



I hereby give notice that an Audit Committee Meeting will be held on:

Date: Tuesday, 23 February 2021
Time: 3.00pm
Location: Council Chambers
Minlaton Town Hall
57 Main Street
Minlaton

AGENDA

Audit Committee Meeting

23 February 2021

Andrew Cameron
CHIEF EXECUTIVE OFFICER

CONFLICT OF INTEREST

Members are reminded of the requirements for disclosure by Members of direct or indirect pecuniary benefit or detriment and non-pecuniary benefit or detriment in relation to a material conflict of interest in accordance with Section 73, or an actual or perceived conflict of interest in accordance with Section 75 of the Local Government Act in items listed for consideration on the Agenda. Section 74 and 75A of the Local Government Act 1999 requires that Elected Members declare any interest and provide full and accurate details of the relevant interest to the Council. In relation to actual or perceived conflicts of interest a member has an obligation to outline how they propose to deal with the actual or perceived conflict of interest prior to consideration of that item on the Agenda.

This requirement does not apply to Ordinary Business Matters prescribed by regulation 8AAA Local Government Act (General) (Accountability and Governance) Variation Regulations 2016.

Each Member of a Council has a duty to vote at all meetings unless excepted by legislation.

The major exception being where a Member has a material conflict of interest.

Agenda

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	Tuesday 25 May 2021	
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1 WELCOME BY CHAIRPERSON

Meeting declared opened

2 PRESENT

3 LEAVE OF ABSENCE

Nil

4 APOLOGIES

Cr Tania Stock

5 CONFLICT OF INTEREST

6 MINUTES OF PREVIOUS MEETING – FOR CONFIRMATION

Audit Committee Meeting - 1 December 2020

7 VISITORS TO THE MEETING

REPORTS

8 NEW BUSINESS

8.1 AUDIT COMMITTEE WORK PLAN 2021

Document #: 21/12193

Department: Corporate and Community Services

PURPOSE

To consider and endorse an updated work plan for 2021.

RECOMMENDATION

That the Audit Committee endorse the updated 2021 Work Plan.

LINK TO STRATEGIC PLAN

Goal: 5 Responsible Governance and Leadership

Strategy: 5.1 Openness and transparency of reporting Council's performance

5.2 Effective leadership and informed decision making

5.3 Meet all legislative requirements and compliance with Council's internal controls

5.5 Undertake effective risk and emergency management

5.6 Continuous improvement of Council processes

BACKGROUND

As stated in clause 2 of the Audit Committee Terms of Reference, the objective of the Audit Committee is to assist the Council in the conduct of its responsibilities for the management of risk, corporate and financial governance and legal compliance, related to financial reporting and audit initiatives, the internal control system and the audit functions. The Committee acts as a source of advice to Council and the Chief Executive Officer in relation to these matters.

DISCUSSION

The Audit Committee will:

- Enhance the communication between the external auditor and Council;
- Assist the management of business risks to ensure the protection of Council assets;
- Monitor the effectiveness of audit and corporate and financial governance functions;
- Enhance the integrity of the financial reporting of Council; and
- Review the effectiveness of the Council's internal controls and risk management systems.

The Terms of Reference are to be read in conjunction with Chapter 8 of the Local Government Act 1999.

The adoption and constant review of an Audit Committee Work Plan assists in ensuring the objectives of the Audit Committee are achieved. The 2021 Work Plan was endorsed by the Committee at its meeting on 1 December 2020.

The work plan is colour coded and all items considered by the Audit Committee are updated as meetings occur. Any items deferred between meetings are clearly shown as are dates of meetings.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Manager Financial Services
- Business Improvement Officer
- Assets Manager
- Manager People, Culture and Safety
- Manager Business and Public Relations
- Governance Officer

In preparing this report, the following external parties were consulted:

- Nil

POLICY IMPLICATIONS

Audit Committee Terms of Reference

BUDGET AND RESOURCE IMPLICATIONS

The work plan and the actions resulting from it are generally implemented within Council's existing budget. Where additional budget or resources are required this will be clearly identified in the relevant report.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

A sound control environment will assist in the management of Council's financial risks.

The orderly and timely review of Council's major financial timetable and reports, internal audit activities and financial reports by the Audit Committee strengthens the credibility of the completed work and reduces risk to Council.

Local Government Act 1999, Chapter 8.

ATTACHMENTS

1. **Audit Committee Work Plan 2021** [↓](#) 

Yorke Peninsula Council Audit Committee Work Plan 2021						
Activity	Timeframe					Notes
	Completed Current Deferred					
	Feb-21	May-21	Aug-21	Oct-21	Nov-21	
	23rd	25th	31st	26th	30th	
1. Financial Reporting						
1.1 Review General Purpose Financial Statements				X		Following external audit but prior to Council endorsement Next revaluation not until 2022/23
1.2 Review asset revaluations						Ensure up to date and soundly based, including having particular regard to local conditions:- > whether land values reflect current local market; > whether infrastructure asset values reflect local replacement costs and the condition of existing assets; > in accordance with policies PO124 Asset Accounting Policy & PO128 Asset Management Policy; > whether an infrastructure asset condition audit has been undertaken recently to assist in making this judgement.
1.3 Review methodology and approach to Depreciation				X		As part of asset revaluations and financial statements
1.4 Quarterly Budget Reviews - information only	X	X			X	For information only generally after adoption by Council due to timing
2. Internal controls						
2.1 Review progress on Council's Internal Financial controls		X		X		Status report provided on internal controls self assessment testing
2.2 Review Council's internal control policies and procedures	X	X	X		X	
3. Risk Management Systems						
3.1 Risk External Audit (conducted by LGAWCS biennially)					X	Next audit due 2021
3.2 Assess the appropriateness of the Council's response to the auditor's findings and recommendations						Due in Feb 2022
3.3 Review Council's Risk Management Implementation Plan	X	X	X		X	
3.4 Review Council's Strategic Risk Register (in line with Strategic Management Plan)						Due for review post next LG election in 2022 in line with Strategic Management Plan
4. Public Interest Disclosure (previously Whistleblowers)						
Identify whether the Council has in place simple, readily accessible arrangements for employees to confidentially raise concerns of alleged malpractice in accordance with legislative provisions. Examine whether Council's whistleblower arrangements are well known to employees and effective having regard to local circumstances.						
4.1 Review Council's Public Interest Disclosure requirements						Next review in 2022
4.2 Ensure staff are informed of and trained in these policies						Next review in 2022
5. Internal Audit						
5.1 Review annual work program and outcomes of past work					X	

Yorke Peninsula Council Audit Committee Work Plan 2021						
Activity	Timeframe					Notes
	Completed Current Deferred					
	Feb-21	May-21	Aug-21	Oct-21	Nov-21	
	23rd	25th	31st	26th	30th	
5.2 Consider any internal audits conducted	X	X	X	X		
5.3 Review the status and follow up work of any outstanding audit actions (relating to internal audit, internal control self assessments and external audit management letters)	X	X	X	X		Report provided on progress made against matters raised by Council's external and internal auditor
6. External Audit						
6.1 Meet with Council's external auditor to: > invite presentation of their audit methodology and risk assessments within the audit plan; > discuss any qualifications raised in the most recent audit or comments made in the accompanying audit management letter; > assess the appropriateness of the proposed Council response to matters so raised; and > invite comment on the financial systems and affairs of the Council having regard to comparable benchmarks.				X		
6.2 Review effectiveness of external audit				X		
6.3 Review management representation letters			X	X		
6.4 Assess the appropriateness of the Council's response to the auditor's findings and recommendations			X	X		
6.5 Oversee action to follow up on matters raised by the external auditor			X	X		
7. Reporting						
7.1 Report annually to Council: > activities of the Committee's work program and the results of a self-assessment of performance for the preceding calendar year including whether it believes any changes to its Terms of Reference are needed; > outlining any training needs; > advising future work program proposals; and > inviting comment from Council on all of the above.					X	
8. Strategic, Financial and Management Planning						
8.1 Review Strategic Management Plan						Due for review post next LG electio in 2022
8.2 Review Long Term Financial Plan	X					Updated annually in conjunction with adoption of Annual Business Plan and Budget
8.3 Review Asset Management Plans/Strategy	X					Updated post asset revaluations. Next revaluation not until 2022/23.

Yorke Peninsula Council Audit Committee Work Plan 2021						
Activity	Timeframe					Notes
	Completed Current Deferred					
	Feb-21	May-21	Aug-21	Oct-21	Nov-21	
	23rd	25th	31st	26th	30th	
8.4 Review appropriateness of the range and content of Council policies and strategies	X	X	X	X	X	As per review timeframes and legislative requirements - ongoing
8.5 Review Annual business plan, budget and fees and charges		X				In conjunction with public consultation period
9. Other matters						
9.1 Adopt/review Audit Committee annual workplan	X	X	X	X	X	Updated for each meeting
9.2 Reports on other relevant matters	X	X	X	X	X	Ongoing as the need arises

8.2 AUDIT COMMITTEE ANNUAL REPORT 2020

Document #: 21/12199

Department: Corporate and Community Services

PURPOSE

For the Audit Committee to review its draft Annual Report for the 2020 calendar year prior to being presented to Council for consideration in accordance with Clause 13 of the Committee's Terms of Reference.

RECOMMENDATION

That the Audit Committee endorse its Annual Report for the 2020 calendar year for presentation to Council.

LINK TO STRATEGIC PLAN

Goal: 5 Responsible Governance and Leadership

Strategy: 5.1 Openness and transparency of reporting Council's performance

5.2 Effective leadership and informed decision making

5.3 Meet all legislative requirements and compliance with Council's internal controls

BACKGROUND

Clause 13 of the Audit Committee Terms of Reference (TOR) requires the Committee to conduct an annual review and self-assessment of its performance with the aim being to ensure that the Committee is operating at maximum effectiveness. This process of review also provides an opportunity to recommend any changes to Council that are considered necessary.

The review for the period 1 January 2020 – 31 December 2020 has been undertaken and at its meeting on 1 December 2020 the Committee endorsed the results of this annual review and self-assessment and also its 2021 Work Plan. The results of the review and self-assessment have now been incorporated into the Committee's draft Annual Report.

DISCUSSION

Annual Report for Council

Clause 13 of the Committee's TOR requires that the outcome of the annual review and self-assessment be reported to Council. This is done via the attached Annual Report (refer Attachment 1). A draft is provided for the Committee's consideration and if endorsed will be presented to Council at its March 2021 meeting for endorsement.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Manager Financial Services

In preparing this report, the following external parties were consulted:

- Nil

POLICY IMPLICATIONS

Audit Committee Terms of Reference

BUDGET AND RESOURCE IMPLICATIONS

Costs associated with the operation and administrative support required by the Audit Committee are included in Council's adopted operating budget.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Medium risk that the annual work plan is not completed within the stated timeframes.

Non-compliance with TOR if annual review and self-assessment not undertaken and/or not reported to Council.

Local Government Act 1999 - Chapter 8

Local Government (Financial Management) Regulations 2011 – Part 5

ATTACHMENTS

1. **Audit Committee Annual Report 2020** [↓](#) 

YORKE PENINSULA COUNCIL AUDIT COMMITTEE

ANNUAL REPORT FOR THE PERIOD 1 JANUARY 2020 TO 31 DECEMBER 2020

This report presents a summary of the Committee's activities undertaken and recommendations made during the period 1 January 2020 to 31 December 2020.

Conduct of Meetings

The Committee met on five (5) occasions during the year with summaries as below.

Date	No of Members Attending
22 February 2020	4*
26 May 2020	4*
25 August 2020	5
27 October 2020	5
1 December 2020	5

**1 independent position vacant*

Committee Member	No of Meetings Attended
Hussain Rafeeu	3
Robert Reiman	5
Cr Leanne O'Brien	5
Cr Adam Meyer	5
Cr Tania Stock	5

Committee Activities

The table sets out the matters addressed by the Committee during the year.

Principal Issues Examined	Comment(s)	Recommendation(s) to Council
Internal Audit	Review audits undertaken and recommendations actioned. Considered 2021-2022 Internal Audit Plan.	Received and noted with minor amendments in some instances. 2 year Plan endorsed.
Internal Control	Review updates to internal controls and recommendations actioned	Contents noted

External Audit	Review interim and balance date audits, opinions and reports. Also reviewed balance date external audit attendance information requirements.	Received and management's responses endorsed. Comments and actions referred to CMT.
Long Term Financial Plan (LTFP)	Review updated and Council endorsed LTFP	Received
Budget Reviews	Quarters 1 (20/21), 2 (19/20) and 3 (19/20)	Received
Annual Work Plan	Prepare and review progress of 2020 and 2021 plans including any changes	Endorsed
Risk Management	Review and update on various matters, audits and progress on recommended actions. Review of Council's 2021-2025 Strategic Risk Register.	Received and endorsed. Comments referred to Council and CMT.
Asset Management	Review of and update on various matters including asset valuations and asset management plans	Received and endorsed. Comments referred to Council and CMT.
Annual Business Plan	Review draft ABP, Budget and Fees and Charges	Received
Capital Valuations and Rating Models	Review of indicative capital valuations and Council endorsed rating model for rates generation in 2020/2021	Received
Policies & Procedures	Endorsed reviews of multiple policies and procedures and suggested further actions. Also considered new policies.	Received. Comments and actions referred to CMT and Council.
General Purpose Financial Statements	Review statements, notes, management representation letter and risk response questionnaire	<ul style="list-style-type: none"> ➤ CEO & Presiding Member sign the Certification of Auditor Independence. ➤ Receive and note the Management Representation letter. ➤ Receive and note Risk Response Questionnaire. ➤ Recommend to Council that the audited Statements for 2019/2020 be endorsed. ➤ Receive Audit Completion report.
Bad Debts Write-Off	Inform Committee of bad debts greater than \$1,000 to be considered by Council for write-off in accordance with LG Act and Council policy PO008	Received

Committee Annual Review and Self-Assessment	Review and self-assess Committee's performance for the 2020 calendar year	<ul style="list-style-type: none"> ➤ 2020 self-assessment results endorsed. ➤ 2021 work plan endorsed.
Strategic Management Plan 2021-2025	Provide updates on status of the review, provide the Committee with an opportunity to provide feedback, provide an overview of the review process and a copy of the final adopted SMP	Received as presented
Independent Member Appointments	Undertook selection process for independent Committee member. Also recommended to Council reappointment of independent members for a four (4) year term commencing 1 December 2020.	Recommended Mr Hussain Rafeeu be appointed as independent Committee member. Recommended to Council reappointment of independent members for a four (4) year term from 1 December 2020.
Treasury Management Performance	Review of treasury management activity and performance for 2018/2019 & 2019/2020 in accordance with legislation and policy PO139	Received and recommended to Council for endorsement
National Disability Insurance Scheme (NDIS) Stage 2 Audit	Consideration of external audit results in relation to degree of compliance with NDIS criteria for Yorke Peninsula Leisure Options (YPLO)	Report received and Committee endorsed management's response to the issues identified. Follow up audit report and non-conformance report received.
Business Continuity Plan (BCP)	Consider and endorse updated BCP	Endorsed updated BCP and recommended to Council that it be endorsed and adopted
Appointment of Committee Chairperson	Appointment of a Chairperson post the resignation of Mr Peter Brass as Chairperson and independent member of the Committee	Recommended to Council that Mr Rob Reiman be appointed as Chairperson until 30 November 2020
Impact of New Accounting Standards	Provide the results of an assessment into the impacts on existing accounting policies of Council due to changes to Australia Accounting Standards	Received and contents noted
Community Emergency Management Plan (CEMP) 2021-2025	Seek endorsement of the draft CEMP	Endorsed the draft CEMP as presented

Training

No training was undertaken.

Self-Assessment

The Committee undertook a self-assessment of its performance in accordance with its Terms of Reference (TOR). The opportunity to undertake this was offered to all Committee members in October 2020. It took account of factors such as:

- Work plan;
- Operating environment;
- Stage of maturity of Committee;
- Council's strategic directions;
- Council's risk and control environment; and
- Current and emerging trends and factors.

All five (5) Committee members provided completed self-assessment forms. The Committee's comments and recommendations resulting from its evaluation are summarised below:

- All members agreed the Committee collectively have sufficient skills, experience, time and resources to undertake its duties. One member commented that the Committee brings together people with a range of experiences, including financial backgrounds and Local Government experience.
- All Committee members agreed that they work constructively as a team and with other members.
- All members confirmed that the relationship between members strikes the right balance between challenge and mutuality.
- Members agreed that frequency, timing, duration, venue and format enhance the Committee's effectiveness to allow sufficient time for discussion.
- All members confirmed that reports for each meeting were sufficiently comprehensive and yet easily understood to make informed decisions. They also commented that staff present and explain reports well.
- Members commented that staff presentations are a strong and positive component of the meetings and more presentations would be helpful in particular for certain topics.
- All members agreed that minutes prepared, distributed and followed up are effective.
- 2 members rated the Committee's overall efficiency and effectiveness as 'effective' while the other 3 rated it as 'very effective'.
- All members agreed that staff and Committee members conduct themselves in accordance with high standards of behaviour.
- 3 members rated the Presiding member's performance as 'effective' while the other 2 rated it as 'very effective'.
- Committee members rated each other's performance as either 'effective' or 'very effective'.

- 3 members rated their performance as 'effective' while 2 rated it as 'very effective'.
- The performance of staff in facilitating the Committee's role and function was rated as 'effective' by 3 members with the remainder rating it as 'very effective'.
- All members agreed that the Executive take responsibility for risk identification and control, and give formal assurance through reporting that key risks are being adequately managed.
- The Committee unanimously agreed that there is an effective program in place to ensure that risk management becomes an integral part of the way in which Council conducts business.
- All 5 members confirmed that internal audit findings and recommendations are responded to in a timely and appropriate manner.
- The Committee members confirmed that they review the external Auditor's work and were given adequate opportunity to raise any concerns and ask questions at a face to face meeting. They also confirmed that they review and discuss the external Auditor's management letter. All members believed that the Committee was effective in managing and monitoring the relationship with the external Auditor.
- Members offered the following suggestions to improve the Committee's performance, role or functions:
 - Training including a formal session by the Institute of Internal Auditors for the entire Committee
 - More Zoom meetings given they have been quite successful and effective. Benefits would be less travel, time and costs.

Terms of Reference

The Committee's TOR were reviewed during its 2020 annual self-review and assessment and no changes were made. The TOR can be found on Council's website at <https://yorke.sa.gov.au/content/uploads/2019/12/Terms-of-Reference-Audit-Committee-13122019.pdf>.

Work Plan 2021

The Committee's work plan for the period 1 January 2021 to 31 December 2021 was considered and endorsed by the Committee at its meeting on Tuesday, 1 December 2020.

Five (5) meetings of the Committee are scheduled in 2021 in the months of February, May, August, October and November. This will allow the Committee to undertake the activities in its work plan.

As has been current practice, the work plan will continue to be reviewed and updated at each Committee meeting.

8.3 DECEMBER QUARTERLY BUDGET REVIEW 2020/2021**Document #:** 21/12203**Department:** Corporate and Community Services**PURPOSE**

To receive the Council endorsed December quarterly budget review (as at 31 December 2020) of Council's 2020/2021 Budget and associated financial statements, ratios and changes.

