



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

Date: Tuesday, 28 May 2024
Time: 3:00pm
Location: Council Chambers
Minlaton Town Hall
57 Main Street
Minlaton

AGENDA

Audit and Risk Committee Meeting

28 May 2024

A handwritten signature in black ink, appearing to read "Ben Thompson".

Ben Thompson
DIRECTOR CORPORATE & COMMUNITY SERVICES

CONFLICT OF INTEREST

Members are reminded of the requirement for disclosure by Members of general conflicts of interest relating to private interests that might be considered to result in the Member acting in a manner that is contrary to their public duty in accordance with Section 74 of the Local Government Act 1999 (Act), or a material conflict of interest being any benefit or loss (direct or indirect, personal or pecuniary in nature) to any persons identified within Section 75(1), in accordance with Section 75 of the Act, in items listed for consideration on the Agenda.

Section 75B of the Act requires that Members inform the meeting of any general conflict of interest in any matter to be discussed at a meeting, whether or not the Member proposes to participate in the meeting in relation to the matter and if the member proposes to participate in the meeting in relation to the matter, how the Member intends to deal with the interest and the Members reasons for participating in relation to the matter.

Section 75C of the Act requires that Members inform the meeting of material conflicts of interest in any matters to be discussed at a meeting and leave the meeting room (such that the member cannot view or hear any discussion or voting at the meeting) and stay out of the meeting room while the matter is being discussed and voted on.

These requirements do not apply where a Member is not regarded as having a conflict of interest in accordance with Section 75A of the Act.

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 conflict of interest.

Agenda

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1 WELCOME BY CHAIRPERSON

Meeting declared open

2 PRESENT

3 LEAVE OF ABSENCE

Cr Adam Meyer

4 APOLOGIES

Andrew Cameron (CEO) and Mayor Darren Braund

5 CONFLICT OF INTEREST

6 MINUTES OF PREVIOUS MEETING – FOR CONFIRMATION

Audit and Risk Committee Meeting - 27 February 2024

7 VISITORS TO THE MEETING

David Papa - Bentleys

REPORTS

REPORTS

8 NEW BUSINESS

8.1 EXTERNAL AUDITOR AUDIT PLAN 2023/2024

Document #: 24/43312

Department: Corporate and Community Services

PURPOSE

To inform the Audit and Risk Committee with regards to the External Auditor's audit plan for the 2023/2024 financial year ended 30 June 2024.

RECOMMENDATION

That the report be received.

LINK TO STRATEGIC PLAN

Goal: 5 Responsible Governance

Strategy: 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 management

BACKGROUND

Council's External Auditors, Bentleys, provided an audit plan for the 2023/2024 in March 2024. Since that time Bentleys have undertaken Council's interim (internal control environment) audit providing Council staff with access to an online portal to facilitate transfer of requested information and through attendance at the Maitland Office between 8 to 10 April 2024 to conduct face-to-face discussions. An interim report of audit findings is provided via a separate report to the Audit and Risk Committee at this current meeting.

Audit of Council's general purpose financial statements is scheduled for 9 to 11 September 2024 at Council's Maitland office.

DISCUSSION

The Audit Plan 2023/2024 (Attachment 1) from Bentleys outlines the audit objectives, audit approach, risk assessment process, outstanding management letter points, identified audit risks, key areas for testing, engagement team and audit timetable in relation to the audit of Council's 2023/2024 general purpose financial statements and internal control environment.

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:

- Bentleys SA Audit Partnership

POLICY IMPLICATIONS

Audit Committee Terms of Reference and Work Plan

BUDGET AND RESOURCE IMPLICATIONS

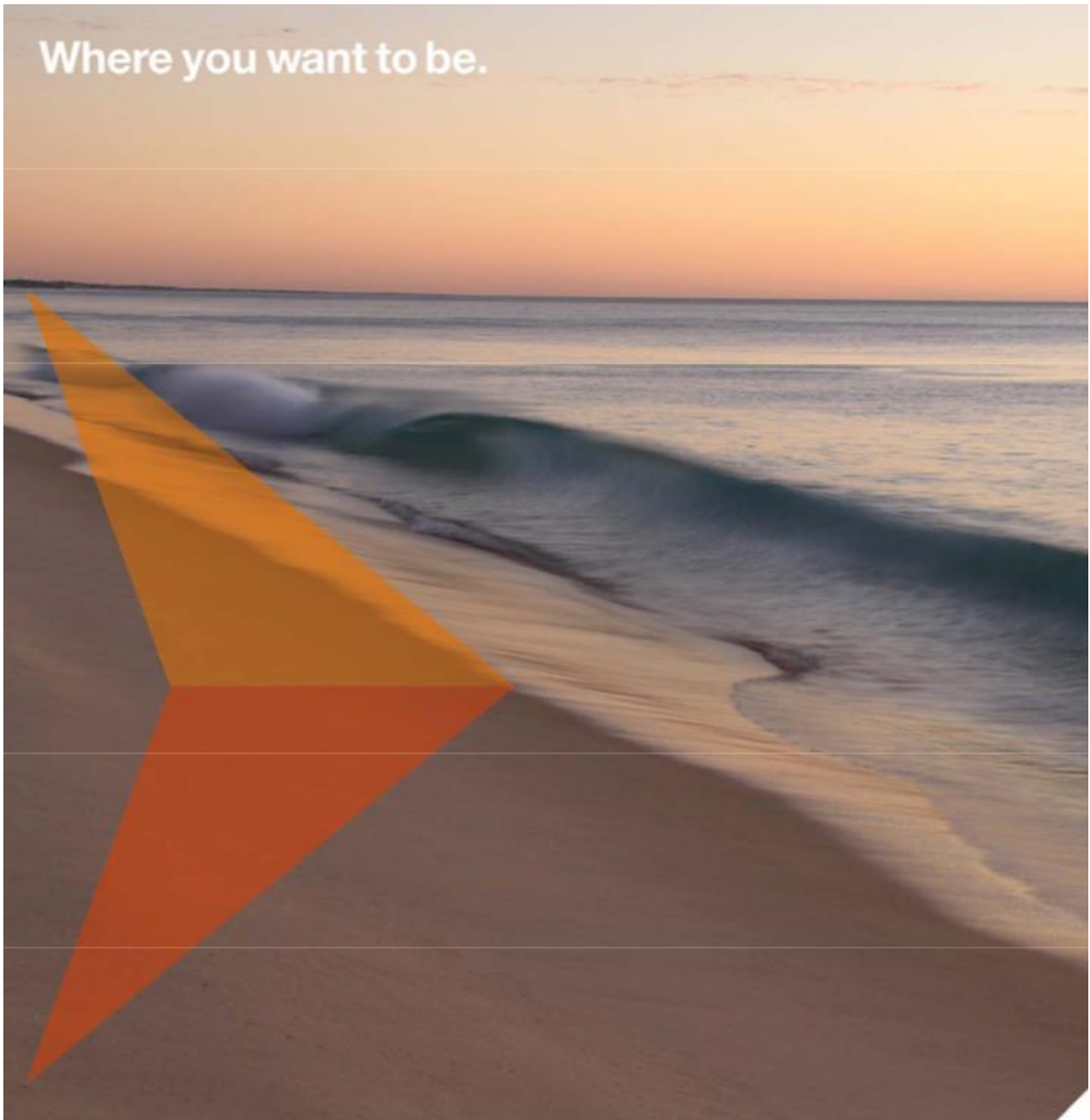
Nil

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Not having adequate documentation as requested by the Auditors to undertake the audit may result in a delay in finalisation of the Annual Financial Statements.

ATTACHMENTS

1. **Audit Plan 2023/2024**  



Where you want to be.



March 2024

Yorke Peninsula Council

Audit plan

David Papa, Partner
Level 5, 63 Pirie St, Adelaide SA 5000
Telephone +61 8 8372 7900
dpapa@adel.bentleys.com.au | bentleys.com.au

➤ Advisors ➤ Accountants ➤ Auditors

Yorke Peninsula Council // March 2024

Executive summary

We are providing our key considerations for the audit of Yorke Peninsula Council for the year ending 30 June 2024.

Dear Mr Rob Reiman,

We have set out the key considerations in relation to our audit of Yorke Peninsula Council for the year ended 30 June 2024.

The scope of our work is as follows:

- Audit of the general purpose financial statements of the Council for 2024 in accordance with financial reporting requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.
- Audit of the internal control environment with the view of forming and publishing an opinion. This will include management's monitoring, assessment and implementation of controls.

We have set out our audit approach, the risks of material misstatement, the audit engagement team and timetable for the audit.

Sincerely,



David Papa

Partner, Business Advancement and Assurance
+61 8 8372 7900
dpapa@adel.bentleys.com.au





Audit objective

The overall objective of the audit is to express an opinion on the following two items per Section 129 of the *Local Government Act 1999* which states:

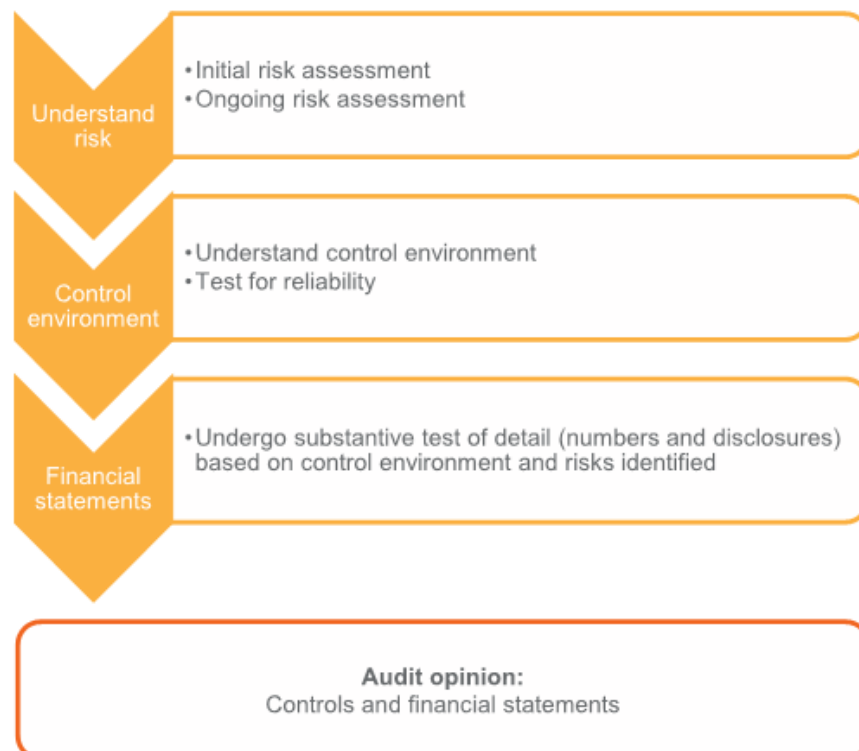
1. The auditor of a council must undertake an audit of:
 - a) the council's financial statements within a reasonable time after the statements are referred to the auditor for the audit (and, in any event, unless there is a good reason for a longer period, within 2 months after the referral), and
 - b) the controls exercised by the council during the relevant financial year in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities.

Audit approach

Helping businesses achieve their goals and aspirations.

Bentleys SA's audit approach is based on organisational and financial risk. We develop an understanding of risks for your organisation that relate to the financial statements based on our understanding of your people, your organisation and your sector. This understanding helps us build an audit program that is tailored to you each year and enables us to form an opinion on your financial statements through a target "risk based" approach. This approach identified which key business areas we will focus on more during the audit for that financial year. The benefits of this approach are:

- Audit efficiency
- Increased organisational assurance
- A review of your control environment
- Timely and effective audits





Yorke Peninsula Council // March 2024

Financial Statement Risk Assessment Process

The key to our tailored audit approach is our risk identification methodology. We draw on our sector knowledge, understanding of your business (control) environment, technical training and years of audit experience to identify risks and design and develop a testing plan to provide you assurance.



Whilst we undertake a detailed risk assessment at the planning phase of our audits to design the audit plan for the reporting year, risk is an ongoing consideration throughout the audit process and will be assessed up until the day of signing our audit report.





Outstanding Management Letter points

Here we list the issues identified from previous engagements still to be cleared.

Listed below are issues identified from the previous auditor’s engagement which may not have been addressed.

Area

Transfer of assets from Capital WIP to IPPE

Observation

We identified several assets that had been commissioned and were ready for use during the 2023 financial year but were not transferred until 30 June 2023.

Status at conclusion of previous engagement

Management agreed that future assets are transferred at the date it is deemed ready for use.

Area

High level of annual leave accrued

Observation

We identified 7 employees who have accrued over 304 hours of annual leave.

Status at conclusion of previous engagement

Managers and Supervisors will continue to monitor the seven (7) employees with excessive leave balances and ensure an Individual Leave Management Plan is in place.





Identified audit risks

We have identified the risks of financial statement material misstatement as part of our risk assessment procedures during the planning phase. The specific risks we wish to bring to your attention are as follows:

We have identified financial statement risk relating to this year's audit.

Area

Asset revaluation

Risk

The revaluation assessment and accounting treatment for CWMS, stormwater, transport, and other water assets may be incorrect.

Area

Grant Revenue

Risk

Classification and accuracy of grants revenue in accordance with the accounting standards.

Area

Transfer of assets from Capital WIP to IPPE

Risk

Assets are not being transferred at the date they are ready for use.

Area

Treatment of Illegal Dumping Matter

Risk

The accounting treatment for the illegal dumping matter may be incorrect. We are awaiting further information for clarity and will continue to assess the treatment through the audit process as information is made available.





Identified audit risks

Area

Capital commitments disclosure

Risk

Capital commitments have insufficient disclosure in the notes to the Financial Statements.

Area

System changeover

Risk

Due to the change in the Council's accounting system, there is a risk that the trial balance at cutover may be misstated.



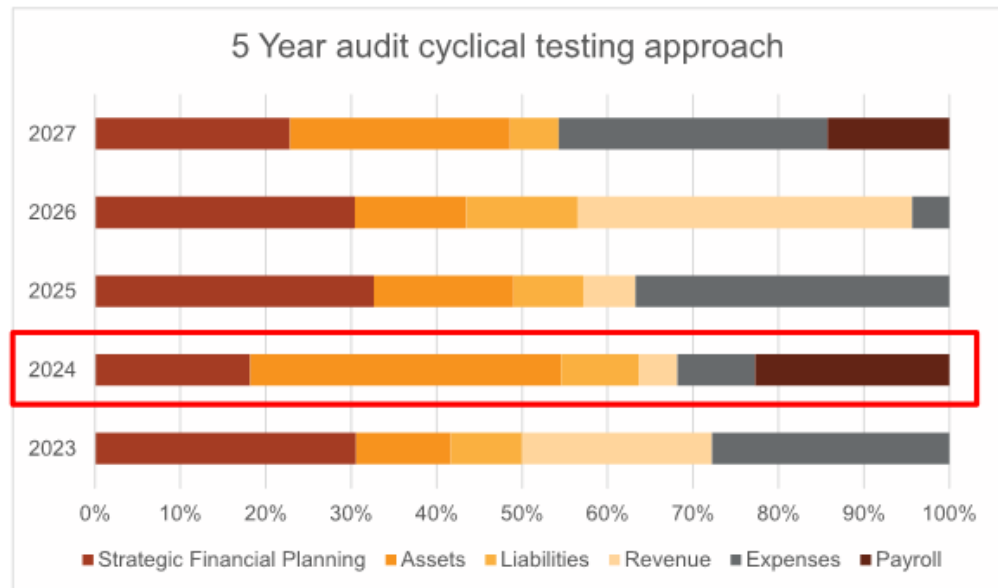


Yorke Peninsula Council // March 2024

Key areas for testing

Based on our risk assessment procedures and our understanding of your business, we have allocated our time on the key business areas over the course of the audit engagement as follows:

Based on the previous issued raised in management letters, and the risk identified, we plan on focusing our audit testing on the following areas



Note: the above is subject to events or circumstances that may arise during the audit process, and changes in focus may result depending on any risks identified. All areas in the control environment will be tested at least 100% over a three-year period at most, depending on our risk assessment of that area. The above graph depicts the areas of our focus, allowing us to undertake a deeper level of understanding in the areas being focused on.





Yorke Peninsula Council // March 2024

Timing of work

We have agreed to the following audit timeline with management



Note: Any delays in providing the required information in accordance with the above will result in us not achieving the agreed deadlines and potential further costs. Multiple adjustments made to the final trial balance or the financial report will also result in further costs.



Yorke Peninsula Council // March 2024

Engagement Team

We have selected an engagement team with suitable experience for the sector

Engagement leaders



David Papa
Engagement Partner



David Francis
Quality Control



Matthew Brunato
Senior Manager

Support staff



Joey Carbone
Senior Auditor



Grace Zhao
Auditor



Where you want to be

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Level 5, 63 Pirie St Adelaide South Australia 5000
Telephone +61 8 8372 7900
advice@adel.bentleys.com.au | bentleys.com.au

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8.2 EXTERNAL INTERIM REPORT OF AUDIT FINDING - 2023/2024**Document #:** 24/43293**Department:** Corporate and Community Services**PURPOSE**

For the Audit and Risk Committee to consider the interim external audit management report for the year ending 30 June 2024 and responses provided by management.

RECOMMENDATION

That the Audit and Risk Committee:

1. Receive the Interim Report of Audit Finding for 2023/2024 from Bentleys; and
2. Endorse management's responses to the matters raised in the report.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance**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 management

5.8 Continuous improvement of Council processes

BACKGROUND

Every year, as part of the annual audit program, Council's external auditors visit Council's offices ahead of the production of the Annual Financial Statements. This visit forms an integral part of the annual audit program and serves to identify any issues prior to the preparation of the Annual Financial Statements and their end of year final audit visit.

DISCUSSION

Bentley's audit team visited Council in April 2024 as part of their 2023/2024 Audit Program. The team undertook reviews and requested information in relation to several areas including but not limited to:

- Annual business plan
- Long term financial plan
- Grant funding
- Delegations of authority
- Asset management plans
- Internal controls and audit
- Rates and property
- Controls testing conducted by staff
- Asset registers and revaluations
- Procurement and contracting

- Policies, procedures and processes
- Contractor management
- Accounting standards
- Employee leave and entitlements
- ICT systems and access
- Accounts payable and receivable
- Payroll and taxation

The Auditors raised four (4) identified audit risks, two (2) internal control matters, four (4) status of prior year points raised as pending, and one (1) status of prior year points raised as completed. The matters raised, including management's responses, are detailed in the attached Interim Report of Audit Finding (Attachment 1). It should be noted that several of the areas identified will be examined through the 2023/2024 year end audit process.

Following formal receipt of the interim report of audit finding, and endorsement of management's responses to the matters raised in the report, outstanding items will be added to the Committee's register of agreed actions.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Corporate Management Team
- Manager Financial Services
- Business Improvement Officer
- Assets Manager
- Accountant – Financial Management
- Accountant – Financial Operations

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

- Bentleys

POLICY IMPLICATIONS

Audit and Risk Committee Terms of Reference.

BUDGET AND RESOURCE IMPLICATIONS

Funding required for actions to address the issues raised in the interim audit report is available in Council's current operating budget.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

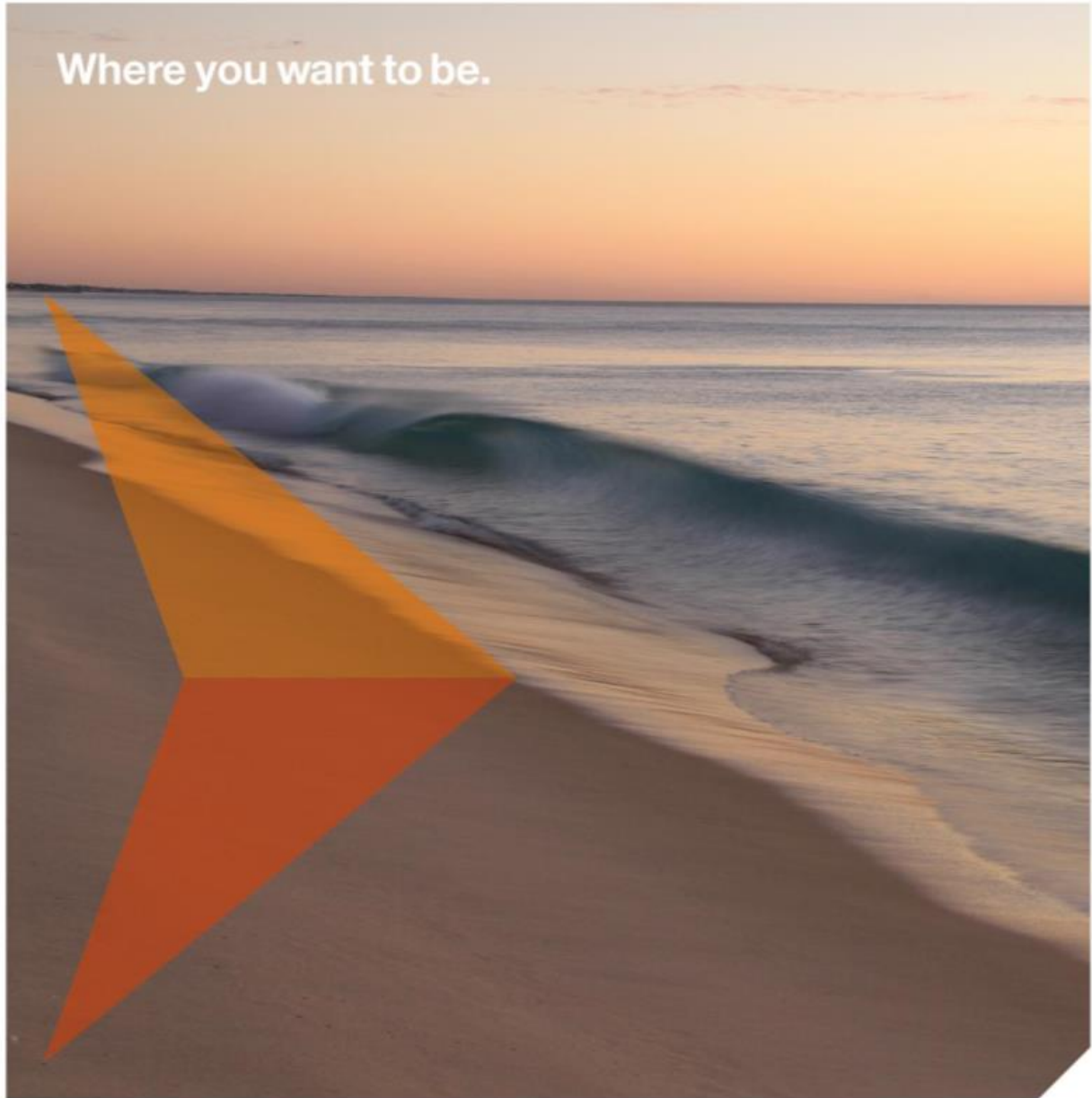
Failure to address identified matters may result in an internal control framework that is weak and ineffective and could lead to a qualified audit opinion.

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

ATTACHMENTS

1. **Interim Report of Audit Finding 2023/2024**  



May 2024

Yorke Peninsula Council

Interim Report of Audit Finding

David Papa, Partner
Level 5, 63 Pirie St, Adelaide SA 5000
Telephone +61 8 8372 7900
dpapa@adel.bentleys.com.au | [bentleys.com.au](https://www.bentleys.com.au)

➤ Advisors ➤ Accountants ➤ Auditors

Yorke Peninsula Council // May 2024

Executive summary

We are providing our interim report on the audit of Yorke Peninsula Council for the year ending 30 June 2024.

Dear Mr Rob Reiman

We have conducted our interim audit of Yorke Peninsula Council for the year ending 30 June 2024 and report to management and those charged with governance the following matters for information purposes and for consideration of implementation or corrective action.

At the conclusion of our testing, using the information obtained we determined if there were any material matters or concerns that would impact the decision-making ability of the users of the financial report.

No material matters have been raised, and the following matters reported to management are immaterial and will not impact on your opinions:

- Outdated policies/procedures
- Approval of waived service fees not always documented

We intend to issue an unmodified audit opinion over the internal control environment of Yorke Peninsula Council, pending any outstanding information.

Sincerely,



David Papa

Partner,
+61 8 8372 7900
dpapa@adel.bentleys.com.au





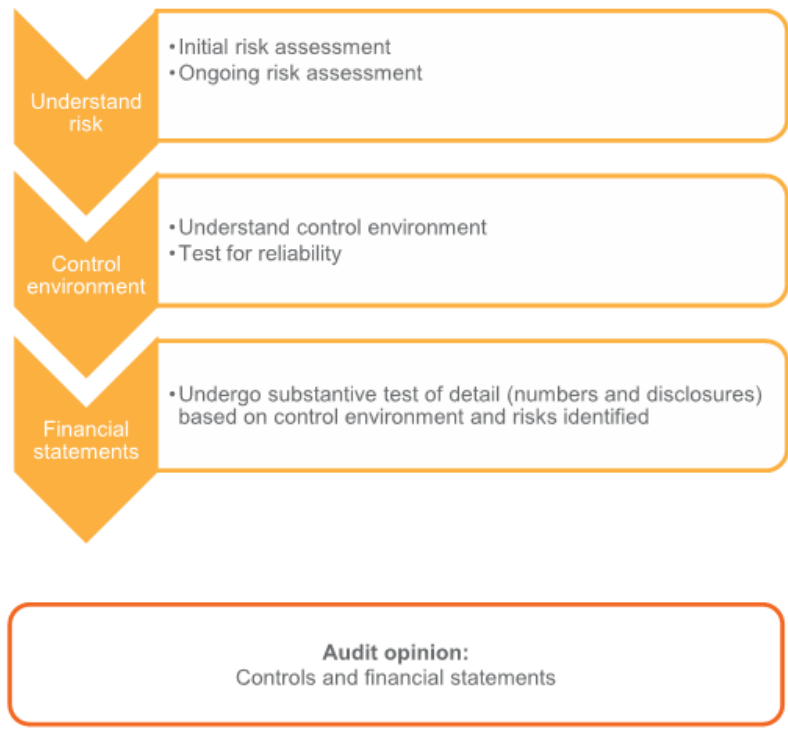
Yorke Peninsula Council // May 2024

Audit approach

Helping businesses achieve their goals and aspirations.

Bentleys SA's audit approach is based on organisational and financial risk. We develop an understanding of risks for your organisation that relate to the financial statements based on our understanding of your people, your organisation and your sector. This understanding helps us build an audit program that is tailored to you each year and enables us to form an opinion on your financial statements through a target "risk based" approach. The benefits of this approach are:

- Audit efficiency
- Increased organisational assurance
- A review of your control environment
- Timely and effective audits





Identified audit risks

We have identified financial statement risk relating to this year's audit.

As your auditor, our requirement to identify risk commences at the planning phase of our audit and continues throughout the audit process until complete and the audit report is signed. Below we have detailed identified risks relating to the financial statements.

Risks identified at planning

<p>Area</p> <p>Asset revaluation</p>	<p>Risk</p> <p>The revaluation assessment and accounting treatment for CWMS, stormwater, transport, and other water assets may be incorrect.</p>
<p>Audit Approach</p> <p>This will be tested as part of our year end testing as Fixed Asset modules are only updated at the year-end. Any changes from revaluations are also processed at this point.</p>	
<p>Outcome</p> <p>Pending</p>	
<p>Area</p> <p>Grant Revenue</p>	<p>Risk</p> <p>Classification and accuracy of grants revenue in accordance with the accounting standards.</p>
<p>Audit Approach</p> <p>We will perform testing over material grants received at our year end visit.</p>	
<p>Outcome</p> <p>Pending</p>	



Yorke Peninsula Council // May 2024

Identified audit risks

Area

Transfer of assets from Capital WIP to IPPE

Risk

Assets are not being transferred at the date they are ready for use.

Audit Approach

This will be tested as part of our year end testing as Fixed Asset modules are only updated at the year-end.

Outcome

Pending

Area

Treatment of Illegal Dumping Matter

Risk

The accounting treatment for the illegal dumping matter may be incorrect.

Audit Approach

During our interim audit visitation, we held discussion with the Manager Financial Services and determined the matter is still ongoing. We will re-evaluate during our testing at year end.

Outcome

Pending



Internal control matters

We bring the following internal control matters identified in this year's audit to your attention for consideration.

Issue

Outdated policies/procedures

Observation

We have reviewed the control document and identified that the following two (2) finance related policies/procedures were outdated:

- Purchasing and Procurement Policy
- Banking and Cash Handling Procedures.

Risk

Lack of policy and procedures increases the risk that new employees would not be aware of current processes and controls.

Significance

We understand that the Purchasing and Procurement Policy is set for Council adoption during the May 2024 meeting. The Banking & Cash Handling Procedure is also in the process of being consulted with relevant staff.

As the updating of these policies is already underway, this matter is not considered material and therefore will not impact our opinion over the internal control environment.

Recommendation

We recommend Management continue to monitor the progress of these policies/procedures and ensure they are updated in accordance with their review dates.

Management response

Management is aware of the delays to the review of the Purchasing and Procurement Policy with a recent progress update being tabled at Council's Corporate Management Team (CMT) meeting on Tuesday 6 May 2024. The policy is undergoing a major review, the outcome of which will be reported through to the Audit and Risk Committee as soon as CMT are satisfied with the outcome. In the meantime, Council's current policy continues to provide the framework and guidance for best practices.

We anticipate the review of the Banking and Cash Handling procedure to be completed prior to the next Audit and Risk Committee meeting on 28 May 2024.

Council's controlled documents are allocated for review through a workflow process within Council's document management system. Management have visibility to the status of any policies or procedures which are out for review at all times, with automated reminders and reports generated by the system to assist in meeting review obligations.



Internal control matters

Issue

Approval of waived service fees was not always documented

Observation

Our sample test of waived service fees identified that approval from relevant Director was not always documented.

Risk

Waiving fees without evidence of proper authorisation may lead to financial loss and compliance issues with the Council's Delegations of Authority.

Significance

We have sighted the request form from the organisation applying for a waiver of a portion of development application fees. As approval from the Director is typically via an email, we expect the email to be attached as validation of the waiver. While we did identify one instance where the control was not recorded, we have sighted circumstances where the control is documented, therefore can substantiate that the control exists.

In this occurrence is likely that this email was not retained as an exception. Therefore, this will not impact our audit opinion.

Recommendation

It is recommended that Council ensure documented audit evidence to support transactions is always documented.

Management response

Council will continue to ensure that documented evidence supporting any debt waiver and/or reduction is retained in evidence of such transactions. We note that as this process is not automated and as such the opportunity for human error (i.e. – failure to save evidence of approval into Council records management system) will remain.



Status of prior year points raised

Listed below are issues identified from previous engagements which as at the conclusion of the previous engagement have not been addressed.

Area

General ledger reconciliations

Observation

We identified that the independent review of the monthly general ledger reconciliations, such as aged receivable and aged payables, was not always performed by finance.

Status

We obtained a sample of monthly ledger reconciliations of aged receivables and payables and determined this process was performed by Finance.

Outcome

Complete

Area

Outdated policies

Observation

We noted that there is no formal policy or procedure in relation to the General Ledger.

We also reviewed the controlled document register and noted the Asset Management Policy is overdue for review. Date of review was November 2022.

Status

We have reviewed the control document and determined the updated Asset Management Policy was issued on 12 July 2023 and is set for review 1 July 2027. The control document lists the General Ledger Policy, however no issue date and review date is documented.

We will re-assess the progress of implementing this policy during our year end testing.

Outcome

Pending



Status of prior year points raised

Area

Basis for evaluation criteria in tendering

Observation

There is insufficient evidence showing that the Tender Manager provided sufficient and clear explanation for evaluation criteria and weighting to evaluation members. There was also insufficient evidence that the Tender Panel members acknowledged and accepted the reasoning behind the evaluation criteria before the tender was advertised.

In discussions with management, it was understood that the basis for the evaluation criteria is sometimes discussed and agreed verbally.

Recommendation

Per the Evaluating Tenders and Expressions of Interest Procedure, once the Tender Manager has finalised the proposed evaluation criteria and subsequent weightings and entered them into the Matrix, it must be emailed to all members of the Panel. The reasoning behind the criteria and weightings must be explained and must be agreed to by the majority of the Panel via email prior to any advertising of the Tender/EOI.

All records regarding this matter should be registered in Council's EDRMS.

Status

To be reviewed at year end.

Outcome

Pending.



Yorke Peninsula Council // May 2024

Status of prior
year points
raised

Area

Contract register

Observation

The contract register has not been maintained.

We understand management has commenced work on creation of a contracts register, however staff turnover and resourcing issues have delayed effective implementation of this process.

Recommendation

Per the Purchasing and Procurement Policy, once a supplier has been selected, all executed contracts/agreements must be registered in Council's EDRM System and details recorded in the Contracts Register.

Status

To be reviewed at year end.

Outcome

Pending



Status of prior year points raised

Area

Contractor management

Observation

There was insufficient evidence around contractor management and monitoring activities.

We noted the following in discussion with Management:

- there are no formal/standard procedures to monitor the milestone and quality/service standards for contractors.
- Supplier/contractor performance is managed by the relevant Project Manager who assesses work completed against project deliverables and makes recommendations for or against payment of invoices (when received) based on the quantity and quality of work performed. The level of process and procedure utilised by Project Managers vary based upon the size and complexity of the project, and from time to time involve the assessment of invoices and works by external parties prior to payment.
- All supporting documents are kept by the Project Manager. Each quarter, a budget review should be provided for each project and significant variances should be explained.

However, no evidence of project management was provided for our testing, or quarterly budget reviews.

Recommendation

Project Managers document and maintain evidence of monitoring activities.

Status

To be reviewed at year end.

Outcome

Pending.



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Level 5, 63 Pirie St Adelaide South Australia 5000
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8.3 AUDIT AND RISK COMMITTEE REPORT TO COUNCIL

Document #: 24/41910

Department: Corporate and Community Services

PURPOSE

To seek Audit and Risk Committee endorsement on the draft Audit and Risk Committee Report to Council, summarising the work performed for the period 27 February 2024 to 27 May 2024.

RECOMMENDATION

That the Audit and Risk Committee endorse the draft Audit and Risk Committee Report to Council for the period 27 February 2024 to 27 May 2024 as presented.

LINK TO STRATEGIC PLAN

Goal: 5 Responsible Governance and Leadership

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

BACKGROUND

Changes to the Local Government Act 1999 (Act), that came into effect from 30 November 2023, under Section 126 (8) of that Act, states a Council Audit and Risk Committee (Committee) must provide a report to the council after each meeting summarising the work of the Committee during the period preceding the meeting and outcomes of the meeting.

Extract of Section 126(8) of the Local Government Act:

(8) A council audit and risk committee must –

- a) provide a report to the Council after each meeting summarising the work of the committee during the period preceding the meeting and the outcomes of the meeting; and
- b) provide an annual report to the Council on the work of the committee during the period to which the report relates.

DISCUSSION

As required by legislation, the Audit and Risk Committee of a council must provide a report to the council after each meeting, summarising the work of the committee during the period preceding the meeting and the outcomes of the meeting.

The proposed Committee report summarising the work performed by the Audit and Risk Committee for the period 27 February 2024 to 27 May 2024 is provided in Attachment 1 for endorsement. The report contains a brief summary of the work performed, along with the following attachments:

- order of business;
- Audit and Risk Committee Work Plan; and
- the minutes of the meeting.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Director Corporate and Community Services

- Executive Assistant to Director Corporate and Community Services
- Manager Financial Services

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

- Nil

POLICY IMPLICATIONS

Nil

BUDGET AND RESOURCE IMPLICATIONS

Nil

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

ATTACHMENTS

1. **Report - Summary of Audit and Risk Committee Meeting - 27 February 2024** [↓](#) 

ORDINARY COUNCIL MEETING AGENDA

12 JUNE 2024

SUMMARY OF AUDIT AND RISK COMMITTEE MEETING - 27 FEBRUARY 2024

Document #: 24/41832**Department:** Corporate and Community Services**PURPOSE**

To provide Elected Members with a report summarising the work of the Audit and Risk Committee during the period preceding the 28 May meeting and the outcomes the meeting of the Audit and Risk Committee meeting that was held on 27 February 2024, including receipt of the minutes.

RECOMMENDATION

That the report be received.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.3 Meet all legislative requirements and compliance with Council's internal controls**BACKGROUND**

Changes to the Local Government Act 1999 (Act), that came into effect from 30 November 2023, under Section 126 (8) of that Act, states a Council Audit and Risk Committee (Committee) must provide a report to the council after each meeting summarising the work of the Committee during the period preceding the meeting and outcomes of the meeting.

DISCUSSION**Order of Business**

The Audit and Risk Committee meeting held on 27 February 2024 Order of Business (Attachment 1) contained 16 reports, being;

- 8.1 Audit and Risk Committee New Reporting Requirements
- 8.2 Terms of Reference Review
- 8.3 Consultation on Appoint Person Primarily Responsible for the Internal Audit Function
- 8.4 Scheduled Policy and Procedure Review Register
- 8.5 Internal Audit Activity Report
- 8.6 New Global Internal Audit Standards
- 8.7 Cyber Security – Penetration Testing February 2024
- 8.8 Audit and Risk Committee Work Plan 2024-2025
- 8.9 December 2023 Quarterly Budget Review
- 8.10 Policy Review – PO088 Elected Member Use of Council Supplied Electronic Equipment Policy
- 8.11 Policy Review – PO124 Asset Accounting Policy
- 8.12 Report on Excess Annual Leave Entitlements – February 2024
- 8.13 Policy Review – PO177 YP Leisure Options Worker Screening Requirements
- 8.14 Policy Review – PO173 Leave Management Policy

ORDINARY COUNCIL MEETING AGENDA**12 JUNE 2024**

8.15 Policy Review – PO014 Employee Behavioural Standards

8.16 Long Term Financial Plan – Annual Review

Audit and Risk Committee Work Plan 2024

The Audit and Risk Committee Work Plan 2023 (Attachment 2) was presented to the Audit and Risk Committee in December 2023 and was endorsed for action. Adoption and regular review of the Work Plan assists the Committee to achieve its objectives.

The Work Plan is updated each meeting to reflect the work scheduled and is colour coded and all items considered by the Committee are updated as meetings occur. Any items deferred between meetings are clearly shown, as are the dates of meetings.

The following changes were proposed at the 27 February 2024 Meeting:

- Item 6.1 amended to reflect information presented to the Committee at the current meeting regarding new reporting requirements;
- Item 7.1 amended to note commencement of Strategic Management Plan review in early 2024;
- Item 7.3 removal of November 2024 reporting on updated Asset Management Plans as reviews should be conducted prior to second anniversary of Local Government Elections; and
- Item 8.1 amended to note process commencement in May 2024 with recommendation of appointments to be completed by September 2024.

Minutes of the Audit and Risk Committee Meeting

A copy of the Minutes of the Audit and Risk Committee meeting held 27 February 2024 are provided in Attachment 3 for Council's consideration.

There were seven reports with recommendations made for Council consideration, being:

- Audit and Risk Committee Terms of Reference Review
- Policy Review – PO088 Elected Member Use of Council Supplied Electronic Equipment Policy
- Policy Review – PO124 Asset Accounting Policy
- Policy Review – PO177 YP Leisure Options Worker Screening Requirements
- Policy Review – PO173 Leave Management Policy
- Policy Review – PO014 Employee Behavioural Standards
- Long Term Financial Plan – Annual Review

The full Audit and Risk Committee Agenda and Minutes for the meeting held 27 February 2024 can be viewed on Council's website.

ATTACHMENTS

1. **Agenda - Audit and Risk Committee Meeting - 27 February 2024**
2. **Audit and Risk Committee Work Plan 2024-2025 - February 2024 Update**
3. **Minutes - Audit and Risk Committee - 27/02/2024**

ORDINARY COUNCIL MEETING

12 JUNE 2024

AUDIT AND RISK COMMITTEE MEETING AGENDA

27 FEBRUARY 2024

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Yorke Peninsula Council Proposed Audit and Risk Committee Work Plan 2024-2025										
Activity	Link to Legislation, TOR	Timeframe								Notes
		Completed		Consent		Deferred				
		Feb-24 27th	May-24 28th	Sep-24 26th	Oct-24 22nd	Nov-24 26th	Feb-25 27th	May-25 28th		
		Q1	Q2	Q3	FS	Q4	Q1	Q2		
1. Financial Reporting										
s126(4)(a)										
1.1 Review General Purpose Financial Statements	-				X					Following external audit but prior to Council endorsement.
1.2 Review asset revaluations	-		X						X	Revaluations as at 1 July 2023 to be undertaken for the following infrastructure asset classes: > Transport; > Community Wastewater Management Scheme (CWMS); > Water; and > Stormwater infrastructure. Ensure values are up to date and soundly based, including having particular regard to local conditions: > Whether infrastructure asset values reflect local replacement costs and the condition of existing assets; > In accordance with relevant Accounting Standards and Council policies PO124 Asset Accounting Policy & PO128 Asset Management Policy; > Whether any infrastructure asset condition information is available to assist in determining revaluation.
1.3 Review methodology and approach to Depreciation	-		X		X				X	As part of asset revaluations and financial statements.
1.4 Review of Budget - information only	-	X	X			X	X	X	X	For information only, generally reported after adoption by Council due to timing.
2. Internal Controls										
s126(4)(f)										
2.1 Review Better Practice Model Self Assessment (External Auditor reviews as part of Controls certification).	-		X		X				X	Status report provided on internal controls self assessment testing.
3. Risk Management										
s126(4)(c)										
3.1 Mandated Update to Strategic Risk Register	-			X						Due for review following November 2022 LG Elections in line with review of Strategic Management Plan. Review SMP within 2 years. LG Election (i.e. - before November 2024, current SMP spans period 2021-2025).
3.2 Annual Review of Risk Management Systems (including strategic, financial and operational risks and Emergency Management/Business Continuity Plan)	S99(1)(ia) S126(4)(c, h) S125(1)					X				
3.3 Results of LGRS Risk Profiling Review	-									Initial assessment undertaken in October 2023, awaiting final results to be approved by the LGRS Board. Unsure of future timeline for reviews, so ad hoc until determined.
4. Internal Audit										
s126(4)(c)										
4.1 Adopt/review planning and scoping of internal audit plan	-			X						Proposed Internal Audit Plan updated annually for consideration by the Committee.
4.2 Review the status of the internal audit plan and any internal audit reports presented	-	X	X	X		X	X	X	X	Presented at quarterly meetings.

ORDINARY COUNCIL MEETING

12 JUNE 2024

Yorke Peninsula Council Proposed Audit and Risk Committee Work Plan 2024-2025										
Activity	Link to Legislation, TOR	Timeframe								Notes
		Completed				Consent/Deferred				
		Feb-24 27th	May-24 28th	Sep-24 28th	Oct-24 22nd	Nov-24 28th	Feb-25 27th	May-25 28th		
Q1	Q2	Q3	FS	Q4	Q1	Q2				
4.3 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	X	X		Reports provided on progress made against matters raised by Council's external and internal auditor
5. External Audit										
5.1 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.	s126(4)(b) ToR					X				To include confidential meeting to satisfy requirements of Local Government (Financial Management) Regulation 17B.
5.2 Review effectiveness of external audit.	s126(4)(b)				X					
5.3 Review audit findings/ management representation letters.	-			X	X					
5.4 Assess the appropriateness of the Council's response to the auditor's findings and recommendations.	-			X	X					
5.5 Oversee action to follow up on matters raised by the external auditor.	-			X	X					
6. Reporting										
6.1 Regular Reporting to Council > summary of the work of the committee during the period preceding the meeting; and > outcomes of the last committee meeting (through presentation of meeting minutes to Council).	s126(8)(a)	X	X	X	X	X	X	X	X	A report to Council which summarises the work of the Committee and outcomes of the meeting to be developed following each sitting of the Committee to fulfil the requirements of Local Government Act s.126(8)(a)
6.2 Annual Report of the Audit and Risk Committee functions for inclusion in Council annual report: > activities of the Committee's work program and the results of a self-assessment of performance for the preceding financial 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.	s126(8)(b) s126(9)			X						Timing of Committee annual report re-scheduled to align with Council annual reporting requirements (i.e. - financial year) to satisfy requirements of Local Government Act s.126(8)(b). New legislative requirement effective 30 November 2023
6.3 CEO annual report on Council's internal audit processes	599(1)(b)			X						Tentative timing of the report proposed. Format and timing of the report subject to further consideration of prescribed requirements. To satisfy requirements of Local Government Act s.99(1)(b). New legislative requirement effective 30 November 2023

Yorke Peninsula Council Proposed Audit and Risk Committee Work Plan 2024-2025										
Activity	Link to Legislation, TOR	Timeframe								Notes
		Completed		Commenced		Deferred				
		Feb-24 27th	May-24 28th	Sep-24 26th	Oct-24 22nd	Nov-24 26th	Feb-25 27th	May-25 28th		
		Q1	Q2	Q3	F5	Q4	Q1	Q2		
7. Strategic, Financial and Management Planning										
7.1 Review Strategic Management Plan	-			X						Due for review following November 2022 LG Elections (current SMP spans period 2021-2025). Contractor EOI / RFQ completed (Nov-23) with preferred vendor selected. Review commenced early 2024.
7.2 Review Long Term Financial Plan	-		X					X		Updated annually in conjunction with adoption of Annual Business Plan and Budget.
7.3 Review Asset Management Plans/Strategy	-			X	X					Review of Council's Asset Management Plans to commence in 2024. Plans are due for review due within 2 years after LG Election (i.e. - before November 2024). Asset Management Plans are to be reviewed for the following asset classes: > Buildings and Structures; > Transport Infrastructure; > CWMS Infrastructure; > Water Infrastructure; > Stormwater Infrastructure; and > Major Plant
7.4 Review appropriateness of the range and content of Council's policies and strategies	-	X	X	X	X	X	X	X	X	As per review timeframes and legislative requirements - ongoing
7.5 Review Annual business plan, budget and fees and charges	-		X						X	In conjunction with public consultation period
8. Other matters										
8.1 Review Independent Member Appointments			X	X						Mr. Rob Reiman (appointment expiry 30 November 2024) Mr. Hussain Rafeeq (appointment expiry 30 November 2024) Mrs. Sarah Beesley (appointment expiry 30 November 2027) Independent Member Candidate EOI process to commence 4th Q1R FY 23/24 with recommendation of appointments to be completed by September 2024.
8.2 Adopt/review the Committee annual workplan	s126(4)(ac)	X	X	X	X	X	X	X	X	Updated for each meeting
8.3 Reports on other relevant matters		X	X	X	X	X	X	X	X	Ongoing as the need arises



MINUTES

Audit and Risk Committee Meeting

(Subject to confirmation)

27 February 2024

ORDINARY COUNCIL MEETING**12 JUNE 2024**

AUDIT AND RISK COMMITTEE MEETING MINUTES**27 FEBRUARY 2024**

**MINUTES OF YORKE PENINSULA COUNCIL
AUDIT AND RISK COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER , MINLATON TOWN HALL, 57 MAIN STREET, MINLATON
ON TUESDAY, 27 FEBRUARY 2024 AT 3:03PM**

1 WELCOME BY CHAIRPERSON

Chair Rob Reiman welcomed everyone to the meeting and declared the meeting open.

2 PRESENT

Chair Rob Reiman, Member Hussain Rafeeu (via Microsoft Teams), Member Sarah Beesley.

In Attendance

Mayor Darren Braund, Andrew Cameron (CEO), Ben Thompson (Director Corporate and Community Services), Daniel Griffin (Manager Financial Services), Carina Congdon (Team Leader HR & People Experience) and Lauren McSkimming (Minute Secretary).

3 LEAVE OF ABSENCE

Nil

4 APOLOGIES

Cr Adam Meyer, Cr Tania Stock and Bobbi Pertini (Manager People, Culture and Safety).

5 CONFLICT OF INTEREST

Chair Rob Reiman reminded all Members of the requirement to disclose any conflict of interest in relation to any matters before Council.

Nil

6 MINUTES OF PREVIOUS MEETING – FOR CONFIRMATION**COMMITTEE RESOLUTION**

Moved: Member Sarah Beesley

Seconded: Member Hussain Rafeeu

That the minutes of the Audit and Risk Committee Meeting held on 5 December 2023 be confirmed.

CARRIED 001/2024 (27/02/2024)

7 VISITORS TO THE MEETING

Nil

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ORDINARY COUNCIL MEETING

12 JUNE 2024

AUDIT AND RISK COMMITTEE MEETING MINUTES

27 FEBRUARY 2024

REPORTS

8 NEW BUSINESS

8.1 AUDIT AND RISK COMMITTEE NEW REPORTING REQUIREMENTS

PURPOSE

To inform the Audit and Risk Committee of the introduction of a new reporting requirement introduced into the Local Government Act 1999, effective from 30 November 2023, that requires a report to Council summarising the work performed after each Audit and Risk Committee meeting and also on an annual basis.

COMMITTEE RESOLUTION

Moved: Chair Rob Reiman
Seconded: Member Sarah Beesley

That the Committee endorse:

1. The reporting methodology as outlined in this report; and
2. The draft Audit and Risk Committee report to Council for the period 30 November 2023 to 26 February 2024 as presented.

CARRIED 002/2024 (27/02/2024)

Chair Rob Reiman clarified the reason for this report, as at the meeting in December he suggested the Committee could deliver the minutes to Council, as done previously. However, with discussion with other Audit and Risk Committee members, this wasn't the case. Mitcham Council sought legal advice which indicated that more would be required than just the minutes from the meeting. Chair Rob Reiman provided staff an example of a report from Mid Murray Council prior to the meeting and staff took reference from that.

8.2 TERMS OF REFERENCE REVIEW

PURPOSE

For the Audit and Risk Committee to review its Terms of Reference for recommendation to Council and in response to recent legislative changes to the Local Government Act 1999.

COMMITTEE RESOLUTION

Moved: Member Hussain Rafeeu
Seconded: Member Sarah Beesley

That the Audit and Risk Committee recommend the proposed updated Terms of Reference for the endorsement of Council as presented.

CARRIED 003/2024 (27/02/2024)

Member Sarah Beesley sought clarification on what the major changes were to the new Terms of Reference being presented. Manager Financial Services indicated that changes made were in accordance with LGA guidance material and that changes of note included those around Committee membership and scope increases to include internal audit and risk to address legislative amendments. However, noted that a more in-depth update will be brought to the Committee with suggestions and options in the annual reporting period of the Committee.

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ORDINARY COUNCIL MEETING

12 JUNE 2024

AUDIT AND RISK COMMITTEE MEETING MINUTES**27 FEBRUARY 2024**

Member Hussain Rafeeu congratulated staff on a very comprehensively written Terms of Reference and suggested one minor change under financial reporting 2.3.1. Suggesting changing the word "monitor" to "consider". Staff to make this change prior to Council endorsement.

Chair Rob Reiman requested staff to send a copy of the LGA Paper to each member as a courtesy. Manager Financial Services to provide a copy when the minutes are distributed.

8.3 CONSULTATION REPORT ON APPOINTING PERSON PRIMARILY RESPONSIBLE FOR THE INTERNAL AUDIT FUNCTION**PURPOSE**

To facilitate consultative consideration of the appointment of the Chief Executive Officer (CEO) as the "person primarily responsible for the Internal Audit Function" by the Audit and Risk Committee (Committee) in accordance with section 125A of the Local Government Act 1999.

COMMITTEE RESOLUTION

Moved: Chair Rob Reiman
Seconded: Member Sarah Beesley

That the Audit and Risk Committee note, in accordance with the requirement of section 125A of the Local Government Act 1999, that the CEO intends to self-appoint as the "person primarily responsible for the Internal Audit Function", in consideration of feedback from the Audit and Risk Committee.

CARRIED 004/2024 (27/02/2024)

Member Hussain Rafeeu expressed his concerns with the proposed internal audit process as outlined in the tabled report and advised he's not comfortable as it stands. Whilst conceding that the proposal does not contravene the legislation, Member Rafeeu noted that it was not in accordance with best practice, nor was it in keeping with the New International Internal Audit Standards (Standard 7.1). Member Hussain Rafeeu stated that the person primarily responsible for the internal audit function should be independent of senior management, and that this was his main objection to the proposed action as it stands.

Chair Rob Reiman commented that the new legislation presumes a "one size fits all" approach to internal audit oversight, which simply does not easily translate into standardised procedures in the case in regional councils where resources are stretched. Chair Rob Reiman was supportive of the proposed action and advised the Committee that it is compliant with the new legislation changes.

Manager Financial Services commented that the CEO is providing assurance to the Committee and not to himself, and that the recommendation is a continuation of current practice and complies with the new legislation. He further noted that the CEO is not required to consult with the Committee in relation to persons assisting the CEO in his oversight of the internal audit function whether they be internal or external to Council.

Member Sarah Beesley did not have any concerns regarding the proposed action on internal audit while Member Hussain Rafeeu requested it be noted on record that he is not supportive of the proposed direction as detailed in the report. The resolution to note the report was carried on a split decision with Member Rafeeu voting against.

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ORDINARY COUNCIL MEETING

12 JUNE 2024

AUDIT AND RISK COMMITTEE MEETING MINUTES

27 FEBRUARY 2024

8.4 SCHEDULED POLICY AND PROCEDURE REVIEW REGISTER

PURPOSE

To provide the Audit and Risk Committee with a Policy and Procedure Review Register informing of proposed review dates for draft policies and procedures, relevant to the Audit and Risk Committee.

COMMITTEE RESOLUTION

Moved: Member Hussain Rafeeu

Seconded: Chair Rob Reiman

That the Audit and Risk Committee receive the Policy and Procedure Review Register.

CARRIED 005/2024 (27/02/2024)

Member Hussain Rafeeu questioned whether all Policies come to the Audit and Risk Committee. CEO advised that not every Policy of Council comes through the Committee, it's only the Policies that affect the Committee. Member Hussain Rafeeu suggested reviewing the Policies that are scheduled in light of the new Terms of Reference. Staff to consider.

Member Sarah Beesley sought clarification if Staff had considered the workload of updating these Policies as there were a lot in one department. The CEO advised that the plan was distributed to staff to review to take in the consideration of workload, however the register is a living document and can be amended as needed.

