community We create opportunities for people to connect with one another and to their local community.
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	<p>1.1. People feel a sense of belonging, inclusion and connection with the City and the community</p> <p>1.4. Our services are accessible to all and respond to changing community needs</p> <p>1.5. People can have a say in decisions that affect them and the key decisions of the Council.</p> <p>4. Places We create places where people enjoy living and spending time because they are appealing, safe, accessible and interesting.</p> <p>4.3. Neighbourhoods are easy to move around and are well connected with pedestrian and cycle paths that offer an alternative to cars</p> <p>4.4. Buildings and places are energy efficient, well designed and display a uniqueness of character and identity</p> <p>4.6. Infrastructure and community facilities are fit for purpose, constructed using sustainable practices and well maintained.</p> <p>5. Leadership We are trusted to make good decisions that are in the best interests of our community</p> <p>5.1. Leadership and advocacy is focused on the long term interests of the community</p> <p>5.3. Planning considers current and future community needs</p> <p>5.4. Delivery of services is sustainable and adaptable</p> <p>5.5. Decision making is informed, based on evidence and is consistent</p> <p>5.6. Major strategic decisions are made after considering the views of our community.</p>
	<p><u>Organisational Plan:</u></p> <p>Sustainable Operations: Our management practices contribute to the long-term sustainability and adaptability of our services and operations.</p>
	<p>Policies, strategies & plans:</p> <p>Council has an Asset Management Policy to ensure that Council has information, knowledge and understanding about the long term and cumulative consequences of being the custodian of public infrastructure.</p> <p>Council will review and update its Asset Management Policy as per the recommendations of the Strategic Asset Management Plan review.</p>
Financials / Resourcing	The development of the Asset Management Plans will be undertaken using existing Council resources.

	<p>Expenditure relating to community engagement and promotion will be accommodated within existing operational budget provisions.</p> <p>The AMPs are used to inform the projected requirements for capital and operational expenditure and be incorporated in the Long Term Financial Plan.</p> <p>The AMPs are also used to inform the Annual Business Plan, maintenance and capital works programs.</p>		
Legal	<p>The Local Government Act 1999 prescribes the requirement for Council to develop and review Asset Management Plans.</p> <p>It is a requirement of the Act that all Council's Asset Management Plans be reviewed within two years of a periodic election. It is important that Council endorses the review of Asset Management Plans prior to November 2024.</p>		
Risk – Identification and Mitigation	Risk	Risk Rating	Controls
	AMPs are not reviewed within the required timeframe in accordance with the Local Government Act 1999.	High	The review of AMPs, including community engagement will need to be adequately resourced, and staff will commit to the timelines proposed in this report.
Community and Stakeholder Impact and Engagement	<p>Community and Stakeholder Engagement is integral in the development of Asset Management Plans as it provides the community with the opportunity to influence asset provision and service levels to meet community needs. The Committee will be asked to consider and endorse the Community Engagement Strategy at its 19 June 2024 meeting, with engagement proposed to then commence in July 2024.</p>		
Access and Inclusion	<p>Asset Management Plans incorporate the need to utilise universal design in the development, renewal and maintenance of infrastructure assets.</p>		

Environmental	Asset Management Plans will consider environmental benefits in the infrastructure assets that incorporate universal design.
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Item 10.3

6. Internal Report Consultation

Name	Position	Consulted about
Sarah McDougall	Community Engagement & Research Coordinator	Community Engagement

Attachments

N/A

Audit & Risk Committee Meeting - 20 March 2024

Internal Audit Report - Strategic Environmental Management



Record No:	D24/14066
Report of:	Strategy & Finance
Responsible Officer:	David Trebilcock, Lead - Water and Environment Ingrid Wilkshire, Manager City Strategy Justin Robbins, General Manager Strategy & Finance

- 1. Purpose and Summary:
 - 1.1 To apprise the Audit & Risk Committee of the management actions arising from the Strategic Environmental Management internal audit, and the work required to implement them.
- 2. Recommendation:

That the Audit & Risk Committee notes the internal audit management actions, and endorses the workplan to implement the internal audit management actions.

3. Background

Council previously engaged KPMG to conduct an internal audit of its Strategic Environmental Management function.

On 6 December 2023, the Audit and Risk Committee resolved:

1. *That the Audit & Risk Committee notes the report titled “Internal Audit Report - Strategic Environmental Management” and dated 6 December 2023.*
2. *That a further report be returned to the next ordinary Audit & Risk Committee detailing the management actions and work required to implement them.*

4. Report

Council staff have identified 14 unique management actions¹ in response to five internal audit findings and two performance improvement opportunities. These actions are itemised in Table 1.

A broad workplan to address the management actions comprises three work packages supported by the ongoing identification of improvement opportunities (see Table 2).

The Environmental Framework needs to be sensitive to and compatible with existing plans, strategies and policies as well as providing for the future integration of new and emerging policies, plans and strategies. Attachment 1 illustrates a draft conceptual framework.

¹ Some management actions relate to multiple findings.

Table 1: Internal audit management actions. (Actions shown shaded are complete).

Findings			Management actions	Key supporting actions
F1	An overarching integrated Environmental Management Strategy is not in place.	A1	CTTG will develop an overarching integrated Environmental Management Strategy.	Engagement with key stakeholders. Identify potential model frameworks.
F2	Gaps identified in the identification and measurement of environmental risks.	A2	CTTG will consolidate the environmental risk assessments identified during the workshops and consolidate these into a project risk register to inform the implementation plan.	Engagement with key stakeholders to review existing risk register and identify new risks.
		A3	CTTG will finalise the new Risk Management Procedure, which will document the process for assessment and managing risks.	Completed
		A4	CTTG will ensure environmental risks are considered in the development of environmental plans and policies.	Liaise with stakeholders to embed risk management solutions for environmental risks into work practices
F3	Gaps in the current approach to managing environmental risks.		(See Action A2)	
			(See Action A1)	
		A5	CTTG will develop an implementation plan outlining and prioritising the treatment of critical environmental risks across the various strategic environmental assets.	Workshops and ongoing engagement with internal key stakeholders. Research best practice. Liaise with relevant external stakeholders.
		A6	CTTG will coordinate the updated relevant risk registers to ensure all information is up to date, including risk and action owners and documented controls and risk mitigation measures.	Risk evaluation and communicate responsibilities to risk owners.
F4	Lack of decision-making frameworks to support strategic environmental management.		(See Action A1)	
		A7	CTTG will incorporate a process for project nomination and assessment into the business planning procedure.	Develop process and embed into business planning
		A8	CTTG will finalise and adopt the Sustainability Framework and Sustainability Policy across the Council to guide relevant initiatives and align with the Environmental Management Strategy.	Develop a Sustainability Framework in consultation with key stakeholders. Engage with Elected Members to develop framework and policy.

F5	Gaps identified in governance, monitoring and reporting on sustainability metrics and targets.	A9	CTTG will identify the ownership of reporting environmental risk strategies and plans, including monitoring of KPIs and metrics within the Sustainability Framework in a responsibility matrix.	Workshop with stakeholders. Review best practice in Local Government. Develop framework, metrics, monitoring and responsibilities to incorporate into framework
		A10	CTTG will implement an annual review of the actions from environmental risk strategies and plans to guide the prioritization of projects as part of business planning and present results in a performance dashboard.	Annual review of actions in Implementation Plan Develop performance dashboard and test usefulness with stakeholders.
		A11	CTTG will undertake a risk workshop with ELT to support refreshed strategic documentation and guide consolidated implementation.	Workshop with ELT
Performance Improvement Observations				
PIO1	External collaboration	A12	Identify opportunities for collaboration and knowledge sharing when developing a (sic) environmental management strategy.	Network and collaborate with external stakeholders and potential partners
PIO2	Education and training	A13	Identify education and training opportunities for staff and Elected Members as part of a sustainability framework.	Develop education program
		A14	Council has implemented a new report template which provides a section for environmental implications.	Completed.

Table 2: Work packages and ongoing work to address internal audit actions.

Work Package	Indicative Completion	Resources Required	Related Management Action(s)	
1. Risk Analysis	Jun 2024	Internal resources only (Lead—Water and Environment and subject matter experts throughout the organisation)	Action A2 Action A6 Action A11	An environmental risk assessment will consolidate disparate environmental risk registers, reviewing the veracity of risk information and undertaking additional risk analysis as required. The comprehensive assessment of environmental risks (action A2) will be regularly reviewed and updated (action A6). A workshop with ELT will be included (action A11).
2. Environmental Management Framework	Aug 2024 (draft) Dec 2024 (final)	Internal resources only (Lead—Water and Environment and Environmental Sustainability Adviser)	Action A1 Action A8 Action A9 Action A10	<p>An Environmental Management Framework will document</p> <ul style="list-style-type: none"> • our strategic context, including national, regional and local challenges • our natural advantage (i.e. Tea Tree Gully's natural assets) • key drivers for environmental management—external (environmental), demand, growth, regulatory, technological, hazard • governance arrangements including Council's roles and responsibilities, decision making authority and risk management. • guiding principles for environmental management • arrangements for monitoring, evaluation and review. <p>The Framework will satisfy the intent of actions A1 and A8. By identifying appropriate governance arrangements, the framework will satisfy action A9. By identifying monitoring, evaluation and reporting requirements and performance dashboard, the framework will satisfy action A10.</p>
3. Development of subsequent strategies and action plans	Not applicable. May be developed progressively.	Not ascertainable at this time.	Action A4 Action A5 Action A10	Development of subsequent strategies for specific environmental focus areas (e.g. biodiversity, water security, energy efficiency) will satisfy action A4. These will be developed progressively according to priority.
4. Ongoing work	Ongoing	Various	Action A12 Action A13	Staff will proactively identify opportunities for collaboration and knowledge sharing with other local government authorities (action A12) and training opportunities (action A13)

5. Implications

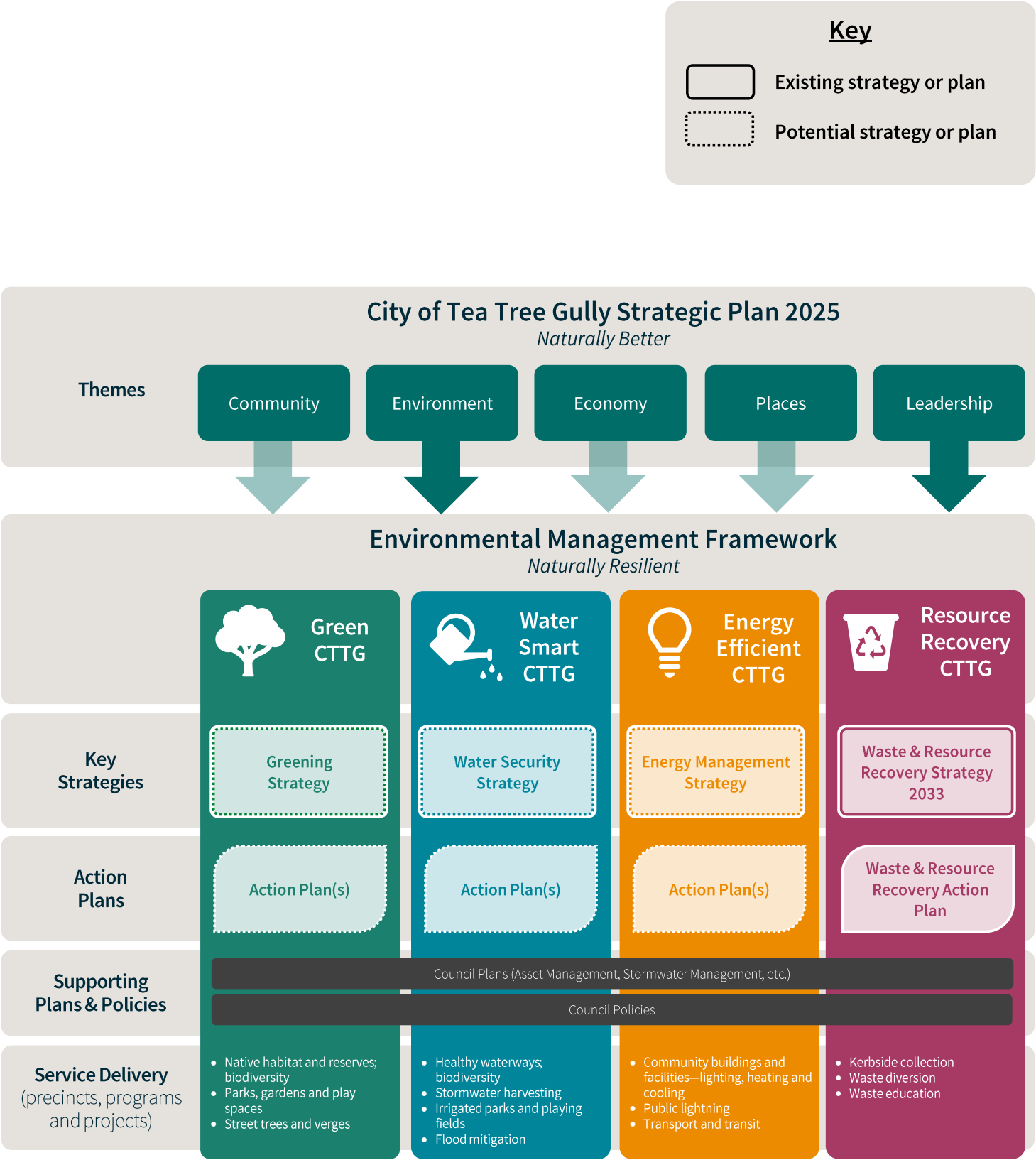
Strategic Objectives	Strategic Plan: The environment is one of the five key themes identified in the Strategic Plan. A healthy environment underpins the six wellbeing pillars of health, safety, prosperity, connectedness, vibrancy and liveability and supports the aspirations of the City . Council's role as a steward of environmental assets (waterways, aquifers, trees, streetscapes, parks and reserves) also contributes to achieving objectives relating to 'community', 'economy' and 'places'.
	Organisational Plan: Council's stewardship of its environmental assets is important for ensuring long term sustainability ('sustainable operations') and providing for future generations ('future capability').
	Community Land Management Plan (CLMP): Not applicable
	Policies, strategies & plans: <ul style="list-style-type: none"> • Risk Management Policy • Tree Management Policy • Open Space Policy • Asset Management Policy
Financials / Resourcing	Development of the Environmental Management Framework will be accommodated within the workplans of existing staff resources including the Lead—Water and Environment and the Environmental Sustainability Adviser.
Legal	Council has broad responsibilities relevant to environmental stewardship under Section 7 of the <i>Local Government Act 1999</i> (functions of Local Government).
Risk – Identification and Mitigation	Identification and quantification of environmental risk is a key internal audit management action which, when implemented in concert with all management actions, will provide the framework to implement mitigation strategies and plans.
Community and Stakeholder Impact and Engagement	Not applicable.
Access and Inclusion	Not applicable.
Environmental	Implementation of the internal audit actions will establish the necessary strategic planning framework for the ongoing management of the City's water supplies , biodiversity, energy use, waste management and resource recovery.

6. Internal Report Consultation

Name	Position	Consulted about
Gabby D'Aloia	Manager Technical and Engineering Services	Environmental assets
Steven Lee	Coordinator Environmental Assets	Environmental assets
Jon Herd	Environmental Sustainability Adviser	Sustainability and energy

Attachments

1. [↓](#) Conceptual environmental management framework57



Audit & Risk Committee Meeting - 20 March 2024

Tilley Recreation Park Phase 2 Redevelopment Section 48 Prudential Report



Record No:	D24/18019
Report of:	Strategy & Finance
Responsible Officer:	Erica Vidinis, Strategic Project and Stakeholder Manager Greg Salmon, Manager Project Management Office Justin Robbins, General Manager Strategy & Finance

1. Purpose and Summary:

- 1.1 To consider the Section 48 (Local Government Act 1999) Prudential Report for the Tilley Recreation Park Masterplan (Phase 2) project.
- 1.2 A Prudential Report for the Tilley Recreation Park Phase 1 was received by Council on 25 July 2024. This report presents Council with the second and final Prudential Report for the Tilley Recreation Park Masterplan project.

2. Recommendation:

That the Audit & Risk Committee recommends to Council:

That Council resolves:

- 1. The Prudential Report for the Tilley Recreation Park Phase 2 Redevelopment prepared by BRM Advisory meets the criteria of Section 48 of the Local Government Act 1999.
- 2. To proceed with the Tilley Recreation Park Redevelopment project at a price consistent with the Prudential Report findings.

3. Background

3.1 On the 10 January 2022 Council staff received notification from the Tea Tree Gully City Soccer Club (TTGCSC) that they were successful in their application for \$1.5m **in funding to the Office for Recreation, Sport and Racing's Community Recreation and Sports Facilities Program** to provide four unisex changerooms, umpire and medical rooms, clubrooms, undercover viewing area and amenities at Tilley Recreation Park, Surrey Downs.

At the 2022 State Election Council received a funding commitment for \$4.75m (50% of the estimated cost to deliver the whole of the Tilley Recreation Park Master Plan). The total external funding towards the delivery of the Tilley Recreation Park Master Plan equates to \$6.25m. Council resolved to contribute \$3.25m to the delivery of the Tilley Recreation Park Masterplan at its meeting on the 14 June 2022.

3.2 Pursuant to the Local Government Act 1999 Section 48 (the Act), Council must undertake a prudential review of the Tilley Recreation Park Redevelopment project prior to fully committing to the project. Prudential Reviews must be prepared where a project meets the parameters outlined in the Act. These **parameters are also outlined in Council's Prudential Review Policy and are as follows:**

- a. where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or
- b. where the expected capital cost of the project over the ensuing five years is likely to exceed \$4,000,000 (indexed); or
- c. where the council considers that it is necessary or appropriate.

The purpose of a Prudential Review is to determine whether the Elected Members have (or will have) all of the necessary information to enable them to make an informed decision regarding the project in question. It is not in the intent of a Prudential Review to recommend whether a project should or should not proceed.

3.3 The timing of the first grant for just the clubroom has meant that that clubroom project has progressed ahead of the rest of the masterplan. The Prudential Report has therefore been presented in two phases, Phase 1 included the clubroom scope and Phase 2 including the funded items in the masterplan.

At its meeting on 25 July 2023, a Prudential Report for Tilley Recreation Park Phase 1 was presented to Council.

The following was resolved:

‘That having considered the report “Tilley Recreation Park Phase 1 Section 48 Prudential Report” from the Audit and Risk Committee and dated 19 July 2023 Council resolves:

- 1. The Prudential Report for the Tilley Recreation Park Phase 1 (Prudential Report) prepared by BRM Advisory meets the criteria of Section 48 of the Local Government Act 1999.*
- 2. To proceed with the Tilley Recreation Park Phase 1 project at a price consistent with the Prudential Report findings.’*

A contract has now been awarded for the construction of Phase 1 and works commenced on site on 12 March 2024.

- 3.4 In October and November last year, community engagement was undertaken for the remainder of the master plan work, in particular the proposed new dog park.

At its meeting on 30 January 2024, it was resolved:

‘That Council:

- 1. Notes the findings of the community engagement undertaken on the Draft Tilley Recreation Park Masterplan and the proposed changes to the Tilley Recreation Park Community Land Management Plan to facilitate the inclusion of a dog park in Attachment 1 of this report.*
- 2. Endorses the amended Tilley Recreation Park Community Land Management Plan to facilitate the inclusion of a dog park in Attachment 2 of this report.*
- 3. Endorses the Tilley Recreation Park Masterplan document in Attachment 3 of this report.’*

- 3.5 Since then, design consultants have commenced work on the detailed design of Phase 2 works.

4. Report

An independent consultant BRM Advisory was engaged to prepare a Prudential Report to satisfy Section 48 of the Local Government Act 1999 (Attachment 1).

5. Implications

Strategic Objectives	<u>Strategic Plan:</u> This project addresses Objective 4.1 in the Strategic Plan: <i>Streets, paths, open spaces and parks are appealing, safe and accessible</i> by improving the open space, recreational facilities and accessibility of Tilley Recreation Park.																						
	<u>Organisational Plan:</u> This report relates to the theme of Sustainable Operations: <i>We make consistent, informed decision which are evidence based</i> as this Prudential Report assists in determining whether Elected Members have (or will have) all of the necessary information to enable them to make an informed decision regarding the project.																						
	<u>Community Land Management Plan (CLMP):</u> Council has endorsed the amendments required to the relevant CLMP for this project to proceed. Council considered the outcomes of community engagement undertaken on the change.																						
	Policies, strategies & plans: This report directly relates to delivery of the Tilley Recreation Park Masterplan as endorsed by Council on 30 January 2024.																						
Financials / Resourcing	A high-level cost estimate was prepared and used to allocate the below funding to each high priority item in the master plan. This allocation is an estimate only and subject to detailed design, stakeholder engagement and procurement. Funding for the implementation of Phase 2 of the master plan has been included in the draft 2024/25 Annual Business Plan and Budget. <table border="1"> <thead> <tr> <th>Item</th><th>Description</th><th>Cost Estimate</th></tr> </thead> <tbody> <tr> <td>1</td><td>Proposed Clubroom Facilities (Phase 1)</td><td>\$ 5,817,000</td></tr> <tr> <td colspan="3">Phase 2 scope</td></tr> <tr> <td>2</td><td>Soccer Facilities Upgrade (New Lighting and Pitch Orientation) & Retaining wall with Drainage</td><td>\$ 1,158,000</td></tr> <tr> <td>3</td><td>Little Athletics improvements</td><td>\$125,000</td></tr> <tr> <td>4</td><td>Improved car parking and vehicle access</td><td>\$ 1,330,000</td></tr> <tr> <td>5</td><td>Pedestrian links</td><td>\$ 100,000</td></tr> </tbody> </table>		Item	Description	Cost Estimate	1	Proposed Clubroom Facilities (Phase 1)	\$ 5,817,000	Phase 2 scope			2	Soccer Facilities Upgrade (New Lighting and Pitch Orientation) & Retaining wall with Drainage	\$ 1,158,000	3	Little Athletics improvements	\$125,000	4	Improved car parking and vehicle access	\$ 1,330,000	5	Pedestrian links	\$ 100,000
Item	Description	Cost Estimate																					
1	Proposed Clubroom Facilities (Phase 1)	\$ 5,817,000																					
Phase 2 scope																							
2	Soccer Facilities Upgrade (New Lighting and Pitch Orientation) & Retaining wall with Drainage	\$ 1,158,000																					
3	Little Athletics improvements	\$125,000																					
4	Improved car parking and vehicle access	\$ 1,330,000																					
5	Pedestrian links	\$ 100,000																					

		6	Toilet Amenities and Tee Ball Club Storage	\$ 280,000
		7	Upgrade Entrance to Theatre	\$ 190,000
		8	New Dog Park	\$ 350,000
		9	Improvements to Tennis Facilities	\$ 200,000
		Total		\$ 9,550,000
Legal	The Prudential report confirms that the proposed development is envisaged by the relevant planning zoning and will be assessed for planning and building consents against that zoning where required.			
Risk – Identification and Mitigation	The Prudential Report discusses the risks associated with the project with the highest risks being delivering the project within the existing budget and delivering the project within the grant timelines. The project risks are being managed consistent with Council’s project management framework.			
		Risk	Risk Rating	Controls
		Delivering project within allocated budget	Medium	Reduce scope and/or the number of elements to be delivered should the budget be insufficient.
		Delivering within Grant timeframes	Minor	Request extension to grant delivery timeframes. Overlap construction phases to deliver work sooner.
Community and Stakeholder Impact and Engagement	Stakeholder engagement has been undertaken and considered by Council on the location of the building, the new dog park and the masterplan and resulting amendments to the relevant Community Land Management Plan. The community and stakeholders will continue to be updated as the project progresses, specifically on a concept design for the dog park and disruptions caused by construction.			
Access and Inclusion	The project has been designed to meet all relevant access requirements under the building code.			

	The project also addresses Inclusive SA Priority 7: Universal design across South Australia in Council's Disability Access and Inclusion Plan (DAIP) by including Universal Design as a key consideration in the design development of the masterplan.	Item 10
Environmental	The masterplan will include the planting of additional trees and vegetation, especially around the new dog park and minimise the removal of existing vegetation.	

6. Internal Report Consultation

Name	Position	Consulted about
Rebecca Baines	Manager Finance & Rating Services	Financial impacts of the project

Attachments

1. [Tilley Recreation Park Redevelopment Phase 2 Prudential Report BRM Advisory 13 March 2024](#)64



City of Tea Tree Gully

Section 48 Prudential Report:
Tilley Recreation Park Phase 2
Redevelopment

13 March 2024

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EXECUTIVE SUMMARY

The following report has been prepared for the City of Tea Tree Gully (CTTG) to review its prudential activities in relation to progressing the second phase of the Tilley Recreation Park Upgrade (Project). The purpose of a prudential report is to ensure that Elected Members have sufficient information to make an informed decision about progression of a Project.

The first phase of the Tilley Recreation Park Upgrade related to the construction of a two-storey clubroom and changeroom building adjacent to the existing soccer pitches for an estimated capital cost of \$5.817 million. The second phase of the upgrade, and the subject of this Prudential Report, relates to the delivery of approximately ten smaller elements of the Tilley Recreation Park Master Plan 2024 (Masterplan).

Prudential issues summary:

A majority of the Project works are being funded by a Special Purpose Grant provided by the State Government. The latest grant terms require the Project to be completed by 31 December 2024 which is a year earlier than currently envisaged in the Project Delivery Plan. There is a current risk, although minor, that CTTG will lose this funding if it does not secure an amendment to the grant terms to extend the time to complete the Project.

The Project's other key financial risk is the ability to deliver the identified elements of the Masterplan within the current budget of \$3.733 million. CTTG has some discretion in how and what elements of the Masterplan will be delivered during this phase of the Project. Council and the CTTG Administration should ensure that there are protocols in place to approve future changes in scope and/or any consequent increase in the budget provision as the design process matures.

Other than including provisions for increased depreciation and interest costs in the LTFP, CTTG has not undertaken a whole of life cost assessment or a detailed forecast of future recurrent costs relating to operating the new assets that will be created by the Project. The only new asset of significance, which we expect will change the operating cost base of CTTG, is the new dog park. Council should be advised of the expected recurrent cost of maintaining the dog park prior to a decision on proceeding with the Project.

CTTG has prepared a Project Risk Register which captures the key Project risks at this stage of the planning for the Project and has also prepared a Project Plan which demonstrates the steps required to deliver the Project by 31 December 2025. There are opportunities within the current Project Plan for certain works to be performed concurrently which could result in a more condensed timeframe for finalisation of the Project. However, doing so may increase the impact on users of the Tilley Recreation Park.

Based on our review of the FY2025/FY2034 CTTG Long Term Financial Plan, CTTG has sufficient capacity to undertake the Project without adversely impacting the financial principles on which the LTFP is based. We do not expect that the Project will have a material impact of CTTG's key financial indicators.

Our detailed report follows.

PRUDENTIAL REVIEW KEY FINDINGS

S48 (2)	Description	Prudential Review Summary Comments
(a)	The relationship with strategic management plans .	The Project is specifically referenced and/or aligned with the objectives in Council's key strategic planning documents and financial provisions for the capital cost of the Project are included in the latest ABP and LTFP.
(b)	The objectives of the Development Plan .	The Project is located in the Community Facilities Zone. As there are a number of elements which have yet to be fully designed, it is currently unknown whether a Development Application will be required for the Project. If one is required, appropriate time will need to be allocated in the Project Plan to allow for the Development Application process to occur including any required referrals to State Agencies.
(c)	The expected contribution of the project to the economic development of the local area. The impact on businesses carried on in the proximity . How the project should be established in a way that ensures fair competition in the marketplace.	Economic modelling has been undertaken which demonstrates the positive contribution of the construction activity on economic activity and jobs based on a \$3.733 million construction cost. Post construction, additional patronage in the area may provide a boost to businesses in the immediate vicinity of the Project although any increase is not likely to be significant. Businesses in the proximity are not expected to be impacted by the Project works. The Project does not involve CTTG undertaking a 'Significant Business Activity', as defined by National Competition Principles and therefore the principles of Fair Competition do not apply.
(d)	The level of consultation with the local community and the means by which the community can influence the project.	A number of consultation processes have occurred in relation to the Project, including consultation on the Tilley Masterplan, the inclusion of a dog park, and on amendments to the Tilley Recreation Park Community Land Management Plan. These consultation processes have occurred in a manner consistent with the CTTG Community Engagement and Public Consultation Policy.
(e)	Revenue projections and potential financial risks .	Additional revenue generation is not a key outcome sought by progressing the Project. The ability to deliver the desired project scope within the existing budget provision is one of the key financial risks relating to this Project. Another is the ability to acquit funding under the State Government Special Purpose Grant by the revised expiry date of 31 December 2024 or alternatively to have an extension approved to allow for delivery in accordance with the latest Project program.

S48 (2)	Description	Prudential Review Summary Comments
(f)	Recurrent and whole-of-life costs and financial arrangements	<p>The recurrent costs of progressing the Project in the LTFP include depreciation and interest. Other recurrent costs such as maintenance and electricity are assumed to not increase materially as a result of the Project.</p> <p>We would expect some increase in annual recurrent operating costs arising from the future maintenance of the dog park, however no work has been undertaken to quantify the likely cost and we do not expect that it would be material in the context of CTTG's broader operations.</p> <p>As there is not a substantial increase in recurrent costs expected, CTTG has not prepared a whole of life cost model, or included additional operating cost provisions in the LTFP.</p>
(g)	Financial viability of the project.	The capital cost of the Project is affordable based on CTTG's current LTFP and our review of its key financial indicators. Capital provisions have been included in the LTFP to deliver the Project based on the existing Project budget.
(h)	Risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks.	A Project Risk Register has been prepared that identifies the most significant Project risk at this stage of the planning cycle and suitable mitigation strategies. Regular updates to the risk register should be undertaken as the Project moves through the design and construction phases.
(i)	The most appropriate mechanisms or arrangements for carrying out the project .	<p>The Project Plan provides for significant time to delivery what is a relatively small capital works project. This recognises the desire to phase the Project to minimise the impact of users of Tilley Recreation Park and the existing workloads and other new capital projects being delivered.</p> <p>The Project governance structure will mirror the structure for Phase 1 of the Tilley Masterplan.</p>
(j)	If the project involves the sale or disposition of land , the valuation of the land by a qualified valuer under the Land Valuers Act 1994	The Project does not involve the sale of land. No valuation is required.
	An appropriate level of due diligence is applied to the proposed project.	An appropriate level of 'due diligence' has been applied to the Project. The Project Team should continue to update key Project documents such as the Project Delivery Plan and the Risk Register as the Project continues to develop. A whole of life cost estimate for the Project is required to be prepared to meet the requirements of Section 48, although we acknowledge this is unlikely to impact Council's decision making on the Project.

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Tilley Recreation Park Upgrade Phase 2 Prudential Report - Final (FYI-570568264)

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City of Tea Tree Gully
Tilley Recreation Park Phase 2 Redevelopment – Prudential Report



1. INTRODUCTION

1.1 Background

- 1.1.1 Tilley Recreation Park in Surrey Downs (Tilley) is a large recreation complex featuring two grassed areas used mainly for soccer and athletics, three community buildings, nine tennis courts, a playground, and a picnic and barbeque area.
- 1.1.2 Tilley is bounded by Yatala Vale Road, Hancock Road, Mariners Drive and Hartly Court in Surrey Downs and is owned and managed by the City of Tea Tree Gully (CTTG). An overhead view of Tilley is shown in Figure One.

Figure One: Tilley Recreation Park (sourced from Master Plan)



- 1.1.3 In December 2020, Council resolved to commission a feasibility report and a masterplan investigating a potential upgrade of Tilley.
- 1.1.4 The first iteration of the Tilley Recreation Park Master Plan, dated April 2021, was created by consulting firms, Inside Edge and JPE (Original Masterplan). As part of the development of the Original Masterplan, consultation with key stakeholders was undertaken.
- 1.1.5 The Masterplan was costed by independent cost consultants Rider Levett Bucknall at \$9.46 million as at April 2021.
- 1.1.6 At the Council meeting on 27 April 2021, Council supported the Masterplan as a long term vision for the site and committed to a financial contribution towards the building works, subject to a minimum of 50% of the Project costs being funded by external grants.