RECOMMENDATION

That the Audit Committee receive the Council endorsed 2020/2021 December Budget Review changes as presented in the attached Summary of Changes, Statement of Comprehensive Income and Uniform Presentation of Finances and receive the updated Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and Financial Indicators (Ratios).

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.1 Openness and transparency of reporting Council's performance

5.2 Effective leadership and informed decision making

5.3 Meet all legislative requirements and compliance with Council's internal controls

5.5 Undertake effective risk and emergency management

BACKGROUND

Regulation 9(1) (b) of the Local Government (Financial Management) Regulations 2011 requires that Council undertake one comprehensive budget review each financial year. This review must include preparation of four principal financial statements (excluding notes) and show a revised full year forecast of each item in the budgeted financial statements compared to estimates set out in the original budget.

Council's policy PO142 Budget Reporting and Amendment requires quarterly budget reviews i.e. September, December and March. This means Council undertakes two (2) budget reviews more than required by the Regulations. This is the mid-year or second (as at 31 December 2020) of the three (3) quarterly budget reviews scheduled for the 2020/2021 financial year.

This budget review was endorsed by Council at its meeting on Wednesday, 10 February 2021.

DISCUSSION

Budget managers in all directorates completed a review of their 2020/2021 budgets as at 31 December 2020 and all adjustments allowed in accordance with policy PO142 were included in the attached documents (refer attachments 1 - 7).

Budgets were reviewed taking the following into consideration (as applicable):

- Additional income likely to be generated or received;
- Income and expenditure to date and forecasts for the remainder of the year;
- New grants and contributions;
- Changes to user and statutory fee income forecasts;
- Review of staffing levels to those originally budgeted;

- Changes due to amendments in legislation;
- Changes to Government fees and charges;
- Council decisions made since the adoption of the original budget;
- Known COVID-19 related impacts and/or decisions made in that regard; and
- Status of capital projects taking into account projects carried forward from 2019/2020 for completion in the current financial year (refer Council decision in August 2020).

A full list of adjustments with reasons for the changes is attached to this report (refer Attachment 1).

Budgeted Operating Surplus/ (Deficit)

As a result of endorsed budget adjustments in this budget review, previously endorsed adjustments from the first quarter (September) budget review and unspent budgets rolled over from 2019/2020, Council's revised forecast Operating Deficit for 2020/2021 is \$0.26m.

This is an improvement of \$0.79m to the previously endorsed 2020/2021 forecast Operating Deficit at quarter one. This can be attributed primarily to one-off grant funding received from the Local Roads and Community Infrastructure (LRCI) Extension programme. It should be noted that this one-off income is portraying Council's operating bottom line to be more favourable than normal and should not be relied on to impact Council's long term financial position.

Major Impacts

Listed below are the major impacts (generally >\$25k) due to adjustments endorsed during this Budget review.

- **Port Rickaby Caravan Park Lease and Equipment Purchase – operating income** – \$39k in lease income not being generated as Park is now managed by Council. All revenue from the Park is now received directly by Council. Forecast for 2020/2021 is \$375k.
- **Leased Caravan Parks (Progress Associations) – operating income** - \$23k less than budgeted in lease income due to revenue at Parks being less than previous years. Budget is based on revenue from 12 months prior. Revenue in 2019/2020 used to set 2020/2021 budgets most likely impacted by COVID restrictions.
- **LRCI Extension Grant – operating & capital** – \$900k received from the Federal Government with no financial contribution required by Council. Equivalent amount of expenditure budgeted for various operating and capital projects endorsed by Council.
- **Community Resilience Project for SYP Community Hub – operating income & expenditure** - \$80k auspiced and received by Council and passed onto SYP Community Hub. Net impact to Council is nil.
- **Pt Rickaby Caravan Park Lease Purchase – capital expenditure** – \$384k paid for the purchase of lease, stock, plant and equipment brought into Council's 2020/2021 budget. Funded from draw down on Council's Cash Advance Debenture (CAD) borrowing facility with the LGFA. Annual operating surpluses made by the Park will be used to pay down the CAD.

More detailed information on the changes to Council's proposed Operating Deficit (and income and expenditure budgets) is available in the attached reports and statements in particular the Budgeted Statement of Comprehensive Income (refer Attachments 1 - 7).

Budgeted Capital Expenditure

Council's forecast capital expenditure after this budget review, previously endorsed quarter one budget adjustments and previously adopted budgets for expenditure rolled over from 2019/2020, is \$14.5m. This includes the initially adopted budget of \$10.9m to which projects/expenditure rolled over from 2019/2020 as adopted by Council worth \$1.4m were added in August 2020. Projects worth a further \$0.97m were added at the quarter one budget review. An increase of approximately \$1.2m is proposed in this budget review.

Details of all capital adjustments can be found in the reports and updated Statements in particular the Budgeted Statement of Cash Flows (refer Attachments 1 - 7).

Of the proposed budget of \$14.5m, \$12.7m is budgeted to be spent on renewal and replacement of existing assets while \$1.8m is budgeted to be spent on upgrade of existing assets and acquisition of new assets.

Budgeted Cash Flow & Net Lending/ (Borrowing)

Following the endorsed adjustments in this budget review, previously endorsed quarter one adjustments and roll over expenditure being included in this year's budget and adjustment of opening balances in line with 2019/2020 audited General Purpose Financial Statements, Council's forecast closing cash and cash equivalents as at 30 June 2021 is \$2.9m which is an increase of approximately \$0.3m to the original adopted budget. This increase can be attributed to a better than expected closing cash position as at 30 June 2020 primarily due to the net impact of grants received but not spent and projects rolled over to 2020/2021.

The proposed end of year Net Lending position has increased from the originally adopted \$0.3m to a Net Borrowing position of \$3.1m which is a total increase of \$3.4m. This is primarily due to budgets rolled over from 2019/2020, adjustments for the net impact of advance payment of 2020/2021 FAG amounts and LRCI, Drought and Bushfire recovery grants received with projects yet to be completed.

More detail on the movements in net lending/ (borrowing) for the financial year can be found in the Budgeted Uniform Presentation of Finances (refer Attachment 6).

Budgeted Financial Indicators (Ratios)

As a result of endorsed changes in this budget review, previously endorsed September quarter adjustments and inclusion of expenditure rolled over from 2019/2020, Council's Financial Indicators have had some movement.

Council's forecast Operating Surplus Ratio is -0.8%, an improvement of 0.5% compared to Council's original adopted Budget. The reasons for this have been detailed earlier in this report. The forecast ratio does not meet Council's minimum Long Term Financial Plan (LTFP) target of breakeven or 0%.

The Net Financial Liabilities Ratio forecast remains unchanged at 20%. It remains well within Council's LTFP target of 100%.

Council's forecast Asset Renewal Funding Ratio is 101%, an 18% increase to the original forecast. The increase is primarily due to projects rolled over from 2019/2020 for completion in 2020/2021 and additional renewal expenditure funded through the LRCI grant not originally budgeted.

This ratio will be achieved if Council completes all budgeted capital renewal projects in 2020/2021. The forecast ratio is slightly more than Council's current LTFP 2021-2030 minimum target of 100%.

More information on Council's Financial Indicators can be found in Attachment 7.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Manager Financial Services
- Budget Managers
- Accountant – Financial Management
- Accountant – Financial Operations

In preparing this report, the following external parties were consulted:

- Nil

POLICY IMPLICATIONS

PO142 Budget Reporting and Amendment Policy

BUDGET AND RESOURCE IMPLICATIONS

Budget and resource implications are as detailed in this report and as presented in the attached reports and statements (refer Attachments 1 – 7).








RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Council's budget is a fundamental instrument of accountability and an essential pre-requisite to deciding the annual rate impost on the community. As such it is important that material variations compared with the original budget be disclosed and explained.

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

ATTACHMENTS

1. **Proposed Summary of Changes - December Budget Review 2020-2021** [↓](#) 
2. **Budgeted Statement of Comprehensive Income 2020-2021** [↓](#) 
3. **Budgeted Statement of Financial Position 2020-2021** [↓](#) 
4. **Budgeted Statement of Cash Flows 2020-2021** [↓](#) 
5. **Budgeted Statement of Changes in Equity 2020-2021** [↓](#) 
6. **Budgeted Uniform Presentation of Finances 2020-2021** [↓](#) 
7. **Budgeted Financial Indicators (Ratios) 2020-2021** [↓](#) 

YORKE PENINSULA COUNCIL 2020/2021 BUDGET PROPOSED SUMMARY OF CHANGES - DECEMBER (2ND QUARTER) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
OPERATING INCOME			
User Charges	1	-\$ 39,179	Pt Rickaby Caravan Park lease fees will not be received as park run by Council from 14 August 2020. Budget not removed at QBR 1. No change to Council's forecast operating bottom line.
	2	-\$ 11,380	Stansbury Caravan Park annual lease fee budget adjusted based on actual amount being invoiced in 20/21. Lease amounts are calculated using the Park's previous financial year takings which was COVID impacted hence the drop in income.
	3	-\$ 11,267	Net decrease in leased caravan parks income (Ardrossan, Pt Clinton, Price, Edithburgh, Coobowie). Adjustment based on actual income to be invoiced in 20/21.
	4	\$ 18,165	YP Leisure Options income from various programmes forecast to be higher than initially budgeted.
	5	\$ 8,000	Year to date bush camping revenue greater than original forecast. Additional funds used to undertake cleaning of bush camping toilets. New service not previously provided by Council.
	6	-\$ 6,111	Maitland child care centre not leased after 31 January 2021. Budget removed to reflect income not being received.
	7	\$ 30,000	Art Exhibition 20/21 sales & commission income not originally budgeted. Entire budget as endorsed by Council has been included as part of this quarterly budget review. Net impact to budget is \$1,787 surplus after budgets rolled over from 19/20 are taken into account. Net cost of event is forecast to be \$42k deficit.
	8	\$ 1,900	Net increase in user charges income due to minor adjustments
Grants, Subsidies & Contributions	9	\$ 14,512	Open space developer contributions received year to date. Funds will be held in a cash backed reserve until required.
	10	-\$ 10,000	Edithburgh tidal pool works Progress contribution removed from Budget as this is unconfirmed. Council's \$10k annual allocation towards works (once determined) still remains in the Budget.
	11	\$ 1,000	Art Exhibition 20/21 sponsorship income not originally budgeted. Entire budget as endorsed by Council has been included as part of this quarterly budget review. Net impact to budget is \$1,787 surplus after budgets rolled over from 19/20 are taken into account. Net cost of event is forecast to be \$42k deficit.
	12	\$ 900,281	Local Roads & Community Infrastructure (LRCI) - Extension grant programme funding allocated to Council & projects endorsed by Council on 9 December 2020. Not originally budgeted. Equal amount of expenditure allocated to projects. No Council funding required hence net cash impact to Council is nil.
	13	\$ 5,000	Funding for Gum Flat Management Plan provided by NRM Board. \$5k expenditure budget also allocated in 20/21 for completion of project.
	14	\$ 80,000	Grant for Community Resilience Project received and auspiced by Council for SYP Community Hub. \$80k in expenditure (payment to SYP Community Hub) also allocated in 20/21 operating Budget.
	15	\$ 3,000	Net increase in grants income due to minor adjustments (individually less than \$5k) to various budget lines.
Reimbursements	16	\$ 15,840	Regional Health Plan reimbursement of costs from Copper Coast & Barunga West Councils. Original budget only had \$10k for YPC share of costs. Now YPC coordinating and paying for total costs with 2/3rds being reimbursed by other 2 Councils. Expenditure budget increased by equivalent amount.
	17	\$ 14,862	Daly Head Surf Reserve amenities project fully funded by Formby Bay Environmental Action Group. Equivalent expenditure budget also allocated. Net cost to Council is nil.
	18	\$ 6,934	Net increase in reimbursements income due to minor adjustments (individually less than \$5k) to various budget lines.

YORKE PENINSULA COUNCIL 2020/2021 BUDGET PROPOSED SUMMARY OF CHANGES - DECEMBER (2ND QUARTER) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Other Income	19	\$ 6,602	Insurance claims received and used to fund corresponding expenditure.
	20	\$ 3,649	Net increase in other income due to minor adjustments (individually less than \$5k) to various budget lines.
OPERATING EXPENDITURE			
Employee Costs	21	-\$ 10,000	Using unspent salaries in Development Services due to vacancies in permanent positions to fund agency staff hired to back fill vacant positions.
	22	\$ 28,000	Art Exhibition 20/21 additional staff resource endorsed by Council. Not originally budgeted. Entire budget as endorsed by Council has been included as part of this quarterly budget review. Net impact to budget is \$1,787 surplus after budgets rolled over from 19/20 are taken into account. Net cost of event is forecast to be \$42k deficit.
	23	-\$ 2,281	Net decrease in employee costs due to minor adjustments (individually less than \$5k) to various budget lines.
Materials, Contracts & Other	24	\$ 16,000	Consultants required to assist with Enterprise Resource Programme (ERP) EOI process and next steps. Not originally budgeted.
	25	\$ 10,000	Agency staff hired to back fill vacant positions. Funded from unspent salaries.
	26	\$ 21,681	Coastal Management Strategy projects funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	27	-\$ 20,000	Edithburgh tidal pool works budget removed from operating & moved to capital. Budget also reduced by \$10k to remove Progress contribution as this is unconfirmed. Budget is only reflective of Council's \$10k annual allocation towards works.
	28	\$ 5,600	Camping reserve maintenance projects funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	29	\$ 8,000	Cleaning of bush camping toilets. New service not previously provided by Council. Funded by additional bush camping revenue generated year to date.
	30	\$ 5,000	Gum Flat Management Plan. Funding provided by NRM Board. No cash contribution from Council required.
	31	\$ 50,000	Walk The Yorke maintenance projects funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	32	\$ 7,463	Further costs for the upgrade of Pt Vincent hall & kitchen. Funded entirely from land sale funds held in cash backed reserve.
	33	\$ 7,600	Stansbury Institute floor sanding works. \$4k funded by Institute Management Committee with the remainder funded by Council.
	34	\$ 17,560	Pt Rickaby Caravan Park On Premise Laundry equipment and public washing machines unrepairable and required replacement upon take over of the park. All available options investigated & replacing equipment was the most feasible option as part of our existing contract. \$5k of this amount was for plumbing and electrical supply upgrade required before new equipment & machines could be installed.
	35	\$ 5,856	Slight overspend on \$100k budget endorsed by Council for works undertaken to prepare Pt Rickaby Caravan Park for reopening post take over. Funded from existing operating budget for SA Parks Conference attendance which will not be spent.
	36	\$ 80,000	Grant for Community Resilience Project received and auspiced by Council for SYP Community Hub to be passed onto them. No net impact to Council bottom line.

YORKE PENINSULA COUNCIL 2020/2021 BUDGET PROPOSED SUMMARY OF CHANGES - DECEMBER (2ND QUARTER) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
	37	-\$ 21,720	Elected members forecast unspent budget for conferences, allowances, training, accommodation & meals, travel etc used to fund cost of supplementary election (\$16k) and remaining costs of Council Chamber upgrade (\$6k). No budget allocated for either expenditure in 20/21.
	38	\$ 16,044	Supplementary Council election not budgeted in 20/21. Funded from unspent funds in existing budget.
	39	\$ 15,840	Regional Health Plan additional costs incurred by Council since we are managing entire project. 2/3rds cost being reimbursed by Copper Coast & Barunga West Councils. Income budget increased by equivalent amount.
	40	\$ 5,000	Bush camping advertising budget allocated across 2 budget lines. This was deemed surplus to requirements and returned to general revenue to fund other expenditure as listed above.
	41	\$ 9,900	Marion Bay Caravan Park ride on mower identified as a hazard with potential consequences rated as 'major' replaced. Old mower couldn't be repaired to eliminate hazard. No funds available in original budget.
	42	-\$ 12,687	Net decrease in materials, contracts & other costs due to minor adjustments (individually less than \$5k) to various budget lines.
CAPITAL INCOME			
Sale of Surplus Assets	43	\$ 15,000	Sale of land at 29 Chenoweth Crescent Parsons Beach. Funds held in cash backed reserve.
CAPITAL EXPENDITURE - RENEWAL			
Buildings & Structures	44	\$ 7,070	Maitland office kitchen zip tap replacement. Funded from existing repairs & maintenance operating budget lines. No additional funding required.
	45	\$ 20,000	Stansbury Institute re-roofing funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	46	\$ 55,000	Minlaton Town Hall replacement of gutters and windows funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	47	-\$ 10,000	Pt Clinton pool safety project & shed under budget due to change in scope. Surplus funds returned to general revenue to fund unbudgeted expenditure.
Other Assets	48	\$ 5,431	Replacement of existing office furniture to increase functionality & accommodate additional staff. Funded from existing unspent funds in operating budget lines.
	49	\$ 5,976	Council chambers upgrade finalisation of costs incurred in 20/21 but not budgeted. Funded from savings in existing operating budget lines. Refer #37 above.
	50	\$ 10,000	Edithburgh tidal pool works budget removed from operating & moved to capital. Budget also reduced by \$10k to remove Progress contribution as this is unconfirmed. Budget is only reflective of Council's \$10k annual allocation towards works.
	51	\$ 8,000	Walk the Yorke infrastructure replacement funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	52	-\$ 30,690	Pines foreshore improvements project incorrectly classified as renewal. Now reclassified as upgrade.
	53	\$ 4,500	Net increase due to minor adjustments (individually less than \$5k) to various budget lines.
Transport Infrastructure	54	\$ 225,000	Patch sheeting (north & south) funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.

YORKE PENINSULA COUNCIL 2020/2021 BUDGET PROPOSED SUMMARY OF CHANGES - DECEMBER (2ND QUARTER) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Water Infrastructure	56	\$ 30,000	Black Point water supply storage tanks - removal of old concrete water storage tank and installation of new tank funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	57	-\$ 1,399	Net decrease due to minor adjustments (individually less than \$5k) to various budget lines.
CAPITAL EXPENDITURE - NEW/UPGRADE			
Other Assets	58	\$ 30,690	Pines foreshore improvements project incorrectly classified as renewal. Now reclassified as upgrade.
	59	\$ 55,000	Warooka stand pipe upgrade funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	60	\$ 60,000	Beach access stairs upgrade funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	61	\$ 383,726	Purchase of Pt Rickaby Caravan Park lease, stock, plant and equipment. Funded via borrowing from Council's Cash Advance Debenture (CAD) facility.
	62	\$ 80,000	Bush camping toilets installation funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
	63	\$ 14,862	Daly Head Surf Reserve amenities project fully funded by Formby Bay Environmental Action Group. Net cost to Council is nil.
	64	\$ 300	Net increase due to minor adjustments (individually less than \$5k) to various budget lines.
Transport Infrastructure	65	-\$ 2,826	Net decrease due to minor adjustments (individually less than \$5k) to various budget lines.
	66	\$ 65,000	Marion Bay Desalination Plant improvements funded by Local Roads & Community Infrastructure (LRCI) - Extension grant programme. Endorsed by Council on 9 December 2020. Not originally budgeted.
Water Infrastructure	67	\$ 1,399	Net increase due to minor adjustments (individually less than \$5k) to various budget lines.