8.5 INTERNAL AUDIT ACTIVITY REPORT

PURPOSE

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

COMMITTEE RESOLUTION

Moved: Chair Rob Reiman

Seconded: Member Hussain Rafeeu

That the report be received.

CARRIED 006/2024 (27/02/2024)

The CEO provided a verbal update to the Committee in relation to his Corporate Credit Card purchases and advised in the middle of last year one of the Directors retired, where their corporate credit card needed to be cancelled. When the paperwork was sent to PCU for cancellation, the financial institution accidentally cancelled the CEO's card instead. It took several months to have his card reinstated and the issue rectified.

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ORDINARY COUNCIL MEETING

12 JUNE 2024

AUDIT AND RISK COMMITTEE MEETING MINUTES

27 FEBRUARY 2024

8.6 NEW GLOBAL INTERNAL AUDIT STANDARDS

PURPOSE

To inform the Audit and Risk Committee members of the new Global Internal Audit Standards and the transition period for implementation.

COMMITTEE RESOLUTION

Moved: Member Sarah Beesley
Seconded: Member Hussain Rafeeu

That the report be received.

CARRIED 007/2024 (27/02/2024)

Member Hussain Rafeeu queried who had been participating in the webinars and if it included the senior management. The CEO advised that no senior management participated, it was staff who assist with the internal audit function of Council.

8.7 CYBER SECURITY - PENETRATION TESTING FEBRUARY 2024

PURPOSE

To inform the Audit and Risk Committee of the outcomes, and subsequent remediation actions, relating to Council's recent independent cyber security penetration testing and risk assessment.

COMMITTEE RESOLUTION

Moved: Chair Rob Reiman
Seconded: Member Hussain Rafeeu

That the report be received.

CARRIED 008/2024 (27/02/2024)

Director Corporate and Community Services provided a verbal update to the report as key changes had been made in relation to the remediation.

Member Sarah Beesley sought clarification on Council's Cyber Security Policy and Working from Home Policy, as to what measures are in place. Director Corporate and Community Services advised that majority of Council programs have MFA but highlighted that it's an ongoing issue.

8.8 AUDIT AND RISK COMMITTEE WORK PLAN 2024-2025

PURPOSE

To consider and endorse the updated Work Plan for 2024-2025.

COMMITTEE RESOLUTION

Moved: Member Sarah Beesley
Seconded: Member Hussain Rafeeu

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ORDINARY COUNCIL MEETING

12 JUNE 2024

AUDIT AND RISK COMMITTEE MEETING MINUTES**27 FEBRUARY 2024**

That the Audit and Risk Committee endorse the updated 2024-2025 Work Plan.

CARRIED 009/2024 (27/02/2024)

Chair Rob Reiman advised the Staff that the format of the workplan is easy to read and quick to identify if there's any issues.

Member Hussain Rafeeu sought clarification on activity 6.3 CEO annual report on Council's internal audit processes, and whether the report would be for the financial year. Manager Financial Services advised; the report would be for the 2023/2024 financial year.

8.9 DECEMBER QUARTERLY BUDGET REVIEW 2023-2024**PURPOSE**

To receive Council's endorsed December quarterly budget review (as at 31 December 2023) for Council's 2023/2024 Budget and associated financial statements, ratios and changes.

COMMITTEE RESOLUTION

Moved: Member Sarah Beesley
Seconded: Member Hussain Rafeeu

That the Audit and Risk Committee receive the endorsed 2023/2024 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).

CARRIED 010/2024 (27/02/2024)

Manager Financial Services advised the Committee the report had already passed through Council and provided a verbal update to the report.

Member Sarah Beesley sought clarification on the free of charge assets and the associated income. Manager Financial Services and the CEO provided clarification and advised the main reason community groups seek to gift asset to Council is their inability to obtain appropriate public liability insurance cover once purchased/constructed.

Member Hussain Rafeeu questioned the operating surplus position and if there are plans in place to reach the target level. Manager Financial Services advised it's hard to determine where Council will exactly land with the operating surplus as there's a number of capital projects in progress, grant funding variations requests yet to be finalised and costs in relation to illegal dumping clean up yet to be determined.

8.10 POLICY REVIEW - PO088 ELECTED MEMBER USE OF COUNCIL SUPPLIED ELECTRONIC EQUIPMENT POLICY**PURPOSE**

To seek endorsement of the proposed updated PO088 Elected Member Use of Council Supplied Electronic Equipment Policy.

COMMITTEE RESOLUTION

Moved: Chair Rob Reiman
Seconded: Member Hussain Rafeeu

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ORDINARY COUNCIL MEETING**12 JUNE 2024****AUDIT AND RISK COMMITTEE MEETING MINUTES****27 FEBRUARY 2024**

That the Audit and Risk Committee endorse the proposed updated PO088 Elected Member Use of Council Supplied Electronic Equipment Policy and recommend to Council that it be adopted as presented.

CARRIED 011/2024 (27/02/2024)**8.11 POLICY REVIEW - PO124 ASSET ACCOUNTING POLICY****PURPOSE**

To seek endorsement of the proposed updated PO124 Asset Accounting Policy.

COMMITTEE RESOLUTION

Moved: Member Hussain Rafeeu
Seconded: Chair Rob Reiman

That the Audit and Risk Committee endorse the proposed updated PO124 Asset Accounting Policy and recommend to Council that it be adopted as presented.

CARRIED 012/2024 (27/02/2024)**8.12 REPORT ON EXCESS ANNUAL LEAVE ENTITLEMENTS - FEBRUARY 2024****PURPOSE**

To provide an update to the Audit and Risk Committee on the current annual leave management processes.

COMMITTEE RESOLUTION

Moved: Member Sarah Beesley
Seconded: Member Hussain Rafeeu

That the report be received.

CARRIED 013/2024 (27/02/2024)

Member Sarah Beesley commended Team Leader HR & People Experience on the reduction to excess leave entitlements achieved since the last report was issued.

8.13 POLICY REVIEW - PO177 YP LEISURE OPTIONS WORKER SCREENING REQUIREMENTS**PURPOSE**

To seek endorsement on the proposed updated PO177 YP Leisure Options Worker Screening Requirements Policy.

COMMITTEE RESOLUTION

Moved: Chair Rob Reiman

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ORDINARY COUNCIL MEETING

12 JUNE 2024

AUDIT AND RISK COMMITTEE MEETING MINUTES**27 FEBRUARY 2024**

Seconded: Member Sarah Beesley

That the Audit and Risk Committee endorse the proposed updated PO177 YP Leisure Options Worker Screening Requirements Policy and recommend to Council that it be adopted as presented.

CARRIED 014/2024 (27/02/2024)**8.14 POLICY REVIEW - PO173 LEAVE MANAGEMENT POLICY****PURPOSE**

To seek endorsement on the proposed updated PO173 Leave Management Policy.

COMMITTEE RESOLUTION

Moved: Chair Rob Reiman

Seconded: Member Hussain Rafeeu

That the Audit and Risk Committee endorse the proposed updated PO173 Leave Management Policy and recommend to Council that it be adopted as presented.

CARRIED 015/2024 (27/02/2024)**8.15 POLICY REVIEW - PO014 EMPLOYEE BEHAVIOURAL STANDARDS POLICY****PURPOSE**

To seek endorsement on the proposed updated PO014 Employee Behavioural Standards Policy.

COMMITTEE RESOLUTION

Moved: Chair Rob Reiman

Seconded: Member Hussain Rafeeu

That the Audit and Risk Committee endorse the proposed updated PO014 Employee Behavioural Standards Policy and recommend to Council that it be adopted as presented.

CARRIED 016/2024 (27/02/2024)**8.16 LONG TERM FINANCIAL PLAN - ANNUAL REVIEW****PURPOSE**

To update the Audit and Risk Committee (Committee) on the annual review of Council's current Long Term Financial Plan 2024-2033 (LTFP).

COMMITTEE RESOLUTION

Moved: Member Hussain Rafeeu

Seconded: Member Sarah Beesley

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ORDINARY COUNCIL MEETING

12 JUNE 2024

AUDIT AND RISK COMMITTEE MEETING MINUTES

27 FEBRUARY 2024

That the report be received, and the revised Long Term Financial Plan 2025-2034 be recommended to Council for endorsement.

CARRIED 017/2024 (27/02/2024)

4.22pm – 4.46pm - Manager Financial Services provided a presentation to support Agenda Item 8.16 Long Term Financial Plan – Annual Review.

4.45pm – Director Corporate and Community Services left the meeting.

4.48pm – Director Corporate and Community Services returned to the meeting.

Chair Rob Reiman request a copy of the presentation be circulated with the minutes. Staff to provide a copy as requested.

Member Hussain Rafeeu queried the relationship between the Strategic Management Plan (SMP) and Long Term Financial Plan (LTFP). As the SMP is expiring in 2025, whereas the LTFP is a 10-year plan. Manager Financial Services advised the SMP is about commence a review, in line with legislative requirements, and if there are any major changes, the LTFP will be updated as necessary.

Member Hussain Rafeeu queried whether Council had commenced a rate modelling review and assessment. Manager Financial Services advised Council are currently undertaking an independent rate review with the Elected Members.

Member Sarah Beesly queried the 32 million dollars in transport asset backlog, how does this work and what is being done to address it. Manager Financial Services advised the asset renewal backlog occurs on expiry of an asset within the asset register and that this usually indicates that the service provided by the asset is longer to standard or exhausted. Where assets are not renewed strictly in accordance with Asset Management Plan (AMP) projections backlog arises. The backlog reported is likely to reflect delayed renewal of lower use roads as Council's road renewal priority has been weighted towards the renewal of high and medium use roads. Manager Financial Services noted that transport assets are currently going through revaluation which will likely see a recategorisation of the roads and will include a review of the remaining life of these assets

4.59pm – Member Sarah Beesly left the meeting.

4.59pm - Chair Rob Reiman advised the meeting will pause until Member Sarah Beesly returns to the Chamber as the meeting cannot proceed due to no quorum.

5.02pm – Member Sarah Beesly returned to the meeting.

5.02pm – Chair Rob Reiman advised the meeting will recommence.

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ORDINARY COUNCIL MEETING

12 JUNE 2024

AUDIT AND RISK COMMITTEE MEETING MINUTES

27 FEBRUARY 2024

9 NEW AND EMERGING RISKS / ISSUES

Nil

10 GENERAL BUSINESS

Nil

11 NEXT MEETING

Tuesday 28 May 2024

12 CLOSURE

The Meeting closed at 5.03pm.

The minutes of this meeting were confirmed at the Audit and Risk Committee Meeting held on 28 May 2024.

.....
CHAIRPERSON

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8.4 AUDIT AND RISK COMMITTEE WORK PLAN 2024-2025**Document #:** 24/40836**Department:** Corporate and Community Services**PURPOSE**

To consider and endorse the updated Work Plan for 2024-2025.

RECOMMENDATION

That the Audit and Risk Committee endorse the updated 2024-2025 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 1 of the Audit and Risk Committee (Committee) Terms of Reference (ToR), the purpose of the Committee is to provide independent assurance and advice to Council on accounting, financial management, internal controls, risk management and governance matters. The Committee acts as a source of advice to Council and the Chief Executive Officer (CEO) in relation to these matters.

DISCUSSION

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

The 2024-2025 Work Plan was first endorsed by the Committee at its meeting on 5 December 2023. Adoption and regular review of the Work Plan assists the Committee to achieve its objectives.

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

The following changes are being proposed:

- Item 4.1 moved forward from the September 2024 meeting to the May 2024 meeting to align internal audit plan with the financial year.

- Item 5.3 moved forward from the September 2024 meeting to the May 2024 meeting in response to completion of interim audit and issue of interim audit management letter.
- Item 5.4 as per item 5.3 above.
- Item 5.5 as per item 5.3 above.
- Item 7.2 amended to reflect review of Council's Long Term Financial Plan (LTFP) being undertaken by the Committee at the February 2024 meeting, as opposed to May-24, and a correction to associated notes to clarify that LTFP preparation and adoption precedes Council's Annual Business Plan and Budget process.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Corporate Management Team
- Manager Financial Services
- Business Improvement Officer
- Assets Manager
- Manager People, Culture and Safety
- Governance Officer
- Executive Services Support Officer

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

- Nil

POLICY IMPLICATIONS

Audit and Risk Committee Terms of Reference

BUDGET AND RESOURCE IMPLICATIONS

The Work Plan and the resulting actions are 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 associated reports, internal audit activities and financial reports by the Audit and Risk 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 2024 - Updated** [!\[\]\(b5e377c2bbbc6e867b430ea873fb0553_img.jpg\) !\[\]\(d9d46f6c0b63c3065512ba7a6ece9cf5_img.jpg\)](#)

**Yorke Peninsula Council
Proposed Audit and Risk Committee Work Plan 2024-2025**

Activity	Link to Legislation, TOR	Timeframe								Notes
		Completed		Current		Deferred				
		Feb-24	May-24	Sep-24	Oct-24	Nov-24	Feb-25	May-25		
		27th	28th	24th	22nd	26th	27th	28th		
		Q1	Q2	Q3	F5	Q4	Q1	Q2		
1. Financial Reporting										
§126(4)(a)										
1.1 Review General Purpose Financial Statements	"				X					Following external audit but prior to Council endorsement.
1.2 Review asset revaluations	"		X						X	Revaluations as at 1 July 2023 to be undertaken for the following infrastructure asset classes: > Transport; > Community Wastewater Management Scheme (CWMS); > Water; and > Stormwater Infrastructure. Ensure values are up to date and soundly based, including having particular regard to local conditions: > Whether infrastructure asset values reflect local replacement costs and the condition of existing assets; > In accordance with relevant Accounting Standards and Council policies PO124 Asset Accounting Policy & PO128 Asset Management Policy; > Whether any infrastructure asset condition information is available to assist in determining revaluation.
1.3 Review methodology and approach to Depreciation	"		X		X				X	As part of asset revaluations and financial statements.
1.4 Review of Budget - information only	"	X	X			X	X	X		For information only, generally reported after adoption by Council due to timing.
2. Internal Controls										
§126(4)(f)										
2.1 Review Better Practice Model Self-Assessment (External Auditor reviews as part of Controls certification).	"		X		X				X	Status report provided on internal controls self assessment testing.
3. Risk Management										
§126(4)(c)										
3.1 Mandated Update to Strategic Risk Register	"			X						Due for review following November 2022 LG Elections in line with review of Strategic Management Plan. Review SMP within 2 years LG Election (i.e. - before November 2024, current SMP spans period 2021-2025).
3.2 Annual Review of Risk Management Systems (including strategic, financial and operational risks and Emergency Management/Business Continuity Plan)	S99(1)(ia) S126(4)(c,h) S125(3)					X				
3.3 Results of LGRS Risk Profiling Review	"									Initial assessment undertaken in October 2023, awaiting final results to be approved by the LGRS Board. Unsure of future timeline for reviews, so ad hoc until determined.

Yorke Peninsula Council Proposed Audit and Risk Committee Work Plan 2024-2025										
Activity	Link to Legislation, TOR	Timeframe								Notes
		Completed		Current		Deferred				
		Feb-24 27th	May-24 28th	Sep-24 24th	Oct-24 22nd	Nov-24 26th	Feb-25 27th	May-25 28th		
		Q1	Q2	Q3	F5	Q4	Q1	Q2		
4. Internal Audit										
s126(4)(c)										
4.1 Adopt/review planning and scoping of internal audit plan	"		X							Proposed Internal Audit Plan updated annually for consideration by the Committee.
4.2 Review the status of the internal audit plan and any internal audit reports presented	"	X	X	X		X	X	X		Presented at quarterly meetings.
4.3 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	X	X		Reports provided on progress made against matters raised by Council's external and internal auditor
5. External Audit										
s126(4)(b)										
5.1 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.	ToR				X					To include confidential meeting to satisfy requirements of Local Government (Financial Management) Regulation 17B.
5.2 Review effectiveness of external audit.	S126(4)(b)				X					
5.3 Review audit findings/ management representation letters.	"		X		X					Interim audit management letter moved from Sep-24 to May-24.
5.4 Assess the appropriateness of the Council's response to the auditor's findings and recommendations.	"		X		X					Interim audit management letter moved from Sep-24 to May-24.
5.5 Oversee action to follow up on matters raised by the external auditor.	"		X		X					Interim audit management letter moved from Sep-24 to May-24.
6. Reporting										
6.1 Regular Reporting to Council > summary of the work of the committee during the period preceding the meeting; and > outcomes of the last committee meeting (through presentation of meeting minutes to Council).	s126(8)(a)	X	X	X	X	X	X	X	X	A report to Council which summarises the work of the Committee and outcomes of the meeting to be developed following each sitting of the Committee to fulfill the requirements of Local Government Act s.126(8)(a)
6.2 Annual Report of the Audit and Risk Committee functions for inclusion in Council annual report: > activities of the Committee's work program and the results of a self-assessment of performance for the preceding financial 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.	s126(8)(b) s126(9)			X						Timing of Committee annual report re-scheduled to align with Council annual reporting requirements (i.e. - financial year) to satisfy requirements of Local Government Act s.126(8)(b). New legislative requirement effective 30 November 2023

Yorke Peninsula Council Proposed Audit and Risk Committee Work Plan 2024-2025										
Activity	Link to Legislation, TOR	Timeframe								Notes
		Completed		Current		Deferred				
		Feb-24 27th	May-24 28th	Sep-24 24th	Oct-24 22nd	Nov-24 26th	Feb-25 27th	May-25 28th		
		Q1	Q2	Q3	F5	Q4	Q1	Q2		
6.3 CEO annual report on Council's internal audit processes	s99(1)(ib)			X						Tentative timing of the report proposed. Format and timing of the report subject to further consideration of prescribed requirements. To satisfy requirements of Local Government Act s.99(1)(b). New legislative requirement effective 30 November 2023
7. Strategic, Financial and Management Planning										
s126(4)(ac)										
7.1 Review Strategic Management Plan	"			X						Due for review following November 2022 LG Elections (current SMP spans period 2021-2025). Contractor EOI / RFQ completed (Nov-23) with preferred vendor selected. Review commenced early 2024.
7.2 Review Long Term Financial Plan	"	X						X		Updated annually prior to creation of the Annual Business Plan and Budget.
7.3 Review Asset Management Plans/Strategy	"			X	X					Review of Council's Asset Management Plans to commence in 2024. Plans are due for review due within 2 years after LG Election (i.e. - before November 2024). Asset Management Plans are to be reviewed for the following asset classes: > Buildings and Structures; > Transport Infrastructure; > CWMS Infrastructure; > Water Infrastructure; > Stormwater Infrastructure; and > Major Plant
7.4 Review appropriateness of the range and content of Council's policies and strategies	"	X	X	X	X	X	X	X	X	As per review timeframes and legislative requirements - ongoing
7.5 Review Annual business plan, budget and fees and charges	"		X						X	In conjunction with public consultation period
8. Other matters										
8.1 Review Independent Member Appointments			X	X						Mr. Rob Reiman (appointment expiry 30 November 2024) Mr. Hussain Rafeeu (appointment expiry 30 November 2024) Mrs. Sarah Beesley (appointment expiry 30 November 2027) Independent Member Candidate EOI process to commence 4th QTR FY 23/24 with recommendation of appointments to be completed by September 2024.
8.2 Adopt/review the Committee annual workplan	s126(4)(ac)	X	X	X	X	X	X	X	X	Updated for each meeting
8.3 Reports on other relevant matters		X	X	X	X	X	X	X	X	Ongoing as the need arises

8.5 INTERNAL AUDIT PLAN 2024/25 TO 2026/27**Document #:** 24/32314**Department:** Executive Services**PURPOSE**

To seek endorsement of the Internal Audit Plan for 2024 – 2027.

RECOMMENDATION

That the Audit and Risk Committee endorse the three-year Internal Audit Plan for financial years 2024/25 to 2026/27.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance**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 management

5.8 Continuous improvement of Council processes

BACKGROUND

The objectives of Yorke Peninsula Council's (Council) Internal Audit processes are detailed in PR150 Internal Control Audit Procedure (Procedure). The Procedure requires that an Internal Audit Plan (Plan) is submitted to Council's Audit and Risk Committee for endorsement on an annual basis.

A three-year Plan was last considered and approved by the Audit and Risk Committee in December 2023. In consideration of these legislative changes, the Plan has been reviewed and is presented to the Audit and Risk Committee for consideration.

DISCUSSION

Significant legislative changes have commenced relating to Internal Audit reporting, which has resulted in the need to update the Audit and Risk Committee Work Plan being delivered in financial years rather than on a calendar year basis. Therefore, it is reasonable to align the Internal Audit Plan and activities with the financial year timeframes.

A three-year Plan covering the financial years 2024/25, 2025/26 and 2026/27 has been developed and sets out proposed Internal Audit projects to be undertaken by Council's Business Improvement Officer, and other admin staff, and reported by the Chief Executive Officer (CEO).

The projects endorsed as part of the Plan in December 2023 have not altered, however the timeframes for completion has been updated to align to the Audit and Risk Committee financial year reporting structure.

An updated three-year Plan covering the financial years 2024/25, 2025/26 and 2026/27 is included as Attachment 1.

The ongoing Internal Audit Activity report, including final reports for completed Internal Audits, and a summary of Agreed Actions completed or in progress during the relevant period, will continue to be provided at each Audit and Risk Committee meeting.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Chief Executive Officer
- Director Corporate and Community Services
- Manager Financial Services

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

BUDGET AND RESOURCE IMPLICATIONS

Nil budget implications. All proposed projects are to be conducted with current in-house resources and the Network Penetration Testing project is included in the IT budgeting process.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act (SA) 1999

Statutes Amendment (Local Government Review) Act 2021

ATTACHMENTS

1. **Draft - Internal Audit Plan 2024/25 to 2026/27** [↓](#) 



Internal Audit Plan 2024/25 – 2026/27

1. Objective

The objectives of Yorke Peninsula Council's (Council) Internal Audit function are detailed in PR150 Internal Control Audit Procedure (Procedure). The Procedure requires that an Internal Audit Plan (Plan) is submitted to Council's Audit and Risk Committee (Committee) for endorsement on an annual basis.

An updated three-year Plan covering the financial years 2024/25, 2025/26 and 2026/27 has been developed and is in the table below.

2. Proposed Internal Audit Projects 2024/25 – 2026/27

The table below outlines the proposed list of Internal Audit projects for 2024/25, 2025/26 and 2026/27 including a brief description and an indication if a project is ongoing annually.

Section 3 of this document sets out the one-off projects proposed for 2025/26 and 2026/27. The Plan is flexible to include or substitute other priority projects / areas as required.

	Project	Brief Description	2024/25	2025/26	2026/27
1	Expiation Waiver Process	Following on from an investigation undertaken in 2023 relating to Expiation Notice legislative references, this project will assess the policy and processes in place to apply and withdraw an Expiation Notice.	✓		
2	WHS Legislation	To meet requirements of the Work, Health and Safety (WHS) Act 2012, a project will be undertaken annually to review and assess performance against the Strategic Risk Management Plan and WHS program objectives and compliance with policies, procedures and processes. Specific scope will be developed in consultation with the Manager People, Culture & Safety.	✓	✓	✓
3	Yorke Peninsula Leisure Options Program (YPLO)	To ensure YPLO meets the quality management framework (National Disability Insurance Scheme), a project in this area will be undertaken annually. Specific scope will be developed in consultation with the Manager People, Culture & Safety.	✓	✓	✓
4	Network Penetration Testing (formally called Cyber Security)	Network penetration testing to be conducted annually by external consultant. The engagement and management of this review is performed by Council's Head of Systems and Technology and Information Technology Team. A summary report, action items and action status will be provided to the Committee.	✓	✓	✓

5	Internal Financial Controls	Manage the Internal Controls self-assessment process and report results to the Committee. Perform independent verification of staff's self-assessment of internal financial controls.	✓	✓	✓
6	Corporate Purchase Card, Employee Expense Reimbursement Compliance and Chief Executive Officer (CEO) Corporate Card Transactions	Select a sample of corporate purchase card transactions and general staff reimbursements and verify that they are in accordance with PO084 Corporate Purchase Card Policy, PR115 Corporate Purchase Card Procedure and other relevant policies and procedures. Furthermore, provide the Committee with the CEO's corporate card transactions on a six-monthly basis.	✓	✓	✓
7	Scheduled Policy and Procedure Review Register	To inform the Committee about the relevant policies and procedures that are upcoming for review, including the proposed dates that draft documents will be provided to the Committee.	✓	✓	✓
8	Follow Up Agreed Actions	Continued follow up and reporting of agreed actions resulting from internal and external audits, internal control self-assessments and other external bodies (where required).	✓	✓	✓
9	CEO Requests	Allowance for special projects, investigations, follow ups and requests by the CEO that may arise during the year.	✓	✓	✓

3. Proposed Internal Audit Projects 2025/26 and 2026/27

Planned 2025/26 – 2026/27 projects are included below, however these will be continually reviewed and are considered annually with the Committee.

	Project	Brief Description	2025/26	2026/27
1	Minlagawi Gum Flat Reserve Management Plan	2024 will be the halfway point of this five-year Plan and this review will provide an update on progress towards achieving the outlined objectives. This will include assessment of effectiveness of implemented management actions in consideration of the outlined timeframe and alignment with identified management principles.	✓	
2	Financial Management - Accounts Payable	A review of key accounts payable controls including approval and disbursement process, maintenance of supplier master file and general ledger reconciliations.	✓	
3	Special Event Process	A review to assess compliance with PR063 Special Events. This procedure defines the process and provides guidance for the management, coordination and/or assistance provided in relation to the management and approval of Special Events held on land and/or facilities (property) owned or managed by Council.	✓	
4	Project Management	A review to assess the effectiveness of the controls to support the successful delivery of projects across the organisation. Examination of the processes, policies and procedures in place to govern projects. This will include consideration of a Council Project Management Framework.	✓	
5	Community Consultation	A project to review the Community Consultation practices with minimum legislative requirements and compliance with PO057 Community Engagement. This Policy outlines community engagement techniques and the circumstances of when and how each technique will be used.	✓	
6	Elected Member Expenses	A review to confirm correct payment of allowances, reimbursement of expenses and accurate and timely recording in legislated registers.	✓	
7	Procurement and Contract Management	A review to assess an area of procurement, with a specific scope to be developed to address highest area of priority (for example Vendor Panel, contractor management, spend analysis). Please note an external consultant will be required for this project due to independence.		✓
8	Risk Management	A review to consider the implementation and operation of Council's Risk Management Framework and approach and the effectiveness with which it manages risks across Council. Please note an external consultant will be required for this project due to independence.		✓
9	Hazardous Chemicals	A review to consider the processes relating to the purchasing, usage and storing of hazardous chemicals across the organisation (including Caravan Parks).		✓
10	Inventory Policy	It is understood that an Inventory Policy will be developed and implemented by the Finance team in 2024. This project is planned to assess Council's compliance with this newly developed policy.		✓

11	Economic Development and Tourism Strategy	2025 will be nearing the end point of Council's five-year strategy and this review will provide an update on progress towards achieving the outlined Priorities and Pathways (8 in total) and the specific Action Plan Items (61 in total).	✓
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8.6 INTERNAL AUDIT ACTIVITY REPORT

Document #: 24/27811

Department: Executive Services

PURPOSE

To provide the Audit and Risk 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

Internal Audit is an independent, objective, assurance and consulting function which examines and evaluates the processes of Yorke Peninsula Council (Council). This ensures compliance with Council's policies and procedures, the Better Practice Model (BPM) and recommends improvements to enhance the effectiveness and efficiency of Council systems and processes.

The 2024 Internal Audit Plan (Plan) was approved at the December 2023 Audit and Risk Committee meeting. The Plan includes 12 projects, as outlined in the table below, whilst also allowing for flexibility throughout the year.

DISCUSSION

This report provides an update on recent Internal Audit activity performed against the approved Plan. The following activities have occurred:

- Completed testing of the Financial Management – Payroll and On-boarding Review. A final report is included as Attachment 1.
- Completed testing for the Community Grants Scheme and Business Enhancement Program Review. A final report is included as Attachment 2.
- Completed testing of BPM Internal Financial Controls. 71 controls were tested (self-assessment) in March 2024. A final report is included as Attachment 3.
- Developed an updated three-year Internal Audit Plan to align with the Audit and Risk Committees Work Plan financial year timeframes. A report with the updated Plan has been included as a separate agenda item.
- Ongoing involvement in the Enterprise Resource Planning (ERP) Implementation Project Team.
- The status of agreed actions arising from internal and external audits have been followed up. An update on all outstanding actions is provided in Attachments 4 and 5, detailing actions 'In Progress' and 'Completed' since the February 2024 Audit and Risk Committee meeting. The action updates have been provided by those staff members responsible for the implementation of those actions.

The table below highlights the status of audit projects as per the approved Plan.

	Project	Brief Description	Status	Proposed Timing for Audit and Risk Committee Reporting
1	Financial Management – Payroll and On-boarding Review	A review of key payroll procedures and internal controls (relating to the Better Practice Model) including new payroll additions, terminations, pay rate changes, payroll changes and deductions. In addition, the scope will extend to assessing Council’s new employee on-boarding process, outlined in PR116 Induction and Training Procedure.	Completed	May
2	Expiation Waiver Process	Following on from an investigation undertaken in 2023 relating to Expiation Notice legislative references, this project will assess the policy and processes in place to apply and withdraw an Expiation Notice.	Not started	September
3	Community Grants Scheme and Business Enhancement Program (BEP)	A review to assess the procedures related to Community Grants and BEP paid by Council, including the assessment and allocation of grants and follow up requirements. This will consider compliance with Council’s PO149 Community Grants Scheme Policy and PO184 Business Enhancement Program Policy and Guidelines.	Completed	May
4	Minlagawi Gum Flat Reserve Management Plan	2024 will be the halfway point of this five-year Plan and this review will provide an update on progress towards achieving the outlined objectives. This will include assessment of effectiveness of implemented management actions in consideration of the outlined timeframe and alignment with identified management principles.	Not started	September
5	WHS Legislation	To meet requirements of the Work, Health and Safety (WHS) Act 2012, a project will be undertaken annually to review and assess performance against the Strategic Risk Management Plan and WHS program objectives and compliance with policies, procedures and processes. Specific scope will be developed in consultation with the Manager People, Culture and Safety.	Not started	October
6	Yorke Peninsula Leisure Options Program (YPLO)	To ensure YPLO meets the quality management framework (National Disability Insurance Scheme), a project in this area will be undertaken annually. Specific scope will be developed in consultation with the Manager People, Culture and Safety.	Not started	October
7	Network Penetration Testing (Formally called Cyber Security)	Network penetration testing to be conducted annually by external consultant. The engagement and management of this review is performed by Council’s Head of Systems and Technology and Information Technology Team. A summary report, action items and action status will be provided to the Committee.	Not started	October
8	Internal Financial Controls	Manage the Internal Controls self-assessment process and report results to the Committee.	Completed (May 2024)	November

		Perform independent verification of staff's self-assessment of internal financial controls.		
9	Corporate Purchase Card, Employee Expense Reimbursement Compliance and CEO Corporate Card Transactions	Select a sample of corporate purchase card transactions and general staff reimbursements and verify that they are in accordance with PO084 Corporate Purchase Card Policy, PR115 Corporate Purchase Card Procedure and other relevant policies and procedures. Furthermore, provide the Committee with the CEO's corporate card transactions on a six-monthly basis.	Completed (Feb 2024)	October
10	Scheduled Policy and Procedure Review Register	To inform the Committee about the relevant policies and procedures that are upcoming for review, including the proposed dates that draft documents will be provided to the Committee.	Completed (Feb 2024)	N/A
11	Follow Up Agreed Actions	Continued follow up and reporting of agreed actions resulting from internal and external audits, internal control self-assessments and other external bodies (where required).	Ongoing	Ongoing
12	CEO Requests	Allowance for special projects, investigations, follow ups and requests by the CEO that may arise during the year.	Ongoing	Ongoing

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Chief Executive Officer
- Director Corporate and Community Services
- Executive Assistant to the Director Corporate and Community Services
- Manager People, Culture and Safety
- Manager Financial Services
- Team Leader HR and People Experience
- Payroll Officer
- Acting Head of Systems and Technology
- Executive Services Support Officer
- Senior Rates Officer
- Manager Economic Development and Business Sustainability
- Training Administration Officers

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

- Nil

POLICY IMPLICATIONS

PR150 Internal Control Audit Procedure

PO091 Risk Management Policy

PO056 Internal Financial Control Policy

BUDGET AND RESOURCE IMPLICATIONS

Nil

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act (SA) 1999

ATTACHMENTS

1. Internal Audit Report - Payroll and On-boarding Review [!\[\]\(e662c6fdc679f154c0e75d901761d894_img.jpg\) !\[\]\(e0657301a840725a62b5d9c03de7d165_img.jpg\)](#)
2. Internal Audit Report - Community Grants Scheme and Business Enhancement Program Review [!\[\]\(c84b30d7d5311af020af6bce6a2c548f_img.jpg\) !\[\]\(a9333260d8ffbbfeaa1095df6db7bccd_img.jpg\)](#)
3. Internal Audit Report - Internal Financial Controls Self Assessment - March 2024 [!\[\]\(7910f03a1b4fed5edeef128d22723166_img.jpg\) !\[\]\(b2e06ff94cfb845aac4c9a6fbd66627f_img.jpg\)](#)
4. Internal Audit Agreed Actions - In Progress - May 2024 [!\[\]\(1ee1d78a4d7340fd9a42bdb1c66e0ca1_img.jpg\) !\[\]\(ed354c28e6d10011d63b3c322fd62b41_img.jpg\)](#)
5. Internal Audit Agreed Actions - Completed - May 2024 [!\[\]\(cb0cc692eeb298cf086cd15d80e77b1c_img.jpg\) !\[\]\(ae57499e7684f0a7702b29c244a35685_img.jpg\)](#)



Internal Audit Report Payroll and On-boarding Review

May 2024

For Distribution:

Ben Thompson	Director Corporate and Community Services
Bobbi Pertini	Manager People, Culture and Safety
Anne-Marie Scaife	Payroll Officer
Carina Congdon	Team Leader HR and People Experience
Rebecca Bussenschutt	Training Administration Officer
Brittney Luke	Training Administration Officer

For Information:

Andrew Cameron	Chief Executive Officer
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Background and Scope

Yorke Peninsula Council (Council) is committed to providing suitable and adequate information, instruction, training and inductions to ensure that all workers have the skills and knowledge necessary to fulfil Work Health Safety (WHS) and organisational obligations. All new workers will be inducted into the organisation through Council's Induction Framework which supports successful on-boarding in line with Council's Individual Training Process Overview.

In 2017, Council implemented a front-end timesheet application, ElementTIME, which currently enables staff to enter their timesheets online. ElementTIME is a custom developed online timesheet application. Council partnered with consultants, Adroit Creations, to develop the application, with the objective of improving data reliability and reducing the time lost in duplicating data entry. Council uses Authority as the back-end payroll processing application, integrated into the financial modules.

As part of the 2024 Internal Audit Plan, we performed a review of PR116 Induction and Training Procedure (PR116) and sections of PR154 Selection and Recruitment Procedure (PR154) relating to on-boarding and the Better Practice Model - Financial Internal Controls relating to payroll.

The overall objective of the project is to assess the risks and controls associated with Council's on-boarding of new employees, payroll and remuneration processes. The key areas detailed tested that were included in the scope of this review were as follows:

- **Policy and procedure review:**
 - a. Confirm PR116 is in place and in date, appropriately reviewed and approved (via Council or CMT).
 - b. Confirm any other policies and procedures relating to payroll management are in place and in date, appropriately reviewed and approved (via Council or CMT).
- **Payroll processing** addressing the controls within the Better Practice Model, specifically test payroll controls relating to:
 - a. New hires and additions to payroll system.
 - b. Changes and maintenance to payroll master file details.

- c. Recording time worked and approvals.
 - d. Payroll processing, including review and approval of pay runs.
 - e. Leave management and accruals.
 - f. Segregation of duties.
- **Onboarding**
 - a. Confirm Council's new employee onboarding process, as outlined in PR116 and PR154 (including relevant Standard Forms – SF451, SF450, SF455 and SF452).
 - b. Confirm that the onboarding process is monitored and follow up appropriately.

This review did not include testing of selection and recruitment processes within PR154 as these processes were reviewed as part of the Internal Audit Plan 2023.

This document sets out the key findings of the review.

Key Findings

Below we have included a selection of key controls that were found to be operating effectively over the period reviewed. Detailed testing was undertaken to provide these conclusions. A population sample for all detailed tests undertaken was greater than 20%. The testing samples were taken throughout the period from 1 July 2023 – 31 March 2024 inclusive.

We noted a large of turnover of Council staff during the testing period. There were 32 advertised positions since 1 July 2023, in which all were filled and therefore required the onboarding process to be undertaken. There were also 10 staff separations in the testing period.

Four (4) moderate and low risk detailed findings, relating to various scope areas, were identified as part of the review and these have been detailed in Appendix 1:

- Induction, Probation and Training Process
- Element Time Password Requirements
- Review of Payroll Master File Changes
- New Starter Documentation.

These issues have been risk rated in accordance with Council's PO091 Risk Management Policy and the associated risk matrix (an extract of Council's Risk Matrix and Consequence and Likelihood Tables) has been included for reference at Appendix 2.

- **Policy and procedure review:**
 - a. Testing confirmed that PR116 and PR154 are in place and in date, and have been appropriately included in the Controlled Documents review process through the Records Management system.
- **Payroll processing** addressing the controls within the Better Practice Model, specifically test payroll controls relating to:
 - a. New employee information is recorded and approved via SF438 Personnel Position Transaction. This ensures details recorded correctly in Authority and Element Time and only appropriate new employees are added to systems.
 - b. Pay Audit Report recording changes to Masterfile details is generated from Authority each fortnight as part of payroll processing and this is independently reviewed back to source documentation.
 - c. ElementTIME application workflow controls ensure that all time and leave recorded (including overtime and TOIL) is approved by a Manager or Supervisor.
 - d. Payroll processing controls are in place to ensure that an independent review of all payroll transactions is undertaken for each payroll run.

Variations from usual scheduled hours or payment amounts are scrutinised and reconciled back to source documents (either via payroll change request forms, or ElementTIME transactions).

Any termination payments checked by appropriate employees and/or external consultants and evidence retained in Councils records management system.

ANZ banking controls are in place to ensure that dual authorisation is required for payment approval and for administrator and user account changes within the ANZ application.

- e. Leave is managed through the ElementTIME application, with workflows in place to ensure that leave applications are appropriately approved by Managers or Supervisors and recorded in fortnightly timesheets.
 - f. User access within Authority, ElementTIME and the ANZ banking application is appropriately restricted to ensure segregation of duties is enforced (i.e., payroll officers do not have any approvals within ANZ payment application and payroll processing within Authority is restricted to only payroll officer and IT support accounts).
- **Onboarding** (New Starter Documentation, Screening, Induction, Probation and Training Processes)
 - a. The Team Leader HR and People Experience maintains a 'Record of Positions Advertised' spreadsheet.
 - b. Routine issuing new employees with employment documentation and retaining on personnel file (employment contract, letter of offer, pre-employment medical form, PPE order information, payroll documents etc.)
 - c. New Employee induction, probation and training documentation completed and retained on personnel file.

Internal Audit Opinion

Based on the testing performed, Internal Audit is of the opinion that controls relating to the Payroll and On-boarding processes are effective. Internal Audit also outlined four moderate and low risk findings, and recommendation for process improvements to be considered in Appendix 1.

Amanda Pitt

Business Improvement Officer

Adele Wyatt

Executive Services Support Officer

Appendix 1 – Detailed Findings

1.1 Induction, Probation and Training Process

The induction framework for new employees within PR116 (see below) sets out actions to be completed during specific timeframes to ensure new employees are successfully inducted into the organisation.



While the actions required during the three (3) month probationary period had been completed for all of the new employees included in the testing sample, we noted that the timing for completion for a number of actions was outside of the specified timeframes:

- For four (4) new employees, SF366 New Employee Checklist Supervisor First Day (SF366) was signed off as completed within the mid first week, rather than on the first day.
- Workstation self-assessments were completed as part of the annual workplace monitoring process, rather than the new employee process.
- With all samples tested, the 'Mid-Probation' assessments (5 weeks) were completed late (mainly around 7 – 9th week of employment).
- All 12-week probation assessments were completed in timely manner, except for one (1), which was completed approximately 12 weeks late.
- PR154 sets out that the CEO has the discretion to sign off on a probation period early at the request of the employee or their Manager if the new employee is consistently performing at a high standard. The testing sample included one instance where a probation period had been signed off early. For this employee, we found that the SF450 Online Training Plan was still outstanding as there are no requirements around the probationary period actions being complete prior to early sign off, or within the three (3) month period of when the new employee's probation would have ended.

Consequence	Likelihood	Risk Level
Minor	Possible	Moderate

1.2 Recommendation

As SF366 is actioned to new employees through a workflow in Council's records management system, the sign off to complete these documents can remain outstanding for a short period while the new employee learns to use the system. SF366 has also recently been updated to simplify the form and improve practicality.

The Team Leader HR and People Experience has recently implemented workflow escalations within Council's records management system where, if the supervisor of a new employee has not completed

5 and 12 week probation assessments within 5 days of their due date, they are escalated to the supervisors manager.

Where a probation period for a new employee has been signed off early and mandatory training remains outstanding, the Training Administration Officer and Safety Committee monitor the completion of this training.

Workstation self-assessments to be removed from the induction framework and remain as part of the annual workplace monitoring process.

1.3 Management Responses

Management Response and Agreed Action: Completed

Responsibility: Team Leader HR and People Experience, Carina Congdon

Due Date: Completed

2.1 Element Time Password Requirements

Through discussion with the IT Team, we understand that while employees are required to set a password for ElementTIME, there are no password complexity requirements associated with the password (no expiry, minimum length or complexity rules).

Single sign on to ElementTIME is available, however this is not enforced (due to requirements that allow staff to access timesheets without having access to Councils network). Users can still access ElementTIME using a simple ElementTIME password to access their account.

Without strong password controls, there is a risk that inappropriate access can be gained to user accounts.

Consequence	Likelihood	Risk Level
Minor	Possible	Moderate

2.2 Recommendations

It is a recommendation that password controls relating to requirements for complexity, minimum length, regular password changes be implemented in Element Time or forcing the use of single sign on for users.

2.3 Management Responses

Management Response and Agreed Action: Agreed

Responsibility: Team Leader HR and People Experience, Carina Congdon

Due Date: 30 June 2024

3.1 Review of Payroll Master File Changes

A Pay Audit Report recording changes to master file details is generated from Authority each fortnight as part of payroll processing. The Finance Team (independently to payroll processing) complete a monthly checking process where a sample of master file changes within each Pay Audit Report are reviewed and agreed back to source documents. Evidence of this review is recorded on the report.

As part of this review, Internal Audit confirmed access to the payroll master file was restricted to authorised officers and all changes included as part of the testing sample were appropriately approved, inputted accurately and related to a source document. However, we noted the independent checking process was outstanding for several Pay Audit Reports and this process not being undertaken on a consistent basis (a number were evidenced to be reviewed on the same day).

There is a risk that without a consistent review of payroll master file changes, inappropriate or inaccurate changes are made to the payroll master file.

Consequence	Likelihood	Risk Level
Insignificant	Possible	Low

3.2 Recommendations

Finance Team to complete checking process for outstanding Pay Audit Reports. A workflow process to be scheduled into records management system to ensure reviews are performed regularly (on a monthly basis).

3.3 Management Responses

Management Response and Agreed Action: Agreed
Responsibility: Manager Financial Services, Daniel Griffin
Due Date: 30 June 2024

4.1 New Starter Documentation

During detailed testing of new starter documentation to ensure compliance with PR116, we found the following minor issues:

- For one (1) new employee, there was no signed version of the employment contract retained in Council’s records management system. The employee has since moved to a new role and an appropriately signed employment contract has been retained on file.
- For another new employee, the employment contract was appropriately completed by the CEO and employee, but there was no witness for the employee’s signature. This has since been rectified and the contract ‘witnessed’ appropriately.
- For another new employee, Council had not received a copy of the completed medical prior to the employee commencing work. The completed medical has now been received from the medical practitioner and retained.

The risk of non-compliance with PR116 is low as these findings appear to be ad hoc in nature, there was no consistent pattern of documentation not being completed and retained appropriately.

Consequence	Likelihood	Risk Level
Insignificant	Unlikely	Low

4.2 Recommendations

These minor issues have been addressed and rectified by the Team Leader HR and People Experience.

4.3 Management Responses

Management Response and Agreed Action: Completed
Responsibility: Team Leader HR and People Experience, Carina Congdon
Due Date: Completed

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Appendix 2 – Extract Council’s PO091 Risk Management Policy

Risk Matrix						
Consequence and Reporting Action						
Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
	Almost Certain	Moderate	High	High	Extreme	Extreme
	Likely	Moderate	Moderate	High	Extreme	Extreme
	Possible	Low	Moderate	Moderate	Extreme	Extreme
	Unlikely	Low	Low	Moderate	High	Extreme
	Rare	Low	Low	Moderate	High	High

Risk Level	Residual Risk Appetite (action required to be taken once the Risk Level is established)	WHS Specific Residual Risk Appetite
Extreme (E)	To be avoided. Where possible exposure to the risk should be discontinued or provided appropriate controls and treatment strategies are in place.	Operation of plant/ activity should not be allowed to continue until appropriate controls and treatment strategies are in place.
High (H)	May be acceptable provided, where possible, appropriate controls and treatment strategies are in place.	Operation of plant/ activity should not be allowed to continue until appropriate controls and treatment strategies are in place.
Moderate (M)	Acceptable provided, where possible, appropriate controls and treatment strategies are in place.	May be acceptable provided appropriate controls and treatment strategies are in place.
Low (L)	Acceptable with review	Acceptable provided appropriate controls and treatment strategies are in place.

Risk Level	Reporting Requirements
Extreme (E)	Line management – Live Intranet reports Department Director – Live Intranet reports CMT – Manager People and Culture to provide monthly reports WHS Committee - Manager People and Culture to provide reports at each meeting Audit Committee - Manager People and Culture to provide reports at each meeting
High (H)	Line management – Live Intranet reports Department Director – Live Intranet reports CMT – Manager People and Culture to provide monthly reports WHS Committee - Manager People and Culture to provide reports at each meeting
Moderate (M)	Line management – Live Intranet reports Department Director – Live Intranet reports WHS Committee - Manager People and Culture to provide reports at each meeting
Low (L)	Line management – Live Intranet reports Department Director – Live Intranet reports WHS Committee - Manager People and Culture to provide reports at each meeting

Consequence and Likelihood Tables

Consequence Rating Table							
Description	Safety	Reputation	Legal & Regulatory	Environmental	Financial	IT/Records	Service Delivery
Catastrophic	Death. Critically life threatening injury/ illness.	State-wide negative media coverage for 2 years or greater. Insolvency.	Criminal charges/ prosecution/ fines >\$2mil.	Irreversible extensive, detrimental environmental damage/loss of environmental amenity.	>\$2mil	Irreversible, extensive loss/ damage/ access to IT infrastructure/ data.	Complete loss of Critical Business Functions (as defined in BCP).
Major	Severe, potentially life threatening injury/illness i.e. loss of limb.	State-wide negative media coverage for 12 months up to 2 years. Council dismissed.	Criminal charges/ prosecution/ fines \$1mil to <\$2mil.	Extensive, detrimental environmental damage/loss of environmental amenity for >12mths.	>\$1mil to <\$2mil	Extensive loss/ damage/access to IT infrastructure/ data >3mths.	Loss of Critical Business Functions (as defined in BCP) >3mths.
Moderate	Non-life threatening injury/illness requiring hospitalisation.	State-wide negative media coverage for up to 12 months. Council dismissed.	Prosecution/ fines \$250k to <\$1mil.	Extensive, detrimental environmental damage/loss of environmental amenity for >1mth and <12mths.	>\$250k to <\$1mil	Extensive loss/ damage/access to IT infrastructure/ data <3mths.	Loss of Critical Business Functions (as defined in BCP) >1mth and <3mths.
Minor	Non-life threatening injury/illness requiring medical treatment by a doctor. No hospitalisation.	Extensive local media coverage.	Prosecution/ fines \$100k to <\$250k.	Limited environmental damage/loss of environmental amenity for <1mth.	>\$100k to <\$250k	Partial Loss/ damage/access to IT infrastructure/data	Loss of Critical Business Functions (as defined in BCP) <1mth.
Insignificant	Non-life threatening injury requiring first aid treatment.	Some local media coverage.	Prosecution/ fines <\$100k.	Containable incident with minimal environmental damage/loss of environmental amenity.	<\$100k	Minimal Loss/ damage/ access to IT infrastructure/data	Delayed or untimely service delivery to community.

Likelihood Rating Table			
Likelihood	Description	Past Occurrences	Likelihood %
Almost Certain	Expected to occur in most circumstances	Has occurred at least once within the past year	95% or greater chance
Likely	Will probably occur in most circumstances	Has occurred at least once within the past two years	75% to <95% Chance
Possible	Not expected to occur but could under specific circumstances	Has occurred at least once within the past two to five years	25% to <75% Chance
Unlikely	Not expected to occur and no previous occurrences	Has occurred at least once within the past five to ten years	5% to <25% Chance
Rare	Expected to occur only in exceptional circumstances	Has not occurred within the past ten years	<5% Chance



Internal Audit Report Community Grants Scheme and Business Enhancement Program Review

May 2024

For Distribution:

Ben Thompson	Director Corporate and Community Services
Lauren McSkimming	Executive Assistant to Director Corporate and Community Services
Nick Perry	Manager Economic Development and Business Sustainability

For Information:

Andrew Cameron	Chief Executive Officer
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Background

The Yorke Peninsula Council (Council) is committed to developing the region by providing funding through various opportunities including the Community Grants Scheme (CGS) to not-for-profit community organisations and the Business Enhancement Program (BEP) to local businesses.

Community Grants Scheme

The CGS is designed to strengthen and empower the public to build capacity and encourage partnerships with Council to benefit the whole community.

The CGS has a set timeframe for the process, including the opening and closing of grant applications, assessment and notification of the grants applications with projects completed, and funding expended by May in the following year.

To assess and make grant funding recommendations to Council for CGS applications, a Grants Working Party (GWP) has been established. This comprises of the Mayor, five (5) Elected Members and is assisted by the Director Corporate and Community Services and the Executive Assistant to the Director Corporate and Community Services.

In line with PO149 Community Grants Scheme Policy (PO149), an amount of \$100,000 was available to fund the 2023/24 Community Grants program. The final outcome of the 2023/24 Community Grants program resulted in a total of 29 grants being recommended and endorsed by Council, to the value of \$100,005.41.

Business Enhancement Program

The BEP is designed to support business development, economic growth and job creation to make a positive impact on the local business environment and economy. In 2020, Council implemented the BEP, including business grants, whereby local businesses can apply for funding directly relating to an appropriate business project or activity and this opportunity is available all year round.

To advertise the BEP program, Council provided regular workshops, a quarterly newsletter, regular social media interaction and a 'Business' section on the Council website. A BEP – Business Grant Guidelines brochure documents the business grants process and outlines Council's non-financial assistance options for businesses.

1

The BEP opens for applications at the beginning of each financial year and closes when budgeted funds are exhausted. Applications are assessed by an internal panel using an Evaluation Matrix (SF496) and a recommendation is presented to the Chief Executive Officer (CEO) for endorsement. Grant recipients are required to provide Council with a funding acquittal report as per the Letter of Offer / Funding Agreement, within three (3) months of completing the project.

In line with PO184 Business Enhancement Program Policy (PO184), an amount of \$20,000 was available to fund the 2023/24 BEP program. As at January 2024, the 2023/24 BEP program had awarded seven (7) grants to the value of \$20,000.

It should be noted that Council supplemented the 2023/24 budget for the Yorke Peninsula Business Grants Program (Program) by an additional \$10,000. A Motion on Notice was presented at the April 2024 Council Meeting, as a result of the March 2024 briefing session where it was outlined that current funds for the Program had already been allocated and there was a list of potentially suitable businesses waiting until the next round of funding to be available in the new financial year.

Objectives and Scope

The overall objective of this review was to provide assurance that the grants and/or monies provided to the community are awarded to eligible recipients and managed effectively as per PO149 and PO184. In addition, we assessed the controls included in the Better Practice Model - Financial Internal Controls relating to grants to clubs and community groups.

The key areas of detailed testing that were included in the scope of this review were as follows:

Procedure Review

- Council's PO149, PO184 and related procedures covering grant management and business enhancement allocation processes are in place and accessible to relevant stakeholders.

Grants Working Party (GWP)

- The GWP for community grants applications is in place in accordance with policy and procedures.

Eligibility and Assessment

- The eligibility criteria and award process for applications have been established and communicated.
- The assessment process of applications has been undertaken appropriately and complied with relevant criteria.

Reporting

- The approval and reporting process of applications and outcomes is appropriate.
- Council has a register of recipients (both Community Grants and BEP), capturing current details and details of previous funding received.
- Conflict of interest avoidance measures are established and followed in the application assessment and awarding process.
- All successful grants have terms and conditions specifying expectations around usage and the acquittal process.

Internal Audit held discussions with appropriate employees as well as undertaking detailed testing of grants awarded to the community and businesses in the 2023/24 financial year.

This document sets out the four (4) issues identified as part of the review.

Key Findings

A selection of key controls has been included below that were found to be operating effectively over the period reviewed. Detailed testing was undertaken to provide these conclusions. A population sample for all detailed tests undertaken was greater than 20%. The testing samples were taken throughout the 2023/24 financial year.

Four (4) low risk issues, relating to various scope areas, were identified as part of the review and these have been detailed in Appendix 1. These issues have been risk rated in accordance with Council's PO091 Risk Management Policy and the associated risk matrix (an extract of Council's Risk Matrix and Consequence and Likelihood Tables) has been included for reference at Appendix 2.

Procedure Review

- Testing confirmed that Council's PO149 and PO184 and related procedures covering grant management and business enhancement allocation processes are in place and in date. These have been appropriately reviewed and approved and are available for relevant stakeholders.

Grants Working Party (GWP)

- Testing confirmed that Elected Members are elected to the GWP at the first general meeting of Council and remain as members of the GWP for their term of Council.