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- 1.1.7 A key part of the Original Masterplan was the construction of a new clubroom building for the benefit of the Tea Tree Gully City Soccer Club (TTGCSC). In support of this part of the Original Masterplan, the TTGCSC made an application to the Office for Recreation Sport and Racing (ORSR) seeking grant funding through the available Infrastructure Projects Grant Programs (which included the Regional and Districts Facilities Program, the Grassroots Facilities Program and the Community Recreation and Sport Facilities Program).
- 1.1.8 On 9 January 2022, the TTGCSC was advised by ORSR that it had been successful in attracting \$1.5 million of funding to support the construction of:
Four unisex changerooms, umpires and medical rooms, clubrooms, undercover viewing area and amenities at Tilley Recreation Park, Surrey Downs.
- 1.1.9 In June 2022, CTTG was advised by the ORSR that it was successful in attracting grant funding (2021-22 Special Purpose Grants fund) of \$4.75 million to assist with the redevelopment of the broader Tilley Recreation Park as identified in the Original Masterplan including the construction of a new clubroom, field lighting, upgraded tennis facilities, storage, landscaping, carparking, creation of a dog park, and associated public amenities.
- 1.1.10 Phase 1 of the Tilley Recreation Park Upgrade, involving the construction of the TTGCSC Clubroom is currently underway and was subject to a separate Prudential Report dated July 2023. The estimated construction cost for Phase 1 of the Tilley Masterplan is \$5.817 million.
- 1.1.11 In 2023, consulting firm Walter Brooke was engaged to undertake the design of the new clubroom and review and update of the Original Masterplan.
- 1.1.12 A new masterplan was developed titled the Tilley Recreation Park Masterplan 2024 (Masterplan). This Masterplan was endorsed by Council at the Council Meeting on 30 January 2024.
- 1.1.13 The Masterplan identified a total of 11 proposed funded projects and a further 16 proposed unfunded projects to upgrade Tilley. The number of proposed projects were selected based on the amount of work that CTTG assumed could be delivered within the remaining overall Project budget.
- 1.1.14 The proposed overall site layout for Tilley is shown in Attachment One.

1.2 The Project

The Project is the second phase of the implementation of the Masterplan, delivering:

- Soccer facilities upgrade including lighting, retaining walls with drainage;
- improvements to Little Athletics facilities;
- improved carparking and vehicle access;
- Improvements to pedestrian links;

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- a new public toilet and softball/teeball storage area;
- Upgraded entrance to theatre;
- a new dog park; and
- Improvements to tennis facilities.

The expected capital cost of the construction works is \$3.733 million which is expected to exhaust the available funding of \$9.550 million allocated to both Phases 1 and 2 of the Masterplan.

We note that resurfacing of the tennis courts was not envisaged in the Masterplan but has been included in the Project Scope based on a decision from the Project Steering Group.

1.3 Purpose of a Prudential Review

1.3.1 Section 48 of the Local Government Act 1999 (Act) requires a Council to consider a report addressing the prudential issues set out in subsection (2) of the Act when a project meets certain criteria, namely where a council:

"(b) engages in any project

(a) Where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or

(b) where the expected capital cost of the project over the ensuing five years is likely to exceed \$4 000 000 (indexed); or

(c) where the council considers that it is necessary or appropriate."

1.3.2 Council has an adopted Prudential Management Policy, which was last reviewed on 8 December 2020, that sets out Council's approach for prudential management of all its projects. The objectives of the Policy are:

1.3.2.1 To ensure that major Council projects are undertaken only after an appropriate level of Due Diligence is applied to the proposed project.

1.3.2.2 To ensure that each major Council project is:

(a) managed during the project

(b) evaluated after the project

1.3.2.3 To achieve identified public benefits or needs; and to minimise financial risks.

1.3.3 The preparation of a Prudential Report is the highest level of due diligence prescribed under the Prudential Management Policy.

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- 1.3.4 Based on the current Project budget of \$3.733 million and the total capital cost of implementing the Tilley Masterplan of \$9.500 million, the preparation of a Prudential Report was commissioned to ensure its requirements under Section 48 of the Act, and its Prudential Management Policy are met.

1.4 Preparation of this report

- 1.4.1 In accordance with the Act and the Policy, a Prudential Report must be prepared by a person whom the Council reasonably believes to be qualified to address the prudential issues set out in Section 48(4) and must not be a person who has an interest in the relevant project as defined in Section 48(6a) - (6c).
- 1.4.2 BRM Advisory was engaged to prepare this report and we confirm we do not have an interest in the Project, as defined in section 48(6a) - (6c) of the Act.

1.5 Presentation of this Prudential Report to Audit and Risk Committee

- 1.5.1 Section 126 (4) (i) requires a council's Audit and Risk Committee to review any report obtained by the council under Section 48 (1) of the Act.
- 1.5.2 It is proposed that this report will be provided to CTTG's Audit and Risk Committee on 20 March 2024.



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2. PRUDENTIAL REVIEW

2.1 Relationship with Strategic Management Plans

Section 48 (2) (a) the relationship between the project and relevant strategic management plans;”

Elements	Relevant Documents	Prudential Review Comments
Council Plans	Strategic Plan 2025 Annual Business Plan and Budget 2023/24 Long Term Financial Plan 2024/2033 (LTFP) Buildings and Open Space Asset Management Plans Community Land Management Plan – Tilley Recreation Park (adopted 30 January 2024)	<p>The 2023/24 Annual Business Plan and Budget contains a listing of all capital works projects that will be undertaken during the financial year. While provisions to complete Phase 1 of the Masterplan are included in the budget, Council has yet to allocate a budget to Phase 2 of the Masterplan. If the Project is endorsed to proceed, the Project should be included in the FY2024/25 budget which is currently under development. The LTFP includes total funding of \$9.550 million to progress the broader Tilley Masterplan. The Project will be funded from this capital allocation.</p> <p>Whilst the Project is not specifically mentioned in the Strategic Plan, it is consistent with a number of the key objectives within the “Places” aspiration, specifically:</p> <ul style="list-style-type: none"> • Infrastructure and community facilities are fit for purpose, constructed using sustainable practices and well maintained; and • Streets, paths, open spaces and parks are appealing, safe and accessible. <p>Once construction is complete, the relevant Asset Management Plans (Buildings and Open Space) will need to be updated to reflect the demolition of a number of assets in Tilley and to recognised the new assets constructed through the Project.</p> <p>The Community Land Management Plan – Tilley Recreation Park was adopted on 30 January 2024 to include provision for the new dog park that is proposed to be constructed as part of the Project.</p>
State Plans	30 Year Plan for Greater Adelaide	<p>The current 30 Year Plan, prepared in 2017, contains 14 policy themes that are high-level strategic directions to guide land use across the Greater Adelaide region until 2045, with each theme supported by actions to facilitate the implementation of the Plan.</p> <p>The upgrade of the Tilley Recreation Park is aligned to the 30 Year Plan Policy Theme of “Health, well-being and inclusion”.</p> <p>The Project alignment is demonstrated by the significant funding contribution committed by the State Government through the Office of Recreation and Sport.</p>

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Elements	Relevant Documents	Prudential Review Comments
National Plans	2030 National Sports Plan National Sport and Active Recreation Framework	The Project is aligned with the National Sport and Active Recreation Framework which sets out Commonwealth, State and Territory Government expectations of other stakeholders (including local government) to provide sporting and recreation infrastructure and the 2030 National Sports Plan by providing facilities which encourage Australians to be more active, more often.
Findings: Requirements of Section 48 (2) (a) have been met. CTTG has included capital funding for the broader Tilley Masterplan in the latest iteration of the LTFP. Whilst not specifically mentioned in the Strategic Plan, the Project is considered broadly aligned to a number of the Places aspirations.		



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2.2 Objectives of the Development Plan

Section 48 (2) (b) the objectives of the Development Plan in the area where the project is to occur;

Elements	Relevant Documents	Prudential Review Comments
Development zone	Planning and Design Code	<p>The Project is located in the Community Facilities Zone.</p> <p>The desired outcome for the zones is stated to be: provision of a range of community, educational, recreational and health care facilities.</p> <p>The proposed Project works are aligned with the objects of the Zone.</p>
Development Assessment	Planning, Development and Infrastructure Act 2016 (PDI Act)	<p>There are exemptions within the PDI Act from the definition of Development that are likely to apply to a majority of the proposed Project works:</p> <p><i>1) The construction, reconstruction, alteration, repair or maintenance by or on behalf of a council of—</i> <i>a recreation area, or a building in a recreation area, other than—</i> <i>(i) the construction of a new building exceeding 30m² in total floor area on a recreation area; or</i> <i>(f) the placement, installation or construction of playground, exercise or recreation equipment in a recreation area; or</i> <i>(g) an item of street furniture (including directional signs, lighting, seating, weather shelters, bollards and bicycle racks), other than the construction of street lighting within a designated airport building heights area;</i></p> <p>Given the early stage of the design, it is not clear whether or not a Development Application will need to be submitted for the Project.</p> <p>Some of the key elements which may require development approval include:</p> <ul style="list-style-type: none"> • Whether any significant or regulated trees will be impacted • The proposed retaining wall, if the height exceeds 1 metre • The new public toilets, if the footprint exceeds 30m² <p>A referral to the Department of Infrastructure and Transport may also be required if there are changes to access points to Tilley.</p> <p>While we do not expect any significant and complex development issues stemming from progressing the Project, time will need to be allocated for in the Project Plan to achieve Development Approval, should any of the Project elements constitute Development under the PDI Act.</p>

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Findings:

Requirements of Section 48 (2) (b) **have been met.**

A Planning Officer at CTTG has prepared some very early advice to the Project Team about the potential development issues relating to the Project. At the current early stage of design, it is not yet known whether a Development Application will be needed to support progression of the Project.

If a Development Application is required, time will need to be included in the Project Plan for the assessment to occur as well as any required referrals to State Agencies such as the Department for Infrastructure and Transport.

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2.3 Contribution to Economic Development

Section 48 (2) (c) the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in a way that ensures fair competition in the market place;"

Elements	Relevant Documents	Prudential Review Comments
Contribution to economic development	Remplan Economic Impact report	<p>Economic development can be defined as efforts that seek to improve the economic well-being and quality of life for a community by creating and/or retaining jobs and supporting or growing incomes and the tax base.</p> <p>The construction of the Project works will have a positive economic impact.</p> <p>CTTG has prepared a REMPLAN Economic Impact report to estimate the expected impact the construction phase of the Project will have on economic activity and jobs.</p> <p>From a direct investment of \$3.733 million, the total increase in economic output is forecast to be \$7.470 million once all direct, supply chain and consumptions effects are considered.</p> <p>It is also expected that the construction phase of the Project will create an additional 17 jobs through direct, supply chain and consumption effects.</p>
Impact on businesses in the proximity	None	Given the location of the Project, we do not expect that there will be any material impacts on businesses in the proximity as a result of undertaking the Project.
Fair competition	None	The activities planned to be undertaken at Tilley are not commercial in nature and do not involve CTTG undertaking a 'Significant Business Activity', as defined by National Competition Principles and therefore the principles of Fair Competition do not apply.
<p>Findings:</p> <p>Requirements of Section 48 (2) (c) have been met.</p> <p>CTTG has quantified the expected economic impact from the construction phase of the Project on the local and national economy using the Remplan Economic Impact Model.</p> <p>Given the location of the Project, we do not expect that businesses in the proximity will be materially negatively impacted by progressing the Project.</p> <p>There is no proposal for CTTG to undertake a Significant Business Activity as defined under National Competition Policy, therefore the issues relating to Fair Competition are not relevant to this Project.</p>		

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2.4 Level of Consultation

Section 48 (2) (d) the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;”

Elements	Relevant Documents	Prudential Review Comments
Level of consultation	<p>Community Engagement and Public Consultation Policy</p> <p>Local Government Act 1999</p> <p>Community Land Management Plan – Tilley Recreation Park</p>	<p>CTTG Community Engagement and Public Consultation Policy (Policy) last reviewed 17 August 2022, applies to all consultation processes required under the Local Government Act and any other engagement processes resolved by Council.</p> <p>Appendix 1 of the Policy notes the level of consultation required when CTTG proposes to amend a Community Land Management Plan. The compulsory activities under the Policy include:</p> <ul style="list-style-type: none"> • Information on CTTG website; • Notice in local paper; • Documents at Civic Centre; and • Minimum 20 days notice. <p>The optional activities under the Policy include:</p> <ul style="list-style-type: none"> • Send letter to owners / occupiers in the immediate vicinity; • Opportunities for submissions to be presented at a council meeting; • Signage to be erected at site; and • Submissions to be considered by Council in decision making. <p>A community consultation process was first undertaken between 21 February and 21 March 2023 in relation to the amendments required to the Tilley Recreation Park Community Land Management Plan (CLMP) to account the new soccer clubroom.</p> <p>A second community consultation process specific to this Project was undertaken from 25 October 2023 to 21 November 2023 on the updated Masterplan and the amendments required to the Tilley Recreation Park Community Land Management Plan (CLMP) to account for the proposal to include a dog park in the development. The engagement activities included:</p> <ul style="list-style-type: none"> • Direct mailout to 734 households property owners within 400m of the Tilley Recreation Park; • Emails to other key stakeholders;

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Elements	Relevant Documents	Prudential Review Comments
		<ul style="list-style-type: none"> SMS to dog owners in Surrey Downs and nearby suburbs; A notice in the Advertiser on 25 October 2023; Social Media posts; and Onsite signage. <p>118 responses to the engagement process were received and a detailed Community Engagement Outcomes Report was prepared dated November 2023. This engagement report contained a summary of all engagement results and verbatim responses of all respondents to inform council's decision making.</p> <p>96 of the 118 responses supported or strongly supported the Masterplan and 91 of the 118 responses supported or strongly supported the proposed dog park.</p> <p>This report was presented to Elected Members at the council meeting on 30 January 2024.</p> <p>At the 9 May 2023 meeting, Council having considered the Community Engagement Outcomes Report resolved as follows:</p> <ol style="list-style-type: none"> Notes the findings of the community engagement undertaken on the Draft Tilley Recreation Park Masterplan and the proposed changes to the Tilley Recreation Park Community Land Management Plan to facilitate the inclusion of a dog park in Attachment 1 of this report. Endorses the amended Tilley Recreation Park Community Land Management Plan to facilitate the inclusion of a dog park in Attachment 2 of this report. Endorses the Tilley Recreation Park Masterplan document in Attachment 3 of this report.
Level of community influence to the Project	Community Engagement Outcomes Report.	The Public Consultation processes undertaken have provided the community with a reasonable opportunity to influence the outcomes of the Project. Noting that further consultation is planned to occur once a concept design for the dog park is developed.
Findings: Requirements of Section 48 (2) (d) have been met. Consultation processes, consistent with the requirements of the CTTG Community Engagement and Public Consultation Policy has been undertaken to support the Project.		

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2.5 Revenue, Revenue Projections and Potential Financial Risks

Section 48 (2) (e) if the project is intended to produce revenue, revenue projections and potential financial risks"

Elements	Relevant Documents	Prudential Review Comments
Revenue projections	Annual Business Plan and Budget 2023/24	<p>A \$4.250 million State Government capital grant has been committed to supporting the broader Tilley Masterplan. It is expected that approximately \$2.841 million of this grant will be allocated to the Project, with the remainder being allocated to the first phase of the Tilley Masterplan (being the construction of the Soccer Clubroom).</p> <p>The Project will not produce recurring revenue for CTTG.</p>
Potential financial risks	Tilley Masterplan Risk Register	<p>One of the key financial risks at this stage of the Project lifecycle is in relation to delivering the desired scope of works within the \$3.733 million remaining budget allocation. This risk may eventuate due to cost increases during final design development, cost increases due to undesirable tender outcomes, or cost increases due to variations during construction. Each risk has been identified in the Project Risk Register.</p> <p>There is an opportunity to reduce scope and/or the number of elements to be delivered should the budget be insufficient which is a key mitigation control.</p> <p>There is also a noted risk in relation to the CTTG's ability to acquit grant funding committed to the Project within the time periods prescribed. The latest formal grant variation letter sent from ORSR to CTTG confirms an extension of the expiry date and the date for practical completion on the Special Purpose Grant to 31 December 2024. On 20 February 2024, the Project Manager sent an email to ORSR with an updated Project Delivery Plan which showed an estimated Project completion of 31 December 2025. The Project Manager intends on seeking a further extension to the timeframe of the grant at the next quarterly Project update. An extended time period to acquit the grant funding has yet to be formally approved by ORSR and there remains a minor risk that the grant funding will be withdrawn due to the inability of CTTG to deliver the Project by 31 December 2024.</p>
<p>Findings:</p> <p>Requirements of Section 48 (2) (e) have been met.</p> <p>The Project provides for upgrades to the Tilley Recreation Park identified in the Tilley Masterplan. Revenue generation is not a key outcome sought by progressing the Project.</p> <p>The ability to deliver the desired Project scope within the existing budget provision is one of two key financial risks relating to this Project. The other is the ability to acquit funding under the State Government Special Purpose Grant by the revised expiry date of 31 December 2024 or alternatively to have an extension approved to allow for delivery in accordance with the latest Project program.</p>		

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2.6 Recurrent and Whole of Life Costs

Section 48 (2) (f) the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;”

Elements	Relevant Documents	Prudential Review Comments								
Recurrent costs	Long Term Financial Plan 2025-2034	<p>The CTTG Long Term Financial Plan includes capital provisions for the Project and accordingly, the associated additional depreciation and interest costs which will be incurred from progressing the Project are also included within the latest iteration of the CTTG LTFP.</p> <p>CTTG have not made an allowance for any additional operational costs as a result of the Project in the draft FY2024/25 budget nor in the LTFP on the basis that the Project works are not expected to materially add to the cost base of CTTG.</p> <p>The only element of the Project Scope which we expect will add to the operational cost base of CTTG is future maintenance of the Dog Park. We recommend an additional budget provision be included in future budget preparation documents and/or budget reviews to recognise this cost.</p>								
Whole of life costs	None	<p>The whole of life costs of the Project will include the upfront capital cost plus the sum of the net recurrent costs incurred over the life of the assets.</p> <p>A whole of life cost calculation has not been undertaken by CTTG for this Project.</p>								
Financial arrangements	Annual Business Plan and Budget Treasury Policy	<p>The proposed financial arrangement for the Project is to use the State Government Special Purpose Grant to fund a majority of the works with the remaining budget contributed from CTTG funding. The proposed funding arrangements are shown below.</p> <table><tr><th>Funding source</th><th>Amount</th></tr><tr><td>CTTG funding</td><td>\$892,000</td></tr><tr><td>State Government Special Purpose Grant</td><td>\$2,841,000</td></tr><tr><td>Total budget</td><td>\$3,733,000</td></tr></table> <p>CTTG has sourced a cost estimate from Chris Sale Consulting dated 11 May 2023 to inform which parts of the Masterplan could be delivered within the remaining Project funding available. The cost estimate considers a total of 24 items of work envisaged to be completed in the Tilley Masterplan. Due to budget constraints, CTTG has elected to prioritise completion of the first 10 items of scope within the cost estimate. The cost</p>	Funding source	Amount	CTTG funding	\$892,000	State Government Special Purpose Grant	\$2,841,000	Total budget	\$3,733,000
Funding source	Amount									
CTTG funding	\$892,000									
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Elements	Relevant Documents	Prudential Review Comments																				
		<p>estimate includes design development contingency (10%), construction contingency (10%), builders margins and preliminaries (15%), professional fees (10%) and escalation to a 2024 assumed start date.</p> <p>The costed elements which are planned to be delivered within the Project budget include:</p> <table><tr><th>Item</th><th>Cost Estimate (\$m)</th></tr><tr><td>Item 2 – Soccer facilities upgrade</td><td>\$1.158</td></tr><tr><td>Item 3 – Little athletics improvements</td><td>\$0.125</td></tr><tr><td>Item 4 - Improved carparking and vehicle access</td><td>\$1.330</td></tr><tr><td>Item 5 – Pedestrian links</td><td>\$0.100</td></tr><tr><td>Item 6 – Toilet amenities and tee ball club storage</td><td>\$0.280</td></tr><tr><td>Item 7 – Upgrade entrance to theatre</td><td>\$0.190</td></tr><tr><td>Item 8 – Create new dog park</td><td>\$0.350</td></tr><tr><td>Item 9 – Improvements to tennis facilities</td><td>\$0.200</td></tr><tr><td>Total construction cost</td><td>\$3.733</td></tr></table> <p>The cost estimate is based on the concept designs and accordingly includes significant provisions and contingencies commensurate to the early stage of design development.</p>	Item	Cost Estimate (\$m)	Item 2 – Soccer facilities upgrade	\$1.158	Item 3 – Little athletics improvements	\$0.125	Item 4 - Improved carparking and vehicle access	\$1.330	Item 5 – Pedestrian links	\$0.100	Item 6 – Toilet amenities and tee ball club storage	\$0.280	Item 7 – Upgrade entrance to theatre	\$0.190	Item 8 – Create new dog park	\$0.350	Item 9 – Improvements to tennis facilities	\$0.200	Total construction cost	\$3.733
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<p>Findings:</p> <p>Requirements of Section 48 (2) (f) have been partially met</p> <p>The recurrent costs factored into CTTG’s LTFP from progressing the Project include depreciation and interest costs only. CTTG have assumed that there will be no other increases in other operational costs from progressing the Project. While there is likely to be some additional costs, i.e. marginal increases in insurance costs to cover the new assets created, and costs relating to maintaining the new dog park, these new costs should not be material in the context of CTTG’s broader operations.</p> <p>A whole of life cost for the Project has not been prepared by CTTG for this Project. A majority of the cost of the Project will be funded via the State Government Special Purpose Grant.</p>																						

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2.7 Financial Viability

Section 48 (2) (g) the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council;”

Elements	Relevant Documents	Prudential Review Comments
Financial viability	Long Term Financial Plan 2025-2034 Strategic Projects Funding Strategy 25 LTFP	<p>The latest version of the CTTG LTFP covers the period from FY2025 to FY2034.</p> <p>Capital provisions to undertake the Project have been included in the LTFP. Based on progressing this and the other Strategic Projects currently underway, Page 18 of the LTFP shows the forecast performance of CTTG against its Key Financial Indicators during the LTFP period.</p> <p>The Net Financial Liabilities ration is forecast to peak in the first year of the Plan FY2025, at a manageable level of 27% before reducing over the LTFP period.</p> <p>CTTG is also forecasting to achieve an operating surplus ratio ranging from 4% to 9% over the LTFP period and an Asset Sustainability Ration ranging from 91% to 104%. All ratios remain within or exceeding the targets set by Council.</p> <p>There are no additional provisions in the LTFP for additional building maintenance or insurance costs relating to the building, however these are not expected to be material, particularly in the early years of operation of the building.</p>
<p>Findings:</p> <p>Requirements of Section 48 (2) (g) have been met.</p> <p>Financial provisions for the Project are included in the LTFP and the impact on CTTG’s key financial position is known and not significant.</p> <p>We consider the capital cost of the Project to be affordable based on CTTG’s current LTFP and the impact of the Project of CTTG’s key financial indicators.</p>		

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2.8 Risk Management

Section 48 (2) (h) any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council);”

Elements	Relevant Documents	Prudential Review Comments
Risk assessment	Risk Management Policy Tilley Masterplan Risk Register	<p>The CTTG Risk Management Policy, last reviewed 12 September 2023, articulates CTTG’s policy position in relation to managing risk to achieve its objectives in its Strategic Management Plans.</p> <p>CTTG has prepared a Risk Register for the Project which identifies 11 key project risks. 7 of the 11 risks have an inherent risk rating of ‘high’, with the remaining four risks having an inherent rating of ‘medium’. After the application of the identified risk controls, 8 risks have an inherent rating of ‘medium’ with the remainder ‘low’.</p> <p>For this Project, the risk of no suitable tenders being received was assessed as having a ‘medium’ risk rating. This is an interesting risk in the context that the Project works require execution of civil, building and landscaping services, at a relatively small scale. The contract value may not be significant enough to attract construction firms with diverse skills in all areas of the scope. It is therefore possible that the successful contractor will either need to subcontract parts of the delivery, or alternatively, the package of construction works may be split into smaller packages, which could further decrease the size of the contracts available. Strong tender documentation and flexibility in the procurement approach will be required to mitigate this risk.</p> <p>The other common risk for similar projects is that construction delays may impact stakeholders usage of the facilities. The part of the scope most likely to be impacted by this risk is realignment of the soccer pitches and new lighting. CTTG should ensure in the Project Delivery Plan that these works are scheduled to minimise impacts on the clubs using the facilities.</p> <p>As the Project continues to evolve, the risk profile will change. Risks will move from being more focussed on funding and design, to risks more in relation to construction, scope changes and managing stakeholder expectations. Some of the key construction risks should be transferred from CTTG to the construction contractor when the construction contracts are let.</p> <p>Material changes to key Project risks should then be reported up to the CEO / Council if and as required.</p>
Risk mitigation	None	High level risk mitigation strategies have been identified in the Risk Register to initially manage the key Project risks.

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Findings:

Requirements of Section 48 (2) (h) **have been met.**

A risk assessment has been undertaken that identifies the most significant Project risk at this stage of the planning cycle.

Regular updates to the Risk Register should be undertaken as the Project moves through the design and construction phases. Updated to the Project Risk Register should be reported to regular meetings of the Project Steering Group and Construction Project Control Group as well as the CEO and Council if the risk position of the Project materially changes.

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2.9 Project Delivery

Section 48 (2) (i) the most appropriate mechanisms or arrangements for carrying out the project;

Elements	Relevant Documents	Prudential Review Comments
Project Delivery	<p>Procurement Policy</p> <p>Tilley Reserve Masterplan program</p> <p>Tilley Reserve Masterplan Staging Plan</p> <p>RFQ Tilley Recreation Park Southern Precinct Detailed Design - Brief - January 2024</p> <p>Tilley Soccer Clubroom – Project Management Plan</p>	<p>A detailed Project Delivery Plan for Stage 1 of the Tilley Masterplan was developed which identifies the Project governance structure in place to deliver the Project.</p> <p>The Project Manager has confirmed that the same governance structure will remain in place to deliver the Phase 2 of the Tilley Masterplan:</p> <div style="display: flex; justify-content: space-between;"> <div> <p>Decision making</p> <pre> graph TD Council[Council] --> PSGroup[Project Steering Group] PSGroup --> PM[Project Manager] PM --> DT[Design Team] PM --> IWG[Internal Working Group/Specialists] DT --> PCG[Construction PCG] IWG --> PCG </pre> </div> <div> <p>Advisory</p> <div style="border: 1px dashed black; padding: 5px; margin-top: 10px;"> <p>Stakeholder reference group Club representatives Community representatives</p> </div> </div> </div> <p>In January 2024, CTTG released a Tender for the preparation of a detailed design for the Project. The package of works confirms the intended approach to move through the design phase of the Project which includes the successful design contractor preparing 30%, 70% and 100% design packages and construction drawings ready for construction tender. Once designs are completed, CTTG will then approach the market to obtain a construction contractor(s).</p> <p>The latest delivery plan for the Project is shown below:</p>

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Elements	Relevant Documents	Prudential Review Comments																																																												
		<table border="1"> <thead> <tr> <th>Task Name</th><th>Duration</th><th>Start</th></tr> </thead> <tbody> <tr> <td>Tilley Reserve Master Plan</td><td>466 days</td><td>Tue 12/09/24</td></tr> <tr> <td>Stage 1-Work</td><td>200 days</td><td>Tue 12/09/24</td></tr> <tr> <td>Tilley Clubroom-Building work</td><td>10 mons</td><td>Tue 12/09/24</td></tr> <tr> <td>Tilley Club room external work</td><td>52 days</td><td>Mon 23/09/24</td></tr> <tr> <td>Little Athletic Improvement</td><td>6 wks</td><td>Thu 1/08/24</td></tr> <tr> <td>Soccer facilities upgrade and retaining wall</td><td>3 mons</td><td>Thu 12/09/24</td></tr> <tr> <td>New toilet and softball club storage</td><td>3 mons</td><td>Thu 12/09/24</td></tr> <tr> <td>Stage 1-Completion</td><td>0 days</td><td>Thu 5/12/24</td></tr> <tr> <td>Stage 2-Work</td><td>140 days</td><td>Thu 5/12/24</td></tr> <tr> <td>Dog Park</td><td>3 mons</td><td>Thu 5/12/24</td></tr> <tr> <td>New Entry and Car park</td><td>4 mons</td><td>Thu 27/02/25</td></tr> <tr> <td>Stage 2-Completion</td><td>0 days</td><td>Wed 18/06/25</td></tr> <tr> <td>Stage 3-Work</td><td>134 days</td><td>Thu 19/06/25</td></tr> <tr> <td>Demolition of existing toilet and car park</td><td>14 days</td><td>Thu 19/06/25</td></tr> <tr> <td>Upgrade lower to upper vehicle link</td><td>3 mons</td><td>Wed 9/07/25</td></tr> <tr> <td>New entry from Yatala Vale road and increase car park</td><td>4 mons</td><td>Wed 9/07/25</td></tr> <tr> <td>Develop pedestrian link and remove permapine barrier</td><td>5 wks</td><td>Wed 29/10/25</td></tr> <tr> <td>Upgrade existing entrance paving</td><td>3 wks</td><td>Wed 3/12/25</td></tr> <tr> <td>Stage 3-Completion</td><td>0 days</td><td>Tue 23/12/25</td></tr> </tbody> </table> <p>Phase 1 of the Tilley Upgrade (not in scope of this Project) is forecast to start in March 2024 with the first components of Phase 2 forecasted to commence in August 2024 and complete by December 2025. We note this is a relatively long lead time for a Project of this size and scale and that there may be opportunities to condense the delivery schedule. This will be explored by the Project team in the future.</p>	Task Name	Duration	Start	Tilley Reserve Master Plan	466 days	Tue 12/09/24	Stage 1-Work	200 days	Tue 12/09/24	Tilley Clubroom-Building work	10 mons	Tue 12/09/24	Tilley Club room external work	52 days	Mon 23/09/24	Little Athletic Improvement	6 wks	Thu 1/08/24	Soccer facilities upgrade and retaining wall	3 mons	Thu 12/09/24	New toilet and softball club storage	3 mons	Thu 12/09/24	Stage 1-Completion	0 days	Thu 5/12/24	Stage 2-Work	140 days	Thu 5/12/24	Dog Park	3 mons	Thu 5/12/24	New Entry and Car park	4 mons	Thu 27/02/25	Stage 2-Completion	0 days	Wed 18/06/25	Stage 3-Work	134 days	Thu 19/06/25	Demolition of existing toilet and car park	14 days	Thu 19/06/25	Upgrade lower to upper vehicle link	3 mons	Wed 9/07/25	New entry from Yatala Vale road and increase car park	4 mons	Wed 9/07/25	Develop pedestrian link and remove permapine barrier	5 wks	Wed 29/10/25	Upgrade existing entrance paving	3 wks	Wed 3/12/25	Stage 3-Completion	0 days	Tue 23/12/25
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Stage 1-Completion	0 days	Thu 5/12/24																																																												
Stage 2-Work	140 days	Thu 5/12/24																																																												
Dog Park	3 mons	Thu 5/12/24																																																												
New Entry and Car park	4 mons	Thu 27/02/25																																																												
Stage 2-Completion	0 days	Wed 18/06/25																																																												
Stage 3-Work	134 days	Thu 19/06/25																																																												
Demolition of existing toilet and car park	14 days	Thu 19/06/25																																																												
Upgrade lower to upper vehicle link	3 mons	Wed 9/07/25																																																												
New entry from Yatala Vale road and increase car park	4 mons	Wed 9/07/25																																																												
Develop pedestrian link and remove permapine barrier	5 wks	Wed 29/10/25																																																												
Upgrade existing entrance paving	3 wks	Wed 3/12/25																																																												
Stage 3-Completion	0 days	Tue 23/12/25																																																												
<p>Findings:</p> <p>Requirements of Section 48 (2) (i) have been met.</p> <p>The Project Plan provides for significant time to delivery what is a relatively small capital works Project. This recognises the desire to phase the project to minimise the impact of users of Tilley and the existing workloads and other new capital projects being delivered.</p> <p>The Project governance structure for the Project will mirror the structure for Phase 1 of the Tilley Masterplan.</p>																																																														

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2.10 Sale or Disposition of Land

Section 48 (2) (j) if the project involves the sale or disposition of land, the valuation of the land by a qualified valuer under the Land Valuers Act 1994;”

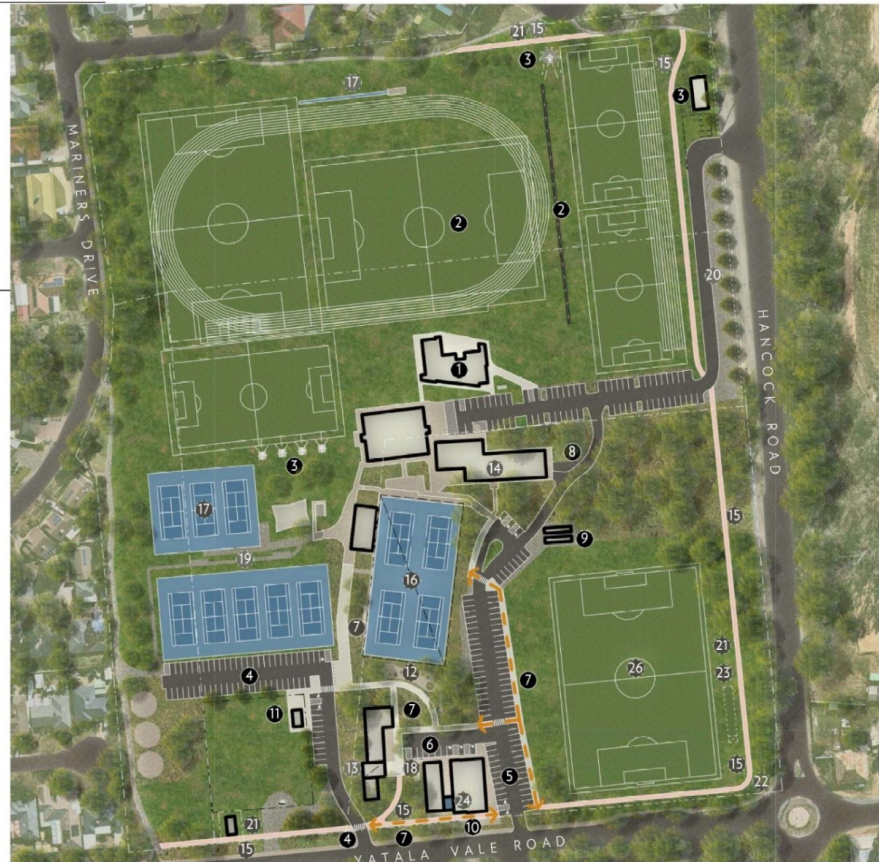
Elements	Relevant Documents	Prudential Review Comments
Valuation of land	None	The Project does not involve the sale or disposition of land.
Findings: Requirements of Section 48 (2) (j) are not applicable to this Project.		