YORKE PENINSULA COUNCIL 2020/2021 BUDGET BUDGETED STATEMENT OF COMPREHENSIVE INCOME						
	2020/2021	2020/2021	2020/2021	2020/2021	2020/2021	
	Revised Budget	December Budget Adjustments	September Budget Adjustments	Rolled Over Budget Adjustments	Adopted Budget	Notes
	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	
INCOME						
Rates	23,376		(62)		23,438	
Statutory Charges	387		1		386	
User Charges	4,371	(10)	369		4,012	1 - 8
Grants, subsidies, contributions	6,018	994	367		4,657	9 - 15
Investment Income	173				173	
Reimbursements	235	37	77		121	16 - 18
Other Income	219	10	29		180	19 - 20
Total Income	34,779	1,031	781	0	32,968	
EXPENSES						
Employee costs	9,578	15	(11)		9,574	21 - 23
Materials, contracts & other expenses	14,167	227	998	410	12,532	24 - 42
Depreciation	10,970				10,970	
Finance Costs	326	(1)	5		322	
Total Expenses	35,041	241	992	410	33,398	
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	(262)	790	(211)	(410)	(430)	
Net gain/(loss) on disposal or revaluations	0				0	
Amounts specifically for New or Upgrade assets	598		26		572	
NET SURPLUS/(DEFICIT)	336	790	(185)	(410)	142	
Other Comprehensive Income						
Changes in revaluation surplus - IPP&E	0				0	
Total Other Comprehensive Income	0		0	0	0	
TOTAL COMPREHENSIVE INCOME	336	790	(185)	(410)	142	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL						
2020/2021 BUDGET						
BUDGETED STATEMENT OF FINANCIAL POSITION						
	2020/2021 Revised Budget \$('000)	2020/2021 December Budget Adjustments \$('000)	2020/2021 September Budget Adjustments \$('000)	2020/2021 Rolled Over Budget Adjustments \$('000)	2020/2021 Adopted Budget \$('000)	Notes
ASSETS						
Current Assets						
Cash & Equivalent Assets	2,880	(427)	(718)	1,452	2,573	
Trade & Other Receivables	1,780	46	57	(27)	1,704	
Inventories	529	8	35	(175)	661	
Total Current Assets	5,189	(373)	(626)	1,250	4,938	
Non-Current Assets						
Financial Assets	433				433	
Infrastructure, Property, Plant & Equipment	278,292	1,227	930	(31,337)	307,472	
Total Non-Current Assets	278,725	1,227	930	(31,337)	307,905	
Total Assets	283,914	854	304	(30,087)	312,843	
LIABILITIES						
Current Liabilities						
Trade & Other Payables	2,416	64	139	302	1,911	
Borrowings	908	53			855	
Provisions	2,429			88	2,341	
Other Current Liabilities						
Total Current Liabilities	5,753	117	139	390	5,107	
Non-Current Liabilities						
Trade & Other Payables	9		2	7		
Borrowings	6,079	(53)	351	16	5,765	
Provisions	258			(44)	302	
Total Non-Current Liabilities	6,346	(53)	353	(21)	6,067	
Total Liabilities	12,099	64	492	369	11,173	
NET ASSETS	271,815	790	(188)	(30,456)	301,669	
EQUITY						
Accumulated Surplus	(17,500)	790	(188)	(2,434)	(15,668)	
Asset Revaluation Reserve	286,700			(28,400)	315,100	
Other Reserves	2,615			378	2,237	
TOTAL EQUITY	271,815	790	(188)	(30,456)	301,669	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL 2020/2021 BUDGET BUDGETED STATEMENT OF CASH FLOWS						
	2020/2021 Revised Budget	2020/2021 December Budget Adjustments	2020/2021 September Budget Adjustments	2020/2021 Rolled Over Budget Adjustments	2020/2021 Adopted Budget	Notes
	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	
CASH FLOWS FROM OPERATING ACTIVITIES						
<u>Receipts</u>						
Operating Receipts	23,513		(60)	140	23,433	
Statutory Charges	398			11	387	
User Charges	4,427	(10)	350	141	3,946	1 - 8
Grants, subsidies, contributions	5,726	986	362	(231)	4,609	9 - 15
Investment Receipts	177			4	173	
Reimbursements	248	36	75	(96)	233	16 - 18
Other Income	(48)	15	45	(290)	182	19 - 20
<u>Payments</u>						
Employee Costs	(9,555)	(15)	11	13	(9,564)	21 - 23
Materials, contracts & other expenses	(13,959)	(214)	(942)	(247)	(12,556)	24 - 42
Finance Costs	(326)	1	(5)		(322)	
Net Cash provided by (or used in) Operating Activities	10,601	799	(164)	(555)	10,521	
CASH FLOWS FROM INVESTING ACTIVITIES						
<u>Receipts</u>						
Amounts Specifically for New/Upgraded Assets	598		26		572	
Sale of Renewed/Replaced Assets	136		42		94	
Sale of Surplus Assets	15	15				43
Repayments of Loans by Community Groups	99				99	
<u>Payments</u>						
Expenditure on Renewal/Replacement of Assets	(12,687)	(553)	(701)	(956)	(10,477)	44 - 57
Expenditure on New/Upgraded Assets	(1,850)	(688)	(273)	(484)	(405)	58 - 67
Loans Made to Community Groups						
Net Cash Provided by (or used in) Investing Activities	(13,689)	(1,226)	(906)	(1,440)	(10,117)	
CASH FLOWS FROM FINANCING ACTIVITIES						
<u>Receipts</u>						
Proceeds from Borrowings	351		351		0	
<u>Payments</u>						
Repayments of Borrowings	(852)				(852)	
Net Cash provided by (or used in) Financing Activities	(501)	0	351	0	(852)	
Net Increase/(Decrease) in cash held	(3,589)	(427)	(719)	(1,995)	(448)	
Opening cash, cash equivalents or (bank overdraft)	6,469		3,448		3,021	
Closing cash, cash equivalents or (bank overdraft)	2,880	(427)	2,729	(1,995)	2,573	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL 2020/2021 BUDGET BUDGETED STATEMENT OF CHANGES IN EQUITY					
2020/2021 Revised Budget	Accumulated Surplus \$('000)	Asset Revaluation Reserve \$('000)	Other Reserves \$('000)	Total Equity \$('000)	Notes
Balance at end of previous reporting period	(17,836)	286,700	2,615	271,479	
Net Surplus/ Deficit for Year	336	0	0	336	
Total Comprehensive Income	336	0	0	336	
Balance at end of period	(17,500)	315,100	2,237	271,815	
2020/2021 Budget Adjustments	Accumulated Surplus \$('000)	Asset Revaluation Reserve \$('000)	Other Reserves \$('000)	Total Equity \$('000)	Notes
Balance at end of previous reporting period	(2,026)	(28,400)	378	(30,048)	
Net Surplus/ Deficit for Year	194	0	0	194	
Total Comprehensive Income	194	0	0	194	
Balance at end of period	(1,832)	(28,400)	378	(29,854)	
2020/2021 Adopted Budget	Accumulated Surplus \$('000)	Asset Revaluation Reserve \$('000)	Other Reserves \$('000)	Total Equity \$('000)	Notes
Balance at end of previous reporting period	(15,810)	315,100	2,237	301,527	
Net Surplus/ Deficit for Year	142	0	0	142	
Total Comprehensive Income	142	0	0	142	
Balance at end of period	(15,668)	315,100	2,237	301,669	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL 2020/2021 BUDGET BUDGETED UNIFORM PRESENTATION OF FINANCES						
	2020/2021 Revised Budget	2020/2021 December Budget Adjustments	2020/2021 September Budget Adjustments	2020/2021 Rolled Over Budget Adjustments	2020/2021 Adopted Budget	Notes
Operating Revenues	34,779	1,031	781		32,968	1 - 20
<i>less Operating Expenses</i>	(35,041)	(241)	(992)	(410)	(33,398)	21 - 42
Operating Surplus/(Deficit) before Capital Amounts	(262)	790	(211)	(410)	(430)	
Less: Net Outlays on Existing Assets						
Capital Expenditure on Renewal/Replacement of Existing Assets	(12,687)	(553)	(701)	(956)	(10,477)	44 - 57
<i>less Depreciation, Amortisation & Impairment</i>	10,970				10,970	
<i>less Proceeds from Sale of Replaced Assets</i>	136		42		94	0
	(1,581)	(553)	(659)	(956)	587	
Less: Net Outlays on New and Upgraded Assets						
Capital Expenditure on New/Upgraded Assets	(1,850)	(688)	(273)	(484)	(405)	58 - 67
<i>less Amounts Specifically for New/Upgraded Assets</i>	598		26		572	
<i>less Proceeds from Sale of Surplus Assets</i>	15				0	43
	(1,237)	(688)	(247)	(484)	167	
Net Lending / (Borrowing) for Financial Year	(3,080)	(451)	(1,117)	(1,850)	324	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL 2020/2021 BUDGET BUDGETED FINANCIAL INDICATORS (RATIOS)						
	2020/2021 Revised Budget	2020/2021 December Budget Adjustments	2020/2021 September Budget Adjustments	2020/2021 Rolled Over Budget Adjustments	2020/2021 Adopted Budget	Notes
Operating Surplus Ratio (OSR)	(0.8%)	2.3%	0.2%	(2.0%)	(1.3%)	1 - 42
Net Financial Liabilities Ratio (NFLR)	20%	1%	(1%)	0%	20%	
Asset Renewal Funding Ratio (ARFR)	101%	5%	5%	8%	83%	44 - 57

Note: Totals may not add due to rounding

8.4 LONG TERM FINANCIAL PLAN - ANNUAL REVIEW**Document #:** 21/12219**Department:** Corporate and Community Services**PURPOSE**

To update the Committee on the annual review of Council's Long Term Financial Plan 2021 – 2030 (LTFP).

RECOMMENDATION

That the report be received.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.1 Openness and transparency of reporting Council's performance

5.2 Effective leadership and informed decision making

5.3 Meet all legislative requirements and compliance with Council's internal controls

5.4 Seek alternate income streams and ensure financial sustainability

BACKGROUND

As required by the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011, Council must annually review its Long Term Financial Plan (LTFP) in accordance with actual and budgeted financial results with the updated plan used as a tool in the decision making and annual budget process.

As part of this process Council will consult with the community in March and April 2021 and consider all feedback prior to adopting the revised LTFP at its meeting in April 2021.

Previously the LTFP has been considered by the Committee after being endorsed by Council, due to the timing of Committee meetings not aligning with the LTFP review and adoption process, however this year it is being considered albeit in draft format, prior to adoption by Council. A detailed presentation will be given by Council's Manager Financial Services at the Audit Committee meeting on Tuesday 23 February 2021 to support this report.

The revised LTFP is an updated version of the current LTFP, reflecting current income and expenditure trends and indicators, impacts of any service level reviews, internal and external factors, the current political and economic environment and available asset information.

DISCUSSION**Process**

In the preliminary stages of development, Council's Corporate Management Team (CMT) provided input and direction on the key objectives and outcomes expected of the LTFP. They endorsed key financial strategies and income and expenditure parameters for Council to achieve financial sustainability in the short to medium term (1 – 5 years).

Various models were developed to arrive at the draft model which was then presented to CMT where it was endorsed for presentation to Audit Committee and Elected Members.

The revised draft LTFP will be presented to the Audit Committee on Tuesday, 23 February 2021 and to Elected Members the following day. The detailed presentation will cover all significant changes in the revised LTFP compared to the current LTFP. It will include a comparison of Council's financial sustainability ratio forecasts against set targets.

Goals and Desired Outcomes

The objectives of the current LTFP are to ensure that Council is financially sustainable in the short to medium term (1 – 5 years) and able to provide at least the current level of services over the ten (10) years of the plan in line with Council's five (5) goals as stated in its Strategic Management Plan (SMP).

The revised LTFP has been developed taking into account current data (financial and service levels), cost indices, internal and external factors, forecast trends, current political environment, revenue streams, updated asset information, limitations and community needs.

The key targets in the revised LTFP will continue to be:

- Positive Operating Surplus Ratio (OSR) i.e. operating surplus, in the short to medium term (1 – 5 years);
- Spending on asset renewal consistent with Asset Management Plan (AMP) identified needs and Asset Renewal Funding Ratio (ARFR) minimum (100%) targets from Year 1 (2021/2022);
- Net Financial Liabilities Ratio (NFLR) to be within the recommended Local Government target of 100% of Operating Income from Year 1 (2021/2022) of the LTFP;
- No new services, assets or increases to existing services to be introduced without consideration of the impact on the LTFP.

COVID-19 Impact

The current climate of "business as usual" continues to be impacted by COVID-19 restrictions and Council's revised LTFP has factored this in. The financial impacts are expected to be felt across the LTFP in the short to medium term (Y1 – Y5) at least.

The major impacts on the revised LTFP due to COVID can be summarised as follows:

- 0% general rate increase;
- Additional cleaning requirements;
- Increase in occupancy at Council caravan parks;
- Increased patronage at bush camping sites leading to additional income balanced somewhat by the introduction of cleaning services at bush camping toilets;
- Deferral of rates and remittance of fines and interest;
- Investment income reduction;
- One-off stimulus grant funding.

The revised LTFP is based on "business as usual" as far as practicable, however known impacts of ongoing COVID restrictions have been factored into the short term. Decisions made during setting of the 2021/2022 Budget and their long term impact on Council will be reflected in future revisions.

Major Impacts

The revised LTFP has also factored in the following major impacts:

- Reduction in Financial Assistance Grants;
- IT Strategic Plan expenditure endorsed by Council;

- Results of recently completed Transport, CWMS, Stormwater and Water asset valuations;
- Increase in staff numbers – Economic Development Officer role;
- Annual allowance for dredging of boat ramps;
- Purchase of Pt Rickaby Caravan Park by Council;
- Change in utilities;
- Linen service at Council run caravan parks;
- 3 x capital projects funded 50/50 via one-off grants and new loan borrowings.

Outcomes Achieved

The revised LTFP recommends a rating strategy that seeks to achieve a degree of stability and predictability over the next ten (10) years, while ensuring current levels of service and infrastructure are maintained for the Community. Rates have been set at affordable levels having regard to Council's strategic direction and its social and economic goals balanced against the Community's ability to pay and its desire for services and infrastructure.

Rate revenue increases are set relative to current and forecast Consumer Price Index (CPI) (All groups CPI, Adelaide) plus a 'financial sustainability' increase over and above CPI to ensure Council achieves financial sustainability. For the purposes of the revised LTFP, CPI used is 1% in Y1 (2021/2022) which is the December Quarter Adelaide All Groups CPI. Forecast CPI for Y2 and Y3 is 1.25%, 1.5% for Y4-Y8 and 1.75% for Y9 and Y10.

Other sources of revenue continue to remain stagnant or diminish with reliance on rate revenue increasing as the biggest source of income for Council. Recurrent grants and subsidies from various levels of Government continue to remain stagnant or decrease.

A detailed presentation will be made by the Manager Financial Services at the Audit Committee meeting on Tuesday 23 February 2021. It will outline in detail the outcomes of the revised LTFP.

Financial Sustainability Indicators (Ratios)

The LTFP targets set for each of the ratios remain unchanged. Council's forecast results against each target will be detailed and explained in the presentation that will be made at the February 2021 Audit Committee meeting.

Overall Impact

The overall impact of the revised LTFP on Council's financial sustainability will be detailed in the presentation at the February 2021 Audit Committee meeting.

If annual Budgets continue in line with the revised LTFP, Council will achieve its aims as stated. Council must also continue to review its operations to realise savings resulting from increased productivity, efficiency and effectiveness. Any such gains will be reflected in future revisions of this LTFP along with the impacts of COVID-19 as mentioned earlier.

COMMUNITY ENGAGEMENT PLAN

Level 2 - Consult

Community consultation of the revised LTFP will be undertaken in March and April 2021.

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Corporate Management Team
- Manager Financial Services
- Accountant – Financial Management

In preparing this report, the following external parties were consulted:

- Nil

POLICY IMPLICATIONS

PO142 Budget Reporting and Amendment Policy

The LTFP is part of the suite of Council's Strategic Management Plans.

BUDGET AND RESOURCE IMPLICATIONS

The budget and resourcing implications will be as detailed in the revised draft LTFP.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

Not having a LTFP or having one that is outdated could result in Council making decisions without knowing the impact of its long term financial position. Further there is a risk that Council may not know what financial strategies it needs to adopt and implement to achieve financial sustainability.

Not reviewing the LTFP each financial year would mean Council would be non-compliant with the Act.

ATTACHMENTS

Nil

8.5 INTERNAL AUDIT ACTIVITY REPORT**Document #:** 21/1986**Department:** Executive Services**PURPOSE**

To provide Audit Committee with an update on the recent Internal Audit activity.

RECOMMENDATION

That the report be received.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.1 Openness and transparency of reporting Council's performance

5.3 Meet all legislative requirements and compliance with Council's internal controls

5.5 Undertake effective risk and emergency management

5.6 Continuous improvement of Council processes

BACKGROUND

The Internal Audit function is an independent, objective, assurance and consulting function which, examines and evaluates the processes of Council, by ensuring compliance with policies and procedures and recommending improvements in process effectiveness, efficiency and economy. The Audit Committee approved the 2021 Internal Audit Plan at the December 2020 meeting. The Plan includes eight reviews, but also allows for flexibility throughout the year.

DISCUSSION

This report provides a status on the Internal Audit activity performed from October 2020 to February 2021. The following activities have occurred:

- National Disability Insurance Scheme (NDIS) Review
- Chief Executive Officer's corporate purchase card transactions
- Governance Legislative Compliance Review detailed testing is ongoing
- Internal Financial Controls Self-Assessment planning commenced

The status of agreed actions arising from internal and external audits have also been followed up by the Business Improvement Officer throughout the period. An update on all outstanding actions is provided as an attachment to this report. The status information has been provided by the officers responsible for the implementation of the action.

Information Technology and the Business Improvement Officer continue to work on implementing a new 'online' system to effectively capture and record the agreed action for all internal and external audits. This will allow for more efficient follow-up and reporting processes. The current data has all been entered into the intranet system and is being utilised internally, however the overall reporting format is yet to be finalised. A new layout will be provided once a satisfactory reporting format is achieved.