Eligibility and Assessment

- Community Grants eligibility is determined through an internal workflow process which is included within the online application submission.
- BEP eligibility is determined via an internal staff review process, which utilise and record this on an evaluation matrix.
- The Grants Working Party consider various aspects including if an applicant has had previous grants awarded, their in-kind contribution to the project, the overall contribution or benefit to community (for example, an asset / development project) and if the project could proceed with partial funding, as some examples. This is recorded on a summary worksheet.
- The BEP internal review process also considers various aspects including if the project aligns to Council's Strategic Plans, business and economic growth benefits, sustainable development practices and the overall project's ability to achieve the objectives stated. All of which is recorded on the evaluation matrix document.

Reporting

- The approval and reporting process of applications and outcomes appears adequate, Community Grants are reported and endorsed through Council and BEP grants are reported and approved through the CEO.
- Council has a register of recipients for both Community Grants and BEP, capturing current details and details of previous funding received.
- Conflict of interest avoidance measures are established and followed in the application assessment and awarding process.
- All successful grants have terms and conditions specifying expectations around usage and the acquittal process.

Internal Audit Opinion

Based on the testing performed, Internal Audit is of the opinion that Community Grants Scheme and Business Enhancement Program controls are effective, however there are some issues that should be actioned and recommendations within Appendix 1 considered.

Brianna Wood

Business Improvement Officer

Appendix 1 – Detailed Findings

1.1 Business Enhancement Program Process								
<p>Due to Council’s marketing activity, Yorke Peninsula businesses have become more aware of the BEP opportunity. As a result, as at January 2024, Council has exhausted the budget allocation for the 2023/24 financial year. This is the first time this has occurred since the program’s inception in 2020, indicating the value of the program. Subsequently, at its April 2024 Meeting, Council supplemented the 2023/24 budget for the Yorke Peninsula Grants Program by an additional \$10,000.</p> <p>We have found that the BEP process would benefit by streamlining the process, similar to the Community Grants Scheme. We acknowledge that not all businesses will be on the same timeframe and the need for funding may be more on an ad hoc basis. However, to alleviate some of the internal administrative burden relating to assessments, the BEP process could adhere to an assessment cycle (e.g. biannually or quarterly). This cycle could comprise of the receipt, assessment and outcome notification of all applications received during that period. If the demand continues, this process will ensure businesses are not excluded from funding opportunities whilst still allowing a consistent process.</p> <p>Benefits of a consistent process and/or assessment cycle include:</p> <ul style="list-style-type: none"> • Allows all applicants an opportunity to apply for the available funding within that financial year • All applications are reviewed under the same conditions • Fair distribution of funds based on assessment and merit, rather than availability of funding. <p>Now that the program has gained momentum, there is a risk that the budgeted allocation of BEP funds will be exhausted early in each financial year.</p>								
<table border="1"> <thead> <tr> <th style="background-color: #1a3d54; color: white;">Consequence</th> <th style="background-color: #1a3d54; color: white;">Likelihood</th> <th style="background-color: #1a3d54; color: white;">Risk Level</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Insignificant</td> <td style="text-align: center;">Possible</td> <td style="background-color: #008000; color: white; text-align: center;">Low</td> </tr> </tbody> </table>	Consequence	Likelihood	Risk Level	Insignificant	Possible	Low		
Consequence	Likelihood	Risk Level						
Insignificant	Possible	Low						
1.2 Recommendations								
<p>It is recommended that the BEP consider streamlining the application and assessment process as well as setting a consistent assessment cycle, to allow all possible grant applicants the opportunity to apply for the available budget funding within each financial year.</p>								
1.3 Management Responses								
<p>Management Response and Agreed Action: Agreed</p> <p>Responsibility: Manager Economic Development and Business Sustainability</p> <p>Due Date: December 2024</p>								

2.1 BEP Assessment Process

Testing identified inconsistencies between the Evaluation Matrix (SF496), Business Enhancement Program Policy (PO184) and the Business Grant Application Form (SF497) – the BEP online application form, which affects BEP applicants ability to develop a strong application and meet evaluation criteria.

Evaluation Matrix

Within the Evaluation Matrix, there are seven (7) sections that applications are assessed on:

- Compliance - all eligibility criteria must be met (registered business, physically located in district).
- Strategic Alignment - how the project addresses the economic priorities of the region.
- Business Benefits - scale of impact for the business likely to be achieved from this funding
- Economic Growth Benefits - broader economic impact (additional jobs, new service/product).
- Sustainable Development Practices - environmental management, inclusiveness.
- Ability to Achieve - evidence of ability to achieve (business case, risk management plan).
- Value for Money - has the project been appropriately 'dollar matched' and sustainably sourced.

PO184 Business Enhancement Program Policy

Section 4.5 of PO184 'Conditions of Funding for Business Grants' outlines requirements around eligibility for Council support and addresses the 'Compliance' aspect within the Evaluation Matrix.

However, Section 4.7 'How to Access the BEP, Step 3 – Application Assessment' outlines that applications will be assessed against the following criteria:

- Quality of the application (well developed, clear and realistic goals).
- Ability to demonstrate how the project will have a positive impact on the local business community.
- Ability to demonstrate the capacity to complete the stated grant activities within twelve (12) months following approval of the grant.

These dot points do not easily translate into what is being assessed in the Evaluation Matrix.

SF497 Business Grant Application Form (online application form)

This online form requests information such as Business Details, Project Details, Grant Funding and Additional Details.

The Grant Funding section aligns with Section 4.3 'Eligible Projects for Business Grants' within PO184.

However, within the Additional Details section on the form, applicants are asked the following questions:

19. Why do you need Council funding for this project?
20. What are the expected outcomes of this funding for your business?
21. How will this funding benefit the Yorke Peninsula?
22. What are your resources (experience, skills, capability, etc.) to deliver the project successfully?
23. How will you mitigate the risks associated with the project?
24. How can you demonstrate the project's commitment to sustainability practices (e.g., environmental commitment, waste management, accessibility, reconciliation, etc.)?

These questions do not easily translate into what is being assessed in the Evaluation Matrix.

Also, the weighting within the Evaluation Matrix do not change based on the application provided, which could result in an ineffective and inconsistent assessment. This could be addressed by grouping similar projects together and keeping consistent weightings for those allocated groups, or alternatively, consider updating the weightings to be more evenly distributed across the Matrix.

The Evaluation Matrix, Business Enhancement Program Policy (PO184) and the Business Grant Application Form (SF497) need to be clear and consistent to support applicants in addressing the correct criteria that they will be assessed against.

There is the risk that BEP applications are not being assessed against consistent criteria that is aligned directly with the strategic goals of the BEP and Economic Development and Tourism Strategy (EDTS).

Consequence	Likelihood	Risk Level
Insignificant	Possible	Low

2.2 Recommendation

It is recommended that:

1. Documentation relating to the assessment process for BEP applications be reviewed and updated to ensure they are consistent, accurately reflect the correct process undertaken and the evaluation criteria.
2. Applicants be requested to link their proposed projects to Council's EDTS, to highlight which goals or strategies the projects are addressing or aligning to.
3. The use of the weightings in the Evaluation Matrix should be reviewed to see if there is a need to change them.

2.3 Management Responses

Management Response and Agreed Action: Agreed

Responsibility: Manager Economic Development and Business Sustainability

Due Date: December 2024

3.1 Grants Working Party								
<p>During testing it was noted that there was a discrepancy between the number of Elected Members on the GWP and the requirements of PO149.</p> <p>PO149 states that:</p> <p><i>'the Grants Working Party (GWP) comprises of The Mayor, four elected members from Council, assisted by the Director Corporate and Community Services and the Executive Assistant to the Director Corporate and Community Services. Elected members are elected to the GWP at the first general meeting of Council and remain as members of the GWP for the term of the Council'.</i></p> <p>Currently, Council's GWP consists of the Mayor, five (5) elected members (K. Murdock, R. Carruthers, A. Headon, T. Stock and T. Clerke) and the Director Corporate and Community Services and the Executive Assistant to the Director Corporate and Community Services.</p> <p>There are no current Terms of Reference in place for the Grants Working Party, and as a consultative group, there is no requirement to have one.</p> <p>However, there is a risk that Council are in breach of this Policy.</p>								
<table border="1"> <thead> <tr> <th>Consequence</th> <th>Likelihood</th> <th>Risk Level</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Insignificant</td> <td style="text-align: center;">Possible</td> <td style="text-align: center;">Low</td> </tr> </tbody> </table>	Consequence	Likelihood	Risk Level	Insignificant	Possible	Low		
Consequence	Likelihood	Risk Level						
Insignificant	Possible	Low						
3.2 Recommendations								
<ol style="list-style-type: none"> 1. It is recommended that PO149 be reviewed and updated to include 'a number of Elected Members from Council as deemed necessary by the Director Corporate and Community Services' to ensure appropriate Elected Member representation on the GWP. 2. Consider providing a risk assessment template (with examples) for Section 4.6 Risk Assessment to clearly outline what is required. 								
3.3 Management Responses								
<p>Management Response and Agreed Action: Agreed</p> <p>Responsibility: Executive Assistant to Director Corporate and Community Services</p> <p>Due Date: December 2024</p>								

4.1 Update PO184

During testing it was noted that there were two (2) policies with the same controlled document number in circulation, PO184 Business Enhancement Program Policy (due for review in September 2026); and PO184 Business Grants Policy (due for review in October 2024).

PO184 Business Enhancement Program Policy supersedes PO184 Business Grants Policy (as reported at the September 2023 Council meeting (CARRIED 201/2023 13/09/2023) and therefore, this outdated document requires removal from Council platforms including the Council website, Intranet and made obsolete within Council's records management system.

PO184 also outlines the use of streams for business grants based on monetary value, for example, Quick Response Stream (limited to \$2,500), Start-Up Stream (limited to \$10,000) and Expansion Stream (limited to \$10,000). Testing found that no single grant exceeded \$5,000, only four (4) have been awarded between \$2K-\$2.5K and only two (2) have been awarded less than \$1K. It may be timely to review the relevance of the varying streams and whether they are effectively utilised or required.

To better align with the requirements of PO149 and ensure consistency, review some wording particularly around ineligible projects including militarism, discrimination and poor working conditions, consider wording from PO149 'applications for unlawful, unethical, profit-making or political purposes'

Consequence	Likelihood	Risk Level
Insignificant	Possible	Low

4.2 Recommendations

It is recommended that all previous versions of PO184 are removed from Council platforms so only the current document is in circulation. Consider updating PO184 to reflect appropriate information and ensure consistency with PO149.

4.3 Management Responses

Management Response and Agreed Action: Agreed

Responsibility: Manager Economic Development and Business Sustainability

Due Date: December 2024

Appendix 2 – Extract Council’s PO091 Risk Management Policy

Risk Matrix						
Consequence and Reporting Action						
Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
	Almost Certain	Moderate	High	High	Extreme	Extreme
	Likely	Moderate	Moderate	High	Extreme	Extreme
	Possible	Low	Moderate	Moderate	Extreme	Extreme
	Unlikely	Low	Low	Moderate	High	Extreme
	Rare	Low	Low	Moderate	High	High

Risk Level	Residual Risk Appetite (action required to be taken once the Risk Level is established)	WHS Specific Residual Risk Appetite
Extreme (E)	To be avoided. Where possible exposure to the risk should be discontinued or provided appropriate controls and treatment strategies are in place.	Operation of plant/ activity should not be allowed to continue until appropriate controls and treatment strategies are in place.
High (H)	May be acceptable provided, where possible, appropriate controls and treatment strategies are in place.	Operation of plant/ activity should not be allowed to continue until appropriate controls and treatment strategies are in place.
Moderate (M)	Acceptable provided, where possible, appropriate controls and treatment strategies are in place.	May be acceptable provided appropriate controls and treatment strategies are in place.
Low (L)	Acceptable with review	Acceptable provided appropriate controls and treatment strategies are in place.

Risk Level	Reporting Requirements
Extreme (E)	Line management – Live Intranet reports Department Director – Live Intranet reports CMT – Manager People and Culture to provide monthly reports WHS Committee - Manager People and Culture to provide reports at each meeting Audit Committee - Manager People and Culture to provide reports at each meeting
High (H)	Line management – Live Intranet reports Department Director – Live Intranet reports CMT – Manager People and Culture to provide monthly reports WHS Committee - Manager People and Culture to provide reports at each meeting
Moderate (M)	Line management – Live Intranet reports Department Director – Live Intranet reports WHS Committee - Manager People and Culture to provide reports at each meeting
Low (L)	Line management – Live Intranet reports Department Director – Live Intranet reports WHS Committee - Manager People and Culture to provide reports at each meeting

Consequence and Likelihood Tables

Consequence Rating Table							
Description	Safety	Reputation	Legal & Regulatory	Environmental	Financial	IT/Records	Service Delivery
Catastrophic	Death. Critically life threatening injury/ illness.	State-wide negative media coverage for 2 years or greater. Insolvency.	Criminal charges/ prosecution/ fines >\$2mil.	Irreversible extensive, detrimental environmental damage/loss of environmental amenity.	>\$2mil	Irreversible, extensive loss/ damage/ access to IT infrastructure/ data.	Complete loss of Critical Business Functions (as defined in BCP).
Major	Severe, potentially life threatening injury/illness i.e. loss of limb.	State-wide negative media coverage for 12 months up to 2 years. Council dismissed.	Criminal charges/ prosecution/ fines \$1mil to <\$2mil.	Extensive, detrimental environmental damage/loss of environmental amenity for >12mths.	>\$1mil to <\$2mil	Extensive loss/ damage/access to IT infrastructure/ data >3mths.	Loss of Critical Business Functions (as defined in BCP) >3mths.
Moderate	Non-life threatening injury/illness requiring hospitalisation.	State-wide negative media coverage for up to 12 months. Council dismissed.	Prosecution/ fines \$250k to <\$1mil.	Extensive, detrimental environmental damage/loss of environmental amenity for >1mth and <12mths.	>\$250k to <\$1mil	Extensive loss/ damage/access to IT infrastructure/ data <3mths.	Loss of Critical Business Functions (as defined in BCP) >1mth and <3mths.
Minor	Non-life threatening injury/illness requiring medical treatment by a doctor. No hospitalisation.	Extensive local media coverage.	Prosecution/ fines \$100k to <\$250k.	Limited environmental damage/loss of environmental amenity for <1mth.	>\$100k to <\$250k	Partial Loss/ damage/access to IT infrastructure/data	Loss of Critical Business Functions (as defined in BCP) <1mth.
Insignificant	Non-life threatening injury requiring first aid treatment.	Some local media coverage.	Prosecution/ fines <\$100k.	Containable incident with minimal environmental damage/loss of environmental amenity.	<\$100k	Minimal Loss/ damage/ access to IT infrastructure/data	Delayed or untimely service delivery to community.

Likelihood Rating Table			
Likelihood	Description	Past Occurrences	Likelihood %
Almost Certain	Expected to occur in most circumstances	Has occurred at least once within the past year	95% or greater chance
Likely	Will probably occur in most circumstances	Has occurred at least once within the past two years	75% to <95% Chance
Possible	Not expected to occur but could under specific circumstances	Has occurred at least once within the past two to five years	25% to <75% Chance
Unlikely	Not expected to occur and no previous occurrences	Has occurred at least once within the past five to ten years	5% to <25% Chance
Rare	Expected to occur only in exceptional circumstances	Has not occurred within the past ten years	<5% Chance



Internal Audit Report

Internal Financial Controls Self-Assessment

March 2024

For Distribution:

Andrew Cameron	Chief Executive Officer
Ben Thompson	Director Corporate and Community Services
Daniel Griffin	Manager Financial Services

1. Background

Section 125(1) of the Local Government Act 1999 (Act) provides that a council must ensure that appropriate policies, practices and procedures of internal control are implemented and maintained in order to assist the council to carry out its activities in an efficient and orderly manner to achieve its objectives, to ensure adherence to management policies, to safeguard the council's assets, and to secure (as far as possible) the accuracy and reliability of council records.

Further, Section 126(4)(c) of the Act states that the functions of an Audit and Risk Committee include the review of internal controls.

To meet these legislative requirements, Yorke Peninsula Council's (Council) PO156 Internal Financial Control Policy (Policy) outlines Council compliance with the Better Practice Model framework – Financial Internal Control for South Australian Councils (BPM). The BPM identifies standard internal controls for each financial risk identified and Council is required to demonstrate that controls are effective, through a regular self-assessment process.

The Audit and Risk Committee's (Committee) Terms of Reference provides that the Committee shall review the adequacy and effectiveness of Council's internal controls.

2. Objective

The objective of this project is to self-assess key controls to ensure they have been implemented, monitored and updated to maintain an effective control environment in compliance with the relevant section of the Act and Policy.

3. Scope

For this round of self-assessment testing, 71 controls were reviewed and assessed by responsible officers, within the following risk categories:

- Strategic financial planning
- Assets
- Revenue
- Expenses
- External services

The self-assessment and risk assessment process of BPM controls are managed and recorded through a spreadsheet and results are manually calculated by the Business Improvement Officer. This report documents the self-assessment approach and the results from this testing.

4. Approach

Step 1 – Identify Risks

Council's financial control library, managed within a manual spreadsheet, underwent a full review in 2023 in accordance with the BPM Internal Financial Controls. There are a total of 92 risks and 219 corresponding controls within Council's library across the following risk categories:

- Strategic financial planning
- Assets
- Liabilities
- Revenue
- Expenses
- External services
- Financial governance

Step 2 – Assess Inherent Risk

The inherent risk ratings of all 92 risks were reviewed by the Business Improvement Officers in consultation with the Manager Financial Services, Accountant – Financial Management and Accountant – Financial Operations in accordance with Council's PO091 Risk Management Policy. A summary of the inherent risk ratings is provided in the table below:

Inherent Risk Rating	Number of Risks
Extreme	31
High	44
Moderate	17
Low	0

A testing schedule for 2023-2026 was developed to ensure that all 219 controls will be tested at least once within the three (3) year period, in consideration of the corresponding risks inherent risk rating (please note we identified duplicate controls in the library database, these have been condensed reducing the total number of controls by one, to 218, since the October 2023 report).

Step 3 – Evaluate Control Activities

As noted within the scope section, 71 controls were reviewed and assessed by responsible officers in this round of testing across multiple categories. As per the Policy, controls were reviewed and assessed using the following rating scale:

Rating Score	Description of Control Effectiveness Rating
1. Ineffective	During the period, the control has not been implemented as described. Urgent management action is required to implement the described control processes.
2. Requires significant improvement	During the period, the control has been implemented as described, but with significant deficiencies in the consistency or effectiveness of implementation. Significant management action required to implement processes to improve the effectiveness of the control.
3. Partially effective	During the period, the control has been implemented as described, but with some deficiencies in the consistency.
4. Majority effective	During the period, the control has been implemented as described and in the majority of cases has been consistently and/or effectively applied
5. Effective	During the period, the control as described has been fully implemented and has in all cases been consistently and/or effectively applied.

Step 4 – Assess Residual Risk

Following assessment, the residual risk ratings for risks corresponding to the controls included in this round of testing were determined to be as below. The 71 controls tested during this round of testing addressed 34 BPM risks.

Residual Risk Rating	Number of Risks
Extreme	0
High	0
Moderate	17
Low	17

Step 5 – Treat Risks and Control Activities

Any control effectiveness rating that is assessed as a rating 3 or below by a Reviewer, an action plan has been developed to address this internal control improvement. These are documented as part of the Key Findings section below.

Step 6 – Ongoing Monitoring

All action plans identified to address an improvement as part of this testing have been included on the Internal Audit Agreed Actions Register which is reported at each Committee meeting.

If requested, results of the self-assessment will be made available to the External Auditors who also undertake their own independent assessment of Council's internal control environment as part of providing their audit opinion on the effectiveness of Council's internal controls.

5. Key Findings

The categories that were tested were rated out of 5.0 (rating of 5.0 being "Effective"); the average category results are highlighted below:

- Strategic financial planning – 4.4
- Assets – 4.3
- Revenue – 4.2
- Expenses – 4.1
- External services – 3.8

The overall average effectiveness of those tested internal controls for this round has been reviewed at 4.1 from a possible score of 5.0, demonstrating that controls are being maintained at a high level.

The Business Improvement Officer undertook independent testing over 10 controls (out of the 71 tested for this round), verifying approximately 15% of the sample. The independent verification found that controls and self-assessment testing documented were adequate and effective.

There were 7 controls that were assessed as an effectiveness score of '3' or below by the Reviewer. The agreed actions to address each of these have been documented in the table below and included in the Internal Audit Agreed Actions Register.

	Description of those controls rated '3' or below	Agreed Actions to address ineffective control from Self-Assessment	Responsible Officer & Due Date
1	Policy provides clear guidance on rating methodology and rebates and remissions. This is reviewed annually.	An external consultant is currently undertaking an independent rate review. Once completed, Finance will develop a Rating Policy to ensure the principles determined and endorsed through the rate review project are addressed.	Senior Rates Officer December 2024
2	Regular review of exempt properties to ensure still valid, interest flag switched off and rate rebates.	Internal project is being planned to review a significant number of "non-rateable" (exempt) properties and ensure that this is appropriate. It is planned that newly rateable properties apply for appropriate rebates.	Manager Financial Services March 2025
3	Employees responsible for processing rate notices can process payment of their own rates, however an independent review of the Rates Office accounts is performed on a quarterly basis.	It is recommended that the review of the Rates Office accounts is undertaken by an independent Finance Officer to ensure this control is performed consistently on a quarterly basis and meets the minimum timing requirements.	Manager Financial Services December 2024
4	Formal leases and agreements are regularly reviewed to ensure conditions are being met and payments made on time.	Financial Services staff conduct monthly reviews of Accounts Receivable payments (including lease payments). In conjunction with the internal project proposed above for non-rateable properties, staff will review Council leases to ensure Council is reimbursed for costs (such as utilities) in accordance with lease terms.	Manager Financial Services March 2025
5	Unmatched purchase orders are actioned and followed up by the Accounts Payable Officer. An outstanding purchase order report is reviewed on a regular basis.	A process will be implemented to ensure employees save the outstanding orders report in Council's records management system.	Manager Financial Services December 2024
6	Contract management processes are in place throughout the term of the contract to ensure that the supplier/ contractor meets their obligations.	Contract management is decentralised within Council and individual project managers are responsible for ensuring the supplier / contractor meets their obligations. A review is underway relating to compliance with procurement practices including contract management and consider implementing any improvements. This will be done in conjunction with the new ERP implementation.	Business Improvement Officer December 2025
7	A contract register is maintained for all contracts.	A Contract Register is being updated in preparation for that data to be transferred into the new ERP system.	Business Improvement Officer December 2024

6. Internal Audit Opinion

Based on the testing performed, Internal Audit is of the opinion that the current Internal Financial Controls environment is effective.

Brianna Wood
Business Improvement Officer

Activity Category	Report Title	Finding Title	Risk Rating	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Action Update
Internal Audit Activities	Internal Audit Report Payroll and On-boarding Review	Element Time Password Requirements	Moderate	It is a recommendation that password controls relating to requirements for complexity, minimum length, regular password changes be implemented in Element Time or forcing the use of single sign on for users.	TEAM LEADER HR PEOPLE EXPERIENCE	30/06/2024	30/06/2024	In Progress	
Internal Audit Activities	Community Grants and Business Enhancement Program Review - May 2024	Update PO184	Low	It is recommended that all previous versions of PO184 are removed from Council platforms so only the current document is in circulation. Consider updating PO184 to reflect appropriate information and ensure consistency with PO149.	MANAGER BUSINESS AND PUBLIC RELATIONS	31/12/2024	31/12/2024	In Progress	
Internal Audit Activities	Community Grants and Business Enhancement Program Review - May 2024	Review PO149	Low	Consider providing a risk assessment template (with examples) for Section 4.6 Risk Assessment to clearly outline what is required.	EXECUTIVE ASSISTANT CCS	31/12/2024	31/12/2024	In Progress	
Internal Audit Activities	Community Grants and Business Enhancement Program Review - May 2024	Review PO149	Low	It is recommended that PO149 be reviewed and updated to include 'a number of Elected Members from Council as deemed necessary by the Director Corporate and Community Services' to ensure appropriate Elected Member representation on the GWP.	EXECUTIVE ASSISTANT CCS	31/12/2024	31/12/2024	In Progress	
Internal Audit Activities	Community Grants and Business Enhancement Program Review - May 2024	BEP Assessment Process	Low	It is recommended that the use of the weightings in the Evaluation Matrix should be reviewed to see if there is a need to change them.	MANAGER BUSINESS AND PUBLIC RELATIONS	31/12/2024	31/12/2024	In Progress	
Internal Audit Activities	Community Grants and Business Enhancement Program Review - May 2024	BEP Assessment Process	Low	It is recommended that applicants be requested to link their proposed projects to Council's Economic Development and Tourism Strategy (EDTS), to highlight which goals or strategies the projects are addressing or aligning to.	MANAGER BUSINESS AND PUBLIC RELATIONS	31/12/2024	31/12/2024	In Progress	
Internal Audit Activities	Community Grants and Business Enhancement Program Review	BEP Assessment Process	Low	It is recommended that documentation relating to the assessment process for BEP applications be reviewed and updated to ensure they are consistent, accurately reflect the correct process undertaken and the evaluation criteria.	MANAGER BUSINESS AND PUBLIC RELATIONS	31/12/2024	31/12/2024	In Progress	
Internal Audit Activities	Community Grants and Business Enhancement Program Review	Business Enhancement Program Process	Low	It is recommended that the BEP consider streamlining the application and assessment process as well as setting a consistent assessment cycle, to allow all possible grant applicants the opportunity to apply for the available budget funding within each financial year.	MANAGER BUSINESS AND PUBLIC RELATIONS	31/12/2024	31/12/2024	In Progress	
Internal Audit Activities	Payroll and On-boarding Review	Review of Payroll Master File Changes	Low	Finance Team to complete checking process for outstanding Pay Audit Reports. A workflow process to be scheduled into records management system to ensure reviews are performed regularly (on a monthly basis).	MANAGER FINANCIAL SERVICES	30/06/2024	30/06/2024	In Progress	

Activity Category	Report Title	Finding Title	Risk Rating	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Action Update
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - March 2024	Update Contract Register	Low	A Contract Register is being updated in preparation for that data to be transferred into the new ERP system.	BUSINESS IMPROVEMENT OFFICER	31/12/2024	31/12/2024	In Progress	
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - March 2024	Contract Management Process	Low	Contract management is decentralised within Council and individual project managers are responsible for ensuring the supplier / contractor meets their obligations. A review is underway relating to compliance with procurement practices including contract management and consider implementing any improvements. This will be done in conjunction with the new ERP implementation.	BUSINESS IMPROVEMENT OFFICER	31/12/2025	31/12/2025	In Progress	
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - March 2024	Regular Review of Outstanding Purchase Order Report	Low	A process will be implemented to ensure employees save the outstanding orders report in Councils records management system.	MANAGER FINANCIAL SERVICES	31/12/2024	31/12/2024	In Progress	
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - March 2024	Regular Review of Council Leases and Agreements	Low	Financial Services staff conduct monthly reviews of Accounts Receivable payments (including lease payments). In conjunction with the internal project proposed above for non-rateable properties, staff will review Council leases to ensure Council is reimbursed for costs (such as utilities) in accordance with lease terms.	MANAGER FINANCIAL SERVICES	31/03/2025	31/03/2025	In Progress	
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - March 2024	Independent Review of Rates Office Accounts	Low	It is recommended that the review of the Rates Office accounts is undertaken by an independent Finance Officer to ensure this control is performed consistently on a quarterly basis and meets the minimum timing requirements.	MANAGER FINANCIAL SERVICES	31/12/2024	31/12/2024	In Progress	
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - March 2024	Regular Review of Exempt Properties	Low	Internal project is being planned to review a significant number of "non-rateable" (exempt) properties and ensure that this is appropriate. It is planned that newly rateable properties apply for appropriate rebates.	SENIOR RATES OFFICER	31/03/2025	31/03/2025	In Progress	
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - March 2024	Develop a Rating Policy	Low	An external consultant is currently undertaking an independent rate review. Once completed, Finance will develop a Rating Policy to ensure the principles determined and endorsed through the rate review project are addressed.	MANAGER FINANCIAL SERVICES	31/12/2024	31/12/2024	In Progress	
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - October 2023	Inventory Policy	Moderate	Implement an Inventory Policy to ensure processes are in place for ongoing inventory management (i.e. month end, year-end stocktakes) and to assist in addressing BPM internal control requirements.	MANAGER FINANCIAL SERVICES	30/04/2024	30/06/2024	In Progress	A draft Inventory Policy has been created in the records management system and has been developed in line with better practice model requirements. The draft Policy is currently awaiting Manager Financial Services review.
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - October 2023	Develop Loan Register	Low	Develop simple Loan Register which meets requirements of the BPM to ensure full records are easily accessible and referenced in Council's Records Management system.	MANAGER FINANCIAL SERVICES	31/03/2024	30/06/2024	In Progress	Work has commenced to collate information from LGFA.
External Audit Activities	External Audit - Interim Report	Outdated Policies	Low	We noted that there is no formal policy or procedure in relation to the General Ledger. We also reviewed the controlled document register and noted the Asset Management Policy is overdue for review. Date of review was November 2022. We recommend an establishment and review of those policies.	MANAGER FINANCIAL SERVICES	30/06/2024		In Progress	A general ledger policy/procedure has been drafted in Council's records management system, which provides instruction on what the process is for making amendments to the general ledger and details of reconciliations processes. This draft policy is awaiting Manager Financial Services Review. PO128 Asset Management Policy was reviewed and adopted July 2023.

Activity Category	Report Title	Finding Title	Risk Rating	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Action Update
External Audit Activities	External Audit - Interim Report	Contractor management	Modera...	There was insufficient evidence around contractor management and monitoring activities. We noted the following in discussion with Management: • there are no formal/standard procedures to monitor the milestone and quality/service standards for contractors. • Supplier/contractor performance is managed by the relevant Project Manager who assesses work completed against project deliverables and makes recommendations for or against payment of invoices (when received) based on the quantity and quality of work performed. The level of process and procedure utilised by Project Managers vary based upon the size and complexity of the project, and from time to time involve the assessment of invoices and works by external parties prior to payment. • All supporting documents are kept by the Project Manager. Each quarter, a budget review should be provided for each project and significant variances should be explained. However, no evidence of project management was provided for our testing, or quarterly budget reviews. While we understand there is contractor management in place, we cannot verify this is happening as there is insufficient documentation. As there are sufficient controls around the selection of the contractor before they are engaged, we believe this to be a documentation issue. As such, this matter is not considered material and therefore will no impact our audit opinion.	BUSINESS IMPROVEMENT OFFICER	30/06/2024	30/06/2024	In Progress	Council holds a strong commitment to appropriate contractor management practices. There is ample evidence of documented contractor management and quality achievement on the large high-risk projects like Gardiner Road/ Fowler Terrace Heavy Vehicle Road upgrade, North Coast Road Stage 1 and the Minlaton Childcare Centre building projects. Management notes external audit observations and their classification as an immaterial documentation issue. Management will take steps to implement the recommendation for Project Managers to document and maintain evidence of monitoring activities, taking into account the size and scale of Council operations and resource limitations.
External Audit Activities	External Audit - Interim Report	Contract register	Modera...	The contract register has not been maintained. We understand management has commenced work on creation of a contracts register, however staff turnover and resourcing issues have delayed effective implementation of this process. It is recommended management maintain its contract register.	BUSINESS IMPROVEMENT OFFICER	30/06/2024	30/06/2024	In Progress	Management is aware of this issue and have recently allocated resources to address this matter. An draft Contract Register is in development. In addition to additional resourcing, Council is currently evaluating a tender for replacement of its Enterprise Resource Planning software which will most likely include provisions for improved procurement capabilities through systems software integration.
External Audit Activities	External Audit - Interim Report	Basis for evaluation criteria in tendering	Low	There is insufficient evidence showing that the Tender Manager provided sufficient and clear explanation for evaluation criteria and weighting to evaluation members. There was also insufficient evidence that the Tender Panel members acknowledged and accepted the reasoning behind the evaluation criteria before the tender was advertised. In discussions with management, it was understood that the basis for the evaluation criteria is sometimes discussed and agreed verbally. Basis for evaluation criteria be appropriately documented and saved in the Content Manager in accordance with the policy. All related correspondence relating to acknowledgement and acceptable of the criteria should also be maintained in the Content Manager	MANAGER FINANCIAL SERVICES	30/06/2024	30/06/2024	In Progress	

Activity Category	Report Title	Finding Title	Risk Rating	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Action Update
External Audit Activities	External Audit - Interim Report	Lack of historical data for suppliers	Modera...	We noted that Management is not maintaining information regarding previous purchases from suppliers. We understand that Council tried to maintain the monitoring of suppliers via INTRANET, however it is difficult to use. Only one month of data can be reviewed, so when a single supplier is engaged for multiple purchases, management cannot obtain data older than one month. Recommended management determine how they will compile the required supplier history for use in future procurement activities.	BUSINESS IMPROVEMENT OFFICER	30/06/2024	30/06/2024	In Progress	Council's IT Team have updated the intranet tool for cumulative spend that was started some years ago. This tool has been redeveloped and tested and it is now showing cumulative supplier spend, extracting data directly from the Authority finance application. Finance are still required to check the validity and accuracy of the report. Once this has been confirmed, this will be communicated to the organisation.
Internal Audit Activities	Accounts Receivable	3.1 Debtor Management	Low	1. It is recommended that PO048 Management and Recovery of Outstanding Debts Policy be reviewed and updated, to ensure that it is consistent with Council's expectations and processes. 2. A consistent approach to documenting the review of the trial balance report should be implemented, in particular an electronic signature to be included. Again, we understand that a new ERP may address these recommendations by offering improved debtor management systems that allow recording and follow up of debtors within the system and also that allows accounts receivable invoices to be paid using BPay.	SENIOR RATES OFFICER	31/03/2024	31/12/2024	In Progress	Senior Rate Officer has reviewed and subsequently re-written this policy to better align with our current procedures. The whole exercise has however been written using procedures dictated by the Authority database. We will therefore need to re-visit this exercise once our new ERP has rolled-out & we become aware of its functionality & any limitations. The revision is currently with Manager Financial Services for review, it will then got to CMT and the Audit & Risk Committee.
Internal Audit Activities	WHS PR048 Corrective Preventative Action Procedure - September 2022	1.1 Inefficiency of two systems to manage corrective actions	Modera...	This recommendation will need to be considered in conjunction with finding 2.1 (Online CAR System Useability, Functionality and Security), and the decision relating to pursuing improvement to the online CAR system. In the first instance, it is recommended that the Officer enters all corrective actions (from all sources, including outside workforce) into either the online CAR or the spreadsheet system. If the online CAR is to be used, initially automated email notifications could be directed back to the Officer to manually follow up action progress (for outside staff) and record within the online CAR until such time that there is a decision relating the online CAR system.	MANAGER PEOPLE CULTURE AND SAFETY	30/06/2023	30/09/2024	In Progress	Currently implementing the Corporate Performance Reporting, Risk, Incident and Compliance modules which will address the online actions.
Internal Controls Self-Assessment	Internal Financial Controls Self-Assessment - May 2022	IT Disaster Recovery Plan	Low	Complete documentation relating to the IT Disaster Recovery Plan	LEADER SYSTEMS AND TECHNOLOGY	31/08/2022	30/10/2024	In Progress	No further progress to the document at this stage. The ERP replacement project (and preparation for Request for Tender document) has priority. When this is completed IT staff will be resuming the Disaster Recovery Plan document. The new expected completion date is end of December 2023.

Showing 1 to 26 of 26 entries (filtered from 153 total entries)

Activity Category	Report Title	Finding Title	Risk Rating	Agreed Action	Responsible Officer	Due Date	Revised Due Date	Status	Action Update
Internal Audit Activities	Internal Audit Report Payroll and On-boarding Review	New Starter Documentation	Low	Minor issues relating to the completion and sign off of new starter documentation have been addressed and rectified by the Team Leader HR and People Experience.	TEAM LEADER HR PEOPLE EXPERIENCE	30/06/2024		Completed	This was completed by the end of the review.
Internal Audit Activities	Payroll and On-boarding Review	Induction, Probation and Training Process	Moderate	As SF366 is actioned to new employees through a workflow in Council's records management system, the sign off to complete these documents can remain outstanding for a short period while the new employee learns to use the system. SF366 has also recently been updated to simplify the form and improve practicality. The Team Leader HR and People Experience has recently implemented workflow escalations within Council's records management system where, if the supervisor of a new employee has not completed 5 and 12 week probation assessments within 5 days of their due date, they are escalated to the supervisors manager. Where a probation period for a new employee has been signed off early and mandatory training remains outstanding, the Training Administration Officer and Safety Committee monitor the completion of this training. Workstation self-assessments will be removed from the induction framework and remain as part of the annual workplace monitoring process.	MANAGER PEOPLE CULTURE AND SAFETY	13/05/2024	13/05/2024	Completed	
Internal Audit Activities	WHS Consultation and Communication Review	WHS Information Dissemination	Low	Update WHS Consultation and Communication Procedure (PR076) to include a sentence that outlines at a minimum, departmental meetings should occur quarterly (every three months). This should also be communicated internally, particularly to Executive Assistants.	MANAGER PEOPLE CULTURE AND SAFETY	31/12/2023		Completed	Procedure updated and sent out to staff for information. Emails sent to all Supervisors advising of requirement and EA's to ensure quarterly meetings take place.
Internal Audit Activities	WHS Consultation and Communication Review	Safety Committee Members	Low	It is recommended that the Safety Committee Terms of Reference (ToR) be updated to clearly define voting Committee members and those roles that provide advice and administration support to the Committee. The ToR is due for review by the end of this year and this will then ensure the ToR align with current practices.	SUPPORT OFFICER FOR PEOPLE CULTURE AND SAFETY	31/01/2024		Completed	The Safety Committee ToR has been updated ensuring clarity around voting rights, members composition, attendance requirements and also proxy representation.
Internal Audit Activities	WHS Consultation and Communication Review	Safety Committee Attendance Requirements	Low	Remind all Safety Committee members of the right to representation by a deputy / proxy.	SENIOR SAFETY ADVISOR	31/01/2024		Completed	Email sent to Safety Committee 22/04/2024 to explain that if a Safety Committee representative is unable to attend a meeting then a deputy or proxy can represent. This has also been included in the TOR that was recently adopted by the Safety Committee.
Internal Audit Activities	WHS Consultation and Communication Review	Safety Committee Attendance Requirements	Low	Update the Safety Committee Terms of Reference (ToR) to clearly explain attendance requirements, particularly regarding consecutive non-attendance at meetings. Ensure that the ToR is updated to reflect the actual requirements of recording apologies (i.e. that a 'decline' to a meeting request or verbal with Safety Advisor is satisfactory).	SENIOR SAFETY ADVISOR	31/01/2024		Completed	Attendance requirements have been updated within the Safety Committee TOR including the right to representation by a deputy/proxy, term of office and when members will cease to be members of the Safety Committee.

8.7 COMMUNITY WASTEWATER MANAGEMENT SYSTEM INFRASTRUCTURE ASSET VALUATION**Document #:** 24/41719**Department:** Assets and Infrastructure Services**PURPOSE**

To receive and endorse the Community Wastewater Management System Infrastructure Asset Valuation and Methodology Report prepared by Tonkin.

RECOMMENDATION

That the Audit and Risk Committee receive and endorse the Community Wastewater Management System (CWMS) Infrastructure Asset Valuation and Methodology Report prepared by Tonkin.

LINK TO STRATEGIC PLAN**Goal:** 2 Community Connected through Infrastructure**Strategy:** 2.1 Develop and deliver on Asset Management Plans for all asset classes**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.3 Meet all legislative requirements and compliance with Council's internal controls**BACKGROUND**

Section 11(1) of the Local Government (Financial Management) Regulations 2011 (the Regulations), require a Council to "ensure that all accounting records, accounts and financial statements are prepared and maintained in accordance with all relevant Australian Accounting Standards".

Pursuant to Section 12 of the Regulations all material noncurrent assets are to be revalued "in accordance with the requirements of Australian Accounting Standard AASB 116". The South Australian Model Financial Statements advise that such revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. In general circumstances these requirements necessitate the revaluation of material asset classes every three (3) to four (4) years.

To ensure compliance with the Regulations, Council engaged Tonkin to provide a valuation of Council's Community Wastewater Management System (CWMS) infrastructure assets as at 1 July 2023.

DISCUSSION

Yorke Peninsula Council own and manage seventeen (17) CWMS across the townships of Ardrossan, Balgowan, Black Point, Bluff Beach, Chinaman Wells, Edithburgh, Foul Bay, Hardwicke Bay, Maitland, Point Turton, Port Julia, Port Victoria, Port Vincent, Rogues Point, Stansbury, Sultana Point, Tiddy Widdy Beach, and Yorketown. Within the systems there is approximately 110km of collection pipe assets, 43 pumping stations and 17 wastewater treatment plants, which include buildings, tanks, pumps, treatment and dosing assets, electrical control systems and switchboards, valves, and other civil, mechanical, and electrical assets.

The valuation process included a comprehensive review of the current asset register, standard useful lives, and replacement cost of all asset types, while condition of assets was collected, reviewed, and utilised where possible.

Current replacement cost for each asset type has been developed by Tonkin and Council using a combination of rates from Rawlinsons Australian Handbook – Edition 41 (2023), prices provided by suppliers and Council project costs, while useful lives were reviewed against industry standards.

This report provides a summary of results for:

- CWMS Pipes
- CWMS Nodes
- CWMS Pumping Stations
- CWMS Wastewater Treatment Plants and Storage

A summary of the valuation as at 1 July 2023 is provided in the table below:

Asset Type	Current Replacement Cost	Accumulated Depreciation	Written Down Value	Remaining %
CWMS Pipes	\$18,498,578	\$7,291,800	\$11,206,777	60.6%
CWMS Nodes	\$3,461,766	\$1,362,977	\$2,098,789	60.6%
CWMS Pump Stations	\$4,704,270	\$2,006,589	\$2,697,680	57.3%
CWMS WWTP & Storage Assets	\$6,048,171	\$2,981,083	\$3,067,089	50.7%
Total	\$32,712,785	\$13,642,449	\$19,070,335	58.3%

Note: Table may not add due to rounding.

The Current Replacement Cost of CWMS assets has increased primarily due to an increase in unit rates for the replacement cost of assets.

The Written Down Value (WDV) is the depreciated replacement cost and is the “carrying amount” of the assets as of 1 July 2023 as per AASB 116. Together the table illustrates the total fair value of the asset (Current Replacement Cost (CRC), the amount consumed (Accumulated Depreciation) and the amount remaining (Written Down Value (WDV)) for each asset.

The annual depreciation forecast for the 2023/2024 is provided in the table below:

Asset Type	Annual Depreciation Forecast	Annual Consumption Forecast
CWMS Pipes	\$246,648	1.3%
CWMS Nodes	\$46,930	1.4%
CWMS Pump Stations	\$166,976	3.5%
CWMS WWTP & Storage Assets	\$231,035	3.8%
Total	\$691,589	2.1%

Note: Table may not add due to rounding.

The annual depreciation forecast has increased due to the increase in unit rates, the review of standard useful lives, and all valued assets are now attracting depreciation as there are no expired assets in the CWMS asset register.

The variation between the valuation as at 1 July 2023 and the value of CWMS assets as at 30 June 2023 is shown in the tables below:

Current Replacement Cost

Asset Type	Replacement Cost at 1/07/2023	Replacement Cost at 30/06/2023	Variance	Increase %
CWMS Pipes	\$18,498,578	\$15,862,770	\$2,635,808	16.6%
CWMS Nodes	\$3,461,766	\$3,084,532	\$377,234	12.2%
CWMS Pump Stations	\$4,704,270	\$4,219,372	\$484,898	11.5%
CWMS WWTP & Storage Assets	\$6,048,171	\$5,132,620	\$915,551	17.8%
Total	\$32,712,785	\$28,299,294	\$4,413,491	15.6%

Note: Table may not add due to rounding.

Accumulated Depreciation

Asset Type	Accumulated Depreciation 1/07/2023	Accumulated Depreciation 30/06/2023	Variance	Increase %
CWMS Pipes	\$7,291,800	\$6,273,127	\$1,018,673	16.2%
CWMS Nodes	\$1,362,977	\$1,302,240	\$60,737	4.7%
CWMS Pump Stations	\$2,006,589	\$1,884,370	\$122,219	6.5%
CWMS WWTP & Storage Assets	\$2,981,083	\$2,633,456	\$347,627	13.2%
Total	\$13,642,449	\$12,093,193	\$1,549,256	12.8%

Note: Table may not add due to rounding.

Written Down Value

Asset Type	Written Down Value 1/07/2023	Written Down Value 30/06/2023	Variance	Increase %
CWMS Pipes	\$11,206,777	\$9,589,642	\$1,617,135	16.9%
CWMS Nodes	\$2,098,789	\$1,782,292	\$316,497	17.8%
CWMS Pump Stations	\$2,697,680	\$2,335,003	\$362,677	15.5%
CWMS WWTP & Storage Assets	\$3,067,089	\$2,499,164	\$567,925	22.7%
Total	\$19,070,335	\$16,206,101	\$2,864,234	17.7%

Note: Table may not add due to rounding.

Forecast Annual Depreciation

Asset Type	Annual Depreciation Forecast 1/07/2023	Annual Forecast Before Revaluation 2023/2024	Variance	Increase %
CWMS Pipes	\$246,648	\$211,970	\$34,678	16.4%
CWMS Nodes	\$46,930	\$44,323	\$2,607	5.9%
CWMS Pump Stations	\$166,976	\$131,789	\$35,187	26.7%
CWMS WWTP & Storage Assets	\$231,035	\$183,073	\$47,962	26.2%
Total	\$691,589	\$571,155	\$120,434	21.1%

Note: Table may not add due to rounding.

Remaining Percentage

Asset Type	Remaining Percentage 1/07/2023	Remaining Percentage 30/06/2023	Movement %
CWMS Pipes	60.6%	60.5%	0.1%
CWMS Nodes	60.6%	57.8%	2.8%
CWMS Pump Stations	57.3%	55.3%	2.0%
CWMS WWTP & Storage Assets	50.7%	48.7%	2.0%
Total	58.3%	57.3%	1.0%

Note: Table may not add due to rounding.

The CWMS Infrastructure Asset Valuation and Methodology Report has been provided to Council’s auditors for information and review.

Full details of the valuation undertaken by Tonkin and the methodology used are contained in the attached CWMS Infrastructure Asset Valuation and Methodology Report (Attachment 1).

Once endorsed, the valuation data will be uploaded into Council’s asset management system, Conquest, and staff will commence the process of reviewing and updating the CWMS Asset Management Plan.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Corporate Management Team
- Infrastructure Manager

- Manager Financial Services
- Accountant Financial Operations

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

- Tonkin

POLICY IMPLICATIONS

PO124 Asset Accounting Policy

PO128 Asset Management Policy

BUDGET AND RESOURCE IMPLICATIONS

The continued review of Council's asset management data provides Council with a guide as to the estimated level of expenditure required to ensure that assets are maintained to an appropriate level. Failure to revalue assets in accordance with relevant standards or frequency may also lead to an Audit qualification.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Australian Accounting Standards – AASB 116 Property, Plant and Equipment

Australian Accounting Standards – AASB 113 Fair Value Measurement

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

ATTACHMENTS

1. **Final - Valuation Report - CWMS - Tonkin (under separate cover)** 

8.8 STORMWATER INFRASTRUCTURE ASSET VALUATION

Document #: 24/43430

Department: Assets and Infrastructure Services

PURPOSE

To receive and endorse the Stormwater Infrastructure Asset Valuation and Methodology Report prepared by Tonkin.

RECOMMENDATION

That the Audit and Risk Committee receive and endorse the Stormwater Infrastructure Asset Valuation and Methodology Report prepared by Tonkin.

LINK TO STRATEGIC PLAN

Goal: 2 Community Connected through Infrastructure

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

Goal: 5 Responsible Governance and Leadership

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

BACKGROUND

Section 11(1) of the Local Government (Financial Management) Regulations 2011 (the Regulations), require a Council to "ensure that all accounting records, accounts and financial statements are prepared and maintained in accordance with all relevant Australian Accounting Standards".

Pursuant to Section 12 of the Regulations all material noncurrent assets are to be revalued "in accordance with the requirements of Australian Accounting Standard AASB 116". The South Australian Model Financial Statements advise that such revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. In general circumstances these requirements necessitate the revaluation of material asset classes every three (3) to four (4) years.

To ensure compliance with the Regulations, Council engaged Tonkin to provide a valuation of Council's Stormwater infrastructure assets as at 1 July 2023

DISCUSSION

Yorke Peninsula Council own and manage stormwater assets within townships and other locations across the Yorke Peninsula, while there are also stormwater reuse facilities in the townships of Ardrossan, Maitland, and Minlaton. Within the system there is approximately 40km of stormwater pipes, box culverts and open drains, as well as various pits, headwalls and stormwater pumping storage and reuse assets.

The valuation process included a comprehensive review of the current asset register, standard useful lives, and replacement cost of all asset types, while condition of assets was collected, reviewed, and utilised where possible.

Current replacement cost for each asset type has been developed by Tonkin and Council using a combination of rates from Rawlinsons Australian Handbook – Edition 41 (2023), prices provided by suppliers and Council project costs, while useful lives were reviewed against industry standards.

This report provides a summary of results for:

- Stormwater Drains

- Stormwater Nodes
- Stormwater Pumping, Reuse and Storage

A summary of the valuation as at 1 July 2023 is provided in the table below:

Asset Type	Current Replacement Cost	Accumulated Depreciation	Written Down Value	Remaining %
Stormwater Drains	\$17,463,547	\$5,351,461	\$12,112,085	69.4%
Stormwater Nodes	\$3,465,571	\$1,057,270	\$2,408,301	69.5%
Storage Pumping, Reuse and Storage	\$1,387,985	\$441,234	\$946,751	68.2%
Total	\$22,317,103	\$6,849,966	\$15,467,137	69.3%

Note: Table may not add due to rounding.

The current Replacement Cost of Stormwater assets has increased primarily due to an increase in unit rates for the replacement cost of assets.

The Written Down Value (WDV) is the depreciated replacement cost and is the “carrying amount” of the assets as of 1 July 2023 as per AASB 116. Together the table illustrates the total fair value of the asset (Current Replacement Cost (CRC), the amount consumed (Accumulated Depreciation) and the amount remaining (Written Down Value (WDV)) for each asset.

The annual depreciation forecast for the 2023/2024 is provided in the table below:

Asset Type	Annual Depreciation Forecast	Annual Consumption Forecast
Stormwater Drains	\$192,956	1.1%
Stormwater Nodes	\$43,576	1.3%
Storage Pumping, Reuse and Storage	\$41,622	3%
Total	\$278,154	1.2%

Note: Table may not add due to rounding.

The annual depreciation forecast has increased due to the increase in unit rates, the review of standard useful lives, and all valued assets are now attracting depreciation as there are no expired assets in the Stormwater asset register.

The variation between the valuation as at 1 July 2023 and the value of Stormwater assets as at 30 June 2023 is shown in the tables below:

Current Replacement Cost

Asset Type	Replacement Cost at 1/07/2023	Replacement Cost at 30/06/2023	Variance	Increase %
Stormwater Drains	\$17,463,547	\$11,160,535	\$6,303,012	56.5%
Stormwater Nodes	\$3,465,571	\$2,959,018	\$506,553	17.1%
Storage Pumping, Reuse and Storage	\$1,387,985	\$1,261,863	\$126,122	10%
Total	\$22,317,103	\$15,381,415	\$6,935,688	45.1%

Note: Table may not add due to rounding.

Accumulated Depreciation

Asset Type	Accumulated Depreciation 1/07/2023	Accumulated Depreciation 30/06/2023	Variance	Increase %
Stormwater Drains	\$5,351,461	\$3,611,502	\$1,739,959	48.2%
Stormwater Nodes	\$1,057,270	\$901,134	\$156,136	17.3%
Storage Pumping, Reuse and Storage	\$441,234	\$434,473	\$6,761	1.6%
Total	\$6,849,966	\$4,947,109	\$1,902,856	38.5%

Note: Table may not add due to rounding.

Written Down Value

Asset Type	Written Down Value 1/07/2023	Written Down Value 30/06/2023	Variance	Increase %
Stormwater Drains	\$12,112,085	\$7,549,032	\$4,563,053	60.4%
Stormwater Nodes	\$2,408,301	\$2,057,884	\$350,417	17.0%
Storage Pumping, Reuse and Storage	\$946,751	\$827,390	\$119,361	14.4%
Total	\$15,467,137	\$10,434,306	\$5,032,831	48.2%

Note: Table may not add due to rounding.

Forecast Annual Depreciation

Asset Type	Annual Depreciation Forecast 1/07/2023	Annual Forecast Before Revaluation 2023/2024	Variance	Increase %
Stormwater Drains	\$192,956	\$132,249	\$60,707	45.9%
Stormwater Nodes	\$43,576	\$35,073	\$8,503	24.2%
Storage Pumping, Reuse and Storage	\$41,622	\$37,036	\$4,586	12.4%
Total	\$278,154	\$204,358	\$73,796	36.1%

Note: Table may not add due to rounding.

Remaining Percentage

Asset Type	Remaining Percentage 1/07/2023	Remaining Percentage 30/06/2023	Movement %
Stormwater Drains	69.4%	67.6%	1.7%
Stormwater Nodes	69.5%	69.5%	-0.1%
Storage Pumping, Reuse and Storage	68.2%	65.6%	2.6%
Total	69.3%	67.8%	1.5%

Note: Table may not add due to rounding.

The Stormwater Infrastructure Asset Valuation and Methodology Report has been provided to Council’s auditors for information and review.

Full details of the valuation undertaken by Tonkin and the methodology used are contained in the attached Stormwater Infrastructure Asset Valuation and Methodology Report (Attachment 1).