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ATTACHMENT ONE: MASTERPLAN

2.0
PROPOSED
OVERALL SITE



- 1 NEW CLUBROOM FACILITIES
- PROPOSED PROJECTS**
- 2 SOCCER FACILITIES UPGRADE (UPGRADED LIGHTING AND/OR PITCH ORIENTATION), RETAINING WALL & NETTING
- 3 LITTLE ATHLETICS IMPROVEMENTS
- 4 UPGRADE ENTRY FROM YATALA VALE ROAD AND FORM NEW CARPARK
- 5 RECONFIGURE ENTRY FROM YATALA VALE ROAD AND INCREASE CAR PARKING TO BOTH SIDES
- 6 DEMOLISH EXISTING TOILET BLOCK AND EXTEND CAR PARKING
- 7 DEVELOP PEDESTRIAN LINKS & REMOVE PERMANENT BARRIERS
- 8 UPGRADE LOWER TO UPPER VEHICLE LINK
- 9 TOILET AMENITIES AND SOFTBALL CLUB STORAGE
- 10 UPGRADE EXISTING ENTRANCE PAVING
- 11 CREATE NEW DOG PARK & OVERFLOW CARPARK
- PROPOSED UNFUNDED FUTURE PROJECTS**
- 12 REMOVE SHED AND INTRODUCE NATURE PLAY
- 13 BOXING CLUB SHED UPGRADE
- 14 DS GOODES PAVILLION FACADE UPGRADE
- 15 RUNNING TRACK
- 16 MAIN TENNIS COURT'S ROOF
- 17 3 NEW TENNIS COURTS & LONG JUMP & SHED RELOCATION
- 18 STORAGE FOR THEATRE
- 19 UPGRADE TENNIS & SOCCER SHELTERS
- 20 NEW TREES AND REVIEW OF FENCING AND SIGNAGE. POSSIBLE OVERFLOW PARKING TO THE NORTH HAND SPEED JUMPS.
- 21 OUTDOOR GYM EQUIPMENT STATIONS
- 22 GENERAL WAYFINDING
- 23 NEW SOFTBALL BATTING CAGE
- 24 ENTRY UPGRADE TO HERITAGE THEATRE BUILDING
- 25 REVIEW PERIMETER FENCING
- 26 REVIEW OPPORTUNITY FOR SYNTHETIC PITCH
- 27 PROVIDE SECURE BIN COMPOUNDS TO UPPER AND LOWER PRECINCTS (LOCATIONS TBC)

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ATTACHMENT TWO: LOCAL GOVERNMENT ACT, 1999 SECTION 48

Section 48 – Prudential requirements for certain activities

- (aa1) A council must develop and maintain prudential management policies, practices and procedures for the assessment of projects to ensure that the council—
 - (a) acts with due care, diligence and foresight; and
 - (b) identifies and manages risks associated with a project; and
 - (c) makes informed decisions; and
 - (d) is accountable for the use of council and other public resources.
- (a1) The prudential management policies, practices and procedures developed by the council for the purposes of subsection (aa1) must be consistent with any regulations made for the purposes of this section.
- (1) Without limiting subsection (aa1), a council must obtain and consider a report that addresses the prudential issues set out in subsection (2) before the council—
 - (b) engages in any project (whether commercial or otherwise and including through a subsidiary or participation in a joint venture, trust, partnership or other similar body)—
 - (i) where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or
 - (ii) where the expected capital cost of the project over the ensuing five years is likely to exceed \$4 000 000 (indexed); or
 - (iii) where the council considers that it is necessary or appropriate.
- (2) The following are prudential issues for the purposes of subsection (1):
 - (a) the relationship between the project and relevant strategic management plans;
 - (b) the objectives of the Development Plan in the area where the project is to occur;
 - (c) the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in a way that ensures fair competition in the market place;
 - (d) the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;
 - (e) if the project is intended to produce revenue, revenue projections and potential financial risks;
 - (f) the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;
 - (g) the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council;
 - (h) any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council);
 - (i) the most appropriate mechanisms or arrangements for carrying out the project;
 - (j) if the project involves the sale or disposition of land, the valuation of the land by a qualified valuer under the Land Valuers Act 1994.
- (2a) The fact that a project is to be undertaken in stages does not limit the operation of subsection (1)(b) in relation to the project as a whole.
- (3) A report is not required under subsection (1) in relation to—
 - (a) road construction or maintenance; or
 - (b) drainage works.

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- (4) A report under subsection (1) must be prepared by a person whom the council reasonably believes to be qualified to address the prudential issues set out in subsection (2).
- (4a) A report under subsection (1) must not be prepared by a person who has an interest in the relevant project (but may be prepared by a person who is an employee of the council).
- (4b) A council must give reasonable consideration to a report under subsection (1) (and must not delegate the requirement to do so under this subsection).
- (6) However, a council may take steps to prevent the disclosure of specific information in order to protect its commercial value or to avoid disclosing the financial affairs of a person (other than the council).
- (6a) For the purposes of subsection (4a), a person has an interest in a project if the person, or a person with whom the person is closely associated, would receive or have a reasonable expectation of receiving a direct or indirect pecuniary benefit or a non-pecuniary benefit or suffer or have a reasonable expectation of suffering a direct or indirect detriment or a non-pecuniary detriment if the project were to proceed.
- (6b) A person is closely associated with another person (the relevant person)—
 - (a) if that person is a body corporate of which the relevant person is a director or a member of the governing body; or
 - (b) if that person is a proprietary company in which the relevant person is a shareholder; or
 - (c) if that person is a beneficiary under a trust or an object of a discretionary trust of which the relevant person is a trustee; or
 - (d) if that person is a partner of the relevant person; or
 - (e) if that person is the employer or an employee of the relevant person; or
 - (f) if that person is a person from whom the relevant person has received or might reasonably be expected to receive a fee, commission or other reward for providing professional or other services; or
 - (g) if that person is a relative of the relevant person.
- (6c) However, a person, or a person closely associated with another person, will not be regarded as having an interest in a matter—
 - (a) by virtue only of the fact that the person—
 - (i) is a ratepayer, elector or resident in the area of the council; or
 - (ii) is a member of a non-profit association, other than where the person is a member of the governing body of the association or organisation; or
 - (b) in a prescribed circumstance.
- (6d) In this section, \$4 000 000 (indexed) means that that amount is to be adjusted for the purposes of this section on 1 January of each year, starting on 1 January 2011, by multiplying the amount by a proportion obtained by dividing the CPI for the September quarter of the immediately preceding year by the CPI for the September quarter, 2009.
- (6e) In this section—
 - employee** of a council includes a person working for the council on a temporary basis;
 - non-profit association** means a body (whether corporate or unincorporate)—
 - (a) that does not have as its principal object or 1 of its principal objects the carrying on of a trade or the making of a profit; and
 - (b) that is so constituted that its profits (if any) must be applied towards the purposes for which it is established and may not be distributed to its members.
- (7) The provisions of this section extend to subsidiaries as if a subsidiary were a council subject to any modifications, exclusions or additions prescribed by the regulations.

Audit & Risk Committee Meeting - 20 March 2024

Information Report



Item 15.1

Local Government Reform - Amendments to the Local Government Act 1999

Record No:	D24/9792
Report of:	Office of the Chief Executive Officer
Responsible Officer:	Alexandra Pukallus, Coordinator, Risk & Audit Ilona Cooper, Manager Corporate Governance Ryan McMahon, Chief Executive Officer

1. Purpose

- 1.1 To provide the Audit and Risk Committee (the Committee) with assurance that recent changes to the Local Government Act 1999, specifically impacting the Committee, have been addressed.
- 1.2 To seek consultation with the Committee prior to formally appointing an employee **with the responsibility for the Council's internal audit function.**

2. Background

- 2.1 A number of changes have been made to the Local Government Act 1999 (the Act) in recent years, with reforms aiming to improve the quality and level of oversight and support provided to councils and elected members.
- 2.2 On 30 November 2023, several amendments to the Act commenced, including those impacting the Audit and Risk Committee.

3. Discussion

The amendments that directly impact the Committee and the actions taken to ensure legislative compliance are documented below.

1. Interpretation - amending section 4 of the Local Government Act 1999

This amendment inserts a new definition for **‘relevant audit and risk committee’**, which is used in other changes to the Local Government Act applicable to audit and risk committees.

In preparation for this amendment, the Audit Committee was established as the Audit and Risk Committee on 29 November 2022 when established at the commencement of the new term of Council.

2. Role of the Chief Executive Officer - amending section 99(1) of the Local Government Act 1999

Section 99 sets out the role of the Chief Executive Officer. This provision inserts two new functions which require:

- the establishment and maintenance of effective policies, systems and procedures for the identification, assessment, monitoring, management and annual review of strategic, financial and operational risks and
- an annual report to the relevant audit and risk committee in relation to the **council’s internal audit processes**.

The annual report on internal audit processes is a new reporting obligation. There is no specified timeframe for the presentation of the report apart from the requirement that it occur on an annual basis.

The Risk Management Policy was recently revised and adopted by Council at the 12 September 2023 meeting. The policy documents the systematic approach to risk management activities.

The Risk Management Procedure, including supporting tools and templates, provides staff with processes to undertake risk management activities including the identification, assessment, monitoring and management of risks. These processes have been trialed and implemented as part of the:

- November 2023 strategic and organisational risk review process
- February 2024 departmental risk review process.

On 15 March 2024, the Risk Management Procedure and supporting tools and templates were formally presented to the Executive Leadership Team for approval.

The new reporting obligation regarding the development of an annual report on internal audit processes has been included in the:

- Audit and Risk Committee Work Plan for 2024-25

- Audit and Risk Committee Terms of Reference (presented at the 20 March 2024 meeting for approval).

3. Internal Control - amending heading of chapter 8 Part 3 Division 2 of the Local Government Act 1999

This amendment modifies the heading of Chapter 8 (Administrative and financial accountability), Part 3 (Accounts, financial statements and audit), Division 2 to read **“Internal control, audit and risk committee etc”**

Throughout this chapter, multiple references to ‘audit committee’ have been amended to ‘audit and risk committee’.

On 29 November 2022, at the commencement of the Committee’s current term, all references to the Committee changed from Audit Committee to Audit and Risk Committee.

4. Internal Control Policies - amending section 125 of the Local Government Act 1999

This amendment inserts subsection (3) within the existing section 125 which introduces mandatory obligations for councils to ensure there are appropriate risk management policies, systems and procedures implemented and maintained to *‘assist the council to carry out its activities in an efficient and orderly manner to achieve its objectives, inform appropriate decision making, facilitate appropriate prioritisation of finite resources and promote appropriate mitigation of strategic, financial and operational risks relevant to the council’*.

This requirement expands the existing financial internal control policy requirements to include more general risk management requirements.

Similar mandatory requirements for the Chief Executive Officer in section 99(1)(ia) and audit and risk committees in sections 126(4)(h) and 126A(4)(h), which will support compliance with the new requirements under section 125(3).

The inclusion of the subsection (3) is managed through item 9 of section 2 (Roles and Functions) of the Audit and Risk Committee Terms of Reference:

“Review and evaluate the effectiveness of policies, systems and procedures established and maintained for identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis.”

5. Internal Audit Functions - adding a new section 125A to the Local Government Act 1999

The amendment inserts new section 125A—Internal audit functions, which introduces obligations for the CEO to consult with the relevant audit and risk committee prior to appointing a person or assigning responsibility to an employee for the internal audit function.

The new section also sets obligations for the person primarily responsible for the internal audit function and requires that any report prepared relating to the internal audit function must be provided directly to the audit and risk committee. In addition, the person may report any matter relating to the internal audit function directly to the audit and risk committee.

The Chief Executive Officer has identified the Coordinator Risk and Audit as the most appropriate position in Council to be assigned with the responsibility.

The Coordinator Risk and Audit is currently responsible for the provision of leadership, coordination and oversight for the internal audit function.

The Chief Executive Officer seeks to consult with the Committee on the formal appointment of the Coordinator Risk and Audit to hold primary responsibility for the **Council's internal audit function, as specified in section 125A(1) of the Act.**

6. Audit and Risk Committee - amending section 126 of the Local Government Act 1999

The amendment makes substantial changes to the previous requirements for audit committees, expanding the scope of activity of the committee to include risk management functions.

Throughout the section (and where relevant in the Local Government Act) reference to **'audit committee' has been amended to read 'audit and risk committee'.**

Subsection (2) membership requirements for the audit and risk committee have been amended to provide that:

- **the majority of members of the committee must be 'independent', i.e., not members of any council**
- the members of the committee must collectively have skills, knowledge and experience relevant to the functions of the committee, including in financial management, risk management, governance and any other prescribed matter
- an employee of the council may not be a member of the committee.

Subsection (4) functions assigned to the audit committee have been amended to provide additional functions **of the 'audit and risk committee' which include:**

- monitoring the responsiveness of the council to recommendations for improvement based on previous audits and risk assessments, including those **raised by a council's auditor, and**
- if the council has an internal audit function, providing oversight of planning and scoping of the internal audit work plan and reviewing and commenting on reports provided by the person primarily responsible for the internal audit function at least on a quarterly basis

Section 126(5) provides that there must be at least one meeting of an audit and risk committee in each quarter.

Section 126(6) and (7) relate to procedures to be observed at a meeting of the audit and risk committee. Current arrangements prescribed in the Local Government (Procedures at Meetings) Regulations 2013 continue to apply.

Section 126(8) requires that the audit and risk committee must provide a report to the council after each meeting summarising the work of the committee during the period preceding the meeting and the outcomes of the meeting and provide an annual report to the council on the work of the committee.

The annual report of the audit and risk committee must be included in the council's annual report (section 126(9)).

In preparation for the commencement of these changes, Council ensured these were addressed prior to the start of the current term of the Committee. These changes were adopted by Council at the 29 November 2022 meeting and include:

- all references to the Committee changed from Audit Committee to Audit and Risk Committee
- membership requirements updated in the terms of reference
- new membership requirements specified for independent and elected members met, as specified in the terms of reference
- functions of the Committee updated in the terms of reference
- quarterly meeting requirements included in the terms of reference and scheduled accordingly
- meetings are held in accordance with Local Government (Procedures at Meetings) Regulations 2013 (specifically Part 2) and included in the terms of reference
- an annual report to Council on the activities of the Committee included in the terms of reference with the first report for the 2022-23 financial year provided to Council at the 25 July 2023 meeting.

The preparation of a report to Council after each Committee meeting is included in the terms of reference, with the first report to be prepared after the 20 March 2024 Committee meeting.

Attachments

N/A

Audit & Risk Committee Meeting - 20 March 2024

Information Report



Internal Audit Agreed Actions Update

Record No:	D24/12303
Report of:	Office of the Chief Executive Officer
Responsible Officer:	Marley Marks, Risk Officer Alexandra Pukallus, Coordinator, Risk & Audit Ilona Cooper, Manager Corporate Governance Ryan McMahon, Chief Executive Officer

Background

In accordance with the Audit & Risk Committee's Terms of Reference, the Committee maintains oversight of Council's Internal Audit function. This includes the review of findings, recommendations and agreed actions of all internal audits undertaken as well as monitoring the implementation of agreed actions.

A status update report on the progress of all outstanding actions against the previous reporting period is provided biannually.

Discussion

This report provides a status update including the progress of all open actions since the previous report provided at the 6 September 2023 Audit & Risk Committee meeting.

Currently there are ninety-eight (98) open audit actions being progressed by action owners. Since the previous report in September 2023, Council has closed eighteen (18) audit actions and added thirty-five (35) new agreed audit actions to the register.

The Internal Audit Agreed Actions Register (Attachment 1) details the outstanding actions for each internal audit, along with a status, progress notes and due date. All completed actions since last reported have been highlighted in blue.

The Corporate Governance team undertook a review of the Internal Audit Agreed Actions Register and re-formatted the table to separate multiple actions grouped together. Each action is now documented separately to enable a more accurate count of open and closed actions.

In the next biannual review, Corporate Governance will raise any outstanding actions that are no longer relevant (or supersede new actions) for the Committee to consider closing.

Table 1 below provides a comparison of open and closed actions between the current and previous reporting period.

Table 1 – Comparison of open and closed actions

	Previous Reporting Period (Sep 2023)	Current Reporting Period (Mar 2024)	Difference
Open Actions	52	98	46
Closed Actions	43	61	18

Table 2 provides an overview of the current status of internal audit agreed actions, by audit report, and documents the progress of actions closed since September 2023.

Table 2 – Overview of outstanding agreed actions and closed actions since September 2023

Audit Title and Year of Audit	Open Actions	Actions Closed	Comments
Rating Practices (2018)	1	-	In 2022-2023 Technology One was awarded the Rating modules. A project to implement this system is underway and will be completed in 2023-2024 FY.
Disability Discrimination Act Compliance (2019)	2	-	The majority of actions identified have been included in the Disability Access and Inclusion Plan (DAIP). The DAIP 2020-2024 was endorsed by Council on 25 August 2020. Actions are being implemented as per the endorsed plan and budget requirements are included as part of the process.
Asset Management Standards - Road Transport Asset Management Plan (2019)	3	-	A register referencing improvement plan tasks from the 5 Infrastructure Asset Management Plans has been developed, enabling progress reporting. Consideration will be given to closing the remaining actions as these may be superseded by actions arising from the Strategic Asset Management Internal Audit.
Waste and Recycling Management - Review of Waste Management Services (2020)	-	2	This project is now considered complete. Both the planning and the roll-out of the 8,000 green lid food and organics bins has concluded, with Council moving to the provision of free additional green-lid food and organics bins and yellow-lid recycling bins.
Credit Card Payments Platform (2020)	4	-	Currently working on a project that will bring the Credit Card Transaction into TechOne at a transactional level. This will enable analytical tools to be developed to

Audit Title and Year of Audit	Open Actions	Actions Closed	Comments
			interrogate this data. Development of the system has been completed, and is now in the testing and migration phase.
Tree Management (2020)	4	5	The remaining open actions have been reassigned to corporate leaders with the new City Operations portfolio structure.
Complaints Handling (2020)	5	-	The CX Strategy was approved and implemented in February 2024, which documented the training and workshops to be rolled out in 2024. CX Improvement Coach commenced 18 September 2023. A new training package has been procured for implementation in March 2024.
Optimisation of Council owned Buildings (2021)	13	-	The asset management system transfer to TechOne is complete providing the required data to undertake these actions. A long-term Strategy / Plan has been developed to progress the agreed actions. This remains in progress.
Arts and Culture Review (2021)	9	3	A number of the remaining actions require further strategic work to be undertaken. An Arts and Culture Plan has been drafted through community consultation, however alignment to the new departmental structure is required.
Fraud Management (2022)	8	4	The Draft Fraud Control Strategy will be presented to ELT in April 2024 for consideration. Public Interest Disclosure Act training is being scheduled with ICAC.
Bushfire Prevention and Preparedness (2022)	4	-	The agreed actions are continuing to progress. A new register has been developed as a central record of Council's various bushfire mitigation works.
Strategic Social Infrastructure Planning (2023)	1	-	A review of Community Services department structure has been undertaken. The new structure commenced in mid-September 2023. A framework for the planning, delivery and evaluation for future programs, events and activities is being developed now that better aligns between staff roles, which has been accomplished through the restructure.
Procurement Practices – Quotations (2023)	9	4	Work is underway and will be reviewed and actioned in accordance with the audit timings.
Strategic Asset Management (2023)	15	-	Actions have been assigned across the City Strategy and Technical and Engineering Services departments. Revised target dates have been entered.

Audit Title and Year of Audit	Open Actions	Actions Closed	Comments
Precinct Planning (2023)	5	-	Scoping has commenced. Internal stakeholder meetings held in November-December. Further ELT engagement to be undertaken. It is anticipated Stage 1 of the Framework will be developed within the proposed timeframes.
Recycled Water (2023)	15	-	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.
Total	98	18	

Attachments

1. [Internal Audit Agreed Actions - As at March 2024](#).....102

SUMMARY OF OUTSTANDING INTERNAL AUDIT AGREED ACTIONS - AS AT MARCH 2024												
Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Rating Practices	26-Sep-18	PIO-3	Opportunity to improve the efficiency of the rating process	Internal Audit recommends that CTTG personnel investigate the full system capacity of the current rating software. Specifically, this could include investigating the automation of items such as setting up flags and reminders within the system to track changes to the property which may impact on the rates (ie. lease expiry dates, rebate expiry dates etc.).	Not rated	Continue to regularly review our rating system and processes for further efficiencies.	Manager Finance & Rating Operations	Ongoing	Open	On Track	Partially completed. Technology One has been implemented as the replacement for Authority and Council's core Financial Management System. In 22-23 a tender was undertaken and Technology One was awarded the Rating modules for the software as well. There is a project underway to implement this system in 23-24.	30-Jun-24
Disability Discrimination Act Compliance	31-Jul-19	2a	Management of DDA buildings upgrades	Adopt a strategic long-term planning approach for DDA buildings upgrades within the integrated organisational framework	Medium	This will require a review of all buildings in accordance with current standards, with high level scope and budget estimate for DDA building upgrades. This can be used to develop a strategic long term planning approach for DDA building upgrades. Additional resources would be required given this requires an accredited DDA professional/consultant to undertake this work. Plans need to include scope of works, budget estimates, timeframes and prioritising.	Manager Technical Engineering Services, Manager Projects & Contracts Delivery	30-Jun-21	Open	On Track	Partially completed. Council is undertaking a Building Optimisation Audit, which provides a longer term consideration of the future utilisation and potential rationalisation of council buildings. Audit has been carried out at Council Primary sites and Community Centres. Risk and priority rated. Cost estimate to provide strategic approach are still required. Access and inclusion audits completed on 4 Council facilities and 11 leased buildings. Actions from the 2 x audits (Council primary sites and Community Centres) are prioritised based on risk rating and have been and continuing to be delivered utilising annual allocated DAIP funding (however no allocation was made in 2022/23 or 2023/24). This information is being overlayed with the DAIP and specific DDA building audits to informal annual capital program budget allocations to make DDA related improvements where appropriate. Council now has a strategic guiding document, audit process and annual budget allocation process in place as these tools will continue to be used to optimise DDA outcomes for council buildings into the future. Future allocations continuing to deliver actions out of Audit. Audits and tracking in CM 20/1130	30-Jun-24
Disability Discrimination Act Compliance	31-Jul-19	2c	Management of DDA buildings upgrades	Prioritise resources to review and update the Disability Discrimination Building Action Plan, including scope of works, budget estimate, timeframes and prioritising	Medium	Budgets for DDA building works are approved annually. As above, updates are provided internally on completed and planned DDA works over a 3 year period. Examples of Update reports for previous 3 years were completed 12-15 months apart. Updates provide a 3 year picture of what works had been completed the previous year, proposed upgrades for the current year and future upgrades. This action will require a review of all buildings in accordance with current standards, with high level scope and budget estimate for DDA building upgrades. This can be used to develop a strategic long term planning approach for DDA building upgrades. Additional resources would be required given this requires an accredited DDA professional/consultant to undertake this work. Plans need to include scope of works, budget estimates, timeframes and prioritising.	Manager Technical Engineering Services, Manager Projects & Contracts Delivery	30-Jun-21	Open	On Track	Dedicated funding is provided through the Annual Business Plan.The DAIP report provides projects completed. Actions from the 2 x audits (Council primary sites and Community Centres) are prioritised based on risk rating and have been and continuing to be delivered utilising allocated DAIP funding. Future allocations continuing to deliver actions out of Audit. Audits and tracking in CM 20/1130.	30-Jun-24
Asset Management Standards - Road Transport Asset Management Plan	25-Sep-19	5	Monitoring, evaluation and reporting	<ul style="list-style-type: none">Regularly report progress and performance against plans and strategies to an asset management steering group; andProduce an annual report to Council on asset management and outcomes	Medium	A clearly defined monitoring, reporting and evaluation system on asset management and outcomes will be developed with relevant stakeholders. Appropriate stakeholder reporting will be established as part of this process	Coordinator, Asset Management Planning	30-May-20	Open	On Track	A register referencing improvement plan tasks from the 5 Infrastructure Asset Management Plans has been developed, enabling reporting on our progress of these improvement tasks. Due to report to the Audit Committee on the 20th of March on the Project Management Plan for the Asset Management Plan review that is due by November 2024. Planning to reinstate the Technical Assets Group (TAG) for regular formal asset management meetings. Previous Terms of Reference for this group is D14/59099.	30-Jun-24
Asset Management Standards - Road Transport Asset Management Plan	25-Sep-19	6	Steering Committee arrangement	Ensure the MACK steering group is formalised as an asset management steering committee to give unified strategic direction and carry out specific responsibilities for promoting and monitoring the implementation of the asset management strategy and plans	Low	A steering group will be formalised with relevant stakeholders that will have responsibilities for monitoring the implementation of the asset management strategy and plans. This will include the development of a Terms of Reference	Coordinator, Asset Management Planning	31-Dec-19	Open	On Track	See Ref: F6 (fro Strategic Asset Management Audit Project). Agreed action 6.2 (4) - Establishment of formal asset management meetings to monitor progress and continuous improvement. The above action supercedes the agreed action for Ref 6. A steering committee is not required for an implmented program/function at Council. However, the preference is to reinstate the Technical Assets Group (TAG) for regular formal asset management meetings. Previous Terms of Reference for this group is D14/59099.	30-Jun-24
Asset Management Standards - Road Transport Asset Management Plan	25-Sep-19	IO-3	Risk management principles applied	Developing a central governance function for AMPs Recommendation in Finding 4 will enable asset risks to be reviewed with the whole Council in mind	N/A	The steering group being formalised with relevant stakeholders will have responsibilities for monitoring the implementation of the asset management strategy and plans, as well as the consideration of risks	Coordinator, Asset Management Planning	31-Dec-19	Open	On Track	See Ref: F6 (fro Strategic Asset Management Audit Project). Agreed action 6.2 (4) - Establishment of formal asset management meetings to monitor progress and continuous improvement. The above action supercedes the agreed action for Ref 6. A steering committee is not required for an implmented program/function at Council. However, the preference is to reinstate the Technical Assets Group (TAG) for regular formal asset management meetings. Previous Terms of Reference for this group is D14/59099.	30-Jun-24