The following table highlights the status of audit projects as per the approved 2021 Internal Audit Plan:

	Project	Scope Overview	Proposed Timing
1	National Disability Insurance Scheme (NDIS)	To ensure that Council meets the Leisure Options quality management framework (NDIS), include a project to review policies, funding requirements and/or changes to relevant legislation.	Completed (January 2021)
2	Internal Financial Controls	Manage the Internal Controls self-assessment process and report to Audit Committee. Perform verification of staff's self-assessment of internal financial controls.	March (scoping commenced) & October
3	Corporate Purchase Card	Select a sample of corporate purchase card transactions made by staff and verify that they are in accordance with PO084 Corporate Purchase Card Policy and PR115 Corporate Purchase Card Procedure	March (scoping commenced) & October
4	Council Direct Managed Caravan Park Spot Check	Undertake a spot check of Council directly managed Caravan Parks (Point Turton, Marion Bay, Port Vincent Foreshore, Black Point, Port Rickaby and Yorketown). Key areas to be reviewed include: <ul style="list-style-type: none"> • Bookings within NewBook compared to actual sites occupied • Basic WHS checks • Insurance and assets schedule • Playground checks • General maintenance observations. 	June
5	Records Management	Select a sample of individual employee email inboxes and verify that appropriate correspondence has been saved within CM9 in accordance with PO063 Records Management Policy.	October
6	Project and Budget Review (Assets and Infrastructure)	Examination of the processes, policies and procedures in place to govern projects. Review a sample of capital projects and focus on key project management processes: <ul style="list-style-type: none"> • Scoping / Planning • Variations (scope and budget) • Budget monitoring and reporting • Performance Reporting including key milestones • Administration and record keeping Project close out including lessons learned and asset handover (i.e. Post Implementation review).	December
7	Corporate Governance – Legislative Compliance Review	The objective of the review will be to assess the adequacy of Council's governance mechanisms (policies, structures, processes, Committees and information) to provide strategic direction and oversight of activities in support of the department. <i>Currently undertaken via the LGA Governance Legislation Self-Audit Tool.</i>	Ongoing Interim Report provided as an Attachment to this report
8	Chief Executive Officer (CEO) Requests	Allowance for special projects, investigations, follow ups and requests by the CEO that may arise during the year. In addition, smaller type audits will be considered here (e.g. purchase orders).	Review Community Loans (December 2021)

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Chief Executive Officer
- EA to the CEO and Mayor
- Manager People, Culture & Safety
- YP Leisure Options Co-ordinator
- People Culture & Safety Support Officer
- Manager Financial Services
- Accountant – Financial Operations
- Accountant – Financial Management
- Accounts Payable Officer
- Leader Systems and Technology
- Information Technology Officer
- Assets Manager
- Training Advisor
- Senior Records Officer
- Property Tenure Officer

In preparing this report, the following external parties were consulted:

- Nil

POLICY IMPLICATIONS

PO156 Internal Financial Control Policy

PR150 Internal Control Audit Procedure

PO091 Risk Management Policy

PR098 Risk Management Procedure






BUDGET AND RESOURCE IMPLICATIONS

Not applicable

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act (SA) 1999

ATTACHMENTS

1. Internal Audit Report - NDIS Review [↓](#) 
2. CEO Corporate Purchase Card Transactions - August 2020 to December 2020 [↓](#) 
3. Internal Audit Report - Governance Legislative Compliance Review [↓](#) 
4. Governance Legislation Self - Audit Tool Work Paper (updated February 2021) [↓](#) 
5. Implementation of Agreed Actions - February 2021 [↓](#) 



Internal Audit Report – NDIS Review January 2021

For Distribution:

Bobbi Pertini – Manager People, Culture & Safety
Tanya Walsh – YP Leisure Options Coordinator
Beck Launer – People, Culture & Safety Support Officer

For Information:

Andrew Cameron – Chief Executive Officer
Corporate Management Team (CMT)

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Executive Summary

Background

Yorke Peninsula Council (YPC) is a registered organisation providing services within the National Disability Insurance Scheme (NDIS). To fulfil the required conditions of registration, YPC must establish compliance with a number of set criteria.

SAI Global conducted an audit of Yorke Peninsula Council in February 2020. The purpose of this audit was to summarise the degree of compliance with relevant criteria, based on the evidence obtained. The audit considered Council's policies, objectives, and continual improvement processes.

A main requirement identified, was demonstrating that Council's quality management system has a documented program of internal audits relevant to the size and scale of the provider and the scope and complexity of supports delivered.

The approved 2021 YPC Internal Audit Plan includes a project relating to an NDIS Review.

Objectives & Scope

The NDIS Practice Standards set out the governance and operational management responsibilities for NDIS providers within core module two (2). There are eight (8) outcomes within this section of the document and the objective of this review is to ensure that Council meets the Leisure Options quality management framework (NDIS), including the following:

- Information management
- Incident management

Out of scope of this review are two (2) core modules from the NDIS Practice Standards; rights and responsibilities and provision of supports as well as workers incident PR013 Incident Reporting and Investigation Procedure (WHS).

Key Findings

The February 2020 audit identified governance as an area that required improvement by Yorke Peninsula Leisure Options (YPLO).

Information Management

Information management is gathered and managed well by YPLO. Internal audit tested information management relating to both members and volunteers. Sample testing found members information is identifiable, accessible, current, signed and kept confidential. Written and/or verbal consent was obtained to collect, use and retain members information or to disclose members information and in what circumstances the information could be provided without their consent, as documented on SF419 YPLO – Privacy Consent.

To support understanding, YPLO communicate through group overview meetings (generally conducted in June & December each year) as well as one on one meetings as required. Photos and pictures are used to assist in the completion of various forms and documentation, due to a number of members having difficulty reading.

Similarly, sample testing found the volunteers information is identifiable, accessible, current, signed and kept confidential. Volunteers are provided with a Welcome Pack, consisting of the appropriate consent forms (particularly SF410 YPLO Volunteer Confidentiality Agreement) and undertake a thorough induction process.

Within the Council records management system, electronic records have restricted access and comply with relevant security standards. This was evidenced as Internal Audit needed to gain access through Records Management for the testing period. Personal and sensitive information held on paper files is stored in locked cabinets, with access to personnel and member records restricted to authorised staff and volunteers.

Incident Management

Incident Management policies and procedures are current and comply with the relevant NDIS reporting requirements, however some inconsistencies became apparent during testing.

Internal audit identified three (3) minor findings as part of the review. Details of these findings and recommendations are included in Appendix 1.

Internal Audit Opinion

Based on the information collected and testing performed, Internal Audit is of the opinion that outlined NDIS YPLO controls are effective, however there are some issues that should be actioned and recommendations within Appendix 1 considered.

Internal Audit would like to take the opportunity to thank Bobbi Pertini, Tanya Walsh and Beck Launer for their assistance and co-operation during the review.

Brianna Wood

Business Improvement Officer

Email: brianna.wood@yorke.sa.gov.au

Phone: 8832 0000

Appendix 1 – Detailed Findings

1.1 Breaches of Policy Notification Timeframes

Incident Management

As part of the sample testing, we reviewed the relevant policy and forms relating to the incident management process, including the following:

- PO174 Leisure Options Client Incident Management and Reportable Incidents Policy
- SF399 Client Incident Notification Form
- SF400 Client Incident Investigation Form
- SF407 YP Leisure Options (YPLO) Volunteer Induction Checklist

The incident management process commences when SF399 YP Leisure Options (YPLO) Client Incident Notification (form) is completed by a Support Officer at the end of a session and emailed to the WHS email address. A member of the People Culture and Safety (PC&S) team create an incident number and document the incident within R103 - YPLO Client Incidents and Reportable Incidents Register. PC&S team save the forms within Client Incident containers in CM9 and these containers are only created if an incident has occurred with that particular member. PC&S team notify the YPLO team of the incident number and an investigation is undertaken utilising SF400 YP Leisure Options (YPLO) Client Incident Investigation (form). The completed investigation form is returned to the PC&S team who update the register (R103), save applicable forms within CM9 and create any online Corrective Actions as an outcome of the investigation. All completed hard copy forms are forwarded to Council's records management team, no forms relating to the incident management process are kept at the YPLO Office.

It was noted that PO174 Leisure Options Client Incident Management and Reportable Incidents Policy directs that workers must notify the YPLO Coordinator within **2 hours of an incident occurring**, complete SF399 within **24 hours of the incident occurring** and all investigations must be undertaken within **4 days of (incident) occurrence**.

There were five (5) incidents recorded within R103 during 2020. This was identified by YPLO staff as a similar number to previous years, however, this number may also have been impacted by the COVID-19 pandemic and closure of YPLO programs from March – June 2020.

Testing identified a number of occurrences where reporting was in breach of PO174, these are detailed further below.

Test Number	2 hour notification	24 hours notification	Investigation undertaken within 4 days
Incident One	Not documented	Yes	Commencement date not documented, investigation completed 2 weeks later
Incident Two	Yes	No	Commencement date not documented, investigation completed 2 weeks later
Incident Three	Yes	Yes	Commencement date not documented, investigation completed 2 weeks later Currently incomplete.
Incident Four	No	No	Commencement not documented, investigation completed 2 weeks later Currently incomplete.
Incident Five	Unable to test, documentation unavailable at time of audit testing		

One issue identified relates to the timeframe the incident investigation is completed. The first two incidents tested occurred in August 2020, the investigation was completed and then signed off in late October with management sign off in mid-November 2020 (duration of 3 months).

Similarly, the last three incidents tested occurred in September and December 2020 respectively and their investigations are yet to be completed.

The issues and risks in not effectively documenting the incident management process are:

- Breach of current PO174; Leisure Options Client Incident Management and Reportable Incidents Policy
- Incident management process not documented accurately
- Incident detail may not be correct, given extensive timeframe in completion of appropriate documentation.

Consequence	Likelihood	Risk Level
Insignificant	Possible	Low

1.2 Recommendations

1. Review SF399 and clearly define notification timeframes (as outlined in PO174 - 2 hours, 24 hours and 4 days).
2. Arrange training in incident reporting for volunteers and the incident management process for all Support Officers.
3. Allocate time within the work day for Support Officers to undertake the incident management process. This includes the completion on any ABC forms or case notes as well as completed and/or commencing the incident management process.

1.3 Management Responses

Management Response and Agreed Action: Agreed.
Responsibility: YP Leisure Options Coordinator, Tanya Walsh
Due Date: 31.05.2021

2.1 Records Management

Internal audit noted a minor issue in relation to capturing hard copy forms within Councils records management system. YPLO Coordinator has identified this as an issue and is working towards rectifying the situation. Moving forward there are currently good systems in place, however, hard copy documentation is still required to be retained by Council.

Based on this evidence, there is a potential risk of not having historical information accessible.

Consequence	Likelihood	Risk Level
Insignificant	Possible	Low

2.2 Recommendations

It is recommended that priority is given to ensure that YPLO are capturing any completed hard copy files from June 2016 until now, within Council's records management system (CM9).

2.3 Management Responses

Management Response and Agreed Action: Agreed.

Responsibility: YP Leisure Options Coordinator, Tanya Walsh

Due Date: 31.07.2021

3.1 Documentation Review and Update

Internal audit reviewed a number of forms, documents and associated paperwork relating to the incident and information management processes. Some pertinent information and details within documentation could not be matched, therefore it would be beneficial to review all applicable YPLO documentation for consistency where appropriate and making forms obsolete if no longer required. Examples are outlined below:

- PO174 YP Leisure Options Client Incident Management & Reportable Incidents
 - register is listed as R102 within PO174, whereas it should be R103 Register - Yorke Peninsula Leisure Options (YPLO) Client Incidents and Reportable Incidents Register
 - register details outlined within PO174 are not included within the register (time of incident and position and contact details of person recording the incident)
 - replace 'Practice Manager' with appropriate title
- SF399 Client Incident Notification Form – Privacy Statement is written twice within form
- SF400 Client Incident Investigation Form – Attachment 2 is not referenced within form
- A number of forms have the same number but should be different –
 - SF400 Client Incident Investigation Form has the same standard form number written on ABC Chart Recording Form, which should be SF405.
 - FM016 Incident and Behaviour Form is also listed as FM016 YPLO Food Handling (relating to PO136), which is now SF405 ABC Chart Recording Form
- HRM 088 – Confidentiality Agreement is listed within 'Related Council Policies & Documents' in PO136 LO-047 – Leisure Options - Confidentiality and Privacy Policy but could not be found within R078 Register - Controlled Documents.

It would also be beneficial to ensure all current members have completed all current paperwork, this could be done as part of the annual trip paperwork process. With new employees commencing shortly within the YPLO team, this may be an opportune time for review.

Based on this evidence, there is a possible risk that documentation is outdated and not relevant to YPLO programs and NDIS requirements.

Consequence	Likelihood	Risk Level
Insignificant	Possible	Low

2.2 Recommendations

It is recommended that a review of YPLO documentation relating to incident and information management (specifically examples provided within report) is undertaken and updated as required.

2.3 Management Responses

Management Response and Agreed Action: Agreed.
Responsibility: YP Leisure Options Coordinator, Tanya Walsh
Due Date: 31.07.2021

Appendix 2 – Responsibility Statement

This report was prepared in accordance with the scope document which was developed in consultation with the Client and the Australian auditing standards subject to the following limitations:

- Procedures were designed to provide limited assurance as defined by the Australian auditing standards, which recognizes that absolute assurance is rarely attainable due to such factors as the use of judgment in gathering and evaluating evidence and forming conclusions, the use of selective testing, and because much of the evidence available to the auditor is persuasive rather than conclusive in nature.
- Because of the inherent limitation of any internal control structure, it is possible that errors or irregularities may occur and not be detected. Procedures were not designed to detect all weaknesses in control procedures and they were not performed continuously throughout the period and the tests performed are on a sample basis.
- Any projection of the evaluation of the controls procedures to future periods is subject to the risk the systems may become inadequate because of changes in condition, or the degree of compliance with them may deteriorate.
- The matters raised in the report are only those which came to the attention of the Internal Auditor during the course of performing procedures and are not necessarily a comprehensive statement of the weaknesses that exist or improvement that might be made. The Internal Auditor cannot, in practice, examine every activity and procedure, nor can they be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud. Accordingly, management should not rely on the report to identify all weaknesses that exist in the systems and procedures under examination or potential instances of non-compliance that may exist.
- Any reliance placed on internal audit reports and associated working papers, by a third party, are that party's sole responsibility.

Chief Executive Officer – Corporate Purchase Card Transactions

August 2020 – December 2020

Purchase Date	Supplier	Amount Charged	Description of Goods	Purpose of Expenditure
10-Aug-20	NEWS LIMITED SURRY HILLS	\$28.00	The Advertiser monthly on-line subscription	CEO on-line Advertiser subscription
4-Sep-20	QUANDONG CAFE - QUORN	\$10.00	2x coffees	Coffees whilst travelling to attend Legatus Group Meeting held in Quorn for both CEO and Mayor
4-Sep-20	QUANDONG CAFE - QUORN	\$29.00	2x breakfasts	Breakfast whilst travelling to attend Legatus Group Meeting held in Quorn for both CEO and Mayor
4-Sep-20	NEWS LIMITED SURRY HILLS	\$28.00	The Advertiser monthly on-line subscription	CEO on-line Advertiser subscription
12-Sep-20	HOLIDAY INN EXPRESS AD ADELAIDE	\$177.46	2x nights accommodation at Holiday Inn Adelaide (includes parking and breakfast)	CEO attendance at LGA CEO Forum & Dinner. Forum commencing 8am 11/9/20 therefore accommodation required previous evening (10/9/20)
5-Oct-20	NEWS LIMITED SURRY HILLS	\$28.00	The Advertiser monthly on-line subscription	CEO on-line Advertiser subscription
12-Oct-20	HOLIDAY INN EXPRESS AD ADELAIDE	\$90.31	Overnight accommodation 12/10/2020 (including breakfast) - Holiday Inn	Attend interviews for 2 directors positions
12-Oct-20	HOLIDAY INN EXPRESS AD ADELAIDE	\$25.00	Overnight car-parking 12/10/2020 - Holiday Inn	Attend interviews for 2 directors positions
13-Oct-20	CAFFE L'INCONTRO ADELAIDE	\$8.60	2x coffees	Pre-interview coffees for director (x2) positions. CEO and Independent Panel Member (to assist Council in the selection process with McArthurs)
19-Oct-20	GINZA MIYAKO JAPANES ADELAIDE	\$171.00	2x Dinner - (CEO reimbursed to Council \$50 for wine consumed, total cost to Council \$121))	Formally meet and continue contract negotiations (interstate candidate for Director Corporate Services Position) - following short listing process and Zoom interviews
20-Oct-20	ADELAIDE CONVENTION ADELAIDE	\$29.00	Overnight Car Parking 19/10/2020 – Adelaide Convention Centre	Formally meet and continue contract negotiations (interstate candidate for Director Corporate Services Position) - following short listing process and Zoom interviews
21-Oct-20	MOBIL YUNTA CAMIRA	\$13.95	Lunch - travel to Broken Hill	CEO meeting with Candidate for Director Assets & Infrastructure Position
21-Oct-20	THE ASTRA BROKEN HILL BROKEN HILL	\$100.00	2x Dinner	Formally meet and continue contract negotiations (interstate candidate for Director Assets & Infrastructure Position) - following short listing process and Zoom interviews
21-Oct-20	SILVER HAVEN MOTEL BROKEN HILL	\$260.00	2x Overnight accommodation 21/10/2020 (CEO & candidate)	Formally meet and continue contract negotiations (interstate candidate for Director Assets & Infrastructure Position) - following short listing process and Zoom interviews

Purchase Date	Supplier	Amount Charged	Description of Goods	Purpose of Expenditure
22-Oct-20	THE SILLY GOAT BROKEN HILL	\$52.37	2x breakfasts/coffees - 22/20/2020	Meet Candidate for Director Assets & Infrastructure Position – breakfast meeting General Manager, Broken Hill City Council
22-Oct-20	GAS LIGHT COLLECTABLES BURRA	\$17.00	Lunch - return travel from Broken Hill	CEO meeting with Candidate for Director Assets & Infrastructure Position
30-Oct-20	NEWS LIMITED SURRY HILLS	\$28.00	The Advertiser monthly on-line subscription	CEO on-line Advertiser subscription
30-Oct-20	ADELAIDE COFFEE BAR - BERTRAM HOUSE	\$10.00	2x Coffee	CEO and Cr Rich attendance at Department for Infrastructure and Transport - Adelaide - for meeting regarding Marion Bay Boat Launching Facility
30-Oct-20	SECURE PARKING RUNDL ADELAIDE	\$23.57	Car Parking	CEO and Cr Rich attendance at Department for Infrastructure and Transport - Adelaide - for meeting regarding Marion Bay Boat Launching Facility
30-Oct-20	TEA HOUSE YUMCHA ADELAIDE	\$28.70	2x Lunch	CEO and Cr Rich attendance at Department for Infrastructure and Transport - Adelaide - for meeting regarding Marion Bay Boat Launching Facility
14-Nov-20	BEACH BREAK CAFE MARION BAY	\$47.00	3x Breakfast	CEO, Mayor Darren Braund and Cr John Rich attendance at Marion Bay for the Dhilba Guuranda-Innes National Park Co-Management Opening on 14 November 2020
27-Nov-20	NEWS LIMITED SURRY HILLS	\$28.00	The Advertiser monthly on-line subscription	CEO on-line Advertiser subscription
4-Dec-20	BOB JANE T MART PROSPECT	\$1,180.00	4x New Tyres	New tyres Roy Dick's (Manager Works) Mitsubishi Pajero
29-Dec-20	NEWS LIMITED SURRY HILLS	\$28.00	The Advertiser monthly on-line subscription	CEO on-line Advertiser subscription



Internal Audit Report – Interim Governance Legislative Compliance Review February 2021

For Distribution:

Andrew Cameron – Chief Executive Officer
Roger Brooks – Acting Chief Executive Officer

For Information:

Mary Herrmann – Governance Officer
Corporate Management Team (CMT)

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Executive Summary

Background

At the December 2019 Meeting, the Audit Committee endorsed the two year Internal Audit Plan (the 'Plan') for 2020-2021. This Plan included a Legislative Compliance review initially using the Local Government Association Governance Legislation Self – Audit Tool with the intent of undertaking a high level self-assessment of compliance with the Local Government Act (LG Act) 1999.