Once endorsed, the valuation data will be uploaded into Council’s asset management system, Conquest, and Council Staff will commence the process of reviewing and updating the Stormwater Infrastructure Asset Management Plan.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

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

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

- Tonkin

POLICY IMPLICATIONS

PO124 Asset Accounting Policy

PO128 Asset Management Policy

BUDGET AND RESOURCE IMPLICATIONS

The continued review of Council's asset management data provides Council with a guide as to the estimated level of expenditure required to ensure that assets are maintained to an appropriate level. Failure to revalue assets in accordance with relevant standards or frequency may also lead to an Audit qualification.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Australian Accounting Standards – AASB 116 Property, Plant and Equipment

Australian Accounting Standards – AASB 113 Fair Value Measurement

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

ATTACHMENTS

1. **Final - Valuation Report - Stormwater - Tonkin (under separate cover)** 

8.9 POTABLE WATER INFRASTRUCTURE ASSET VALUATION**Document #:** 24/43557**Department:** Assets and Infrastructure Services**PURPOSE**

To receive and endorse the Potable Water Infrastructure Asset Valuation and Methodology Report prepared by Tonkin.

RECOMMENDATION

That the Audit and Risk Committee receive and endorse the Potable Water Infrastructure Asset Valuation and Methodology Report prepared by Tonkin.

LINK TO STRATEGIC PLAN**Goal:** 2 Community Connected through Infrastructure**Strategy:** 2.1 Develop and deliver on Asset Management Plans for all asset classes**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.3 Meet all legislative requirements and compliance with Council's internal controls**BACKGROUND**

Section 11(1) of the Local Government (Financial Management) Regulations 2011 (the Regulations), require a Council to "ensure that all accounting records, accounts and financial statements are prepared and maintained in accordance with all relevant Australian Accounting Standards".

Pursuant to Section 12 of the Regulations all material noncurrent assets are to be revalued "in accordance with the requirements of Australian Accounting Standard AASB 116". The South Australian Model Financial Statements advise that such revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. In general circumstances these requirements necessitate the revaluation of material asset classes every three (3) to four (4) years.

To ensure compliance with the Regulations, Council engaged Tonkin to provide a valuation of Council's Potable Water infrastructure assets as at 1 July 2023.

DISCUSSION

Yorke Peninsula Council own and manage potable water assets in the townships of Balgowan, Black Point, Hardwicke Bay, Marion Bay, Pine Point, and Warooka. The potable water supply in Balgowan, Black Point and Hardwicke Bay is provided via an SA Water main offtake with Council responsible for the storage and supply assets downstream, while the potable water supplied in Marion Bay is provided from a desalination plant. Pine Point and Warooka have standpipes which allow customers access to potable water. Assets in the supply networks include pipes, water meters, valves, and hydrants as well as storage and treatment assets which include tanks, pumps, treatment and dosing assets, valves, electrical control systems and switchboards.

The valuation process included a comprehensive review of the current asset register, standard useful lives, and replacement cost of all asset types, while condition of assets was collected, reviewed, and utilised where possible.

Current replacement cost for each asset type has been developed by Tonkin and Council using a combination of rates from Rawlinsons Australian Handbook – Edition 41 (2023), prices provided by suppliers and Council project costs, while useful lives were reviewed against industry standards.

This report provides a summary of results for:

- Potable Water Pipes
- Potable Water Nodes
- Potable Water Pumping, Storage & Treatment
- Potable Water Standpipe

A summary of the valuation as at 1 July 2023 is provided in the table below:

Asset Type	Current Replacement Cost	Accumulated Depreciation	Written Down Value	Remaining %
Potable Water Pipes	\$4,033,132	\$932,005	\$3,101,127	76.9%
Potable Water Nodes	\$311,666	\$168,119	\$143,548	46.1%
Potable Water Pumping, Storage & Treatment	\$1,413,739	\$657,105	\$756,633	53.5%
Potable Water Standpipe	\$149,956	\$4,782	\$145,175	96.8%
Total	\$5,908,494	\$1,762,011	\$4,146,483	70.2%

Note: Table may not add due to rounding.

The Current Replacement Cost of Potable Water assets has increased primarily due to an increase in unit rates for the replacement cost of assets and the identification of additional CWMS assets.

The Written Down Value (WDV) is the depreciated replacement cost and is the “carrying amount” of the assets as of 1 July 2023 as per AASB 116. Together the table illustrates the total fair value of the asset (Current Replacement Cost (CRC), the amount consumed (Accumulated Depreciation) and the amount remaining (Written Down Value (WDV)) for each asset.

The annual depreciation forecast for the 2023/2024 is provided in the table below:

Asset Type	Annual Depreciation Forecast	Annual Consumption Forecast
Potable Water Pipes	\$42,160	1.0%
Potable Water Nodes	\$7,864	2.5%
Potable Water Pumping, Storage & Treatment	\$50,819	3.6%
Potable Water Standpipe	\$6,964	4.6%
Total	\$107,808	1.8%

Note: Table may not add due to rounding.

The annual depreciation forecast has increased due to the increase in unit rates, the review of standard useful lives, and all valued assets are now attracting depreciation as there are no expired assets in the Potable Water asset register.

The variation between the valuation as at 1 July 2023 and the value of Potable Water assets as at 30 June 2023 is shown in the tables below:

Current Replacement Cost

Asset Type	Replacement Cost at 1/07/2023	Replacement Cost at 30/06/2023	Variance	Increase %
Potable Water Pipes	\$4,033,132	\$3,068,089	\$965,043	31.5%
Potable Water Nodes	\$311,666	\$340,931	-\$29,264	-8.6%
Potable Water Pumping, Storage & Treatment	\$1,413,739	\$1,290,637	\$123,101	9.5%
Potable Water Standpipe	\$149,956	\$138,214	\$11,742	8.5%
Total	\$5,908,494	\$4,837,871	\$1,070,622	22.1%

Note: Table may not add due to rounding.

Accumulated Depreciation

Asset Type	Accumulated Depreciation 1/07/2023	Accumulated Depreciation 30/06/2023	Variance	Increase %
Potable Water Pipes	\$932,005	\$710,898	\$221,107	31.1%
Potable Water Nodes	\$168,119	\$177,832	-\$9,713	-5.5%
Potable Water Pumping, Storage & Treatment	\$657,105	\$564,270	\$92,835	16.5%
Potable Water Standpipe	\$4,782	\$4,665	\$116	2.5%
Total	\$1,762,011	\$1,457,665	\$304,345	20.9%

Note: Table may not add due to rounding.

Written Down Value

Asset Type	Written Down Value 1/07/2023	Written Down Value 30/06/2023	Variance	Increase %
Potable Water Pipes	\$3,101,127	\$2,357,191	\$743,936	31.6%
Potable Water Nodes	\$143,548	\$163,099	-\$19,551	-12.0%
Potable Water Pumping, Storage & Treatment	\$756,633	\$726,367	\$30,266	4.2%
Potable Water Standpipe	\$145,175	\$133,549	\$11,626	8.7%
Total	\$4,146,483	\$3,380,206	\$766,277	22.7%

Note: Table may not add due to rounding.

Forecast Annual Depreciation

Asset Type	Annual Depreciation Forecast 1/07/2023	Annual Forecast Before Revaluation 2023/2024	Variance	Increase %
Potable Water Pipes	\$42,160	\$32,514	\$9,646	29.7%
Potable Water Nodes	\$7,864	\$8,149	-\$285	-3.5%
Potable Water Pumping, Storage & Treatment	\$50,819	\$42,188	\$8,631	20.5%
Potable Water Standpipe	\$6,964	\$4,665	\$2,298	49.3%
Total	\$107,808	\$87,517	\$20,290	23.2%

Note: Table may not add due to rounding.

Remaining Percentage

Asset Type	Remaining Percentage 1/07/2023	Remaining Percentage 30/06/2023	Movement %
Potable Water Pipes	76.9%	76.8%	0.1%
Potable Water Nodes	46.1%	47.8%	-1.8%
Potable Water Pumping, Storage & Treatment	53.5%	56.3%	-2.8%
Potable Water Standpipe	96.8%	96.6%	0.2%
Total	70.2%	69.9%	0.3%

Note: Table may not add due to rounding.

The Potable Water Infrastructure Asset Valuation and Methodology Report has been provided to Council's auditors for information and review.

Full details of the valuation undertaken by Tonkin and the methodology used are contained in the attached Potable Water Infrastructure Asset Valuation and Methodology Report (Attachment 1).

Once endorsed, the valuation data will be uploaded into Council's asset management system, Conquest, and staff will commence the process of reviewing and updating the Potable Water Asset Management Plan.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

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

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

- Tonkin

POLICY IMPLICATIONS

PO124 Asset Accounting Policy

PO128 Asset Management Policy

BUDGET AND RESOURCE IMPLICATIONS

The continued review of Council's asset management data provides Council with a guide as to the estimated level of expenditure required to ensure that assets are maintained to an appropriate level. Failure to revalue assets in accordance with relevant standards or frequency may also lead to an Audit qualification.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Australian Accounting Standards – AASB 116 Property, Plant and Equipment

Australian Accounting Standards – AASB 113 Fair Value Measurement

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

ATTACHMENTS

1. **Final - Valuation Report - Potable Water - Tonkin (under separate cover)** 

8.10 CYBER SECURITY - PENETRATION TESTING MAY 2024**Document #:** 24/44780**Department:** Corporate and Community Services**PURPOSE**

To inform the Audit and Risk Committee of the outcomes, and subsequent remediation actions, relating to Council's recent independent cyber security penetration testing and risk assessment.

RECOMMENDATION

That the report be received.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.2 Effective leadership and informed decision making

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

BACKGROUND

Council engaged an external cyber security consultant (MyEmpire) in September 2023 to undertake cyber security penetration testing and risk assessment against Council's external and internal information and communication technology systems and infrastructure.

The review was designed to assist Council with identifying any underlying vulnerabilities and provide remediation recommendations to ensure that the information passing over Council's network and communication environment is secure. This was a very technical review performed by experts in the industry. The information contained in the report is highly sensitive and confidential in nature, therefore this report contains a high-level summary of the information received and remediation completed to-date.

DISCUSSION

MyEmpire tested the security of the targets of evaluation listed below, utilising industry best standards, to meet the objectives of the review:

- External Infrastructure Vulnerabilities;
- Internal Infrastructure Vulnerabilities.

External Testing

This included the testing of Council's website, intranet, firewall and credentials found on the internet. Testing identified vulnerabilities centred around leaked credentials, cryptographic misconfigurations and vulnerable libraries.

The following number of risks were identified:

- High 2
- Medium 5
- Low 3

Internal Testing

This included testing of the infrastructure within Council's corporate network. Identified vulnerabilities centred around software, network service misconfigurations and aging network infrastructure.

The following number of risks were identified:

- Critical 11
- High 44
- Medium 30

Remediation

An action plan has been documented by Council’s IT team to address all the identified Vulnerabilities. All critical and high-risk vulnerabilities relating to Internal Testing have been prioritised accordingly and have either been resolved, or will be addressed in the coming months, as part of scheduled contractor works and replacement of aging network devices. Those high and medium level risks associated with external processes have been addressed through security education and creation of stronger cryptographic configurations. The below table has been updated since the 31 October 2023 meeting, where it was first presented, and the 27 February 2024 meeting.

Vulnerabilities	Number Identified	Remediated	Planned Remediation
External Infrastructure	High – 2	2	N/A
	Medium – 5	4	1
	Low - 3	3	N/A
Internal Infrastructure	Critical – 11	8	3
	High – 44	44	N/A
	Medium - 30	27	3

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Chief Executive Officer
- Head of Systems and Technology

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

- MyEmpire Group

POLICY IMPLICATIONS

PO156 Internal Financial Controls Policy

PO152 Information Systems Acceptable Use Policy

BUDGET AND RESOURCE IMPLICATIONS

Nil

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Council’s website contains public information and will only cause minor reputational damage if access is gained by hackers. Internal resources which contain sensitive information are critical and therefore gaining access through the firewall via outdated systems or by human error of clicking on malicious links in emails or other messaging systems, remains to be the biggest threat. Recovery times will be excessive, loss of productivity could be significant and reputational damage will be high.

ATTACHMENTS

Nil

8.11 REPORT ON EXCESS ANNUAL LEAVE ENTITLEMENTS**Document #:** 24/44935**Department:** Corporate and Community Services**PURPOSE**

To provide an update to the Audit and Risk Committee on the current annual leave management processes.

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**BACKGROUND**

Council will provide a regular update on excess annual leave entitlements to the Audit and Risk Committee on a regular basis.

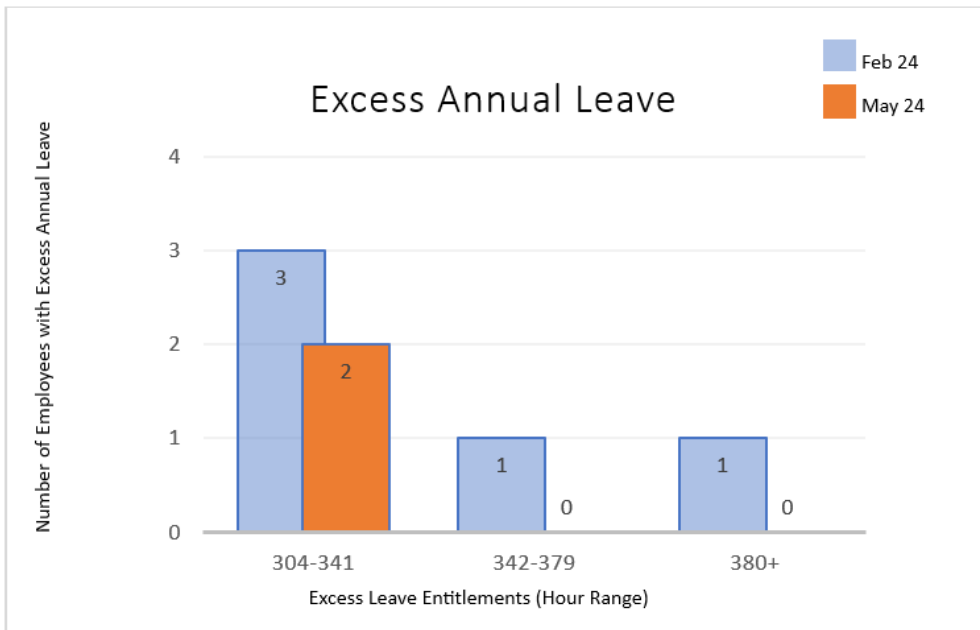
DISCUSSION

Council's current PO173 Leave Management Policy (Policy) defines excess leave as an employee accruing leave credits that accumulate beyond an acceptable level at any time during their employment lifecycle. The current acceptable level for accrued annual leave is eight weeks or 304 hours. The Policy provides Council with a consistent approach in managing employee leave entitlements to prevent accumulation which is above the allowable limit.

It is recognised that excess leave entitlements will alter during the year as balances naturally increase and decrease as employees accrue and access their annual leave entitlements. This natural fluctuation of balances is monitored by management on a regular basis with fortnightly excess leave reports being reviewed, which ensures excess entitlements are managed appropriately. This regular reporting is initially provided to the Corporate Management Team (CEO and Directors) which highlights when an employee has a balance greater than the allowable limit. The relevant Director, in consultation with the Manager, will then discuss the excess leave balance with the affected employee(s) to ascertain their future planned leave arrangements. To ensure appropriate risk management strategies are put in place, a Leave Management Plan is created and monitored.

The following graph shows the number of Council employees who, being employed under an Award, hold annual leave entitlements in excess of the Policy as at Friday, 10 May 2024. All employees are required to have leave management plans in place.

Two employees have excess annual leave balances, equating to 1.38% of all employees. This is a reduction from the previous report to the Audit and Risk Committee in February 2024, whereby five employees held excess annual leave entitlements.



COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Corporate Management Team
- Manager People Culture and Safety
- Team Leader, HR and People Experience

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

- Nil

POLICY IMPLICATIONS

PO173 Leave Management Policy

BUDGET AND RESOURCE IMPLICATIONS

Council’s annual budget deals with annual leave in two different ways. The outside staff have a separate budget line for annual leave in which the assumption is made that the full four weeks entitlement will be taken during the year. For inside staff, the full four weeks allowance is incorporated into the annual salary which is allocated into the appropriate budget area. Should the four week allowance not be taken, or additional leave above the four weeks is taken in that financial year, an end of year balance sheet adjustment is completed to ensure that Council’s accurately reflects the leave liability as at 30 June of the relevant year.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Fair Work Act 1994

Local Government 1999

Work Health and Safety Act 2012

YPC Local Government Employees Enterprise Agreement 2023

YPC Municipal Officers Enterprise Agreement 2023

ATTACHMENTS

Nil

8.12 POLICY REVIEW - PO178 COMMUNITY EMERGENCY MANAGEMENT AND DISASTER RECOVERY POLICY**Document #:** 24/44365**Department:** Corporate and Community Services**PURPOSE**

To seek endorsement of the proposed updated PO178 Community Emergency Management and Disaster Recovery Policy.

RECOMMENDATION

That the Audit and Risk Committee endorse the proposed updated PO178 Community Emergency Management and Disaster Recovery Policy and recommend to Council that it be adopted as presented.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.2 Effective leadership and informed decision making**BACKGROUND**

Council's PO178 Community Emergency Management and Disaster Recovery Policy (Policy) has recently been reviewed in line with its scheduled periodic review.

DISCUSSION

The Policy provides the formal scope, direction, and authority of Council to participate in emergency management and how Council will provide leadership and support to the community whilst recovering from an emergency event. Minor updates have been made to the Policy along with Section 4 having further detail added to the requirements for Council to consider risks in line with the Local Government Act 1999.

The proposed updated Policy is attached with changes shown in colour (Attachment 1) and a copy without track changes is provided for ease of reference (Attachment 2).

If endorsed by the Audit and Risk Committee this proposed updated Policy will be considered by Council at the 12 June 2024 meeting.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Corporate Management Team

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

- Nil

POLICY IMPLICATIONS

PO091 Risk Management Policy

BUDGET AND RESOURCE IMPLICATIONS

There are no budget implications with the implementation of this policy.

The Chief Executive Officer would report to Council, as soon as reasonably practicable, any material financial impacts of a disaster risk event which impacts upon Council, its service, or the community.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Development Act 1993

Environmental Protection Act 1993 and the Environmental Protection (Waste to Resources) Policy 2010

Fire and Emergency Services Act 2005

Food Act 2001

Local Government (Public Health Emergency) Amendment Act 2020 and South Australian Public Health Act 2011

Local Government Act 1999





Planning, Development, and Infrastructure Act 2016

Road Traffic Act 1961

The Road Traffic (Miscellaneous) Regulations 2014 and the Road Traffic (Road Rules – Ancillary and Miscellaneous Provisions) Regulations 2014

Work Health and Safety Act 2012

ATTACHMENTS

1. **Draft - PO178 Community Emergency Management and Disaster Recovery Policy - Track Changes**  
2. **Draft - PO178 Community Emergency Management and Disaster Recovery Policy - No Track Changes**  



COUNCIL POLICY

Community Emergency Management and Disaster Recovery

Policy Number:	PO178		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Chief Executive Officer	Record Number:	20/44568[v1] 20/44568[v2]
Responsible Officer:	Manager People, Culture and Safety	Minute Reference:	162/2020
Date Adopted:	08/07/2020 xx/xx/2024	Next Review Date:	July 2024 July 2024

1. POLICY OBJECTIVES

Emergencies have the potential to disrupt the strategic and operational activities of Council and adversely impact communities.

Emergency management in Council is enabled and supported by a number of laws and Council Delegations. This policy outlines the way that in an emergency, Yorke Peninsula Council (Council) will exercise its powers and functions under the various Acts to:

- Ensure that staff have the appropriate delegations and authority to undertake the Council's emergency management responsibilities;
- Ensure that the Council has appropriate emergency management documentation;
- Support the maintenance of safe working practices during emergency events; and
- Maintain effective protection for Council workers, assets and liabilities associated with emergency management activities.

2. SCOPE

The scope of the emergency management activities undertaken by Council is limited to those listed in section 5 of this policy.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

Council conducts activities across disaster risk reduction, response and recovery to assist in reducing the impacts of emergencies on the community. Emergency management is undertaken through appropriate planning to protect people and property from disaster events and natural hazards by regularly reviewing, updating and adopting leading governance, risk management and administrative practices.

PO178 – Community Emergency Management and Disaster Recovery Policy

The role of Council in emergency management is directed by the State Emergency Management Plan (SEMP) and the Local Government Emergency Management Framework (LGEMF). Council is enabled by the Local Government Act 1999, which outlines the requirements for Councils to consider risks (including disaster risks) as follows:

- make informed decisions (Section 6);
- to take measures to protect its area from natural hazards (Section 7);
- provide infrastructure for community and for development within its area (including infrastructure that helps to protect any part of the local or broader community from any hazard or other event, or that assists in the management of any area) (Section 7);
- ensure the sustainability of the Council's long-term financial performance (Section 8);
- assess the maintenance, replacement or development needs for infrastructure (Section 122); and
- identify anticipated or predicted changes in any factors that make a significant contribution to the costs of Council's activities or operations (Section 122).

In addition, the Local Government Act requires Council's to "give due weight, in all its plans, policies and activities to regional, state and national objectives and strategies concerning the economic, social, physical and environmental development and management of the community" (section 8).

5. RESPONSIBILITIES

Council will undertake the following roles and responsibilities in accordance with the SEMP and LGEMF.

5.1. Disaster Risk Reduction

Council will endeavour to:

- understand and communicate current and emerging disaster risks;
- build and promote disaster resilience internally and within the wider community;
- conduct disaster risk assessments;
- represent community interests in emergency management to other spheres of government at the Yorke and Mid-North Zone Emergency Management Committee and other relevant committees and contribute to decision-making processes;
- support community-preparedness measures through public education and awareness, where reasonably practicable;
- integrate disaster risk into existing plans and decision making processes (e.g. strategic plans, risk frameworks, asset management plan); and
- partner with relevant stakeholders in addressing priority disaster risks.

5.2. Incident operations

Council will endeavour to:

- ensure adequate Council emergency response capabilities are in place, within the organisation, through the development of localised risk-based incident operational arrangements;

PO178 – Community Emergency Management and Disaster Recovery Policy

- when providing Council resources to support control agencies and emergency services, ensure they do so in line with Work Health and Safety Act 2012 requirements, insurance provisions and i-Responda operational arrangements; and
- ensure local resources and arrangements are in place to provide and support emergency relief and recovery services to communities in line with agreed state arrangements or plans and participate in post-emergency assessment and analysis¹.

5.3. Recovery

Council will endeavour to:

- provide leadership, coordination and advocacy when the community is impacted by disasters;
- plan for recovery to establish the principles, structures, partnerships and approaches that will guide Council during disaster recovery;
- provide representation on local recovery committees and at community meetings; and
- provide support in assessing, mapping and informing the community of the impacts of the disaster on the Council area.

5.4. Supporting Emergency Management documents

In addition to this policy, Council will maintain other supporting documentation that describes the strategies and operational actions that Council will take to implement this policy.

In developing these documents, Council will take account of any relevant local, regional, or state emergency plans and arrangements and incorporate community input as appropriate.

Council's emergency management documentation will be regularly reviewed and updated to ensure that specific guidance provided by the SEMP or other relevant plans, strategies, frameworks and guidelines is included.

5.5. Support to control agencies and emergency services

Council is a participating organisation of the [Local Government Functional Support Group \(LGFSG\)](#) who is responsible for "coordinating response from local government during an emergency" in accordance with Section 2.2 of part two of the State Emergency Management Plan.

Occasionally Council staff and/or equipment will be requested to support control agencies and emergency services in managing an emergency event.

5.6. Financial Spending during Emergencies

The Chief Executive Officer will report to Council, as soon as reasonably practicable, any material financial impacts of a disaster risk event which impacts upon Council, its services or the community.

¹ Source – State Emergency Management Plan. Part 2, Arrangements 2.3 Local Government

PO178 – Community Emergency Management and Disaster Recovery Policy

6. COMPLAINTS

Complaints relating to this Policy can be reported to the Manager People, Culture and Safety. Complaints will be managed in accordance with Council's Complaints Policy (PO147).

7. REVIEW

This Policy will be reviewed every four (4) years or as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

8. TRAINING

Council is committed to supporting employees in complying with this Policy with awareness being provided in line with the requirements of the Training Needs Analysis.

9. RECORDS

Records shall be maintained as required by Council's Records Management Policy (PO063) and relevant legislation.

10. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

Council's Delegations Register;
Council's Training Needs Analysis;
PO063 Records Management Policy;
PO091 Risk Management Policy;
PO147 Complaints Policy; and
PR146 Provision of Council Resources During an Emergency Event Procedure.

11. REFERENCES AND LEGISLATION

Development Act 1993;
Environmental Protection Act 1993 and the Environmental Protection (Waste to Resources) Policy 2010;
Fire and Emergency Services Act 2005;
Food Act 2001
Local Government (Public Health Emergency) Amendment Act 2020 and South Australian Public Health Act 2011;
Local Government Act 1999;
Planning, Development and Infrastructure Act 2016;
Road Traffic Act 1961;
The Road Traffic (Miscellaneous) Regulations 2014 and the Road Traffic (Road Rules – Ancillary and Miscellaneous Provisions) Regulations 2014; and
Work Health and Safety Act 2012.

12. COUNCIL DELEGATION

Any applicable delegations are available on Council's website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

PO178 – Community Emergency Management and Disaster Recovery Policy

13. VERSION HISTORY

Version No	Issue Date	Description of Change
1	08/07/2020	New Policy
2	08/07/2020	<u>Update to title for 5.3 Formatting error required update to title for 5.3 after initial process was finalised.</u>
3	<u>Xx/xx/2024</u>	<u>Minor updates have been to the Policy along with Section 4 having further detail added to the requirements for Council to consider risks in line with the Local Government Act 1999</u>

DRAFT

PO178 – Community Emergency Management and Disaster Recovery Policy

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Delegation	Formal authorisation to perform powers, functions and activities on behalf of Council under Section 44 of the Local Government Act
Disaster Risk	The potential loss of life, injury or destroyed or damaged assets which could occur to a system, society or a community in a specific period of time, determined probabilistically as a function of hazard, exposure, vulnerability and capacity.
Disaster Risk Reduction	An action to avoid the creation of new disaster risks, reducing existing disaster risks, and managing any residual risks.
Incident Operations	Actions undertaken, immediately before, during and immediately after an emergency.
LGEMF	Local Government Emergency Management Framework.
LGFSG	Local Government Functional Support Group.
Recovery	The process of restoring emotional, social, economic and physical wellbeing, reconstructing physical infrastructure and restoring the environment following an emergency.
SEMP	State Emergency Management Plan



COUNCIL POLICY

Community Emergency Management and Disaster Recovery

Policy Number:	PO178		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Chief Executive Officer	Record Number:	20/44568[v2]
Responsible Officer:	Manager People, Culture and Safety	Minute Reference:	
Date Adopted:	xx/xx/2024	Next Review Date:	July 2024

1. POLICY OBJECTIVES

Emergencies have the potential to disrupt the strategic and operational activities of Council and adversely impact communities.

Emergency management in Council is enabled and supported by a number of laws and Council Delegations. This policy outlines the way that in an emergency, Yorke Peninsula Council (Council) will exercise its powers and functions under the various Acts to:

- Ensure that staff have the appropriate delegations and authority to undertake the Council's emergency management responsibilities;
- Ensure that the Council has appropriate emergency management documentation;
- Support the maintenance of safe working practices during emergency events; and
- Maintain effective protection for Council workers, assets and liabilities associated with emergency management activities.

2. SCOPE

The scope of the emergency management activities undertaken by Council is limited to those listed in section 5 of this policy.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

Council conducts activities across disaster risk reduction, response and recovery to assist in reducing the impacts of emergencies on the community. Emergency management is undertaken through appropriate planning to protect people and property from disaster events and natural hazards by regularly reviewing, updating and adopting leading governance, risk management and administrative practices.

The role of Council in emergency management is directed by the State Emergency Management Plan (SEMP) and the Local Government Emergency Management

PO178 – Community Emergency Management and Disaster Recovery Policy

Framework (LGEMF). Council is enabled by the Local Government Act 1999, which outlines the requirements for Councils to consider risks (including disaster risks) as follows:

- make informed decisions (Section 6);
- to take measures to protect its area from natural hazards (Section 7);
- provide infrastructure for community and for development within its area (including infrastructure that helps to protect any part of the local or broader community from any hazard or other event, or that assists in the management of any area) (Section 7);
- ensure the sustainability of the Council's long-term financial performance (Section 8);
- assess the maintenance, replacement or development needs for infrastructure (Section 122); and
- identify anticipated or predicted changes in any factors that make a significant contribution to the costs of Council's activities or operations (Section 122).

In addition, the Local Government Act requires Council's to "give due weight, in all its plans, policies and activities to regional, state and national objectives and strategies concerning the economic, social, physical and environmental development and management of the community" (section 8).

5. RESPONSIBILITIES

Council will undertake the following roles and responsibilities in accordance with the SEMP and LGEMF.

5.1. Disaster Risk Reduction

Council will endeavour to:

- understand and communicate current and emerging disaster risks;
- build and promote disaster resilience internally and within the wider community;
- conduct disaster risk assessments;
- represent community interests in emergency management to other spheres of government at the Yorke and Mid-North Zone Emergency Management Committee and other relevant committees and contribute to decision-making processes;
- support community-preparedness measures through public education and awareness, where reasonably practicable;
- integrate disaster risk into existing plans and decision making processes (e.g. strategic plans, risk frameworks, asset management plan); and
- partner with relevant stakeholders in addressing priority disaster risks.

5.2. Incident operations

Council will endeavour to:

- ensure adequate Council emergency response capabilities are in place, within the organisation, through the development of localised risk-based incident operational arrangements;
- when providing Council resources to support control agencies and emergency services, ensure they do so in line with Work Health and Safety Act 2012

PO178 – Community Emergency Management and Disaster Recovery Policy

requirements, insurance provisions and i-Responda operational arrangements; and

- ensure local resources and arrangements are in place to provide and support emergency relief and recovery services to communities in line with agreed state arrangements or plans and participate in post-emergency assessment and analysis¹.

5.3. Recovery

Council will endeavour to:

- provide leadership, coordination and advocacy when the community is impacted by disasters;
- plan for recovery to establish the principles, structures, partnerships and approaches that will guide Council during disaster recovery;
- provide representation on local recovery committees and at community meetings; and
- provide support in assessing, mapping and informing the community of the impacts of the disaster on the Council area.

5.4. Supporting Emergency Management documents

In addition to this policy, Council will maintain other supporting documentation that describes the strategies and operational actions that Council will take to implement this policy.

In developing these documents, Council will take account of any relevant local, regional, or state emergency plans and arrangements and incorporate community input as appropriate.

Council's emergency management documentation will be regularly reviewed and updated to ensure that specific guidance provided by the SEMP or other relevant plans, strategies, frameworks and guidelines is included.

5.5. Support to control agencies and emergency services

Council is a participating organisation of the Local Government Functional Support Group (LGFSG) who is responsible for "coordinating response from local government during an emergency" in accordance with Section 2.2 of part two of the State Emergency Management Plan.

Occasionally Council staff and/or equipment will be requested to support control agencies and emergency services in managing an emergency event.

5.6. Financial Spending during Emergencies

The Chief Executive Officer will report to Council, as soon as reasonably practicable, any material financial impacts of a disaster risk event which impacts upon Council, its services or the community.

¹ Source – State Emergency Management Plan. Part 2, Arrangements 2.3 Local Government

PO178 – Community Emergency Management and Disaster Recovery Policy

6. COMPLAINTS

Complaints relating to this Policy can be reported to the Manager People, Culture and Safety. Complaints will be managed in accordance with Council's Complaints Policy (PO147).

7. REVIEW

This Policy will be reviewed every four (4) years or as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

8. TRAINING

Council is committed to supporting employees in complying with this Policy with awareness being provided in line with the requirements of the Training Needs Analysis.

9. RECORDS

Records shall be maintained as required by Council's Records Management Policy (PO063) and relevant legislation.

10. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

Council's Delegations Register;
Council's Training Needs Analysis;
PO063 Records Management Policy;
PO091 Risk Management Policy;
PO147 Complaints Policy; and
PR146 Provision of Council Resources During an Emergency Event Procedure.

11. REFERENCES AND LEGISLATION

Development Act 1993;
Environmental Protection Act 1993 and the Environmental Protection (Waste to Resources) Policy 2010;
Fire and Emergency Services Act 2005;
Food Act 2001
Local Government (Public Health Emergency) Amendment Act 2020 and South Australian Public Health Act 2011;
Local Government Act 1999;
Planning, Development and Infrastructure Act 2016;
Road Traffic Act 1961;
The Road Traffic (Miscellaneous) Regulations 2014 and the Road Traffic (Road Rules – Ancillary and Miscellaneous Provisions) Regulations 2014; and
Work Health and Safety Act 2012.

12. COUNCIL DELEGATION

Any applicable delegations are available on Council's website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

PO178 – Community Emergency Management and Disaster Recovery Policy

13. VERSION HISTORY

Version No	Issue Date	Description of Change
1	08/07/2020	New Policy
2	08/07/2020	Formatting error required update to title for 5.3 after initial process was finalised.
3	Xx/xx/2024	Minor updates have been to the Policy along with Section 4 having further detail added to the requirements for Council to consider risks in line with the Local Government Act 1999

PO178 – Community Emergency Management and Disaster Recovery Policy

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Delegation	Formal authorisation to perform powers, functions and activities on behalf of Council under Section 44 of the Local Government Act
Disaster Risk	The potential loss of life, injury or destroyed or damaged assets which could occur to a system, society or a community in a specific period of time, determined probabilistically as a function of hazard, exposure, vulnerability and capacity.
Disaster Risk Reduction	An action to avoid the creation of new disaster risks, reducing existing disaster risks, and managing any residual risks.
Incident Operations	Actions undertaken, immediately before, during and immediately after an emergency.
LGEMF	Local Government Emergency Management Framework.
LGFSG	Local Government Functional Support Group.
Recovery	The process of restoring emotional, social, economic and physical wellbeing, reconstructing physical infrastructure and restoring the environment following an emergency.
SEMP	State Emergency Management Plan

8.13 POLICY REVIEW - PO037 INTERNAL REVIEW OF A COUNCIL DECISION POLICY**Document #:** 24/42135**Department:** Executive Services**PURPOSE**

To seek endorsement for the proposed update of PO037 Internal Review of a Council Decision Policy.

RECOMMENDATION

That the Audit and Risk Committee endorse the proposed update of PO037 Internal Review of a Council Decision Policy.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.3 Meet all legislative requirements and compliance with Council's internal controls
5.6 Continuous improvement of Council processes**BACKGROUND**

The Local Government Act 1999 (Act) requires Council's to develop procedures for of the review of decisions made by the Council, Council employees or other persons acting on behalf of the Council.

Council's PO037 Internal Review of a Council Decision Policy (Policy) is in place to meet this requirement and ensure a fair, consistent and structured process for review where Council's customers are dissatisfied with a decision subject to review under the Policy. The Policy has recently been reviewed in line with its scheduled periodic review, after last being updated in May 2020.

DISCUSSION

The proposed updated Policy is largely the Local Government Association's model template, with minor changes for simplicity and to reflect recent legislative changes including:

- Reference to behavioural management instead of codes of conduct (in accordance with changes to Sections 75E-G and 120A of the Act);
- Additional information in relation to sufficient interest;
- Further clarity on who the reviewer will be and the reviewers role;
- Further clarity on the principles for procedural fairness;
- Further clarity on confidentiality and the legislative requirements around meetings of the Council being held in public except in special circumstances;
- Additional circumstances where an application for review may be refused;
- Updated wording within complaints and training sections and removal of the section relating to availability of the Policy, for consistency with the current Council policy template;
- Updated related Council policies, procedures and documents, references and legislation;
- Updated definitions;
- Grammatical changes.

The proposed updated Policy with changes shown in colour is provided as Attachment 1. A copy without track changes is provided as Attachment 2 for ease of reference.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Chief Executive Officer
- Director Corporate Community Services
- Director Assets and Infrastructure Services
- Director Development Services
- Governance Officer
- All Council Employees

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

- Local Government Association – Internal Review of a Council Decision Model Procedure

POLICY IMPLICATIONS

PO014 Employee Behavioural Standards Policy

PO018 Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers

PO060 Rates Relief Policy

PO063 Records Management Policy

PO075 Request for Service Policy

PO147 Complaints Policy

PO146 Support Disciplinary and Performance Management Policy

PO148 Fraud, Corruption, Misconduct and Maladministration Prevention Policy

PO171 Public Interest Disclosure Policy

PO179 Council Assessment Panel Review of Decision of Assessment Manager

PO203 Council Member Behavioural Management Policy

PR152 Public Interest Disclosure Procedure

IS126 Water Services Customer Charter

PlanSA Assessment Panel Members – Code of Conduct

BUDGET AND RESOURCE IMPLICATIONS

Not applicable.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

Ombudsman Act 1972

Independent Commissioner Against Corruption Act 2012

Public Interest Disclosure Act 2018

Freedom of Information Act 1991

Planning, Development Infrastructure Act 2016

Essential Services Commission Act 2002

Expiation of Offences Act 1996

Dog and Cat Management Act 1995

Water Industry Act 2012

Local Nuisance and Litter Control Act 2016

ESCOSA Water Retail Code – Minor and Intermediate Retailers

Australian Standard ISO 10002-2014, Customer satisfaction – Guidelines for Complaint Handling in Organisations

Ombudsman SA RIGHT OF REVIEW – An audit of Local Government Internal Review of Council Decisions Procedures – November 2016

Ombudsman SA VALUING COMPLAINTS – An audit of Complaint handling in South Australia – November 2011

Commonwealth Ombudsman’s Better Practice Guide to Complaint Handling 2023

Ombudsman SA Complaint Management Framework





Water Industry Guideline No. 2 (WG2/01)

ESCOSA Water Services Customer Charter

Water Services Customer Contract

LGA Internal Review of a Council Decision: Model Policy and Procedure

ATTACHMENTS

1. **Attachment - PO037 Internal Review of a Council Decision Policy - Draft - With Markup**
 
2. **Attachment - PO037 Internal Review of a Council Decision Policy - Draft - No Markup** 




COUNCIL POLICY

Internal Review of a Council Decision

Policy Number:	PO037		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Chief Executive Officer	Record Number:	16/13932
Responsible Officer:	Governance Officer	Minute Reference:	084/2020 (13/05/2020)
Date Adopted:	13/05/2020 13/05/2020	Next Review Date:	May 2024 May 2024

1. POLICY OBJECTIVES

The Yorke Peninsula Council (Council) is committed to ensuring its customers are provided with an open, responsive and accountable process for reviewing grievances.

The aim of this policy is to provide a fair, consistent and structured process for Council's customers if they are dissatisfied with a ~~decision~~ [Decision, subject to review under this policy](#), made by:

- The ~~Council~~ [Elected Body](#);
- ~~Employees of the Council~~ [Employees](#);
- Other persons acting for or on behalf of the Council;

in accordance with Section 270 of the Local Government Act 1999 (~~the~~ Act).

2. SCOPE

~~2.1~~ This policy applies:

- i) When a request for review of a ~~decision~~ [Decision](#) is received;
- ii) When a Complaint escalates to Level 3 under Council's Complaints Policy PO147, [available via Council's website \(www.yorke.sa.gov.au\)](#) (Complaints Policy);
- iii) To all ~~personnel~~ [persons](#) who may be involved in receiving and/or dealing with an application for review of a Council ~~decision~~ [Decision](#) under this policy for or on behalf of the Council.

~~2.2~~ Requests to review matters that are not Council's responsibility, such as disputes between neighbours, civil liability matters and matters already being dealt with through the Court process, will not be handled under this policy.

~~2.3~~ Requests to review ~~decisions~~ [Decisions](#) relating to other legislation that has its own prescribed appeal processes such as:

PO037 – Internal Review of a Council Decision Policy

- Objections to valuations made by Council;
- ~~Appeals against eOrders~~ made pursuant to section 254 of the Act (where a Council may order a person to do or to refrain from doing certain specified things);
- Litter abatement notices;
- Expiation notices;
- Development matters;
- Freedom of Information matters;
- Dog and cat management matters;

~~will not be handled under this policy, unless the matter(s) falls outside of the available statutory appeals processes. Such matters that fall outside statutory appeals procedures will be considered for a review under this policy on the merits of the individual application. This policy cannot override or operate inconsistently with other legislation/statutory processes.~~

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

Council has a "Three Tier Process" for managing customer ~~complaints~~Complaints, as set out in ~~item-Clause~~ 4.2 of the Complaints Policy. An internal review is the third tier, 'Level 3 - Internal review of a Council decision by statutory process'.

This Policy commences when:

- A written request for the review of a ~~decision-Decision~~ is received, or
- A ~~complaint-Complaint~~ escalates to Level 3 under the Complaints Policy.

There are five fundamental principles that underpin Council's approach to handling requests for service, ~~complaints-Complaints~~ and ~~decision-Decision~~ reviews. They are:

- Fairness: treating persons who make a Complaint (eComplainant(s)) fairly with impartiality, confidentiality and transparency at all stages of the process;
- Accessibility: ensuring broad public awareness about Council policies and a range of contact options;
- Responsiveness: ensuring that sufficient resources and well trained personnel are provided and that systems are reviewed for improvement;
- Efficiency: ~~complaints-Complaints~~ will be resolved as quickly as possible, while ensuring that they are dealt with at a level that reflects their complexity;
- Liaison: between different areas of Council where the ~~complaint-Complaint~~ overlaps functional responsibilities.

An application for a review of a Council ~~decision-Decision~~ provides Council with an opportunity to revisit a ~~decision-Decision~~ which has aggrieved a customer(s). This may include an individual or a group, ratepayer, resident or business owner. ~~It may also include a person who is not the direct subject of the decision (for example, where a Council issues a permit for a person to keep more than the maximum number of dogs permitted under a by-law, a neighbour may seek an internal review of the decision). Council will determine~~

PO037 – Internal Review of a Council Decision Policy

~~whether a person has Sufficient Interest in a matter to apply for an internal review of a decision, on a case-by-case basis.~~

4.1. Internal Review of a Council Decision Process

~~A person with a Sufficient Interest in a Decision, may make a written application for a review of a Decision.~~

~~A person who is not the direct subject of a Decision may have a Sufficient Interest in a Decision (e.g. a person may have a Sufficient Interest in a Council Decision regarding the number of dogs which may be kept within a neighbour's property).~~

~~Council will determine whether a person has Sufficient Interest in a matter to apply for an internal review of a Decision, on a case-by-case basis.~~

An application for ~~a~~ review must be in writing and set out the reasons why the ~~person(s) making the application~~ (Complainant) believes that the ~~decision~~ Decision is wrong and may also include new, relevant information or evidence to support the application.

A Complainant can make an application in a number of ways:

- Via Council's Website (www.yorke.sa.gov.au);
- Email;
- Letter;
- ~~Fax~~;
- Visit a Council office.

~~In accordance with the Act, an application for review must be accompanied by the prescribed fee. The fee to be paid is specified in Council's R011 Fees and Charges Register, available via Council's Website (www.yorke.sa.gov.au). Council may, as it thinks fit, reduce, waive or refund (in whole or part) the fee. Any request to reduce, waive or refund the fee (in whole or part) must be made in writing and provide a reason(s) as to why.~~

~~No one is excluded from lodging an application for review because of any difficulties they may have representing themselves. All Council employees~~ Employees will offer assistance where appropriate ~~and as requested, when circumstances warrant, including, upon request, providing assistance~~ in documenting the reasons for the review request. Access to interpreters, aids or advocates will be arranged by Council ~~employees~~ Employees when necessary, ~~to ensure that Complainants are treated equitably and have access to the review process.~~

Everyone will be treated equally and Council will ensure that:

- ~~That~~ There is equal opportunity to make an application for review of a ~~decision~~ Decision covered by this policy;
- An unbiased assessment is undertaken;
- Decisions are based on sound evidence;
- Complainants receive information about the outcome of the review.

4.2. Internal Review Contact Officer

Council's Governance Officer is the Internal Review Contact Officer (IRCO). In the absence of the Governance Officer, the Chief Executive Officer (CEO) will appoint an acting IRCO. In the case where the request for review relates to a ~~decision~~ Decision made by the CEO, the Mayor will appoint an acting IRCO in the absence of the Governance Officer.

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The IRCO is the initial point of contact for Complainants and is responsible for:

- Determining whether or not the ~~decision~~ Decision is subject to review under this policy;
- Working in conjunction with the appropriately delegated person to determine how the review will be handled;
- Ensuring that applications are properly registered within Council's records management system and assigned;
- Explaining the process for review to ~~the~~ Complainants and exploring any alternative options to resolve ~~the~~ matters where possible, such as alternative dispute resolution process prior to an application for review;
- Establishing the time of next contact;
- Ensuring receipt of ~~the~~ written applications ~~is~~ are acknowledged within ten Business Days;
- Outlining the timeframes involved and the action to be taken in the first instance;
- Undertaking a preliminary investigation to determine what actions have already been taken and what action is required to try to resolve the matter;
- Ensuring that relevant information and review outcomes are properly registered within Council's records management system;
- Keeping the Complainant informed of progress ~~as agreed with the Complainant~~;
- Preparing the report required under clause 4.14 for consideration by the ~~Council~~ Elected Body;
- Consulting with the CEO, Mayor and/or Elected ~~Council~~ Body (as appropriate under this policy) to determine how the review will be handled.

All applications are to be referred to the IRCO as a matter of urgency.

Where a person(s) seeking Review of a Council Decision attends a Council office personally, or enquires by telephone, the IRCO will discuss this policy with the person(s) and explain that an application for review must be lodged in writing.

4.3. ~~Assignment of Applications for Reviewer~~

~~The Elected Council is the Reviewer and/or a person appointed by the Elected Council as the Reviewer, when the Decision being reviewed was made by the Elected Council or a Committee of the Council. When the Decision being reviewed was made by the Elected Body or a Council Committee, the Elected Body is the Reviewer or, alternatively, the Reviewer may be an external person or entity/body, as determined by the CEO, who will report the outcome of the review to the Elected Body. In the case where the Reviewer is an external person or entity/body, the Elected Body will subsequently consider the outcome of the review and determine whether to affirm, vary or revoke the reviewed Decision.~~

In other circumstances the Reviewer is the CEO and/or a person (s)/entity appointed by the CEO as the Reviewer.

In the case where the request for a review under this policy relates to the review of a Decision made by the CEO, then the Mayor will be the Reviewer and/or a person (s)/entity appointed by the Mayor.

An external Reviewer cannot vary or revoke a Decision made by or on behalf of Council.

4.4. Reviewer's Role

The Reviewer will:

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- Undertake a merits review of the Decision considering all materials and information that were available to the original Decision Maker and any additional relevant material and information which has been provided/become available during the course of the review;
- Stand in the shoes of the original Decision Maker and determine the Decision appropriate on the basis of the relevant circumstances and available information and materials;
- This means the Reviewer will do more than simply consider whether the Decision is legally and procedurally correct. The Reviewer will also consider whether a different Decision would be better, based on the evidence.
- The role of a Reviewer is to review the Decision in question to ensure that the Decision-maker complied with the following requirements and
 - Made the best possible Decision in the circumstances;
 - The Decision was Acted within delegated authority;
 - Considered All relevant matters were considered;
 - The Decision was made the Decision based on good faith and for proper purposes;
 - Based The findings were based upon evidence;
 - Made aThe Decision was reasonable Decision;
 - The Complainant was tTreated the Complainant with fairness and in keeping with the principles of procedural fairness (also called natural justice)natural justice;
 - That a discretionary power was not exercised at the direction of another;
 - Existing policies were adequately considered and applied.
- The Reviewer will oObserve the principles of procedural fairness (also called 'natural justice') when undertaking the a Internal Review of a Council Decision process including:
- The Reviewer will pProvide the Complainant with reasons for their Decision.

4.5. Providing Procedural Fairness

To observe the principles of procedural fairness:

- A Complainant is entitled to put forward their case, including information and materials in support of the application for review. Any information/materials in support of the application must also be submitted in writing. No one is excluded from putting forward information/materials in support of their application because of any difficulties they may have representing themselves.
- Council Employees will offer assistance where appropriate and as requested, when circumstances warrant, in putting forward information/materials in support of a request for a review under this policy. Access to interpreters, aids or advocates will be arranged by Council Employees when necessary to ensure that Complainants are treated equitably and have access to the review process;
- Allowing the Complainant to put their case forward, including the opportunity to provide all relevant evidence, both documented and verbal;
- Informing the Complainants will be informed of the proposed outcome of the review, allowing them to have the opportunity to make submissions to the reviewer Reviewer on the outcome and have these submissions taken into account;

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- ~~Ensuring that t~~The Reviewer does will:

- ~~not Not~~ have a personal interest in the outcome (~~will is~~ not ~~be~~ biased);
- ~~Acting only on proper evidence that is capable of proving the case;~~
- ~~Ensuring that a decision-maker does n~~ot exercise a discretionary power at the direction of another person;
- ~~Ensuring-Ensure~~ that those who may be affected by a Decision are accorded procedural fairness, ~~which includes the principles of natural justice.~~

4.5. Decision Review

~~4.6. The Reviewer will consider all the information and material that was before the original decision-maker and any additional relevant information or material provided by the Complainant and determine whether a different Decision would be more appropriate, based on the evidence.~~

~~4.7. This means the reviewer will do more than simply consider whether the Decision is legally and procedurally correct. The reviewer will also consider whether a different Decision would be better, based on the evidence. The process of merits review, as described above, will typically involve a review of the facts that support a Decision, including any new evidence that may come to light.~~

~~4.8. The Reviewer will provide the Complainant with reasons for their Decision.~~

4.9.4.6. Rates or Service Charge Review Application

Requests for a review that relates to the impact of Council rates or service charges will be dealt with as a matter of priority, ~~and~~ in consideration of Council's Rates Relief Policy PO060 ~~and, if appropriate, addressed through the provision of relief or concessions under the Act.~~

4.10.4.7. Remedies

Possible remedies include:

- An explanation;
- An admission of fault;
- A change to policy, process or practice;
- A correction to records;
- Disciplinary action;
- ~~Referral of a matter to an external agency for further investigation or prosecution person(s)/body/entity.~~

The remedy may be one, or a combination of actions.

Where a review of a Decision upholds the Complainant's grievance Council will, where reasonably practicable, remedy the situation in a manner which is consistent and fair for both Council and the Complainant. The solution chosen will be proportionate and appropriate to the circumstances.

As a general principle the Complainant should, so far as reasonably possible, be put in the position they would have been in, had things not gone wrong. This may mean providing the desired service or changing a Decision. Sometimes, however, it may only be possible to offer an apology.

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Compensation may only be offered in cases where the loss or suffering is considered substantial. Only the CEO is authorised to offer financial compensation and the CEO must consult with the Local Government Association Mutual Liability Scheme (LGAMLS) before doing so, in relation to all civil liability matters. In the case where the Mayor is the Reviewer, the Mayor must consult with the LGAMLS in relation to all civil liability matters.

4.11.4.8. Alternative Remedies

The Reviewer may seek to use alternative dispute resolution methods, such as mediation, to resolve grievances in circumstances where it is deemed by the Reviewer to be the most appropriate course of action and the Complainant agrees. Costs and expenses relating to alternative dispute resolution methods will be shared equally between the Council and the Complainant.

4.12.4.9. Complainant's Right to Seek Other Forms of Resolution

While Council prefers to work with its customers to resolve grievances quickly and effectively, a Complainant retains the right to seek other forms of resolution, such as contacting the Ombudsman SA, or taking legal action at any time. As a general rule, the Ombudsman prefers a grievance to be addressed by Council in the first instance, unless this is not appropriate in the circumstances.

When advising a Complainant of the outcome of an investigation under this policy, Council will provide information about alternative remedies, including any rights of appeal and the right to make a Complaint to an external body/agency/entity such as the Ombudsman SA.

4.13.4.10. 4.10 Privacy and Confidentiality

Complainants have a right to expect that their grievance will be investigated in private, to the extent possible. The identity of a Complainant will be made known only to those who need to know in the process of investigating and responding to the Complainant. The identity of the Complainant(s) will not be revealed or made public by the Council, except where required by law.

Section 90 of the Act requires that meetings of the Council are held in public, except in special circumstances (as listed in Section 90). For this reason, where the Elected Body is the Reviewer, confidentiality cannot be guaranteed under the provisions of this legislation.

Also, All grievances lodged with Council are subject to the Freedom of Information Act 1991 and confidentiality cannot be guaranteed under the provisions of that legislation.

4.14.4.11. Timeframes

The IROCO will acknowledge an application for review within ten Business Days.

Council will endeavour to ensure, as best as is reasonably practical, that a review of the original Decision will be completed within twenty-one-21 Business Days, however if the Decision relates to a more complex issue, or requires review by the Elected Body or an external person(s)/entity/body, the review may take longer.

Applicants/Complainants will be advised of the likely timeframe required to investigate and resolve their grievance and will be kept updated as to progress where necessary.

Request for reviews under this policy must be received within six months of the date of the Decision requiring review.

The Reviewer may exercise discretion to accept requests for a review under this policy where the Decision requiring review occurred more than six months ago, following consideration of a written request to the Reviewer from the Complainant. The written request from the Complainant must set out the reason(s) why the request is being made more than six months after the Decision was made.

PO037 – Internal Review of a Council Decision Policy**4.15.4.12. Refusing Application for Review**

The ~~IRCO and/or the~~ Reviewer may refuse to consider an application for review if:

- The application is made by an ~~Council employee~~ Employee of the Council and it relates to an issue concerning ~~his or her~~ their employment;
- It appears that the application is Frivolous or Vexatious;
- ~~The Complainant does not have a Sufficient Interest in the matter;~~
- ~~The subject matter of the Decision for which a review has been requested, has been, or is already the subject of a review by Council or an investigation, inquiry or review by another body/entity-;~~
- ~~The application for review relates to a Decision to refuse to deal with, or a determination to take no further action in respect of a Complaint relating to the Behavioural Standards for Council Members, available via The South Australian Government Gazette website (www.governmentgazette.sa.gov.au);~~
- ~~The application for review relates to a recommendation of the South Australian Ombudsman under Part 1 of the Act ('Member integrity—complaints, investigations and Proceedings').~~

~~Where a matter has been referred to the LGAMLS in respect to a civil liability claim or potential civil liability claim against the Council, an application for review of a Decision in connection with that claim or action (including the Decision to refer the matter to the LGAMLS) will be Vexatious.~~

Reasons for the refusal will be documented and provided to the Complainant.