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Waste and Recycling Management - Review of Waste Management Services	22-Apr-20	2	Cleaner Waste Streams - reduce contamination in waste streams and more suitable use of resources	<ul style="list-style-type: none">• The issues of China Sword and the response of government in the form of the National Waste Action Plan have highlighted the need to reduce contamination in the waste stream so that recycled material can be more readily and more cost effectively re-used. Improved source separation is fundamental to this.• This will foster the development of the circular economy, consistent with the 2018 National Waste Policy, but is requires an environment where resources are valued, used efficiently and only discarded when their component materials have no further use. There needs to be a shift in thinking to place the emphasis on repair, reuse and recycling of products and the development of closed loop systems where products can be broken up at the end of their life cycle for reuse in new products, reducing the need to extract new virgin resources.• here are a number of actions the CTTG can take to contribute to this, including:<ul style="list-style-type: none">- Investigate the business case for the introduction of a fourth bin for the collection of high value recyclables, which would assist to lower current contamination levels potentially reducing overall collection and disposal costs.- From July 2020 ban single use plastics in council facilities and work with local shopping centres to encourage them to ban single use plastics.- Encourage and promote the sharing economy to improve sustainability and a sense of community by providing support for community groups, social enterprises and charities that recover waste.- Introduce multiple bins systems in public places and at all public events to focus on encouraging waste separation and diversion.- Ensure green bins have instructions on the lid about FOGO and other acceptable materials.- From FY2020 set sustainable targets for its own procurement activities, incorporating a year on year increase through to FY2025.	N/A	Recommendations adopted for the purposes of developing Council's Annual Business Plan for 2020-21 and Council's next review of its Long Term Financial Plan	Director Assets and Environment Group Coord Water, Waste & Environment	N/A	Closed - March 2024	Completed	<p>Completed and continuing. Completed initiatives include:</p> <ul style="list-style-type: none">- Recycling Contract with NAWMA which will enable opportunities for circular economy participation- A Pizza box educational program- Ongoing Education Campaign with targeted messages and strategies- Three-bin systems with compostable bags at all council facilities- Compostable dog waste bags at dog parks- Compostable dog bags only in use at all dog waste bag dispensers- Three-bin systems (solar bins) trialed in Civic Park and Golden Fields- Recreation Centres and Water World - single use plastics no longer in use- Reusable Nappies and Sanitary Subsidy Program <p>This action is considered complete and is now superseded by the Waste and Resource Recovery Strategy and Action Plan, which incorporates the recommendations identified in this action and seeks to build on the work already completed.</p>	01-Nov-23
Waste and Recycling Management - Review of Waste Management Services	22-Apr-20	5	Funding the roll-out of green waste bins	Council's draft Annual Business Plan 2020-21 should incorporate funding to roll out additional green waste bins, approximately 8,000, to residents that do not currently have a suitable bin.	N/A	Planning the roll-out of green bins to households without a current green bin	Director Assets and Environment Group Coord Water, Waste & Environment	31-Dec-20	Closed - March 2024	Completed	<p>Partially completed and ongoing. The Annual Business Plan for 2021/2022 included budget to continue 140L or 240lt wheeler bins to residents that currently do not have access to green waste disposal services, or who need a replacement of their existing bin. To date 5,486 green bins and 8,637 caddies have been rolled out across the city. The remainder will continue to be distributed upon request for new and additional bins.</p> <p>In January the project to investigate the distribution of kitchen caddies and compostable bags to households was completed. The results and recommendations will be provided to ELT and Council by 31 March 2023. This project is Co-funded with:</p> <ul style="list-style-type: none">- Green Industries SA (GISA). This funding contributed to the kitchen caddy rollout in 2020/2021 it continues into 2022/2023.- Solo Resource Recovery, funding of \$48k per year as per the contract extension <p>This project is now considered complete. Both the planning and the roll-out of the 8,000 green lid food and organics bins has concluded, with Council moving to the provision of free additional green-lid food and organics bins and yellow-lid recycling bins.</p>	01-Nov-23
Credit Card Payments Platform	29-Jul-20	1	Improvements required to monthly controls over transactions	<p>Each month, an audit is undertaken by three Finance staff for a random sample of transactions. This audit is comprised of a selection of approximately 30 transactions for the month, which are investigated to ensure that:</p> <ul style="list-style-type: none">• Transactions have been appropriately approved and coded correctly• Appropriate supporting documentation is attached, including copies of relevant receipts, with the receipt matching the expense description and amount• Spend is appropriate and aligned to CTTG policy. <p>Although it was observed that a routine monthly audit process is in place, which has provided an additional layer of internal controls over credit cards, our review highlighted the following gaps against better practice regarding the current process:</p> <ul style="list-style-type: none">• Guidance is not in place for the selection of transactions for sample testing, including gaps in guidance as to what the audit process should include.• Summary reporting to CTTG Management is not in place to highlight the number of non-conformances against policy (i.e. number of transactions with incorrect receipt, spend on restricted items, etc.) identified during these audits. This is noted as an important step for identifying repeat offenders and common areas of non-compliance where further training and awareness to staff would be beneficial.• There is no assurance provided that Finance and Accounting staff transactions are reviewed independently (i.e. not self-reviewed), considering they are conducting the audits. It is noted that currently only two members of the Finance team have a credit card, however, this may increase as more cards are rolled out amongst staff.• A review of temporary delegation limit increases is not conducted or reported to Management. Temporary limit increases are assigned to credit card holders where there is a requirement to purchase a good or service that is valued higher <p>Each month, an audit is undertaken by three Finance staff for a random sample of transactions. This audit is comprised of a selection of approximately 30 transactions for the month, which are investigated to ensure that:</p> <ul style="list-style-type: none">• Transactions have been appropriately approved and coded correctly• Appropriate supporting documentation is attached, including copies of relevant receipts, with the receipt matching the expense description and amount• Spend is appropriate and aligned to CTTG policy. <p>Although it was observed that a routine monthly audit process is in place, which has provided an additional layer of internal controls over credit cards, our review highlighted the following gaps against better practice regarding the current process:</p> <ul style="list-style-type: none">• Guidance is not in place for the selection of transactions for sample testing, including gaps in guidance as to what the audit process should include.• Summary reporting to CTTG Management is not in place to highlight the number of non-conformances against policy (i.e. number of transactions with incorrect receipt, spend on restricted items, etc.) identified during these audits. This is noted as an important step for identifying repeat offenders and common areas of non-compliance where further training and awareness to staff would be beneficial.• There is no assurance provided that Finance and Accounting staff transactions are reviewed independently (i.e. not self-reviewed), considering they are conducting the audits. It is noted that currently only two members of the Finance team have a credit card, however, this may increase as more cards are rolled out amongst staff.• A review of temporary delegation limit increases is not conducted or reported to Management. Temporary limit increases are assigned to credit card holders where there is a requirement to purchase a good or service that is valued higher	Medium	1. Continue working to implement TechOne and configuring a data analytics capability.	Manager Finance & Rating Operations	30-Jun-24	Open	On Track	<p>Partially completed. Currently working on a project that will bring the Credit Card Transaction into TechOne at a transaction level. This will then enable analytical tools to be developed to interrogate this data.</p> <p>Development of the system has been completed, it is in the testing and migration phase. Expected to be rolled out by June 2024</p>	30-Jun-24
Credit Card Payments Platform	29-Jul-20	1	Improvements required to monthly controls over transactions	<p>Each month, an audit is undertaken by three Finance staff for a random sample of transactions. This audit is comprised of a selection of approximately 30 transactions for the month, which are investigated to ensure that:</p> <ul style="list-style-type: none">• Transactions have been appropriately approved and coded correctly• Appropriate supporting documentation is attached, including copies of relevant receipts, with the receipt matching the expense description and amount• Spend is appropriate and aligned to CTTG policy. <p>Although it was observed that a routine monthly audit process is in place, which has provided an additional layer of internal controls over credit cards, our review highlighted the following gaps against better practice regarding the current process:</p> <ul style="list-style-type: none">• Guidance is not in place for the selection of transactions for sample testing, including gaps in guidance as to what the audit process should include.• Summary reporting to CTTG Management is not in place to highlight the number of non-conformances against policy (i.e. number of transactions with incorrect receipt, spend on restricted items, etc.) identified during these audits. This is noted as an important step for identifying repeat offenders and common areas of non-compliance where further training and awareness to staff would be beneficial.• There is no assurance provided that Finance and Accounting staff transactions are reviewed independently (i.e. not self-reviewed), considering they are conducting the audits. It is noted that currently only two members of the Finance team have a credit card, however, this may increase as more cards are rolled out amongst staff.• A review of temporary delegation limit increases is not conducted or reported to Management. Temporary limit increases are assigned to credit card holders where there is a requirement to purchase a good or service that is valued higher	Medium	2. Update and formalise monthly audit and data analytics procedures, which should include reference to: a. Sampling methodologies to be used for auditing and conducting data analysis. This may include a set sample size percentage (relative to the population of transactions) and increased sample sizes periods of increased usage such as post-Christmas. b. Requirements for re-testing and reviewing previous non-compliance areas to ensure issues are non-recurring. c. Management reporting to be completed, submitted and reviewed by Management each month as an additional control mechanism. As an example, this could be completed through dashboard reporting, including review of temporary delegation limit increases, transaction non-conformances, etc.	Systems Accountant	30-Jun-24	Open	On Track	2a. And 2b. Complete 30 September 2020.	30-Jun-24
Credit Card Payments Platform	29-Jul-20	3	Limited oversight of credit card expenditure linked to open contracts	<p>Currently, a consolidated view or direct link between credit card transactions to open contracts is not in place. Typically, a transaction that is related to a contract will be linked, and is able to be tracked through financial systems as part of regular financial processes to ensure budgets can be met, the appropriateness of expenditure can be reviewed and is in accordance with relevant approved contracts.</p> <p>Currently, the CTTG's finance system does not allow for a link between transactions and contract numbers due to the current system configurations and abilities. As a result, expenditure cannot be linked to a contract number, and may not be accounted for in performance reporting and/or budget management. It is acknowledged the Procurement Policy states transactions under \$1,000 are not required to be linked to a contract. However, as the CTTG continues to decentralise the Accounts Payable Function and distribute more credit cards, expenditure will increase and there will be a greater need for visibility and linkage between spend and contracts.</p>	Low	1. Configure the FlexiPurchase system, or TechOne (when it is implemented) to enable linkage between transactions and contract numbers.	Manager Finance & Rating Operations	30-Jun-24	Open	On Track	<p>Currently working on a project that will bring the Credit Card Transaction into TechOne at a transaction level. This will then enable analytical tools to be developed to interrogate this data. It is intended that the transaction information will be linked to suppliers, which enable better analysis at supplier level.</p> <p>Development of the system has been completed, it is in the testing and migration phase. Expected to be rolled out by June 2024</p>	30-Jun-24

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Credit Card Payments Platform	29-Jul-20	3	Limited oversight of credit card expenditure linked to open contracts	Currently, a consolidated view or direct link between credit card transactions to open contracts is not in place. Typically, a transaction that is related to a contract will be linked, and is able to be tracked through financial systems as part of regular financial processes to ensure budgets can be met, the appropriateness of expenditure can be reviewed and is in accordance with relevant approved contracts. Currently, the CTTG's finance system does not allow for a link between transactions and contract numbers due to the current system configurations and abilities. As a result, expenditure cannot be linked to a contract number, and may not be accounted for in performance reporting and/or budget management. It is acknowledged the Procurement Policy states transactions under \$1,000 are not required to be linked to a contract. However, as the CTTG continues to decentralise the Accounts Payable Function and distribute more credit cards, expenditure will increase and there will be a greater need for visibility and linkage between spend and contracts.	Low	2. Upon implementation of Recommendation 1, update the Credit Card Policy to include a requirement for correctly coding transactions against a contract number where applicable.	Systems Accountant	30-Jun-24	Open	On Track	To be implemented upon system rollout.	30-Jun-24
Tree Management	29-Jul-20	3.2.1.c	Governance Framework - Policy lacks specific requirement for all tree-related customer requests and resolutions to be recorded in the approved CFS system	Council's newly adopted CFS (Customer First Solution) system is designed to streamline and record of all customer requests relating to trees, and the associated actions and resolution response. It will be important that this system is used to capture all customer requests, including those ad hoc requests directed personally to Council officers undertaking tree inspections/works on site.	Priority Rating 3	1. Revise Policy (e.g. pages 6, 7, 8) to include reference to the specific reporting processes for all customer requests relating to trees.	Manager Operations Support Services Manager Customer & Communications	31-Dec-20	Closed - March 2024	Completed	Revise the Request for Services Policy to improve the tree management request process. Including <i>Adhoc</i> requests Reinforcements of instructions to EM's and other requests to be redirected through the CFS system for data capture, transparency and close out requirements documented Will form part of the Service Reviews Comments are not currently being sent to customer, even though this is entered into CFS response. IT will enable the comments to customer via Salesforce. Refresher to staff around appropriate language and service standards. CFS promotional cards given to EM's in January. Online services, including CFS, promoted to the community from June 23 in an ongoing campaign to increase use of Council self-managed services. Updates to the customer removed, meaning they only receive an opening and closing notification automatically. Any other correspondence (ie additional details) to be manually sent by staff only where required. GPC and Council considered a review of the 'Request for Service' Policy on 21 October 2020.	30-May-23
Tree Management	29-Jul-20	3.3.1c	Governance Framework - No clear targets, prioritisation or strategic plan for tree management, protection and growth.	Target 5 of the State's '30-Year Plan for Greater Adelaide' identifies high level 2040 canopy cover targets for Council areas based on the current (benchmark) canopy cover amount Further, Objective 2.6 of Council's 'Strategic Plan 2025' states "Our tree canopy cover is increasing" Despite the State establishing local Council canopy cover targets and timeframes, the City of Tea Tree Gully lacks any local quantifiable targets or a strategic framework to detail how to achieve objectives. Further, the 23.5% canopy cover amount identified as a benchmark in Council's Strategic Plan 2025 is outdated, being based on an assessment of 2013 aerial imagery. The canopy cover benchmark therefore requires updating to best underpin strategic target setting. Development of an Urban Forest / Urban Greening / Urban Cooling Strategy and measurable Action Plan (including role clarity for up to 12 months) is required to effectively protect, maintain, grow, and monitor the urban forest in alignment with the State's 2040 targets and Council's strategic objectives. Development of such strategic documents is increasingly occurring in local Councils across Australia and internationally. For example: • Melbourne's Urban Forest Strategy; • City of Burnside Urban Tree Strategy; • Town of Walkerville Urban Forest Strategy; • City of Sydney Urban Forest Strategy; • City of Canada Bay Urban Tree Canopy Strategy; • City of Perth Urban Forest Plan; • City of London Urban Forest Strategy; • City of Seattle Urban Forestry Management Plan	Priority Rating 1	1. Develop and adopt an Urban Greening or Urban Cooling Strategy and Action Plan for protecting, managing, growing, and monitoring the urban forest.	Manager Technical & Engineering Services City Arborist Manager City Strategy	30/06/2021	Open	On Track	Action1: Adopt recommendation – Urban Forest Strategy and Develop action and strategy plan Implement quantifiable targets for canopy cover using Walkerville Urban Forest Strategy Jan 24 - Forestree tree management software procured in 2019 and progressively updated with tree data since 2020. This manages and monitors CTTG tree assets. - Tree Management Policy was reviewed in October 2021 and reflected the sentiment of these actions including that Council will set clear targets that measure, maintain and enhance canopy cover on public land and across the city. This will be further supported by: a. Developing programs to determine spread, location and composition of the urban forest b. Planting trees in locations that support set targets, local biodiversity, climate adaptation, healthy active living and Council wide plans c. The regular review of resources deemed appropriate to meet current and future demands d. Tree Planting Technical Guidelines that will inform the species selection and tree planting locations. e. Undertaking tree audits to assess condition, retention value, risk rating and to identify management requirements, future strategy and planning. The Tree Manangement Policy will be further reviewed during 2024. Jan 2024 (Manager City Strategy) ~ Using Forestree to manage/monitor tree assets and this data will inform a future strategy/plan. ~ Heat and Canopy Mapping Project - State government is leading this with data shared to Councils this month with intention to release publicly in next few months ~ Review above actions and consider alignment with the proposed Environmental Framework.	30-Dec-24
Tree Management	29-Jul-20	3.3.1c	Governance Framework - No clear targets, prioritisation or strategic plan for tree management, protection and growth.	Target 5 of the State's '30-Year Plan for Greater Adelaide' identifies high level 2040 canopy cover targets for Council areas based on the current (benchmark) canopy cover amount. Further, Objective 2.6 of Council's 'Strategic Plan 2025' states "Our tree canopy cover is increasing" Despite the State establishing local Council canopy cover targets and timeframes, the City of Tea Tree Gully lacks any local quantifiable targets or a strategic framework to detail how to achieve objectives. Further, the 23.5% canopy cover amount identified as a benchmark in Council's Strategic Plan 2025 is outdated, being based on an assessment of 2013 aerial imagery. The canopy cover benchmark therefore requires updating to best underpin strategic target setting. Development of an Urban Forest / Urban Greening / Urban Cooling Strategy and measurable Action Plan (including role clarity for up to 12 months) is required to effectively protect, maintain, grow, and monitor the urban forest in alignment with the State's 2040 targets and Council's strategic objectives. Development of such strategic documents is increasingly occurring in local Councils across Australia and internationally. For example: • Melbourne's Urban Forest Strategy; • City of Burnside Urban Tree Strategy; • Town of Walkerville Urban Forest Strategy; • City of Sydney Urban Forest Strategy; • City of Canada Bay Urban Tree Canopy Strategy; • City of Perth Urban Forest Plan; • City of London Urban Forest Strategy; • City of Seattle Urban Forestry Management Plan	Priority Rating 1	2. The Urban Greening or Urban Cooling Strategy will include quantifiable targets for canopy cover across the Council area (see also Action 11).	Manager Technical & Engineering Services City Arborist Manager City Strategy	30/06/2022	Open	On Track	Action2: Budget bid/location and Develop and implement strategy Implement quantifiable targets for canopy cover using Walkerville Urban Forest Strategy Jan 24 - Forestree tree management software procured in 2019 and progressively updated with tree data since 2020. This manages and monitors CTTG tree assets. - Tree Management Policy was reviewed in October 2021 and reflected the sentiment of these actions including that Council will set clear targets that measure, maintain and enhance canopy cover on public land and across the city. This will be further supported by: a. Developing programs to determine spread, location and composition of the urban forest b. Planting trees in locations that support set targets, local biodiversity, climate adaptation, healthy active living and Council wide plans c. The regular review of resources deemed appropriate to meet current and future demands d. Tree Planting Technical Guidelines that will inform the species selection and tree planting locations. e. Undertaking tree audits to assess condition, retention value, risk rating and to identify management requirements, future strategy and planning. The Tree Manangement Policy will be further reviewed during 2024. Jan 2024 (Manager City Strategy) ~ Using Forestree to manage/monitor tree assets and this data will inform a future strategy/plan. ~ Heat and Canopy Mapping Project - State government is leading this with data shared to Councils this month with intention to release publicly in next few months ~ Review above actions and consider alignment with the proposed Environmental Framework.	30-Dec-24
Tree Management	29-Jul-20	3.3.2a	Operational Systems - Within the CFS system, comments recorded on case actions are inconsistent or missing.	Ensuring consistent and detailed comments are entered for each case in the CFS system will be essential in supporting Council should there be liability claims made in the future. Three specific areas have been identified that are likely contributing to the inconsistency in case commentary in the CFS system: 1. The additional comments field in the CFS system is currently an optional field, which allows cases to be closed out with entering any additional comments. 2. There are no guidelines regarding the specific details important to capture in comments; 3. The system currently allows comments and notes to be added in two different locations (comments box or chat function). This makes it difficult to readily access and track the flow of comments for a case.	Priority Rating 1	1. Develop commentary guidelines which will require personnel to enter comments, in a consistent level of detail, and in a consistent location in the system prior to closing a case.	Manager Field Services Manager Customer and Communications	31-Dec-20	Closed - March 2024	Completed	Revise Council strategies and plans to ensure trees and consistent messaging about trees, are adequately reflected in CFS Amended CEO response letters to MPs Set up meetings to format template for response letters (required by operational staff) System improvements will include mandatory close-out commentary both at a case and order level Mandatory field developed in CFS for entering completion comments when closing out Cases and Work Orders - 16 April 2021 Letters to be reviewed by comms team as part of org-wide comms review Case only and single point of customer correspondence being implemented with review to share updates and messaging with the customer through key updates of Case - 28/07/2023 CX Improvement Coach will begin Sept 18 to improve the capacity of staff to communicate with and provide services to the community. Editable templates will be built into CFS for quick customer comms when required. Jan 24 - Forestree software is councils tree management database, with staff consistent in the level of detail and imagery being recorded. Outcome of tree assessment comments now mirrored in relating CFS request also (Jan 24).	30-Dec-23

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Tree Management	29-Jul-20	3.3.2b	Operational Systems - System is not intuitive or user-friendly without training/support.	Personnel who don't use the system regularly, are not IT-savvy, or are new to the system (e.g. temporary secondment) report that the system is confusing to use. This could lead to inaccurate records or case management.	Priority Rating 1	1. Provide consistent training for all new users of the system (including temporary positions).	Manager Operations Support Services	30-Jun-21	Closed - March 2024	Completed		
Tree Management	29-Jul-20	3.3.2b	Operational Systems - System is not intuitive or user-friendly without training/support.	Personnel who don't use the system regularly, are not IT-savvy, or are new to the system (e.g. temporary secondment) report that the system is confusing to use. This could lead to inaccurate records or case management.	Priority Rating 1	2. Provide a dedicated administrative support officer who will undertake internal quality assurance checks of cases and assist with case lodgement for staff who use the system.	Digital Coordinator	30-Jun-21	Closed - March 2024	Completed	Develop CFS checklist/procedure, Determine training needs based on CFS system gaps in conjunction with Customer Relations and organise regular meetings to discuss system irregularities Part of current steering committee tasks i.e single work order, City Ops review will enable specific training Jan 24 - As part of the City Operations Opportunities review the Operations Assessment department was formed, being the department to triage and monitor Portfolio related customer requests for quality assurance.	30-May-23
Tree Management	29-Jul-20	3.3.2c	Operational Systems - Council's urban forest structure, condition, and function is not clearly understood and is not being assessed.	An in-depth understanding of the urban forest is needed to support a number of Council actions (e.g. developing Urban forest strategy, species selection for plantings, priority planting locations). To facilitate strategic decision-making regarding tree planting objectives and actions Council should take steps to better understanding their current, and potential future urban forest. This may include the development of a centralised mapping and data management system to capture and information relating to the structure, diversity, and condition of Councils public trees, as well as the location and status of vacant sites. Local Councils across Australia are increasingly taking steps to gain a comprehensive understanding of their current and future urban forest.	Priority Rating 1	1. Develop and implement a system for strategically assessing, mapping and monitoring the urban forest, including species diversity, age and condition, vacant planting sites, and planting survival rates.	Manager Technical & Engineering Services City Arborist	30-Jun-22	Open	On Track	Development as part of the Urban Forest strategy Will form part of the Asset Management System - inclusion 1/3/2022 - Nursery RFQ specifications completed as part of the process Urban Forst strategy still to be developed and due to the organisational restructure, may sit with the City Arborist. Jan 24 - Forestree Software implemented as the system to record, track and monitor condition of all trees in the City. Tree data is being obtained during the cyclical tree pruning 5 year program, with an estimated 30,000 tree species entered of approx 100,000 relevant trees in the City. It is anticipated that tree data capture will be completed in the coming 2.5 years. The due date has been revised accordingly.	30-May-26
Tree Management	29-Jul-20	3.3.2d	Operational Systems - No standardised guideline for assessing tree stock from nurseries.	The arboriculture team has developed over time a process to assess the quality of tree stock from nurseries. However, this information is not captured in a formalised Council adopted guideline or a centrally accessible location. Doing so will be important for the longevity of knowledge and the accessibility to Council staff and ensuring consistency in selecting stock. Arboriculture team should be consulted in this process.	Priority Rating 2	1. Develop formal Council guidelines for selecting quality tree stock, and which will form part of the contract specification for the purchasing of plants/trees.	Supervisor Arboriculture and Biodiversity Team Leader Street Tree Development	30-Jun-22	Closed - March 2024	Completed	Develop procedure as per recommendations for tree stock selection A tree selection register has been developed and is utilised by the biodiversity team. A Technical Guideline for Tree Planting is still being developed. Jan 24 - documentation developed for selecting / supply of quality tree stock and currently in use by Field Services / Street Tree Development. This documentation is actively used when assessing submissions from third parties for supply and forms part of the contract management documentation.	30-Jul-23
Tree Management	29-Jul-20	3.3.3a	Communication and Messaging - Clarity and information about forward tree works (e.g. pruning) is not currently transparent and readily accessible within Council and by customers.	Communication and education with customers (and Council members) could be improved by providing an accessible and interactive online platform containing information about Council's trees and their strategic growth, management, and protection of trees. The City of Melbourne's Urban Forest Visual's Street Tree Planting Schedule map is an example of such a platform.	Priority Rating 2	1. Develop and implement an online interactive platform to showcase the urban forest, its benefits, and the schedule of tree works (e.g. planting and maintenance).	Manager Operations Support Services	31-Dec-21	Open	On Track	Online interactive platform still to be developed. Some initiatives in place such as Tree Planting in your street flyer. A suitable platform 'Forestree' is in use by Council and captures some of the desired information. The system requires further development to capture missing information such as forward works plans (which will be captured as part of the City Operations Works Management System) and to also enable to platform to be published for public view. Timeline for this development is 12-18 months. The due date has been updated accordingly.	30-Jun-25
Complaints Handling	30-Sep-20	4	Absence of customer experience and complaints training outside the Customer & Communications team	There is an absence of customer experience and complaints handling training for staff outside the Customer & Communications team, including on-boarding and refresher training. As a result, staff interviewed noted there may be inconsistencies in the capability of staff across the CTTG when interacting with customers and engaging in difficult conversations.	Low	1. Conduct an internal survey of CTTG staff to gauge the current comfort in interacting with customers. Results of this survey could help to inform areas for further training and awareness.	Director Organisational Services and Excellence	31-Mar-21	Open	On Track	The CX Strategy was approved in February 2024. The strategy outlines training and workshops that will roll out in 2024, staff will participate and use what they learned. The CX Improvement Coach supports the team one on one and develop training. New Manager, Customer and Comms started Nov 2022. While LMS is not available, in-person 'Difficult and	30-Dec-23
Complaints Handling	30-Sep-20	4	Absence of customer experience and complaints training outside the Customer & Communications team	There is an absence of customer experience and complaints handling training for staff outside the Customer & Communications team, including on-boarding and refresher training. As a result, staff interviewed noted there may be inconsistencies in the capability of staff across the CTTG when interacting with customers and engaging in difficult conversations. Outside of the Customer & Communications team, there is a reliance on a 'buddy system' during on-boarding, which entails partnering a new starter with an experienced employee to guide interactions (including complaints) with customers. It is also expected that staff read the CTTG's key policies, including the General Complaints Policy, during the on-boarding process. Accompanying the implementation of CFS in early 2019, the Customer & Communications team, in addition to Managers, Supervisors and some Team Leaders attended a special combined CFS and complaints handling training hosted by the Manager Customer & Communications. From our review, the following observations regarding the training and ability of staff related to managing customer complaints and enquiries were noted: • Customer facing staff below Supervisor and Team Leader level (with the exception of staff transitioned to the Customer Relations team in response to COVID-19)(refer to Background) have not received any formal training, although required to interact with customers. It was also noted that beyond the CFS and complaints handling training in 2019, stakeholders consulted recalled no formal customer training since a 'Dealing with Challenging Customers' training in 2015. • While stakeholders consulted felt equipped to interact with customers, it is understood that some front line staff within their teams would feel uncomfortable to speak with customers on their own, especially in a difficult conversation. Particularly within regulatory areas of the CTTG, it is acknowledged that for some staff, using customer-centric language to explain complex regulatory	Low	2. Introduce formal customer experience training during on-boarding for staff in customer-facing roles. Where possible, this training should be based on current customer pain points and expectations. This training should be provided in addition to the complaints management training, which is provided to specified staff.	CX Improvement Coach	31-Mar-21	Open	On Track	Customer Experience training package procured from New Memory and endorsed by ELT Feb 2024. Organisation wide training commences March 2024 CX Improvement Coach beginning 18 Sept Business SA has provided a quotation consistent with the recommendations for the provision of conflict management training (E22/123815)	30-Mar-24
Complaints Handling	30-Sep-20	4	Absence of customer experience and complaints training outside the Customer & Communications team	There is an absence of customer experience and complaints handling training for staff outside the Customer & Communications team, including on-boarding and refresher training. As a result, staff interviewed noted there may be inconsistencies in the capability of staff across the CTTG when interacting with customers and engaging in difficult conversations. Outside of the Customer & Communications team, there is a reliance on a 'buddy system' during on-boarding, which entails partnering a new starter with an experienced employee to guide interactions (including complaints) with customers. It is also expected that staff read the CTTG's key policies, including the General Complaints Policy, during the on-boarding process. Accompanying the implementation of CFS in early 2019, the Customer & Communications team, in addition to Managers, Supervisors and some Team Leaders attended a special combined CFS and complaints handling training hosted by the Manager Customer & Communications. From our review, the following observations regarding the training and ability of staff related to managing customer complaints and enquiries were noted: • Customer facing staff below Supervisor and Team Leader level (with the exception of staff transitioned to the Customer Relations team in response to COVID-19)(refer to Background) have not received any formal training, although required to interact with customers. It was also noted that beyond the CFS and complaints handling training in 2019, stakeholders consulted recalled no formal customer training since a 'Dealing with Challenging Customers' training in 2015. • While stakeholders consulted felt equipped to interact with customers, it is understood that some front line staff within their teams would feel uncomfortable to speak with customers on their own, especially in a difficult conversation. Particularly within regulatory areas of the CTTG, it is acknowledged that for some staff, using customer-centric language to explain complex regulatory	Low	3. Implement mandatory customer experience and formal complaints handling refresher training for Team Leaders, Supervisors and Managers. It is recommended that this also be made mandatory for all staff in customer-facing positions (i.e. Responsible Officers) and made available to other staff to complete in LMS if they wish or if identified through performance management as a skills gap.	CX Improvement Coach	31-Mar-21	Open	On Track	Frontline staff completed 'Aggressive Customer' training in March 2023 and MARATE Skills Workshop. This was facilitated by David Patmore of CAL Corporate Solutions. The Customer Experience training does cover some resilience and dealing with difficult customers. Complaints management training has been provided to new managers / TL's when completing Salesforce training but yet to undertake broader refresher training. Will liaise with PP&C and WHS CX Improvement Coach beginning 18 Sept Business SA has provided a quotation consistent with the recommendations for the provision of conflict management training (E22/123815) CX Coach to review specialised training in partnership with OD and WHS	30-Jun-24

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Complaints Handling	30-Sep-20	4	Absence of customer experience and complaints training outside the Customer & Communications team	<p>There is an absence of customer experience and complaints handling training for staff outside the Customer & Communications team, including on-boarding and refresher training. As a result, staff interviewed noted there may be inconsistencies in the capability of staff across the CTTG when interacting with customers and engaging in difficult conversations.</p> <p>Outside of the Customer & Communications team, there is a reliance on a 'buddy system' during on-boarding, which entails partnering a new starter with an experienced employee to guide interactions (including complaints) with customers. It is also expected that staff read the CTTG's key policies, including the General Complaints Policy, during the on-boarding process.</p> <p>Accompanying the implementation of CFS in early 2019, the Customer & Communications team, in addition to Managers, Supervisors and some Team Leaders attended a special combined CFS and complaints handling training hosted by the Manager Customer & Communications.</p> <p>From our review, the following observations regarding the training and ability of staff related to managing customer complaints and enquiries were noted:</p> <ul style="list-style-type: none">• Customer facing staff below Supervisor and Team Leader level (with the exception of staff transitioned to the Customer Relations team in response to COVID-19)(refer to Background) have not received any formal training, although required to interact with customers. It was also noted that beyond the CFS and complaints handling training in 2019, stakeholders consulted recalled no formal customer training since a 'Dealing with Challenging Customers' training in 2015.• While stakeholders consulted felt equipped to interact with customers, it is understood that some front line staff within their teams would feel uncomfortable to speak with customers on their own, especially in a difficult conversation. Particularly within regulatory areas of the CTTG, it is acknowledged that for some staff, using customer-centric language to explain complex regulatory	Low	4. Develop Quick Reference Cards or similar outlining the CTTG's key messages/ goals for the delivery of customer experience. This could include examples of helpful wording for staff that do not feel as comfortable dealing with customers.		31-Mar-21	Open	On Track	<p>Key messages will be provided as part of Customer Experience training with reference cards to be produced by marketing in coming months.</p> <p>To be reviewed by the CX Improvement Coach by end of 2023, prefer in-person and video training, some cards could be used in vehicles etc.</p>	30-Jun-24
Complaints Handling	30-Sep-20	4	Absence of customer experience and complaints training outside the Customer & Communications team	<p>There is an absence of customer experience and complaints handling training for staff outside the Customer & Communications team, including on-boarding and refresher training. As a result, staff interviewed noted there may be inconsistencies in the capability of staff across the CTTG when interacting with customers and engaging in difficult conversations.</p> <p>Outside of the Customer & Communications team, there is a reliance on a 'buddy system' during on-boarding, which entails partnering a new starter with an experienced employee to guide interactions (including complaints) with customers. It is also expected that staff read the CTTG's key policies, including the General Complaints Policy, during the on-boarding process.</p> <p>Accompanying the implementation of CFS in early 2019, the Customer & Communications team, in addition to Managers, Supervisors and some Team Leaders attended a special combined CFS and complaints handling training hosted by the Manager Customer & Communications.</p> <p>From our review, the following observations regarding the training and ability of staff related to managing customer complaints and enquiries were noted:</p> <ul style="list-style-type: none">• Customer facing staff below Supervisor and Team Leader level (with the exception of staff transitioned to the Customer Relations team in response to COVID-19)(refer to Background) have not received any formal training, although required to interact with customers. It was also noted that beyond the CFS and complaints handling training in 2019, stakeholders consulted recalled no formal customer training since a 'Dealing with Challenging Customers' training in 2015.• While stakeholders consulted felt equipped to interact with customers, it is understood that some front line staff within their teams would feel uncomfortable to speak with customers on their own, especially in a difficult conversation. Particularly within regulatory areas of the CTTG, it is acknowledged that for some staff, using customer-centric language to explain complex regulatory		5. Implement a technology-based induction training for all new and existing staff where required. This should cover basic computer skills and systems training to assist new starters in having a minimum standard of technological skill, and could be delivered through PeopleStreme (the CTTG's Human Resources system). Staff in customer-facing roles should have this tailored to customer scenarios.		30-Jun-21	Open	On Track	<p>CTTG are undergoing process to procure a new HCM and as suh current HCM PeopleStreme will not continue to be supported as of a set date. Looking to incorporate LMS into new HCM or have a facility in which it can feed into the HCM. Update to be provided once a provider is identified.</p> <p>To be reviewed by the CX Improvement Coach by end of 2023</p>	
Optimisation of Council owned Buildings	22-Mar-21	SP2	Strategy and Policy - Strategy to drive supply	<p>There is no overarching strategy for the provision and/or retention of Council buildings and no direct policy that sets out the circumstances when and where the Council will provide buildings for community or organisational purposes. It appears that, to a large extent, buildings have been provided for purposes and in locations that are more related to historic reasons than strategies or policies.</p> <p>Recommendation 2</p> <p>Develop a strategy (and any required supporting policies) relating to the circumstances when the Council will provide buildings for community or organisational purposes in the short, medium, and longer terms. Include the potential use of buildings owned by others as a first option rather than defaulting to Council ownership and consider the buildings owned by others as potentially complementary to the Council's portfolio of buildings rather than competitors.</p>	Medium	Develop a strategy (and any required supporting policies) relating to the circumstances when the Council will provide buildings for community or organisational purposes in the short, medium, and longer terms. Include the potential use of buildings owned by others as a first option rather than defaulting to Council ownership and consider the buildings owned by others as potentially complementary to the Council's portfolio of buildings rather than competitors.	Manager Project Management Office	30-Jun-23	Open	On Track	<p>The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.</p>	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	SP2	Strategy and Policy - Strategy to drive supply	<p>There is no overarching strategy for the provision and/or retention of Council buildings and no direct policy that sets out the circumstances when and where the Council will provide buildings for community or organisational purposes. It appears that, to a large extent, buildings have been provided for purposes and in locations that are more related to historic reasons than strategies or policies.</p> <p>Recommendation 3</p> <p>Consider investing in a smaller number of better quality, more flexible and accessible buildings. A hub and spoke model where community centres act as the hub with other buildings available for associated uses or hire being the spokes could be considered.</p>	Medium	Consider investing in a smaller number of better quality, more flexible and accessible buildings. A hub and spoke model where community centres act as the hub with other buildings available for associated uses or hire being the spokes could be considered.	Manager Project Management Office	30-Jun-23	Open	On Track	<p>The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.</p>	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	SP2	Strategy and Policy - Strategy to drive supply	<p>There is no overarching strategy for the provision and/or retention of Council buildings and no direct policy that sets out the circumstances when and where the Council will provide buildings for community or organisational purposes. It appears that, to a large extent, buildings have been provided for purposes and in locations that are more related to historic reasons than strategies or policies.</p> <p>Recommendation 4</p> <p>Avoid the dangers of 'an asset in search of a purpose' whereby existing buildings are retained at significant cost beyond their true asset lives and usefulness to the community.</p>	Medium	Avoid the dangers of 'an asset in search of a purpose' whereby existing buildings are retained at significant cost beyond their true asset lives and usefulness to the community.	Manager Project Management Office	30-Jun-23	Open	On Track	<p>The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.</p>	30-Jun-24