Objectives

This overall process will allow Council and the Audit Committee to focus on any identified areas of legislation that are considered high risk that could be subject to a separate, more detailed audit in subsequent years.

Key Findings

The purpose of this Interim Report is to provide a progress update on the sections tested to date. There are 308 assessment parts within the LG Act component of this audit tool. To date, 77 have been tested. This report addresses 35 sections (section 63 up to and including section 81, Chapter 6, Part 1 – Council meetings) while the previous 42 sections were reported at the October 2020 Audit Committee meeting. The sections covered and tested in this report, include Chapters on members of council and meetings. The remaining 231 parts will be conveyed as interim reports on an ongoing basis as is reasonably achievable.

Details of findings identified during this review are included in Attachment 1; however a summary of the issues identified are highlighted below.

1. Finding 1

Policies and registers must be available at the Principal Office of the Council during ordinary office hours.

This finding was identified as a risk in three sections (70(1), 77(3) & 79(3)) during the review.

YPC has R001 & R002 *Extract of Elected Members' Register of Interests*, R003 *Register of Elected Members Allowances and Benefits* and PO089 *Elected Members Facilities Services and Expenses Policy* in place, however, there is no specific mention within each document that it is available for inspection at the Council's Principal Office during ordinary office hours.

In addition, there is a risk that YPC employees are unaware of the correct process to be undertaken.

Consequence	Likelihood	Risk Level
Insignificant	Unlikely	Low

2. Finding 2
Policies and registers must be available for purchase on payment of a fee fixed by the Council.

This finding was identified as a risk in three sections (70(2), 77(4) & 79(4)) during the review.

YPC has R001 & R002 *Extract of Elected Members' Register of Interests*, R003 *Register of Elected Members Allowances and Benefits* and PO089 *Elected Members Facilities Services and Expenses Policy* in place and available on Council's website, however, there is no specific mention within each document that a copy is available for purchase for a fee fixed by the Council.

In addition, there is a risk that YPC employees are unaware of the correct process to be

Consequence	Likelihood	Risk Level
Insignificant	Unlikely	Low

undertaken.

3. Finding 3
Provision of facilities and support

YPC has PO089 *Elected Members Facilities Services and Expenses Policy* in conjunction with PO088 *Elected Members Use of Council Supplied Electronic Equipment Policy* in place, however PO088 was due for review in May 2019.

It was noted that the Leader, Systems and Technology has reviewed and updated this policy for the 10 February 2021 Council Workshop (to follow Council meeting) for consideration.

There is a risk that processes undertaken are out of date and / or not currently being followed by YPC members.

Consequence	Likelihood	Risk Level
Insignificant	Unlikely	Low

Recommendations / Action List

1. It is recommended that additional wording is included under the 'Notes & Disclaimers' section of the 2020-2021 Fees and Charges Register.
Responsible Officer: Accountant – Financial Operations
Due Date: Completed
2. It is recommended that additional wording is included under the 'Notes & Disclaimers' section of the 2020-2021 Fees and Charges register.
Responsible Officer: Accountant – Financial Operations
Due Date: Completed
3. It is recommended that PO088 *Elected Members Use of Council Supplied Electronic Equipment Policy* is reviewed, updated and published to the website.
Responsible Officer: Leader, Systems and Technology
Due Date: 30.06.2021

Renee Edwards
Business Improvement Officer
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The voice of local government.

Governance Legislation Self- Audit Tool

Last Updated: July 2019

Governance Legislation Self-Audit Tool**Date:** February 2021**Prepared by:** Brianna Wood & Renee Edwards**Audit Objective**

Using the Local Government Association Governance Legislation Self – Audit tool, undertake a high level self-assessment of compliance with the Local Government Act 1999.

This process will allow Council and the Audit Committee to focus on any identified areas of legislation that are considered high risk that could be subject to a separate, more detailed audit in subsequent years.

Personnel Interviewed

Name	Position	Date Interviewed
Daniel Griffin	Accountant – Financial Operations	27/01/2021
Chloe Brown	Accountant – Financial Management	27/01/2021
Natalie McDonald	Executive Assistant to CEO and Mayor	27/01/2021
Stewart Germaine	Information Technology Officer	01/02/2021

Background

The audit tool focusses on the Local Government Act 1999 and related Regulations. It is noted at the outset that there are a number of matters of legal compliance in the Local Government Act 1999 that could be the subject of a separate, more detailed audit. This audit tool targets:

- Local Government Act 1999
- Local Government (General) Regulations 2013
- Local Government (Financial Management) Regulations 2011
- Local Government (Procedures at Meetings) Regulations 2013
- Code of Conduct for Council Members
- Code of Conduct for Council Employees

This governance legislation self-audit tool is provided for councils to identify areas where they are:

- Fully compliant (**green**)
- Partially compliant (**yellow**)
- Non-compliant (**red**)

This Governance Legislation Self-Audit Tool has been prepared by the Local Government of SA (LGA) for use by its member councils. The LGA is the statutory peak body for Local Government in South Australia, representing all 68 councils in the State.

This publication was first developed in 2006 and was last updated in July 2019.

Please note – that any areas that the Business Improvement Officer considered an independent assessment could not be undertaken, this was not completed by the Business Improvement Officer and an alternative source of assessment should be sought. This is because independence is impaired due to the Business Improvement Officers involvement in undertaking this portion of work in daily operations.



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Local Government Act 1999

60	Members have made an undertaking in the prescribed manner and form at or before the first meeting attended (Local Government (General) Regulations 2013, Reg 6)	Fully Compliant	Tested a sample of the Form 2s for Elected Members declarations (Oath of Office Forms). The following were sighted and noted were completed at the first meeting of the new Council in Nov 2018: SC18/772 – Cr Carruthers SC16/425 – Cr Stock SC18/774 – Cr O'Brien
63	Council members must observe the code of conduct (Local Government (General) Regulations 2013, Reg 7)	Fully Compliant	PO123 Code of Conduct for Council Members is in place. This Code was published by the Minister for Planning for the specific purposes of Section 63 (1) of the Local Government Act 1999. In February 2019, a Post-Election Mandatory Training Program was held with lawyers Norman Waterhouse, which covered the Code of Conduct aspects.
65	Each member of the Council has submitted to the Chief Executive Officer a primary return within six weeks after election or appointment (Local Government (General) Regulations 2013, Regs 8 and 9(5))	Fully Compliant	Tested a sample of Form 3s demonstrating that Elected Members had provided a primary return within 6 weeks after election or appointment. The following were sighted and noted were completed by 22 December 2018: SC19/1895 – Cr Bennett SC19/1898 – Cr Johns SC19/1887 – Cr Bittner



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66 & 67	Each member of Council has submitted to the Chief Executive Officer an ordinary return on or within 60 days after 30 June each year in accordance with Schedule 3 (Local Government (General) Regulations 2013, Reg 8)	Fully Compliant	Tested a sample of Form 4s demonstrating that Elected Members had provided an ordinary return within 60 days after 30 June in 2018, 2019 & 2020. The following were sighted and noted were completed by 29 August: SC16/428 – Cr Meyer SC16/437 – Cr Langford SC16/438 – Cr Rich
68(1)	The Chief Executive Officer maintains a Register of Interests and has caused to be entered in the Register all information furnished pursuant to this Division and Schedule 3	Fully Compliant	Executive Assistant to the CEO and Mayor updates R001 & R002 Register of Interests on an annual basis. Tested against the 2020 register. All information recorded is correct and was updated within the correct timeframe (29 August 2020).
70(a1)	Council has published on the website the required details from the register as set out in this section	Fully Compliant	Information required is listed on register R001 & R002 - <i>Extract of Elected Members' Register of Interests</i> Both registers are available on Council's website. Tested 3 sample forms (Register of Members' Interests Ordinary Return) received from Elected Members. The following were sighted and matched against the register with all information correct. Record 20/68890 – Cr Carruthers Record 20/67590 – Cr O'Brien Record 20/67479 – Cr Bittner
70(1)	The Register is available for inspection without charge at the principal office of the Council during ordinary office hours	Partially Compliant	The registers (R001 & R002) are available on Council's website free of charge, but does not state on the Register that it is available for inspection at the Council's Principal Office during ordinary office hours. Issue identified.
70(2)	A copy of a Register under this section must be available for purchase for a fee fixed by the Council	Partially Compliant	The registers (R001 & R002) are available on Council's website free of charge, but does not state on the Register that a copy is available for purchase for a fee fixed by the Council. Issue identified.



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72(1)	Council committee members submit returns if resolved by the Council	Fully Compliant	<p>Audit Committee only. Stated as part of the Audit Committee Terms of Reference – Section 4.9.</p> <p>Tested 3 samples of Form 4 (Register of Members' Interests Ordinary Return) received from Elected Members.</p> <p>The following were sighted and matched against the register with all information correct and submitted within the correct timeframe.</p> <p>Record 20/74979 – Cr Meyer Record 20/67590 – Cr O'Brien Record 20/21687 – Mr Reiman</p>
74(1), 75A & 75B	A council or committee member with a conflict of interest to be discussed at a meeting has informed the meeting of the conflict, and left the meeting room	Fully Compliant	<p>Internal Audit tested a sample of Council Meeting Minutes. All Minutes outlined a Conflict of Interest statement. It was sighted and noted that a Council Member declared a conflict of interest at the following meetings:</p> <ul style="list-style-type: none"> • February & May 2020 (perceived) • August & December 2019 (actual & perceived) • March & September 2018 (actual & perceived) • October & November 2017 (material & perceived) • January & April 2016 (perceived) <p>Where required, it was documented within the Minutes that the Council member left the meeting room.</p>
74(5)	The Chief Executive Officer has recorded a member of council's disclosed conflict of interest in accordance with this section	Fully Compliant	<p>Internal Audit tested a sample of Council Meeting Minutes (listed above) and one (1) had a Council Member declaring a material conflict of interest.</p> <p>The Chief Executive Officer disclosed and recorded the conflict of interest in accordance with this section.</p>



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76(8) & 76(11)	Allowances commence on the conclusion of the relevant periodic election and conclude on certification of the last results of the next periodic election.	Fully Compliant	<p>Financial Services obtain a spreadsheet for each financial year showing Elected Member Allowances and Periodic Adjustments. These are done in accordance with the <i>Determination of the Remuneration Tribunal Allowances for Members of Local Government Council No. 6 of 2018</i> and Circulars provided by LGA SA which provides details of periodic adjustments to Council Member Allowances.</p> <p>Internal Audit tested and sighted documentation (invoices, SF095 and EFT transactions) for the previous election period from 2015 to 2018 for two members (Cr Rich and Cr Stock).</p> <p>All allowances were paid and correct for the total period of election.</p> <p>Internal Audit also tested and sighted documentation for one member (Cr M Murdock) for the commencement of election (2020) with all allowances being paid and correct.</p>
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76(9)	Allowances are adjusted on the first, second and third anniversaries of the relevant periodic elections	Fully Compliant	<p>Internal Audit tested and sighted documentation for the current election period from 2018 to current.</p> <p>Financial Services obtain a spreadsheet for each financial year showing Elected Member Allowances and Periodic Adjustments. These are done in accordance with the <i>Determination of the Remuneration Tribunal Allowances for Members of Local Government Council No. 6 of 2018</i> and Circulars provided by LGA SA which provides details of periodic adjustments to Council Member Allowances.</p> <p>For the period 16 November 2019 to 15 November 2020, Internal Audit tested three members (Cr Johns, Cr Rich and Cr M Murdock) to ensure adjustments were made at each anniversary date. This included reviewing standard form SF095 (record of elected members official council business travel) completed and signed by the Elected Member and checked and signed by the EA to the CEO and reviewing quarterly invoices submitted by the Elected Member. Both of these were then referenced against Accounts Payable transactions.</p> <p>All adjustments were correctly recorded and paid.</p>
76(12)	An allowance is paid in accordance with the regulations (no prescribed regulation)	Fully Compliant	<p>All allowances are paid in accordance with requirements set out in regulations (unless member declines).</p> <p>Internal Audit tested 3 members (Cr Johns, Cr Rich and Cr M Murdock) with all allowances recorded and paid correctly in accordance with the <i>Determination of the Remuneration Tribunal Allowances for Members of Local Government Council No. 6 of 2018</i> and Circulars provided by LGA SA.</p>



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77(1)(b) & 77(2)	Council has approved, either specifically or under a policy approved by the Council to reimburse expenses of a kind prescribed by the regulations since the last periodic election (no prescribed regulation)	Fully Compliant	PO089 Elected Members Facilities Services and Expenses Policy is in place, adopted in February 2019 with the next review date scheduled for February 2022. Policy objective is to ensure all Elected Members (including the Mayor) are provided with entitlements, facilities, services and reimbursement of expenses appropriate and necessary to the performance/ discharge of official functions/duties on a uniform basis that is accountable and transparent in accordance with the Local Government Act 1999 and the Local Government (Members Allowances and Benefits) Regulations 2010.
77(3)	A policy of the Council under this section must be available for inspection at the principal office of the Council during ordinary office hours	Partially Compliant	PO089 Elected Members Facilities Services and Expenses Policy is in place, however specific mention of inspection protocols is not documented within the Policy – Issue identified.
77(4)	A copy of a policy under this section must be available for purchase on payment of a fee fixed by the Council	Partially Compliant	PO089 Elected Members Facilities Services and Expenses Policy is in place, however specific mention of being available for purchase for a fee fixed by the Council is not documented within the Policy – Issue identified.



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78(2)	Council has specifically resolved the provision of facilities and support in accordance with this section	Partially Compliant	<p>PO089 Elected Members Facilities Services and Expenses Policy in conjunction with PO088 Elected Members Use of Council Supplied Electronic Equipment Policy (overdue – has been updated but is required to be presented at a Workshop) is in place and provides a detailed list of the facilities and services provided to Elected Members and the Mayor.</p> <p>Councils IT department and EA to the CEO were able to verify that all Elected Members and Mayor have been provided with the facilities and services stated in the policy. Equipment provided to the Elected Members and Mayor is registered in Council's IT Asset Management System.</p> <p>PO088 states <i>any property provided to a member remains the Council's</i>.</p> <p>Issue identified.</p>
79(1)	A register of allowances and benefits is kept by the Chief Executive Officer in accordance with this section	Fully Compliant	<p>A member of the Finance Department updates R003 Register of Elected Members Allowances and Benefits on a quarterly basis, which records allowance payments made to Elected Members for each financial year. This register is available on Council's website.</p> <p>Tested register for 1 July to 30 September 2020 period. All allowances were recorded correctly for this period.</p> <p>The register is due to be updated at end of January 2021 with the updated anniversary allowance figures.</p>
79(2)	An appropriate record is made in the Register of the matters contained in this section	Fully Compliant	<p>A member of the Finance Department updates R003 Register of Elected Members Allowances and Benefits on a quarterly basis as a cumulative register showing up-to-date activity for the financial year.</p>
79(3)	The Register under this section must be available for inspection at the principal office of the Council during ordinary office hours	Partially Compliant	<p>The register (R003) is available on Council's website free of charge, but does not state that it is available for inspection at the Council's Principal Office during ordinary office hours. Issue identified.</p>



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79(4)	An extract of the Register under this section must be available for purchase on payment of a fee fixed by the Council	Partially Compliant	The register is available on Council's website but does not state that it is available for purchase for a fee fixed by the Council. Issue identified.
80	Council has in place a policy of insurance for every member of the Council, and a spouse domestic partner or another person who may be accompanying a member of the Council, against risks associated with the performance or discharge of official functions and duties by members	Fully Compliant	<p>Yorke Peninsula Council is a part of the following schemes to ensure insurance coverage:</p> <ul style="list-style-type: none"> Local Government Association Mutual Liability Scheme (the LGAMLS) - The LGAMLS provides indemnity for civil liability claims subject to the Rules of the LGAMLS. Local Government Association Asset Mutual Fund (the LGAAMF) - Council property including but not limited to Buildings, Structures, Plant, Machinery, Contents of every description, Money, Motor, Vehicles and Mobile Plant. Local Government Association Workers Compensation Scheme (the LGAWCS) - The LGAWCS provides benefits as per the Return to Work Act 2014, subject to the Rules. <p>Sighted new insurance confirmations for each of the above (certificates) relating to the FY21.</p>



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80A(1)	Council has prepared and adopted a training and development policy for its members	Fully Compliant	<p>Council has PO135 Elected Members Training Policy in place in conjunction with PO135A Yorke Peninsula Council - Elected Members training and development plan (the Plan) 2018 – 2022.</p> <p>PO135 was updated in 2020. Next review due 2024.</p> <p>PO135A – the Plan, is in place to ensure that activities available to all Council Members comply with the Standards and Regulations.</p> <p>The Policy and Plan are presented as a Council report and endorsed by the elected body so all members are well aware of the Policy.</p> <p>In February 2019, Mandatory Post Election Training was held and presented by lawyers Norman Waterhouse, which covered the four mandatory modules of the LGA Training Standards.</p> <p>Register R021 records Elected Members Training. The EA to the CEO is responsible for updating the register. Council is also in the process of undertaking testing of new software (ElementStaff) that records all training and competencies. This could also be considered for Elected Members training.</p>
80A(2)	The policy is aimed at assisting members in the performance and discharge of their functions and duties and complies with any requirements prescribed by the regulations (Local Government (General) Regulations 2013, Reg 8AA)	Fully Compliant	<p>Council has PO135 Elected Members Training Policy in place and was reviewed in 2020 with the next review due 2024.</p> <p>The policy directly addresses this requirement.</p>
80A(4)	A policy of the Council under this section must be available for inspection at the principal office of the Council during ordinary office hours	Fully Compliant	<p>PO135 - Elected Members Training Policy in place. The policy is available on Council's website and the policy states that it is available for inspection at the Council's Principal Office during ordinary office hours.</p>
80A(5)	A copy of a policy under this section must be available for purchase on payment of a fee fixed by the Council	Fully Compliant	<p>PO135 - Elected Members Training Policy in place. The policy is available on Council's website (free of charge) and the policy states that upon payment of a fee, to the Council, a copy of this policy can also be made available.</p>



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81(1)	Council has resolved the times and places for the holding of ordinary Council meetings	Fully Compliant	At the inaugural meeting of the new Council elected in 2018 (28 th November 2018), Council resolved that future meetings will be held on 2nd Wednesday of the month commencing at 5.30pm with the exception of the January meeting which is deferred until the third week of the month due to the timing of public holidays. Reviewed and sighted minutes of that meeting.
81(2)	The resolution provides for at least one ordinary meeting in each month	Fully Compliant	At the inaugural meeting of the new Council elected in 2018 (28 th November 2018), Council resolved that future meetings will be held on 2nd Wednesday of the month commencing at 5.30pm with the exception of the January meeting which is deferred until the third week of the month due to the timing of public holidays. Reviewed and sighted minutes of that meeting.
81(5)	Ordinary meetings are not held on Sundays, or on public holidays	Fully Compliant	At the inaugural meeting of the new Council elected in 2018 (28 th November 2018), Council resolved that future meetings will be held on 2nd Wednesday of the month commencing at 5.30pm with the exception of the January meeting which is deferred until the third week of the month due to the timing of public holidays. Reviewed and sighted minutes of that meeting.
81(6)	In relation to municipal councils, Ordinary meetings are not held before 5pm unless the Council resolves otherwise by a resolution supported unanimously by all members of the Council	Fully Compliant	At the inaugural meeting of the new Council elected in 2018 (28 th November 2018), Council resolved that future meetings will be held on 2nd Wednesday of the month commencing at 5.30pm with the exception of the January meeting which is deferred until the third week of the month due to the timing of public holidays. Reviewed and sighted minutes of that meeting.