4.16.4.13. Using Grievances to Improve Service Provision

In addition to making changes to policies, processes and practices where appropriate, Council will review and evaluate the information gained through its Internal Review of a Council Decision processes on an annual basis to ~~consider/~~ identify systemic issues and improvements to service provision. ~~This will be undertaken as part of Council's Annual Report process.~~

Where appropriate, Complainants will be provided with an explanation of changes proposed or made as a result of the review process.

4.17.4.14. Reporting

~~Documentation relating to requests for review (including file notes, photographs and any other related correspondence) under this policy will be recorded in Council's records management system.~~

On an annual basis Council will initiate and consider a report that relates to:

- The number of requests for review under this policy;
- The kinds of matters to which the requests relate;
- The review outcomes;
- Information on ~~how any~~ outcomes that have been used to improve service provision;
- Other matters as prescribed by ~~the regulations~~ legislation.

This information will be included into Council's Annual Report.

PO037 – Internal Review of a Council Decision Policy**4.18.— Availability of the Policy**

~~This policy is be available for inspection at Council offices during ordinary business hours and via the Council's website. Copies will also be provided to the public upon request, and a fee may be payable in accordance with the Council's Fees and Charges Register.~~

5. COMPLAINTS

~~Complaints about this policy can be made in writing to Council's Governance Officer and will be managed in accordance with Council's Complaints Policy PO147, available via Council's Website (www.yorke.sa.gov.au).~~

6. REVIEW

This policy will be reviewed every four years and as deemed necessary in consideration of any changes to legislation, standards, codes, guidelines, audit findings and/or corrective actions/controls arising from risk assessment.

7. TRAINING

~~Council is committed to supporting Employees in complying with this policy.~~

Persons responsible for carrying out reviews under this policy will be appropriately trained in keeping with the nature of ~~the complaints~~ Complaints they are expected to resolve.

Training needs will be ~~identified through the performance review, audit and training needs analysis processes. Training will also occur and reviewed~~ as necessary in response to consideration of any changes to legislation, ~~and~~ relevant standards, codes, ~~and~~ guidelines, audit findings and/or corrective actions/controls arising from risk assessment.

8. RECORDS

Records ~~shall~~ will be maintained as required by Council's Records Management Policy (PO063) and relevant legislation.

9. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

PO014 Employee Behavioural Standards Policy Code of Conduct Policy

PO018 Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers

PO060 Rates Relief Policy

PO063 Records Management Policy

PO075 Request for Service Policy

PO147 Complaints Policy

PO146 Support Disciplinary and Performance Management Policy

PO148 Fraud, ~~and~~ Corruption, Misconduct and Maladministration Prevention Policy

PO171 Public Interest Disclosure Policy

PO179 Council Assessment Panel Review of Decision of Assessment Manager

PO203 Council Member Behavioural Management Policy

PR152 Public Interest Disclosure Procedure

PFC147 Process for Managing Customer Complaints IS126 Water Services Customer Charter

PO037 – Internal Review of a Council Decision Policy

[PlanSA Assessment Panel Members – Code of Conduct](#)

[Code of Conduct for Council Members](#)

10. REFERENCES AND LEGISLATION

Local Government Act 1999

Ombudsman Act 1972

Independent Commissioner Against Corruption Act 2012

Public Interest Disclosure Act 2018

Freedom of Information Act 1991

[Planning, Development Infrastructure Act 2016](#)

[Essential Services Commission Act 2002](#)

[Expiation of Offences Act 1996](#)

[Dog and Cat Management Act 1995](#)

[Water Industry Act 2012](#)

[Local Nuisance and Litter Control Act 2016](#)

[ESCOSA Water Retail Code – Minor and Intermediate Retailers](#)

Australian Standard ISO 10002-2006¹⁴, Customer satisfaction – Guidelines for Complaint Handling in Organisations

Ombudsman SA RIGHT OF REVIEW – An audit of Local Government Internal Review of Council Decisions Procedures – November 2016

Ombudsman SA VALUING COMPLAINTS – An audit of Complaint handling in South Australia – November 2011

~~The~~ Commonwealth Ombudsman’s Better Practice Guide to Complaint Handling 2009²⁰²³

[Ombudsman SA Complaint Management Framework](#)

[Water Industry Guideline No. 2 \(WG2/01\) Protocol – Ombudsman Enquiry Procedure](#)

[ESCOSA Water Services Customer Charter](#)

[Water Services Customer Contract](#)

LGA Internal Review of a Council Decision: Model Policy and Procedure

11. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

12. VERSION HISTORY

Version No	Issue Date	Description of Change
1	07/03/2003	Full Revision.

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Version No	Issue Date	Description of Change
2	08/04/2008	Full Revision.
3	08/06/2010	Full Revision.
4	13/03/2013	Full Revision.
5	11/05/2016	Full Revision.
6	08/03/2017	Legislative Update.
7	13/05/2020	Full Revision.

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PO037 – Internal Review of a Council Decision Policy**ATTACHMENT 1: DEFINITIONS**

Term/Reference	Definition
Business Day	-A day when the Council is normally open for business- <u>(i.e. Monday to Friday 8.30am to 5pm and excludes public holidays.</u>
<u>Complaint</u>	<u>For the purposes of this policy, a complaint is defined as an expression of dissatisfaction with a product or service delivered by the Council or its representatives that has failed to reach the standard stated, implied or expected. This includes grievances about a service that has been, or should have been delivered.</u> <u>It does not mean a request for service (Customer Service Request).</u>
<u>Decision</u>	<u>When a matter, issue or query is actually determined. Actions taken during the process of decision-making (e.g. investigations, requests for further information, internal consideration, referral to an external adviser) are not decisions. Inaction is not a decision.</u>
Decision Maker	The individual or entity responsible for the decision <u>Decision</u> under review.
Employee(s)	<u>For the purposes of this policy, All personnels undertaking tasks/duties acting for and/or on behalf of the Yorke Peninsula Council, including persons employed directly by the Council in a full time, part-time or casual basis under an employment contract and including, volunteers, contractors, agency personnel and work experience placements.</u>
<u>Frivolous</u>	<u>A common law phrase meaning without substance, groundless or fanciful and/or amounts to trifling with the Council or wasting its time.</u>
Reviewer	The individual or entity responsible for resolution of a request for review of a decision <u>Decision</u> under this policy.
<u>Sufficient Interest</u>	<u>An interest in a Decision over and above the interest of an ordinary member of the community. The general test is whether a person is likely to gain some advantage if successful or suffer some disadvantage in failure, over and above an ordinary member of the community. Sufficient interest requirements apply at common law and can apply under certain legislation.</u>
<u>Vexatious</u>	<u>A common law term that, for the purposes of this policy, includes applications that are:</u>

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Term/Reference	Definition
	<ul style="list-style-type: none"> • <u>so clearly untenable that it cannot possibly succeed (in the sense of achieving a different result to the original Decision) or is foredoomed to fail; or</u> • <u>brought with the intention to annoy, embarrass or harass (even if there is an arguable case); or</u> • <u>will be seriously and unfairly burdensome, prejudicial or damaging to the Council or another person (even if that is not the intention of the Complainant); or</u> • <u>brought for a collateral purpose, and not really for the purpose of having the Council conduct an internal review; or</u> • <u>can really lead to no possible good and so would be an abuse of process; or</u> • <u>raised without reasonable grounds; or</u> • <u>for the predominate purpose of causing, delay or detriment, or achieving another wrongful purpose.</u>

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COUNCIL POLICY

Internal Review of a Council Decision

Policy Number:	PO037		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Chief Executive Officer	Record Number:	16/13932
Responsible Officer:	Governance Officer	Minute Reference:	
Date Adopted:		Next Review Date:	

1. POLICY OBJECTIVES

The Yorke Peninsula Council (Council) is committed to ensuring its customers are provided with an open, responsive and accountable process for reviewing grievances.

The aim of this policy is to provide a fair, consistent and structured process for Council's customers if they are dissatisfied with a Decision, subject to review under this policy, made by:

- The Elected Body;
- Council Employees;
- Other persons acting for or on behalf of the Council;

in accordance with Section 270 of the Local Government Act 1999 (Act).

2. SCOPE

This policy applies:

- i) When a request for review of a Decision is received;
- ii) When a Complaint escalates to Level 3 under Council's Complaints Policy PO147, available via Council's website (www.yorke.sa.gov.au) (Complaints Policy);
- iii) To all persons who may be involved in receiving and/or dealing with an application for review of a Council Decision under this policy for or on behalf of the Council.

Requests to review matters that are not Council's responsibility, such as disputes between neighbours, civil liability matters and matters already being dealt with through the Court process, will not be handled under this policy.

Requests to review Decisions relating to other legislation that has its own prescribed appeal processes such as:

- Objections to valuations made by Council;
- Orders made pursuant to section 254 of the Act (where a Council may order a person to do or to refrain from doing certain specified things);

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- Litter abatement notices;
- Expiation notices;
- Development matters;
- Freedom of Information matters;
- Dog and cat management matters;

will not be handled under this policy. Such matters that fall outside statutory appeals procedures will be considered for a review under this policy on the merits of the individual application. This policy cannot override or operate inconsistently with other legislation/statutory processes.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

Council has a "Three Tier Process" for managing customer Complaints, as set out in Clause 4.2 of the Complaints Policy. An internal review is the third tier, 'Level 3 - Internal review of a Council decision by statutory process'.

This Policy commences when:

- A written request for the review of a Decision is received, or
- A Complaint escalates to Level 3 under the Complaints Policy.

There are five fundamental principles that underpin Council's approach to handling requests for service, Complaints and Decision reviews. They are:

- **Fairness:** treating persons who make a Complaint (Complainant(s)) fairly with impartiality, confidentiality and transparency at all stages of the process;
- **Accessibility:** ensuring broad public awareness about Council policies and a range of contact options;
- **Responsiveness:** ensuring that sufficient resources and well trained personnel are provided and that systems are reviewed for improvement;
- **Efficiency:** Complaints will be resolved as quickly as possible, while ensuring that they are dealt with at a level that reflects their complexity;
- **Liaison:** between different areas of Council where the Complaint overlaps functional responsibilities.

An application for a review of a Council Decision provides Council with an opportunity to revisit a Decision which has aggrieved a customer(s). This may include an individual or a group, ratepayer, resident or business owner.

4.1. Internal Review of a Council Decision Process

A person with a Sufficient Interest in a Decision, may make a written application for a review of a Decision.

A person who is not the direct subject of a Decision may have a Sufficient Interest in a Decision (e.g. a person may have a Sufficient Interest in a Council Decision regarding the number of dogs which may be kept within a neighbour's property).

Council will determine whether a person has Sufficient Interest in a matter to apply for an internal review of a Decision, on a case-by-case basis.

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An application for a review must be in writing and set out the reasons why the Complainant believes that the Decision is wrong and may also include new, relevant information or evidence to support the application.

A Complainant can make an application in a number of ways:

- Via Council's Website (www.yorke.sa.gov.au);
- Email;
- Letter;
- Visit a Council office.

In accordance with the Act, an application for review must be accompanied by the prescribed fee. The fee to be paid is specified in Council's R011 Fees and Charges Register, available via Council's Website (www.yorke.sa.gov.au). Council may, as it thinks fit, reduce, waive or refund (in whole or part) the fee. Any request to reduce, waive or refund the fee (in whole or part) must be made in writing and provide a reason(s) as to why.

No one is excluded from lodging an application for review because of any difficulties they may have representing themselves. Council Employees will offer assistance where appropriate and as requested, when circumstances warrant, in documenting the reasons for the review request. Access to interpreters, aids or advocates will be arranged by Council Employees when necessary, to ensure that Complainants are treated equitably and have access to the review process.

Everyone will be treated equally and Council will ensure that:

- There is equal opportunity to make an application for review of a Decision covered by this policy;
- An unbiased assessment is undertaken;
- Decisions are based on sound evidence;
- Complainants receive information about the outcome of the review.

4.2. Internal Review Contact Officer

Council's Governance Officer is the Internal Review Contact Officer (IRCO). In the absence of the Governance Officer, the Chief Executive Officer (CEO) will appoint an acting IRCO. In the case where the request for review relates to a Decision made by the CEO, the Mayor will appoint an acting IRCO in the absence of the Governance Officer.

The IRCO is the initial point of contact for Complainants and is responsible for:

- Determining whether or not the Decision is subject to review under this policy;
- Working in conjunction with the appropriately delegated person to determine how the review will be handled;
- Ensuring that applications are properly registered within Council's records management system and assigned;
- Explaining the process for review to Complainants and exploring any alternative options to resolve matters where possible, such as alternative dispute resolution process prior to an application for review;
- Establishing the time of next contact;
- Ensuring receipt of written applications are acknowledged within ten Business Days;
- Outlining the timeframes involved and the action to be taken in the first instance;

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- Undertaking a preliminary investigation to determine what actions have already been taken and what action is required to try to resolve the matter;
- Ensuring that relevant information and review outcomes are properly registered within Council's records management system;
- Keeping the Complainant informed of progress;
- Preparing the report required under clause 4.14 for consideration by the Elected Body;
- Consulting with the CEO, Mayor and/or Elected Body (as appropriate under this policy) to determine how the review will be handled.

All applications are to be referred to the IRCO as a matter of urgency.

Where a person(s) seeking Review of a Council Decision attends a Council office personally, or enquires by telephone, the IRCO will discuss this policy with the person(s) and explain that an application for review must be lodged in writing.

4.3. Reviewer

When the Decision being reviewed was made by the Elected Body or a Council Committee, the Elected Body is the Reviewer or, alternatively, the Reviewer may be an external person or entity/body, as determined by the CEO, who will report the outcome of the review to the Elected Body. In the case where the Reviewer is an external person or entity/body, the Elected Body will subsequently consider the outcome of the review and determine whether to affirm, vary or revoke the reviewed Decision.

In other circumstances the Reviewer is the CEO and/or a person(s)/entity appointed by the CEO as the Reviewer.

In the case where the request for a review under this policy relates to the review of a Decision made by the CEO, then the Mayor will be the Reviewer and/or a person(s)/entity appointed by the Mayor.

An external Reviewer cannot vary or revoke a Decision made by or on behalf of Council.

4.4. Reviewer's Role

The Reviewer will:

- Undertake a merits review of the Decision considering all materials and information that were available to the original Decision Maker and any additional relevant material and information which has been provided/become available during the course of the review;
- Stand in the shoes of the original Decision Maker and determine the Decision appropriate on the basis of the relevant circumstances and available information and materials;
- This means the Reviewer will do more than simply consider whether the Decision is legally and procedurally correct. The Reviewer will also consider whether a different Decision would be better, based on the evidence.
- Ensure that the Decision Maker:
 - Made the best possible Decision in the circumstances;
 - Acted within delegated authority;
 - Considered all relevant matters;
 - Made the Decision based on good faith and for proper purposes;
 - Based the findings upon evidence;

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- Made a reasonable Decision;
- Treated the Complainant with fairness and in keeping with the principles of procedural fairness (also called natural justice);
- That a discretionary power was not exercised at the direction of another;
- Existing policies were adequately considered and applied.
- Observe the principles of procedural fairness when undertaking a review.
- Provide the Complainant with reasons for their Decision.

4.5. Providing Procedural Fairness

To observe the principles of procedural fairness:

- A Complainant is entitled to put forward their case, including information and materials in support of the application for review. Any information/materials in support of the application must also be submitted in writing. No one is excluded from putting forward information/materials in support of their application because of any difficulties they may have representing themselves.
- Council Employees will offer assistance where appropriate and as requested, when circumstances warrant, in putting forward information/materials in support of a request for a review under this policy. Access to interpreters, aids or advocates will be arranged by Council Employees when necessary to ensure that Complainants are treated equitably and have access to the review process;
- Complainants will be informed of the proposed outcome of the review, allowing them to have the opportunity to make submissions to the Reviewer on the outcome and have these submissions taken into account;
- The Reviewer will:
 - Not have a personal interest in the outcome (will not be biased);
 - Not exercise a discretionary power at the direction of another person;
 - Ensure that those who may be affected by a Decision are accorded procedural fairness.

4.6. Rates or Service Charge Review Application

Requests for a review that relate to the impact of Council rates or service charges will be dealt with as a matter of priority, in consideration of Council's Rates Relief Policy PO060 and, if appropriate, addressed through the provision of relief or concessions under the Act.

4.7. Remedies

Possible remedies include:

- An explanation;
- An admission of fault;
- A change to policy, process or practice;
- A correction to records;
- Disciplinary action;
- Referral to an external person(s)/body/entity.

The remedy may be one, or a combination of actions.

Where a review of a Decision upholds the Complainant's grievance Council will, where reasonably practicable, remedy the situation in a manner which is consistent and fair for

PO037 – Internal Review of a Council Decision Policy

both Council and the Complainant. The solution chosen will be proportionate and appropriate to the circumstances.

As a general principle the Complainant should, so far as reasonably possible, be put in the position they would have been in, had things not gone wrong. This may mean providing the desired service or changing a Decision. Sometimes, however, it may only be possible to offer an apology.

Compensation may only be offered in cases where the loss or suffering is considered substantial. Only the CEO is authorised to offer financial compensation and the CEO must consult with the Local Government Association Mutual Liability Scheme (LGAMLS) before doing so, in relation to all civil liability matters. In the case where the Mayor is the Reviewer, the Mayor must consult with the LGAMLS in relation to all civil liability matters.

4.8. Alternative Remedies

The Reviewer may seek to use alternative dispute resolution methods, such as mediation, to resolve grievances in circumstances where it is deemed by the Reviewer to be the most appropriate course of action and the Complainant agrees. Costs and expenses relating to alternative dispute resolution methods will be shared equally between the Council and the Complainant.

4.9. Complainant's Right to Seek Other Forms of Resolution

While Council prefers to work with its customers to resolve grievances quickly and effectively, a Complainant retains the right to seek other forms of resolution, such as contacting the Ombudsman SA, or taking legal action at any time. As a general rule, the Ombudsman prefers a grievance to be addressed by Council in the first instance, unless this is not appropriate in the circumstances.

When advising a Complainant of the outcome of an investigation under this policy, Council will provide information about alternative remedies, including any rights of appeal and the right to make a Complaint to an external body/entity such as the Ombudsman SA.

4.10. Confidentiality

Complainants have a right to expect that their grievance will be investigated in private, to the extent possible. The identity of a Complainant will be made known only to those who need to know in the process of investigating and responding to the Complainant. The identity of the Complainant(s) will not be revealed or made public by the Council, except where required by law.

Section 90 of the Act requires that meetings of the Council are held in public, except in special circumstances (as listed in Section 90). For this reason, where the Elected Body is the Reviewer, confidentiality cannot be guaranteed under the provisions of this legislation.

Also, all grievances lodged with Council are subject to the Freedom of Information Act 1991 and confidentiality cannot be guaranteed under the provisions of that legislation.

4.11. Timeframes

The IRCO will acknowledge an application for review within ten Business Days.

Council will endeavour to ensure, as best as is reasonably practical, that a review of the original Decision is completed within 21 Business Days, however if the Decision relates to a more complex issue, or requires review by the Elected Body or an external person(s)/entity/body, the review may take longer.

Complainants will be advised of the likely timeframe required to investigate and resolve their grievance and will be kept updated as to progress where necessary.

Request for reviews under this policy must be received within six months of the date of the Decision requiring review.

PO037 – Internal Review of a Council Decision Policy

The Reviewer may exercise discretion to accept requests for a review under this policy where the Decision requiring review occurred more than six months ago, following consideration of a written request to the Reviewer from the Complainant. The written request from the Complainant must set out the reason(s) why the request is being made more than six months after the Decision was made.

4.12. Refusing Application for Review

The IRCO and/or the Reviewer may refuse to consider an application for review if:

- The application is made by a Council Employee and it relates to an issue concerning their employment;
- It appears that the application is Frivolous or Vexatious;
- The Complainant does not have a Sufficient Interest in the matter;
- The subject matter of the Decision for which a review has been requested, has been, or is already the subject of a review by Council or an investigation, inquiry or review by another body/entity;
- The application for review relates to a Decision to refuse to deal with, or a determination to take no further action in respect of a Complaint relating to the Behavioural Standards for Council Members, available via The South Australian Government Gazette website (www.governmentgazette.sa.gov.au);
- The application for review relates to a recommendation of the South Australian Ombudsman under Part 1 of the Act ('Member integrity—complaints, investigations and Proceedings').

Where a matter has been referred to the LGAMLS in respect to a civil liability claim or potential civil liability claim against the Council, an application for review of a Decision in connection with that claim or action (including the Decision to refer the matter to the LGAMLS) will be Vexatious.

Reasons for the refusal will be documented and provided to the Complainant.

4.13. Using Grievances to Improve Service Provision

In addition to making changes to policies, processes and practices where appropriate, Council will review and evaluate the information gained through its Internal Review of a Council Decision processes on an annual basis to consider/identify systemic issues and improvements to service provision. This will be undertaken as part of Council's Annual Report process.

Where appropriate, Complainants will be provided with an explanation of changes proposed or made as a result of the review process.

4.14. Reporting

On an annual basis Council will initiate and consider a report that relates to:

- The number of requests for review under this policy;
- The kinds of matters to which the requests relate;
- The review outcomes;
- Information on any outcomes that have been used to improve service provision;
- Other matters as prescribed by legislation.

This information will be included into Council's Annual Report.

PO037 – Internal Review of a Council Decision Policy

5. COMPLAINTS

Complaints about this policy can be made in writing to Council's Governance Officer and will be managed in accordance with Council's Complaints Policy PO147, available via Council's Website (www.yorke.sa.gov.au).

6. REVIEW

This policy will be reviewed every four years and as deemed necessary in consideration of any changes to legislation, standards, codes, guidelines, audit findings and/or corrective actions/controls arising from risk assessment.

7. TRAINING

Council is committed to supporting Employees in complying with this policy.

Persons responsible for carrying out reviews under this policy will be appropriately trained in keeping with the nature of the Complaints they are expected to resolve.

Training needs will be reviewed as necessary in consideration of any changes to legislation, relevant standards, codes, guidelines, audit findings and/or corrective actions/controls arising from risk assessment.

8. RECORDS

Records will be maintained as required by Council's Records Management Policy PO063 and relevant legislation.

9. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

PO014 Employee Behavioural Standards Policy

PO018 Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers

PO060 Rates Relief Policy

PO063 Records Management Policy

PO075 Request for Service Policy

PO147 Complaints Policy

PO146 Support Disciplinary and Performance Management Policy

PO148 Fraud, Corruption, Misconduct and Maladministration Prevention Policy

PO171 Public Interest Disclosure Policy

PO179 Council Assessment Panel Review of Decision of Assessment Manager

PO203 Council Member Behavioural Management Policy

PR152 Public Interest Disclosure Procedure

IS126 Water Services Customer Charter

PlanSA Assessment Panel Members – Code of Conduct

10. REFERENCES AND LEGISLATION

Local Government Act 1999

Ombudsman Act 1972

Independent Commissioner Against Corruption Act 2012

PO037 – Internal Review of a Council Decision Policy

Public Interest Disclosure Act 2018
 Freedom of Information Act 1991
 Planning, Development Infrastructure Act 2016
 Essential Services Commission Act 2002
 Expiation of Offences Act 1996
 Dog and Cat Management Act 1995
 Water Industry Act 2012
 Local Nuisance and Litter Control Act 2016
 ESCOSA Water Retail Code – Minor and Intermediate Retailers
 Australian Standard ISO 10002-2014, Customer satisfaction – Guidelines for Complaint Handling in Organisations
 Ombudsman SA RIGHT OF REVIEW – An audit of Local Government Internal Review of Council Decisions Procedures – November 2016
 Ombudsman SA VALUING COMPLAINTS – An audit of Complaint handling in South Australia – November 2011
 Commonwealth Ombudsman’s Better Practice Guide to Complaint Handling 2023
 Ombudsman SA Complaint Management Framework
 Water Industry Guideline No. 2 (WG2/01)
 ESCOSA Water Services Customer Charter
 Water Services Customer Contract
 LGA Internal Review of a Council Decision: Model Policy and Procedure

11. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

12. VERSION HISTORY

Version No	Issue Date	Description of Change
1	07/03/2003	Full Revision.
2	08/04/2008	Full Revision.
3	08/06/2010	Full Revision.
4	13/03/2013	Full Revision.
5	11/05/2016	Full Revision.
6	08/03/2017	Legislative Update.
7	13/05/2020	Full Revision.

PO037 – Internal Review of a Council Decision Policy**ATTACHMENT 1: DEFINITIONS**

Term/Reference	Definition
Business Day	A day when the Council is normally open for business (i.e. Monday to Friday 8.30am to 5pm and excludes public holidays.
Complaint	For the purposes of this policy, a complaint is defined as an expression of dissatisfaction with a product or service delivered by the Council or its representatives that has failed to reach the standard stated, implied or expected. This includes grievances about a service that has been, or should have been delivered. It does not mean a request for service (Customer Service Request).
Decision	When a matter, issue or query is actually determined. Actions taken during the process of decision-making (e.g. investigations, requests for further information, internal consideration, referral to an external adviser) are not decisions. Inaction is not a decision.
Decision Maker	The individual or entity responsible for the Decision under review.
Employee(s)	For the purposes of this policy, all persons acting for and/or on behalf of the Council employed directly by the Council in a full time, part-time or casual basis under an employment contract and including volunteers, contractors, agency personnel and work experience placements.
Frivolous	A common law phrase meaning without substance, groundless or fanciful and/or amounts to trifling with the Council or wasting its time.
Reviewer	The individual or entity responsible for resolution of a request for review of a Decision under this policy.
Sufficient Interest	An interest in a Decision over and above the interest of an ordinary member of the community. The general test is whether a person is likely to gain some advantage if successful or suffer some disadvantage in failure, over and above an ordinary member of the community. Sufficient interest requirements apply at common law and can apply under certain legislation.
Vexatious	A common law term that, for the purposes of this policy, includes applications that are: <ul style="list-style-type: none"> so clearly untenable that it cannot possibly succeed (in the sense of achieving a different result to the original Decision) or is foredoomed to fail; or

PO037 – Internal Review of a Council Decision Policy

Term/Reference	Definition
	<ul style="list-style-type: none"> • brought with the intention to annoy, embarrass or harass (even if there is an arguable case); or • will be seriously and unfairly burdensome, prejudicial or damaging to the Council or another person (even if that is not the intention of the Complainant); or • brought for a collateral purpose, and not really for the purpose of having the Council conduct an internal review; or • can really lead to no possible good and so would be an abuse of process; or • raised without reasonable grounds; or • for the predominate purpose of causing, delay or detriment, or achieving another wrongful purpose.

DRAFT

8.14 POLICY REVIEW - PO147 COMPLAINTS POLICY**Document #:** 24/28249**Department:** Executive Services**PURPOSE**

To seek endorsement for the proposed update of PO147 Complaints Policy.

RECOMMENDATION

That the Audit and Risk Committee endorse the proposed update of PO147 Complaints Policy.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.3 Meet all legislative requirements and compliance with Council's internal controls
5.6 Continuous improvement of Council processes**BACKGROUND**

The Local Government Act 1999 (Act) requires Councils to develop and maintain policies and/or procedures for managing complaints about the actions of the Council, Council employees or other persons acting on behalf of the Council.

Council's PO147 Complaints Policy (Policy) is in place to meet this requirement and to ensure a fair, consistent and structured process for Council's customers if they are dissatisfied with a Council action, decision or service. The Policy has recently been reviewed in line with its scheduled periodic review, after last being updated in June 2021.

DISCUSSION

The proposed updated Policy is largely the Local Government Association's model policy and procedure templates, with minor changes for simplicity and to reflect recent legislative changes including:

- Reference to behavioural management instead of codes of conduct (in accordance with changes to Sections 75E-G and 120A of the Act);
- Updated wording within training section and added records section for consistency with current Council policy template;
- Updated related Council policies, procedures and documents, references and legislation;
- Updated definitions;
- Grammatical changes.

The proposed updated Policy with changes shown in colour is provided as Attachment 1. A copy without track changes is provided as Attachment 2 for ease of reference.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Corporate Management Team
- Governance Officer
- All Council Employees

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

- Local Government Association – Complaints Handling Policy Model Policy
- Local Government Association – Complaints Handling Procedures

POLICY IMPLICATIONS

PO037 Internal review of Council Decisions Policy

PO063 Records Management Policy

PO075 Request for Service Policy

PO203 Council Member Behavioural Management Policy

PO014 Employee Behavioural Standards Policy

PO146 Support Disciplinary and Performance Management Policy

PO148 Fraud, Corruption, Misconduct and Maladministration Prevention Policy

PO171 Public Interest Disclosure Policy

PR152 Public Interest Disclosure Procedure

PO179 Council Assessment Panel Review of Decision of Assessment Manager

IS126 Water Services Customer Charter

PlanSA Assessment Panel Members – Code of Conduct

BUDGET AND RESOURCE IMPLICATIONS

Not applicable.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

Public Interest Disclosure Act 2018

Independent Commissioner Against Corruption Act 2012

Ombudsman Act 1972

Planning, Development Infrastructure Act 2016

Essential Services Commission Act 2002

Expiation of Offences Act 1996

Water Industry Act 2012

Water Industry Regulations 2012

Freedom of Information Act 1991

ATTACHMENTS

1. **Draft - PO147 Complaints Policy - Track Changes**  
2. **Draft - PO147 Complaints Policy - No Track Changes**  



COUNCIL POLICY

Complaints

Policy Number:	PO147		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Chief Executive Officer	Record Number:	16/14855[v5] 16/14855[v6]
Responsible Officer:	Governance Officer	Minute Reference:	092/2021 (09/06/2021)
Date Adopted:	17/06/2021	Next Review Date:	June 2024 June 2028

1. POLICY OBJECTIVES

Yorke Peninsula Council (Council) is committed to providing a quality service to its customers and regards ~~complaints~~ Complaints as an opportunity to improve practices and processes as well as resolving issues.

The aim of this policy is to provide a fair, consistent and structured process for Council's customers if they are dissatisfied with a Council action, decision or service.

Emphasis is placed on resolving ~~complaint~~ Complaints as quickly as possible. ~~Where complaint~~ Complaints cannot be settled in the first instance, Council will ensure that they are dealt with through appropriate, more formal processes and by staff persons with the appropriate authority to make decisions.

2. SCOPE

2.1 This policy applies:

- where Council has failed to meet the normal standards for a service which has been, or should have been delivered;
- to all ~~e~~ Employees of the Yorke Peninsula Council undertaking work for/on behalf of Council;
- to all ~~other complaint~~ Complaints that cannot otherwise be dealt with under a separate legislative process or policy.

2.2. Complaint Complaints about matters that are not Council's responsibility, such as disputes between neighbours, civil liability matters and matters already being dealt with through the Court process, will not be handled under this policy.

3. DEFINITIONS

Refer to Attachment 1.

PO147 – Complaints Policy**4. POLICY STATEMENT**

Council welcomes Feedback and complaintComplaints as a way of improving its services and programs as well as providing an opportunity to put things right.

All complaintComplaints received by Council will be treated seriously and complainants will be treated courteously.

There are five fundamental principles that underpin Council's approach to handling complaintComplaints:

- Fairness: treating complainants fairly with impartiality, confidentiality (to the extent possible) and transparency at all stages of the process;
- Accessibility: ensuring broad public awareness about Council's policy and a range of contact options;
- Responsiveness: ensuring that sufficient resources and well trained Council staff are provided and that systems are reviewed for improvement;
- Efficiency: complaintComplaints will be resolved as quickly as possible, while ensuring that they are dealt with at a level that reflects their complexity;
- Integration: ~~of~~ Different areas of Council will work together where the complaintComplaint overlaps functional responsibilities.

This policy and information about how to lodge a complaintComplaint is available by clicking on the "ComplaintComplaints" link on the front page of Council's website (www.yorke.sa.gov.au), or via any Council office.

4.1. ~~The~~ ComplaintComplaint Process

Council requires that all complaintComplaints are submitted in writing. A person can make a complaintComplaint in a number of ways:

- Complete the appropriate form on Council's website;
- Email;
- Letter;
- Fax;
- Visit a Council customer service office.

The following steps set out below will be followed by Council staff personnel to ensure complaintComplaints are dealt with efficiently and effectively:

- Acknowledge complaintComplaints promptly;
- Assess the complaintComplaint - simple problems may not need to be investigated;
- Plan the investigation where one is warranted;
- Investigate the complaintComplaint;
- Respond to the complainant with a clear outcome/decision;
- Follow up any customer service concerns;
- Consider and manage any process and/or personnel issues which may need correction.

Wherever possible complaintComplaints will be resolved when first reported; but, if necessary, ~~officers~~ Council personnel will escalate a complaintComplaint handling as set out below.

PO147 – Complaints Policy**4.2. Three Tiered Scheme**

ComplaintComplaints may vary greatly in their level of complexity and seriousness. To assist with determining and managing **complaintComplaints**, Council have categorised **complaintComplaints** into a three tiered scheme.

Level 1 - Immediate response to resolve the **complaintComplaint**

All **Council** staff are authorised to handle **complaintComplaints** in the first instance, wherever possible. All attempts will be made to deal with **complaintComplaints** promptly at the initial point of contact ~~at the appropriate officer level~~.

Level 2 - **ComplaintComplaint escalated to a more senior **officerperson****

A **complaintComplaint** will be directed to a more senior **officer-person** in the Council, where circumstances indicate that the **complaintComplaint** would be more appropriately handled at a higher level. This can include, where an **officer-person** has been involved in the matter that is the subject of the **complaintComplaint**, where the **complaintComplaint** is about an issue that requires a decision to be made at a more senior level, or where a **complaintComplaint** concerns a matter that ranges across more than one Council work area.

Level 3 - Internal review of a Council decision by statutory process

Internal review of a Council decision is available under ~~section~~ **Section** 270 of the Local Government Act 1999 (**Act**). This is a process established by legislation that enables the Chief Executive Officer (CEO) to reconsider all the evidence relied on to make a decision, including new evidence if relevant. ~~This process, as set out in Council's Internal Review of Council Decisions Policy PO037, available via Council's website (www.yorke.sa.gov.au), is a last resort in the~~ **complaintComplaint** handling process, ~~but~~ **which** may also be used in **certain** situations ~~which that~~ are not able to be resolved by other means.

With the exception of Level 1 responses, Council will ensure, wherever possible, that **complaintComplaints** are handled independently of the original decision-maker/**officerperson** involved in the matter that is the subject of the **complaintComplaint**.

4.3. Timeframes

Council will respond within ten Business Days, acknowledging receipt of the **complaintComplaint** and, where possible, resolve it at that time. ~~If a resolution is not possible complainants will be advised of the likely timeframe required to investigate and resolve a~~ **complaintComplaint** and regularly updated as to progress where necessary.

4.4. Remedies

Where **complaintComplaints** are found to be justified Council will, where reasonably practicable, remedy the situation in a manner which is consistent and fair for both Council and complainants. ~~The solution chosen will be proportionate and appropriate to the circumstances.~~

As a general principle the complainant should, so far as **reasonably** possible, be put in the position he or she would have been in, had things not gone wrong. ~~This may mean providing the desired service or changing a decision. Sometimes, however, it may only be possible to offer an apology.~~

Compensation may only be offered in cases where the loss or suffering is considered substantial. ~~The CEO is the only representative authorised to offer~~

PO147 – Complaints Policy

financial compensation and must consult with the Local Government Association Mutual Liability Scheme before doing so, in relation to all civil liability matters.

4.5. Alternative Remedies

Council may seek to use alternative dispute resolution methods, such as mediation, to resolve a ~~complaint~~ Complaint in circumstances where the CEO or ~~his/her~~ their delegate, deems that this is the appropriate course of action and the complainant agrees. Costs and expenses relating to alternative dispute resolution methods will be shared equally between the Council and the other party.

4.6. Complainants Right to Seek Other Forms of Resolution

While Council prefers to work with its customers to resolve ~~complaint~~ Complaints quickly and effectively, a complainant retains the right to seek other forms of resolution, such as contacting the South Australian Ombudsman, or taking legal action at any time. —As a general rule, the Ombudsman prefers a ~~complaint~~ Complaint to be addressed by Council in the first instance, unless this is not appropriate in the circumstances.

When advising a complainant of the outcome of a ~~complaint~~ Complaint investigation, Council will provide information about alternative remedies, including any rights of appeal and the right to make a ~~complaint~~ Complaint to an external agency such as the South Australian Ombudsman.

4.7. Alternative ~~Complaint~~ Complaint Processes

There are also other ~~complaint~~ Complaint processes which may apply to particular types of ~~complaint~~ Complaints and the ~~complaint~~ Complaint may be more properly dealt with by another process. This will be explained to the complainant at the outset. - For example:

- ~~Complaint~~ Complaints relating to ~~the Codes of Conduct~~ Elected Member or Employee behaviour;
- Freedom of Information applications;
- Civil Liability matters;
- Insurance claims;
- Decisions made under legislation other than the ~~Local Government Act 1999~~, such as the Planning, Development and Infrastructure Act 2016 or Expiation of Offences Act 1996.

4.8. Privacy and Confidentiality

Complainants have a right to expect that their ~~complaint~~ Complaint will be investigated in private, to the extent possible. -The identity of complainants will be made known only to those who need to know in the process of investigating and resolving the ~~complaint~~ Complaint. The ~~complaint~~ Complaint will not be revealed or made public by the Council, except where required by law.

All ~~complaint~~ Complaints lodged with Council are subject to the Freedom of Information Act 1991 and confidentiality cannot be guaranteed under the provisions of that legislation.

4.9. Unreasonable Complainant Conduct

Occasionally the conduct of a complainant can be unreasonable (Unreasonable Complainant Conduct) and a decision may be made to apply restrictions on contact with the person. -Before making any decision to restrict contact, the complainant

PO147 – Complaints Policy

will receive a written warning that, if the specified behaviour(s) or actions continue, restrictions may be applied.

Any decision to suspend action on a ~~complaint~~ **Complaint** will be made by the CEO or ~~his/her~~ **their** delegate, ~~or, at the discretion of the CEO, the Mayor or Deputy Mayor, and communicated in writing to the complainant.~~

4.10. Using ~~Complaint~~ **Complaints to Improve Service Provision**

In addition to making changes to procedures and practices where appropriate, Council will review and evaluate the information gained through its ~~complaint~~ **Complaints** handling processes on an annual basis to identify systemic issues and opportunities for ~~improvements~~ **improvements** to service provision. Council ~~will~~ **will** report annually on the number and nature of written ~~complaint~~ **Complaints** ~~that have been received during the relevant financial year,~~ including the number of unresolved ~~complaint~~ **Complaints**, ~~via its annual report (available on Council's website (www.yorke.sa.gov.au)).~~

Where appropriate, complainants will be provided with an explanation of changes proposed or made as a result of the investigation of their ~~complaint~~ **Complaint**.

4.11. ~~Complaint~~ **Complaints About the Sale and Supply of Water and/or Wastewater Services**

~~The~~ Essential Services Commission of South Australia (ESCOSA) have issued Council with a water retail licence for the sale and supply of water and/or wastewater services. Under the terms of the licence, Council are required to comply with the ~~ESCOSA Water Retail Code – Minor and Intermediate Retailers ("the Code") (Essential Services Commission of South Australia (ESCOSA)).~~ In accordance with the terms of the Code, Council have developed a Water Services Customer Charter ~~IS126 ("the Charter)~~ that sets out what Council is required to do under the Code, ~~which~~ **which** includes information about ~~complaint~~ **Complaints**, financial hardship, translation and interpreting services and large print requirements. The Charter is available on Council's website (www.yorke.sa.gov.au), or ~~via~~ **via** any Council office.

In addition to the requirements under Policy clauses 1 – 4 above, Council will ensure compliance with ~~the~~ **the** Regulatory Service Standards when managing ~~complaint~~ **Complaints** about the sale and supply of water and/or wastewater services.

5. ~~COMPLAINT~~ **COMPLAINTS**

~~Complaint~~ **Complaints** about this policy can be made in writing to ~~the Council's~~ **the Council's** Governance Officer and will be managed in accordance with the processes contained within.

6. REVIEW

This policy will be reviewed every ~~three-four~~ **three-four** years and as ~~deemed~~ **deemed** necessary in consideration of any changes to legislation, ~~and~~ **and** relevant standards, codes, ~~and~~ **and** guidelines ~~and audit findings.~~

7. TRAINING

~~Council is committed to supporting Employees in complying with this policy. Employees will be trained to manage complaints efficiently and effectively and provided with a level of delegated authority appropriate for the nature of complaints they are expected to resolve.~~

PO147 – Complaints Policy

~~Training needs will be reviewed, as necessary, in consideration of any changes to legislation, relevant standards, codes, guidelines and audit findings. Training needs will also be identified through the performance review and audit processes. Training will also occur and as necessary in response to changes to legislation and relevant standards, codes and guidelines.~~

8. RECORDS

~~Records will be maintained as required by Council's Records Management Policy PO063 and relevant legislation.~~

8.9. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

PO037 Internal review of Council Decisions Policy

PO063 Records Management Policy

PO075 Request for Service Policy

~~PO203 Council Member Behavioural Management Policy 423 Code of Conduct for Elected Members~~

PO014 ~~PO014 Employee Behavioural Standards Policy~~ Employee Code of Conduct

~~PO146 Support Disciplinary and Performance Management Policy~~

PO148 Fraud, ~~and~~ Corruption, ~~Misconduct and Maladministration~~ Prevention Policy

PO171 Public Interest Disclosure Policy

PR152 Public Interest Disclosure Procedure

~~PO179 Council Assessment Panel Review of Decision of Assessment Manager~~

~~IS126 Water Services Customer Charter~~

~~PlanSA Assessment Panel Members – Code of Conduct CAP – Assessment Panel Member Code of Conduct Customer Service Charter~~

9.10. REFERENCES AND LEGISLATION

Local Government Act 1999

Public Interest Disclosure Act 2018

Independent Commissioner Against Corruption Act 2012

~~Ombudsman Act 1972~~

Planning, Development Infrastructure Act 2016~~20~~

Essential Services Commission Act 2002

~~Expiation of Offences Act 1996~~

Water Industry Act 2012

Water Industry Regulations 2012

~~Freedom of Information Act 1991~~

~~ESCOSA~~ Water Retail Code – Minor and Intermediate Retailers

Australian Standard ISO 10002-2014, Customer satisfaction – Guidelines for ~~Complaint~~ Handling in Organisations

PO147 – Complaints Policy

Ombudsman SA VALUING ~~COMPLAINT~~COMPLAINTS – An audit of ~~complaint~~Complaint handling in South Australia – November 2011

[Ombudsman SA Complaint Management Framework](#)

~~The~~—Commonwealth Ombudsman’s Better Practice Guide to Complaint Handling 20092023

[Protocol—Ombudsman Enquiry Procedure](#)

Water Industry Guideline No. 2 (WG2/01)

LGA Model ~~Complaint~~Complaints Policy

[ESCOSA](#) Water Services Customer Charter

Water Services Customer Contract

10.11. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/register/>.

11.12. VERSION HISTORY

Version No	Issue Date	Description of Change
1	13/02/2013	<u>Full Revision.</u>
2	08/07/2015	<u>Full Revision.</u>
3	11/10/2017	<u>Full Revision.</u>
5	17/06/2021	<u>Full Revision.</u>
6		Choose an item, and/or insert free text.

PO147 – Complaints Policy

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Business Day	A day when the Council is normally open for business, <u>(i.e. Monday to Friday 8.30am to 5pm and excludes public holidays.</u>
Complaint	For the purposes of this policy, a complaint is defined as an expression of dissatisfaction with a product or service delivered by the Council or its representatives that has failed to reach the standard stated, implied or expected.– This includes <u>grievances complaints</u> about a service that has been, or should have been delivered. It does not mean a request for service (“Customer Service Request”).
Employee(s)	<u>For the purposes of this policy, All personnel persons undertaking tasks/duties acting</u> for and/or on behalf of the <u>Yorke Peninsula</u> Council, including persons employed directly by the Council in a full time, part-time or casual basis under an employment contract, volunteers, contractors, agency personnel and work experience placements.
Feedback	Comments, both positive and negative, about services provided by Council without necessarily requiring a corrective action, change of services or formal review of a decision.
Regulatory Service Standards	Timeframes for response to <u>complaintComplaints</u> as determined by regulation.
Request for Service	An application to have Council or its representative(s) take some form of action to provide a Council service such as grading a road or fixing a footpath (“Customer Service Request”).
Unreasonable Complainant Conduct	Unreasonable complainant conduct is behaviour by a complainant which, because of its nature or frequency raises substantial health, safety, resource or equity issues for the parties to a <u>complaintComplaint</u> . Examples of behaviours that can be characterised as unreasonable include: Unreasonable persistence <ul style="list-style-type: none"> persisting with a <u>complaintComplaint</u> even though it has been comprehensively considered by the organisation, and where all avenues of review have been exhausted; reframing a <u>complaintComplaint</u> in an attempt to get it taken up again; showing an inability to accept the final decision by repeatedly raising the issue after reasonable attempts have been made to provide a reasoned and rational explanation;

PO147 – Complaints Policy

Term/Reference	Definition
	<ul style="list-style-type: none"> • persisting in interpreting the law or policy in a way that is not in accordance with generally accepted or expert views on the issue and insisting that action be taken accordingly; • persisting in wanting to know where to go next when it has been explained that there is nowhere else to go; • demanding a review because it is available but not arguing a case for a review; • making an issue out of anything; • getting gratification from the process of regular contact with the case officer<u>person responding to a Complaint</u>, possibly including inventing unnecessary reasons for having contact. <p>Unreasonable demands</p> <ul style="list-style-type: none"> • insisting on outcomes that are unattainable (<u>e.g.</u> is a not-in-jurisdiction issue, wants the department shut down or someone fired from their job, prosecution of individuals); • insisting on 'moral' outcomes; (<u>e.g.</u> justice in the community interest, when really a personal interest is at stake); • demanding an apology and/or compensation when no reasonable basis for expecting this type of outcome exists; • wanting revenge or retribution; • wanting what is not possible or appropriate; (<u>e.g.</u> copies of sensitive documents, names/contact details of staff, other complainants or <u>whistleblowers/informants</u>, etc); • issuing instructions and making demands as to how a complaint<u>Complaint</u> should be handled; • providing supporting details that are extraordinarily detailed when this type of detail is not relevant to the complaint<u>Complaint</u>; • making unreasonable resource demands, expecting resources in excess of or out of proportion to the seriousness of issue; (<u>e.g.</u> wanting us<u>Council</u> to seek expert opinion); • wanting regular and lengthy phone contact where this is not warranted; • showing reactions or demands for action that are out of proportion to the significance of the issue; • moving the goal posts — changing the desired outcome; • shopping for a sympathetic ear <u>within</u> the <u>Council</u>office (<u>e.g.</u> — demanding to talk to a supervisor or the General<u>a Manager</u> personally); • placing us<u>Council</u> on an extensive email copy list and expecting responses to numerous emails; • consistently creating complexity where there is none;

PO147 – Complaints Policy

Term/Reference	Definition
	<ul style="list-style-type: none"> • presenting as overly needy or dependent (e.g. wanting to transfer responsibility for their wellbeing to the organisation). <p>Unreasonable lack of cooperation</p> <ul style="list-style-type: none"> • presenting a large quantity of information which is not organised, sorted, classified, summarised, where the complainant is clearly capable of doing this, presenting information in dribs and drabs — refusing to present all information at the outset; • refusing to define issues of complaint Complaint (<i>the attached speaks for itself</i> — usually a large quantity of information) where the complainant is clearly capable of doing this; • focusing on principles rather than substantive issues; • changing the complaint Complaint, raising new issues in the process of our Council consideration; • displaying unhelpful behaviour, (e.g. withholding information, dishonesty, misquoting others, swamping the organisation with documents). <p>Unreasonable arguments</p> <ul style="list-style-type: none"> • holding irrational beliefs; (e.g. seeing cause and effect links where there are clearly none); • holding what is clearly a conspiracy theory unsupported by any evidence; • insisting that a particular solution is the correct one in the face of valid contrary or alternative arguments; • interpreting facts in a clearly irrational/unreasonable way and insisting this interpretation is the correct one; • insisting on the importance of an issue that is clearly trivial. <p>Unreasonable behaviour</p> <ul style="list-style-type: none"> • displaying confronting behaviour; (e.g. rudeness, aggression, threats); • sending rude, confronting, threatening letters; • making threats of self-harm; • making threats of harm to others; • displaying manipulative behaviour (e.g. overly ingratiating, tears, veiled threats).



COUNCIL POLICY

Complaints

Policy Number:	PO147		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Chief Executive Officer	Record Number:	16/14855[v6]
Responsible Officer:	Governance Officer	Minute Reference:	
Date Adopted:	17/06/2021	Next Review Date:	June 2028

1. POLICY OBJECTIVES

Yorke Peninsula Council (Council) is committed to providing a quality service to its customers and regards Complaints as an opportunity to improve practices and processes as well as resolving issues.

The aim of this policy is to provide a fair, consistent and structured process for Council's customers if they are dissatisfied with a Council action, decision or service.

Emphasis is placed on resolving Complaints as quickly as possible. Where Complaints cannot be settled in the first instance, Council will ensure that they are dealt with through appropriate, more formal processes and by persons with the appropriate authority to make decisions.

2. SCOPE

2.1 This policy applies:

- a) where Council has failed to meet the normal standards for a service which has been, or should have been delivered;
- b) to all Employees;
- c) to all Complaints that cannot otherwise be dealt with under a separate legislative process or policy.

2.2. Complaints about matters that are not Council's responsibility, such as disputes between neighbours, civil liability matters and matters already being dealt with through the Court process, will not be handled under this policy.

3. DEFINITIONS

Refer to Attachment 1.

PO147 – Complaints Policy

4. POLICY STATEMENT

Council welcomes Feedback and Complaints as a way of improving its services and programs as well as providing an opportunity to put things right.

All Complaints received by Council will be treated seriously and complainants will be treated courteously.

There are five fundamental principles that underpin Council's approach to handling Complaints:

- **Fairness:** treating complainants fairly with impartiality, confidentiality (to the extent possible) and transparency at all stages of the process;
- **Accessibility:** ensuring broad public awareness about Council's policy and a range of contact options;
- **Responsiveness:** ensuring that sufficient resources and well trained Council staff are provided and that systems are reviewed for improvement;
- **Efficiency:** Complaints will be resolved as quickly as possible, while ensuring that they are dealt with at a level that reflects their complexity;
- **Integration:** Different areas of Council will work together where the Complaint overlaps functional responsibilities.

This policy and information about how to lodge a Complaint is available by clicking on the "Complaints" link on the front page of Council's website (www.yorke.sa.gov.au), or via any Council office.

4.1. Complaint Process

Council requires that all Complaints are submitted in writing. A person can make a Complaint in a number of ways:

- Complete the appropriate form on Council's website;
- Email;
- Letter;
- Visit a Council customer service office.

The steps set out below will be followed by Council personnel to ensure Complaints are dealt with efficiently and effectively:

- Acknowledge Complaints promptly;
- Assess the Complaint - simple problems may not need to be investigated;
- Plan the investigation where one is warranted;
- Investigate the Complaint;
- Respond to the complainant with a clear outcome/decision;
- Follow up any customer service concerns;
- Consider and manage any process and/or personnel issues which may need correction.

Wherever possible Complaints will be resolved when first reported but, if necessary, Council personnel will escalate a Complaint as set out below.

PO147 – Complaints Policy

4.2. Three Tiered Scheme

Complaints may vary greatly in their level of complexity and seriousness. To assist with determining and managing Complaints, Council have categorised Complaints into a three tiered scheme.

Level 1 - Immediate response to resolve the Complaint

All Council staff are authorised to handle Complaints in the first instance, wherever possible. All attempts will be made to deal with Complaints promptly at the initial point of contact.

Level 2 - Complaint escalated to a more senior person

A Complaint will be directed to a more senior person in the Council, where circumstances indicate that the Complaint would be more appropriately handled at a higher level. This can include, where a person has been involved in the matter that is the subject of the Complaint, where the Complaint is about an issue that requires a decision to be made at a more senior level, or where a Complaint concerns a matter that ranges across more than one Council work area.

Level 3 - Internal review of a Council decision by statutory process

Internal review of a Council decision is available under Section 270 of the Local Government Act 1999 (Act). This is a process established by legislation that enables the Chief Executive Officer (CEO) to reconsider all the evidence relied on to make a decision, including new evidence if relevant. This process, as set out in Council's Internal Review of Council Decisions Policy PO037, available via Council's website (www.yorke.sa.gov.au), is a last resort in the Complaint handling process, which may also be used in certain situations that are not able to be resolved by other means.

With the exception of Level 1 responses, Council will ensure, wherever possible, that Complaints are handled independently of the original decision-maker/person involved in the matter that is the subject of the Complaint.

4.3. Timeframes

Council will respond within ten Business Days, acknowledging receipt of the Complaint and, where possible, resolve it at that time. If a resolution is not possible complainants will be advised of the likely timeframe required to investigate and resolve a Complaint and regularly updated as to progress where necessary.

4.4. Remedies

Where Complaints are found to be justified Council will, where reasonably practicable, remedy the situation in a manner which is consistent and fair for both Council and complainants. The solution chosen will be proportionate and appropriate to the circumstances.

As a general principle the complainant should, so far as reasonably possible, be put in the position he or she would have been in, had things not gone wrong. This may mean providing the desired service or changing a decision. Sometimes, however, it may only be possible to offer an apology.

Compensation may only be offered in cases where the loss or suffering is considered substantial. The CEO is the only representative authorised to offer financial compensation and must consult with the Local Government Association Mutual Liability Scheme before doing so, in relation to all civil liability matters.

PO147 – Complaints Policy

4.5. Alternative Remedies

Council may seek to use alternative dispute resolution methods, such as mediation, to resolve a Complaint in circumstances where the CEO or their delegate, deems that this is the appropriate course of action and the complainant agrees. Costs and expenses relating to alternative dispute resolution methods will be shared equally between the Council and the other party.