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Optimisation of Council owned Buildings	22-Mar-21	SP3	Strategy and Policy - Consider other providers	<p>The audit identified a large number of buildings owned by other organisations that could potentially meet the needs of some users. Subject to further research and negotiation, the Council could potentially reduce the need to physically provide some buildings itself by partnering with those owners to set up a win/win scenario or refer booking queries to them.</p> <p>A further consideration is that in providing buildings for bookings the Council may be in competition with other providers, whether they be community based or commercial organisations.</p> <p>Formalisation of the consideration of other providers could be enshrined in Council policy and in planning to meet community demand for building space.</p> <p>Recommendation 5 Ensure that buildings and/or services provided by other organisations within the Council area or near the border in adjoining Council areas are considered in addressing community or organisational demand.</p>	Medium	Ensure that buildings and/or services provided by other organisations within the Council area or near the border in adjoining Council areas are considered in addressing community or organisational demand.	Manager Project Management Office	30-Jun-23	Open	On Track	The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan. Plan to consider assets owned by other entities.	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	SP4	Strategy and Policy - Single-purpose vs multi-purpose buildings	<p>Historically, the large majority of community, recreation, sporting, and arts facilities across the Council area have been designed for single-purpose. Due to their location, size, siting or design, many buildings cannot be easily used by multiple groups or purposes and as such many are not used to their full capacity.</p> <p>The current strategic direction for the provision of buildings for community use seems to be to provide for multiple uses where possible. However, there is no adopted strategy or policy about this.</p> <p>Recommendation 6 Provide strategic and policy clarity about when single or multi-use buildings are considered appropriate.</p>	Medium	Provide strategic and policy clarity about when single or multi-use buildings are considered appropriate.	Manager Project Management Office	30-Jun-23	Open	On Track	The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan. The plan will provide guidance on multipurpose buildings.	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	D1	Demand Considerations - Documented standards to reflect demand	<p>We found no documented standards (such as numbers of buildings for the City's population; geographic distribution) for the supply of the various types of buildings, which led to nominal standards being developed to audit against. We recognise that the Council area is already well developed and that standards have changed over time which provides challenges in providing the right numbers of the various types of buildings in the right locations. However, establishing, adopting, and documenting standards provides a base to work from.</p> <p>Recommendation 8 Consider developing, documenting, and implementing standards for the provision of the various types of buildings. In doing so, consider the relevance of standards identified during this audit and the nominal standards applied.</p>	Medium	Consider developing, documenting, and implementing standards for the provision of the various types of buildings. In doing so, consider the relevance of standards identified during this audit and the nominal standards applied.	Manager Project Management Office	30-Jun-23	Open	On Track	The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	S1	Supply Considerations - Suitability of buildings	<p>The analysis undertaken for the audit identified that, for a number of reasons (combinations of the suitability factors - facilities provided, floor area, usage, building condition, fit for purpose – now and/or future, disability access, car parking, land or planning restrictions) many of the Council's buildings in the Community, Recreation and Sport, and Arts category are unsuitable for their current use.</p> <p>For some buildings there is potential to resolve the shortcomings while for others that is unlikely to be the case. Information for some aspects of the suitability analysis for some of the buildings is incomplete (and outside the project brief) which limits the ability to determine the best course of action for them.</p> <p>Recommendation 9 Resolve the information gaps identified in the buildings suitability analysis.</p>	Medium	Resolve the information gaps identified in the buildings suitability analysis.	Manager Project Management Office	30-Jun-23	Open	On Track	The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	S1	Supply Considerations - Suitability of buildings	<p>The analysis undertaken for the audit identified that, for a number of reasons (combinations of the suitability factors - facilities provided, floor area, usage, building condition, fit for purpose – now and/or future, disability access, car parking, land or planning restrictions) many of the Council's buildings in the Community, Recreation and Sport, and Arts category are unsuitable for their current use.</p> <p>For some buildings there is potential to resolve the shortcomings while for others that is unlikely to be the case. Information for some aspects of the suitability analysis for some of the buildings is incomplete (and outside the project brief) which limits the ability to determine the best course of action for them.</p> <p>Recommendation 10 Formally agree on suitability factors for the current and future supply of Council buildings, considering the factors used for this audit as part of that exercise. Clarify the priority given to each of the suitability factors, especially disability access.</p> <p>Having taken those steps, revisit the suitability analysis to determine the best course of action for the buildings.</p>	Medium	<p>Formally agree on suitability factors for the current and future supply of Council buildings, considering the factors used for this audit as part of that exercise. Clarify the priority given to each of the suitability factors, especially disability access.</p> <p>Having taken those steps, revisit the suitability analysis to determine the best course of action for the buildings.</p>	Manager Project Management Office	30-Jun-23	Open	On Track	The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	S2	Supply Considerations - Usage rates	<p>The target usage standard of 75% included in the Buildings Asset Management Plan 2020 does not reflect the nuances associated with the different types of buildings and their types of use.</p> <p>Although data analysis was limited by not being able to identify all uses of buildings during the project, and that COVID19 has impacted on building use, the level of use seems to be relatively low for many buildings. The new bookings system being implemented is expected to improve the availability of usage data.</p> <p>Recommendation 11 Set and report against performance targets for usage rates for sub-categories of Community, Recreation and Sport, and Arts buildings.</p>	Medium	Set and report against performance targets for usage rates for sub-categories of Community, Recreation and Sport, and Arts buildings.	Manager Project Management Office	30-Jun-23	Open	On Track	The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	S3	Supply Considerations - Oversupply of certain types of buildings	<p>There is an oversupply of smaller, older, single purpose buildings which is an inefficient use of resources. Many are currently unsuitable for their intended purpose as identified in the suitability analysis.</p> <p>Recommendation 12 Identify the best mix of larger and smaller Council buildings for inclusion in a strategy for addressing demand for building spaces.</p>	Medium	Identify the best mix of larger and smaller Council buildings for inclusion in a strategy for addressing demand for building spaces.	Manager Project Management Office	30-Jun-23	Open	On Track	The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	S4	Supply Considerations - Aging buildings	<p>The age profile of the community, recreation, sporting, and arts facilities is such that a significant proportion of them appear to be nearing the end of their asset lives. The Council's asset register asset register supports this view, rating the majority of buildings as 3/5</p> <p>Recommendation 13 Consider the age profile of the Council's portfolio of buildings and their condition in a strategy for addressing demand for building spaces.</p>	Medium	Consider the age profile of the Council's portfolio of buildings and their condition in a strategy for addressing demand for building spaces.	Manager Project Management Office	30-Jun-23	Open	On Track	The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.	30-Jun-24
Optimisation of Council owned Buildings	22-Mar-21	A1	Administrative Arrangements - Consistency of terminology and information	<p>We found inconsistencies in terminology used in different parts of the organisation to describe particular buildings which can be confusing for communities and possibly within the organisation.</p> <p>Recommendation 15 Develop and reinforce a common naming convention for Council buildings across the whole organisation.</p>	Low	Develop and reinforce a common naming convention for Council buildings across the whole organisation.	Manager Project Management Office	30-Jun-23	Open	On Track	The asset management system transfer to TechOne is complete providing the required data to undertake this project. Work is underway on a Strategic Buildings Assets Plan.	30-Jun-24

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Optimisation of Council owned Buildings	22-Mar-21	A2	Administrative Arrangements - Clarity about demand and supply responsibilities	Staff responsibilities for identifying demand (or need) for Council buildings, and for actions to meet demand through supply (of a Council owned building or one owned by another body), are not completely clear. The separation of supply of building spaces of various types from the demand for them has been a useful concept for the project and could be considered in how staff roles are allocated within the organisation. Identifying community needs (part of demand) and identifying supply options require different skills. The risk of a hybrid model of determining demand and supply together is that staff may not have the skills required for an optimum outcome. Recommendation 17 Ensure that any significant changes in Council policies and strategies arising from this audit are clearly communicated to staff and that staff development opportunities are provided to ensure the policies and strategies are implemented as intended.	Medium	Ensure that any significant changes in Council policies and strategies arising from this audit are clearly communicated to staff and that staff development opportunities are provided to ensure the policies and strategies are implemented as intended.	Manager Project Management Office	30-Jun-23	Open	On Track	Development of the Strategic Buildings Assets Plan will require internal stakeholder engagement and the findings will be communicated to staff.	30-Jun-24
Arts and Culture Review	29-Sep-21	1	Strategic or Policy documents	Lack of Strategic or Policy documents to guide Council's commitment and investment in Arts and Culture in CTTG Recommendation 1 Develop a strategy or policy documents to guide Council's commitment and investment in Arts and Culture in CTTG	Low	Develop a strategy or policy documents to guide Council's commitment and investment in Arts and Culture in CTTG. Draft Arts and Cultural Plan is currently out for final community consultation before it will be workshoped by Elected Members.	Lead, Community Wellbeing	30-Dec-22	Open	On Track	Draft Arts and Culture plan has been developed through community consultaion. Key action in the plan are being reviewed in light of the new department structure and the development of a new programming framework.	30-Jun-24
Arts and Culture Review	29-Sep-21	3	A co-ordinated approach to Council's Arts and Culture offerings, design and planning	Lack of co-ordinated approach to Council's Arts and Culture offerings, design and planning occurs across 3 separate Council Departments. Evaluation and data collections approaches vary from programs to program. Recommendation 3 Lack of co-ordinated approach to Council's Arts and Culture offerings, design and planning occurs across 3 separate Council Departments. Evaluation and data collections approaches vary from programs to program.	Medium	Revisit and update the costing and investment analysis for CTTG Arts and Culture offerings	Lead, Community Wellbeing	30-Jun-22	Open	On Track	Draft Arts and Culture plan has been developed through community consultations. The restructure of Community Service department will lead to better function alignment and a more coordinated approach to the Arts and Cultural services offered to the community.	30-Jun-24
Arts and Culture Review	29-Sep-21	3	A co-ordinated approach to Council's Arts and Culture offerings, design and planning	Lack of co-ordinated approach to Council's Arts and Culture offerings, design and planning occurs across 3 separate Council Departments. Evaluation and data collections approaches vary from programs to program. Recommendation 3 Revisit and update the costing and investment analysis for CTTG Arts and Culture offerings Recommendation 4 Develop a standard costing methodology to provide a consistent and robust approach to reviewing and evaluating program investment Recommendation 5 Develop a co-ordinated approach to offerings across all relevant staff is recommended to ensure that there is not duplication or competition of offerings. Develop a consistency of approach to evaluation of all Arts and Culture programs	Medium	Explore opportunities and partnerships for creative cross- cultural, intercultural and intergenerational projects using community arts and cultural development practices and principles.	Lead, Community Wellbeing	30-Jun-22	Closed - March 2024	Completed	Community engagement with key stakeholders completed in July/August 2022 indicated further areas to develop in regards to CALD offerings. Since then the following activities have occurred. These include: SA Refugee week event Youth Poster Awards Exhibition held at Gallery 1855 (Nov-December 2022 and 2023) Workshop showcasing a number of art techniques form a variety of different cultures. Warm Welcome ATSI installation at Stevens Reserve, Asakuchi Sister City installation at Solandra Reserve.	N/A
Arts and Culture Review	29-Sep-21	3	A co-ordinated approach to Council's Arts and Culture offerings, design and planning	Lack of co-ordinated approach to Council's Arts and Culture offerings, design and planning occurs across 3 separate Council Departments. Evaluation and data collections approaches vary from programs to program. Recommendation 3 Lack of co-ordinated approach to Council's Arts and Culture offerings, design and planning occurs across 3 separate Council Departments. Evaluation and data collections approaches vary from programs to program.	Medium	Develop a standard costing methodology to provide a consistent and robust approach to reviewing and evaluating program investment	Lead, Community Wellbeing	30-Jun-22	Open	On Track	A framework for community connections is being developed which will provide program delivery methodology for all community programs and events, including arts and cultural activities, to ensure consistency and the ability to review and evaluate program investment/value.	30-Jun-24
Arts and Culture Review	29-Sep-21	3	A co-ordinated approach to Council's Arts and Culture offerings, design and planning	Lack of co-ordinated approach to Council's Arts and Culture offerings, design and planning occurs across 3 separate Council Departments. Evaluation and data collections approaches vary from programs to program. Recommendation 3 Lack of co-ordinated approach to Council's Arts and Culture offerings, design and planning occurs across 3 separate Council Departments. Evaluation and data collections approaches vary from programs to program.	Medium	Develop a co-ordinated approach to offerings across all relevant staff is recommended to ensure that there is not duplication or competition of offerings. Develop a consistency of approach to evaluation of all Arts and Culture programs	Lead, Community Wellbeing	30-Jun-22	Open	On Track	Key actions identified in the plan are being reviewed in light of the new department structure and in the development of a new programing methodology for all community services, programs and events.	30-Jun-24
Arts and Culture Review	29-Sep-21	5	Facility based marketing approaches	Marketing approaches are facility based Recommendation 7 Develop a consistent approach to marketing across all of Council's arts and culture offerings	Low	Develop a consistent approach to marketing across all of Council's arts and culture offerings.	Manager Customer and Communications	30-Jun-22	Open	On Track	A new strategy for the marketing of all community programs is being developed and will commenced in Feb 2024.	30-Jun-24
Arts and Culture Review	29-Sep-21	6	Program information on Council Website	Programming information on Council's website is by facility rather than areas of interest or via a calendar of events. It is not intuitive to the seeker of information Recommendation 8 As part of the update of Council's website investigate a more 'user friendly' and centralised approach to arts and culture offering on the website	Low	As part of the update of Council's website investigate a more 'user friendly' and centralised approach to arts and culture offering on the website.	Lead, Community Wellbeing	30-Jun-22	Open	On Track	A key outcome of the establishment of new Community Connections department is the development of a calendar of events to ensure the community can access this information in one place.	30-Jun-24
Arts and Culture Review	29-Sep-21	14	Strategic approach to Council's art collection	Lack of strategic approach to Council's art collection Recommendation 17 Create an asset register of all artworks currently owned by City of Tea Tree Gully	Medium	Create an asset register of all artworks currently owned by City of Tea Tree Gully	Lead, Community Wellbeing	30-Jun-23	Closed - March 2024	Completed	Artworks have been catalogued and stored in a central place at Council's Service Centre.	N/A
Arts and Culture Review	29-Sep-21	14	Strategic approach to Council's art collection	Lack of strategic approach to Council's art collection Recommendation 18 Engage an appropriately qualified external auditor to provide a valuation of the collection	Medium	Engage an appropriately qualified external auditor to provide a valuation of the collection	Lead, Community Wellbeing	30-Jun-23	Closed - March 2024	Completed	External audit contractor has completed a valuation report.	N/A
Arts and Culture Review	29-Sep-21	14	Strategic approach to Council's art collection	Lack of strategic approach to Council's art collection Recommendation 19 Provide recommendations to Council on which items are to remain as part of the collection and implement an appropriate schedule for conservation and storage of these artworks	Medium	Provide recommendations to Council on which items are to remain as part of the collection and implement an appropriate schedule for conservation and storage of these artworks	Lead, Community Wellbeing	30-Jun-23	Open	On Track	Council's Public Art Policy is still to be reviewed and will be presented to the Governance and Policy Committee in April 2024. Asset acquisition and disposal process to be included in Council's public art policy.	30-Jun-24
Arts and Culture Review	29-Sep-21	14	Strategic approach to Council's art collection	Lack of strategic approach to Council's art collection Recommendation 20 Items not kept as part of Council's collection returned to artists via expression of interest	Medium	Items not kept as part of Council's collection returned to artists via expression of interest	Lead, Community Wellbeing	30-Jun-23	Open	On Track	Council's Public Art Policy is still to be reviewed and will be presented to the Governance and Policy Committee in April 2024. Asset acquisition and disposal process to be included in Council's public art policy.	30-Jun-24
Arts and Culture Review	29-Sep-21	14	Strategic approach to Council's art collection	Lack of strategic approach to Council's art collection Recommendation 21 Develop an arts asset acquisitions and disposal policy	Medium	Develop an arts asset acquisitions and disposal policy	Lead, Community Wellbeing	30-Jun-23	Open	On Track	Council's Public Art Policy is still to be reviewed and will be presented to the Governance and Policy Committee in April 2024. Asset acquisition and disposal process to be included in Council's public art policy.	30-Jun-24
Fraud Management	10-Feb-22	F1	Increased fraud and corruption risk factors identified	Internal Audit recommends the following: 1. The Assets & Environment business unit conduct a fraud specific risk assessment, as further outlined in Finding 5, to identify areas where further controls are require to reduce instances of fraud. 2. Fraud risk and awareness training is completed by all staff within the Assets & Environment business unit, with clear communication of the consequences of fraudulent activities. 3. Quarterly reporting be provided to the Executive Team on the status of outstanding recommendations from Fraud Investigations, which also includes critical areas such as training. 4. Incorporation of the effectiveness of fraud controls implemented be included within the Performance Management Procedure for senior management staff.	High	Agreed Management Actions Item 1 It is agreed that specific fraud risk assessment must be conducted for the Assets & Environment portfolio as a priority. Item 2 It is agreed that specific fraud training must be conducted for the Assets & Environment business unit as a priority. Item 3 A quarterly report will be prepared for the Executive. Item 4 Performance Management Procedure for senior management staff and/or the position description will be updated to incorporate this recommendation.	General Manager City Operations with Manager Corporate Governance (Items 1 & 2) Manager Corporate Governance Manager People & Capability (Items 3 & 4)	June 2022 June 2022 April 2022 August 2022	Closed - March 2024	Completed	Item 1 and 2 - Completed - Fraud Awareness Risk Assessment ocured in February 2023 with City Operations corporate leaders. Fraud awareness training for corporate leaders previously completed in June 2022. Item 3 - Completed. Fraud reporting to the Executive Leadership Team introduced from 1 July 2022 and continues on a quarterly basis. Item 4 - Item 4 - Completed. An additional clause added to Manager PD templates and Performance Management Procedure references Fraud and Corruption Prevention Policy. Fraud risk identification and control has been included as a responsibility for corporate leaders as part of the revised Fraud and Corruption Policy which was updated in July 2022. Fraud risk identification and control has been included as a responsibility for corporate leaders as part of the revised Fraud and Corruption Policy which was updated in July 2022.	

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Fraud Management	10-Feb-22	F3	Fraud Control Strategy	1. Develop an overarching Fraud Control Strategy that adequately documents the Council-wide process for the prevention, detection and response to fraud and suspected fraud. The strategy should include: Prevention • References to existing policies and procedures relating to integrity and fraud control e.g. Code of Conduct and related HR policies. • Details of fraud awareness training to be delivered to Council Staff (refer to Finding 4) • Details of any specific fraud risk assessment processes undertaken (refer to Finding 5). Detection • Details of Fraud Detection programs (refer to PIO 1). • Fraud reporting channels and the investigation process (refer to Finding 7). Response • Details of investigation procedures and resources. • References to internal and external reporting mechanisms. • Details of internal control reviews to be performed. • Reference to maintenance of insurance. 2. Develop a formal plan and timetable to implement the Fraud Control Strategy and monitor compliance with the plan through reporting to the committee responsible for fraud control and a plan to rectify any shortcomings developed.	Medium	1. Develop an overarching Fraud Control Strategy that adequately documents the Council-wide process for the prevention, detection and response to fraud and suspected fraud. The strategy should include: Prevention • References to existing policies and procedures relating to integrity and fraud control e.g. Code of Conduct and related HR policies. • Details of fraud awareness training to be delivered to Council Staff (refer to Finding 4) • Details of any specific fraud risk assessment processes undertaken (refer to Finding 5). Detection • Details of Fraud Detection programs (refer to PIO 1). • Fraud reporting channels and the investigation process (refer to Finding 7). Response • Details of investigation procedures and resources. • References to internal and external reporting mechanisms. • Details of internal control reviews to be performed. • Reference to maintenance of insurance.	Manager Corporate Governance	01-Dec-22	Open	Not On Track	In progress - Draft Fraud Control Strategy will be presented to ELT in April 2024. Progress on this action has been delayed due to other priorities within the team.	30-Jun-24
Fraud Management	10-Feb-22	F3	Fraud Control Strategy	2. Develop a formal plan and timetable to implement the Fraud Control Strategy and monitor compliance with the plan through reporting to the committee responsible for fraud control and a plan to rectify any shortcomings developed.		2. Develop a formal plan and timetable to implement the Fraud Control Strategy and monitor compliance with the plan through reporting to the committee responsible for fraud control and a plan to rectify any shortcomings developed.	Manager Corporate Governance	01-Dec-22	Open	Not On Track	Progress on this action has been delayed due to other priorities within the team.	30-Jun-24
Fraud Management	10-Feb-22	F3	Fraud Control Strategy	3. Clearly define roles and responsibilities to staff with regards to fraud control.		3. Clearly define roles and responsibilities to staff with regards to fraud control.	Manager Corporate Governance	01-Dec-22	Open	Not On Track	Progress on this action has been delayed due to other priorities within the team.	30-Jun-24
Fraud Management	10-Feb-22	F3	Fraud Control Strategy	4. Assign ownership for management of the end to end fraud prevention process.		4. Assign ownership for management of the end to end fraud prevention process.	Manager Corporate Governance	01-Dec-22	Open	Not On Track	Progress on this action has been delayed due to other priorities within the team.	30-Jun-24
Fraud Management	10-Feb-22	F5	Fraud Risk Assessment	2. As noted previously, the CTTG's existing Control Framework could provide a good starting point onto which to build the fraud risk assessment process given a number of fraud related internal controls have already been identified.	Medium	1. Internal Audit recommends the CTTG develop a fraud risk assessment process that includes the development of a fraud risk register which is updated every 2-3 years at a minimum. This should cover all business units, functions, locations and processes to identify risks of fraud and be supported by a fraud risk treatment program that seeks to continuously improve processes and controls for managing fraud risk.	Manager Corporate Governance	01-Jun-23	Closed - March 2024	Completed	Item 1 & 2 Completed - Fraud risk assessment process conducted with all corporate leaders and CTTG fraud risk register completed.	
Fraud Management	10-Feb-22	F5	Fraud Risk Assessment	3. To ensure appropriate oversight, there should be regular reporting pertaining to fraud and the fraud risk register to the Audit Committee.	Medium	2. As noted previously, the CTTG's existing Control Framework could provide a good starting point onto which to build the fraud risk assessment process given a number of fraud related internal controls have already been identified.	Manager Corporate Governance	01-Jun-23	Closed - March 2024	Completed	Item 1 & 2 Completed - Fraud risk assessment process conducted with all corporate leaders and CTTG fraud risk register completed.	
Fraud Management	10-Feb-22	F5	Fraud Risk Assessment	3. To ensure appropriate oversight, there should be regular reporting pertaining to fraud and the fraud risk register to the Audit Committee.	Medium	3. To ensure appropriate oversight, there should be regular reporting pertaining to fraud and the fraud risk register to the Audit Committee.	Manager Corporate Governance	01-Jun-23	Closed - March 2024	Completed	Item 3 Completed - Reporting on the Fraud Risk Register has been incorporated into the Strategic Risk Management Report template presented to the Audit & Risk Committee. This report was first presented to the Audit & Risk Committee at the 6 December 2024 meeting (D23/92343).	
Fraud Management	10-Feb-22	F7	Fraud reporting channels and the investigation process	1. Consider introducing further anonymous fraud reporting mechanisms for staff including phone and web channels, such as Whistle Blower Hotlines.	Low	1. Consider introducing further anonymous fraud reporting mechanisms for staff including phone and web channels, such as Whistle Blower Hotlines.	Manager Procurement, People & Capability	01-Jun-23	Open	On Track	Planning for this is underway. Desire to understand if this is a current business requirement still and develop a RFQ to send to identified whistleblower services.	30-Jun-24
Fraud Management	10-Feb-22	F7	Fraud reporting channels and the investigation process	2. Formally document and communicate these fraud reporting mechanisms to staff.	Low	2. Formally document and communicate these fraud reporting mechanisms to staff.	Manager Procurement, People & Capability	01-Jun-23	Open	On Track	17/01/2024 - Shannon Hockley, Manager Corporate Governance has enrolled Leisha Bond, Felicity Birch and Myself into training with ICAC for the purpose of the PID Act and Policy. Unsure on training date, awaiting a reply for the next enrolment terms. Once training is complete, will determine the organisations appetite to have a process of reporting internally to a responsible officer providing protections to individuals under the act or engaging a 3rd party service provider. Updated revised date accordingly. Will consider number of disclosures reported to date to determine feasibility of using an external provider.	30-Jun-24
Fraud Management	10-Feb-22	F8	Opportunity to improve controls and reporting relating to employee timesheets	Internal Audit recommends the following: 1. Automated dashboard reporting be prepared to highlight to Management any "red flags" where staff are consistently or appear to be over claiming overtime hours. 2. Removal of the "approve all" button from the time sheeting process or implement the use of overtime approval forms consistently across the CTTG.	Low	Agreed to implement proposed recommendations in full. Noting that this item was raised by CTTG staff.	Manager Finance and Rating Operations	31-Dec-22	Open	On Track	A review into the suitability of Affinity has been completed. Tenders are being evaluated on new payroll systems. Affinity currently does not have this functionality New system likely to be implemented by December 2024	31-Dec-24
Fraud Management	10-Feb-22	PIO-1	Data analytics in fraud detection programs	Internal Audit recommends the CTTG consider implementing data mining/ analytics fraud detection programs. The program and types of transactions reviewed should be informed by the results of the fraud risk assessment process outlined in Finding 5.	PIO	This is being considered as part of the next stage of the new financial management system and a business case will be prepared for December 2022.	Manager Finance and Rating Operations	30-Dec-22	Open	On Track	Business case around new Rating and Payroll systems completed in December 2022. The Property and Rating system is being implemented in 23-24. Once this project is completed majority of financial data will be in the same system. We will then assess this recommendation in further detail.	30-Jun-24
Bushfire Prevention and Preparedness	28-Sep-22	F4	Gaps identified in the governance and effective maintenance of fire access tracks	1. Consult with the CFS periodically to: (a) Improve track identification and record keeping, including the rationale for upkeep and maintenance (b) Determine which fire access tracks are required to be maintained 2. Capture additional data to quantify the fire access track maintenance to provide transparency 3. Consider whether existing systems such as ESRI or TechnologyOne are suitable to record fire access track documentation.	Low	1. In consultation with the CFS, a review of Council's existing fire access track network will undertaken to determine the status, classification, and maintenance requirements of fire access tracks.	Manager Community Safety Manager Field Services	31-Aug-23	Open	On Track	Initial assessment of fire access tracks completed by FPO - findings and recommendations presented to ELT and endorsed on 9 June 2023. Information Report to be presented to Council 25 July 2023.	30-Jun-24
Bushfire Prevention and Preparedness	28-Sep-22	F4	Gaps identified in the governance and effective maintenance of fire access tracks	1. Consult with the CFS periodically to: (a) Improve track identification and record keeping, including the rationale for upkeep and maintenance (b) Determine which fire access tracks are required to be maintained 2. Capture additional data to quantify the fire access track maintenance to provide transparency 3. Consider whether existing systems such as ESRI or TechnologyOne are suitable to record fire access track documentation.	Low	2. A suitable process will be established for the maintenance of fire access tracks and for the assessment and approval of applications for new fire access tracks	Manager Community Safety Manager Field Services	31-Aug-23	Open	On Track	Internal stakeholders have been consulted on outcomes of track review - works programs to be adjusted accordingly.	30-Jun-24
Bushfire Prevention and Preparedness	28-Sep-22	F4	Gaps identified in the governance and effective maintenance of fire access tracks	1. Consult with the CFS periodically to: (a) Improve track identification and record keeping, including the rationale for upkeep and maintenance (b) Determine which fire access tracks are required to be maintained 2. Capture additional data to quantify the fire access track maintenance to provide transparency 3. Consider whether existing systems such as ESRI or TechnologyOne are suitable to record fire access track documentation.	Low	3. Existing data maintained on ESRI will be reviewed to ensure accuracy and to provide consistent identification of fire access tracks and their classification (e.g. number and/or name)	Manager Community Safety Manager Field Services	31-Aug-23	Open	On Track	2023/24 Fire track maintenance to take on board agreed changes through the review.	30-Jun-24
Bushfire Prevention and Preparedness	28-Sep-22	F4	Gaps identified in the governance and effective maintenance of fire access tracks	1. Consult with the CFS periodically to: (a) Improve track identification and record keeping, including the rationale for upkeep and maintenance (b) Determine which fire access tracks are required to be maintained 2. Capture additional data to quantify the fire access track maintenance to provide transparency 3. Consider whether existing systems such as ESRI or TechnologyOne are suitable to record fire access track documentation.	Low	4. Outcomes of this process will incorporated into the new Framework and the treatment prioritisation tool	Manager Community Safety Manager Field Services	31-Aug-23	Open	On Track	Project to be undertaken in two phases. Phase 1 requires internal decision-making only. Phase 2 requires consultation with CFS region/brigade level - to be completed by June 2024 pending CFS availability.	30-Jun-24