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Implementation of Agreed Actions

This report provides an update on the implementation of proposed actions resulting from:

1. Internal audit activities;
2. Internal controls self-assessments; and
3. External audit activities.

The comment information has been provided by each of the individual Responsible Officers.

1. Internal Audit Activities

Mobile Devices Review – October 2018

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. Mobile Devices Asset Disposal Risk Level Low	To improve this internal housekeeping matter, the IT team and CMT will consider an appropriate process for the disposal of mobile device assets that are no longer required for YPC purposes. This process will need to take into consideration both the PO072 Disposal of Land and Other Assets (parts where applicable) and also device security/privacy controls.	Leader Systems & Technology	30/06/19	30/06/21	In Progress	The IT team are currently obtaining quotes for source disposal and resale.

Cemetery Review – May 2019

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. Authority Cemetery Module Risk Level Low	It is recommended that: <ul style="list-style-type: none"> • A long term strategy or plan (5-10years) for the management of cemetery information (for example investing money to enhance functionality within Authority or continue to maintain systems and spreadsheets outside of the application) is developed. • Staff work together with external consultants (Mosel Steed) to look at integrating visual maps onto a system as part of the long term strategy. 	Property Tenure Officer	30/06/20	31/03/21	In Progress	Long Term Plan prepared for Cemetery Mapping and Data Collection to be reviewed by CMT shortly.

Operations Inspections Process – September 2019

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. Efficiency Undertaking Inspections <div style="background-color: #2e8b57; color: white; padding: 2px; text-align: center;">Risk Level</div> <div style="background-color: #2e8b57; color: white; padding: 2px; text-align: center;">Low</div>	It is recommended that: <ul style="list-style-type: none"> A Project team work with IT staff with a view to improving the efficiency of the inspections process (possibly in relation to developing or implementing an online system or automated forms). 	Leader Systems & Technology	30/06/20	31/12/21	In Progress	Leader Systems and Technology and Operations Manager have begun work on inspections forms, with an online shelter inspection form created. Currently waiting for CAR system to be implemented across outside workforce. All forms have been manually updated in the interim.
2. Training and Guidance in Conducting Inspections <div style="background-color: #2e8b57; color: white; padding: 2px; text-align: center;">Risk Level</div> <div style="background-color: #2e8b57; color: white; padding: 2px; text-align: center;">Low</div>	Ensure all staff that are undertaking inspections are provided with training and guidance on the requirements, expectations and technical aspects of inspections.	Training Advisor	30/06/20	30/03/21	In Progress	Training Advisor is currently working with new service provider to develop online learning system. This body of work requires collaboration with the High Risk Advisor and/or Senior Safety Advisor and will be completed in conjunction with the project described in Finding 1 above.
3. Monitoring and Follow Up of Inspection Findings <div style="background-color: #2e8b57; color: white; padding: 2px; text-align: center;">Risk Level</div> <div style="background-color: #2e8b57; color: white; padding: 2px; text-align: center;">Low</div>	It is recommended that as part of discussions to improve the efficiency of the inspection process through an online system, the following is considered: <ul style="list-style-type: none"> Any findings / hazards identified automatically create a CAR entry Previous inspection reports are available for viewing to be compared against. 	Leader Systems & Technology	30/06/20	01/04/21	In Progress	An online system has been developed and testing is underway. Further work was paused for Q4 2020 due to the Enterprise Resource Planning review and therefore the expected due date has been revised and extended.

Review of ICAC Recommendations (relating to the City of Playford Review) – January 2020

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. Organisational Values Risk Level Low	1. YPC Staff Values document needs to be reviewed and updated, this will occur in conjunction with performance appraisal process update. 2. As part of a current review, the Code of Conduct Policy to possibly include YPC Staff Values statement.	Manager People Culture & Safety	31/12/20	30/06/21	Not started	Organisational value workshops will commence once both new Director placements have been appointed and therefore due date has been revised and extended.
2. Policy Development Lifecycle Risk Level Low	1. An automated workflow within CM9 (Records Management System) will be developed. This will systematically manage the lifecycle of policy creation and updates in accordance with PR125. This includes automated workflows for: <ul style="list-style-type: none"> - Periodic review and consultation - Approval - Publication - Advice / Communications to Staff - Training requirements 	Senior Records Officer	30/06/20	28/02/21	In Progress	Workflow has been developed and consultation completed. Training is scheduled for the end of February 2021, with the workflow going live at the beginning of March 2021. PR125 and work instructions are currently out for review and staff consultation.
3. Records Management Refresher Training Risk Level Low	With the decommissioning of the network drives and additional functions soon being implemented into the Records Management system, it will be prudent for staff to undertake refresher training. This will include training in the search functionality and registering email correspondence.	Senior Records Officer	31/08/20	31/03/21	In Progress	Implementation upgrade of Content Manager has been completed and the Training Advisor is currently creating online training.
4. Performance Management Process Risk Level Low	An action to review the entire performance appraisal process and performance management system, including key stakeholders in the development, will be undertaken.	Manager People Culture & Safety	30/06/21	31/03/21	In Progress	A review of the performance appraisal process and performance management system has commenced, currently investigating the service delivery (preferably online embedded into current system).

Review of Auditor General's Recommendations (relating to corporate card use and management) – May 2020

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. Elected Members Expenditure Guidelines Risk Level Low	YPC should document guidelines into the PO089 to formalise the appropriate and inappropriate types of expenditure i.e. any Mayoral or council paid Christmas dinner / events and providing gifts to elected members for service recognition. Furthermore, the CEO will discuss the provision of alcohol as part of refreshments for Council meetings and workshops, with the Elected Body.	Business Improvement Officer	31/07/20	30/04/21	In Progress	PO089 Elected Member Entitlements, Facilities, Services and Expenses final internal update is underway. An update of this Policy will be presented to Council at the March meeting.

Accounts Payable Review – August 2020

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. Breach of Purchasing Methods & Limits Risk Level Moderate	1. Continue progressing the Procurement Project to incorporate the requirements of PR097 into an updated and broader ranging 'Procurement Procedure' and further encapsulate a number of procurement and purchasing processes. 2. As part of the Procurement Project, perform a risk assessment and the cost benefits of the cumulative spend requirements within the current PO058 policy. 3. As a result of the cumulative spend risk assessment process and consultation with CMT, if the policy remains the same, implement an online tool to report on current cumulative spend for suppliers 4. Investigate the implementation of the Vendor Panel system, allowing staff to select a set of pre-qualified suppliers that have already been through a prequalification tender and quoting system.	Manager Financial Services	31/12/20	30/06/21	In Progress	Actions 1, 2 and 4 are in progress. Manager Financial Services is currently undertaking the process of investigating and implementing the Vendor Panel. Action 3 has been completed. The online reporting tool has been implemented.
2. Create an Information Sheet for ANZ token use Risk Level Low	It is recommended that a user friendly Information Sheet is created to assist those who are required to use ANZ tokens.	Manager Financial Services	31/12/20	30/06/21	In Progress	Development of Information Sheet has commenced and will be completed within the revised due date timeframe.

Governance Legislative Compliance Review – September 2020

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. PO161 Prudential Management Policy Update Risk Level Low	It is recommended that PO161 Prudential Management Policy is reviewed, updated and published to the website.	Manager Financial Services	31/12/20	-	Completed	PO161 Prudential Management Policy was endorsed at the December Council meeting and is available on Council's website.
2. PO057 Community Engagement Policy Update Risk Level Low	It is recommended that PO057 Community Engagement Policy is reviewed and updated to specifically mention inspection protocols.	Manager Business & Public Relations	31/03/20	-	In Progress	PO057 Community Engagement Policy review and update should be completed within the due date timeframe.

Governance Legislative Compliance Review – January 2021

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. Policies and registers available for inspection Risk Level Low	It is recommended that additional wording is included under the 'Notes & Disclaimers' section of the 2020-2021 Fees and Charges Register.	Manager Financial Services	29/01/21	-	Completed	Additional wording included within 2020-2021 Fees and Charges Register when recently reviewed.
2. Policies and registers available for purchase Risk Level Low	It is recommended that additional wording is included under the 'Notes & Disclaimers' section of the 2020-2021 Fees and Charges register.	Manager Financial Services	29/01/21	-	Completed	Additional wording included within 2020-2021 Fees and Charges Register when recently reviewed.
3. Provision of facilities and support Risk Level Low	It is recommended that PO088 Elected Members Use of Council Supplied Electronic Equipment Policy is reviewed, updated and published to the website.	Leader Systems & Technology	30/06/21	-	In Progress	Policy review is underway, to be distributed for consultation shortly and presented at the February Council workshop.

NDIS Review – January 2021

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. Breaches of Policy Notification Timeframes Risk Level Low	1. Review SF399 and clearly define notification timeframes (as outlined in PO174 - 2 hours, 24 hours and 4 days). 2. Arrange training in incident reporting for volunteers and the incident management process for all Support Officers. 3. Allocate time within the work day for Support Officers to undertake the incident management process. This includes the completion on any ABC forms or case notes as well as completed and/or commencing the incident management process.	YPLO Coordinator	31/05/21	-	In Progress	Audit only recently completed.
2. Records Management Risk Level Low	It is recommended that priority is given to ensure that YPLO are capturing any completed hard copy files from June 2016 until now, within Councils records management system (CM9).	YPLO Coordinator	31/07/21	-	In Progress	Audit only recently completed.
3. Documentation Review and Update Risk Level Low	It is recommended that a review of YPLO documentation relating to incident and information management is undertaken and updated as required.	YPLO Coordinator	31/07/21	-	In Progress	Audit only recently completed.

2. Internal Control Self-Assessment

Internal Financial Controls Self-Assessment Action Plans – March 2019

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
3. Changes in Project Scope Risk Level Low	Budget reporting and amendment policy should be amended to specifically address changes in project scope, i.e. - it could be a requirement to report changes in scope to CMT even when there is no change to budget allocation.	Manager Financial Services	30/09/19	30/06/21	In Progress	As previously reported, this policy review has commenced however is not finalised due to other higher priorities. Low level risk, a housekeeping matter.

3. External Audit Activities

External Audit Management Report – April 2020 Attendance (Report Received June 2020)

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. End of Day Cash Float Reconciliation Process Risk Level Moderate	To further strengthen internal controls, it is recommended that an independent Officer be required to verify that the reconciliation has been completed and that all cash is appropriately accounted for and secured at the end of each day.	Manager Financial Services	30/09/20	30/06/21	In Progress	PR002 Banking and Cash Handling Procedure consultation has been completed, staff feedback to be addressed and document finalised.
2. Contract Management processes including Contracts Register (recently consolidated a number of Findings into this one action) Risk Level Moderate	1. As previously reported in our External Audit Management Report issued in June 2019, the Council has not maintained an up to date Contracts Register for all contracts held with external suppliers. 2. To further strengthen internal controls surrounding contract management, given the wide variety of contractors engaged to perform services for Council across a number of different business units, we recommend additional procedures be implemented to ensure that at all times, Council has a centralised contracts register that has up-to-date engagement details recorded for all contracts held with external contractors engaged and to ensure that the supplier/ contractor meets their obligations. 3. From time to time, all contracts held by Council should be subjected to formal independent review, to ensure that terms, conditions, entitlements and responsibilities are appropriately addressed and any expired contracts are re-tendered as applicable.	Manager Financial Services	31/12/20	30/06/21	In Progress	1. Council has recently subscribed to Contracts Monitor which integrates with Vendor Panel. Staff will also be trained on this automated process shortly. 2. The implementation of Vendor Panel (an online tool which will serve as a central repository of all its suppliers) is currently being implemented. 3. Procedures will be updated to ensure the register is kept up to date and staff take responsibility for ensuring its accuracy at all times. Further procedures will include criteria for independent reviews, their frequency and a process for renewal/retendering of expired contracts before they are due to expire.

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
3. External Site Visits <i>(reported as Inventory Safeguarding previously)</i> Risk Level Low	As a result of our interviews conducted with staff and our observations of the operations in place, we noted the following: <ul style="list-style-type: none"> • Entry into the site appears to be unrestricted during business hours, potentially leaving the site vulnerable to unauthorised access and/or stock not being securely stored. • Fuel usage is recorded through manual paper records kept at the fuel pump which is not under surveillance or monitored. Fuel usage is reconciled monthly by Council's Finance staff based on manual readings of the fuel tank levels recorded and manual paper records taken from the fuel pump. • There are no recorded stocktakes performed of the minor inventory items and low value tools held at the depot. We recommend that Council puts in place additional controls to mitigate the risk of stock and/or fuel being inappropriately accessed. In making this recommendation, we recommend that security controls in place at all Council depot and work sites be reviewed.	Director Assets and Infrastructure Services	31/12/20	30/06/21	In Progress	CCTV quotes have been obtained and a 2021-2022 budget submission requested for consideration. An automated fuel management system proposal has been requested for consideration in a 2021-2022 budget submission.
4. Budgeted Asset Depreciation Risk Level Moderate	Given that Council has developed its draft FY2021 budget as at the time of preparing this Report, we recommend that consideration be given as to the potential impact of movement in estimated depreciation expense as a result of the valuations being performed above. Also, noted as a matter to be addressed 'Budget Depreciation – FY2021' within Audit Completion Report FY Ended 30 June 2020 (received October 2020).	Manager Financial Services	31/12/20	30/06/21	In Progress	Estimated depreciation for FY2021 will be reviewed as part of the March 2021 quarter review. This will give Council a better idea of forecast depreciation and will include assets capitalised in FY2020.

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
5. Infrastructure & Asset Management Plan Risk Level Moderate	Once asset valuations have been completed as per above, recommend that Council undertakes an update to its IAMP and Long Term Financial Plan to ensure that updated assumptions regarding future maintenance funding, asset replacement cost and forecasted depreciation expense is reflected. Also, noted as a matter to be addressed 'Asset Management Plans & Long Term Financial Plan (LTFP)' within Audit Completion Report FY Ended 30 June 2020 (received October 2020). Updates to Council's LTFP for these costs plus updated forecasted increases in annual depreciation will need to be updated in the next review of Council's LTFP.	Manager Financial Services	30/04/21	-	In Progress	The LTFP annual review commenced in October 2020 with public consultation in March 2021. Adoption by Council of the revised Plan is proposed for April 2021. The revised LTFP will reflect the updated AMPs.
		Asset Manager	31/01/21	28/02/21	In Progress	CWMS, Transport, Stormwater and Water AMPs were endorsed for public consultation by Council at the December 2020 meeting. Public consultation closes 15 January 2021 for CWMS, Stormwater and Water AMPs, while Transport closes on 1 February 2021.

External Audit Management Report – Audit Completion Report Financial Year Ended 30 June 2020 (Report Received October 2020)

Finding Name	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Comments
1. Asset Disposals Risk Level Moderate	<p>We note that Council recorded a loss on disposal on renewed assets of \$2.895M in FY2020 (\$1.36M FY2019). This indicates that assets may have potentially been replaced prior to their estimated expiry/replacement date.</p> <p>We recommend that Council reviews its asset replacement program against recorded estimated remaining useful lives in its asset register to ensure that they are consistent for asset replacement timing and depreciation calculation purposes.</p>	Asset Manager	30/04/21	-	In Progress	<p>During Q2 and Q3 (between September and March) an annual review of assets useful lives is undertaken by the Asset Manager in conjunction with the Manager Financial Services (or nominated finance team representative).</p> <p>Useful lives of assets are reviewed and, if appropriate, adjusted annually based on the best available information in accordance with Accounting Standards and Model Financial Statements guidance. Short term (3-5 year) capital works programs are consulted in this process (programs for major asset classes are currently under development).</p>
2. IT Access Review Risk Level Low	<p>We recommend that a complete review of all user IT access be undertaken and changes made where appropriate to ensure that all staff have access granted to system programs, modules and network folders as required.</p>	Leader Systems & Technology	30/04/21	-	In Progress	<p>The IT team are currently reviewing the best way to address this action and allow appropriate access across Council systems.</p>
3. Employee Leave Entitlements – Annual Leave Risk Level Moderate	<p>As at 30 June 2020, Council had 20 employees who had accrued more than 228 hours (6 weeks) of annual leave entitlements which total approx. \$317K of entitlements recorded on the Balance Sheet.</p> <p>We recommend that Council considers implementing a program to further monitor and actively manage annual leave entitlements so that staff take appropriate leave and that any excessive leave is reduced.</p>	Manager People Culture & Safety	31/12/20	-	Completed	<p>PO173 Leave Management Policy was endorsed by Council (minute reference 087/2020). Date adopted 14/05/2020. Regular fortnightly reports are provided to the Corporate Management Team. Staff with excess leave have Leave Management Plans in place to reduce excess. Regularly monitored and actioned.</p>

8.6 RISK MANAGEMENT ACTIVITY REPORT

Document #: 21/14845

Department: Corporate and Community Services

PURPOSE

To provide the Audit Committee with an update on Council's Risk Management activities.

RECOMMENDATION

That the report be received.

LINK TO STRATEGIC PLAN

Goal: 5 Responsible Governance and Leadership

Strategy: 5.5 Undertake effective risk and emergency management

5.6 Continuous improvement of Council processes

BACKGROUND

The Audit Committee assists Council in meeting its responsibilities for the management of risks. This report provides a status update on the risk management activities of Council's administration for the purpose of keeping the Audit Committee informed about the risks associated with Council's business and how these risks are being assessed, controlled, monitored and reviewed.

DISCUSSION

Key Risk Management Activities undertaken from December 2020 to February 2021:

1. Work is progressing on the 2021 Risk Management Implementation Plan with outstanding actions being reviewed in consultation with the Regional Risk Coordinator. Actions have been allocated a close out date prior to the end of September 2021 and are awaiting endorsement by the Local Government Association Workers Compensation Scheme (LGAWCS).
2. Followed up the Risk Awareness Presentation via email with Elected Members that were unable to attend the November 2020 workshop.
3. Attended a preliminary meeting on Tuesday 16 February 2021 to discuss the Council Ready Draft Incident Operations Plan which is being developed this year. A workshop has also been coordinated for Wednesday 3 March 2021 with key Council staff. This workshop will start mapping Council's incident arrangements for potential emergency situations.
4. Continued response activities to the dynamic and evolving nature of the Coronavirus (COVID-19) Pandemic. The Council Risk team have continued to act quickly and support the Corporate Management Team to ensure a "best practice" approach is taken in the prevention, mitigation and response to COVID-19 risks including:
 - COVID-19 Risk Assessment regularly reviewed against State Government restrictions with ongoing assessment of compliance.
 - Ensuring COVID-Safe Plans are created within our area of responsibility.
 - Participation in operational briefings with other Councils across the State facilitated by the Local Government Functional Support Group (LGFSG).
 - Completing of general reporting to the LGFSG on operational matters impacted by COVID-19.