4.6. Complainants Right to Seek Other Forms of Resolution

While Council prefers to work with its customers to resolve Complaints quickly and effectively, a complainant retains the right to seek other forms of resolution, such as contacting the South Australian Ombudsman, or taking legal action at any time. As a general rule, the Ombudsman prefers a Complaint to be addressed by Council in the first instance, unless this is not appropriate in the circumstances.

When advising a complainant of the outcome of a Complaint investigation, Council will provide information about alternative remedies, including any rights of appeal and the right to make a Complaint to an external agency such as the South Australian Ombudsman.

4.7. Alternative Complaint Processes

There are also other Complaint processes which may apply to particular types of Complaints and the Complaint may be more properly dealt with by another process. This will be explained to the complainant at the outset. For example:

- Complaints relating to Elected Member or Employee behaviour;
- Freedom of Information applications;
- Civil Liability matters;
- Insurance claims;
- Decisions made under legislation other than the Act, such as the Planning, Development and Infrastructure Act 2016 or Expiation of Offences Act 1996.

4.8. Privacy and Confidentiality

Complainants have a right to expect that their Complaint will be investigated in private, to the extent possible. The identity of complainants will be made known only to those who need to know in the process of investigating and resolving the Complaint. The Complaint will not be revealed or made public by the Council, except where required by law.

All Complaints lodged with Council are subject to the Freedom of Information Act 1991 and confidentiality cannot be guaranteed under the provisions of that legislation.

4.9. Unreasonable Complainant Conduct

Occasionally the conduct of a complainant can be unreasonable (Unreasonable Complainant Conduct) and a decision may be made to apply restrictions on contact with the person. Before making any decision to restrict contact, the complainant will receive a written warning that, if the specified behaviour(s) or actions continue, restrictions may be applied.

Any decision to suspend action on a Complaint will be made by the CEO or their delegate, or, at the discretion of the CEO, the Mayor or Deputy Mayor, and communicated in writing to the complainant.

PO147 – Complaints Policy**4.10. Using Complaints to Improve Service Provision**

In addition to making changes to procedures and practices where appropriate, Council will review and evaluate the information gained through its Complaints handling processes on an annual basis to identify systemic issues and opportunities for improvements to service provision. Council will report annually on the number and nature of written Complaints that have been received during the relevant financial year, including the number of unresolved Complaints, via its annual report (available on Council's website (www.yorke.sa.gov.au)).

Where appropriate, complainants will be provided with an explanation of changes proposed or made as a result of the investigation of their Complaint.

4.11. Complaints About the Sale and Supply of Water and/or Wastewater Services

The Essential Services Commission of South Australia (ESCOSA) have issued Council with a water retail licence for the sale and supply of water and/or wastewater services. Under the terms of the licence, Council are required to comply with the ESCOSA Water Retail Code – Minor and Intermediate Retailers (Code). In accordance with the terms of the Code, Council have developed a Water Services Customer Charter IS126 (Charter) that sets out what Council is required to do under the Code, which includes information about Complaints, financial hardship, translation and interpreting services and large print requirements. The Charter is available on Council's website (www.yorke.sa.gov.au), or any Council office.

In addition to the requirements under Policy clauses 1 – 4 above, Council will ensure compliance with Regulatory Service Standards when managing Complaints about the sale and supply of water and/or wastewater services.

5. COMPLAINTS

Complaints about this policy can be made in writing to Council's Governance Officer and will be managed in accordance with the processes contained within.

6. REVIEW

This policy will be reviewed every four years and as deemed necessary in consideration of any changes to legislation, relevant standards, codes, guidelines and audit findings.

7. TRAINING

Council is committed to supporting Employees in complying with this policy.

Training needs will be reviewed, as necessary, in consideration of any changes to legislation, relevant standards, codes, guidelines and audit findings.

8. RECORDS

Records will be maintained as required by Council's Records Management Policy PO063 and relevant legislation.

9. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

PO037 Internal review of Council Decisions Policy

PO063 Records Management Policy

PO075 Request for Service Policy

PO203 Council Member Behavioural Management Policy

PO014 Employee Behavioural Standards Policy

PO147 – Complaints Policy

PO146 Support Disciplinary and Performance Management Policy
 PO148 Fraud, Corruption, Misconduct and Maladministration Prevention Policy
 PO171 Public Interest Disclosure Policy
 PR152 Public Interest Disclosure Procedure
 PO179 Council Assessment Panel Review of Decision of Assessment Manager
 IS126 Water Services Customer Charter
 PlanSA Assessment Panel Members – Code of Conduct

10. REFERENCES AND LEGISLATION

Local Government Act 1999
 Public Interest Disclosure Act 2018
 Independent Commissioner Against Corruption Act 2012
 Ombudsman Act 1972
 Planning, Development Infrastructure Act 2016
 Essential Services Commission Act 2002
 Expiation of Offences Act 1996
 Water Industry Act 2012
 Water Industry Regulations 2012
 Freedom of Information Act 1991
 ESCOSA Water Retail Code – Minor and Intermediate Retailers
 Australian Standard ISO 10002-2014, Customer satisfaction – Guidelines for Complaint Handling in Organisations
 Ombudsman SA VALUING COMPLAINTS – An audit of Complaint handling in South Australia – November 2011
 Ombudsman SA Complaint Management Framework
 Commonwealth Ombudsman’s Better Practice Guide to Complaint Handling 2023
 Water Industry Guideline No. 2 (WG2/01)
 LGA Model Complaints Policy
 ESCOSA Water Services Customer Charter
 Water Services Customer Contract

11. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>.

12. VERSION HISTORY

Version No	Issue Date	Description of Change
1	13/02/2013	Full Revision.
2	08/07/2015	Full Revision.

PO147 – Complaints Policy

Version No	Issue Date	Description of Change
3	11/10/2017	Full Revision.
5	17/06/2021	Full Revision.
6		Choose an item, and/or insert free text.

DRAFT

PO147 – Complaints Policy**ATTACHMENT 1: DEFINITIONS**

Term/Reference	Definition
Business Day	A day when the Council is normally open for business (i.e. Monday to Friday 8.30am to 5pm and excludes public holidays.
Complaint	For the purposes of this policy, a complaint is defined as an expression of dissatisfaction with a product or service delivered by the Council or its representatives that has failed to reach the standard stated, implied or expected. This includes grievances about a service that has been, or should have been delivered. It does not mean a request for service (Customer Service Request).
Employee(s)	For the purposes of this policy, all persons acting for and/or on behalf of the Council, including persons employed directly by the Council in a full time, part-time or casual basis under an employment contract, volunteers, contractors, agency personnel and work experience placements.
Feedback	Comments, both positive and negative, about services provided by Council without necessarily requiring a corrective action, change of services or formal review of a decision.
Regulatory Service Standards	Timeframes for response to Complaints as determined by regulation.
Request for Service	An application to have Council or its representative(s) take some form of action to provide a Council service such as grading a road or fixing a footpath (Customer Service Request).
Unreasonable Complainant Conduct	Unreasonable complainant conduct is behaviour by a complainant which, because of its nature or frequency raises substantial health, safety, resource or equity issues for the parties to a Complaint. Examples of behaviours that can be characterised as unreasonable include: Unreasonable persistence <ul style="list-style-type: none"> • persisting with a Complaint even though it has been comprehensively considered by the organisation, and where all avenues of review have been exhausted; • reframing a Complaint in an attempt to get it taken up again; • showing an inability to accept the final decision by repeatedly raising the issue after reasonable attempts have been made to provide a reasoned and rational explanation;

PO147 – Complaints Policy

Term/Reference	Definition
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PO147 – Complaints Policy

Term/Reference	Definition
	<ul style="list-style-type: none"> • presenting as overly needy or dependent (e.g. wanting to transfer responsibility for their wellbeing to the organisation). <p>Unreasonable lack of cooperation</p> <ul style="list-style-type: none"> • presenting a large quantity of information which is not organised, sorted, classified, summarised, where the complainant is clearly capable of doing this, presenting information in dribs and drabs — refusing to present all information at the outset; • refusing to define issues of Complaint (<i>'the attached speaks for itself'</i> — usually a large quantity of information) where the complainant is clearly capable of doing this; • focusing on principles rather than substantive issues; • changing the Complaint, raising new issues in the process of Council consideration; • displaying unhelpful behaviour, (e.g. withholding information, dishonesty, misquoting others, swamping the organisation with documents). <p>Unreasonable arguments</p> <ul style="list-style-type: none"> • holding irrational beliefs (e.g. seeing cause and effect links where there are clearly none); • holding what is clearly a conspiracy theory unsupported by any evidence; • insisting that a particular solution is the correct one in the face of valid contrary or alternative arguments; • interpreting facts in a clearly irrational/unreasonable way and insisting this interpretation is the correct one; • insisting on the importance of an issue that is clearly trivial. <p>Unreasonable behaviour</p> <ul style="list-style-type: none"> • displaying confronting behaviour (e.g. rudeness, aggression, threats); • sending rude, confronting, threatening letters; • making threats of self-harm; • making threats of harm to others; • displaying manipulative behaviour (e.g. overly ingratiating, veiled threats).

8.15 POLICY REVIEW - PO135 ELECTED MEMBERS TRAINING AND DEVELOPMENT**Document #:** 24/42728**Department:** Executive Services**PURPOSE**

To seek endorsement of the proposed updated PO135 Elected Members Training and Development Policy.

RECOMMENDATION

That the Audit and Risk Committee endorse the proposed updated PO135 Elected Members Training and Development Policy and recommend to Council that it be adopted as presented.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.2 Effective leadership and informed decision making**BACKGROUND**

Council's PO135 Elected Members Training and Development Policy (Policy) has recently been reviewed in line with its scheduled periodic review.

DISCUSSION

The Policy has been updated to reflect changes made to the LGA Training Standards (Standards). The Standards were revised in 2022 as a result of section 43(1) of the Statutes Amendment (Local Government Review) Act 2021 which amended section 80A of the Local Government Act. The amendment substitutes a new subsection (2) in section 80A - Training and development, which includes:

- Requirements relating to the mandatory Council member training and development policy, including the incorporation of the LGA Training Standards for Council Members within that policy.
- An obligation for Council members to comply with prescribed mandatory requirements and an obligation for Councils to suspend any Council member that fails to do so.
- Where a Council member is suspended for failure to comply with prescribed mandatory requirements, a loss of entitlement to receive the Council member allowance during the period of suspension.
- An obligation for a Council to apply to SACAT for disqualification of a Council member who fails to comply with the prescribed mandatory requirements for a continuous period of more than the prescribed period.
- An obligation for a CEO to maintain a register relating to training and development in accordance with the regulations.

The revised Standards have been informed by member feedback, Code of Conduct consultations and a broad consideration of learning and development frameworks and aim to develop the knowledge and skills of elected members through an induction program, Council leadership workshop and training modules. The Standards contain a suite of core leadership competencies with defined learning objectives and outcomes. Training modules are structured on these four key competencies and form the prescribed mandatory training requirements. These competencies include:

- **Behaviour:** To identify attributes and develop skills that uphold the behavioural standards and principles of good governance.
- **Civic:** To develop knowledge of the Australian system of government and how Council's fulfil the objectives of the Local Government Act to deliver reputable community outcomes.
- **Legal:** To develop the knowledge and skills required to meet the legal responsibilities of a Council member.
- **Strategy & Finance:** To develop the knowledge of integrated strategic and annual business planning and the skill to manage public funds appropriately.

Minor changes have also been made to wording and grammar throughout the Policy.

The proposed updated Policy with changes shown in colour is provided as Attachment 1. A copy without track changes is provided as Attachment 2 for ease of reference.

If endorsed by the Audit and Risk Committee this proposed updated Policy will be considered by Council at the 12 June 2024 meeting.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Chief Executive Officer

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

- Nil

POLICY IMPLICATIONS

PO135 Elected Members Training and Development Policy

BUDGET AND RESOURCE IMPLICATIONS

Nil





RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

It is essential that Council have appropriate policies in place to ensure legislative compliance.

Local Government Act 1999

Local Government (General) Regulations 2013

ATTACHMENTS

1. **PO135 - Elected Members Training and Development - Track Changes**  
2. **PO135 - Elected Members Training and Development - No Track Changes**  



COUNCIL POLICY

Elected Members Training and Development

Policy Number:	PO135		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Chief Executive Officer	Record Number:	46/6367[v6] 16/6367[v7]
Responsible Officer:	Executive Assistant to CEO and Mayor	Minute Reference:	086/2020 (13/05/2020)
Date Adopted:	13/05/2020	Next Review Date:	May 2024 May 2028

1. POLICY OBJECTIVES

~~The Yorke Peninsula Council (Council) recognises its responsibility to develop and adopt a policy for this purpose under section 80A of the Local Government Act 1999 and is committed to providing training and development activities for its Elected Members.~~

This policy aims to ensure all Elected Members, including the Mayor, undertake the required training in accordance with the Local Government Association (LGA) Training Standards for Council Members (LGA Training Standards) as prescribed in regulation 8AA of the Local Government (General) Regulations 2013 (Regulations) and any other training relevant to their roles and functions.

2. SCOPE

This policy applies to all Elected Members, including the Mayor, ~~who each have an obligation to abide by this policy.~~

3. POLICY STATEMENT

~~The Yorke Peninsula Council (Council) recognises its responsibility to develop and adopt a policy for this purpose under section 80A of the Local Government Act 1999 and is committed to providing training and development activities for its Elected Members.~~

3.1. Training and Development Plan

~~Council has developed and adopted the PO135A Elected Members Training and Development Plan (the Plan) so as to ensure that activities available to all Council Elected Members comply with the Standards and Regulations and contribute to the personal development of the individual and the achievement of the strategic and good governance objectives of Council.~~

PO135 – Elected Members Training and Development Policy

~~The LGA Training Standards can be accessed on the LGA website at <http://www.training.lga.sa.gov.au/index.cfm/council-member-training/lga-training-standard/>.~~

~~In developing the Plan, Council will utilise a range of strategies to identify the needs of Council and match these against strategic and governance objectives. All training undertaken must be aimed at assisting Elected Members in the performance and discharge of their official functions and duties.~~

~~Emphasis will be given in the first annual Plan following a general election to the participation of all Elected Members in the development of a new team as well as the orientation of first-time Elected Members.~~

~~The LGA Training Standards provide a community leadership competency framework consisting of four key competencies and provides for the knowledge and skills of Elected Members to be developed as part of an induction program, council leadership workshop and training modules. Training modules are structured on these four key competencies and form the mandatory training requirements prescribed in the Regulations. Elected Members, who are new to Council, will be required to undertake all four mandatory modules of the LGA Training Standards within the first year of election to office:~~

- ~~• Module 1: [Introduction to Local Government Behaviour](#)~~
- ~~• Module 2: [Legal Responsibilities Civic](#)~~
- ~~• Module 3: [Council and Committee Meetings Legal](#)~~
- ~~• Module 4: [Financial Management and Reporting Strategy and Finance](#)~~

~~All Elected Members (including the Mayor) must undertake the mandatory training requirements within the first 12 months of each four-year term.~~

~~Returning Elected Members will be required to participate in a training needs analysis to allow 'gaps' to be identified and incorporated into the Plan for the term of the Council. Returning Elected Members will be required to undertake Modules 2 and 4 as a minimum and further modules as identified through the gap analysis.~~

~~The LGA Training Standards also set out additional competencies required of a Mayor. In addition to the above mandatory training, the Mayor must also complete Mayoral Leadership training to support performance in this leadership role.~~

~~A mid-term refresher workshop and updated training is required and will include (but not be limited to):~~

- ~~• [A workshop in the maintenance of effective working relationships amongst Elected Members, with Chief Executive Officer \(CEO\) and key staff](#)~~
- ~~• [Legal and financial responsibilities](#)~~
- ~~• [Effective council meetings and procedures](#)~~

~~Council recognises that some training and development needs for Elected Members will be specific to their legislative and governance roles and functions such as:~~

- ~~• [Role and function of Elected Members](#)~~
- ~~• [Role and function of Council Committees](#)~~
- ~~• [Relationship between Elected Members, the Chief Executive Officer \(CEO\) and staff](#)~~
- ~~• [Meeting Procedures](#)~~
- ~~• [Conflict of Interest](#)~~

PO135 – Elected Members Training and Development Policy

- ~~Code of Conduct~~
- ~~Strategic Planning~~
- ~~Budgets and Financial Sustainability~~
- ~~Long Term Financial Planning~~
- ~~Asset Management~~
- ~~Powers of the Ombudsman~~
- ~~Community Engagement and Public Participation~~
- ~~Role of the Local Government Association~~
- ~~Risk Management~~
- ~~Legal Issues for Elected Members~~
- ~~Specific training due to legislative change~~

Where there are other statutory requirements for Elected Members to undertake training (e.g. Council Assessment Panel, Audit and Risk Committee Members), this will be organised as soon as practicable following appointment.

Opportunities for training and development are regularly received from the LGA and other training providers. Specific training that is identified as being directly relevant to Elected Members will be sent to Elected Members via email, seeking an indication of interest.

Other training requirements may emerge that are directly related to specific service areas and other community issues and address environmental, social and economic challenges facing the community.

Council recognise that a range of delivery methods will be required to support the training needs of Elected Members and will be reflected in The Plan, includes ~~T~~the way in which training will be delivered, ~~which~~ may include:

- In-house workshops, seminars and briefing sessions
- Attendance at workshops, seminars and conferences
- Printed material, including training booklets and discussion papers
- On-line training delivery

3.2.3.1. Budget

A budget allocation is provided to support the training and development activities undertaken by Elected Members and is included in the Annual Budget and adopted each year as part of the budget process.

In years where a general or supplementary election occurs, a greater budget allocation may be required to allow for compulsory mandatory training requirements and any additional training for newly ~~e~~Elected ~~m~~Members.

All training undertaken by Elected Members will be recorded into the Elected Members Training Register (RO21) which supports the Elected Members Allowances and Benefits Register (R003).

3.3.3.2. Approval for Attendance at Training/Seminars/Conferences

As the CEO is responsible for management of the Corporate Governance budget, which includes Elected Members' Training, approval for attendance at training and seminars must be sought from the CEO prior to any arrangements being undertaken.

PO135 – Elected Members Training and Development Policy

Information about training can be sought through the Executive Assistant to the CEO and Mayor or the Governance Officer. All bookings must be made through the Executive Assistant to the CEO and Mayor or Executive Support Officer. ~~Any required T~~travel and accommodation will be booked in line with Council's PO089 Elected Members ~~Entitlements, Facilities, Services and Expenses~~Allowances and Benefits Policy.

Payments and Reimbursements of expenditure relating to Elected Members training will be in accordance with Council's PO089 Elected Members ~~Entitlements, Facilities, Services and Expenses~~Allowances and Benefits Policy, where the Elected Member has sought prior approval from the CEO for attendance.

All interstate travel for Elected Members, must be approved by resolution of the Council, with the exception of the ALGA National General Assembly in Canberra ~~in June~~ and the Australian Coastal Councils National Forum. These are considered to be best practice within the industry and relevant given our vast coastline and extensive coastal assets. Traditionally the Mayor attends and other Elected Members are encouraged to attend. At times it may not be practical to attain a resolution of Council for interstate travel, due to extenuating circumstances (usually urgent Mayoral duties). If this is the case, the CEO will advise all Elected Members with the reasons for travel and seek a consensus.

Should the Council CEO receive additional requests from Elected Members that place the training budget under pressure then the CEO may refer the request to the Council for consideration.

3.4.3.3. Feedback and Redefining Needs and Delivery

It is important that feedback is provided on training and seminars attended. This will assist Council to identify the training and development activities that provide the most beneficial outcome to the organisation and the individuals involved.

To assist in evaluation, Elected Members are required to complete a Training Evaluation Form and/or submit a brief report to the CEO following attendance at a training or development activity which is not mandatory under the regulations, outlining the nature of the training undertaken, the benefits gained and any ideas or feedback to enhance the program/activity.

3.5.3.4. Annual Reporting

Council's Annual Report must include a statement regarding training and development activities for Elected Members during the relevant financial year. This information is sourced from the Elected Members Training Register (R021).

3.6. Availability

~~This policy is available on Council's website and also may be inspected (without charge) at the Council's Principal Office during ordinary office hours.~~

~~Upon payment of a fee, to the Council, a copy of this policy can also be made available.~~

4. COMPLAINTS

Complaints relating to this policy can be made in writing to the CEO. Complaints will be managed in accordance with Council's Complaints Policy (PO147).

5. REVIEW

This policy will be reviewed every four years and as necessary in consideration of any changes to legislation and relevant standards, codes and guidelines, audit findings or where Council need occurs.

PO135 – Elected Members Training and Development Policy**6. TRAINING****7.6. RECORDS**

Records shall be maintained as required by Council's Records Management Policy (PO063) and relevant legislation.

8.7. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

Strategic Management Plan

Annual Business Plan and Budget

PO088 Elected Members Use of Council Supplied Electronic Equipment

PO089 Elected Member Allowances and Benefits Entitlements, Facilities, Services and Expenses Policy

PO091 Risk Management Policy

~~PO123 Code of Conduct for Council Members (as published in the South Australian Government Gazette 29 August 2013)~~

~~PO135A Elected Members Training & Development Plan~~

PO203 Council Member Behavioural Management Policy

9.8. REFERENCES AND LEGISLATION

Local Government Act 1999

Local Government (General) Regulations 2013

Work Health and Safety Act 2012

Training and Development Policy and Plan for Council Members – LGA Model Policy

LGA Training Standards for Council Members

10.9. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

11.10. VERSION HISTORY

Version No	Issue Date	Description of Change
1	11/08/2009	<u>Minor Revision.</u>
2	01/03/2016	<u>Minor Revision.</u>
3	13/07/2016	<u>Minor Revision.</u>
4	14/12/2016	<u>Minor Revision.</u>
5	13/03/2019	<u>Minor Revision.</u>
6	13/05/2020	<u>Full Revision.</u>

PO135 – Elected Members Training and Development Policy

Version No	Issue Date	Description of Change
7	12/06/2024	Full Revision.

DRAFT

PO135 – Elected Members Training and Development Policy

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
<u>Development</u>	<u>An activity which is unstructured and informal where a person has the opportunity to further develop knowledge regarding their job through mentoring, networking or interacting with colleagues in the local government sector or in one which is directly related to the local government sector eg. Attendance at seminars and conferences.</u>
<u>Training</u>	<u>An activity where a new or existing skill or knowledge held by a person is learnt or further enhances through formal sessions.</u>

DRAFT



COUNCIL POLICY

Elected Members Training and Development

Policy Number:	PO135		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Chief Executive Officer	Record Number:	16/6367[v7]
Responsible Officer:	Executive Assistant to CEO and Mayor	Minute Reference:	086/2020 (13/05/2020)
Date Adopted:	13/05/2020	Next Review Date:	May 2028

1. POLICY OBJECTIVES

The Yorke Peninsula Council (Council) recognises its responsibility to develop and adopt a policy under section 80A of the Local Government Act 1999 and is committed to providing training and development activities for its Elected Members.

This policy aims to ensure all Elected Members, including the Mayor, undertake the required training in accordance with the Local Government Association (LGA) Training Standards for Council Members (LGA Training Standards) as prescribed in regulation 8AA of the Local Government (General) Regulations 2013 (Regulations) and any other training relevant to their roles and functions.

2. SCOPE

This policy applies to all Elected Members, including the Mayor.

3. POLICY STATEMENT

The LGA Training Standards provide a community leadership competency framework consisting of four key competencies and provides for the knowledge and skills of Elected Members to be developed as part of an induction program, council leadership workshop and training modules. Training modules are structured on these four key competencies and form the mandatory training requirements prescribed in the Regulations:

- Module 1: Behaviour
- Module 2: Civic
- Module 3: Legal
- Module 4: Strategy and Finance

All Elected Members (including the Mayor) must undertake the mandatory training requirements within the first 12 months of each four-year term.

PO135 – Elected Members Training and Development Policy

The LGA Training Standards also set out additional competencies required of a Mayor. In addition to the above mandatory training, the Mayor must also complete Mayoral Leadership training to support performance in this leadership role.

A mid-term refresher workshop and updated training is required and will include (but not be limited to):

- A workshop in the maintenance of effective working relationships amongst Elected Members, with Chief Executive Officer (CEO) and key staff
- Legal and financial responsibilities
- Effective council meetings and procedures

Where there are other statutory requirements for Elected Members to undertake training (e.g. Council Assessment Panel, Audit and Risk Committee Members), this will be organised as soon as practicable following appointment.

Opportunities for training and development are regularly received from the LGA and other training providers. Specific training that is identified as being directly relevant to Elected Members will be sent to Elected Members via email, seeking an indication of interest.

Other training requirements may emerge that are directly related to specific service areas and other community issues and address environmental, social and economic challenges facing the community.

Council recognise that a range of delivery methods will be required to support the training needs of Elected Members. The way in which training will be delivered may include:

- In-house workshops, seminars and briefing sessions
- Attendance at workshops, seminars and conferences
- Printed material, including training booklets and discussion papers
- On-line training delivery

3.1. Budget

A budget allocation is provided to support the training and development activities undertaken by Elected Members and is included in the Annual Budget and adopted each year as part of the budget process.

In years where a general or supplementary election occurs, a greater budget allocation may be required to allow for mandatory training requirements and any additional training for newly elected members.

All training undertaken by Elected Members will be recorded into the Elected Members Training Register (RO21) which supports the Elected Members Allowances and Benefits Register (R003).

3.2. Approval for Attendance at Training/Seminars/Conferences

As the CEO is responsible for management of the Corporate Governance budget, which includes Elected Members' Training, approval for attendance at training and seminars must be sought from the CEO prior to any arrangements being undertaken.

Information about training can be sought through the Executive Assistant to the CEO and Mayor or the Governance Officer. All bookings must be made through the Executive Assistant to the CEO and Mayor or Executive Support Officer. Any required travel and accommodation will be booked in line with Council's PO089 Elected Member Allowances and Benefits Policy.

PO135 – Elected Members Training and Development Policy

Payments and Reimbursements of expenditure relating to Elected Member training will be in accordance with Council's PO089 Elected Member Allowances and Benefits Policy, where the Elected Member has sought prior approval from the CEO for attendance.

All interstate travel for Elected Members must be approved by resolution of the Council, with the exception of the ALGA National General Assembly in Canberra and the Australian Coastal Councils National Forum. These are considered to be best practice within the industry and relevant given our vast coastline and extensive coastal assets. Traditionally the Mayor attends and other Elected Members are encouraged to attend. At times it may not be practical to attain a resolution of Council for interstate travel, due to extenuating circumstances (usually urgent Mayoral duties). If this is the case, the CEO will advise all Elected Members with the reasons for travel and seek a consensus. Should the Council CEO receive additional requests from Elected Members that place the training budget under pressure then the CEO may refer the request to the Council for consideration.

3.3. Feedback and Redefining Needs and Delivery

It is important that feedback is provided on training and seminars attended. This will assist Council to identify the training and development activities that provide the most beneficial outcome to the organisation and the individuals involved.

To assist in evaluation, Elected Members are required to complete a Training Evaluation Form and/or submit a brief report to the CEO following attendance at a training or development activity which is not mandatory under the regulations, outlining the nature of the training undertaken, the benefits gained and any ideas or feedback to enhance the program/activity.

3.4. Annual Reporting

Council's Annual Report must include a statement regarding training and development activities for Elected Members during the relevant financial year. This information is sourced from the Elected Members Training Register (R021).

4. COMPLAINTS

Complaints relating to this policy can be made in writing to the CEO. Complaints will be managed in accordance with Council's Complaints Policy (PO147).

5. REVIEW

This policy will be reviewed every four years and as necessary in consideration of any changes to legislation and relevant standards, codes and guidelines, audit findings or where Council need occurs.

6. RECORDS

Records shall be maintained as required by Council's Records Management Policy (PO063) and relevant legislation.

7. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

Strategic Management Plan

Annual Business Plan and Budget

PO088 Elected Members Use of Council Supplied Electronic Equipment

PO089 Elected Member Allowances and Benefits Policy

PO091 Risk Management Policy

PO135 – Elected Members Training and Development Policy

PO203 Council Member Behavioural Management Policy

8. REFERENCES AND LEGISLATION

Local Government Act 1999

Local Government (General) Regulations 2013

Work Health and Safety Act 2012

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LGA Training Standards for Council Members

9. COUNCIL DELEGATION

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10. VERSION HISTORY

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5	13/03/2019	Minor Revision.
6	13/05/2020	Full Revision.
7	12/06/2024	Full Revision.

PO135 – Elected Members Training and Development Policy

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Development	An activity which is unstructured and informal where a person has the opportunity to further develop knowledge regarding their job through mentoring, networking or interacting with colleagues in the local government sector or in one which is directly related to the local government sector eg. Attendance at seminars and conferences.
Training	An activity where a new or existing skill or knowledge held by a person is learnt or further enhances through formal sessions.

DRAFT

8.16 POLICY REVIEW - PO060 RATES RELIEF POLICY**Document #:** 24/42604**Department:** Corporate and Community Services**PURPOSE**

To seek endorsement on the proposed updated PO060 Rates Relief Policy.

RECOMMENDATION

That the Audit and Risk Committee endorse the proposed updated PO060 Rates Relief Policy and recommend to Council that it be adopted as presented.

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

Council's PO060 Rates Relief Policy (Policy) has recently been reviewed in line with its scheduled periodic review.

DISCUSSION

The proposed updated Policy is presented for minor amendments including:

- Grammatical changes;
- Inclusion of scope;
- Updated Discretionary Rebates section 5.1.2;
- Removal of COVID-19 provisions;
- Added the Complaints section as old template had this omitted; and
- Updated Council Delegation section.

The proposed updated Policy is attached with changes shown in colour (Attachment 1) and a copy without track changes is provided for ease of reference (Attachment 2).

If endorsed by the Audit and Risk Committee this proposed updated Policy will be considered by Council at the 12 June 2024 meeting.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Corporate Management Team
- Manager Financial Services

- Senior Rates Officer
- Revenue Officer

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

- Nil

POLICY IMPLICATIONS

PO060 Rates Relief Policy

PO018 Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers

PO048 Management and Recovery of Outstanding Debts Policy

BUDGET AND RESOURCE IMPLICATIONS

Councils are required to rebate rates payable for certain land uses under the Local government Act 1997 (the Act) Sections 160 to 165. Councils also have a general power to grant discretionary rebates in accordance with Sections 166 and 182 of the Act. Council must be mindful when providing rebates as the same level of overall rates is required to fund Council's budget. Where rebates are provided to some ratepayers, all other ratepayers are required to pay more to make up the difference.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Without appropriate policies, procedures and delegations in place, Council is placed at risk of non-compliance with legislation, accounting standards and its internal financial controls.

Local Government Act 1999.

ATTACHMENTS

1. **Draft - PO060 Rates Relief Policy - Track Changes** [↓](#) 
2. **Draft - PO060 Rates Relief Policy - No Track Changes** [↓](#) 



COUNCIL POLICY

Rates Relief

Policy Number:	PO060		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Director Corporate & Community Services	Record Number:	16/14034[v10] 16/14034[v11]
Responsible Officer:	Manager Financial Services	Minute Reference:	091/2020
Date Adopted:	13/05/2020 13/05/2020	Next Review Date:	November 2023 November 2023

1. POLICY OBJECTIVES

The objective of this Policy is to ensure that all applications for rate relief are considered in an equal and fair manner in line with the provisions set out under the Local Government Act and this Policy.

2. SCOPE

This policy applies whenever Council receives an application for rate relief by a ratepayer.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

Rates constitute a system of taxation for local government purposes (generally based on the value of land) are a form of taxation and provide the main revenue stream for Council to deliver services to and infrastructure for ~~to~~ the community.

The Local Government Act 1999 ("the Act") sets out at Chapter 10, Division 5 (Sections 159 to 166) those provisions applicable to the Council granting a rebate of rates to persons or bodies.

Section 159(3) of the Act provides that the Council may grant a rebate of rates under the Act if it is satisfied that it is appropriate to do so.

The Act provides for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate.

The Act also provides that where the Council must grant a rebate of rates under the Act, and the amount of that rebate is fixed by the Act at less than 100%, the Council may increase the amount of the rebate.

PO060 – Rates Relief Policy

Pursuant to Section 166 of the Act, Council may provide a discretionary rebate of rates in the cases set out in that Section.

Rates Relief will only be considered in accordance with this Policy.

5. PROCEDURES**5.1. Rebates****5.1.1. Mandatory Rebates**

Council must under Sections 160-165 of the Local Government Act 1999 (as amended) provide mandatory rebates in the following cases.

A Mandatory rebate of 100% is applicable to:

- Land predominantly used for service delivery or administration by a hospital or health centre incorporated under the South Australian Public Health Act 2011
- Land containing a church or other building used for public worship, or land used solely for religious purposes.
- Land being used for the purposes of a public cemetery.
- Land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Inc.

A Mandatory rebate of 75% is applicable to:

- Land occupied by a government school under a lease or licence and being used for educational purposes.
- Land occupied by a non-government school registered under the Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes.
- Land being used by a University or University college to provide accommodation and other forms of support for students on a not-for-profit basis
- Land predominantly used for service delivery or administration by a community service organisation as defined under Sections 161(3) & 161(4) of the Local Government Act 1999 (as amended).
- Land being predominantly used for supported accommodation that consists of accommodation for persons provided by housing associations registered under the South Australian Co-operative and Community Housing Act 1991.

5.1.2. Discretionary Rebates

Council has the power under Section 166 of the Local Government Act 1999 (as amended) to grant discretionary rebates in the following cases.

- The rebate is desirable for the purpose of securing the proper development of the Council area (or part thereof).
- The rebate is desirable for the purpose of assisting or supporting business within the Council area.
- The rebate will conduce to the preservation of buildings or places of historic significance.

PO060 – Rates Relief Policy

- The land being used for educational purposes.
- The land being used for agricultural, horticultural or floricultural exhibitions.
- The land is being used for a hospital or health centre.
- The land is being used to provide facilities or services for children or young persons.
- The land is being used to provide accommodation for the aged or disabled.
- The land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 (Cwlth) or a day therapy centre.
- The land is being used by an organisation which, in the opinion of Council, provides a benefit to the local community.
- The rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has free and unrestricted access and enjoyment.
- The rebate is considered by Council to provide relief against what would otherwise amount to substantial changes in rates payable by a ratepayer due to changes in the basis or structure of the Council's rates, or a change in the basis of valuation, rapid changes in valuation or anomalies in valuations.
- Where the rebate is considered by council to be appropriate to provide relief in order to avoid what would otherwise constitute a liability to pay a rate or charge that is inconsistent with the liabilities that were anticipated by the council in its annual business plan or a liability that is unfair or unreasonable;
- where the rebate is to give effect to a review of a decision of the council under Chapter 13 part 2 (section 270 to 271)
- where the rebate is contemplated under another provision of the Local Government Act 1999

Section 166 (1a) outlines the issues that Council must consider in deciding whether to grant a rebate. All applications for rebates will be considered on their merits.

Applications for a rebate of rates are to be made in writing and are to be accompanied by the appropriate supporting documentation.

5.1.3. Property Valuation Objection

As rates are based on property value, prior to lodging any application for deferment, or postponement the ratepayer should first determine if they consider their valuation to be a fair assessment of their property. **If the valuation is considered to be incorrect, an objection to valuation must be lodged through the State Valuation Office within 60 days after the service of the first rate notice for the current year.**

PO060 – Rates Relief Policy**5.2. POSTPONEMENT OF RATES – Hardship**

Council recognises that at various times of the year, and due to personal circumstances, some ratepayers may find themselves in situations that make it difficult to make payment of rates by the relevant due dates.

Council has adopted this Rates Relief Policy to provide relief to ratepayers for whom the payment of ordinary rates on the principal residence would cause hardship.

Where a ratepayer is suffering hardship in paying rates he/she is invited to contact Council's Senior Rates Officer to discuss the matter.

Applications for the relief of rates due to hardship or extenuating circumstances are to be made in writing and accompanied by the appropriate supporting documentation.

All such inquiries are treated confidentially by Council.

5.3. POSTPONEMENT OF RATES – Seniors (Section 182A of Local Government Act)

A ratepayer who holds or is in the process of applying for a State Seniors Card may apply for postponement of the Council rates payable on property they own or are buying if it is their principal place of residence (that is, the place lived in most of the time) and if no other person other than their spouse has an interest as owner of the property.

If there is a current mortgage over the property which was registered prior to 25 January 2007 the applicant is required to have at least 50% equity in the property.

If you have a mortgage that was registered after 25 January 2007 there is no restriction on the level of equity held.

The postponement of rates option does not affect any existing entitlement to a State Seniors Card ~~or Pensioner concession~~, and/or Council remission on your Council rates. At least \$500 of the total of the rates bill must be paid, but an application can be made for any amount in excess of \$500 to be postponed.

5.3.1. Interest payable

If a postponement of rates occurs under this section, interest will accrue on the amount postponed at the prescribed interest rate compounded on a monthly basis.

The prescribed interest rate is $P = \frac{\text{CADR} + 1\%}{12}$ where:

12

$P = \text{Prescribed Interest Rate}$

$\text{CADR} = \text{Cash Advance Debenture Rate for the relevant financial year as advised by the Local Government Finance Authority}$

5.3.2. Penalties

Reference is also made to Sections 182A (8) and 182A (9) of the Local Government Act 1999 (as amended) which outlines that if a person has applied for the benefit of a seniors postponement of rates and entitlement to that postponement ceases to exist, the owner of the land must inform the Council in writing of that fact (unless the liability to the relevant rates has been extinguished).

PO060 – Rates Relief Policy

If a person fails to comply with the above requirement to inform Council of a change in circumstances, that person is guilty of an offence under the Local Government Act 1999 (as amended) with a maximum penalty of \$5,000. Any rates applicable on the grounds that the rebate was no longer applicable become due and payable immediately.

A person must not make a false or misleading statement or representation in an application made for seniors postponement of rates. Maximum penalty \$10,000.

Applications for the postponement of rates under section 182A are to be made on Council's Application for Postponement of Rates for Seniors (SF204) and accompanied by the appropriate supporting documentation.

5.4. REMITTANCE OF FINES AND INTEREST

Council has adopted this policy relating to the remittance of fines and interest raised for late payment of rates and service charges, according to the different circumstances involved, these being:

1. Fines and interest raised due to the delay of Rate Noticepayment delivery via Australia Post:

Where a request is received by Council to remit fines and/or interest due to the delay in Rate Notice delivery ~~of payment~~ Council's policy is that fines and/or interest will only be remitted where it can be demonstrated that the delay was caused by Australia Post.

2. Fines and interest raised for the reason of non-receipt of the rate notice by the ratepayer:

Where a request is received by Council to remit fines and interest for the reason of non-receipt of rates notices, only where it can be demonstrated that the rates notice has been returned to Council as undeliverable, due to an administrative error by Council.

3. Fines and interest raised due to an administrative error by Council.

4. Fines and interest raised on rates and unable to be paid due to illness, death or whereby financial hardship is demonstrated.

- 4.5. Fines and Interest raised due to payment having been received but allocated to the incorrect property.

All requests for remittance of fines and/or interest must be made in writing to Council with relevant supporting documentation attached.

The following Council Officers are permitted to authorise remission of fines and interest in accordance with this policy:

- Chief Executive Officer
- Director Corporate and Community Services - up to and including \$5002501,000
- Manager Financial Services - up to and including \$400250

The CEO has final discretion on the remittance of fines and interest.

6. APPLICATIONS

Council will inform the community of the provisions for rate rebates under the Local Government Act by the inclusion of suitable details in the Annual Business Plan.

PO060 – Rates Relief Policy

Persons or bodies who seek a rebate of rates in accordance with Division 5 of the Act must make written application every ~~five (5)~~ four (4) years to the Council pursuant to Section 159(1) of the Act in the manner and form determined by the Council and supplying such information as the Council may reasonably require.

The Council may take into account other matters considered relevant by the Council including, but not limited to, the following:

- a) why there is a need for financial assistance through a rebate;
- b) the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- c) the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- d) whether the applicant has made/intends to make applications to another Council;
- e) whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
- f) whether the applicant is a public sector body, a private not for profit body or a private for profit body;
- g) whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
- h) the desirability of granting a rebate for more than one year where permitted by the Act;
- i) consideration of the full financial consequences of the rebate for the Council;
- j) the time the application is received;
- k) the availability of any community grant to the person or body making the application;
- l) whether the applicant is in receipt of a community grant; and
- m) any other matters, and policies of the Council, which the Council considers relevant.
- n) All persons who or bodies which wish to apply to the Council for a rebate of rates or service charges may do so at any time. Applicants which satisfy the criteria for a mandatory 100% rebate will be granted the rebate at any time.
- o) The Act provides that the Council may grant a rebate of rates or service charges on such conditions as the Council thinks fit.
- p) The Council may, for proper cause, determine that an entitlement to a rebate of rates or service charges under the Act no longer applies.
- q) Where an entitlement to a rebate of rates or service charges ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.
- r) It is an offence for a person or body to make a false or misleading statement or representation in an application or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act.
- s) The maximum penalty for this offence is \$5,000.
- t) If a person or body has the benefit of a rebate of rates or service charges and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the Council of that fact and (whether or not the Council is so informed) the entitlement to a rebate ceases. If a person or body fails to do so that person or body is guilty of an offence.

PO060 – Rates Relief Policy

- u) The maximum penalty for this offence is \$5,000.
- v) The Council will, in writing, advise an applicant for a rebate of its determination of that application. The advice will state –
- w) if the application has been granted, the amount of the rebate; or
- x) if the application has not been granted, the reasons why.

7. ~~EXTRAORDINARY PROVISION – COVID-19~~

~~Council at its meeting held on 8 April 2020 resolved to offer deferral of all unpaid 2019/2020 rates and charges (including amounts already in arrears) for all rateable properties for the period 1 April 2020 to 31 July 2020 to those experiencing hardship due to COVID-19.~~

~~Furthermore, Council approved that no fines and interest will be raised on any outstanding rates and charges for the period 1 April 2020 to 31 July 2020.~~

~~Ratepayers requesting deferral on these grounds will be required to complete form SF403 Application for Financial Hardship COVID-19 Sundry Debtor.~~

~~Council will continuously monitor all unpaid Rates during this period and conduct a review of these arrangements during July 2020 or immediately following the cessation of the pandemic if sooner.~~

7. COMPLAINTS AND REVIEW OF DECISION

~~Complaints in relation to this policy can be directed to the Director Corporate and Community Services and will be managed in accordance with Council's PO147 Complaints Policy.~~

~~A person who or a body which is aggrieved by a determination of the Council in respect of an application for a rebate may seek a review of that decision in accordance with the~~

~~Council's Internal Review of Council Decisions Policy.~~

~~Complaints~~

~~Complaints in relation to this policy can be directed to the Director Corporate and Community Services and will be managed in accordance with Council's PO147 Complaints Policy.~~

8. REVIEW

This policy will be reviewed every four (4) years and as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

9. TRAINING

Council is committed to supporting employees in complying with this policy. Training needs will be reviewed annually, during individual performance reviews and as necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

10. RECORDS

Records shall be maintained as required by Council's Records Management Policy (PO063) and relevant legislation.

11. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

PO018 Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers

PO060 – Rates Relief Policy

PO048 Management and recovery of Outstanding Debts Policy
R007 Delegations Register

12. REFERENCES AND LEGISLATION

Local Government Act 1999, Chapter 10

13. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/register/>

Details of Delegation:	Chief Executive Officer
Delegate:	Director Corporate & Community Services

13.14. VERSION HISTORY

Version No	Issue Date	Description of Change
1	07/04/2003	New Policy
2	08/05/2007	Minor Updates
3	12/10/2010	Minor Updates
4	14/08/2013	Minor Updates
5	08/10/2014	Update to financial year references and Review details.
6	14/10/2015	Update to financial year references.
7	10/08/2016	Update to financial year references.
8	09/08/2017	Update to financial year references.
9	13/11/2019	Policy Title Update. Removed financial year references. Revised review period, added related council policies and documents and update to references and legislation.
10	13/05/2020	Minor updates.
11	<u>TBA</u>	Minor updates. Removal of COVID-19 provisions.

PO060 – Rates Relief Policy

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Rebates	The reduction in rates in accordance with the rebate provisions of the Local Government Act 1999.
Remission and Remittance	The reduction of the amount of rates payable in accordance with the remission and postponement of payment provision of the Local Government Act 1999.
Senior Postponement	The delay of payment of rates until a future date for Seniors. Subject to interest charges, the annual rates payable are delayed and do not become payable until a future date.
Financial Hardship	A person experiencing hardship generally includes, but is not limited to; suffering through a difficult circumstance, family tragedy, financial misfortune, serious illness, or impacts of natural disaster.
Accredited Financial Counsellor	In South Australia, a person who holds a Diploma of Community Services (Financial Counselling), and who has worked at least 12 months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association



COUNCIL POLICY

Rates Relief

Policy Number:	PO060		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Director Corporate & Community Services	Record Number:	16/14034[v11]
Responsible Officer:	Manager Financial Services	Minute Reference:	091/2020
Date Adopted:	13/05/2020	Next Review Date:	November 2023

1. POLICY OBJECTIVES

The objective of this Policy is to ensure that all applications for rate relief are considered in an equal and fair manner in line with the provisions set out under the Local Government Act and this Policy.

2. SCOPE

This policy applies whenever Council receives an application for rate relief by a ratepayer.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

Rates constitute a system of taxation for local government purposes (generally based on the value of land) and provide the main revenue stream for Council to deliver services to and infrastructure for the community.

The Local Government Act 1999 ("the Act") sets out at Chapter 10, Division 5 (Sections 159 to 166) those provisions applicable to the Council granting a rebate of rates to persons or bodies.

Section 159(3) of the Act provides that the Council may grant a rebate of rates under the Act if it is satisfied that it is appropriate to do so.

The Act provides for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate.

The Act also provides that where the Council must grant a rebate of rates under the Act, and the amount of that rebate is fixed by the Act at less than 100%, the Council may increase the amount of the rebate.

PO060 – Rates Relief Policy

Pursuant to Section 166 of the Act, Council may provide a discretionary rebate of rates in the cases set out in that Section.

Rates Relief will only be considered in accordance with this Policy.

5. PROCEDURES**5.1. Rebates****5.1.1. Mandatory Rebates**

Council must under Sections 160-165 of the Local Government Act 1999 (as amended) provide mandatory rebates in the following cases.

A Mandatory rebate of 100% is applicable to:

- Land predominantly used for service delivery or administration by a hospital or health centre incorporated under the South Australian Public Health Act 2011
- Land containing a church or other building used for public worship, or land used solely for religious purposes.
- Land being used for the purposes of a public cemetery.
- Land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Inc.

A Mandatory rebate of 75% is applicable to:

- Land occupied by a government school under a lease or licence and being used for educational purposes.
- Land occupied by a non-government school registered under the Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes.
- Land being used by a University or University college to provide accommodation and other forms of support for students on a not-for-profit basis
- Land predominantly used for service delivery or administration by a community service organisation as defined under Sections 161(3) & 161(4) of the Local Government Act 1999 (as amended).
- Land being predominantly used for supported accommodation that consists of accommodation for persons provided by housing associations registered under the South Australian Co-operative and Community Housing Act 1991.

5.1.2. Discretionary Rebates

Council has the power under Section 166 of the Local Government Act 1999 (as amended) to grant discretionary rebates in the following cases.

- The rebate is desirable for the purpose of securing the proper development of the Council area (or part thereof).
- The rebate is desirable for the purpose of assisting or supporting business within the Council area.
- The rebate will conduce to the preservation of buildings or places of historic significance.

PO060 – Rates Relief Policy

- The land being used for educational purposes.
- The land being used for agricultural, horticultural or floricultural exhibitions.
- The land is being used for a hospital or health centre.
- The land is being used to provide facilities or services for children or young persons.
- The land is being used to provide accommodation for the aged or disabled.
- The land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 (Cwlth) or a day therapy centre.
- The land is being used by an organisation which, in the opinion of Council, provides a benefit to the local community.
- The rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has free and unrestricted access and enjoyment.
- The rebate is considered by Council to provide relief against what would otherwise amount to substantial changes in rates payable by a ratepayer due to changes in the basis or structure of the Council's rates, or a change in the basis of valuation, rapid changes in valuation or anomalies in valuations.
- Where the rebate is considered by council to be appropriate to provide relief in order to avoid what would otherwise constitute a liability to pay a rate or charge that is inconsistent with the liabilities that were anticipated by the council in its annual business plan or a liability that is unfair or unreasonable;
- where the rebate is to give effect to a review of a decision of the council under Chapter 13 part 2 (section 270 to 271)
- where the rebate is contemplated under another provision of the Local Government Act 1999

Section 166 (1a) outlines the issues that Council must consider in deciding whether to grant a rebate. All applications for rebates will be considered on their merits.

Applications for a rebate of rates are to be made in writing and are to be accompanied by the appropriate supporting documentation.

5.1.3. Property Valuation Objection

As rates are based on property value, prior to lodging any application for deferment, or postponement the ratepayer should first determine if they consider their valuation to be a fair assessment of their property. **If the valuation is considered to be incorrect, an objection to valuation must be lodged through the State Valuation Office within 60 days after the service of the first rate notice for the current year.**

PO060 – Rates Relief Policy**5.2. POSTPONEMENT OF RATES – Hardship**

Council recognises that at various times of the year, and due to personal circumstances, some ratepayers may find themselves in situations that make it difficult to make payment of rates by the relevant due dates.

Council has adopted this Rates Relief Policy to provide relief to ratepayers for whom the payment of ordinary rates on the principal residence would cause hardship.

Where a ratepayer is suffering hardship in paying rates he/she is invited to contact Council's Senior Rates Officer to discuss the matter.

Applications for the relief of rates due to hardship or extenuating circumstances are to be made in writing and accompanied by the appropriate supporting documentation.

All such inquiries are treated confidentially by Council.

5.3. POSTPONEMENT OF RATES – Seniors (Section 182A of Local Government Act)

A ratepayer who holds or is in the process of applying for a State Seniors Card may apply for postponement of the Council rates payable on property they own or are buying if it is their principal place of residence (that is, the place lived in most of the time) and if no other person other than their spouse has an interest as owner of the property.

If there is a current mortgage over the property which was registered prior to 25 January 2007 the applicant is required to have at least 50% equity in the property.

If you have a mortgage that was registered after 25 January 2007 there is no restriction on the level of equity held.

The postponement of rates option does not affect any existing entitlement to a State Seniors Card, and/or Council remission on your Council rates. At least \$500 of the total of the rates bill must be paid, but an application can be made for any amount in excess of \$500 to be postponed.

5.3.1. Interest payable

If a postponement of rates occurs under this section, interest will accrue on the amount postponed at the prescribed interest rate compounded on a monthly basis.

The prescribed interest rate is $P = \frac{\text{CADR} + 1\%}{12}$ where:

12

$P = \text{Prescribed Interest Rate}$

$\text{CADR} = \text{Cash Advance Debenture Rate for the relevant financial year as advised by the Local Government Finance Authority}$

5.3.2. Penalties

Reference is also made to Sections 182A (8) and 182A (9) of the Local Government Act 1999 (as amended) which outlines that if a person has applied for the benefit of a seniors postponement of rates and entitlement to that postponement ceases to exist, the owner of the land must inform the Council in writing of that fact (unless the liability to the relevant rates has been extinguished).

PO060 – Rates Relief Policy

If a person fails to comply with the above requirement to inform Council of a change in circumstances, that person is guilty of an offence under the Local Government Act 1999 (as amended) with a maximum penalty of \$5,000. Any rates applicable on the grounds that the rebate was no longer applicable become due and payable immediately.

A person must not make a false or misleading statement or representation in an application made for seniors postponement of rates. Maximum penalty \$10,000.

Applications for the postponement of rates under section 182A are to be made on Council's Application for Postponement of Rates for Seniors (SF204) and accompanied by the appropriate supporting documentation.

5.4. REMITTANCE OF FINES AND INTEREST

Council has adopted this policy relating to the remittance of fines and interest raised for late payment of rates and service charges, according to the different circumstances involved, these being:

1. Fines and interest raised due to the delay of Rate Notice delivery via Australia Post:

Where a request is received by Council to remit fines and/or interest due to the delay in Rate Notice delivery Council's policy is that fines and/or interest will only be remitted where it can be demonstrated that the delay was caused by Australia Post.

2. Fines and interest raised for the reason of non-receipt of the rate notice by the ratepayer:

Where a request is received by Council to remit fines and interest for the reason of non-receipt of rates notices, only where it can be demonstrated that the rates notice has been returned to Council as undeliverable, due to an administrative error by Council.

3. Fines and interest raised due to an administrative error by Council.
4. Fines and interest raised on rates and unable to be paid due to illness, death or whereby financial hardship is demonstrated.
5. Fines and Interest raised due to payment having been received but allocated to the incorrect property.

All requests for remittance of fines and/or interest must be made in writing to Council with relevant supporting documentation attached.

The following Council Officers are permitted to authorise remission of fines and interest in accordance with this policy:

- Chief Executive Officer
- Director Corporate and Community Services - up to and including \$500
- Manager Financial Services - up to and including \$250

The CEO has final discretion on the remittance of fines and interest.

6. APPLICATIONS

Council will inform the community of the provisions for rate rebates under the Local Government Act by the inclusion of suitable details in the Annual Business Plan.

PO060 – Rates Relief Policy

Persons or bodies who seek a rebate of rates in accordance with Division 5 of the Act must make written application every four (4) years to the Council pursuant to Section 159(1) of the Act in the manner and form determined by the Council and supplying such information as the Council may reasonably require.