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Strategic Social Infrastructure Planning	29-Mar-23	REF7	Roadmap	This roadmap consolidates the opportunities identified in Section 5, against each relevant strategic objective and challenge of the Strategic Plan. Risks are identified for each. These are opportunities for Council staff to address, many of them could involve social research and engagement methods, as well as collaboration with external organisations that currently partner with Council, or those who do not.	Low	That the roadmap identified in section 7 of Attachment 1 be used to inform and guide the Community Services Service Review.	Lead, Community Wellbeing		Open	On Track	A review of Community Services department structure has been undertaken. The new structure commenced in mid September 2023. A framework for the planning, delivery and evaluation for future programs, events and activities is being developed now that better alignment between staff roles has been accomplished through the restructure.	30-Jun-24
Procurement Practices - Quotations	29-Mar-23	REF1	Purchasing delegates	1. Where a Supervising Purchasing Delegate is required, this should be clearly identified at the front of the BPPC and supported by electronic workflow for approval / sign off process.	Low	1. Where a Supervising Purchasing Delegate is required, this should be clearly identified at the front of the BPPC and supported by electronic workflow for approval / sign off process.	Manager Procurement & Contrac, People & Capability	30-Oct-23	Closed - March 2024	Completed	BPPC updated at front of form to include the details of mentoring purchasing delegate Approval via content manager already encouraged. Content Manager workflow best option, however further exploring on how staff can receive appropriate content manager training for this process by Records Management Team. January 2024 - Contracts and Training Officer covers off during purchasing delegation training or on an as needs basis.	17-Jan-24
Procurement Practices - Quotations	29-Mar-23	REF2	Purchasing approvals	1. Review and streamline the purchasing procedure and quotation guidelines potentially into a single document, which clearly articulates: •Definition and responsibilities of different types of approvers taking-into-account segregation of duties (to ensure a corporate leader procuring is not also the approver) including: •Evaluation panel members (including the chair) •Purchasing delegate •Supervising purchasing delegate •Expenditure delegate •Corporate leader •Step by step approval process that aligns to the BPPC.	Medium	Undertake a review of the Purchasing Procedure, Quotation Guidelines, RFQ Form Template and Best Practice Purchasing Checklist to incorporate clear delegation approval controls.	Manager Procurement & Contrac, People & Capability	30-Oct-23	Closed - March 2024	Completed		
Procurement Practices - Quotations	29-Mar-23	REF2	Purchasing approvals	2. Investigate options for using electronic workflow to control approvals rather than signatures within a document.	Medium	Investigate options for using electronic workflow to control approvals rather than signatures within a document.	Manager Procurement & Contrac, People & Capability	30-Oct-23	Closed - March 2024	Completed		
Procurement Practices - Quotations	29-Mar-23	REF2	Purchasing approvals	3. As a further delegation control, it is recommended that investigation be undertaken to incorporate an RFQ or BPPC reference in TechOne (to confirm that the appropriate procurement and approval process has been undertaken).	Medium	Investigate potential for incorporating RFQ or BPPC references in the purchase requisition or Work Order function within TechOne	Manager Procurement & Contrac, People & Capability	31-Mar-24	Closed - March 2024	Completed	January 2024 - All actions complete except the electronic sign off. Currently within CM, but possible new system is being tested which would resolve this.	17-Jan-24
Procurement Practices - Quotations	29-Mar-23	REF3	Evaluation documentation	1. Consideration to be given to establishing either establishing two different BPPC's for purchases: • \$1,000 - \$20,000 • \$20,000 - \$100,000 Alternatively, the BPPC should be updated to clearly reflect which sections of the BPPC are needed to be completed for low value purchases (if at all).	Low	1. Consideration to be given to establishing either establishing two different BPPC's for purchases: • \$1,000 - \$20,000 • \$20,000 - \$100,000 Alternatively, the BPPC should be updated to clearly reflect which sections of the BPPC are needed to be completed for low value purchases (if at all).	Manager Procurement & Contrac, People & Capability	31-Mar-24	Open	On Track	Work in progress - will be reviewed and actioned as we work through the relevant timelines in the audit for various recommendations	
Procurement Practices - Quotations	29-Mar-23	REF3	Evaluation documentation	2. Review the requirements for engaging consultancy services to determine whether a level 2 procurement process is actually required for a level 1 procurement, ie under \$20,000.	Low	2. Review the requirements for engaging consultancy services to determine whether a level 2 procurement process is actually required for a level 1 procurement, ie under \$20,000.	Manager Procurement & Contrac, People & Capability	31-Mar-24	Open	On Track	Work in progress - will be reviewed and actioned as we work through the relevant timelines in the audit for various recommendations	
Procurement Practices - Quotations	29-Mar-23	REF3	Evaluation documentation	3. Whilst ongoing refresher training has been provided to Delegates, it is equally important that the purchasing procedures, quotation guidelines and templates are streamlined for ease of use, including the provision of clear and succinct instructions. This will assist Delegates with following the procurement steps which have otherwise been missed and/or not understood.	Low	3. Whilst ongoing refresher training has been provided to Delegates, it is equally important that the purchasing procedures, quotation guidelines and templates are streamlined for ease of use, including the provision of clear and succinct instructions. This will assist Delegates with following the procurement steps which have otherwise been missed and/or not understood.	Manager Procurement and Contracts Management	31-Mar-24	Open	On Track	Work in progress - will be reviewed and actioned as we work through the relevant timelines in the audit for various recommendations	
Procurement Practices - Quotations	29-Mar-23	REF4	Records management	1. Review records management requirements for procurement to implement a revised approach that takes into account: •Obtaining a unique quotation number (eg. CM container number for project) •Consistent naming conventions •Simplifying and streamlining the approach (so that a record doesn't have to be saved twice in two separate containers) •BPPC to incorporate provision to identify where all procurement records are stored relevant to that procurement	Low	1. Review records management requirements for procurement to implement a revised approach that takes into account: •Obtaining a unique quotation number (eg. CM container number for project) •Consistent naming conventions •Simplifying and streamlining the approach (so that a record doesn't have to be saved twice in two separate containers) •BPPC to incorporate provision to identify where all procurement records are stored relevant to that procurement	Manager Procurement and Contracts Management	31-Mar-24	Open	On Track	Work in progress - re records management abilities of staff in organisaition (needs to be addressed by Records Management Team) Consistent naming conventions already provided in content manager quotation container listing BPPC already has section for CM container to be specified for tracking purposes	
Procurement Practices - Quotations	29-Mar-23	REF5	Procurement exemption process	1. Review the exemption approval process, including records management requirements, and streamline to ensure the process is clearer and more efficient.	Medium	1. Review the exemption approval process, including records management requirements, and streamline to ensure the process is clearer and more efficient.	Manager Procurement and Contracts Management	30-Oct-23	Open	On Track	Exemption form streamlined. Workflow streamlined for the form to go to staff and return from staff. (less touch points making it more efficient for staff and Procurement Officer)	
Procurement Practices - Quotations	29-Mar-23	REF5	Procurement exemption process	2. All purchases should require the completion of a BPPC, therefore use of an exemption process should be evident in the BPPC to ensure appropriate exemption approval is obtained. This checklist should incorporate exemption to ensure evidence of exemption is maintained.	Medium	2. All purchases should require the completion of a BPPC, therefore use of an exemption process should be evident in the BPPC to ensure appropriate exemption approval is obtained. This checklist should incorporate exemption to ensure evidence of exemption is maintained.	Manager Procurement and Contracts Management	30-Oct-23	Open	On Track	BPPC has been updated to include the exemption details to be specified and CM references	
Procurement Practices - Quotations	29-Mar-23	REF6	Procurement principles	1. Review procurement principles to determine if they are still relevant.	PIO	1. Review procurement principles to determine if they are still relevant.	Manager Procurement and Contracts Management	31-Mar-24	Open	On Track	will be reviewed and actioned as we work through the relevant timelines in the audit	
Procurement Practices - Quotations	29-Mar-23	REF6	Procurement principles	2. Clearly link the procurement principles to the relevant sections of the purchasing procedures, quotation guidelines and BPPC to ensure all procurement principles are addressed with each procurement.	PIO	2. Clearly link the procurement principles to the relevant sections of the purchasing procedures, quotation guidelines and BPPC to ensure all procurement principles are addressed with each procurement.	Manager Procurement and Contracts Management	31-Mar-24	Open	On Track	will be reviewed and actioned as we work through the relevant timelines in the audit	
Procurement Practices - Quotations	29-Mar-23	REF6	Procurement principles	3. Review all referenced documents to ensure accuracy and for ease of finding.	PIO	3. Review all referenced documents to ensure accuracy and for ease of finding.	Manager Procurement and Contracts Management	31-Mar-24	Open	On Track	will be reviewed and actioned as we work through the relevant timelines in the audit	
Strategic Asset Management	06-Sep-23	F1	Lack of asset management strategy to inform decision-making	Refer Internal Audit Report D23/63677 for detailed, high level recommendations are: 1. Develop a Comprehensive Strategic Asset Management Plan (SAMP) 2. Integrate AM Objectives into Strategic Plan and AM Policy 3. Establish Clear Scope and Boundary for AM System 4. Enhance Levels of Service 5. Address inaccuracies in Asset Management Plans 6. Implement End-to-End Management System Approach 7. Achieve Balance between Financial and Physical Asset Considerations 8. Engage Stakeholders in the Asset Management Process	High	Develop a Project Plan which addresses the following: 1.1 Develop a Strategic Asset Management Plan/Framework (SAMP), to ensure - alignment and integration with the asset management objectives and strategy - recognition of the financial and physical aspects of assets	Manager City Strategy	31-Dec-23	Open	On Track	Development of the Project Scope will be complete by 31 December 2023. Individual actions within the project plan will be completed by: 1.1 Feb 2026 (City Strategy) 1.2 November 2024 (Technical and Engineering) 1.3 ongoing (Technical and Engineering) 1.4 November 2024 (Technical and Engineering / Operations Support Services) 1.5 November 2024 (Technical and Engineering)	01-Feb-26
Strategic Asset Management	06-Sep-23	F1	Lack of asset management strategy to inform decision-making	Refer Internal Audit Report D23/63677 for detailed, high level recommendations are: 1. Develop a Comprehensive Strategic Asset Management Plan (SAMP) 2. Integrate AM Objectives into Strategic Plan and AM Policy 3. Establish Clear Scope and Boundary for AM System 4. Enhance Levels of Service 5. Address inaccuracies in Asset Management Plans 6. Implement End-to-End Management System Approach 7. Achieve Balance between Financial and Physical Asset Considerations	High	1.2 Revise the Asset Management Policy to: - clearly document roles and responsibilities - define asset management - establish leadership, governance and oversight of asset management and performance - ensure alignment with the Strategic Asset Management Plan (including asset management objectives, strategy and plans) - refer to ISO 55001 Asset Management Standard as a guide	Manager Technical and Engineering Services	31-Dec-23	Open	On Track		01-Nov-24

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Strategic Asset Management	06-Sep-23	F1	Lack of asset management strategy to inform decision-making	Refer Internal Audit Report D23/63677 for detailed, high level recommendations are: 1.Develop a Comprehensive Strategic Asset Management Plan (SAMP) 2.Integrate AM Objectives into Strategic Plan and AM Policy 3.Establish Clear Scope and Boundary for AM System 4.Enhance Levels of Service 5.Address Inaccuracies in Asset Management Plans 6.Implement End-to-End Management System Approach 7.Achieve Balance between Financial and Physical Asset Considerations 8.Engage Stakeholders in the Asset Management Process	High	1.3 Continue to develop an Asset Management System (i.e Tech One) that is suitably resourced and with a clear scope and define boundaries	Manager Technical and Engineering Services	31-Dec-23	Open	On Track		01-Nov-24
Strategic Asset Management	06-Sep-23	F1	Lack of asset management strategy to inform decision-making	Refer Internal Audit Report D23/63677 for detailed, high level recommendations are: 1.Develop a Comprehensive Strategic Asset Management Plan (SAMP) 2.Integrate AM Objectives into Strategic Plan and AM Policy 3.Establish Clear Scope and Boundary for AM System 4.Enhance Levels of Service 5.Address Inaccuracies in Asset Management Plans 6.Implement End-to-End Management System Approach 7.Achieve Balance between Financial and Physical Asset Considerations 8.Engage Stakeholders in the Asset Management Process	High	1.4 Develop a Plant and Fleet Asset Management Plan	Manager Technical and Engineering Services / Operations Support Services	31-Dec-23	Open	On Track		01-Nov-24
Strategic Asset Management	06-Sep-23	F1	Lack of asset management strategy to inform decision-making	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Develop a Comprehensive Strategic Asset Management Plan (SAMP) 2.Integrate AM Objectives into Strategic Plan and AM Policy 3.Establish Clear Scope and Boundary for AM System 4.Enhance Levels of Service 5.Address Inaccuracies in Asset Management Plans 6.Implement End-to-End Management System Approach 7.Achieve Balance between Financial and Physical Asset Considerations 8.Engage Stakeholders in the Asset Management Process	High	1.5 Review and update existing Asset Management Plans in line with the: - Strategic Asset Management Plan (new) - Asset Management Policy (revised) - Asset Management System (new) Asset Management Plans identify: - a horizon - activities to address identified risks and opportunities for specific assets - resources required to conduct the activities identified - periodic reviews of Levels of Service - the necessary roles and responsibilities to conduct the activities identified - a timeframe for activities - details of funding and other financial implications - a priority (significance / criticality) based on their impact on the achievement of asset management objectives	Manager Technical and Engineering Services	31-Dec-23	Open	On Track		01-Nov-24
Strategic Asset Management	06-Sep-23	F2	Lack of direction in organisation with regards to Asset Management	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Develop a Comprehensive Asset Management Strategy 2.Integrate Asset Management into the Strategic Plan 3.Strengthen Linkages between AM Objectives and Organizational Goals 4.Enhance Accountability and Define Roles 5.Link AM Policy to the Strategic Plan 6.Adopt ISO 55001 Asset Management Standards 7.Empower Asset Management with Sufficient Authority 8.Foster Continuous Improvement and Training	High	2.3 Develop training and awareness initiatives, such as: - an awareness program for Asset Management to highlight the value of each individual's role in achieving asset management objectives. This should be extended to suppliers and outsources activities - Asset Management Training (difference levels for different roles) to improve awareness and competency - stakeholder engagement and communication	Manager Technical and Engineering Services	31-Dec-23	Open	On Track	20231117 Development of the Project Scope will be complete by 31 December 2023. Individual actions within the project plan will be completed by: 2.3 June 2025 (Technical and Engineering) 2.4 Oct 2024 (City Strategy) 3.1 June 2025 (Technical and Engineering) 4.2 June 2025 (Technical and Engineering) 4.4 June 2025 (Technical and Engineering) 5.1 December 2025 (Technical and Engineering / Operations Support Services) 5.2 June 2025 (Technical and Engineering)	01-Jun-25
Strategic Asset Management	06-Sep-23	F2	Lack of direction in organisation with regards to Asset Management	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Develop a Comprehensive Asset Management Strategy 2.Integrate Asset Management into the Strategic Plan 3.Strengthen Linkages between AM Objectives and Organizational Goals 4.Enhance Accountability and Define Roles 5.Link AM Policy to the Strategic Plan 6.Adopt ISO 55001 Asset Management Standards 7.Empower Asset Management with Sufficient Authority 8.Foster Continuous Improvement and Training		2.4 Consider how to link the Strategic Asset Management Plan/Framework to the Strategic Plan 2030	Manager City Strategy	31-Dec-23	Open	On Track		01-Oct-24
Strategic Asset Management	06-Sep-23	F3	Asset lifecycle and maintenance planning is ineffective	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Develop Comprehensive Maintenance Strategies 2.Establish a Central Asset Management Approach 3.Improve Alignment between Asset Cost Requirements and Budgets 4.Broaden Focus on Asset Risks 5.Define parameters for Asset Objectives and Performance Measurement 6.Enhance Data Collection and Insights into Asset Condition 7.Utilize Asset Management Plans (AMPs) as Working Documents 8.Expand Scope and Alignment of AMPs 9.Develop a Specific Fleet Management Plan 10.Adopt a Total Expenditure (TOTEX) Approach in AMPs		3.1 Develop Comprehensive Maintenance Strategies of assets including: - proactive and preventive maintenance plans - consideration of asset condition, performance and criticality, to determine asset risk and prioritise necessary activities to allocate budgets more effectively - investigate options to collect data in relation to asset condition	Manager Technical and Engineering Services	31-Dec-23	Open	On Track		01-Jun-25
Strategic Asset Management	06-Sep-23	F4	An appropriate level asset management awareness, communication & support is not apparent	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Address Resource Gaps in Support Function 2.Develop a Clear Organizational Structure for Asset Management 3.Implement Contract Management Process for Competency Assurance 4.Develop a Comprehensive Stakeholder Engagement and Communications Plan 5.Enhance Clarity of Asset Management Language 6.Promote a Culture of Asset Management Awareness 7.Monitor Progress and Continuously Improve 8.Develop Technical Management Plans		4.2 Undertake a skills assessment of staff involved in managing assets and identify training needs	Manager Technical and Engineering Services	31-Dec-23	Open	On Track		01-Jun-25
Strategic Asset Management	06-Sep-23	F4	An appropriate level asset management awareness, communication & support is not apparent	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Address Resource Gaps in Support Function 2.Develop a Clear Organizational Structure for Asset Management 3.Implement Contract Management Process for Competency Assurance 4.Develop a Comprehensive Stakeholder Engagement and Communications Plan 5.Enhance Clarity of Asset Management Language 6.Promote a Culture of Asset Management Awareness 7.Monitor Progress and Continuously Improve 8.Develop Technical Management Plans		4.4 Consider development of technical data documents for critical assets	Manager Technical and Engineering Services	31-Dec-23	Open	On Track		01-Jun-25
Strategic Asset Management	06-Sep-23	F5	Lack of consideration as to the magnitude of change required in the business	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Expedite Integration of Salesforce with TechOne2.Strengthen Change Management Process: 3.Establish Regular Updates for Outsourced Maintenance Activities 4.Monitor and Evaluate Work Management Process Testing		5.1 Investigate the integration of Salesforce with Tech One to centralise asset maintenance programs	Manager Technical and Engineering Services	31-Dec-23	Open	On Track		01-Dec-25
Strategic Asset Management	06-Sep-23	F5	Lack of consideration as to the magnitude of change required in the business	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Expedite Integration of Salesforce with TechOne2.Strengthen Change Management Process: 3.Establish Regular Updates for Outsourced Maintenance Activities 4.Monitor and Evaluate Work Management Process Testing		5.2 Develop a change management plan to support with the implementation of the new asset management policy, strategy and systems, including the evaluation of new processes	Manager Technical and Engineering Services	31-Dec-23	Open	On Track		01-Jun-25
Strategic Asset Management	06-Sep-23	F6	Asset Management is primarily focused from a financial perspective rather than from a physical asset pespective and there is a lack of key performance monitoring and assurance in relation to asset management	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Improve Asset Condition Reporting 2.Prioritize Long-Term Planning and Strategy Reviews 3.Establish Formal Governance Reporting for Asset Condition 4.Enhance Understanding of Asset Condition Levels 5.Develop Robust Internal Audit System 6.Re-establish Formal Asset Management Meetings	Medium	6.1 Improve Asset Condition Reporting to enable informed decision-making and financial outcomes	Manager Technical and Engineering Services	31-Dec-23	Open	On Track	20231117 Development of the Project Scope will be complete by 31 December 2023. Individual actions within the project plan will be completed by: 6.1 June 2025 (Technical and Engineering) 6.2 Nov 2024 (Technical and Engineering / City Strategy) 7.5 Consider an Internal Audit	01-Jun-25

Audit Project	AC Meeting Date	Ref	Subject / Finding Title	Recommendation	Risk Rating	Agreed Action	Action Owner	Date due	Status	Action Progress	Comments	Revised Date
Strategic Asset Management	06-Sep-23	F6	Asset Management is primarily focused from financial perspective rather than from a physical asset perspective and there is a lack of key performance monitoring and assurance in relation to asset management	Refer Internal Audit Report D23/63677 for detailed recommendations, high level recommendations are: 1.Improve Asset Condition Reporting 2.Prioritize Long-Term Planning and Strategy Reviews 3.Establish Formal Governance Reporting for Asset Condition 4.Enhance Understanding of Asset Condition Levels 5.Develop Robust Internal Audit System 6.Re-establish Formal Asset Management Meetings	Medium	6.2 Ensure the Strategic Asset Management Plan and Asset Management Policy includes: - Long-Term Asset Management Planning and Strategy Reviews - Formal Governance reporting on asset condition - Internal review/audits of asset management practices - Establishment of formal asset management meetings to monitor progress and continuous improvement	Manager Technical and Engineering Services Manager City Strategy	31-Dec-23	Open	On Track		01-Nov-24
Strategic Asset Management	06-Sep-23	F7	Continuous improvement processes and assurance are not clearly identified	1.Strengthen Utilization of Non-Conformity/Corrective Action Process 2.Foster Proactive Work Practices 3.Conduct Regular Internal Audits 4.Emphasize Continual Improvement in Daily Practices 5.Establish Key Performance Indicators (KPIs) for Continual Improvement	Medium	7.5 Establish a review of all actions as a whole program of works to monitor progress and continuous improvement	Manager Technical and Engineering Services Manager City Strategy	31-Dec-23	Open	On Track	Consideration of an internal audit	NA
Precinct Planning	06-Sep-23	4.1.	City Wide Spatial Plan	Prepare a high-level, CWSP to set the strategic direction for the CTTG and to identify "Place" making opportunities for Precincts (i.e. Activity Nodes, Sporting/Community Hubs, Passive Recreation Areas) and Corridors (i.e. Road and Rivers)	High	Scope and develop a City Plan Framework and action plan to guide the development of a City Plan	Manager City Strategy	30-Jun-24	Open	On Track	Scoping has commenced. Internal stakeholder meetingsheld in November-December. Further ELT engagement to be undertaken. It is anticipated Stage 1 of the Framework will be developed within the proposed timeframes.	NA
Precinct Planning	06-Sep-23	4.2.	Nomenclature and Plan Hierarchy	Update the CTTG's nomenclature in relation to place making and 'plan' hierarchy as outlined in Section 3.2 of this report	Medium	The City Plan Framework will consider and define the nomenclature	Manager City Strategy	30-Jun-24	Open	Not Commenced	To be incorporated into the Framework	NA
Precinct Planning	06-Sep-23	4.3.	Categorisation & Prioritisation Framework	Implement a Categorisation and Prioritisation governance framework that supports the continued receipt of new ideas and/or ability to respond to new demands, with appropriate check-points to ensure that prioritisation of place making proposals aligns with: - Council's Long Term Financial Plan; - 4 Years Budget; - Annual Building Project Budget; and - Availability of human resources	Medium	Consider a categorisation and prioritisation process as part of the City Plan Framework	Manager City Strategy	30-Jun-24	Open	On Track	Early investigation work undertaken by Future Urban. The review of the Playground Guide and Development of the Open Space Plan is piloting the approach	NA
Precinct Planning	06-Sep-23	4.4.	Review Existing Plans	Review of the 'Current List' of place making proposals for recording into: - Categorisation Schedule; and - Prioritisation Schedule	Medium	The City Plan Framework action plan will categorise and prioritse current place-making proposals	Manager City Strategy	30-Jun-24	Open	Not Commenced	Those relating to the Open Space Plan and Playground Guide will be initially incorporated into their respective plans with the intent they flow into the City Masterplan and will be incorporated into the Framework	NA
Precinct Planning	06-Sep-23	4.5.	Alignment	Progressively review, assess and confirm that the CTTG's Statutory Documents are in alignment with the CWSP and associated place making proposals	High	The Long-Term Financial Plan will include a principle that Council's Statutory Documents are in alignment with the City Plan and associated place making proposals	Manager Finance & Rating Services	31-Dec-23	Open	On Track	This will be included in the LTFF once the City Plan has been developed (Ref 4.1).	
Recycled Water	11-Oct-23	1	Outdated value proposition of the current scheme and unclear willingness of both the Council and the community to pay for sustainability	1. Update and document the current system value proposition in-line with the current operating context	High	1. Update and document the current system value proposition in-line with the current operating context	Lead - Water and Environment	30-Jun-25	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	1	Outdated value proposition of the current scheme and unclear willingness of both the Council and the community to pay for sustainability	2. Undertake Multi-Criteria Analysis (MCA) of alternative recycled water system options which include sustainability and community benefit scoring criteria	High	2. A Multi-Criteria Analysis will be developed and will be applied to Option 3 of this Report	Lead - Water and Environment	30-Jun-25	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	1	Outdated value proposition of the current scheme and unclear willingness of both the Council and the community to pay for sustainability	3. Consultations should be undertaken to understand the willingness of both the Council and the community to pay for recycled water	High	3. Consultations should be undertaken to understand the willingness of both the Council and the community to pay for recycled water, which will form part of a wider consultation regarding sustainability	Lead - Water and Environment	30-Jun-25	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	1	Outdated value proposition of the current scheme and unclear willingness of both the Council and the community to pay for sustainability	4. Undertake additional investigations as required into alternative scheme options to inform the future water scheme business case development	High	4. Undertake additional investigations as required into alternative scheme options to inform the future water scheme business case development	Lead - Water and Environment	30-Jun-25	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	2	Current system performance constraints by bottlenecks, posing challenges in aligning it with future performance demands	1. Document the updated KPIs for the recycled water scheme	High	1. Document the updated KPIs for the recycled water scheme	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	2	Current system performance constraints by bottlenecks, posing challenges in aligning it with future performance demands	2. Align the KPIs with the CTTG's strategic objectives for the recycled water system and incorporate into ongoing performance monitoring	High	2. Align the KPIs with the CTTG's strategic objectives for the recycled water system and incorporate into ongoing performance monitoring	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	2	Current system performance constraints by bottlenecks, posing challenges in aligning it with future performance demands	3. Ensures a formal process is in place for ongoing assessment of water security and the drought resilience of the Council	High	3. Ensures a formal process is in place for ongoing assessment of water security and the drought resilience of the Council	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	2	Current system performance constraints by bottlenecks, posing challenges in aligning it with future performance demands	4. Collaborate with SA Water to align the CTTG's Recycled Water Strategy for water security with SA Water's Strategy, ensuring prudent investments by the State and the local community	High	4. Collaborate with SA Water to align the CTTG's Recycled Water Strategy for water security with SA Water's Strategy, ensuring prudent investments by the State and the local community	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	2	Current system performance constraints by bottlenecks, posing challenges in aligning it with future performance demands	Recommendation added by CTTG	High	5. Develop a business case that will assess the sustainability of the various options in this Report and provide recommendations	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	3	Asset Management System Gaps	1. Undertake a line of sight review to ensure asset management practices are aligned to strategic objectives	Medium	1. Undertake a line of sight review to ensure asset management practices are aligned to strategic objectives	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	3	Asset Management System Gaps	2. Develop relevant strategy documents including a SAMP with coverage of the Recycled Water System	Medium	2. Develop relevant strategy documents including a SAMP with coverage of the Recycled Water System	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	3	Asset Management System Gaps	3. Develop an AMP following completion of relevant strategy documents. This should include asset management activities and investment priorities aligned to asset management objectives in the SAMP	Medium	3. Develop an AMP following completion of relevant strategy documents. This should include asset management activities and investment priorities aligned to asset management objectives in the SAMP	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	3	Asset Management System Gaps	4. Finalise the updated Maintenance Plan including comprehensive coverage of Recycled Water System compnents and respective CAPEX and OPEX requirements	Medium	4. Finalise the updated Maintenance Plan including comprehensive coverage of Recycled Water System compnents and respective CAPEX and OPEX requirements	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	3	Asset Management System Gaps	5. Incorporate sustainable technical and functional service standards for irrigation infrastructure as part of the development of the Open Space Asset Management Plan	Medium	5. Incorporate sustainable technical and functional service standards for irrigation infrastructure as part of the development of the Open Space Asset Management Plan	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	
Recycled Water	11-Oct-23	3	Asset Management System Gaps	6. Formalise asset custodian role requirements including information management and handover responsibilities	Medium	6. Formalise asset custodian role requirements including information management and handover responsibilities	Lead - Water and Environment	30-Dec-24	Open	Not Commenced	A team vacancy occurred shortly after the adoption of the Recycled Water Internal Audit agreed actions. Council's new Lead - Water and Environment commenced in January 2024 and is currently working through the actions.	

Audit & Risk Committee Meeting - 20 March 2024

Information Report



Fire Prevention 2023-2024 update

Record No:	D24/16879
Report of:	Community Services
Responsible Officer:	Kaye O'Rielly, Team Leader Compliance Administration Michael Pereira, General Manager Community Services

Introduction

Fire Danger Season

The Country Fire Service (CFS) declares fire danger seasons for each of the state's fire ban districts. The Mount Lofty Ranges and Adelaide Metropolitan fire ban districts are within the City of Tea Tree Gully.

The season generally runs from 1 December through to 30 April, but can be varied according to the seasonal conditions. During the fire danger season, restrictions are placed on lighting fires and undertaking other certain activities to reduce the chances of large fires starting. The 2023-2024 fire danger season commenced on 15 November 2023.

Council Responsibilities

The Fire and Emergency Services Act 2005 (the Act) sets out the responsibilities of Council and property owners to take preventative action to protect properties from fire. This includes appointing at least one person with appropriate qualifications or experience to act in the position of fire prevention officer.

The functions of fire prevention officer are to;

- assess the extent of bushfire hazards within the relevant council area;
- to assist the council in providing advice and information to any bushfire management committee whose area incorporates any part of the relevant council area in connection with the preparation or review of the committee's Bushfire Management Area Plan;
- issue permits authorising a person to light or maintain a fire in the open;
- to provide advice to owners of property in respect of bushfire prevention and management;
- and to ensure private land owners carry out their duties to prevent fires.

An owner of private land must take reasonable steps to;

- prevent or inhibit the outbreak of fire on the land;
- prevent or inhibit the spread of fire through the land;
- protect property on the land from fire;
- and minimise the threat to human life from a fire on the land.

In determining the standard required to comply the following is considered;

- the nature of the land;
- whether the land is in a country, metropolitan, township or other setting;
- the activities carried out on the land (including whether flammable or combustible materials or substances are used or stored on the land);
- other statutory standards or requirements that apply to or in relation to the land are considered.

Progress Update

Preparation for fire danger season

Prior to the danger fire season letters are sent to owners of properties that are vacant or have been identified as high risk advising of their fuel reduction responsibilities during the fire danger season.

Warning Letters	# of Letters
Rural Properties	387
Vacant Properties	616
Total	1,003

During the fire danger season

Council's fire prevention officer receives notification of non-compliant properties through the Salesforce case management system.

There are 2 categories applicable and relevant legislation used in enforcement.

1. *Unightly – Excessive Vegetation (Section 17(1)(a) – Local Nuisance and Litter Control Act)*
2. *Flammable Undergrowth (Section 105F – Fire & Emergency Services Act)*

Salesforce Cases

Type	Received	Complete	In Progress	Compliant - Work not required
Unightly – Excessive Vegetation (Section 17(1)(a))	122	98	0	24
Flammable Undergrowth (Section 105F)	189	182	7	0
Total	311	280	7	24

97.7% of all cases raised have been completed or were already compliant with no work needing to be conducted.

The fire prevention officer inspects each property of concern and the appropriate warning or compliance notices are issued. The notice advises the land owner of the penalties for non-compliance and their appeal rights.

Failing to comply with the requirements of a notice issued under Section 105F of the Act may result an expiation notice (expiation fee \$473) being issued as well as an authorised person carrying out the work required and recovering the costs from the owner.

Warnings/Notices issued

Type	Sent	Complete	Awaiting Confirmation	Cut by Council	Awaiting Cut
Unsightly – Excessive Vegetation (Section 17(1)(a))	49	49	0	3	0
Flammable Undergrowth (Section 105F)	146	135	11	14	6
Total	195	184	11	17	6

94.3% of all warnings/notices issued to date have been completed.

It is also important to note that this information is current as of end of February 2024.

Additional Information

Curing and fuel load observations

Curing is the process in which grasses die or become dormant and dry out and is measured as a percentage of dead material in the grassland. When considering fuels, curing is the most important factor influencing fire behavior. There are four observations points within the Council boundary.

Observations are taken weekly for the curing percentage and fuel load and input into the AFDRS portal which is used by Fire & Land Management agencies to update maps relating to the **fuel component of fire weather. The data is then exported to the BOM's Fire Danger Calculator** for use in generating the Fire Danger Ratings and helping determine the

- Onset of the Fire Danger Season
- Fire Danger Ratings
- Total Fire Ban days
- Calculating potential fire behaviour and rate of spread
- Allocation of firefighting resources appropriately

Reporting began in September 2023 and were conducted weekly from the start of the fire danger season on 15 November 2023. On 20 February 2024 curing was reported at 100% and CFS advised fuel load assessments were no longer required.

Reporting to external agencies

Council must provide regular reports to the AMLR BMC regarding relevant activities with regards to the BMAP and bushfire management. Generally, these reports are required on an annual basis after the fire danger season. The information provided in these reports may be **included in Council's internal bushfire mitigation reporting.**

Community education

A communications plan to ensure key messages were sent to the appropriate target audience groups.

Target audience	Key messages
Residents and visitors to high-risk fire danger areas in CTTG	<ul style="list-style-type: none"> You are entering a bushfire risk area You are now in a bushfire risk area Know what to do in bushfire risk areas if a fire starts
All CTTG residents	<ul style="list-style-type: none"> It's fire danger season CTTG has a range of bushfire risk areas Know what to do if you're in a bushfire risk area
Staff and elected members	<ul style="list-style-type: none"> CTTG has a range of bushfire risk areas Know what to do if you're in a bushfire risk area

Priority suburbs

- Highbury, Yatala Vale and Tea Tree Gully, Golden Grove, Wynn Vale and Greenwith

Communication tools

- Social media
- Publications – Gully Life, Gully Grapevine
- Website, Gully Life e-newsletter
- Signage – Roadside, digital, U-shaped
- New resident welcome pack

Attachments

N/A

Audit & Risk Committee Meeting - 20 March 2024

Information Report



Second Quarter Budget Review for Financial Year Ending 30 June 2024

Record No:	D24/17221
Report of:	Strategy & Finance
Responsible Officer:	Stuart Simpson, Team Leader Financial Accounting Rebecca Baines, Manager Finance & Rating Services Justin Robbins, General Manager Strategy & Finance

Council considered and endorsed the Second Quarter Budget Review Report on 27 February 2024. This report is included as Attachment 1.