- Attendance at a COVID-19 Vaccine Industrial Relations Forum on Monday 15 February 2021.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Chief Executive Officer
- Manager People Culture and Safety
- Senior Safety Advisor

In preparing this report, the following external parties were consulted:

- Regional Risk Coordinator, LGAWCS
- Emergency Management Project Facilitator, Local Government Association Council Ready Programme

POLICY IMPLICATIONS

PO091 Risk Management Policy

PO027 Business Continuity Policy

BUDGET AND RESOURCE IMPLICATIONS

Nil

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

Civil Liability Act 1936

Local Government (Public Health Emergency) Amendment Act 2020

South Australian Public Health Act 2011

It is essential to ensure that Council have systematic procedures and practices in place to identify, evaluate, treat and monitor risk in all Council activities to ensure that risks associated with these activities are appropriately assessed, controlled, managed, monitored and reviewed.

ATTACHMENTS

Nil

8.7 DRAFT COMMUNITY WASTEWATER MANAGEMENT SYSTEM (CWMS) ASSET MANAGEMENT PLAN

Document #: 21/12113

Department: Assets and Infrastructure Services

PURPOSE

To seek Audit Committee endorsement that Council endorse and adopt the draft Community Wastewater Management System (CWMS) Asset Management Plan (provided under separate cover).

RECOMMENDATION

That the Audit Committee endorse the draft Community Wastewater Management System (CWMS) Asset Management Plan (provided under separate cover) and recommend to Council that it be adopted as presented.

LINK TO STRATEGIC PLAN

Goal: 2 Community Connected through Infrastructure

Strategy: 2.1 Develop and deliver on Asset Management Plans for all asset classes

BACKGROUND

As required by the Local Government Act 1999, Council must develop and adopt an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by Council, for a period of at least 10 years.

Following a revaluation of the asset class, Council's current Community Wastewater Management System (CWMS) Asset Management Plan has been reviewed by staff. This draft plan is presented as a way forward in managing CWMS assets and includes:

- levels of service;
- future demand;
- lifecycle management;
- financial summary;
- plan improvement; and
- a proposed 10 year capital renewal budget.

DISCUSSION

The draft CWMS Asset Management Plan underwent public consultation from 10 December 2020 until 15 January 2021, during which time no submissions were received. Advertisements were placed in the Yorke Peninsula Country Times, and on Council's website and Facebook page, to inform the public that the draft plan was available for public comment. During this time the plan was viewed 53 times on Council's website, while also reaching 3,117 people via Facebook.

The draft CWMS Asset Management Plan has been developed to demonstrate responsive management of CWMS assets, including the services provided from these assets; compliance with regulatory requirements; and to communicate the funding needed to provide the required levels of service over the 10 year planning period.

The draft CWMS Asset Management Plan takes into account Council's Asset Management Policy (PO128), Strategic Management Plan, Long Term Financial Plan (LTFP), Annual Business Plan and budget.

The expenditure and valuation projections in this asset management plan are based on the best available data.

The Yorke Peninsula Council owns and maintains 18 CWMS township systems, which have been broken down into 4 categories:

1. CWMS Nodes;
2. CWMS Pipes;
3. CWMS Pump Stations; and
4. CWMS Wastewater Treatment Plants and Storage.

The draft CWMS Asset Management Plan shows that the projected outlays necessary to provide CWMS services, including operations, maintenance, renewal and upgrade of existing assets, over the 10 year planning period is \$10,411,884 or \$1,041,188 on average per year. The estimated available funding included in the LTFP for this period is \$9,353,000 or \$935,300 on average per year. This equates to 89.83% of the current cost to provide these services, which results in a funding shortfall of \$105,888 on average per year.

The draft CWMS Asset Management Plan will be used as a guide for Council to develop future budgets and capital works programs. In addition, further development of the asset condition profile of the CWMS network, and the continued review of useful lives and levels of service of each asset category, will enhance the planning of capital renewal and replacement programs.

COMMUNITY ENGAGEMENT PLAN

Level 2 - Consult

The draft CWMS Asset Management Plan underwent public consultation from 10 December 2020 until 15 January 2021, during which time no submissions were received. As per the Community Engagement Plan (Attachment 2) advertisements were placed in the Yorke Peninsula Country Times, and on Council's website and Facebook page, to inform the public that the draft plan was available for public comment. During this time the plan was viewed 53 times on Council's website, while also reaching 3,117 people via Facebook.

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Corporate Management Team
- Asset Manager
- Infrastructure Manager
- Manager Financial Services
- Accountant Financial Operations

In preparing this report, the following external parties were consulted:

- Nil

POLICY IMPLICATIONS

PO128 Asset Management Policy

BUDGET AND RESOURCE IMPLICATIONS



The draft CWMS Asset Management Plan has been developed using the current LTFFP. The expenditure and valuation projections in the draft CWMS Asset Management Plan are based on the best available data.


The draft CWMS Asset Management Plan provides Council with a guide to ensure that sufficient funding is available to maintain the CWMS network at an appropriate level over a 10 year planning period.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

ATTACHMENTS

1. **Draft Community Wastewater Management System (CWMS) Asset Management Plan - 2020 (under separate cover)** 
2. **Community Engagement Plan - Draft Community Wastewater Management System (CWMS) Asset Management Plan - 2020** [↓](#) 

 <p>YORKSHIRE PENINSULA COUNCIL Agriculturally rich - Naturally beautiful</p>	COMMUNITY ENGAGEMENT PLAN					SF215
						Responsible Officer: Business Improvement Officer
						Issue Date: 10th June 2015
						Next Review Date: June 2019
PROJECT NAME: Draft Community Wastewater Management System (CWMS) Asset Management Plan						
Stakeholders	Level 2 CONSULT	Responsibility	Start Date	End Date	Status	Evaluation Method
Entire community	Public Notice	Asset Manager	15/12/2020	15/12/2020	C	YPCT 15/12/2020 edition
Entire community	Website	Manager Business & Public Relations	10/12/2020	15/01/2021	C	53 page views
Entire community	Social Media	Manager Business & Public Relations	10/12/2020	15/01/2021	C	Post 1 10/12/2020 - 928 reach Post 2 21/12/2020 - 949 reach Post 3 03/01/2021 - 1,240 reach
						Total submissions received - 0

8.8 DRAFT STORMWATER INFRASTRUCTURE ASSET MANAGEMENT PLAN**Document #:** 21/12196**Department:** Assets and Infrastructure Services**PURPOSE**

To seek Audit Committee endorsement that Council endorse and adopt the draft Stormwater Infrastructure Asset Management Plan (provided under separate cover).

RECOMMENDATION

That the Audit Committee endorse the draft Stormwater Infrastructure Asset Management Plan (provided under separate cover) and recommend to Council that it be adopted as presented.

LINK TO STRATEGIC PLAN**Goal:** 2 Community Connected through Infrastructure**Strategy:** 2.1 Develop and deliver on Asset Management Plans for all asset classes**BACKGROUND**

As required by the Local Government Act 1999, Council must develop and adopt an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by Council, for a period of at least 10 years.

Following a revaluation of the asset class, Council's current Stormwater Infrastructure Asset Management Plan has been reviewed by staff. This draft plan is presented as a way forward in managing stormwater assets and includes:

- levels of service;
- future demand;
- lifecycle management;
- financial summary;
- plan improvement; and
- a proposed 10 year capital renewal budget.

DISCUSSION

As per the Community Engagement Plan (Attachment 2) the draft Stormwater Infrastructure Asset Management Plan underwent public consultation from 10 December 2020 until 15 January 2021, during which time 1 submission was received. Advertisements were placed in the Yorke Peninsula Country Times, and on Council's website and Facebook page, to inform the public that the draft plan was available for public comment. During this time the plan was viewed 53 times on Council's website, while also reaching 3,117 people via Facebook.

The submission received raised issues under the following headings:

1. Future Planning for Stormwater Reuse;
2. Seeking Input from the Community;
3. Improvement Plan;
4. Works Program; and

5. Funding.

A copy of the submission (Attachment 3) and staff response (Attachment 4) have been included as attachments to this report.

The draft Stormwater Infrastructure Asset Management Plan has been developed to demonstrate responsive management of stormwater assets, including the services provided from these assets; compliance with regulatory requirements; and to communicate the funding needed to provide the required levels of service over the 10 year planning period.

The draft Stormwater Infrastructure Asset Management Plan takes into account Council's Asset Management Policy (PO128), Strategic Management Plan, Long Term Financial Plan (LTFP), Annual Business Plan and budget.

The expenditure and valuation projections in this asset management plan are based on the best available data.

The Yorke Peninsula Council owns and maintains a stormwater drainage network to enable the effective disposal of stormwater runoff throughout the district. In the townships of Ardrossan, Maitland and Minlaton there are also reuse facilities which allow for stormwater to be captured and then reused in parklands.

The stormwater drainage network has been broken down into 3 categories:

1. Stormwater Pipes;
2. Stormwater Nodes; and
3. Stormwater Pumping, Reuse and Storage.

The draft Stormwater Infrastructure Asset Management Plan shows that the projected outlays necessary to provide stormwater services, including operations, maintenance, renewal and upgrade of existing assets, over the 10 year planning period is \$4,092,669 or \$409,267 on average per year. The estimated available funding included in the LTFP for this period is \$3,683,000 or \$368,300 on average per year. This equates to 89.99% of the current cost to provide these services, which results in a funding shortfall of \$40,967 on average per year.

The draft Stormwater Infrastructure Asset Management Plan will be used as a guide for Council to develop future budgets and capital works programs. In addition, further development of the asset condition profile of the stormwater network, and the continued review of useful lives and levels of service of each asset category, will enhance the planning of capital renewal and replacement programs.

COMMUNITY ENGAGEMENT PLAN

Level 2 - Consult

The draft Stormwater Infrastructure Asset Management Plan underwent public consultation from 10 December 2020 until 15 January 2021, during which time one (1) submission was received. Advertisements were placed in the Yorke Peninsula Country Times, and on Council's website and Facebook page, to inform the public that the draft plan was available for public comment. During this time the plan was viewed 53 times on Council's website, while also reaching 3,117 people via Facebook.

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Corporate Management Team
- Asset Manager
- Infrastructure Manager
- Operations Manager
- Works Manager

- Manager Financial Services
- Accountant Financial Operations

In preparing this report, the following external parties were consulted:

- Nil

POLICY IMPLICATIONS

PO128 Asset Management Policy

BUDGET AND RESOURCE IMPLICATIONS





The draft Stormwater Infrastructure Asset Management Plan has been developed using the current LTFP. The expenditure and valuation projections in the draft Stormwater Infrastructure Asset Management Plan are based on the best available data.


The draft Stormwater Infrastructure Asset Management Plan provides Council with a guide to ensure that sufficient funding is available to maintain the stormwater network at an appropriate level over a ten (10) year planning period.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

ATTACHMENTS

1. **Draft Stormwater Infrastructure Asset Management Plan - 2020 (under separate cover)** 
2. **Community Engagement Plan - Draft Stormwater Infrastructure Asset Management Plan - 2020** [↓](#) 
3. **Submission - Public Consultation - Draft Stormwater Infrastructure Asset Management Plan - 2020 - Vivienne Lambert** [↓](#) 
4. **Response - Submission - Draft Stormwater Infrastructure Asset Management Plan - 2020 - Vivienne Lambert** [↓](#) 

 <p>YORK PENINSULA COUNCIL <i>Agriculturally rich - Naturally beautiful</i></p>	COMMUNITY ENGAGEMENT PLAN					SF215
						Responsible Officer: Business Improvement Officer
						Issue Date: 10th June 2015 Next Review Date: June 2019
PROJECT NAME: Stormwater Infrastructure Asset Management Plan						
Stakeholders	Level 2 CONSULT	Responsibility	Start Date	End Date	Status	Evaluation Method
Entire community	Public Notice	Asset Manager	15/12/2020	15/12/2020	C	YPCT 15/12/2020 edition
Entire community	Website	Manager Business & Public Relations	10/12/2020	15/01/2021	C	53 page views
Entire community	Social Media	Manager Business & Public Relations	10/12/2020	15/01/2021	C	Post 1 10/12/2020 - 928 reach Post 2 21/12/2020 - 949 reach Post 3 03/01/2021 - 1,240 reach
						Total submissions received - 1

Submission to Yorke Peninsula Council re the draft Stormwater Infrastructure Asset Management Plan (SIAMP) 2020.

Prepared by Vivienne Lambert, Port Victoria

It is clear there has been a considerable amount of work by council officers into the SIAMP and they should be commended for their efforts.

However, this submission addresses what I believe to be glaring omissions, or directions that are too broad to be able to be measured.

Overall, it doesn't address for Yorke Peninsula, known global environmental issues which can be tackled through stormwater systems focussed on re-use.

I urge councillors to call for a plan that looks to the future rather than a steady-as-it-goes, poorly resourced maintenance of existing infrastructure.

Additionally, it seems understanding the interests and intentions of the community have not been addressed in the three years since the 2017 plan was endorsed by council. There are several examples where the 2017 document referred to actions which would be taken before the SIAMP was updated, but this intention is repeated verbatim in the 2020 document. What confidence can the community have when (apparently) no action has been taken in 3 years?

I also note that the **Projected 10-year Capital Renewal and Replacement Works Program** from the 2017 SIAMP is not included in the 2020 plan. How can the community be confident that the council has a 'list' of required works and generally, implements the program according to priority as identified?

I have segmented these and other issues under headings below though in some cases they are interrelated.

1. Future planning for stormwater re-use

a) Identifying and acting on opportunities

The LTFP which the SIAMP refers to lists among its Key Challenges and Opportunities

- ***Meeting ongoing expectations of our Community for increased or new services***
- ***Review of services to reduce expenditure, increase efficiency and effectiveness and increase value for money to ratepayers***
- ***Review of services to reduce expenditure, increase efficiency and effectiveness and increase value for money to ratepayers***

The Stormwater Infrastructure Asset Management Plan (SIAMP) does not demonstrate that it will do anything other than repair and maintain systems as they are identified for service or break down.

Including instead an overarching intention to continue to install stormwater reuse systems would have many savings for both the environment and in terms of costs in watering green spaces in the YPC towns.

b) Commit to re-use programs

I expect that residents in all coastal towns in the council area share a frustration at seeing water from small and large rain events pouring out to sea rather than being captured and re-used for community facilities as it is at Ardrossan. The associated erosion that occurs on the coastal environment from inadequate pipe systems is also a major concern.

I would like to see this SIAMP include a commitment to investigating the potential for new stormwater harvesting and re-use plans in coastal towns, including working with local communities to identify possible funding sources for these investigations and subsequent installation.

Additionally, for future planning, why not make a commitment to talk with developers about a stormwater catchment system when they are looking at establishing new subdivisions?

c) Addressing climate change

The SIAMP identifies climate change as ‘both a future demand and a risk’. The section on addressing Climate Change ends with

“The impact of climate change on assets is a new and complex discussion and further opportunities will be developed in future revisions of this AMP”.

Why wait for future revisions of this AMP?

d) Commitment to reducing water consumption

On its website council refers to its membership of the ICLEI Water campaign which commits to reducing water consumption. Why is this not referred to in the council’s AMPs?

“In 2007, Council joined the ICLEI Water Campaign (International Council for Local Environmental Initiatives for local governments), an international program which has as its mission to develop the “...capacity of local government to reduce water consumption and improve water quality (ICLEI Oceania website).” Each participating council is required to work through a series of five milestones relating to water use and quality in the context of both corporate and community spheres of activity. These are:

- *Milestone 1: complete an inventory of water consumption and a water quality practices gap analysis.*
- *Milestone 2: set goals to improve water management.*
- *Milestone 3: develop a local action plan.*
- *Milestone 4: implement the local action plan.*

- *Milestone 5: complete a second inventory and report on progress (ICLEI website).*

The website goes on to say “Council has attained Milestone 3 and is currently in the process of implementing its ICLEI Water Campaign Local Action Plan”.

Was the community consulted on development of the local action plans? Why are these plans not publicly available? How is council’s membership in this campaign reflected in its Asset Management Plans?

2. Seeking input from the community

There are several references in the 2020 SIAMP to seeking to understand Customer (residents) expectations of service levels.

In almost all cases these are verbatim to the wording in the 2017 SIAMP. Has nothing been done in 3 years to put this structured research in place? How can the community believe that anything will be done in the next three years?

E.g. 2017/2020

3. Levels of service

3.1 Customer Research and Expectations *Council has not conducted any structured research on customer expectations. This will be investigated for future updates of the AMP.*

Table 3.5 in the 2020 SIAMP measures its Level of Service from Customer Service Requests.

This measure responds only to the squeaky wheel – customer requests or complaints, without having an understanding of the expectations of residents generally towards stormwater re-use and conservation. (Because no structured research has been done.)

3. Improvement Plan

It is good to see the Table 8.2 Improvement Plan identifies two Tasks relating to community input. These are

2. Development of Agreed Levels of Service in consultation with the community,

and

3. Increased definition of performance standards through customer engagement to assess expectations.

It will be important to monitor that both of these are scheduled and occur to inform

ongoing service and the next iteration of the SIAMP.

The SIAMP Improvement Plan (Table 8.2) should specifically identify development of a plan for these consultations, with more specific timetables of when this will be done.

4. Works Program

The Projected 10-year Capital Renewal and Replacement Works Program in the 2017 plan, does not appear in the 2020 plan. An actual proposed works program should be included in the 2020 plan so that the community can have an understanding of when works in their town are scheduled and whether they have been implemented. (As referred to in my opening comments).

5. Funding

Understandably, council has to juggle maintaining all its infrastructure and providing services with responsible use of ratepayer funds, and being mindful of the community's expectations of good fiscal management.

The SIAMP quotes the Council's goal of Valued and Restored Environment with the Objective of - Deliver projects and services that have direct environmental benefits.

The SIAMP states that it will address this goal and objective by:

"Reducing Council's water and electricity consumption through provision of stormwater and treated wastewater reuse."

However, the SIAMP does not have any specific section which addresses how council could achieve specific savings.

This should be an important part of long-term planning for council on behalf of the community it represents.

From: [Michael McCauley](#)
To: vivienne@participationplus.com.au
Subject: Draft Stormwater Infrastructure Asset Management Plan
Date: Wednesday, 10 February 2021 3:07:00 PM
Attachments: [image003.png](#)

Hi Vivienne

I wish to acknowledge receipt of your submission in relation to the draft Stormwater Infrastructure Asset Management Plan (SIAMP) that has recently undertaken public consultation.