The Council may take into account other matters considered relevant by the Council including, but not limited to, the following:

- a) why there is a need for financial assistance through a rebate;
- b) the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- c) the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- d) whether the applicant has made/intends to make applications to another Council;
- e) whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
- f) whether the applicant is a public sector body, a private not for profit body or a private for profit body;
- g) whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
- h) the desirability of granting a rebate for more than one year where permitted by the Act;
- i) consideration of the full financial consequences of the rebate for the Council;
- j) the time the application is received;
- k) the availability of any community grant to the person or body making the application;
- l) whether the applicant is in receipt of a community grant; and
- m) any other matters, and policies of the Council, which the Council considers relevant.
- n) All persons who or bodies which wish to apply to the Council for a rebate of rates or service charges may do so at any time. Applicants which satisfy the criteria for a mandatory 100% rebate will be granted the rebate at any time.
- o) The Act provides that the Council may grant a rebate of rates or service charges on such conditions as the Council thinks fit.
- p) The Council may, for proper cause, determine that an entitlement to a rebate of rates or service charges under the Act no longer applies.
- q) Where an entitlement to a rebate of rates or service charges ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.
- r) It is an offence for a person or body to make a false or misleading statement or representation in an application or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act.
- s) The maximum penalty for this offence is \$5,000.
- t) If a person or body has the benefit of a rebate of rates or service charges and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the Council of that fact and (whether or not the Council is so informed) the entitlement to a rebate ceases. If a person or body fails to do so that person or body is guilty of an offence.

PO060 – Rates Relief Policy

- u) The maximum penalty for this offence is \$5,000.
- v) The Council will, in writing, advise an applicant for a rebate of its determination of that application. The advice will state –
- w) if the application has been granted, the amount of the rebate; or
- x) if the application has not been granted, the reasons why.

7. COMPLAINTS AND REVIEW OF DECISION

Complaints in relation to this policy can be directed to the Director Corporate and Community Services and will be managed in accordance with Council’s PO147 Complaints Policy.

A person who or a body which is aggrieved by a determination of the Council in respect of an application for a rebate may seek a review of that decision in accordance with Council’s Internal Review of Council Decisions Policy.

8. REVIEW

This policy will be reviewed every four (4) years and as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

9. TRAINING

Council is committed to supporting employees in complying with this policy. Training needs will be reviewed annually, during individual performance reviews and as necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

10. RECORDS

Records shall be maintained as required by Council’s Records Management Policy (PO063) and relevant legislation.

11. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

- PO018 Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers
- PO048 Management and recovery of Outstanding Debts Policy
- R007 Delegations Register

12. REFERENCES AND LEGISLATION

Local Government Act 1999, Chapter 10

13. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

PO060 – Rates Relief Policy**14. VERSION HISTORY**

Version No	Issue Date	Description of Change
1	07/04/2003	New Policy
2	08/05/2007	Minor Updates
3	12/10/2010	Minor Updates
4	14/08/2013	Minor Updates
5	08/10/2014	Update to financial year references and Review details.
6	14/10/2015	Update to financial year references.
7	10/08/2016	Update to financial year references.
8	09/08/2017	Update to financial year references.
9	13/11/2019	Policy Title Update. Removed financial year references. Revised review period, added related council policies and documents and update to references and legislation.
10	13/05/2020	Minor updates.
11	TBA	Minor updates. Removal of COVID-19 provisions.

PO060 – Rates Relief Policy

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Rebates	The reduction in rates in accordance with the rebate provisions of the Local Government Act 1999.
Remission and Remittance	The reduction of the amount of rates payable in accordance with the remission and postponement of payment provision of the Local Government Act 1999.
Senior Postponement	The delay of payment of rates until a future date for Seniors. Subject to interest charges, the annual rates payable are delayed and do not become payable until a future date.
Financial Hardship	A person experiencing hardship generally includes, but is not limited to; suffering through a difficult circumstance, family tragedy, financial misfortune, serious illness, or impacts of natural disaster.

DRAFT

8.17 POLICY REVIEW - PO035 PROPERTY NUMBERING POLICY**Document #:** 24/42616**Department:** Corporate and Community Services**PURPOSE**

To seek endorsement of the proposed updated PO035 Property Numbering Policy.

RECOMMENDATION

That the Audit and Risk Committee endorse the proposed updated PO035 Property Numbering Policy and recommend to Council that it be adopted as presented.

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

Council's PO035 Property Numbering Policy (Policy) has recently been reviewed in line with its scheduled periodic review.

DISCUSSION

The proposed updated Policy is presented with minor amendments including:

- Strategic Plan Objective included;
- Grammatical changes;
- Update of Department for Infrastructure and Transport (DIT) email address;
- Update of complaints section; and
- Update of review timeline to four (4) years.

The proposed updated Policy is attached with changes shown in colour (Attachment 1) and a copy without track changes is provided for ease of reference (Attachment 2).

If endorsed by the Audit and Risk Committee this proposed updated Policy will be considered by Council at the 12 June 2024 meeting.

COMMUNITY ENGAGEMENT PLAN

Level 1 - Inform

CONSULTATION PROCESS

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

- Corporate Management Team
- Manager Financial Services

- Senior Rates Officer
- Revenue Officer

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

- Nil

POLICY IMPLICATIONS

PO035 Property Numbering Policy

BUDGET AND RESOURCE IMPLICATIONS

Nil.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Without appropriate policies, procedures and delegations in place, Council is placed at risk of non-compliance with legislation, accounting standards and its internal financial controls.

ATTACHMENTS

1. Draft - PO035 Property Numbering Policy - Track Changes [↓](#) 
2. Draft - PO035 Property Numbering Policy - No Track Changes [↓](#) 



COUNCIL POLICY

Property Numbering

Policy Number:	PO035		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Corporate & Community Services	Record Number:	16/13922[v3] 16/13922[v4]
Responsible Officer:	Director Corporate and Community Services	Minute Reference:	134/2019 (12/06/2019)
Date Adopted:	12/06/2019	Next Review Date:	July 2024

1. POLICY OBJECTIVES

This policy provides guidelines for the numbering of properties within urban areas of the Yorke Peninsula Council to ensure consistency and clarity.

2. SCOPE

This policy applies to all properties located on public and private streets or roads within the Yorke Peninsula Council district.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

4.1. Numbering and re-numbering of premises

Council has acknowledged the need to have premises clearly identified so that emergency services, other service providers and the general public can easily locate premises and for the efficient delivery of mail in those areas of Council where a mail delivery is available.

It is Council's intention to have every property within urban areas of the Council district allocated a street number or number range. Such areas include public reserves, schools, buildings and all other fixtures and locations situated in urban areas.

This policy has been developed with reference to Section 220 of the Local Government Act 1999 and in line with Australian/New Zealand Standard for Rural and Urban Addressing AS/NZS 4819:2011.

PO035 – Property Numbering Policy

~~The application of the The~~ Australian/New Zealand Standard for Rural and Urban Addressing AS/NZS 4819:2011 ~~is will be~~ used for new street addressing; where possible, ~~as of the adopted date of this policy, however they are not intended to be retrospective.~~

~~Where A~~ alterations ~~are~~ required to existing numbering to address ~~any~~ anomalies ~~will require~~ consultation ~~will take place~~ with affected property owners.

It is desirable that the least number of properties are impacted by any change to street addressing; however, Council may be required to make major changes to a particular street or road to ensure that all properties along the street receive a suitable street address.

Examples of this are, but not limited to:-

- Subdivisions of an existing allotment to create multiple allotments in townships where historically there had not been consideration given to the provision of street numbers many years ago.
- Where a road has previously been consecutively numbered on only one side of the road (i.e. 1,2,3,4 etc.) and new development has taken place on the opposite side of the road and therefore the new development now requires allocation of a street addresses consistent with the Australian/New Zealand Standard for Rural and Urban Addressing AS/NZ4819:2011.

Council advises the Department ~~of Planning, Transport and for~~ Infrastructure ~~and Transport~~ (DITPTI) which is a division of the Land Services Group (through the LSG address notification mailbox ~~LSGRoad-AddressNotificationDTI:Addressing@sa.gov.au~~) of all new and amended street addresses.

~~DPTI-DIT~~ makes this information available to the following agencies at no charge to the property owner:-

- ~~Lands~~ Titles Office
- ~~Australia~~ Post
- ~~Post,~~ SA Power Networks,
- SA Water
- ~~South Australian~~ Police (SAPOL);
- ~~SA Health~~Health SA,
- Telstra
- ~~South Australian~~ Electoral Commission
- ~~South Australian~~ Country Fire Service (CFS)
- ~~South Australian~~ Metropolitan Fire Service (MFS)
- SA Ambulance

4.2. Display of allocated street numbers

Council's objective is to have all premises within the Yorke Peninsula Council, including residences, shops and other buildings, display adequate identifying numbers.

Pursuant to Section 220(6) of the Local Government Act 1999 an owner of the land must, at the request of Council, ensure that the appropriate number for the owner's building or allotment is displayed in a form directed or approved by the Council.

PO035 – Property Numbering Policy

Accordingly, it is suggested that for the benefit of others, including emergency services, that the street number be predominantly displayed on the property and be easily identifiable from a stationary vehicle located on the adjacent roadway. Any other number(s) identifying the property should be removed to prevent any possible confusion.

5. COMPLAINTS

Complaints relating to this policy can be made in writing to Council’s Director Corporate and Community Services. All complaints will be managed in accordance with Council’s PO147 Complaints.

Policy Refer to the Director Corporate and Community Services

7.6. REVIEW

This policy will be reviewed every ~~five (5)~~four (4) years or as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

8.7. TRAINING

Council is committed to supporting employees in complying with this policy.

Training needs will be reviewed annually, during individual performance reviews and as necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

9.8. RECORDS

Records shall be maintained as required by Council’s Records Management Policy (PO063) and relevant legislation.

10.9. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

- PO057 Public Consultation Policy
- PO126 Street, Road and Public Place Naming Policy
- PO147 Complaints Policy

11.10. REFERENCES AND LEGISLATION

- Section 220 of the Local Government Act 1999
- Australian/New Zealand Standard rural and urban addressing AS/NZ 4819:2011

12.11. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

13.12. VERSION HISTORY

Provide a brief summary of what has changed.

Version No	Issue Date	Description of Change
1	<u>07/04/2003</u>	<u>New Policy</u>
2	<u>10/07/2013</u>	<u>Full Revision.</u>

PO035 – Property Numbering Policy

Version No	Issue Date	Description of Change
3	<u>12/06/2019</u>	<u>Minor Revision.</u>
4	<u>TBA</u>	<u>Minor Revision.</u>

DRAFT

PO035 – Property Numbering Policy

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Street (for the purposes of this policy)	A public or private way or thoroughfare in a township, usually with a footpath or footpaths and typically with houses and/or buildings on one or both sides.
Road (for the purposes of this policy)	An area that is open to or used by the public and is developed for: or has as one of its main uses as the driving of motor vehicles.

DRAFT



COUNCIL POLICY

Property Numbering

Policy Number:	PO035		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Corporate & Community Services	Record Number:	16/13922[v4]
Responsible Officer:	Director Corporate and Community Services	Minute Reference:	134/2019 (12/06/2019)
Date Adopted:	12/06/2019	Next Review Date:	July 2024

1. POLICY OBJECTIVES

This policy provides guidelines for the numbering of properties within urban areas of the Yorke Peninsula Council to ensure consistency and clarity.

2. SCOPE

This policy applies to all properties located on public and private streets or roads within the Yorke Peninsula Council district.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

4.1. Numbering and re-numbering of premises

Council has acknowledged the need to have premises clearly identified so that emergency services, other service providers and the general public can easily locate premises and for the efficient delivery of mail in those areas of Council where a mail delivery is available.

It is Council's intention to have every property within urban areas of the Council district allocated a street number or number range. Such areas include public reserves, schools, buildings and all other fixtures and locations situated in urban areas.

This policy has been developed with reference to Section 220 of the Local Government Act 1999 and in line with Australian/New Zealand Standard for Rural and Urban Addressing AS/NZS 4819:2011.

PO035 – Property Numbering Policy

The Australian/New Zealand Standard for Rural and Urban Addressing AS/NZS 4819:2011 is used for new street addressing where possible. Where alterations are required to existing numbering to address anomalies consultation will take place with affected property owners.

It is desirable that the least number of properties are impacted by any change to street addressing; however, Council may be required to make major changes to a particular street or road to ensure that all properties along the street receive a suitable street address.

Examples of this are, but not limited to:-

- Subdivisions of an existing allotment to create multiple allotments in townships where historically there had not been consideration given to the provision of street numbers many years ago.
- Where a road has previously been consecutively numbered on only one side of the road (i.e. 1,2,3,4 etc.) and new development has taken place on the opposite side of the road and therefore the new development now requires allocation of a street addresses consistent with the Australian/New Zealand Standard for Rural and Urban Addressing AS/NZ4819:2011.

Council advises the Department for Infrastructure and Transport (DIT) which is a division of the Land Services Group (through the LSG address notification mailbox DTI:Addressing@sa.gov.au) of all new and amended street addresses.

DIT makes this information available to the following agencies at no charge to the property owner:

- Lands Titles Office
- Australia Post
- SA Power Networks
- SA Water
- South Australian Police (SAPOL)
- SA Health,
- Telstra
- South Australian Electoral Commission
- South Australian Country Fire Service (CFS)
- South Australian Metropolitan Fire Service (MFS)
- SA Ambulance

4.2. Display of allocated street numbers

Council's objective is to have all premises within the Yorke Peninsula Council, including residences, shops and other buildings, display adequate identifying numbers.

Pursuant to Section 220(6) of the Local Government Act 1999 an owner of the land must, at the request of Council, ensure that the appropriate number for the owner's building or allotment is displayed in a form directed or approved by the Council.

Accordingly, it is suggested that for the benefit of others, including emergency services, that the street number be predominantly displayed on the property and be easily identifiable from a stationary vehicle located on the adjacent roadway. Any

PO035 – Property Numbering Policy

other number(s) identifying the property should be removed to prevent any possible confusion.

5. COMPLAINTS

Complaints relating to this policy can be made in writing to Council's Director Corporate and Community Services. All complaints will be managed in accordance with Council's PO147 Complaints.

6. POLICY REVIEW

This policy will be reviewed every four (4) years or as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

7. TRAINING

Council is committed to supporting employees in complying with this policy.

Training needs will be reviewed annually, during individual performance reviews and as necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

8. RECORDS

Records shall be maintained as required by Council's Records Management Policy (PO063) and relevant legislation.

9. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

PO057 Public Consultation Policy

PO126 Street, Road and Public Place Naming Policy

PO147 Complaints Policy

10. REFERENCES AND LEGISLATION

Section 220 of the Local Government Act 1999

Australian/New Zealand Standard rural and urban addressing AS/NZ 4819:2011

11. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

12. VERSION HISTORY

Version No	Issue Date	Description of Change
1	07/04/2003	New Policy
2	10/07/2013	Full Revision.
3	12/06/2019	Minor Revision.
4	TBA	Minor Revision.

PO035 – Property Numbering Policy

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Street (for the purposes of this policy)	A public or private way or thoroughfare in a township, usually with a footpath or footpaths and typically with houses and/or buildings on one or both sides.
Road (for the purposes of this policy)	An area that is open to or used by the public and is developed for: or has as one of its main uses as the driving of motor vehicles.

DRAFT

8.18 MARCH QUARTERLY BUDGET REVIEW 2023-2024**Document #:** 24/41709**Department:** Corporate and Community Services**PURPOSE**

To receive Council's endorsed March quarterly budget review (as at 31 March 2024) of Council's 2023/2024 Budget and associated financial statements, ratios and changes.

RECOMMENDATION

That the Audit and Risk Committee received the endorsed 2023/2024 March 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**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 management

BACKGROUND

Regulation 9 of the Local Government (Financial Management) Regulations 2011 sets out the requirements relating to the review of budgets for Council.

Council's Policy PO142 Budget Reporting and Amendment requires quarterly budget reviews i.e. September, December and March. This is the final (as at 31 March 2024) quarterly budget review for the 2023/2024 financial year.

This budget review was endorsed by Council at its meeting on Wednesday, 8 May 2024.

DISCUSSION

Budget managers in all directorates have completed a review of their 2023/2024 budgets as at 31 March 2024 and all adjustments allowed in accordance with Policy PO142 have been included in the attached documents (Attachments 1 - 7).

Budgets have been 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; and

- Status of capital projects including consideration of projects rolled over from 2022/2023 for completion in the current financial year (refer Council decision in August 2023).

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

Budgeted Operating Surplus/(Deficit)

As a result of proposed budget adjustments in this budget review, previously endorsed adjustments from the first and second quarter and unspent budgets rolled over from 2022/2023, Council's revised forecast Operating Surplus for 2023/2024 is \$0.3M. This is a decline of \$0.2M to the adopted 2023/2024 forecast Operating Surplus of \$0.5M.

The decrease to Council's budgeted operating result is the net result of various movements to budgeted operating income and expenditure across the financial year to date. Major movements include:

Operating Income

- Budgets rolled over from 2022/2023: \$364,000 increase to grant income.
- Current quarter budget review:
 - \$1.4M increase to grant income.
 - \$246,000 increase to user charges.
 - \$311,000 increase to investment income.

Operating Expenditure

- Budgets rolled over from 2022/2023: \$1.6M increase to materials, contracts and other expenditure.
- September 2023 quarter budget review:
 - \$831,000 increase to depreciation.
- December 2023 quarter budget review:
 - \$153,000 increase to materials, contracts and other expenditure.
- Current quarter budget review:
 - \$343,000 increase to materials, contracts and other expenditure.

It should be noted that the budget allocation for current financial year Financial Assistance Grants (FAG), which were paid in advance in 2022/2023, have not been decreased under the assumption that, as in previous years, advance payment of FAG will continue. Should this assumption prove incorrect, a significant decline to Council's operating income for 2023/2024 is to be expected.

Depending on the date of payment, FAG income will be recognised in either June 2024 (2023/2024) or July 2024 (2024/2025). Adjusted operating results and ratios are presented in Note 15 of Council's annual financial statements seek to account for the impact of such timing differences for the understanding of the users of financial statements.

Major Impacts

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

Operating Income

- **Grant income: Heavy Vehicle Safety and Productivity Program:** \$1.3M increase to grant funding on successful reapplication for Heavy Vehicle Safety and Productivity Program. Original project grant funded to 50% of \$1.5M. Revised project grant funded to 80% of \$2.4M.
- **Contribution income: Arthurton Main Street Project:** \$30,076 contribution from Arthurton Progress Association towards Main Street Project asphalt and footpath component.

- **Investment income: LGFA Interest:** \$310,000 increase to operating income budget based on forecast interest income for the financial year. Interest income generated greater than budgeted due to higher than anticipated average cash balance because of incomplete and delayed projects and access to higher interest rates on the back of sustained inflation.
- **User charges income: Bush Camping:** \$200,000 increase to bush camping permit income budget due to higher than anticipated summer and autumn occupancy. Corresponding increase to bush camping related expenditure budgets.
- **User charges income: Marion Bay Desalination Plant:** \$28,000 increase to desalinated water sales for year to date. Offset against additional electricity expenditure and minor capital works to plant.
- **Statutory income: Building and Planning Fees:** \$40,200 increase based on higher than anticipated income for year to date and forecast result for year end. Increase to budget has been applied across several statutory building and planning fee lines.

Operating Expenditure

- **Materials, contracts and other expenses: Illegal Dumping Project:** \$100,263 increase to this unbudgeted item to cover all expenditure external to Council for project to date (i.e. – excluding staff wages and Council vehicle use). Expenditure funded by increased interest income exceeding adopted budget estimate.
- **Materials, contracts and other expenses: Minlaton Rest Centre Toilets (LRCIP Phase 3):** \$30,971 reduction to budget on completion of project. Surplus budget allocated to other LRCIP Phase 3 projects.
- **Materials, contracts and other expenses: Resilient Coast Project:** \$87,200 increase representing adjustment required to Council's contribution to the grant funded project which was not reflected on award of grant funding in September 2022.
- **Materials, contracts and other expenses: Electricity:** \$131,352 decrease to Council electricity usage budget based on pricing in new Local Government sector wide electricity contract.
- **Materials, contracts and other expenses: Street Light Tariff:** \$20,833 increase to cover forecast expenditure to year end, funded by savings under new electricity contract.
- **Materials, contracts and other expenses: Camping Reserves and Visitor Information Services:** \$200,000 increase to expenditure budget funded by increased income to be used to further bush camping maintenance and operational expenditure including the printing of bush camping related publications undertaken by Council Visitor Information Services.
- **Materials, contracts and other expenses: Professional Services (Information Technology):** \$25,530 decrease to expenditure budget transferred to fund required capital renewal of Information Technology infrastructure on technical obsolescence.

Amounts Received Specifically for New/Upgrade Assets

- **Special Local Roads Grant (North Coast Road Stage 2):** \$265,000 decrease to grant funding following outcome of Local Government Transport Advisory Panel assessment of application for scope amendment to the project. Original project grant funded to 50% of \$2.3M. Revised project grant funded to two-thirds of approximately \$1.3M.

Capital Expenditure

- **Renewal: Gardner Street and Fowler Terrace, Price Project:** \$195,000 increase to project budget to allow for final asphalt, resealing and line marking works. Majority of project expenditure incurred in prior year. Funded by increased grant funding on successful reapplication for Heavy Vehicle Safety and Productivity Program.
- **Renewal: Yorketown Salt Lake Project (LRCIP Phase 3):** \$29,000 increase to project budget to enable completion per approved workplan due to residual impact of budget rollover

of LRCIP Phase 3 projects in prior two years. Funded for 2023/24 budget purposes by increased interest income exceeding adopted budget estimate.

- **Renewal: Arthurton Main Street Project:** \$30,076 increase to project budget reflecting contribution from Arthurton Progress Association towards Main Street Project asphalt and footpath component.
- **Renewal: Township Road Rehabilitation (South):** \$244,882 decrease to transfer surplus budget allocation for wages, contractual and plant hire on Council decision to outsource project completely.
- **Renewal: Patch Work (South):** \$244,882 increase to transfer surplus budget allocation for wages, contractual and plant hire on Township road rehabilitation project following Council decision to outsource project completely.
- **Renewal: Rubble Raising:** \$187,338 decrease to budget allocation following result of tender. Transfer savings to fund renewal of a portion of Davies Terrace, Port Victoria, and provide allocation for further road renewal works.
- **Renewal: Davies Terrace, Port Victoria:** \$60,000 increase to enable renewal a portion of Davies Terrace, Port Victoria. Fully funded by corresponding decrease to rubble raising budget following savings on tender.
- **Renewal: Unspecified Road Renewal:** \$107,338 increase to provide allocation for further road renewal works. Fully funded by corresponding decrease to rubble raising budget following savings on tender.
- **Renewal: Information Technology:** \$25,530 increase to budget to enable renewal of equipment identified as obsolete. Adjustment funded by corresponding decrease to operating expenditure.
- **New/Upgrade: North Coast Road (Stage 2) Project:** \$962,000 decrease to project budget following outcome of Local Government Transport Advisory Panel assessment of application for scope amendment to the project.
- **New/Upgrade: Coastal Management Strategy Projects (LRCIP Phase 3):** \$32,000 increase to project budget to enable completion per approved workplan due residual impact of budget rollover of LRCIP Phase 3 projects in prior two years. Funded for 2023/24 budget purposes by increased interest income exceeding adopted budget estimate.
- **New/Upgrade: Grader attachments:** reclassify \$202,557 in capital expenditure from capital renewal to new/upgrade capital to reflect Council decision 224/2023 (Nov-23) to use 1% of quarantined rate revenue to purchase additional grader attachments.

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

Please note, the attached Summary of Proposed Changes presents most budget adjustments requested for the quarter. Where minor adjustments have been requested which make no impact to financial results these adjustments have been omitted.

Budgeted Capital Expenditure

Council's forecast capital expenditure budget after this budget review, previously endorsed quarterly reviews and previously adopted budgets for projects/expenditure rolled over from 2022/2023, is \$20.2M. This includes the initially adopted budget of \$16.9M to which projects/expenditure rolled over from 2022/2023 adopted by Council worth \$3.5M were added in August 2023. Projects worth a further \$460,000 were added through the quarter one and two budget reviews (inclusive of \$270,000 in free of charge assets received). A decrease of approximately \$543,000 is proposed in this review.

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

Of the proposed budget of \$20.2M, \$10.7M is budgeted for renewal and replacement of existing assets, while \$9.5M (inclusive of \$270,000 in free of charge assets received) is budgeted for the upgrade of existing assets and/or acquisition of new assets.

Budgeted Cash Flow & Net Lending/(Borrowing)

Following the proposed adjustments in this budget review, previously endorsed quarterly reviews, roll over expenditure being included in this year's budget and adjustment of opening balances in line with 2022/2023 audited General Purpose Financial Statements, Council's forecast closing cash and cash equivalents as at 30 June 2024 is \$5.7M which is an increase of approximately \$4.6M to the original adopted budget. This increase can be attributed to a better-than-expected closing cash position as at 30 June 2023 which was primarily due to the net impact of grants received but not spent, including advance payment of FAGs, and incomplete projects rolled over to 2023/2024.

The proposed end of year Net Borrowing position has increased from the originally adopted \$1.8M to \$3.4M. This is primarily due to the impact of budgets rolled over from 2022/2023 for incomplete or unstarted projects less the impact of the adjustments made over the three quarterly budget reviews, especially through the current review which contains increased income and decreased capital expenditure.

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

Budgeted Financial Indicators (Ratios)

As a result of proposed changes in this budget review, previously endorsed quarterly reviews and inclusion of expenditure rolled over from 2022/2023, Council's Financial Indicators have altered.

Council's Operating Surplus Ratio is forecast to be 0.6%, which is a decline of 0.7% compared to the original adopted Budget. The reasons for this have been detailed earlier in this report. The forecast ratio is below Council's LTFP minimum target of 0%.

The Net Financial Liabilities Ratio has decreased from 24% forecast originally to 11%. The positive variance is due to the higher-than-expected closing cash position as at 30 June 2023 following finalisation of the 2022/2023 Financial Statements and an increase to the forecast year end cash balance for 2023/2024. The forecast ratio remains well within Council's LTFP target of 100%.

Council's Asset Renewal Funding Ratio is forecast to be 61%, a 5% increase to the original forecast. The increase is primarily due to projects/expenditure rolled over from 2022/2023 for completion in 2023/2024, the decision to budget for \$9.8M in new/upgrade capital projects in the adopted 2023/2024 budget and increases to renewal allocations included in the quarterly budget reviews. The forecast Asset Renewal Funding Ratio will be achieved if Council completes all budgeted capital renewal projects in 2023/2024. The forecast ratio is well below Council's current LTFP minimum target of 100%.

It should also be noted that Council's asset renewal target per asset management plans for 2023/2024 is \$17.6M. This target is higher than the average target over the last four years of \$14.6M. Over the last four years, Council has averaged an Asset Renewal Funding Ratio of 82%. It should be further noted that several asset classes are undergoing revaluation in 2023/2024 and that all Council Asset Management Plans (AMPs) are due for review prior to November 2024. Revaluations and updates to AMPs may drastically alter Council's annual renewal targets.

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:

- Corporate Management Team
- Manager Financial Services

- Budget Managers
- Accountant – Financial Management

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 (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.

It should be noted that the forecast year end projections contained in this report and its attachments assume completion of all current operating and capital projects and recognition of all budgeted income. A degree of uncertainty exists in relation to these assumptions. As such, reliance upon forecast results should be tempered with regards to results for the financial year. It should be further noted that full costs for the remediation of illegal dumping are currently unknown and will likely impact on the 2023/2024 result once known.

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

ATTACHMENTS

1. **Proposed Summary of Changes - March 2024 Budget Review**  
2. **Budgeted Statement of Comprehensive Income 2023-2024**  
3. **Budgeted Statement of Financial Position 2023-2024**  
4. **Budgeted Statement of Cash Flows 2023-2024**  
5. **Budgeted Statement of Changes in Equity 2023-2024**  
6. **Budgeted Uniform Presentation of Finances 2023-2024**  
7. **Budgeted Statement of Financial Indicators (Ratios) 2023-2024**  

YORKE PENINSULA COUNCIL 2023/2024 BUDGET SUMMARY OF PROPOSED CHANGES - MARCH (QUARTER 3) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
OPERATING INCOME			
	Note		
Rates	1	\$4,882	Increase rates income to reflect portion of income raised above budget. Utilise additional income to cover unbudgeted financial services expenditure on legal fees, software subscriptions and professional services expenditure. [Refer note 42]
Statutory Charges	2	\$40,200	Increases to various building and planning fee income lines based on higher than anticipated income for year to date and forecast result for year end.
	3	\$9,000	Increase income budget for septic tank application and inspection fees due to higher than anticipated wastewater applications.
	4	\$30,926	Net increases to various statutory income lines including general expiations, development expiations, dog registration and certificate of occupancy fees based on increased income to date. [Refer note 19 and 39]
User Charges	5	(\$1,500)	Reduction to cemetery user charges due to lower than expected burials for year to date.
	6	\$200,000	Increase bush camping permit income budget due to higher than expected summer and autumn sales. Utilise increased income to fund increased bush camping related maintenance, signage and printing expenditure. [Refer note 36]
	7	(\$3,000)	Decrease food health inspection fee income based on reduced year to date income.
	8	\$28,000	Increase income budget for Marion Bay Desalination Plant based on year to date income. Apply corresponding increase to desalination plant expenditure budgets. [Refer note 41 and 92]
	9	\$7,750	Increase income for Council standpipes based on forecast water sales to year end.
	10	\$14,867	Create budget for road rental income, overlooked at budget creation. Utilise unbudgeted income to fund building maintenance (air conditioner replacement) at Maitland Childcare Centre. [Refer note 96]
Grants, subsidies and contributions (operating and capital)	11	\$8,080	Increase budget to recognise award of grant under the Dog and Cat Management Board's Council Small Grants Program Round 1 for "Feral and Unowned Cat Management" with corresponding increase to operating expenditure. [Refer note 30]
	12	\$2,050	Reflect receipt of Australian Red Cross contribution towards Nharangga Cultural Day event with corresponding increase to operating expenditure. [Refer note 31]
	13	\$24,646	Increased budgeted income for wage subsidies, CITB and trainee incentive payments. Utilise increased income to fund various Human Resources activities. [Refer note 17, 38 and 104]
	14	\$30,076	Additional contribution by Arthurton Progress Association towards Main Street beautification works. [Refer note 58]
	15	\$1,324,000	Increase to grant funding on successful reapplication for Heavy Vehicle Safety and Productivity Program. Original project grant funded to 50% of \$1.5M. Revised project grant funded to 80% of \$2.4M. Portion of grant funding recognised in prior financial year. [Refer note 94]

YORKE PENINSULA COUNCIL 2023/2024 BUDGET SUMMARY OF PROPOSED CHANGES - MARCH (QUARTER 3) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Investment income	16	\$311,410	Increase budget for investment interest based on forecast interest income for the financial year. Increased interest the result of a higher than anticipated average cash balance, due to incomplete and delayed projects and access to higher interest rates on the back of sustained inflation.
Reimbursements	17	\$7,545	Increased budgeted income for risk incentive refund. [Refer note 13, 38 and 104]
	18	\$16,808	Increase income budget for building compliance fees. Utilise increased income to fund additional Development Services departmental IT equipment to assist in meeting increased demand. [Refer note 117]
	19	\$600	Increase income budget for Section 105 notices. [Refer note 4 and 39]
Other Income	20	Nil.	None requested.
OPERATING EXPENDITURE			
Employee Costs	21	(\$7,016)	Reduce reclassification provision budget to fund the purchase and installation of information technology equipment for the second large meeting area at the Maitland Council Office to enable remote meetings. [Refer note 29 and 112]
	22	(\$8,000)	Reduce salaries budget to fund labour hire staff costs in filling vacant position, corresponding increase below. [Refer note 37]
	23	(\$10,000)	Decrease reclassification provision to provide contingency on Maitland Office renovation budget to establish a second large meeting room.
	24	(\$24,156)	Reduce reclassification provision budget to fund creation of large meeting space at the Maitland Council office as previous large meeting area was converted into offices. Project includes installation of glass wall partitioning, meeting and office space furniture, air conditioning units in two meeting spaces and TV screens. [Refer note 98 and 121]
Materials, contracts & other expenses	25	(\$30,971)	Transfer remaining budget on completed LRCIP Phase 3 Minlaton Rest Centre Toilets project to assist in funding other LRCIP Phase 3 projects: Hardwicke Bay Beach Shelter, Maitland Stormwater Drainage and Salt Lake Tourist Trail. [Refer note 60, 61, 110 and 111]
	26	\$87,200	Increase budget for Council contribution to grant funded project Resilient Coast Project. A budget adjustment was not undertaken on receipt of the grant in September 2022 and as such no roll over of budgets from 2022/23 to 2023/24 was requested for the project.
	27	(\$131,352)	Decrease electricity expenditure budget by \$131,352 due to a reduction in pricing for consumption resulting from the new SA Local Government sector wide electricity contract. [Refer note 28]
	28	\$20,833	Increase budget for Street Light tariff to match forecasted year end result. [Refer note 27]
	29	\$1,052	Increase information technology operating budget to enable remote meetings in the second large meeting area at the Maitland Council Office. [Refer note 21 and 112]
	30	\$8,080	Increase budget due to receipt of funds under the Dog and Cat Management Board's Council Small Grants Program Round 1 which as awarded to address "Feral and Unowned Cat Management". [Refer note 11]

YORKE PENINSULA COUNCIL 2023/2024 BUDGET SUMMARY OF PROPOSED CHANGES - MARCH (QUARTER 3) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Materials, contracts & other expenses (continued...)	31	\$2,050	Increase budget to reflect Australian Red Cross contribution towards Nharangga Cultural Day event. [Refer note 12]
	32	\$7,199	Increase footpath maintenance budget to enable required maintenance at Black Point. Funded by savings on James Well kerb and road repair capital project. [Refer note 66]
	33	\$12,900	Increase budget to enable refurbishment of sites at Marion Bay Caravan Park after sale of two old cabins. Fully funded through proceeds of sale. [Refer note 50, 51 and 67]
	34	(\$6,491)	Decrease Yorketown library operating expenditure budget to fund increased capital expenditure at Yorketown Library. [Refer note 114]
	35	\$20,000	Increase budget for Ardrossan kerbing project, fully funded by reduction to rubble raising budget. [Refer note 81, 82 and 83]
	36	\$200,000	Increase bush camping maintenance budget for maintenance, signage and printing expenditure. Fully funded by increased bush camping permit revenue. [Refer note 6]
	37	\$8,000	Increase budget to establish a second large meeting room at the Maitland Office, funded by forecast savings on reclassification provision. [Refer note 22]
	38	\$29,191	Increase budgets for staff training, recruitment, costs associated with the purchase of IT infrastructure for new staff and to balance small overspends on various human resource budget lines. Fully funded through increased wage subsidy, CITB and trainee incentive payments and risk incentive refund. [Refer note 13, 17 and 104]
	39	\$1,050	Increase budgets for Building Consultants and Fire Prevention based on year to date expenditure. Fully funded by increases to Development Services income across several categories. [Refer note 4 and 19]
	40	(\$25,530)	Decrease to Information Technology professional services expenditure budget. Amount transferred to fund required capital renewal of Information Technology infrastructure on technical obsolescence. [Refer note 91]
	41	\$26,180	Increase Marion Bay Desalination Plant electricity expense budget, fully funded by increased water sale revenue for year to date. [Refer note 8 and 92]
	42	\$4,882	Increase financial services expenditure budgets for unbudgeted legal fees, software subscriptions and professional services expenditure. Fully funded by additional rates income. [Refer note 1]
	43	\$100,263	Create budget for illegal dumping project expenditure inclusive of legal fees, professional services, contractual and other expenditure but excluding staff wages and plant hire for year to date. Funded through additional investment interest income.

YORKE PENINSULA COUNCIL 2023/2024 BUDGET SUMMARY OF PROPOSED CHANGES - MARCH (QUARTER 3) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Materials, contracts & other expenses (continued...)	44	(\$3,400)	Decrease budget for Council Assessment Panel Meetings based on number to be held for the year, utilise a portion of savings to fund increased Development Services consumables budget. [Refer note 45]
	45	\$1,150	Increase Development Services consumables budget, funded by decrease to budget for Council Assessment Panel Meetings based on number to be held for the year. [Refer note 44]
	46	\$10,000	Increase budget allocation for recruitment to cover higher than anticipated expenditure due to vacancies.
Depreciation	47	Nil.	None requested.
Finance Costs	48	Nil.	None requested.
CAPITAL INCOME			
Physical Assets Received Free of Charge	49	Nil.	Not applicable.
Asset Disposals	50	\$20,455	Increase income budget to account for unbudgeted sale of two old cabins at Marion Bay Caravan Park, funds from sale utilised to refurbish sites for use by campers and to purchase replacement ride on mower for the park. [Refer note 33, 51 and 67]
	51	\$4,500	Increase income budget on trade in of old mower at Marion Bay Caravan Park. [Refer note 33, 50 and 67]
	52	\$8,018	Increase budget for income received on trade-in of fleet vehicles to reflect actual income received for year to date. [Refer not 95 and 122]
Amounts Received Specifically for New/Upgrade Assets	53	(\$265,000)	Decrease to grant funding following outcome of Local Government Transport Advisory Panel assessment of application for scope amendment to the project. Original project grant funded to 50% of \$2.3M. Revised project grant funded to two-thirds of approximately \$1.3M. [Refer note 118]
CAPITAL EXPENDITURE - RENEWAL			
Capital Expenditure - Renewal	54	\$3,690	Increase budget allocation for capital renewal on Port Victoria CWMS funded by reduction to new/upgrade capital at same township to reflect actual project expenditure. [Refer note 106]
	55	\$4,135	Increase budget allocation for capital renewal on Maitland CWMS project due to larger pump installation funded from new/upgrade capital savings on Port Julia CWMS works. [Refer note 107]
	56	\$6,560	Increase budget allocation for capital renewal on Maitland CWMS project due to larger pump installation funded from new/upgrade capital savings on Port Julia CWMS works. [Refer note 57]
	57	(\$6,560)	Decrease budget allocation for capital renewal on Maitland CWMS to fund capital renewal at Chinaman Wells match actual project expenditure. [Refer note 56]
	58	\$30,076	Increase budget for Main Street, Arthurton, beautification works following additional contribution from Arthurton Progress Association. [Refer note 14]
	59	\$20,000	Create budget allocation for renewal of park furniture overlooked at budget formation. Funded from Open Space funds held by Council.
	60	\$4,585	Increase budget for LRCIP Phase 3 project, Maitland Stormwater Drainage, as funded by savings on Minlaton Rest Centre Toilets project. [Refer note 25, 61, 110 and 111]

YORKE PENINSULA COUNCIL 2023/2024 BUDGET SUMMARY OF PROPOSED CHANGES - MARCH (QUARTER 3) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Capital Expenditure - Renewal (continued...)	61	\$17,350	Increase budget for LRCIP Phase 3 project, Salt Lake Tourist Trail, as funded by savings on Minlaton Rest Centre Toilets project. [Refer note 25, 60, 110 and 111]
	62	\$19,200	Increase information technology phone replacement budget to assist in funding replacement of obsolete mobile phones which posed an identified hazard for outdoor staff. Funded by savings in material purchase requirements on Patch Sheeting (North). [Refer note 63]
	63	(\$19,200)	Utilise a portion of Patch Sheeting (North) materials budget to assist in funding replacement of obsolete mobile phones which posed an identified hazard for outdoor staff. [Refer note 62]
	64	\$2,349	Increase public amenities budget for contractual street sweeping to fund additional expenditure on maintenance of public amenities. [Refer note 65]
	65	(\$2,349)	Decrease budget to cover additional expenditure on maintenance of public amenities, funded by reduction to contractual street sweeping budget. [Refer note 64]
	66	(\$7,199)	Allocate surplus budget on James Well kerb and road repair capital project to footpath maintenance budget to enable required maintenance at Black Point. [Refer note 32]
	67	\$11,000	Create budget allocation to enable replacement of ride on mower at Marion Bay Caravan Park, fully funded by trade in of old mower and funds generated through sale of two cabins. [Refer note 33, 50 and 51]
	68	\$31,054	Increase budget for Heel Road renewal project due to transfer of a portion of remaining wages, contractual and materials budget on completed Nalyappa Road renewal project. [Refer note 69, 70, 71, 72, 73, 74, 75, 99, 100, 101, 102, 103 and 105]
	69	(\$19,426)	Transfer remaining wages, contractual and materials budget on completed Nalyappa Road renewal project to partially fund Heel Road, South Coast Road and Patch Sheeting (North) transport asset renewal projects. [Refer note 68, 70, 71, 72, 73, 74, 75, 99, 100, 101, 102, 103 and 105]
	70	\$2,429	Increase budget for South Coast Road renewal project due to transfer of a portion of remaining contractual budget on completed Nalyappa Road renewal project. [Refer note 68, 69, 71, 72, 73, 74, 75, 99, 100, 101, 102, 103 and 105]
	71	\$17,744	Increase budget for Patch Sheeting (North) renewal project due to transfer of a portion of remaining materials budget on completed Nalyappa Road renewal project and remaining wages and contractual budget on Sandy Church Road. [Refer note 68, 69, 70, 72, 73, 74, 75, 99, 100, 101, 102, 103 and 105]
	72	(\$34,136)	Transfer remaining wages and contractual budget allocation on completed Sandy Church Road renewal project to partially fund Heel Road, Dowlingville Slant Road and Patch Sheeting (North) renewal projects. [Refer note 68, 69, 70, 72, 73, 74, 75, 99, 100, 101, 102, 103 and 105]
	73	\$2,095	Increase budget for Dowlingville Slant Road renewal project due to transfer of a portion of remaining wages budget on completed Sandy Church Road renewal project. Transfer a portion of materials budget to Patch Work (South). [Refer note 68, 69, 70, 71, 72, 74, 75, 99, 100, 101, 102, 103 and 105]

YORKE PENINSULA COUNCIL 2023/2024 BUDGET SUMMARY OF PROPOSED CHANGES - MARCH (QUARTER 3) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Capital Expenditure - Renewal (continued...)	74	\$872	Increase contractual budget for Patch Work (South) renewal project funded by transfer of a portion of remaining materials budget on completed Dowlingville Slant Road renewal project and remaining contractual budget allocation on completed New Honiton Road project. [Refer note 68, 69, 70, 71, 72, 73, 75, 99, 100, 101, 102, 103 and 105]
	75	(\$632)	Transfer remaining contractual budget allocation on completed New Honiton Road renewal project to assist in Patch Work (South) project. [Refer note 68, 69, 70, 71, 72, 73, 74, 99, 100, 101, 102, 103 and 105]
	76	(\$244,882)	Transfer wages, internal plant hire and balance of contractual allocation for Township Rehabilitation (South) project to Patch Work (South) project. Council decided to undertake Township Rehabilitation (South) project using contractors instead of Council workforce. [Refer note 77]
	77	\$244,882	Increase Patch Work (South) project capital wages, internal plant hire and contractual budget allocations to reflect as no longer required for Township Rehabilitation (South) project as it has been outsourced. [Refer note 76]
	78	(\$11,320)	Decreasing adjustment to Minor Plant capital renewal budget, utilised to increase Minor Plant new/upgrade budget to facilitate additional trailer purchase. [Refer note 115]
	79	\$9,194	Increase Minor Plant capital renewal budget, funded by corresponding decrease to grader renewal budget. [Refer note 80]
	80	(\$9,194)	Transfer savings on purchase of replacement grader to assist in renewal of minor plant items. [Refer note 79]
	81	(\$187,338)	Reallocate balance of rubble raising budget allocation to increase budget allocation for Ardrossan kerbing project and Davies Terrace, Port Victoria road renewal project. [Refer note 35, 82 and 83]
	82	\$60,000	Create budget allocation to enable renewal of a portion of Davies Road, Port Victoria. Fully funded by reduction to rubble raising budget allocation. [Refer note 35, 81 and 83]
	83	\$107,338	Create budget allocation to facilitate renewal of further road renewal projects. Fully funded by reduction to rubble raising budget allocation. [Refer note 35, 81 and 82]
	84	(\$17,570)	Transfer a portion of remaining wages budget on completion of New Honiton Road to the Dust Suppression project and Patch Work (South) to assist in completion of works. [Refer note 85 and 86]
	85	\$12,829	Increase wages budget on Dust Suppression project by a portion of remaining wages on the New Honiton Road project. [Refer note 84 and 86]
	86	\$4,741	Increase wages budget on Patch Work (South) by a portion of remaining wages on the New Honiton Road project. [Refer note 84 and 85]
	87	(\$22,134)	Transfer a portion of remaining plant hire budget on completion of New Honiton Road to the Dust Suppression project to assist in completion of works. [Refer note 88 and 89]
88	\$5,152	Increase plant hire budget on Dust Suppression project by a portion of remaining allocation on the New Honiton Road project. [Refer note 87 and 89]	

YORKE PENINSULA COUNCIL 2023/2024 BUDGET SUMMARY OF PROPOSED CHANGES - MARCH (QUARTER 3) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Capital Expenditure - Renewal (continued...)	89	\$16,982	Increase plant hire budget on Patch Work (South) project by a portion of remaining allocation on the New Honiton Road project. [Refer note 87 and 88]
	90	\$12,809	Transfer budget allocation for Walk the Yorke project from new/upgrade capital to capital renewal to reflect the nature work performed. [Refer note 116]
	91	\$25,530	Increase capital renewal budget for Information Technology infrastructure on technical obsolescence. Fully funded by corresponding reduction to Information Technology professional services budget. [Refer note 40]
	92	\$1,820	Increase Marion Bay Desalination Plant capital renewal budget to cover replacement of pump. Fully funded by increased water sales. [Refer note 8 and 41]
	93	(\$202,557)	Reallocate capital budget from renewal to new/upgrade. Adjustment for capital component only of Council decision 224/2023 (Nov-23) to allocate 1% of quarantined rate revenue for 2023/24 to purchase 2 x 'freeroll' grader attachments and 1 x rear blade grader attachment. [Refer note 119]
	94	\$195,000	Increase to Gardner Street and Fowler Terrace, Price project budget to allow for final asphalt, resealing and line marking works. Majority of project expenditure incurred in prior year. Funded by increased grant funding on successful reapplication for Heavy Vehicle Safety and Productivity Program. [Refer note 15]
	95	\$5,751	Increase capital renewal expenditure budget for fleet vehicles to reflect actual year to date expenditure, fully funded by increased vehicle trade-in income. [Refer note 52 and 122]
	96	\$14,867	Create budget for building maintenance (air conditioner replacement) at Maitland Childcare Centre, fully funded by unbudgeted road rental income. [Refer note 10]
	97	\$29,000	Increase budget for Coastal Management Strategy required to complete grant works in accordance with approved work schedule. Adjustment required due to issues created in rollover of LRCIP Phase 3 projects from 2021/2022 into 2022/2023 financial year which further impacted the rollover of LRCIP Phase 3 project budgets from 2022/23 into the current year. Funded by investment interest over and above budget.
	98	\$6,550	Increase furniture renewal budget to enable provision of appropriate meeting and office space furniture on creation of second large meeting room at the Maitland Office. Fully funded by reclassification provision. [Refer note 24 and 121]
99	\$31,054	Increase budget for Heel Road renewal project due to transfer of a portion of remaining wages, contractual and materials budget on completed Nalyappa Road renewal project. [Refer note 68, 69, 70, 71, 72, 73, 74, 75, 100, 101, 102, 103 and 105]	
100	(\$19,426)	Transfer remaining wages, contractual and materials budget on completed Nalyappa Road renewal project to partially fund Heel Road, South Coast Road and Patch Sheeting (North) transport asset renewal projects. [Refer note 68, 69, 70, 71, 72, 73, 74, 75, 99, 101, 102, 103 and 105]	

YORKE PENINSULA COUNCIL 2023/2024 BUDGET SUMMARY OF PROPOSED CHANGES - MARCH (QUARTER 3) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Capital Expenditure - Renewal (continued...)	101	\$2,429	Increase budget for South Coast Road renewal project due to transfer of a portion of remaining contractual budget on completed Nalyappa Road renewal project. [Refer note 68, 69, 70, 71, 72, 73, 74, 75, 99, 100, 102, 103 and 105]
	102	\$8,284	Increase budget for Patch Sheeting (North) renewal project due to transfer of a portion of remaining materials budget on completed Nalyappa Road renewal project and remaining wages budget on Sandy Church Road. [Refer note 68, 69, 70, 71, 72, 73, 74, 75, 99, 100, 101, 103 and 105]
	103	(\$24,676)	Transfer remaining wages and contractual budget allocation on completed Sandy Church Road renewal project to partially fund Heel Road, Dowlingville Slant Road and Patch Sheeting (North) renewal projects. [Refer note 68, 69, 70, 71, 72, 73, 74, 75, 99, 100, 101, 102 and 105]
	104	\$3,000	Increase budgets for staff training, recruitment, costs associated with the purchase of IT infrastructure for new staff and to balance small overspends on various human resource budget lines. Fully funded through increased wage subsidy, CITB and trainee incentive payments and risk incentive refund. [Refer note 13, 17 and 38]
	105	\$2,335	Increase budget for Dowlingville Slant Road renewal project due to transfer of a portion of remaining wages budget on completed Sandy Church Road renewal project. [Refer note 68, 69, 70, 71, 72, 73, 74, 75, 99, 100, 101, 102 and 103]
CAPITAL EXPENDITURE - NEW/UPGRADE			
Capital Expenditure - New/Upgrade	106	(\$3,690)	Transfer budget allocation from new/upgrade capital to capital renewal on Port Victoria CWMS project to match actual project expenditure. [Refer note 54]
	107	(\$4,135)	Transfer budget allocation from new/upgrade capital on Port Julia CWMS to fund capital renewal on Maitland CWMS project due to larger pump installation at Maitland. [Refer note 55]
	108	\$4,507	Increase budget allocation for new/upgrade capital at Balgowan CWMS public toilet project to cover small overspend funded from new/upgrade capital savings on Maitland CWMS works. [Refer note 109]
	109	(\$4,507)	Decrease budget allocation for new/upgrade capital on Maitland CWMS to cover small overspend on new/upgrade capital project at Balgowan CWMS. [Refer note 108]
	110	(\$1,432)	Transfer remaining budget on completed LRCIP Phase 3 Walk the Yorke project to partially fund Salt Lake Tourist Trail works. [Refer note 25, 60, 61 and 111]
	111	\$10,468	Increase budget for LRCIP Phase 3 project, Hardwicke Bay Beach Shelter, as funded by savings on Minlaton Rest Centre Toilets project. [Refer note 25, 60, 61 and 110]
	112	\$5,964	Increase new/upgrade capital budget to purchase equipment to enable remote meetings in the second large meeting area at the Maitland Council Office. Fully funded by reduction to employee reclassification provision budget. [Refer note 21 and 29]

YORKE PENINSULA COUNCIL 2023/2024 BUDGET SUMMARY OF PROPOSED CHANGES - MARCH (QUARTER 3) BUDGET REVIEW			
Type	Note #	Amount Increase/ (Decrease)	Reason for Variance
Capital Expenditure - New/Upgrade (Continued...)	113	\$4,526	Create budget allocation for Ardrossan Library capital purchases, fully funded from cash backed Ardrossan Library Reserve.
	114	\$6,491	Increase Yorketown Library capital expenditure budget, fully funded by corresponding decrease to Yorketown Library operating budget. [Refer note 34]
	115	\$11,320	Increase Minor Plant new/upgrade capital budget to purchase an additional trailer, fully funded by corresponding decrease to Minor Plant capital renewal budget. [Refer note 78]
	116	(\$12,809)	Transfer budget allocation for Walk the Yorke project from new/upgrade capital to capital renewal to reflect the nature work performed. [Refer note 90]
	117	\$5,350	Increase IT equipment budget for Development Services, fully funded by income budget for building compliance fees. utilise increased income to fund additional Development Services departmental IT equipment to assist in meeting increased demand. [Refer note 18]
	118	(\$962,000)	Decrease to project budget following outcome of Local Government Transport Advisory Panel assessment of application for scope amendment to the project. [Refer note 53]
	119	\$202,557	Reallocate capital budget from renewal to new/upgrade. Adjustment for capital component only of Council decision 224/2023 (Nov-23) to allocate 1% of quarantined rate revenue for 2023/24 to purchase 2 x 'freeroll' grader attachments and 1 x rear blade grader attachment. [Refer note 93]
	120	\$32,000	Increase budget for Salt Lake Tourist Trail required to complete grant works in accordance with approved work schedule. Adjustment required due to issues created in rollover of LRCIP Phase 3 projects from 2021/2022 into 2022/2023 financial year which further impacted the rollover of LRCIP Phase 3 project budgets from 2022/23 into the current year. Funded by investment interest over and above budget.
	121	\$17,606	Increase new/upgrade capital budget to enable creation of second large meeting room at the Maitland Office inclusive of installation of glass partition, air-conditioning units and television monitors. Fully funded by reduction to reclassification provision. [Refer note 24 and 98]
	122	\$477	Increase new capital expenditure budget for fleet vehicles to reflect actual year to date expenditure, fully funded by increased vehicle trade-in income. [Refer note 52 and 95]