The Second Quarter Budget Review has been developed to balance the budget and align with key financial principles, ensuring that any new operating or capital initiatives are **funded, where possible, with no increase to Council's net financial liabilities. The decrease of \$2.271m in operating surplus was attributable to the below.**

Net Operating Movements	\$'000s
Movement between Operating and Capital Expenditure	(251)
Increase in Depreciation (non-cash item)	2,522
Total Net Operating Movements	2,271

The depreciation movement of \$2.522m is the increase required for the financial year aligned to the Infrastructure asset valuation which occurred in 2022-23. As previously reported to Council, this increase is reflective of the increased construction costs experienced by Council in the construction of assets.

As depreciation is a non-cash expense, for the 2023-24 financial year there will be no effect on Council borrowings, as there has been no increase in expenditure on the renewal program. The proposal is for the renewal program to be gradually increased over the next three years with an additional 1% rate increase for each of these years. This will also return the Operating Surplus Ratio to mid-point of the target range of 2.5%-10%.

Council resolved at its meeting on 27 February 2024:

‘That Council adopts the Quarter Two Budget Review for the period 1 July 2023 to 30 June 2024, as detailed in Attachment 1 and 2 of the report which reflects a revised forecast surplus of \$3.125m.’

Attachments

1. [↓](#) Quarter Two Budget Review for the Financial Year Ending 30 June 2024 119

Council Meeting - 27 February 2024

Quarter Two Budget Review for Financial Year Ending 30 June 2024



Record No:	D24/14035
Report of:	Strategy & Finance
Responsible Officer:	Stuart Simpson, Team Leader Financial Accounting Rebecca Baines, Manager Finance & Rating Services Justin Robbins, General Manager Strategy & Finance

1. Purpose and Summary:

- 1.1 To consider Council's financial performance as at 31 December 2023 and to consider budget variations for the 2023-24 financial year based on the most recent forecasts.

2. Recommendation:

That Council adopts the Quarter Two Budget Review for the period 1 July 2023 to 30 June 2024, as detailed in Attachment 1 and 2 of the report entitled "Quarter Two Budget Review for Financial Year Ending 30 June 2024" and dated 27 February 2024 which reflects a revised forecast surplus of \$3.125m.

3. Background

- 3.1 To comply with the requirements of the Local Government (Financial Management) Regulations 2011 under the Local Government Act 1999 (the 'Act') Regulation 9, the Budget Reviews, including the Quarter Two Budget Review, have been scheduled to be undertaken as at 30 September (Quarter 1), 31 December (Quarter 2), 31 March (Quarter 3) and presented to the Council meetings scheduled in November 2023, February 2024 and May 2024.
- 3.2 Pursuant to section 123 (2)(b) of the Act, each budget review of Council prepared under the Act must, in order to ensure that a direct comparison can be made between the budget and actual outcomes, include the following documents:
 - (a) a budgeted income statement, balance sheet, statement of changes of equity and statement of cash flow, presented in a manner consistent with the Model Financial Statements;
 - (b) stating whether projected operating income is sufficient to meet projected operating expenses for the relevant financial year;
 - (c) a summary of operating and capital investment activities presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances; and
 - (d) estimating with respect to the Council's operating surplus ratio, asset sustainability ratio and net financial liabilities ratio. Presented in a manner consistent with the note in the Model Financial Statements entitled Financial Indicators.
- 3.3 Since the adoption of the Quarter One Budget Review on 28 November 2023, Council has resolved the following matters that have been included in the Quarter Two Budget Review:

28 November 2023

12.3 Texas Reserve Drainage Improvements

That having considered the report titled "Texas Reserve Drainage Improvements" and dated 28 November 2023, Council supports the allocation of approximately \$10k from Council's Stormwater Operations budget in the 2023-24 financial year to prevent the ponding of water in Texas Reserve, Wynn Vale.

12 December 2023

11.1 Proposed alteration to the Annual Business Plan 2023-24, Roads to Recovery Program

That having considered the report titled “Proposed Alteration to the Annual Business Plan 2023–24, Roads to Recovery Program” and dated 12 December 2023, Council approves the following change to the Annual Business Plan 2023-24, Roads to Recovery Program:

1. Remove Surrey Farm Drive (The Golden Way to School entrance), Wynn Vale and
2. Include Kelly Road (Milne Road to Murrell Road), Modbury Heights.

11.2 Golden Grove Lions Club Native Bee and Butterfly Garden and Mural at Lot 50

That having considered the report titled “Golden Grove Lions Club Native Bee and Butterfly Garden and Mural at Lot 50” and dated 12 December 2023, Council support the following:

1. The construction of a native bee and butterfly garden, mural and interpretive signage at Lot 50, Modbury Heights in partnership with the Golden Grove Lions Club.
2. Authorises Council’s Chief Executive Officer to accept \$15,000 from the Golden Grove Lions Club as a financial contribution towards the construction of the native bee and butterfly garden.
3. Supports a Council financial contribution of \$12,600 towards the garden project utilising existing operational budgets.
4. Authorises Council’s Chief Executive Officer to provide a letter of support (if required) to the Golden Grove Lions Club, in support of their grant application seeking external funding towards the proposed mural and interpretive signage at Lot 50, Modbury Heights.

30 January 2024

11.4 Proposed alteration to Annual Business Plan 2023-24 - Capital Works Program for unsealed footpaths

1. That Council approves the following changes to the Annual Business Plan 2023-24 Capital Works Program for unsealed footpaths program:
 - a. Removes the following footpaths from the program:
 - Marsha Reserve, Banksia Park noting this will be considered as part of the park upgrade with SA Water
 - Tilley Recreation Park, Surrey Downs
 - Eastleigh Avenue to Wallsall Lane, Golden Grove

- Target Hill Road, Greenwith
- b. includes the following in the 2023-24 unsealed footpath program:
- Mitchell Reserve, Highbury
- c. Considers including the following footpaths to the draft 2024-25 Capital works program:
- Elliston Reserve, Highbury
 - Bell Reserve, Highbury
 - River Torrens Linear Park, Dernancourt
 - Bentley Reserve, Holden Hill
 - Mitchell Reserve, Highbury
 - Verdant Reserve, Wynn Vale
2. That the proposed changes to the program and estimated surplus to the Capital Works program budget be allocated as contingency or to other unsealed footpath projects (to be determined), according to priority.

4. Report

As at 31 December 2023, the operating result is favourable by \$965k in comparison to the year to date budget. The year to date budget incorporates changes proposed for the Quarter Two Budget Review. The favourable variance is represented by a year to date operating surplus of \$51.161m in comparison to the year to date budget of \$50.196m.

The following table provides a summary of the year to date key operating result in comparison to the year to date budget.

Table 1: YTD Statement of Comprehensive Income as at 31 December 2023

	FY2023 Actuals	YTD December Actuals	YTD December Budget	YTD December Variance Fav / (Unfav)
	\$'000	\$'000	\$'000	\$'000
INCOME				
Rates	85,581	92,018	92,010	7
Statutory Charges	1,972	1,491	1,452	38
User Charges	4,402	1,874	1,749	125
Grants & Subsidies	9,009	2,729	2,806	(77)
Investment Income	753	323	325	(2)
Reimbursements	113	81	72	9
Other Revenues	2,234	2,228	2,201	27
TOTAL INCOME	104,064	100,743	100,616	127
EXPENSES				
Employee Costs	35,972	18,505	19,262	757
Materials, Contracts & Other Expenses	41,920	20,952	21,027	75
Finance Charges	261	134	140	6
Depreciation	16,258	9,990	9,990	(0)
TOTAL EXPENSES	94,411	49,582	50,420	838
OPERATING SURPLUS / (DEFICIT)	9,653	51,161	50,196	965
Net Gain/(Loss) on Disposal or Revaluation of Assets	(2,530)	120	72	(48)
Capital Grants	4,955	1,451	3,240	1,789
Capital Contributions	161	183	121	(61)
NET SURPLUS / (DEFICIT)	12,239	52,915	53,630	(715)

2.1.2 Key Variances YTDSummary of Key Income Variances

- Statutory Charges is favourable by \$38k due to an increase in Building and Planning applications
- User Charges is favourable by \$125k due to the increased patronage at the Community Recreation Centres and Waterworld
- Grants & Subsidies are unfavourable by \$77k due to the timing of the funding received
- Other Revenue is favourable by \$27k due to timing variances

Summary of Key Expenditure Variances

- Employee Costs is favourable by \$757k due to vacant positions, there is a corresponding increase in Contract Wages in Materials, Contracts and Other to offset these vacancy savings.
- Materials, Contracts and Other expenditure is favourable by \$75k. The variance relates to the timing of contractor and materials payments across Utilities, Recycling Processing, Security Charges and other consultants.

2.2 Quarter Two Budget Review

The Second Quarter Budget Review has been developed to balance the budget and align with key financial principles, ensuring that any new operating or capital initiatives are funded, where possible, with no increase to Council's net financial liabilities.

The Second Quarter Budget Review for the year ending 30 June 2024 forecasts a revised operating surplus of \$3.125m, which represents a decrease of \$2.271m compared to the First Quarter Budget Review.

Table 2: Operational Surplus Movement Reconciliation

Net Operating Movements	\$'000s
Movement between Operating and Capital Expenditure	(251)
Increase in Depreciation (non-cash item)	2,522
Total Net Operating Movements	2,271

The depreciation movement of \$2.522m is the increase required for the financial year aligned to the Infrastructure asset valuation which occurred in 2022-23. As previously reported to Council, this increase is reflective of the increased construction costs experienced by Council in the construction of assets.

As depreciation is a non-cash expense, for the 2023-24 financial year there will be no effect on Council borrowings, as there has been no increase in expenditure on the renewal program. The proposal is for the renewal program to be gradually increased over the next three years with an additional 1% rate increase for each of these years. This will also return the Operating Surplus Ratio to mid-point of the target range of 2.5%-10%.

Table 3: Proposed Second Quarter Budget Review in comparison to the First Quarter Budget Review

	Q1 Revised Budget	Proposed Budget	Variance to Q1 Revised Budget
	\$'000	\$'000	\$'000
INCOME			
Rates	92,070	92,113	43
Statutory Charges	2,605	2,640	35
User Charges	3,578	3,642	64
Grants & Subsidies	5,892	5,882	(10)
Investment Income	225	345	120
Reimbursements	88	88	(0)
Other Revenues	3,042	3,020	(23)
TOTAL INCOME	107,501	107,730	229
EXPENSES			
Employee Costs	39,607	38,993	(614)
Materials, Contracts & Other Expenses	44,612	45,334	722
Finance Charges	470	340	(130)
Depreciation	17,416	19,938	2,522
TOTAL EXPENSES	102,105	104,606	2,500
OPERATING SURPLUS / (DEFICIT)	5,395	3,125	(2,271)
Net Gain/(Loss) on Disposal or Revaluation of Assets	4,995	2,195	(2,800)
Capital Grants	21,490	14,751	(6,739)
Capital Contributions	2,245	2,245	0
NET SURPLUS / (DEFICIT)	34,126	22,316	(11,810)

Summary of Key Income Adjustments**Rates**

- A budget increase of \$43k due to a reduction of discretionary rate rebates and mandatory rebates applied to the end of June 2024.

Statutory Charges

- A budget increase of \$35k due to an increase in Dog Control related incidence and increased activity in Environmental Health property clean-up costs, there is a corresponding increase in expenditure resulting in a net zero change to the budget.

User Charges

- A budget increase of \$64k due to increased activities in Environmental Health, Recreational facility Kiosks and Active Aging, there is a corresponding increase in expenditure resulting in a net zero change to the budget.

Investment Income

- A budget increase of \$120k due to higher interest being received on the grants received in advance for the Strategic Building Program. The interest earned has been transferred into the capital project, Building Future Project Fund, to assist in funding the Strategic Building Projects.

Summary of Key Expenditure Adjustments**Employee Costs**

- Employee Costs will be reduced by \$614k due to identified staffing vacancies with savings redirected to emerging priorities and expenditure categories experiencing cost pressures.

Materials, Contracts & Other Expenses

- The total increase of \$722k incorporates the offset of the above identified income increases, totalling \$100k with increased consultant and material costs
- Employee costs reallocation, noted above, to several MCO priorities:
 - Increased in expenditure within arboriculture contractor in response to an increase in customer requests and trees identified requiring maintenance
 - Fund increased costs associated with the Verge maintenance contract
 - Covering a one-off increase in recruitment costs associated filling vacant positions. Transition to the direct to Seek recruitment model will mitigate this expenditure in the future.

Finance Charges

- Interest charges forecast has reduced by \$130k as borrowings are expected to be lower than forecast. The majority of expenditure on the Strategic Building Program will be funded via the grant monies received in advance. The savings in interest has been transferred to the Building Future Project Fund.

Depreciation

- The annual forecast for depreciation will be \$2.522m greater than the first quarter budget review due to the asset revaluation during 2022-23. It is proposed to address the uplift in depreciation within in the long-term financial plan and future budgets through an additional 1% rate increase over CPI.

Net Financial Liabilities Ratio

The Net Financial Liabilities Ratio of 23.2%, the ratio is below the Council's target range of 25% - 35%. It is forecasted that this ratio will return to within the range in the FY2024-25, in line with the Long-Term Financial Plan, at an estimated 27.3%.

2.3 Capital Works Program

The following table represents the proposed changes for the Quarter Two Budget Review.

Table 4: Capital Works Program Summary of Changes

Capital Works Summary	Revenue \$'000s	Expenditure \$'000s	Net \$'000s
Quarter One Budget Review	24,790	70,994	46,203
Council Resolutions	-	-	-
Adjustment from Operating	-	251	251
Carry Forward	(6,683)	(10,713)	(4,030)
Quarter Two Budget Review Adjustments	45	45	(0)
Proposed Quarter Two Budget Review	18,153	60,577	42,424

For a breakdown of the Quarter Two Budget Review Adjustments see Table 5 below.

2.3.1 Capital Works Program Adjustments

It is proposed to decrease project expenditure by \$10.423 from \$70.994m to \$60.577m.

It is proposed to carry forward a total of \$10.713m of expenditure and \$6.683m of income in FY2024-25, for Strategic Building Projects that are not expected to be completed during FY2023-24.

During the Quarter Two period, Council passed resolutions (outlined in Table 5 below) reallocating funds from one project to another. The result of this is no change to the total program.

Details of the proposed Capital Works Program Quarter Two Budget Review including the Carried Forward projects can be found in **Attachment 2**.

Table 5: Summary of Quarter Two Budget Review Capital Program Adjustments

Quarter Two Budget Review Adjustments	Revenue Proposed Q2 Budget Adjustment	Expenditure Proposed Q2 Budget Adjustment	Net
	\$'000	\$'000	\$'000
Council Resolutions			
Surrey Farm Drive (The Golden Way to school entrance),	-	(589)	(589)
Kelly Road (Milne Road to Murrell Road), Modbury Heights	-	589	589
Unsealed Footpath Project Adjustments	-	-	-
Total Council Resolutions	-	-	-
Adjustments from Operating			
Building future project fund	-	250	250
Other Operational Adjustments	-	1	1
Total Adjustments from Operating	-	251	251
Quarter Two Budget Review Adjustments			
Install New Koala Crossing - Brunel Drive, Modbury Heights	45	45	-
Other Quarter Two Budget Review Adjustments	-	-	-
Total Quarter Two Budget Review Adjustments	45	45	-
Proposed Quarter Two Budget Review Adjustments	45	296	251

Capital Works Program Expenditure to December 2023

The graph below compares the YTD capital spend ratio (capital expenditure/total year capital expenditure), with comparisons to previous years.

5. Implications

Strategic Objectives	Strategic Plan: <ul style="list-style-type: none"> The Quarter Two Budget Review supports the City of Tea Tree Gully's 2025 Strategic Plan.
Financials / Resourcing	<ul style="list-style-type: none"> The Quarter Two Budget Review forecasts an operating surplus of \$3.125m in comparison to the first budget review adopted by Council on 28 November 2023 which forecast an operating surplus of \$5.395m. Details of these variances and the forecast operating result for the Quarter Two Budget Review are provided in the discussion section of this paper.
Legal	<ul style="list-style-type: none"> The LGA recommended budget reporting framework consistent with the requirement in Regulation 9(1b) of the <i>Local Government (Financial Management) Regulations 2013</i>

	<p>consists of budget performance information reporting consisting of three types of reports:</p> <ol style="list-style-type: none"> 1. Budget Update (at least twice per FY); 2. Mid-year Budget Review (once per FY); and 3. Report on Financial Results (one report after completion and audit of annual financial statements for the previous FY).
Risk – Identification and Mitigation	<ul style="list-style-type: none"> • The budget review considers risks in accordance with the Annual Business Plan (ABP), when projects/initiatives are assessed.
Community and Stakeholder Impact and Engagement	<ul style="list-style-type: none"> • Not applicable for this report. Community Engagement was undertaken on the ABP and Budget for FYE 2023.
Access and Inclusion	<ul style="list-style-type: none"> • The budget review considers access and inclusion in accordance with the Annual Business Plan (ABP), when projects/initiatives are assessed.
Environmental	<ul style="list-style-type: none"> • The budget review considers the impact on the environment, in accordance with the ABP, when projects/initiatives are assessed.

6. Internal Report Consultation

All Managers have been consulted to develop the Quarter Two Budget Review.

Attachments

1. Q2BR 2023-2024 Financial Statements
2. 2023-2024 Capital Works Program



City of Tea Tree Gully

Second Quarter Budget Review for the financial year ending 30 June 2024

Statement of Comprehensive Income
Balance Sheet
Statement of Changes in Equity
Statement of Cash Flows
Uniform Presentation of Finances
Borrowings / Investments
Key Financial Performance Indicators

Statement of Comprehensive Income

CITY OF TEA TREE GULLY

FOR THE YEAR ENDING 30 JUNE 2024

	FY2023 Actuals	YTD December Actuals	YTD December Budget	YTD December Variance Fav / (Unfav)	FY2024 Original Budget	Q1 Revised Budget	Proposed Budget	Variance to Q1 Revised Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME								
Rates	85,581	92,018	92,010	7	92,070	92,070	92,113	43
Statutory Charges	1,972	1,491	1,452	38	2,605	2,605	2,640	35
User Charges	4,402	1,874	1,749	125	3,575	3,578	3,642	64
Grants & Subsidies	9,009	2,729	2,806	(77)	6,728	5,892	5,882	(10)
Investment Income	753	323	325	(2)	20	225	345	120
Reimbursements	113	81	72	9	88	88	88	(0)
Other Revenues	2,234	2,228	2,201	27	1,671	3,042	3,020	(23)
TOTAL INCOME	104,064	100,743	100,616	127	106,757	107,501	107,730	229
EXPENSES								
Employee Costs	35,972	18,505	19,262	757	39,553	39,607	38,993	(614)
Materials, Contracts & Other Expenses	41,920	20,952	21,027	75	43,185	44,612	45,334	722
Finance Charges	261	134	140	6	550	470	340	(130)
Depreciation	16,258	9,990	9,990	(0)	17,416	17,416	19,938	2,522
TOTAL EXPENSES	94,411	49,582	50,420	838	100,704	102,105	104,606	2,500
OPERATING SURPLUS / (DEFICIT)	9,653	51,161	50,196	965	6,054	5,395	3,125	(2,271)
Net Gain/(Loss) on Disposal or Revaluation of Assets	(2,530)	120	72	(48)	1,055	4,995	2,195	(2,800)
Capital Grants	4,955	1,451	3,240	1,789	5,868	21,490	14,751	(6,739)
Capital Contributions	161	183	121	(61)	14,474	2,245	2,245	0
NET SURPLUS / (DEFICIT)	12,239	52,915	53,630	(715)	27,450	34,126	22,316	(11,810)

Balance Sheet

CITY OF TEA TREE GULLY

FOR THE YEAR ENDING 30 JUNE 2024

	FY2023 Actuals	YTD December Actuals	FY2024 Original Budget	Q1 Revised Budget	Proposed Budget	Variance to Q1 Revised Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS						
Current Assets						
Cash & Cash Equivalents	18,337	24,293	870	870	618	(252)
Trade & Other Receivables	5,744	46,503	4,793	5,794	5,794	0
Inventories	127	112	43	43	43	0
Non Current Assets Held For Sale	512	512	0	0	512	512
Total Current Assets	24,720	71,420	5,706	6,707	6,967	260
Non-Current Assets						
Other Non-Current Assets	13,682	26,095	27,202	27,202	27,202	0
Infrastructure, Property, Plant & Equipment	1,795,349	1,785,920	1,732,751	1,876,533	1,874,423	(2,110)
Total Non-Current Assets	1,809,031	1,812,015	1,759,953	1,903,735	1,901,625	(2,110)
TOTAL ASSETS	1,833,751	1,883,435	1,765,659	1,910,442	1,908,592	(1,850)
LIABILITIES						
Current Liabilities						
Trade & Other Payables	29,506	26,410	12,227	15,137	22,191	7,054
Short Term Provisions	3,725	3,613	4,455	4,455	4,455	0
Total Current Liabilities	33,231	30,024	16,682	19,592	26,646	7,054
Non-Current Liabilities						
Long Term Borrowings	0	0	18,491	1,394	4,300	2,906
Long Term Provisions	684	673	507	507	507	0
Total Non-Current Liabilities	684	673	18,998	1,901	4,807	2,906
TOTAL LIABILITIES	33,915	30,697	35,680	21,493	31,453	9,960
NET ASSETS	1,799,836	1,852,738	1,729,979	1,888,949	1,877,140	(11,810)
EQUITY						
Accumulated Surplus	414,151	426,392	430,204	426,390	426,390	0
Year To Date	12,239	52,915	27,450	34,126	22,316	(11,810)
Asset Revaluation Reserves	1,373,159	1,373,143	1,272,038	1,428,147	1,428,147	0
Other Reserves	287	288	287	287	287	0
TOTAL EQUITY	1,799,836	1,852,738	1,729,979	1,888,949	1,877,140	(11,810)

Statement of Changes in Equity

CITY OF TEA TREE GULLY

FOR THE YEAR ENDING 30 JUNE 2024

	FY2023 Actuals	YTD December Actuals	FY2024 Original Budget	Q1 Revised Budget	Proposed Budget	Variance to Q1 Revised Budget
NET SURPLUS/(DEFICIT) FOR YEAR	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at End of Previous Reporting Period	414,151	426,392	430,204	426,389	426,389	-
Net Result for Year	12,238	52,915	27,450	34,126	22,316	(11,810)
Balance at End of Period	426,389	479,307	457,653	460,515	448,705	(11,810)
ASSET REVALUATION RESERVE						
Balance at End of Previous Reporting Period	1,228,960	1,373,143	1,272,038	1,373,159	1,373,159	-
Gain on Revaluation of Non-Current Assets	144,199	-	-	54,988	54,988	-
Balance at End of Period	1,373,159	1,373,143	1,272,038	1,428,147	1,428,147	-
OTHER RESERVES						
Balance at End of Previous Reporting Period	287	287	287	287	287	-
Net Result for Year	-	-	-	-	-	-
Balance at End of Period	287	287	287	287	287	-
TOTAL EQUITY	1,799,835	1,852,737	1,729,978	1,888,949	1,877,140	(11,810)

Statement of Cash Flows

CITY OF TEA TREE GULLY

FOR THE YEAR ENDING 30 JUNE 2024

	FY2023 Actuals	YTD December Actuals	FY2024 Original Budget	Q1 Revised Budget	Proposed Budget	Variance to Q1 Revised Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Activities						
Receipts						
Operating Receipts	105,419	59,769	106,598	107,276	107,385	109
Investment Receipts	752	323	20	225	345	120
Payments						
Operating Payments to Suppliers & Employees	78,640	42,553	82,474	84,219	84,327	108
Finance Charges	261	134	550	470	340	(130)
Net Cash Provided by (or used in) Operating Activities	27,270	17,405	23,594	22,811	23,063	251
Cash Flows from Investing Activities						
Receipts						
Grants Specifically for New or Upgraded Assets	5,319	1,634	6,016	23,736	12,711	(11,025)
Sale of Replaced Assets	252	120	800	1,055	1,055	-
Sale of Surplus Assets	-	-	4,530	4,530	1,730	(2,800)
Payments						
Expenditure on Renewal/Replacement of Assets	16,180	5,720	26,324	32,896	32,143	(753)
Expenditure on New/Upgraded Assets	6,683	7,482	32,982	38,097	28,434	(9,663)
Net Cash Provided by (or used in) Investing Activities	(17,292)	(11,448)	(47,960)	(41,672)	(45,081)	(3,409)
Cash Flows from Financing Activities						
Receipts						
Proceeds from Borrowings/Deposits	-	-	18,491	1,394	4,300	2,906
Payments						
Repayment of Borrowings	73	-	-	-	-	-
Net Cash Provided by (or used in) Financing Activities	(73)	-	18,491	1,394	4,300	2,906
Net Increase (Decrease) in Cash Held	9,905	5,956	(5,875)	(17,467)	(17,719)	(252)
Cash & Cash Equivalents at Beginning of Reporting Period	8,432	18,337	6,745	18,337	18,337	-
Cash & Cash Equivalents at End of Reporting Period	18,337	24,293	870	870	618	(252)

Uniform Presentation of Finances

CITY OF TEA TREE GULLY

FOR THE YEAR ENDING 30 JUNE 2024

	FY2023 Actuals	YTD December Actuals	FY2024 Original Budget	Q1 Revised Budget	Proposed Budget	Variance to Q1 Revised Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating						
Operating Revenues	104,064	100,743	106,757	107,501	107,730	229
less Operating Expenses	(94,411)	(49,582)	(100,704)	(102,105)	(104,606)	(2,500)
Operating Surplus/(Deficit) Before Capital Amounts	9,653	51,161	6,054	5,395	3,125	(2,271)
less Net Outlays on Existing Assets						
Capital Expenditure on Renewal and Replacement of Existing Assets	16,180	5,720	26,324	32,896	32,143	753
less Depreciation, Amortisation and Impairment	(16,258)	(9,990)	(17,416)	(17,416)	(19,938)	2,522
less Proceeds from Sale of Replaced Assets	(252)	(120)	(800)	(1,055)	(1,055)	0
Net Outlays on Existing Assets	(330)	(4,390)	8,108	14,425	11,150	3,275
less Net Outlays on New and Upgraded Assets						
Capital Expenditure on New and Upgraded Assets	6,683	7,482	32,982	38,097	28,434	9,663
less Amounts Received Specifically for New and Upgraded Assets	(5,319)	0	(6,016)	(23,736)	(12,711)	(11,025)
Net Outlays on New and Upgraded Assets	1,364	7,482	26,966	14,361	15,723	(1,362)
Annual Net Impact to Financing Activities (Surplus/(Deficit))	8,619	48,069	(29,020)	(23,391)	(23,749)	(4,184)

Borrowings / Investments

CITY OF TEA TREE GULLY

FOR THE YEAR ENDING 30 JUNE 2024

Statement of Borrowings as at 31 December 2023

Borrowing Facility	Reference	Maturity/ Expiry Date	Amount Borrowed or CAD Limit	Interest Rate at 31/12/2023	Principal Outstanding as at 30/06/2023	Principal Outstanding as at 31/12/2023	Unutilised Loan Funds as at 31/12/2023
			\$'000	%	\$'000	\$'000	\$'000
CAD Facility	LGFA 196	5/01/2026	17,000	6.05	-	-	17,000
CAD Facility	LGFA 200	15/06/2025	13,000	6.05	-	-	13,000
CAD Facility	LGFA 201	15/06/2025	6,000	6.05	-	-	6,000
CAD Facility	LGFA 202	16/05/2027	-	6.05	-	-	-
CAD Facility	LGFA LGIPP 202	16/05/2025	6,000	5.30	-	-	6,000
Total			42,000		-	-	42,000

Cash and Cash Equivalents as at 31 December 2023

Council Deposits	Reference	Interest Rate at 31/12/2023	Deposit as at 30/06/2023	Deposit as at 31/12/2023
		%	\$'000	\$'000
TTG General LGFA	24HR	4.30	7,892	8,711
NAB	Corporate Cheque Accounts	4.55	10,436	15,573
Cash Float			9	9
Total Cash and Cash Equivalents			18,337	24,293

Key Financial Performance Indicators

CITY OF TEA TREE GULLY

FOR THE YEAR ENDING 30 JUNE 2024

RATIO	LGA SUGGESTED RANGE	COUNCIL TARGETS	FY2023 Actuals	FY2024 Original Budget	Q1 Revised Budget	Proposed Budget	Variance to Q1 Revised Budget
			\$'000	\$'000	\$'000	\$'000	\$'000
Operating Surplus (operating income less operating expense)	Break even or better over 5 years	Maintain over a minimum of a 3 years	9,653	6,054	5,395	3,125	(2,271)
Operating Surplus Ratio (operating surplus as a percentage of general and other rates)	0 to 15%	2.5 to 10%	11.3%	6.6%	5.9%	3.4%	(2.5%)
Asset Renewal Funding Ratio (Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excluded new capital expenditure on the acquisition of additional assets)	90 to 110% over a rolling 3 year period	90 to 110% over a rolling 3 year period	62.5%	100.1%	124.9%	121.9%	(3.0%)
Fiscal Balance (net lending position or net borrowing requirement in the Uniform Presentation of Finances Table)			8,619	(29,020)	(23,391)	(23,749)	(358)
Net Financial Liabilities Ratio including non current assets held for sale (total liabilities less financial assets as a percentage of total operating revenue)	0 to 100%	25% - 35%	9.3%	28.1%	13.8%	23.2%	9.4%
Net Financial Liabilities including non current assets held for sale (total liabilities less financial assets)			9,195	29,974	14,786	24,485	9,700
Net Financial Liabilities Ratio excluding non current assets held for sale (total liabilities less financial assets as a percentage of total operating revenue)			9.3%	28.1%	13.8%	23.2%	9.4%
Net Financial Liabilities excluding non current assets held for sale (total liabilities less financial assets)			9,707	29,974	14,786	24,997	10,212
Interest Cover Ratio (total finance charges expressed as a percentage of rates revenue)			0.3%	0.6%	0.5%	0.4%	(0.1%)