In response to your submission I advise the following:

- Your submission will be included as an attachment in upcoming reports to both the Audit Committee and Council in relation to the draft SIAMP.
- A **Proposed Renewal (Capital Works) Forecast 2021 to 2030** will be included in the draft plan prior to adoption by Council.
- The draft SIAMP does primarily focus on the maintenance and renewal of Council's current stormwater infrastructure with **Section 5.4 Summary of Future Renewal Costs** highlighting that current forecast budgets are not sufficient to renew these assets at the optimum time. The plan also recommends that consideration should be taken during annual budget deliberations and review of the Long Term Financial Plan (LTFP) to accommodate additional funding to address this shortfall.
- As detailed in **Section 5.5 Acquisition/Upgrade Plan**, newly identified upgrade/new projects will be presented to Council for consideration during the budget process each year, with the current focus being on addressing known problem areas.
- Each year progress associations are invited by Council to put forward projects that they believe will be beneficial to their communities for consideration in the annual budget.
- Council have undertaken stormwater reuse projects in Ardrossan, Maitland and Minlaton where infrastructure (e.g. pipes, pits, dams, etc.) has been installed to harvest stormwater. Water captured in these townships is currently utilised on golf courses and ovals. These projects have been delivered through funding from community organisations, government grants and Council funds.
- Council have commenced a Strategic Coastal Risk Study to gain an understanding of seawater inundation and erosion on our coastline, which will be presented to Council later this year. Studies such as this will provide Council with an understanding of the impact of climate change on assets and their findings and recommendations will be considered in future reviews of asset management planning.
- Council joined the ICLEI Water Campaign in 2007 and implemented actions from this plan over several year; however, this program no longer operates over Oceania. I will arrange to have our website updated. Council is now in the process of developing an Environmental Management Plan (EMP), which will guide environmental performance within Council's operational practices and planning activities. The EMP will also provide a framework for Council to support environmental improvements through collaboration with community and business stakeholders. Once finalised the EMP will be available for public comment.
- Council is involved with SA Water's Irrigated Public Open Space (IPOS) program which provides guidelines and support for the management of irrigated public open space. Information on this program can be viewed on the SA Water website.
- As part of the IPOS program Council has recently completed the installation of a Central Control System (CCS) which allows Council to monitor its irrigation systems to ensure optimum watering efficiency. This system was purchased and installed through recent grant funding. The CCS has so far detected several systems that had a slow leak or inconsistent watering time. These issues have been addressed by staff saving both water usage and money.

If you require further information please do not hesitate to contact me.

Regards

MICHAEL MCCAULEY

Asset Manager

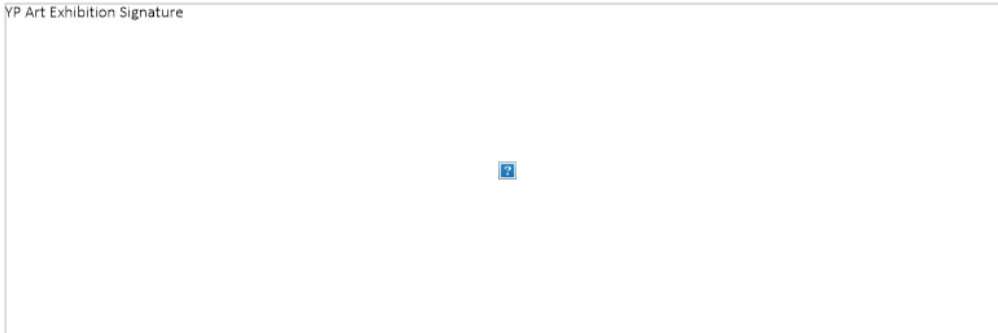
Yorke Peninsula Council – Principal Office: Maitland, SA

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8.9 DRAFT WATER INFRASTRUCTURE ASSET MANAGEMENT PLAN**Document #:** 21/12239**Department:** Assets and Infrastructure Services**PURPOSE**

To seek Audit Committee endorsement that Council endorse and adopt the draft Water Infrastructure Asset Management Plan (provided under separate cover).

RECOMMENDATION

That the Audit Committee endorse the draft Water Infrastructure Asset Management Plan (provided under separate cover) and recommend to Council that it be adopted as presented.

LINK TO STRATEGIC PLAN**Goal:** 2 Community Connected through Infrastructure**Strategy:** 2.1 Develop and deliver on Asset Management Plans for all asset classes**BACKGROUND**

As required by the Local Government Act 1999, Council must develop and adopt an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by Council, for a period of at least ten (10) years.

Following a revaluation of the asset class, Council's current Water Infrastructure Asset Management Plan has been reviewed by staff. This draft plan is presented as a way forward in managing water assets and includes:

- levels of service;
- future demand;
- lifecycle management;
- financial summary;
- plan improvement; and
- a proposed 10 year capital renewal budget.

DISCUSSION

The draft Water Infrastructure Asset Management Plan underwent public consultation from 10 December 2020 until 15 January 2021, during which time no submissions were received. Advertisements were placed in the Yorke Peninsula Country Times, and on Council's website and Facebook page, to inform the public that the draft plan was available for public comment. During this time the plan was viewed 53 times on Council's website, while also reaching 3,117 people via Facebook.

The draft Water Infrastructure Asset Management Plan has been developed to demonstrate responsive management of water assets, including the services provided from these assets; compliance with regulatory requirements; and to communicate the funding needed to provide the required levels of service over the 10 year planning period.

The draft Water Infrastructure Asset Management Plan takes into account Council's Asset Management Policy (PO128), Strategic Management Plan, Long Term Financial Plan (LTFP), Annual Business Plan and budget.

The expenditure and valuation projections in this asset management plan are based on the best available data.

The Yorke Peninsula Council owns and maintains 4 water township schemes, which have been broken down into 3 categories:

1. Water Pipes;
2. Water Nodes; and
3. Water Pumping, Storage and Treatment Assets.

The draft Water Infrastructure Asset Management Plan shows that the projected outlays necessary to provide water services, including operations, maintenance, renewal and upgrade of existing assets, over the 10 year planning period is \$3,117,813 or \$311,781 on average per year. The estimated available funding included in the LTFP for this period is \$3,076,000 or \$307,600 on average per year. This equates to 98.66% of the current cost to provide these services, which results in a funding shortfall of \$4,181 on average per year.

The draft Water Infrastructure Asset Management Plan will be used as a guide for Council to develop future budgets and capital works programs. In addition, further development of the asset condition profile of the water network, and the continued review of useful lives and levels of service of each asset category, will enhance the planning of capital renewal and replacement programs.

COMMUNITY ENGAGEMENT PLAN

Level 2 - Consult

The draft Water Infrastructure Asset Management Plan underwent public consultation from 10 December 2020 until 15 January 2021, during which time no submissions were received. As per the Community Engagement Plan (Attachment 2) advertisements were placed in the Yorke Peninsula Country Times, and on Council's website and Facebook page, to inform the public that the draft plan was available for public comment. During this time the plan was viewed 53 times on Council's website, while also reaching 3,117 people via Facebook.

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Corporate Management Team
- Asset Manager
- Infrastructure Manager
- Manager Financial Services
- Accountant Financial Operations

In preparing this report, the following external parties were consulted:

- Nil

POLICY IMPLICATIONS

PO128 Asset Management Policy

BUDGET AND RESOURCE IMPLICATIONS

The draft Water Infrastructure Asset Management Plan has been developed using the current LTFP. The expenditure and valuation projections in the draft Water Infrastructure Asset Management Plan are based on the best available data.


The draft Water Infrastructure Asset Management Plan provides Council with a guide to ensure that sufficient funding is available to maintain the water network at an appropriate level over a ten (10) year planning period.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

ATTACHMENTS

1. Draft Water Infrastructure Asset Management Plan - 2020 (under separate cover) 
2. Community Engagement Plan - Draft Water Infrastructure Asset Management Plan - 2020 [↓](#) 

 <p>YORKE PENINSULA COUNCIL Agriculturally rich - Naturally beautiful</p>	COMMUNITY ENGAGEMENT PLAN					SF215
						Responsible Officer: Business Improvement Officer
						Issue Date: 10th June 2015 Next Review Date: June 2019
PROJECT NAME: Water Infrastructure Asset Management Plan						
Stakeholders	Level 2 CONSULT	Responsibility	Start Date	End Date	Status	Evaluation Method
Entire community	Public Notice	Asset Manager	15/12/2020	15/12/2020	C	YPCT 15/12/2020 edition
Entire community	Website	Manager Business & Public Relations	10/12/2020	15/01/2021	C	53 page views
Entire community	Social Media	Manager Business & Public Relations	10/12/2020	15/01/2021	C	Post 1 10/12/2020 - 928 reach Post 2 21/12/2020 - 949 reach Post 3 03/01/2021 - 1,240 reach
						Total submissions received - 0

8.10 DRAFT TRANSPORT ASSET MANAGEMENT PLAN**Document #:** 21/12290**Department:** Assets and Infrastructure Services**PURPOSE**

To seek Audit Committee endorsement that Council endorse and adopt the draft Transport Asset Management Plan (provided under separate cover).

RECOMMENDATION

That the Audit Committee endorse the draft Transport Asset Management Plan (provided under separate cover) and recommend to Council that it be adopted as presented.

LINK TO STRATEGIC PLAN**Goal:** 2 Community Connected through Infrastructure**Strategy:** 2.1 Develop and deliver on Asset Management Plans for all asset classes**BACKGROUND**

As required by the Local Government Act 1999, Council must develop and adopt an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by Council for a period of at least 10 years.

The draft Transport Asset Management Plan is presented as a way forward in managing transport assets. It includes the following:

- levels of service;
- future demand;
- lifecycle management;
- financial summary;
- plan improvement; and
- a proposed 10 year capital renewal budget.

DISCUSSION

As per the Community Engagement Plan (Attachment 2) the draft Transport Asset Management Plan underwent public consultation from 10 December 2020 until 1 February 2021, during which time 1 submission was received. Advertisements were placed in the Yorke Peninsula Country Times, and on Council's website and Facebook page, to inform the public that the draft plan was available for public comment. During this time the plan was viewed 75 times on Council's website, while also reaching 2,896 people via Facebook.

The submission received was focussed on roads in the township of Stansbury, particularly Beechcroft Road. A copy of the submission (Attachment 3) and staff response (Attachment 4) have been included as attachments to this report.

The draft Transport Asset Management Plan has been developed to demonstrate responsive management of transport assets, including the services provided from these assets; compliance with regulatory requirements; and to communicate the funding needed to provide the required levels of service over the 10 year planning period.

The draft Transport Asset Management Plan takes into account Council's Asset Management Policy (PO128), Strategic Management Plan, Long Term Financial Plan (LTFP), Annual Business Plan and budget.

The expenditure and valuation projections in this asset management plan are based on the best available data.

The Yorke Peninsula Council owns and maintains a transport network that comprises of the following categories and their components:

- Roads;
 - Sealed Roads – 529km;
 - Unsealed Roads (Sheeted) – 2,620km;
 - Formed and Graded Roads – 523km; and
 - Unformed Roads and Tracks – 218km.
- Footpaths (Constructed) and Walking Trails (Sealed) – 24.7km;
- Kerb and Gutter – 218km; and
- Airfields – 3.

The draft Transport Asset Management Plan shows that the projected outlays necessary to provide transport services, including operations, maintenance, renewal and upgrade of existing assets, over the ten (10) year planning period is \$121,985,464 or \$12,198,546 on average per year. The estimated available funding included in the LTFP for this period is \$101,661,184 or \$10,166,118 on average per year. This equates to 83.34% of the cost to provide these services, which results in a funding shortfall of \$2,032,428 on average per year.

The draft Transport Asset Management Plan will be used as a guide for Council to develop future budgets and capital works programs. In addition, further development of the asset condition profile of the transport network, and the continued review of useful lives and levels of service of each asset category, will enhance the planning of capital renewal and replacement programs.

COMMUNITY ENGAGEMENT PLAN

Level 2 - Consult

The draft Transport Asset Management Plan underwent public consultation from 10 December 2020 until 1 February 2021, during which time 1 submission was received. Advertisements were placed in the Yorke Peninsula Country Times, and on Council's website and Facebook page, to inform the public that the draft plan was available for public comment. During this time the plan was viewed 75 times on Council's website, while also reaching 2,896 people via Facebook.

CONSULTATION PROCESS

In preparing this report, the following Yorke Peninsula Council officers were consulted:

- Corporate Management Team
- Asset Manager
- Infrastructure Manager
- Operations Manager
- Works Manager
- Manager Financial Services
- Accountant Financial Operations

In preparing this report, the following external parties were consulted:

- Nil

POLICY IMPLICATIONS

PO128 Asset Management Plan

BUDGET AND RESOURCE IMPLICATIONS

The draft Transport Asset Management Plan has been developed using the current LTFP. The expenditure and valuation projections in the draft Transport Asset Management Plan are based on the best available data.


The draft Transport Asset Management Plan provides Council with a guide to ensure that sufficient funding is available to maintain the transport network at an appropriate level over a 10 year planning period.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

ATTACHMENTS

1. **Draft Transport Asset Management Plan - 2020 (under separate cover)** 
2. **Community Engagement Plan - Draft Transport Asset Management Plan - 2020** [↓](#) 
3. **Submission - Draft Transport Asset Management Plan - 2020 - Cadd Transport** [↓](#) 
4. **Response - Submission - Draft Transport Asset Management Plan - 2020 - Cadd Transport** [↓](#) 

 <p>YORKE PENINSULA COUNCIL Agriculturally rich - Naturally beautiful</p>	COMMUNITY ENGAGEMENT PLAN					SF215
						Responsible Officer: Business Improvement Officer
						Issue Date: 10th June 2015 Next Review Date: June 2019
PROJECT NAME: Transport Asset Management Plan						
Stakeholders	Level 2 CONSULT	Responsibility	Start Date	End Date	Status	Evaluation Method
Entire community	Public Notice	Asset Manager	15/12/2020	15/12/2020	C	YPCT 15/12/2020 edition
Entire community	Website	Manager Business & Public Relations	10/12/2020	01/02/2021	C	75 page views
Entire community	Social Media	Manager Business & Public Relations	10/12/2020	01/02/2021	C	Post 1 10/12/2020 - 783 reach Post 2 23/12/2020 - 906 reach Post 3 06/01/2021 - 1,207 reach Total submissions received - 1

From: [CADD TRANSPORT](#)
To: [Corporate Email Address](#); [Michael McCauley](#)
Subject: Transport asset management plan
Date: Thursday, 21 January 2021 5:55:56 PM

Att: Michael McCauley

Hi Michael,

I have recently reviewed some of the draft Transport Asset Management Plan & it has come to my attention that there is no capital works scheduled for Beechcroft Rd, Stansbury – the section from Gulfview Rd to St Vincent HWY. There seems it is also not listed with a description of the type of road use either. Or does this list only have the roads that will received scheduled work under this plan?

My understanding is Maintenance & repairs are to be performed in accordance with agreed service levels. I don't believe this is the case with the section of road in question. The current patrol grading is below acceptable, it is listed as – when required. Most times it is only graded when I have put in a request. We have lived on this road for over 10 years & initially the road was of a very good standard until some blue metal was placed on some parts. It seemed these areas started to break up causing pot holes & corrugation. Grading it only fills the loose gravel in the holes & they are back again after 2 weeks. It used to get graded 3 to 4 times a year.

I find it rather strange that this road is not scheduled as it is my understanding that YP Council allotted a zoned aquaculture park toward the eastern end of the road. The oyster growers boat trailers thump up & down the road over the corrugations, surely this doesn't help the condition of the road or their boats. This road gets used by quite a number of caravans & its not unusual to have over 100 cars use the road daily on weekends. Even a greater number through school holidays & public holidays. Ideally for it to be tar sealed at some stage if expecting Oyster Growers to be using it daily!

Under the Risk Management Plan I would like YP Council to consider forecasting costs for revision of Beechcroft Rd, the sheeted section from Gulfview Rd to St Vincent HWY to be included in the next budget.

Other roads – I don't understand why Grainstack Rd from St Vincent HWY to Gulfview rd is scheduled when it has very little use & nobody lives on that section of road.

- Also why North Tce in Stansbury is resprayed in 3 different stages & not all at the same time, one would think more cost effective to do in one stage.

- Lime Kiln Rd has a low lying section near the driveway of house No 97. This creates pooling of water part way across the road & the house driveway. Is this likely to be fixed or does it need to be submitted as a request for service?

I look forward to receiving responding email over these matters & where to go next or how to approach the situation.

Regards,
Sue Oldfield
0438810374

From: [Michael McCauley](#)
To: [CADD TRANSPORT](#)
Subject: Transport Asset Management Plan
Date: Friday, 29 January 2021 2:37:00 PM
Attachments: [image003.png](#)

Hi Sue

I write in relation to your recent correspondence in regards to the draft Transport Asset Management Plan (TAMP) which is currently undertaking public consultation.

In response to your questions I advise the following:

- Beechcroft Road, Stansbury is categorised as a Township Sheeted road. Township Sheeted roads have not been listed individually in the TAMP, but have been identified through township maps in Appendix H of the draft TAMP.
- The **Proposed Renewal (Capital Works) Forecast 2021 to 2030** in Appendix D of the draft TAMP is a guide to assist in developing budgets to manage Council's transport assets, including our extensive road network. The forecast renewal requirements for the years 2021 to 2024 is higher than the current proposed budget allocations in Council's Long Term Financial Plan (LTFP) so therefore works will be prioritised by Council during annual budget discussions.
- The **Proposed Renewal (Capital Works) Forecast 2021 to 2030** has been developed following an extensive condition assessment of the entire transport asset class, which includes roads (sealed and unsealed), footpaths and walking trails, kerb and gutter and airfields. The roads located in Stansbury which you have identified in your correspondence, Beechcroft Road, Grain Stack Road and Lime Kiln Road were part of these inspections. Council will continue to undertake regular inspections of the road network to assist with the ongoing review and development of budgets. I note that Grain Stack Road has been forecast for renewal in 2026, this will be reviewed and determined if it is a priority at that time.
- Construction, Inspection, Maintenance and Renewal standards are detailed in the TAMP and are used as a guide only and may be undertaken as reasonably as practicable and determined by available resources. The roads identified in Stansbury are categorised as Township Sheeted roads which Council tries to ensure are graded 1 to 2 times per year, if a resident believes a road requires additional grading or other maintenance a Customer Service Request (CSR) can be lodged and staff will inspect and prioritise work.
- The construction and sealing of unsealed township roads has been identified in **Section 4 Future Demand** of the TAMP, this section recommends the development of a plan on how to approach and prioritise the sealing of these roads. Council currently has approximately 45kms of unsealed township roads.
- I am unsure as to why North Terrace, Stansbury may have been resealed in three (3) different stages but advise that Council do strive to be cost efficient in all processes that they undertake.
- I will lodge a CSR on your behalf in relation to your concerns relating to 97 Lime Kiln Road.

Can you please advise if you wish for your submission to be included as an attachment in upcoming reports to the Audit Committee and Council meeting, in relation to the draft TAMP.

If you require further information please do not hesitate to contact me.

Regards

MICHAEL MCCAULEY

Asset Manager

Yorke Peninsula Council – Principal Office: Maitland, SA

Ph: 08 8832 0000 | PO Box 57, Maitland, SA, 5573 | www.yorke.sa.gov.au

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YP Art Exhibition Signature



9 GENERAL BUSINESS

10 NEXT MEETING

Tuesday 25 May 2021

11 CLOSURE