2023/2024 BUDGET							
BUDGETED STATEMENT OF COMPREHENSIVE INCOME							
	2023/2024	2023/2024	2023/2024	2023/2024	2023/2024	2023/2024	
	Revised Budget	March Budget Adjustments	December Budget Adjustments	September Budget Adjustments	Rolled Over Budget Adjustments	Adopted Budget	Notes
	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	
INCOME							
Rates	28,487	5	59			28,423	1
Statutory Charges	491	80	3			408	2-4
User Charges	5,320	246	(26)	(1)		5,101	4-10
Grants, subsidies, contributions - Capital	2,832	858	(17)		241	1,750	11-15
Grants, subsidies, contributions - Operating	3,306	531	131	36	123	2,485	
Investment Income	479	311	1			167	16
Reimbursements	203	25	5	2		171	17-19
Other Income	151		27			124	20
Total Income	41,269	2,056	183	37	364	38,629	
EXPENSES							
Employee costs	11,201	(50)	(7)	(32)		11,290	21-24
Materials, contracts and other expenses	17,243	343	153	9	1,645	15,093	25-46
Depreciation	12,292			831		11,461	47
Finance Costs	275				(4)	279	48
Total Expenses	41,011	293	146	808	1,641	38,123	
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	258	1,763	37	(771)	(1,277)	506	
Amounts received specifically for New or Upgrade assets	3,539	(265)	16		835	2,952	53
Physical resources free of charge	270		270				49
Asset disposal and fair value adjustments	0					0	50-52
NET SURPLUS/(DEFICIT)	4,067	1,498	53	(771)	(442)	3,458	
Other Comprehensive Income							
Changes in revaluation surplus - IPP&E	0					0	
Total Other Comprehensive Income	0			0	0	0	
TOTAL COMPREHENSIVE INCOME	4,067	1,498	53	(771)	(442)	3,458	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL 2023/2024 BUDGET BUDGETED STATEMENT OF FINANCIAL POSITION							
	2023/2024 Revised Budget \$('000)	2023/2024 March Budget Adjustments \$('000)	2023/2024 December Budget Adjustments \$('000)	2023/2024 September Budget Adjustments \$('000)	2023/2024 Rolled Over Budget Adjustments \$('000)	2023/2024 Adopted Budget \$('000)	Notes
ASSETS							
Current Assets							
Cash & Equivalent Assets	5,675	2,049	2,269	58	190	1,109	
Trade & Other Receivables	1,960	60	(118)	1	196	1,821	
Inventories	574	11	(10)	1	127	445	
Total Current Assets	8,209	2,120	2,141	60	513	3,375	
Non-Current Assets							
Financial Assets	146		(5)		5	146	
Infrastructure, Property, Plant & Equipment	312,199	(576)	420	(825)	17,804	295,376	
Total Non-Current Assets	312,345	(576)	415	(825)	17,809	295,522	
Total Assets	320,554	1,544	2,556	(765)	18,322	298,897	
LIABILITIES							
Current Liabilities							
Trade & Other Payables	3,409	46	245	5	(25)	3,138	
Borrowings	1,311	(60)	60		(60)	1,371	
Provisions	2,290		1			2,289	
Total Current Liabilities	7,010	(14)	305	5	(25)	6,798	
Non-Current Liabilities							
Trade & Other Payables	246		189		(5)	62	
Borrowings	4,932	60	(63)		(255)	5,190	
Provisions	157		(37)		1	193	
Total Non-Current Liabilities	5,335	60	89	0	(259)	5,445	
Total Liabilities	12,345	46	394	5	(284)	12,243	
NET ASSETS	308,209	1,498	2,162	(770)	18,606	286,654	
EQUITY							
Accumulated Surplus	(3,067)	1,498	322	(770)	39	(4,156)	
Asset Revaluation Reserve	306,409			19,709		286,700	
Other Reserves	4,867				757	4,110	
TOTAL EQUITY	308,209	1,498	322	18,939	796	286,654	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL 2023/2024 BUDGET BUDGETED STATEMENT OF CASH FLOWS							
	2023/2024 Revised Budget \$('000)	2023/2024 March Budget Adjustments \$('000)	2023/2024 December Budget Adjustments \$('000)	2023/2024 September Budget Adjustments \$('000)	2023/2024 Rolled Over Budget Adjustments \$('000)	2023/2024 Adopted Budget \$('000)	Notes
CASH FLOWS FROM OPERATING ACTIVITIES							
<i>Receipts</i>							
Operating Receipts	28,304	4	99		(127)	28,328	1
Statutory Charges	522	77	(11)		42	414	2-4
User Charges	5,572	237	(143)	(1)	370	5,109	4-10
Grants, subsidies, contributions (Operating Purpose)	3,476	69	(100)	40	(464)	3,931	11-15
Investment Receipts	496	307	(4)		26	167	16
Reimbursements	224	24	(1)	2	27	172	17-19
Other Income	73		5		17	51	20
<i>Payments</i>							
Employee Costs	(11,124)	47	(4)	31	56	(11,254)	
Materials, contracts & other expenses	(16,614)	(325)	296	(9)	(1,411)	(15,165)	
Finance Costs	(275)				4	(279)	
Net Cash provided by (or used in) Operating Activities	10,654	440	137	63	(1,460)	11,474	
CASH FLOWS FROM INVESTING ACTIVITIES							
<i>Receipts</i>							
Grants utilised for capital purposes	3,344	1,289	2,055			0	0
Amounts Specifically for New/Upgraded Assets	3,766	(256)	234		836	2,952	53
Sale of Renewed/Replaced Assets	207	33			25	149	50-52
Sale of Surplus Assets	35			35		0	
Repayments of Loans by Community Groups	96	1				95	
<i>Payments</i>							
Expenditure on Renewal/Replacement of Assets	(10,731)	(131)	(14)	(40)	(648)	(9,898)	54-105
Expenditure on New/Upgraded Assets	(9,261)	674	(136)		(2,840)	(6,959)	106-122
Net Cash Provided by (or used in) Investing Activities	(12,544)	321	84	(5)	(2,627)	(13,661)	
CASH FLOWS FROM FINANCING ACTIVITIES							
<i>Receipts</i>							
Proceeds from Borrowings	760					760	
<i>Payments</i>							
Repayments of Borrowings	(1,256)					(1,256)	
Repayment of Finance Lease Liabilities	0		(7)		7		
Net Cash provided by (or used in) Financing Activities	(496)	0	(7)	0	7	(496)	
Net Increase/(Decrease) in cash held	(2,386)	761	214	58	(4,080)	(2,683)	
Opening cash, cash equivalents or (bank overdraft)	8,061				4,270	3,791	
Closing cash, cash equivalents or (bank overdraft)	5,675	761	214	58	190	1,109	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL 2023/2024 BUDGET BUDGETED STATEMENT OF CHANGES IN EQUITY					
2023/2024 Revised Budget	Accumulated Surplus \$('000)	Asset Revaluation Reserve \$('000)	Other Reserves \$('000)	Total Equity \$('000)	Notes
Balance at end of previous reporting period	(7,134)	306,409	4,867	277,386	
Net Surplus/ Deficit for Year	4,067	0	0	4,067	
Total Comprehensive Income	4,067	0	0	4,067	
Balance at end of period	(3,067)	306,409	4,867	308,209	
2023/2024 Budget Adjustments	Accumulated Surplus \$('000)	Asset Revaluation Reserve \$('000)	Other Reserves \$('000)	Total Equity \$('000)	Notes
Balance at end of previous reporting period	480	19,709	757	(5,810)	
Net Surplus/ Deficit for Year		0	0	0	
Total Comprehensive Income	0	0	0	0	
Balance at end of period	480	19,709	757	(5,810)	
2023/2024 Adopted Budget	Accumulated Surplus \$('000)	Asset Revaluation Reserve \$('000)	Other Reserves \$('000)	Total Equity \$('000)	Notes
Balance at end of previous reporting period	(7,614)	286,700	4,110	283,196	
Net Surplus/ Deficit for Year	3,458	0	0	3,458	
Total Comprehensive Income	3,458	0	0	3,458	
Balance at end of period	(4,156)	286,700	4,110	286,654	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL 2023/2024 BUDGET BUDGETED UNIFORM PRESENTATION OF FINANCES							
	2023/2024 Revised Budget	2023/2024 March Budget Adjustments	2023/2024 December Budget Adjustments	2023/2024 September Budget Adjustments	2023/2024 Rolled Over Budget Adjustments	2023/2024 Adopted Budget	Notes
Income							
Rates	28,487	5	59	0	0	28,423	1
Statutory Charges	491	80	3	0	0	408	2-4
User Charges	5,320	246	(26)	(1)	0	5,101	4-10
Grants, subsidies, contributions - Capital	2,832	858	(17)	0	241	1,750	
Grants, subsidies, contributions - Operating	3,306	531	131	36	123	2,485	11-15
Investment Income	479	311	1	0	0	167	16
Reimbursements	203	25	5	2	0	171	17-19
Other Income	151	0	27	0	0	124	20
Total Income	41,269	2,056	183	37	364	38,629	
Expenses							
Employee costs	11,201	(50)	(7)	(32)	0	11,290	21-24
Materials, contracts and other expenses	17,243	343	153	9	1,645	15,093	25-46
Depreciation	12,292	0	0	831	0	11,461	47
Finance Costs	275	0	0	0	(4)	279	48
Total Expenses	41,011	293	146	808	1,641	38,123	
Operating Surplus/(Deficit) before Capital Amounts	258	1,763	37	(771)	(1,277)	506	
Net Outlays on Existing Assets							
Capital Expenditure on Renewal/Replacement of Existing Assets	(10,731)	(131)	(14)	(40)	(648)	(9,898)	54-105
Add back Depreciation, Amortisation & Impairment	12,292	0	0	831	0	11,461	47
Add back Proceeds from Sale of Replaced Assets	207	33	0	0	25	149	50-52
	1,767	(98)	(14)	791	(623)	1,712	
Net Outlays on New and Upgraded Assets							
Capital Expenditure on New/Upgraded Assets	(9,261)	674	(136)	0	(2,840)	(6,959)	106-122
Add back Amounts Specifically for New/Upgraded Assets	3,766	(265)	16	0	835	2,952	53
Add back Proceeds from Sale of Surplus Assets	35	0	0	35	0	0	
	(5,460)	409	(120)	35	(2,005)	(4,007)	
Net Lending / (Borrowing) for Financial Year	(3,435)	2,074	(97)	55	(3,905)	(1,789)	

Note: Totals may not add due to rounding

YORKE PENINSULA COUNCIL 2023/2024 BUDGET BUDGETED FINANCIAL INDICATORS (RATIOS)						
	2023/2024	2023/2024	2023/2024	2023/2024	2023/2024	
	Revised Budget	March Budget Adjustments	December Budget Adjustments	September (including roll overs) Budget Adjustments	Adopted Budget	Notes
Operating Surplus Ratio (OSR)	0.6%	4.4%	0.2%	(5.3%)	1.3%	1-20
<i>Operating Surplus - \$'000</i>	258					
<i>Total Operating Income - \$'000</i>	41,269					
Net Financial Liabilities Ratio (NFLR)	11%	(6%)	(5%)	(2%)	24%	
<i>Net Financial Liabilities - \$'000</i>	4,564					
<i>Total Operating Income - \$'000</i>	41,269					
Asset Renewal Funding Ratio (ARFR)	61%	1%	0%	4%	56%	54-105
<i>Asset Renewals - \$'000</i>	10,731					
<i>Asset Renewal Commitments per AMP - \$'000</i>	17,639					

Note: Totals may not add due to rounding

8.19 GENERAL RATE REVIEW UPDATE**Document #:** 24/45989**Department:** Corporate and Community Services**PURPOSE**

To update the Audit and Risk Committee on endorsement of the paper 'A review of the basis of Rating Consultation Paper – Yorke Peninsula Council – May 2024' for public consultation as part of the general rate review.

RECOMMENDATION A

That the report be received.

LINK TO STRATEGIC PLAN**Goal:** 5 Responsible Governance and Leadership**Strategy:** 5.2 Effective leadership and informed decision making

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

BACKGROUND

Council has engaged independent consulting firm UHY Haines Norton Chartered Accountants (UHY) to assist in undertaking a review of its current rating system. Four information and briefing sessions have been held with various rating scenarios presented to ensure that Council is informed of the likely impact of proposed changes on its ratepayers.

Information and briefing sessions were held with Corinne Garrett on:

- 12 September 2023 – Independent general rate review (presentation)
- 1 May 2024 – Independent general rate review (continuation)

Additional information and briefing sessions were facilitated by Council staff on:

- 14 February 2024 – Rates review
- 17 April 2024 – Update on valuation movements from the Valuer General/possible rate modelling scenarios

In accordance with Section 151(5) of the Local Government Act 1999, a report must be tabled to detail any proposed changes to the basis of rating. Section 151(6) of the Local Government Act 1999 provides the following guidance on the information that must be addressed in the report:

- The reasons for the proposed change.
- The relationship of the proposed change to the Council's overall rates structure and policies.
- As far as practicable, the likely impact of the proposed change on ratepayers.
- Issues concerning equity within the community.
- Any other issues that the Council considers relevant.

At the Special Council meeting on Wednesday 22 May 2024 elected members were provided with five rating models from which to endorse one as their preferred model for inclusion in the 'A review of the basis of Rating Consultation Paper – Yorke Peninsula Council – May 2024' to be released for public consultation. Of these options, model 4 was endorsed.

DISCUSSION

The consultation paper (Attachment 1) written by UHY's Manager Government Consulting, Corrine Garrett, addresses all requirements in accordance with the Local Government Act 1999 to enable community consultation to commence. Options for selection of a proposed rating model for 2024/2025 and endorsement of a policy position in relation to any proposed future increases to the differential rate in the dollar for the Primary Production land use category have been provided in attachments to this report. The consultation paper contains highlighted sections which will be updated prior to public consultation based on decisions made by Council in relation to these matters with information provided in Attachment 2. Corrine Garrett will also attend the public meeting and will be available to answer any questions ratepayers may have in relation to the proposed review of the rating system of Council.

Due to the short interval between Council endorsement for public consultation and preparation of this report the public consultation document has not been updated to reflect Council's decisions on these matters for the Committee.

Public consultation will occur from Wednesday 29 May 2024 for greater than the minimum 21 days and close at 5.00pm on Thursday 27 June 2024. In accordance with Council's public consultation policy, Council must allow interested persons to attend a public meeting or to make written submissions during the consultation period.

A public information session is scheduled to take place on Wednesday 5 June 2024.

The public meeting is scheduled to take place on Wednesday 26 June 2024.

COMMUNITY ENGAGEMENT PLAN

Level 3 - Participate

Refer to attached Community Engagement Plan (Attachment 3)

CONSULTATION PROCESS

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

- Corporate Management Team
- Manager Financial Services
- Accountant - Financial Management
- Manager Economic Development and Business Sustainability

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

- UHY Haines Norton
- Kelleedy Jones Lawyers

POLICY IMPLICATIONS

PO091 Risk Management Policy

PO142 Budget Reporting and Amendment Policy

BUDGET AND RESOURCE IMPLICATIONS

Direct cost associated with the general rate review project are included in Council's current year budget. Indirect costs, in particular staff time, have exceeded original expectations with attendance required at additional information and briefing sessions, preparation and delivery of additional staff presentations and data extraction tasks contributing to increased demand on Council's staff which has been managed within the present staff allocation.

The outcome of the general rate review has the potential to have positive budget implications for Council, its long term financial sustainability and with regards to equity for its ratepayers.

RISKS/LEGAL/LEGISLATIVE/ IMPLICATIONS

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

ATTACHMENTS

1. **Consultation paper - a review of the basis of rating consultation paper** [!\[\]\(5774573cf757c446bb08af21f46b2969_img.jpg\)](#) [!\[\]\(a502cb21d600ba28a5cdf414d68eef89_img.jpg\)](#)
2. **Additional material - rate model option information for inclusion in a review of the basis of rating information paper** [!\[\]\(b90ad4352d6e82333440a21dde15d657_img.jpg\)](#) [!\[\]\(c887fe1bc1f2363e586d4073ecf6e4e9_img.jpg\)](#)
3. **Community engagement paper - review if the basis of rating consultation** [!\[\]\(6b4f3dc203aec028edcb7a0552d685ad_img.jpg\)](#) [!\[\]\(2c0c58cb268bb8420b6fc93187c8f293_img.jpg\)](#)



A Review of the Basis of Rating Consultation Paper Yorke Peninsula Council

This paper is presented to the community to provide information and invite feedback on required and possible changes to the Council's basis of rating.

Consultation Period	Wednesday 29th May to 5 pm Thursday 27th June
Information Session	Wednesday 5th June at 5.30 pm at the Minlaton Town Hall, 57 Main Street, Minlaton
Public Meeting	Wednesday 26th June at 5.30 pm At the Minlaton Town Hall, 57 Main Street, Minlaton
Submissions	
Written submissions to:	
Chief Executive Officer	
Yorke Peninsula Council	
PO Box 57	
Maitland SA 5573	
Email: admin@yorke.sa.gov.au	
Verbal and written submissions will be accepted at the Public Meeting	

May 2024

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1. Introduction

Councils are responsible for delivering a broad range of services to their communities. Each community is unique and has different priorities. Councils receive income from several sources to pay for their services, with the largest revenue source being rates.

The Yorke Peninsula Council (**The Council**) is considering making changes to the basis upon which rates are charged. When considering making these changes, a council is required to undertake a rating review and consider the best way for the Council to distribute the rate burden against the properties within its community.

Section 151 of the *Local Government Act 1999 (Act)* states that the Council must produce a public report that must address the following when changing their basis of rating:

- The reasons for the proposed change.
- The relationship of the proposed change to the Council's overall rates structure and policies.
- As far as practicable, the likely impact of the proposed change on ratepayers.
- Issues concerning equity within the community.
- Any other issues that the Council considers relevant.

2. Reason for Proposed Changes

The Council's current rating system has been in place for many years, and the Council wishes to review its basis for rating to develop some rating principles that achieve some key objectives.

The Council wishes to work towards equity in rating across different rating categories but also taking into account the following:

- acknowledgement of the impact on the Council's road infrastructure from heavy industry activities
- encourage the building of housing and discourage the potential for 'land banking'.

3. Proposed Changes to Rates

The Elected Members have considered the information that is contained in this paper over a number of workshops. Rating methods available, proposed changes and likely impacts are detailed in this paper and are now provided for public consultation.

The changes proposed in this paper are:

- Increase the differential Rate in the Dollar (RID) for Vacant Land to 150% compared to the RID for Residential properties.
- Create two new rating categories for heavy industry based on a combination of Locality and Land Use being:
 - Employment Bulk Handling with the Land Use Commercial Other
 - Resource Extraction with the land Uses of Commercial Other and Industry Other.
 - Both of these rating categories to have a differential RID of 425% compared to the RID for Residential properties.
- Primary Production REFER TO APPENDIX ON MODELS

- Primary Production differential RID to gradually increase to xxx% of the Residential RID over a period of xxx years. REFER TO APPENDIX FOR OPTIONS (Model 5 provides an example of the Primary Production differential RID at 47% of the Residential RID for 2024/25).

The increased rates received from Vacant Land that are above inflation will be used to fund strategic projects.

The increased rates received from Heavy Industry properties that are above inflation will be used to fund road renewal projects.

The additional funds from the Primary Production properties that are above inflation will be used to fund identified Asset & Infrastructure Improvement and Renewal projects on the unsealed road network.

The proposed changes and their likely effect on Ratepayers are detailed in section 17 of this paper.

4. Support for Ratepayers

Changes to the way the Council sets its rates will result in some ratepayers paying higher rates than previously.

There is assistance for ratepayers who need help paying their rates due to these changes, and the following support is available:

- Payment Plans for ratepayers who apply for assistance.
- Seniors can postpone a portion of rates. The postponed portion would not require payment until a property is sold. Interest would still apply.
- Residents experiencing financial hardship may be eligible for further support based on the recommendation of a financial counsellor, whose services are available free of charge.

5. Consultation

It is important for the Council to receive feedback from the community when making decisions that affect ratepayers. The council is required to consult when reviewing rating methods, and your comments are very useful to help the Council understand the community and make decisions that soundly reflect your current and future needs.

The consultation will be open for the following period:

Wednesday 29th May to 5 pm Thursday 27th June.

5.1. Information Session

The Council will hold an information session. There will be a small presentation at this session to explain the changes, and members of the public will be able to ask questions and make submissions.

Ratepayers attending this session will be able to speak to staff to see the possible changes for their properties.

**Information Session: Wednesday 5th June at 5.30 pm
At the Minlaton Town Hall, 57 Main Street, Minlaton**

5.2. Public Meetings

The Council will hold a public meeting where members of the public can make submissions.

Public Meeting: Wednesday 26th June at 5.30 pm
At the Minlaton Town Hall, 57 Main Street, Minlaton

5.3. Submissions

Community members are invited to write submissions expressing their views on the future structure of the Council's basis of rating and the information contained within this consultation paper. Submissions will be accepted until **5 pm on Wednesday 29th May 2024**

Written Submissions to:

Chief Executive Officer
Yorke Peninsula Council
PO Box 57
Maitland SA 5573

Email: admin@yorke.sa.gov.au

Verbal submissions can be made at the Public Meeting on the 26th of June at 5.30 pm.

5.4. Further Information

Ratepayers can contact the Council and speak to the Rating Officer to see the possible changes for their properties.

Phone 8832 0000 and ask for the Rates Officer.

6. The Purpose of this Consultation Paper

The purpose of this consultation paper is to provide our community with information concerning the following, which the Council has considered as background to the proposed changes:

- Why Councils collect rates.
- Council's current rating methodology
- The legislative framework for setting Council rates.
- Rating options available
- The right option for Yorke Peninsula?
- Consultation Requirements

7. Why Councils Collect Rates

Councils are responsible for delivering a broad range of services to the community. The range of services continues to grow.

To support the provision of services and to improve the quality of life for the community, whether residential or business, Councils provide significant levels of infrastructure in the form of roads, drainage, buildings, parks, and recreation facilities. This infrastructure needs to be maintained and replaced. Councils also provide a vast range of other services to their communities.

Each Council provides unique services for their communities as different communities have different priorities. Councils are therefore faced with the challenges of:

- Establishing a level of infrastructure and services for its community
- Equitably distributing revenue raising that provides funding for infrastructure and services.

As each Council faces different circumstances and provides diverse services to its community, its revenue requirements likely differ from those of its neighbours. The capacity of each Council to raise revenue and how the ratepayers will share in providing the revenue will also be different in each Council.

7.1. Nature of Council Rates

Taxation is the primary source of revenue for Governments. Councils are responsible for raising their revenue through property taxation (Rates) and user charges as prescribed by legislation. Councils also receive Government grant funding.

Rates are a tax against the value of a property. The principle is that the more property, or the higher the property's value, the more you should pay. Many ratepayers will question the value they individually receive from their rates; however, rates are raised as a form of taxation for services for the whole community.

One problem with a property tax is that someone who owns a property with a high value may not have the income to pay a higher level of taxation. To address this, Councils have hardship policies that can be used to assist ratepayers who find it difficult to pay their rates.

7.2. Principles of Taxation

When setting taxes, Governments and Councils need to be mindful of the principles of taxation. The principles are:

- Equity – taxpayers with the same income pay the same tax (horizontal equity), and wealthier taxpayers pay more tax (vertical equity). With rating, this means those with higher-valued properties pay more rates.
- Benefit – taxpayers should receive some benefit from paying tax, but not necessarily to the extent of the tax paid. The community should receive the benefit from the tax.
- Ability-to-pay – in levying taxes, the ability of the taxpayer to pay the tax must be considered.
- Efficiency – if a tax is designed to change consumers' behaviour and the behaviour changes, the tax is efficient (e.g., tobacco taxes). If a tax is intended to be neutral in its effect on taxpayers and it changes taxpayers' behaviour, the tax is inefficient.
- Simplicity – the tax must be understandable, hard to avoid and easy to collect.

To some extent, these principles conflict with each other. Governments and Councils must balance the application of the principles, the policy objectives of taxation, the need to raise revenue and the effects of the tax on the community.

8. Legislative Framework for Setting Council Rates

The Act sets out the framework of Rating for Councils. The Act can be accessed at <https://www.legislation.sa.gov.au>.

The legislation outlines the following topics that are relevant for the Council when considering changing its basis of rating.

Chapter 10 – Rates and Charges

- **Part 1 – Rates and charges on land**
 - Division 1 - Preliminary
 - Division 2 – Basis of Rating
 - Division 3 – Specific characteristics of rates and charges
 - Division 4 – Differential rating and special adjustments
 - Division 5 – Rebates of rates
 - Division 6 – Valuation of land for the purpose of rating

Section 151(2) of the Act sets out that the value of the land for the purpose of rating is its capital value.

9. Rating Options Available

There are several alternative rating options available under the Act. The options that can be considered are:

- A General Rate
- A Differential Rate
- Fixed Charge
- Minimum Rate
- Separate Rates

All rating options provide different ways to distribute the cost of running the Council among ratepayers. Councils need to consider the profile and issues of their communities and determine the method that distributes the rates tax burden in the most appropriate manner for their community.

The following areas of this section explain how rates are calculated and how different rating options work.

9.1. How Rates Are Calculated

The example below shows how rates are calculated when a Council uses a Fixed Charge. Note that this is an example only.

Example:

- | | |
|--|------------------|
| • A council needs to raise rates of | \$27,000,000 |
| • The value of all the rateable properties in the Council is | \$13,000,000,000 |
| • Council Charges a Fixed Charge of | \$410 |
| • The number of properties that pay a Fixed Charge | 12,000 |

Rates Raised from the Fixed Charge = 12,000 x \$410	\$4,920,000
---	-------------

The Council still needs to raise the remaining rates.

i.e. \$27,000,000 rates needed less what has already been raised. from the Fixed Charge = \$27,000,000 less \$4,920,000	\$22,080,000
--	--------------

The rates still needed are then divided by the total property values to get the Rate in the Dollar (RID)

$$= \$22,080,000 \text{ divided by } \$13,000,000,000 \qquad 0.001698$$

The Rate in the Dollar is 0.001698

The Rate in the Dollar (RID) is then adjusted to provide for rebates and any higher or lower differentials allocated against specific categories of ratepayers. If one group of ratepayers pay a lower RID, then the other ratepayer groups will pay a higher RID.

For the example below, the RID has not been adjusted.

A property with a Value of \$300,000 would have the following rate calculation:

Fixed Charge	\$410
Property Valuation of \$300,000 x RID of .001698	<u>\$510</u>
 Total Rates	 \$920

If the value of all or some of the properties increases and the Council still needs to raise the same amount of rates, the RID will decrease. Council does not receive additional rates when values go up; however, valuation changes are not uniform across all types of properties, and this may result in some properties paying more rates and some paying less than previously.

Moving from Site to Capital results in a higher valuation used for this calculation than when using Site Value, resulting in a lower RID.

9.2. A General Rate

All properties are charged the same RID, regardless of Land Use or Locality. This is very simple to administer.

9.3. A Differential Rate

This means there are different RIDs set for different categories of properties. A Council can use either Land Use, Locality (Zones), or a combination. Differentiating properties based on Locality and Land Use are described below.

A differential rate allows a Council to structure their rating strategy more closely with its community's needs and profile and to use rating as a tool to assist in achieving the Council's strategic goals.

9.3.1. Locality

Rating by Locality is rating according to where a property is located. The Development Zone determines the locality of the property. For example, some Councils set a different RID for different townships or whether a property is inside or outside a township(s).

9.3.2. Land Use

This is where the RID is set depending on what the property is used for. The Land Use types in accordance with the Local Government Regulations and as determined by the Valuer General are:

- Residential
- Commercial (Shop)

- Commercial (Office)
- Commercial (Other)
- Industrial (Light)
- Industrial (Other)
- Primary Production
- Vacant Land
- Other
- Marina Berths

Differential rates based on Land Use can make it easier for a Council to understand what factors are impacting different types of ratepayers and how different rating strategies are affecting them.

Differentials can also be used based on Locality and Land Use combinations, and Councils that use this combination can have more complex rating structures.

Differential rates allow a Council to set policy direction regarding their rating, such as:

- A Lower RID to assist or encourage a specific type of Land Use.
- A higher RID to deter a specific type of land use or as an acknowledgement that a particular land use group needs to pay a higher contribution to the rate burden for the community.

9.4. Fixed Charge

Under this system, a fixed amount is first applied evenly against all ratepayers. The remaining amount of rate revenue required is then divided by the total valuations of all the properties to result in the RID. Properties are charged the Fixed Charge + the rate calculation.

The Act states that a Council must not seek to set a Fixed Charge at levels that will raise more than 50% of all general rate revenue.

The effect of a Fixed Charge is a lower rate in the dollar, so higher-valued properties pay less than they would if there were no Fixed Charge, and lower-valued properties pay more.

Developers with several adjoining blocks will only pay one Fixed Charge, and all the remaining properties will be charged at the lower Rate in the dollar.

Contiguous Land provisions within the Act provide that only one fixed Rate is payable across adjoining land owned and occupied by the same ratepayer (as if they were one property).

Single Farm Enterprises are only subject to one Fixed Charge (where applicable).

9.5. Minimum Rate

A minimum rate is only applied where the calculated rates (valuation x RID) is lower than a point that the Council has set as a minimum to pay. This ensures that all ratepayers pay at least a certain amount.

The legislation specifies that the number of properties on the minimum rate cannot exceed 35% of the total number of properties.

Contiguous Land provisions within the Act provide that only one Minimum Rate is payable across adjoining land owned and occupied by the same ratepayer (as if they were one property). Developers with adjoining blocks will have only one Minimum applied.

Single Farm Enterprises are also only subject to one Minimum Rate (where applicable).

9.6. Separate Rates

A Council can set a Separate Rate for the whole or part of an area for the purpose of planning, carrying out, making available, supporting, maintaining, or improving an activity that is of particular benefit to the occupiers of the land within that area.

Separate Rates are not being considered as part of this Rating Review.

10. Service Rates & Charges

A service charge is raised where a service is provided. Councils often raise service charges for the following:

- Treatment of water, i.e., Community Wastewater Management System (CWMS)
- Collection of domestic waste, i.e., Mobile Garbage Bin Collection
- Provision of Water

The legislation provides that Service Rates and charges must cover the costs of the services provided, including the cost of replacement infrastructure, such as replacing pipes and pumps within a Community Wastewater Management System.

No changes to Service Rates and Charges are being considered as part of this Rating Review.

11. Non-Rateable Properties

Section 147 of the Act sets out the land which is exempt from rates as being:

- Crown Land
- Land held by the Crown or an instrumentality of the Crown for a public purpose.
- Land occupied by a university.
- Land exempt from rates and taxes under the Recreation Grounds Rates and Taxes Exemption Act 1981
- Land occupied by the Council except where under a lease or licence.
- Land occupied by a subsidiary.
- Land occupied or held by an emergency service organisation.
- Land exempt from Council rates by another Act

Non-rateable properties will still incur Service Rates and Charges.

12. Rate Rebates

The Act requires Councils to rebate the rates payable for certain Land Uses ('Mandatory' Rate Rebates):

- Section 160 – Health Services
- Section 161 – Community Services
- Section 162 – Religious Purposes
- Section 163 – Public Cemeteries
- Section 164 – Royal Zoological Society of SA
- Section 165 – Educational Purposes

Councils also have a general power to grant discretionary rebates and remissions in accordance with Sections 166 & and 182 of the Local Government Act 1999. The exercise of this power allows for the following:

- Local discretion
- The pursuit of local policy objectives
- Assistance to community organisations
- Assistance to local businesses
- Assistance in the case of hardship

Councils can provide Rate Rebates for many reasons, including to assist ratepayers:

- To support certain activities
- Where there are significant increases in valuations for only some properties, resulting in substantial increases in rates.
- Where there is a change in the basis of rating, some ratepayers may face significant rate increases.

The Council must be mindful that when providing rebates, the same level of rates is still required for the Council's budget. If some ratepayers are provided rebates, all the other ratepayers will need to pay more.

12.1. Postponement of Rates

12.1.1. Hardship

Councils can wholly or partially postpone rates based on hardship in accordance with Section 182 of the Act.

12.1.2. Businesses

Councils can grant postponements of rates to assist or support a business in its area.

12.1.3. Seniors

Ratepayers who hold a Seniors Card can apply to the Council to postpone payment of the portion of rates on their principal place of residence that exceeds \$500. A Council may reject an application for a postponement if the amount postponed exceeds 50% of the capital value of the land. Postponed rates remain a charge on the land and are only required to be repaid once the property is sold or disposed of.

Interest accrues on the amount affected by the postponement in accordance with the prescribed interest rate.

12.2. Unusual Events

Councils may assist ratepayers affected by unusual events by postponing payments, not charging fines and interest, or offering rebates. Unusual events can include:

- Fire
- Flood
- Drought
- Pandemic

13. Yorke Peninsula Council's Current Rating System

13.1. Land Valuation

The Yorke Peninsula Council uses Capital Valuations provided annually by the Valuer-General to rate property within its area.

The Capital Value includes the land's value and any improvements to the land (such as housing). This method results in higher-valued properties (such as land with a larger, more expensive house) being rated higher than lower-valued properties (such as land with a small house).

The Valuer-General analyses the sales of all property types to determine market movements, if any. This analysis of sales happens continuously throughout the year. The Valuer-General advises that different market movements can occur amongst varying property types and localities.

Certain properties may be eligible for a notional (concessional) value under the *Valuation of Land Act 1971*. This can relate to certain primary production land or where there is a state heritage recognition. A notional value is generally less than the capital value and will reduce rates.

13.2. Differential Rates Based on Land Use

The Council currently calculates its rates depending on the differential factors of Land Use. The categories and the current RID for 2023/24 are set out in the following table;

The Rate in Dollar (RID) Declared for 2023/24	Rating Category
.00263238	Residential Land Use
.00263238	Commercial Shop Land Use
.00263238	Commercial Office Land Use
.00263238	Commercial Other Land Use
.00263238	Industry Light Land Use
.00263238	Industry Other Land Use
.00120004	Primary Production Land Use
.00263238	Vacant Land, Land Use
.00263238	Other Land Use
.00263238	Marina Berths

13.3. Fixed Charge

The Council declares a Fixed Charge, being \$410 for 2023/24. Rates are calculated by levying the Fixed Charge against each property and then multiplying the property value by the rate in the dollar. The two calculations are added together.

14. The Yorke Peninsula Council Profile

14.1. Australian Bureau of Statistics

Understanding the community profile is essential before making decisions affecting the community. The Australian Bureau of Statistics has considerable data that can be used. The data only reflects the 'permanent' residents of the district. The table below shows some of the data for the Council area.

Note that percentages in the following tables do not always add up to 100% as not all data is included, and some census respondents did not respond in all categories.

People

ABS data published in 2021, 2022 and 2023	Yorke Peninsula
Estimated Resident Population (2022)	11,921
Percentage of Population of Working Age (15 to 64 years) (2022)	50%
People 65 and older (2022)	35%
Pensioners – Age Pension (2023)	2,545
People on Job Seeker (2023)	608
Family Households (2021)	
<ul style="list-style-type: none"> Couple families without children 	1,986
<ul style="list-style-type: none"> Couple families with non-dependent children 	180
<ul style="list-style-type: none"> Couple families with children under 15 or dependent students 	660
<ul style="list-style-type: none"> One-parent families with children under 15 or dependent students 	175
<ul style="list-style-type: none"> One-parent families with non-dependent children 	128
Access to the Internet at home	72%

Income

ABS data published in 2021	Yorke Peninsula
Median household income - Year	
<ul style="list-style-type: none"> Earning \$1-\$499 per Week (\$52 to \$25,948 per year) 	30%
<ul style="list-style-type: none"> Earning \$500-\$999 per Week (\$26,000 to \$51,948 per year) 	31%
<ul style="list-style-type: none"> Earning \$1000-\$1999 per Week (\$52,000 to \$103,948 per year) 	21%
<ul style="list-style-type: none"> Earning \$2000-\$2999 per Week (\$104,000 to \$144,948 per year) 	4%
<ul style="list-style-type: none"> Earning \$3000 or more per Week (\$156,000 or more per year) 	2%
<ul style="list-style-type: none"> Earning nil income 	2%

Expenses

ABS data published in 2021	Yorke Peninsula
Median Household Mortgage Repayments (month) (year)	\$997 \$11,964
<i>Note that interest rates are higher in 2023 and 2024</i>	
Median Household Rental Payments (week) (year)	\$200 \$10,400
<i>Note that Rental Increases have occurred across Australia in 2023 and 2024</i>	
Private dwellings (2021)	
<ul style="list-style-type: none"> Owned outright 	2,728
<ul style="list-style-type: none"> Owned with a mortgage 	1,092
<ul style="list-style-type: none"> Rented 	857
Mortgage and Rent affordability (2021) – <i>Interest and Rent have increased considerably across Australia since 2021.</i>	
<ul style="list-style-type: none"> Households where mortgage payments are more than 30% of income 	13%
<ul style="list-style-type: none"> Households where rent payments are more than 30% of income 	28%

Business

ABS data published in 2021 and 2022	Yorke Peninsula
Number of Businesses (2022)	1,371
Types of Businesses (Most Common)	
<ul style="list-style-type: none"> Agriculture – Gross Production in 2021 was \$434.1m, employed 24% of workers 	582
<ul style="list-style-type: none"> Rental, Hiring and Real Estate 	216
<ul style="list-style-type: none"> Construction 	124
<ul style="list-style-type: none"> Retail Trade 	85
<ul style="list-style-type: none"> Accommodation & Food Services 	61
Turnover of Businesses (2022)	
<ul style="list-style-type: none"> \$10m or more 	4
<ul style="list-style-type: none"> \$5m to less than \$10m 	17
<ul style="list-style-type: none"> \$2m to less than \$5m 	108
<ul style="list-style-type: none"> \$200k to less than \$2m 	623
<ul style="list-style-type: none"> \$50k to less than \$200k 	413
<ul style="list-style-type: none"> Less than \$50k 	200
Main Industries of Employment	
<ul style="list-style-type: none"> Agriculture 	24%
<ul style="list-style-type: none"> Health Care and Social Assistance 	11%
<ul style="list-style-type: none"> Retail Trade 	9%
<ul style="list-style-type: none"> Education and Training 	8%

Socio-economic Index

The Australian Bureau of Statistics produces Socio-economic Indices from census data. An area could be considered disadvantaged if there were many households with low incomes, many people with no qualifications or many people in low-skill occupations.

The latest socioeconomic indices are from the 2021 census data. We have used the Index of Relative Socio-Economic Disadvantage for the information in this section. With this index, higher scores are areas with less disadvantage, and lower scores are areas with more disadvantage.

The council with the highest score (least disadvantaged) in the state is Burnside, with a score of 1,083. The council with the lowest score (most disadvantaged) is Peterborough, with a score of 773.

Yorke Peninsula Council has an overall score of 952, with 46 councils having a higher score and 21 councils having a lower score.

However, there is quite a range of scores across the council, as shown in the table below (this information is about residents, not people who might own property in these areas but not live there).

Council	Score
Peterborough	773 (most disadvantaged)
Yorke Peninsula	952
Burnside	1,083 (least disadvantaged)
Yorke Peninsula Suburb	Score
Point Pearce	428 (most disadvantaged)
Clinton	881
Edithburgh	895
Warooka	900

Marion Bay	914
Port Victoria	937
Ardrossan	941
Yorketown	942
Minlaton	945
Maitland	950
Corny Point	959
Price	972
Stansbury	974
Port Vincent	993
Point Turton	994
Black Point	1,014
Arthurton	1,041
Wauraltee	1,048
Balgowan	1,081

14.2. Our Properties

The table below shows the average, lowest and highest value for each rating category for 2023/24 and also with the latest valuations for 2024/25. Valuations will continue to be adjusted by the Valuer General until the Council adopts their rates. Therefore, the figures for 2024/25 will change.

Rating Category	2023/24 Values			Indicative 2024/25 Values		
	Average	Lowest	Highest	Average	Lowest	Highest
Residential	334,939	2,000	2,175,000	386,372	28,714	2,175,000
Commercial Shop	215,250	33,456	3,000,000	217,418	31,415	3,300,000
Commercial Office	146,953	44,607	414,189	172,070	35,000	455,608
Commercial Other	294,693	240	3,600,000	339,587	260	3,950,000
Industry Light	184,647	77,000	320,000	196,817	85,000	350,000
Industry Other	412,923	2,200	2,860,001	377,771	33,000	1,775,000
Primary Production	2,440,628	240	21,300,000	2,987,937	300	25,150,000
Vacant Land	144,873	3,600	680,000	167,231	2,200	780,000
Other	187,604	5,000	2,457,993	204,806	2,200	2,697,797
Marina Berths (total)	2,860,001	2,860,001	2,860,001	3,140,001	3,140,001	3,140,001
Heavy Industry	3,893,864	64,773	16,950,000	4,136,955	71,591	18,650,000

15. Issues and Impact of the Current Rating System on the Community

In Yorke Peninsula, the differential RID for Primary Production is low compared to other councils. The South Australian Grants Commission provides the following information: (the differential percentage compares the RID for a category against the Residential RID).

Rating Category	State Average RID	State Average Differential	Yorke RID	Yorke Differential
Residential	.0037	100%	.0026	100%
Commercial	.0066	178%	.0026	100%
Industrial	.0078	211%	.0026	100%
Rural/Primary Production	.0033	89%	.0012	46%
Other	.0043	116%	.0026	100%

In Yorke Peninsula:

Residential properties are 29% of the total value of all properties and provide 52% of the rates.
 Primary Production properties are 57% of the total value and provide 40% of the rates.

The table below shows the average differentials for country councils across the state;

Rating Category	Average Differential
Residential	100%
Commercial Shop	125%
Commercial Office	126%
Commercial Other	129%
Industry Light	131%
Industry Other	129%
Primary Production/Rural	85%
Vacant Land	143%
Other	106%
Silos (7 councils)	426%
Employment Zone – Industry Other (1 council)	982%
Heavy Industry (various combinations of locality) (1 council)	1,387%

16. Rating Structure – Potential Changes and the Impact

All country councils in South Australia face challenges with funding required infrastructure and services. The Council has considered these challenges along with the information contained in this paper over a number of workshops.

The Council's current rating system has been in place for many years, and the Council wishes to review its basis for rating to develop some rating principles that achieve some key objectives.

The Council wishes to work towards equity in rating across different rating categories but also taking into account the following:

- acknowledgement of the impact on the Council's road infrastructure from heavy industry activities
- encourage the building of housing and discourage the potential for 'land banking'.

The changes proposed are:

- Increase the differential Rate in the Dollar (RID) for Vacant Land to 150% compared to the RID for Residential properties.
- Create two new rating categories for heavy industry based on a combination of Locality and Land Use being:

- Employment Bulk Handling with the Land Use Commercial Other
- Resource Extraction with the land Uses of Commercial Other and Industry Other.
- Both of these rating categories to have a differential RID of 425% compared to the RID for Residential properties.
- Primary Production REFER TO APPENDIX ON MODELS
- Primary Production differential RID to gradually increase to xxx% of the Residential RID over a period of xxx years. REFER TO APPENDIX FOR OPTIONS (Model 5 provides an example of the Primary Production differential RID at 47% of the Residential RID for 2024/25.

The increased rates received from Vacant Land that are above inflation will be used to fund strategic projects.

The increased rates received from Heavy Industry properties that are above inflation will be used to fund road renewal projects.

The additional funds from the Primary Production properties that are above inflation will be used to fund identified Asset & Infrastructure Improvement and Renewal projects on the unsealed road network.

17. Likely Impact on Ratepayers

The information in this section shows the effect of the proposed changes compared to the current 23/24 Rates.

The rating categories, differential and RID, are shown in the table below. The RID is indicative only as the Valuer General will update property valuations before the Council sets its rates for 2024-25, and changes in final valuations will change the RID.

Finish tables once the Council determines which model goes to consultation.

Rating Category	RID compared to Residential	Rate in Dollar (RID) (Indicative)
Residential		
Commercial Shop		
Commercial Office		
Commercial Other		
Industrial Light		
Industrial Other		
Primary Production		
Vacant Land		
Other		
Marina Berths		
Heavy Industry		

The table below shows the number of properties where rates will increase and the number where rates will decrease for each rating category.

Rating Category	Number of Properties that Decrease	Number of Properties that Increase
Residential		
Commercial Shop		
Commercial Office		
Commercial Other		
Industrial Light		
Industrial Other		
Primary Production		
Vacant Land		
Other		
Marina Berths		
Heavy Industry		

The table shows the property with the most significant decrease and increase in each rating category and the average change. All other properties have changed between these two extremes.

Rating Category	One property has the greatest decrease of \$	One property has the highest increase of \$	Average Change \$	Average Change %
Residential				
Commercial Shop				
Commercial Office				
Commercial Other				
Industrial Light				
Industrial Other				
Primary Production				
Vacant Land				
Other				
Marina Berths				
Heavy Industry				

Ratepayers attending the information session will be able to see how their individual property will likely be affected. Ratepayers unable to attend the consultation session can contact the Council and ask how their property will likely be affected.

18. Consultation Requirements

18.1. Legislative Requirements for Consultation

There is a legal requirement for Councils to consult with their communities when considering changes to their rating methodology.

S151 (5) of the Act states that a Council must prepare a report before:

- changing the basis of rating of any land or
- changing the basis on which land is valued for rating purposes or
- imposing separate rates, service rates or service charges,

S 151(7) of the Act states that the Council must follow the steps of its public consultation policy but must at least:

- Publish a notice.
 - Describing the proposed change
 - Notifying that a Rate Review Report is being prepared.
 - Inviting interested persons to
 - attend a public meeting.
 - make written submissions.
- Organise a public meeting, which must be held at least 21 days after the publication of the notice.
- Ensure copies of the report are available.
 - at the meeting
 - during the consultation period
 - for inspection at the Council's office for free or
 - for purchase for a fee set by the Council

The Council must consider any written submissions received during consultation and any verbal submissions made at the public meeting.

Information to be input into Consultation Paper once Rating Model determined. – Only Primary Production changes.

Model 1 – 2% Road Maintenance and Renewal Loading

Extra from Primary Production above Council nominated inflation: \$447,186 (as per LTFP & draft ABP)

Amount above Council nominated inflation through Vacant Land: \$436,355

Amount above Council nominated inflation through Heavy Industry properties: \$318,355

Rating Category	RID compared to Residential	Rate in Dollar (RID) (Indicative)
Residential	100%	0.00253241
Commercial Shop	100%	0.00253241
Commercial Office	100%	0.00253241
Commercial Other	100%	0.00253241
Industrial Light	100%	0.00253241
Industrial Other	100%	0.00253241
Primary Production	40%	0.001009338
Vacant Land	150%	0.003798616
Other	100%	0.00253241
Marina Berths	100%	0.00253241
Heavy Industry	425%	0.010762744

Rating Category	Number of Properties that Decrease	Number of Properties that Increase
Residential	306	8,648
Commercial Shop	24	120
Commercial Office	7	17
Commercial Other	44	198
Industrial Light	6	17
Industrial Other	1	33
Primary Production	1,170	1,880
Vacant Land	3	1,524
Other	10	63
Marina Berths	-	1
Heavy Industry	-	9

Rating Category	One property has the greatest decrease of \$	One property has the highest increase of \$	Average Change \$	Average Change %
Residential	-224	1,201	100	7%
Commercial Shop	-302	497	26	3%
Commercial Office	-15	138	22	2%
Commercial Other	-215	440	42	3%
Industrial Light	-27	227	33	5%
Industrial Other	-13	462	68	8%
Primary Production	-2,030	3,583	203	8%
Vacant Land	-56	2,173	259	37%
Other	-93	167	5	11%
Marina Berths	13	13	13	0%
Heavy Industry	600	156,106	34,275	288%

Model 2 - 3% Road Maintenance and Renewal Loading

Extra from Primary Production above Council nominated inflation: \$223,593 + (\$447,186 included in LTFP & draft ABP)

Amount above Council nominated inflation through Vacant Land: \$436,355

Amount above Council nominated inflation through Heavy Industry properties: \$318,355

Rating Category	RID compared to Residential	Rate in Dollar (RID) (Indicative)
Residential	100%	0.00253241
Commercial Shop	100%	0.00253241
Commercial Office	100%	0.00253241
Commercial Other	100%	0.00253241
Industrial Light	100%	0.00253241
Industrial Other	100%	0.00253241
Primary Production	41%	0.001033786
Vacant Land	150%	0.003798616
Other	100%	0.00253241
Marina Berths	100%	0.00253241
Heavy Industry	425%	0.010762744

Rating Category	Number of Properties that Decrease	Number of Properties that Increase
Residential	306	8,648
Commercial Shop	24	120
Commercial Office	7	17
Commercial Other	44	198
Industrial Light	6	17
Industrial Other	1	33
Primary Production	741	2,309
Vacant Land	3	1,524
Other	10	63
Marina Berths	-	1
Heavy Industry	-	9

Rating Category	One property has the greatest decrease of \$	One property has the highest increase of \$	Average Change \$	Average Change %
Residential	-224	1,201	100	7%
Commercial Shop	-302	497	26	3%
Commercial Office	-15	138	22	2%
Commercial Other	-215	440	42	3%
Industrial Light	-27	227	33	5%
Industrial Other	-13	462	68	8%
Primary Production	-1,991	3,801	276	11%
Vacant Land	-56	2,173	259	37%
Other	-93	167	5	11%
Marina Berths	13	13	13	0%
Heavy Industry	600	156,106	34,275	288%

Model 3 - 4% Road Maintenance and Renewal Loading

Extra from Primary Production above Council nominated inflation: \$447,467 + (\$447,467 included in LTFP & draft ABP)

Amount above Council nominated inflation through Vacant Land: \$436,355

Amount above Council nominated inflation through Heavy Industry properties: \$318,355

Rating Category	RID compared to Residential	Rate in Dollar (RID) (Indicative)
Residential	100%	0.00253241
Commercial Shop	100%	0.00253241
Commercial Office	100%	0.00253241
Commercial Other	100%	0.00253241
Industrial Light	100%	0.00253241
Industrial Other	100%	0.00253241
Primary Production	42%	0.001058247
Vacant Land	150%	0.003798616
Other	100%	0.00253241
Marina Berths	100%	0.00253241
Heavy Industry	425%	0.010762744

Rating Category	Number of Properties that Decrease	Number of Properties that Increase
Residential	306	8,648
Commercial Shop	24	120
Commercial Office	7	17
Commercial Other	44	198
Industrial Light	6	17
Industrial Other	1	33
Primary Production	432	2,618
Vacant Land	3	1,524
Other	10	63
Marina Berths	-	1
Heavy Industry	-	9

Rating Category	One property has the greatest decrease of \$	One property has the highest increase of \$	Average Change \$	Average Change %
Residential	-224	1,201	100	7%
Commercial Shop	-302	497	26	3%
Commercial Office	-15	138	22	2%
Commercial Other	-215	440	42	3%
Industrial Light	-27	227	33	5%
Industrial Other	-13	462	68	8%
Primary Production	-1,953	4,142	349	13%
Vacant Land	-56	2,173	259	37%
Other	-93	167	5	11%
Marina Berths	13	13	13	0%
Heavy Industry	600	156,106	34,275	288%

Model 4 - 5% Road Maintenance and Renewal Loading

Extra from Primary Production above Council nominated inflation: \$670,779 + (\$447,186 included in LTFP & draft ABP)

Amount above Council nominated inflation through Vacant Land: \$436,355

Amount above Council nominated inflation through Heavy Industry properties: \$318,355

Rating Category	RID compared to Residential	Rate in Dollar (RID) (Indicative)
Residential	100%	0.00253241
Commercial Shop	100%	0.00253241
Commercial Office	100%	0.00253241
Commercial Other	100%	0.00253241
Industrial Light	100%	0.00253241
Industrial Other	100%	0.00253241
Primary Production	43%	0.001082681
Vacant Land	150%	0.003798616
Other	100%	0.00253241
Marina Berths	100%	0.00253241
Heavy Industry	425%	0.010762744

Rating Category	Number of Properties that Decrease	Number of Properties that Increase
Residential	306	8,648
Commercial Shop	24	120
Commercial Office	7	17
Commercial Other	44	198
Industrial Light	6	17
Industrial Other	1	33
Primary Production	308	2,742
Vacant Land	3	1,524
Other	10	63
Marina Berths	-	1
Heavy Industry	-	9

Rating Category	One property has the greatest decrease of \$	One property has the highest increase of \$	Average Change \$	Average Change %
Residential	-224	1,201	100	7%
Commercial Shop	-302	497	26	3%
Commercial Office	-15	138	22	2%
Commercial Other	-215	440	42	3%
Industrial Light	-27	227	33	5%
Industrial Other	-13	462	68	8%
Primary Production	-1,914	4,550	422	16%
Vacant Land	-56	2,173	259	37%
Other	-93	167	5	11%
Marina Berths	13	13	13	0%
Heavy Industry	600	156,106	34,275	288%

Model 5 – Primary Production RID same as 23/24

Extra from Primary Production above Council nominated inflation: \$1,753,219 + (\$447,186 included in LTFP & draft ABP)

Amount above Council nominated inflation through Vacant Land: \$436,355

Amount above Council nominated inflation through Heavy Industry properties: \$318,355

Rating Category	RID compared to Residential	Rate in Dollar (RID) (Indicative)
Residential	100%	0.00253241
Commercial Shop	100%	0.00253241
Commercial Office	100%	0.00253241
Commercial Other	100%	0.00253241
Industrial Light	100%	0.00253241
Industrial Other	100%	0.00253241
Primary Production	47%	0.00120004
Vacant Land	150%	0.003798616
Other	100%	0.00253241
Marina Berths	100%	0.00253241
Heavy Industry	425%	0.010762744

Rating Category	Number of Properties that Decrease	Number of Properties that Increase
Residential	306	8,648
Commercial Shop	24	120
Commercial Office	7	17
Commercial Other	44	198
Industrial Light	6	17
Industrial Other	1	33
Primary Production	230	2,820
Vacant Land	3	1,524
Other	10	63
Marina Berths	-	1
Heavy Industry	-	9

Rating Category	One property has the greatest decrease of \$	One property has the highest increase of \$	Average Change \$	Average Change %
Residential	-224	1,201	100	7%
Commercial Shop	-302	497	26	3%
Commercial Office	-15	138	22	2%
Commercial Other	-215	440	42	3%
Industrial Light	-27	227	33	5%
Industrial Other	-13	462	68	8%
Primary Production	-1,729	6,510	772	27%
Vacant Land	-56	2,173	259	37%
Other	-93	167	5	11%
Marina Berths	13	13	13	0%
Heavy Industry	600	156,106	34,275	288%



COMMUNITY ENGAGEMENT PLAN: GENERAL RATE REVIEW

SF215
 Responsible Officer: Community Development & Engagement Officer
 Issue Date: 09/12/2021
 Next Review Date: December 21

PROJECT NAME:

Stakeholders	Level 1 INFORM	Level 2 CONSULT	Level 3 PARTICIPATE	Level 4 COLLABORATE	Responsibility	Start Date	End Date	Status	Evaluation Method
residents			Public Notice		Manager Financial Services	29/05/2024	27/06/2024	NS	# submissions received
residents			Website		Community Development & Engagement Officer	29/05/2024	27/06/2024	NS	# webpage hits
residents			Social Media		Community Development & Engagement Officer	29/05/2024	27/06/2024	NS	# engagements
residents			Information Session		Manager Financial Services	5/06/2024	5/06/2024	NS	# submissions received
residents			Ability to appear before Council		Manager Financial Services	26/06/2024	26/06/2024	NS	# presentations made

9 NEW AND EMERGING RISKS / ISSUES

10 GENERAL BUSINESS

11 NEXT MEETING

Tuesday 24 September 2024

12 CLOSURE