2023-24 Capital Works Program

Project Number	Project Description	Revenue					Expenditure				
		YTD December Actuals	FY2024 Q1 Revised Budget	Proposed Budget Adjustment	Carry Forward Adjustment	FY2024 Revised Budget	YTD December Actuals	FY2024 Q1 Revised Budget	Proposed Budget Adjustment	Carry Forward Adjustment	FY2024 Revised Budget
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Project Category: Road Reconstruction / Renovation											
220206	Robert Arnold Avenue, Modbury	-	-	-	-	-	27	27	-	-	27
220207	Clifford Way, Valley View	-	-	-	-	-	1	177	-	-	177
220208	Canberra Crescent, Valley View	-	-	-	-	-	115	116	(1)	-	115
230109	Road Reconstruction Funding - to be allocated	-	-	-	-	-	-	44	1	-	45
230176	Jaycee Street, Modbury North-Design	-	-	-	-	-	0	0	-	-	0
230180	Kimberley Ave, Modbury North-Design	-	-	-	-	-	0	0	-	-	0
230181	Maxlay road, Modbury Heights-Design	-	-	-	-	-	8	21	-	-	21
230235	Angas Court - Dawson Crescent to end-Design	-	-	-	-	-	1	2	-	-	2
230236	Coulls Rd, Banksia Pk - Stevenson Drive to Haines Rd-Design	-	-	-	-	-	7	9	-	-	9
230237	Vizma Court, Banksia Park-Design	-	-	-	-	-	4	4	-	-	4
230238	Dawson Crescent, Modbury-Full extent-Design	-	-	-	-	-	1	4	-	-	4
230247	Golden Fields Car Park	-	-	-	-	-	1	4	-	-	4
240009	Karingal Road (6 to 46), Dernancourt	-	-	-	-	-	37	930	-	-	930
Total Road Reconstruction / Renovation		-	-	-	-	-	203	1,338	-	-	1,338
Project Category: Road Resealing and Renovation											
220204	Heysen Road, Modbury	-	-	-	-	-	5	273	-	-	273
220205	Parcoola Avenue, Hope Valley	-	-	-	-	-	5	299	-	-	299
220213	Reseal Preparations for 22-23	-	-	-	-	-	(0)	-	-	-	-
230020	Petworth Parade (Lake Fortesque Avenue to Balford Avenue).	-	-	-	-	-	1	1	-	-	1
230027	Road Reseal - Contingency Funds	-	-	-	-	-	-	178	-	-	178
230028	Weebo Street (Kooline Crescent to Tasman Avenue), Gilles	-	-	-	-	-	0	0	-	-	0
230178	Kanangra Road, Dernancourt-Design	-	-	-	-	-	2	2	-	-	2
230251	Hancock road (yalta vale - GGR) design	-	-	-	-	-	-	150	-	-	150
240006	Majestic Grove (Mulberry Drive to The Promenade), Highbury	-	-	-	-	-	9	96	-	-	96
240007	Nursery Way (Majestic Grove to End), Highbury	-	-	-	-	-	28	78	-	-	78
240008	Wandana Avenue (North East Road to Grand Junction Road)	-	-	-	-	-	22	550	-	-	550
240010	Kanangra Road (Lutana Grove to Bickham Court), Dernancourt	-	-	-	-	-	12	290	-	-	290
240011	Kimberley Ave (Jaycee Street to 10 Kimberley Ave)	-	-	-	-	-	5	135	-	-	135
240012	Jaycee Street (Kimberley Avenue to boundary between 24 & 26	-	-	-	-	-	14	340	-	-	340
240013	Dawson Crescent (North East Road to North East Road)	-	-	-	-	-	11	200	-	-	200
240014	Angas Court (Dawson Drive to End), Modbury	-	-	-	-	-	2	40	-	-	40
240015	Coulls Road (Stevenson Drive to Haines Road), Banksia Park	-	-	-	-	-	11	280	-	-	280
240016	Vizma Court (Coulls Road to End), Banksia Park	-	-	-	-	-	3	75	-	-	75
240017	Road Design Works for 2024-2025 Program	-	-	-	-	-	3	114	-	-	114
240129	CWMS Upgrade Contingency	-	-	-	-	-	8	200	-	-	200
Total Road Resealing and Renovation		-	-	-	-	-	142	3,301	-	-	3,301
Project Category: Roads to Recovery											
230137	Milne Road (Kelly Road to McIntyre Road), Modbury North	-	-	-	-	-	-	200	-	-	200
230138	Surrey Farm Drive (The Golden Way to school entrance),	-	-	-	-	-	-	589	(589)	-	-
240149	Kelly Road (Milne Road to Murrell Road), Modbury Heights	-	-	-	-	-	-	-	589	-	589
Total Roads to Recovery		-	-	-	-	-	-	789	-	-	789
Project Category: Re-Sheeting Unsealed Roads											
240019	Hannaford Hump Rd, Gould Creek	-	-	-	-	-	13	68	-	-	68
240020	Churchett Rd, Paracombe	-	-	-	-	-	-	14	-	-	14
240021	Grenfell Rd Extension, Fairview Park	-	-	-	-	-	-	29	-	-	29
Total Re-Sheeting Unsealed Roads		-	-	-	-	-	13	111	-	-	111
Project Category: New Footpath and DDA Upgrades											
220216	Golden Grove Road (Golden Way to Laburnum)	-	-	-	-	-	-	65	-	-	65
230050	Dillon Street (Gaylard Crescent to Gaylard Crescent),	-	-	-	-	-	-	87	-	-	87
230051	Gloucester Avenue (Stafford Street to Argyll Crescent),	-	-	-	-	-	-	70	-	-	70
230053	Reynolds Ave (Lyons Rd to Payton Avenue), Dernancourt	-	-	-	-	-	-	49	-	-	49
230055	Keeble Street, St Agnes	-	-	-	-	-	0	40	-	-	40
230056	Knightsbridge Avenue (No.27 to No.2 Salisbury Avenue),	-	-	-	-	-	1	74	-	-	74
230057	Knightsbridge Avenue (Wycombe Way to opposite No.	-	-	-	-	-	-	137	-	-	137
230058	O'leary Place (Fergusson Court to Council Boundary),	-	-	-	-	-	-	8	-	-	8
230059	O'leary Place (Maldment Court to Fergusson Court), Wynn Vale	-	-	-	-	-	-	37	-	-	37
230063	Ronald Road, Redwood Park	-	-	-	-	-	1	104	-	-	104
230065	Sassafras Drive (Rosewood Rd to Stairs at	-	-	-	-	-	(1)	-	(1)	-	(1)
230066	Silverlake Crescent (Lavinia Grove to Dernancourt	-	-	-	-	-	-	42	-	-	42
230069	Whitford Drive (Elwood Avenue to Chapel Road), Modbury	-	-	-	-	-	-	46	-	-	46
230070	Whitford Drive (No.1 to No.7 Whitford), Modbury North	-	-	-	-	-	-	19	-	-	19
230072	2023 - DDA kerb ramp upgrades, all suburbs	-	-	-	-	-	10	11	(1)	-	10
230122	Reynolds Street (Reserve), Dernancourt	-	-	-	-	-	-	16	-	-	16
230140	Green Valley Drive (Leedham Drive to Harvey Crescent),	-	-	-	-	-	-	141	-	-	141
240022	Haines Road (Musgrave Road to Milne Road), Banksia Park	-	-	-	-	-	2	44	-	-	44
240044	Crampton Street (Southchak Street to Ramp crossing opposite	-	-	-	-	-	2	55	-	-	55
240045	Kanangra Road (Taigara Avenue to Karingal Road), Dernancourt	-	-	-	-	-	4	88	-	-	88
240046	Jenny Street (Brookvale Drive to Scot Road), Dernancourt	-	-	-	-	-	2	53	-	-	53
240047	Brenda Avenue (Tasman Avenue to Laneway 25/27 Brenda Aven	-	-	-	-	-	3	72	-	-	72
240048	Einstein Drive (Golden Grove Road to Mobius Crescent)	-	-	-	-	-	2	55	-	-	55
240049	Mobius Crescent (Einstein Drive to Bicentennial Drive), Gold	-	-	-	-	-	5	113	-	-	113
240050	Gordini Crescent (Bentley Drive to Bentley Reserve)	-	-	-	-	-	4	93	-	-	93
240051	Cobbler Creek East Reserve - Stairs (Citronelle Place to Per	-	-	-	-	-	3	80	-	-	80
240055	Garra Avenue (Barbara Street to Connie Street), Modbury	-	-	-	-	-	1	30	-	-	30
240056	Stevens Reserve (Mulkarra Street to Milne Road), Ridgehaven	-	-	-	-	-	2	44	-	-	44
240057	Bayvue Crescent (Karyn Place to Mattinson Road), Ridgehaven	-	-	-	-	-	1	17	-	-	17
240058	Callitris Ave (Wongabena Drive to Casuarina Avenue), Surrey	-	-	-	-	-	3	65	-	-	65
240059	Hopeland Court (Hopeland Court to End), Wynn Vale	-	-	-	-	-	1	35	-	-	35
240060	Bus Stop connection and kerb ramps, various	-	-	-	-	-	6	156	-	-	156
240061	DDA Upgrades	-	-	-	-	-	1	30	-	-	30
240133	New Footpaths Funding - Various - to be determined	-	-	-	-	-	1	39	1	-	40
240134	Richard Street (North East Road to May Avenue), Modbury West	-	-	-	-	-	2	50	-	-	50
240135	Dalaston Ave (Gorman Street to Reserve opposite No.5),	-	-	-	-	-	1	30	-	-	30
240136	Weebo Street (Kooline Crescent to Tasman Drive), Gilles Plai	-	-	-	-	-	1	34	-	-	34
240137	Kaplan Reserve (Kaplan Court to base of stairs), St Agnes	-	-	-	-	-	41	50	-	-	50
240138	Citrine Street (Payne Street to Laneway between No.16 and	-	-	-	-	-	1	35	-	-	35
240139	Morrow Court - Davies Court to Reserve, Hope Valley	-	-	-	-	-	0	11	-	-	11
240140	Kooline Street and Morawa Avenue (Padbury Road to Tasman	-	-	-	-	-	2	60	-	-	60
Total New Footpath and DDA Upgrades		-	-	-	-	-	104	2,285	(1)	-	2,284
Project Category: Unsealed Footpaths											
230144	Tuscan Reserve, Golden Grove	-	-	-	-	-	-	-	6	-	6
230147	Shannon Reserve, Banksia Park	-	-	-	-	-	-	4	8	-	11
230148	Capulet Reserve, Modbury	-	-	-	-	-	-	6	13	-	19
230149	Balmoral Reserve, Dernancourt	-	-	-	-	-	30	16	14	-	30
230150	Reodan Drive, Greenwith	-	-	-	-	-	-	6	19	-	25
230151	Awoonga Avenue, Hope Valley	-	-	-	-	-	-	9	19	-	29
230153	Morawa Reserve, Gilles Plains	-	-	-	-	-	11	10	1	-	11
230159	O-bahn Linear Park, Highbury	-	-	-	-	-	4	26	(22)	-	4

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Project Number	Project Description	Revenue					Expenditure				
		YTD December Actuals	FY2024 Q1 Revised Budget	Proposed Budget Adjustment	Carry Forward Adjustment	FY2024 Revised Budget	YTD December Actuals	FY2024 Q1 Revised Budget	Proposed Budget Adjustment	Carry Forward Adjustment	FY2024 Revised Budget
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
230160	Michigan Reserve, Highbury	-	-	-	-	-	-	7	-	-	7
240023	Huppertz Plantation, Wynn Vale	-	-	-	-	-	-	20	23	-	43
240024	Spring Crescent, Banksia Park	-	-	-	-	-	-	20	(9)	-	11
240025	Marsha Reserve, Banksia Park	-	-	-	-	-	-	26	(26)	-	-
240026	Martidale Ave Cobbler Creek, Golden Grove	-	-	-	-	-	-	34	(17)	-	17
240027	Tilley Recreation Park, Surrey Downs	-	-	-	-	-	-	26	(26)	-	-
240028	Oakvale Place to Bus stop, Wynn Vale	-	-	-	-	-	-	19	(8)	-	11
240029	Perseverance Road, Tea Tree Gully	-	-	-	-	-	-	34	(3)	-	31
240062	Observation Drive (near reserve), Highbury	-	-	-	-	-	-	7	-	-	7
240063	Hamilton Road (Behind Golf course), Fairview Park	-	-	-	-	-	-	37	(31)	-	6
240064	Eastleigh Avenue to Wallsall lane, Golden Grove	-	-	-	-	-	-	20	(20)	-	-
240065	Target Hill Road, Greenwith	-	-	-	-	-	-	20	(20)	-	-
240066	Mulkarra Street, Ridgehaven	-	-	-	-	-	-	27	(21)	-	6
240067	Kingfisher Reserve, Modbury Heights	-	-	-	-	-	-	34	(10)	-	24
240068	Unsealed Footpaths Projects - Various - to be determined	-	-	-	-	-	-	80	83	-	164
240150	Elliston Reserve, Highbury	-	-	-	-	-	-	-	15	-	15
240152	Mitchell Reserve, Highbury	-	-	-	-	-	-	-	11	-	11
Total Unsealed Footpaths		-	-	-	-	-	46	489	(0)	-	489
Project Category: Bridge Renewal											
210207	Mulkarra Street, Bridge Upgrade, Ridgehaven	-	77	-	-	77	-	-	-	-	-
Total Bridge Renewal		-	77	-	-	77	-	-	-	-	-
Project Category: Lighting											
220210	SADNA and Golden Grove Tennis Club-Lighting Upgrade	6	56	-	-	56	47	47	-	-	47
230075	2023 - Sports Field Floodlighting - To Be Determined	-	-	-	-	-	(3)	-	(3)	-	(3)
230076	Greenwith Oval - Upgrade oval lighting to LED	-	-	-	-	-	8	136	180	-	316
230252	Burrage Reserve, Modbury North - Lighting Upgrade	-	0	-	-	0	33	565	-	-	565
240069	Sports lighting renewal projects to address non-compliant	-	-	-	-	-	-	201	(180)	-	21
Total Lighting		6	56	-	-	56	86	949	(3)	-	946
Project Category: Water and Drainage											
220103	Ladywood Reserve Irrigation and Drainage	-	-	-	-	-	-	59	-	-	59
220224	Dry Creek - Expansion of Recycled Water Network	-	75	-	-	75	29	84	-	-	84
220239	WWTP tertiary pump auto filter	-	-	-	-	-	0	2	-	-	2
230047	Recycled Water Asset Renewal - WWTP Aerators, Tilley DM pum	-	-	-	-	-	15	20	(5)	-	15
230060	Irrigation Central Controller Stage 2 (Rainbird IQ Central C	-	-	-	-	-	-	96	-	-	96
230061	Irrigation Asset Renewal - Tilley & Greenwith ground water b	-	-	-	-	-	49	55	-	-	55
230108	2023 Creek Rehabilitation - 2023 Carry over project	-	-	-	-	-	200	217	(17)	-	200
240031	Goldenfields irrigation System Renewal	-	-	-	-	-	10	100	-	-	100
240032	Irrigation Asset Renewals - pumps, flow monitors	-	-	-	-	-	4	100	-	-	100
240033	Irrigation Controller (Renewal/Upgrade)	-	-	-	-	-	8	200	-	-	200
240034	Recycled Water System	-	-	-	-	-	2	50	5	-	55
240074	Drainage Renewal Program - AMP	-	-	-	-	-	286	620	-	-	620
240103	2024 Creek Rehabilitation - 2024 Allocation	-	-	-	-	-	10	200	17	-	217
Total Water and Drainage		-	75	-	-	75	613	1,802	(0)	-	1,802
Project Category: Traffic Management and Signage											
210209	Traffic-Lyons Road/Tarton Road Roundabout, Holden Hill	-	15	-	-	15	-	-	-	-	-
210211	Traffic-Montague Road Junction deceleration lane, Modbury	-	98	-	-	98	-	-	-	-	-
220115	Greenwith community centre (entry and exit), Greenwith	-	-	-	-	-	-	30	-	-	30
230084	Traffic Management Treatments - General various improvements	-	-	-	-	-	-	-	-	-	-
230121	The Heights School, Modbury Heights - traffic study	-	-	-	-	-	-	39	-	-	39
230241	Wright Road and Kelly Road Roundabout Improvements	-	296	-	-	296	325	325	0	-	325
230248	TTG BMX - Track improvements - State titles	-	-	-	-	-	26	79	-	-	79
240035	One Tree Hill Rd, Golden Grove, Guardrail replacement	-	-	-	-	-	5	120	-	-	125
240078	Signage - Community and various site replacements	-	-	-	-	-	60	104	31	-	135
240080	Replacement of advisory and regulatory signage	-	-	-	-	-	69	266	(31)	-	235
240130	Install New Koala Crossing - Brunel Drive, Modbury Heights	-	-	45	-	45	6	120	45	-	165
240131	Traffic Management - Installation Traffic Control Devices	-	-	-	-	-	7	100	-	-	100
240132	Road Junction widening - Hillendale Drive, Wynn Vale	-	-	-	-	-	1	30	-	-	30
240141	Grenfell Road /Zulieka Road median modifications	-	-	-	-	-	-	20	-	-	20
240143	Traffic Management Treatments-various	-	-	-	-	-	-	135	-	-	135
Total Traffic Management and Signage		-	410	45	-	455	498	1,368	45	-	1,413
Project Category: Open Space - Sporting, Park and Playground Upgrades											
210099	Court Upgrades-Security Retention	-	-	-	-	-	(5)	(5)	-	-	(5)
210106	Playgrounds-Greenwith campus Greenwith (includes shade)	-	85	-	-	85	233	243	-	-	243
220116	Sporting Court Upgrade-Balmoral Reserve and Modbury Tennis	-	10	-	-	10	-	10	-	-	10
220120	Verdant Reserve Playground (Bent Court), Wynn Vale	-	-	-	-	-	6	6	-	-	6
220181	Kaplan Reserve Playground, St Agnes	-	-	-	-	-	4	21	-	-	21
220183	Golden Fields Adventure Playspace	197	266	-	-	266	257	511	-	-	511
230086	Fairleigh Reserves Upgrade, Modbury North	-	-	-	-	-	3	11	-	-	11
230087	BMX Track Upgrade - Gunda Reserve, Banksia Park	-	-	-	-	-	-	115	-	-	115
230125	Wynn Vale Dam Open Space Upgrades	36	1,122	-	-	1,122	36	1,187	-	-	1,187
230161	Doxiads Reserve Playground, St Agnes	-	-	-	-	-	1	128	-	-	128
230162	Cobbler Creek West Reserve Playground - Golden Grove	-	-	-	-	-	1	127	-	-	127
230163	Palomino Reserve Playground, Wynn Vale - Design	-	-	-	-	-	-	4	-	-	4
230164	John Clarke Memorial Playground (Tolley Road), Hope Valley	-	-	-	-	-	0	48	-	-	48
230165	Lumsden Reserve Playground, Ridgehaven	-	-	-	-	-	0	48	-	-	48
230233	Golden Grove Hockey Pitch	-	-	-	-	-	40	121	-	-	121
240036	Australia Reserve, Modbury	-	150	-	-	150	-	150	-	-	150
240037	Pertaringa Oval, Banksia Park - cricket practice wickets	-	-	-	-	-	4	100	-	-	100
240081	Playgrounds Projects - Various - to be determined	-	-	-	-	-	2	50	-	-	50
240082	Court Upgrades - Hard Court Audit (Heyzen, Hope Valley,	-	-	-	-	-	41	470	-	-	470
240083	Fencing Projects - Various	-	-	-	-	-	127	369	-	-	369
240084	Playground - Vista Reserve, Vista	-	-	-	-	-	83	500	235	-	735
240085	Outdoor Furniture Projects - Various	3	-	-	-	-	25	106	-	-	106
240086	Bentley Reserve, Holden Hill - Including Skate Bowl Lighting	11	680	-	-	680	27	680	-	-	680
240087	Palomino Reserve, Wynn Vale	6	134	-	-	134	52	500	25	-	525
240128	Leeds Avenue, Hope Valley - Car Park	6	400	-	-	400	16	400	-	-	400
240144	Road Cycle Safety Centre-Shade Structure and plaque	10	10	-	-	10	-	34	-	-	34
240145	Smart Road verge uplift	-	-	-	-	-	50	63	(13)	-	50
Total Open Space - Sporting, Park and Playground Upgrades		268	2,857	-	-	2,857	1,003	5,996	247	-	6,243
Project Category: City Beautification Works											
210111	City Beautification-Reservoir Road-streetscape works	-	9	-	-	9	-	-	-	-	-
210117	Open Space-Edinburgh Reserve, Modbury - includes play space	22	97	-	-	97	65	80	-	-	80
210210	Beautification streetscape-North East Road, Modbury	-	66	-	-	66	-	-	-	-	-
210213	Beautification-Lot 50 Golden Grove Road, Modbury Heights	-	50	-	-	50	6	12	-	-	12
220132	Upgrade Streetscape Montague Rd - Ladywood and NE Rd,	54	54	-	-	54	-	-	-	-	-
220221	Dawson Reserve, Modbury	13	611	-	-	611	13	680	200	-	880
220237	North East Road TTG Township Streetscape Upgrade PLEC	-	-	-	-	-	-	-	-	-	-
220238	Civic Park Stage 3	-	-	-	-	-	2	6	-	-	6
230090	Meadowdale East Restoration Work	8	614	-	-	614	16	701	-	-	701

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Project Number	Project Description	Revenue					Expenditure				
		YTD December Actuals	FY2024 Q1 Revised Budget	Proposed Budget Adjustment	Carry Forward Adjustment	FY2024 Revised Budget	YTD December Actuals	FY2024 Q1 Revised Budget	Proposed Budget Adjustment	Carry Forward Adjustment	FY2024 Revised Budget
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
230091	Golden Grove Road Stage 2 - Revegetation and Beautification	120	199	-	-	199	239	434	(0)	-	434
230113	Grand Junction Road Streetscape Upgrade, Hope Valley (between	-	465	-	-	465	-	501	-	-	501
230118	CWMS Transition Revegetation Project	-	-	-	-	-	-	386	-	-	386
230169	Tree Screen - The Golden Way (20 Neville Court to 4/3	-	-	-	-	-	36	171	-	-	171
230169	Tree Screen - Ladywood Road (8 Hovea Court to 1	-	-	-	-	-	147	166	-	-	166
240005	Tree Screen - Green Valley Drive (Bushmills Street to Reorda	-	-	-	-	-	7	185	-	-	185
240105	Tree Screen - Endeavour Drive (Cambridge Street to Wynn Vale	-	-	-	-	-	3	70	-	-	70
240107	Tree Screen - The Golden Way (Pinot Place to 9 Crouchen Cour	-	-	-	-	-	10	245	-	-	245
240108	City Beautification Projects - Contingency	-	-	-	-	-	-	320	(320)	-	-
240110	Main Road and Gateway Median Strip Beautification - Design	-	-	-	-	-	15	302	-	-	302
240111	Meadowdale, Modbury - Stage 3 Design	-	-	-	-	-	2	50	-	-	50
240112	Dewer Reserve, Ridgehaven	-	-	-	-	-	67	50	5	-	75
240146	PLEC Stage 1A - North East Road	-	-	-	-	-	552	552	-	-	552
Total City Beautification Works		217	2,164	-	-	2,164	1,181	5,612	(115)	-	5,497
Project Category: Capital Buildings Renewal											
210144	Traffic - Road and Cycle Safety Centre upgrade	-	-	-	-	-	2	45	-	-	45
210208	Operational-Civic Centre air-conditioning replace(stage 2)	-	55	-	-	55	-	-	-	-	-
210223	Gazebos Sherry Crt (x2), Lemongum Reserve, Hyde Park	-	-	-	-	-	-	61	63	-	124
230094	Golden Grove Recreation Centre Renewal projects	82	82	-	-	82	35	59	(24)	-	35
230095	Sporting Buildings - 2023 Carry over projects	-	-	-	-	-	206	255	(36)	-	219
230096	Civic Centre Renewal projects	-	-	-	-	-	-	108	25	-	133
230171	Community Buildings - 2023 carry over projects	-	-	-	-	-	29	141	-	-	141
240003	Building stormwater Upgrades	-	-	-	-	-	2	42	-	-	42
240004	Asset Management Plan Renewals - Community Buildings	-	-	-	-	-	11	170	-	-	170
240089	Asset Management Plan Renewals - Recreational Building	-	-	-	-	-	2	46	-	-	46
240090	Asset Management Plan Renewals - Sporting Buildings	-	-	-	-	-	6	145	-	-	145
240091	Asset Management Plan Renewals - Operational Buildings	-	-	-	-	-	101	649	-	-	649
240092	Asset Management Plan Renewals - Amenities Buildings	-	-	-	-	-	3	73	-	-	73
Total Capital Buildings Renewal		82	137	-	-	137	395	1,791	28	-	1,820
Project Category: Capital Buildings New/Upgrades											
210147	Building future project fund	-	-	-	-	-	-	4,365	250	-	4,615
220175	Linear Park Toilet Block - Highbury	-	-	-	-	-	98	99	6	-	105
220186	Modbury Soccer Club, Modbury	-	75	-	-	75	-	-	-	-	-
220187	Modbury Bowling Club	13	13	-	-	13	31	30	1	-	31
220188	Linear Park Toilet Block - Lutana Grove	-	-	-	-	-	87	90	5	-	94
230030	GGRAC - Court 2 & 3 Stadium Seating replacement,	19	19	-	-	19	-	9	(9)	-	-
230031	DAIP Building Upgrades	-	-	-	-	-	-	117	-	-	117
230032	2023 - Keyless Building Access	-	-	-	-	-	20	178	-	-	178
230037	GGRAC - Theatre PA System and Audio Control System	-	-	-	-	-	50	50	-	-	50
230117	Cobbler Creek West Reserve Toilet	-	-	-	-	-	132	176	(5)	-	172
230133	Accessible Adult Change Table Facility, Civic Park, Modbury	-	-	-	-	-	(6)	(6)	-	-	(6)
240094	Community Building Defibrillator Project	-	-	-	-	-	33	39	-	-	39
240095	Golden Grove Recreation and Arts Theatre - Theatre	-	-	-	-	-	-	-	-	-	-
240096	Golden Grove Arts Centre - Theatre Lighting End of Life	-	-	-	-	-	121	230	(0)	-	230
240106	Acoustic panels for Holden Hill and Surrey Downs Community C	-	-	-	-	-	1	20	-	-	20
240119	Road and Cycle Safety Centre, Ridgehaven - Traffic Lights	-	-	-	-	-	0	5	-	-	5
240120	Modbury Soccer Club - Stage 2 - Community access	-	-	-	-	-	15	300	-	-	300
240121	Civic Centre IT Server Room Electrical Upgrade	-	-	-	-	-	2	50	-	-	50
240122	Library Storage Cupboards, Modbury	-	-	-	-	-	1	20	-	-	20
240123	New furniture on Library Floor - Phase 2	-	-	-	-	-	5	121	-	-	121
240124	Whinnen Reserve, St Agnes - Air Conditioner	-	-	-	-	-	1	20	-	-	20
240125	Greenwith Community Centre, Greenwith - Emergency Exit	-	20	-	-	20	2	50	-	-	50
240126	Keyless Entry Program	-	-	-	-	-	-	-	-	-	-
Total Capital Buildings New/Upgrades		32	127	-	-	127	593	5,963	248	-	6,210
Project Category: Strategic Building Projects											
220176	Harpers Field Community Building and Sporting Clubroom	600	6,000	-	-	6,000	5,364	11,180	(0)	-	11,180
220211	Modbury Sporting Club - Clubroom and Changeroom	182	3,730	-	(2,318)	1,421	264	4,789	-	(2,956)	1,833
220212	Tilley Recreation Park - Clubroom and Changeroom	-	2,699	-	(864)	1,835	52	4,655	-	(1,508)	3,148
230123	Tea Tree Gully Gymsports, Banksia Park	38	1,400	-	(1,152)	248	38	2,980	-	(2,732)	248
230124	Tea Tree Gully Tennis Club, Banksia Park	137	1,100	-	(783)	317	137	2,269	-	(1,952)	317
230134	Hope Valley Sporting Club - Amenities improvements	-	1,173	-	(633)	541	1	1,173	-	(633)	541
230239	Banksia Park Sports Area Master Plan, Banksia Park	-	-	-	-	-	15	-	15	-	15
230240	Golden Grove Central Districts Baseball Club, Surrey Downs	2	180	-	-	180	2	376	-	-	376
240098	Projects to be Grant Funded (to be determined)	-	-	-	-	-	-	4,642	-	-	4,642
240147	Tilley Recreation Park - Masterplan	-	1,000	0	(933)	67	27	1,000	-	(933)	67
Total Strategic Building Projects		960	17,292	0	(6,683)	10,609	5,898	33,044	14	(10,713)	22,345
Project Category: Environmental Projects											
210156	Green bins-compostable waste per audit findings	-	-	-	-	-	19	21	-	-	21
220156	Solar Energy program - Service Centre - Shed 2	-	2	-	-	2	-	23	(23)	-	-
230102	LED Street Lighting Upgrade Stage 2	-	438	-	-	438	2	150	55	-	205
240118	LED Street Lighting Upgrade - Stage 3	-	-	-	-	-	-	200	(200)	-	(0)
Total Environmental Projects		-	439	-	-	439	21	393	(168)	-	226
Project Category: Information Technology											
220161	Staff Network Profile (with Automation)	-	-	-	-	-	21	176	-	-	176
230105	ERP System (Rating, Property, Salesforce integration,	-	-	-	-	-	-	-	-	-	-
230173	ITAMP - Desktop Software	-	-	-	-	-	2	11	-	-	11
230174	ITAMP - Enterprise Applications	-	-	-	-	-	30	30	-	-	30
240100	ERP System - Property & Rating - Stage 2	-	-	-	-	-	440	1,150	-	-	1,150
240102	ITAMP - Hardware Replacement Program	-	-	-	-	-	136	380	-	-	380
240114	HCM and Payroll Platform - Stage 1	-	-	-	-	-	-	500	-	-	500
240115	ITAMP - eServices	-	-	-	-	-	101	225	(0)	-	225
240116	Authority Decommission	-	-	-	-	-	30	70	-	-	70
240117	Data Registers Program	-	-	-	-	-	139	275	-	-	275
240127	Outdoor Digital Signage	-	-	-	-	-	8	150	-	-	150
Total Information Technology		-	-	-	-	-	907	2,967	(0)	-	2,967
Project Category: Other											
220191	Land Sales	69	-	-	-	-	11	-	-	-	-
230106	2023 Plant & Equipment Replacement Program	-	202	(202)	-	-	-	-	-	-	-
240101	2024 Plant & Equipment Replacement Program	120	954	202	-	1,156	1,498	2,796	-	-	2,796
Total Other		189	1,156	-	-	1,156	1,509	2,796	-	-	2,796
Total Capital Works Program 2023-24		1,754	24,790	45	(6,683)	18,153	13,213	70,994	296	(10,713)	60,577

Audit & Risk Committee Meeting - 20 March 2024

Information Report



Internal Audit Plan Status Update

Record No:	D24/19870
Report of:	Office of the Chief Executive Officer
Responsible Officer:	Marley Marks, Risk Officer Alexandra Pukallus, Coordinator, Risk & Audit Ilona Cooper, Manager Corporate Governance Ryan McMahon, Chief Executive Officer

An Internal Audit Plan is established each financial year to provide the Committee with confidence that internal control practices, procedures and risks across Council are appropriately managed.

The Internal Audit Plan for 2023-24 was endorsed by the Audit & Risk Committee at the meeting on 19 July 2023.

A status update on the delivery of the Internal Audit Plan is provided at each Committee meeting.

The table below indicates the progress against the 2023-24 Internal Audit Plan.

FY	Audit Title	Status	Notes	Auditor
23/24	Corporate Performance Reporting	Complete	Report presented to the Audit & Risk Committee 20 March 2024.	KPMG
23/24	Cyber Security (Internal Scan)	Complete	Internal penetration testing occurred February 2024. Presented to the Audit & Risk Committee 20 March 2024.	InfoTrust
23/24	Cyber Security (External Scan)	Complete	External penetration testing occurred February 2024. Presented to the Audit & Risk Committee 20 March 2024.	InfoTrust

FY	Audit Title	Status	Notes	Auditor
23/24	Building Code compliance	In progress	Scope approved by project sponsor. RFQ to be undertaken in March / April 2024.	N/A
23/24	Dog Management	In progress	RFQ awarded to KPMG. Project to commence March 2024.	KPMG

Attachments

N/A

Audit & Risk Committee Meeting - 20 March 2024



Status Report on Audit & Risk Committee Resolutions

Note: This report is provided as information only. Actions relating to confidential minutes may not be included in the Status Report.

Note: This report will be presented on a monthly basis, to the first meeting each month.

Pending Actions

Minute No.	Meeting Date	Officer	Subject	Estimated Completion
34	6/12/2023	Wilkshire, Ingrid	Internal Audit Report - Strategic Environmental Management	30/03/2024
D23/99086				
03 Jan 2024 11:00am Wilkshire, Ingrid				
Report to be returned to Audit & Risk Committee on 20 March 2024.				
15 Jan 2024 4:03pm Wilkshire, Ingrid				
On track for reporting to Audit Committee in March.				

Completed Actions

Minute No.	Meeting Date	Officer	Subject	Completed
38	6/12/2023	Baines, Rebecca	Recommendation for the Award of Contract – Provision of External Audit Services	13/12/2023
D23/99086				
13 Dec 2023 8:05am Baines, Rebecca				
Recommended to Council on 12 December 2023.				

Minute No.	Meeting Date	Officer	Subject	Completed
36	6/12/2023	Vidinis, Erica	Tea Tree Gully Gymsports Redevelopment Section 48 Prudential Report	8/01/2024
D23/99086 08 Jan 2024 3:02pm Vidinis, Erica Report presented to Council on 12 December 2023.				

Minute No.	Meeting Date	Officer	Subject	Completed
35	6/12/2023	Baines, Rebecca	Community engagement outcomes on the draft Long-Term Financial Plan 2025-2034	13/12/2023
D23/99086 13 Dec 2023 8:05am Baines, Rebecca Recommended to Council on 12 December 2023.				